West Lindsey District Council

Budget Book 2017/18 to 2021/22

A financial outlook and Budgetary Forecast.

THE FINANCIAL STRATEGY & MEDIUM TERM FINANCIAL PLAN 2017/18 TO 2021/22

List of Appendices

THE FINANCIAL STRATEGY
AND
MEDIUM TERM FINANCIAL PLAN 2017/18 – 2021/22

THE FINANCIAL STRATEGY

Executive Summary

1. Introduction

The Medium Term Financial plan is the primary strategic financial document for this Authority. This document will set out the national and local context, the commitments of the Authority to future service and capital development and establish the principles on which financial decisions will be made within available resources.

This document will also meet a number of regulatory requirements:

A - The requirement for the local Authority to agree a balanced budget for each financial year prior to the start of that year.

B – The requirement for the local Authority to establish the level of Council Tax for the coming year on the basis of that budget.

C - Meet best practice (supported by CIPFA) by setting out the coming year's budget within a Medium Term Financial Plan (MTFP).

Over the last four years West Lindsey has reduced its expenditure by £4.4m and held Council Tax in three out of the last five years whilst still providing award winning services to our residents.

This MTFP provides a five year time horizon for West Lindsey District Council and sets out a high level financial strategy and where possible proposals being considered to deliver a sustainable budget position.

2. Overview and Vision

This document provides an analysis of the financial state of the organisation and proposals for how the financial strategy will deliver the Corporate Plan and vision for the Authority.

The vision the Authority has, is for:

'West Lindsey to be seen as a place where people want to live, work invest and visit.'

The Corporate Plan identifies future priorities and outcomes which are based on evidence of assessments, surveys and key statistics such as deprivation and health related matters.

The Corporate Plan also details the values which guide our working:

- Delivering a surplus to re-invest
- Investing in communities

- Delivering customer focussed priorities
- Generating growth

and sets out or approach based on the Entrepreneurial Model of:

- Investing in communities to help themselves and others
- A more commercial Council
- A modern, innovative and collaborative Council

The Corporate Plan aims to deliver this vision through six priority Themes:

- Open for Business
- People First
- Asset Management
- Local Plan
- Partnerships/Devolution
- Excellent Value for Money Service

3. Context and strategy

a. National Context

The last twelve months have seen a number of significant changes for the UK. Since the voting population indicated a desire to leave the European Union in the June Referendum there has been a range of ramifications. There has been a change of Prime Minister, a reduction in the value of sterling against other currencies and a range of views developed about the nature of our departure from the EU.

The new government has removed the commitment to a balanced budget within this parliament, maintenance of the reduced expenditure for Local Government and an indication that Education will begin to see its available resources reduced. There is still a commitment to maintain Health and Defence budgets but it is clear that Health is struggling to maintain services within the current budget envelope. The Government has also determined that Local Government will become ‘self-financing’ through Council Tax and Business Rates within this Parliament.

On a policy level the Government has shown an emphasis on Housing and Homelessness through the recently introduced Housing and Planning Act, which has been supported by the new HCA (Homes and Communities Agency) funding programmes and the continued development of OPE (One Public Estate) which requires Council’s to look at how to maximise the benefit of public property for the benefit of the wider public sector.

The policy position also extends into the national Industrial Strategy which is expected to provide support to target sectors such as agri-food and manufacturing.

At a regional level the Industrial Strategy has led to the establishment of the concept of the ‘Midlands Engine Room’ as a focus for developing the economy across the Midlands. It is expected that there will be announcements in February pertaining to the Single Local Growth Fund 3 via the Greater Lincolnshire Local Enterprise Partnership.

The provisional financial settlement announced in December 2016 continued the new methodology (introduced in 2015) for the distribution of resources which has led to the Shire Counties (and districts) experiencing a larger reduction than other local authorities. Figures produced by the SPARSE lobby group suggest the Shire Counties have seen a reduction of 31% whilst the Metropolitan Boroughs have seen a reduction of 22%.

Whilst the Government has agreed the four year settlement for RSG, RSDG and Transition Grant it has made significant changes to the New Homes Bonus distribution. In order to switch resources from NHB to the Better Care Fund and bringing forward some of its future commitments from last year, the overall national budget for NHB has been reduced by £241m, whilst funding for 2018/19 and 2019/20 remains at the pre-announced levels. Other changes to the scheme include:

Funding will be reduced from 6 years to 5 years' of payments in 2017/18

Funding will then reduce to 4 years' from 2018/19 onwards

From 2018/19, the government will consider withholding payments from local authorities that are not *"planning effectively, by making positive decisions on planning applications and delivering housing growth".*[1]

A consultation is planned regarding withholding payments for homes that are built following an appeal.

[*Significant lobbying by ourselves, our local MP, Sir Edward Leigh and the SPARSE network led to changes in the final settlement announced in February 2016.*

The Local Context below is based on the final settlement position.]

b. <u>Local Context</u>

In 2017/18 West Lindsey District Council has seen a further reduction in Revenue Support Grant (RSG) of 54.9% although this continues to be remediated to some degree by the separation of the Rural Services Delivery Grant (RSDG). This has also been reduced from the 2016/17 level, taking our overall reduction between 2016/17 and 2017/18 to 14%.

Whilst our plans to date have been based on the reduction of RSG to zero by 2020/21 the four year settlement, which has been sustained in the provisional settlement, reduces our RSG to nil by 2019/20.

The new Chancellor has committed to continuing with plans to deliver 100% retention of Business Rates by the end of this parliament or earlier. This process will be accompanied by the delegation of further duties expected to be funded from the increased retention and will not offer any replacement for the lost RSG. Further consultation on this issue is expected in the near future.

The changes to New Homes Bonus will reduce our expected income, based on the years already announced, by £377k. The lost income due to the changes on future years has not been calculated as the growth element is unknown but it can be assumed as being equivalent to a single year impact in the region of £250k per year. Given that this funding has been

[1] Taken from the Minister's statement

earmarked for investment in housing and regeneration since 2011/12 it will have a significant impact on our ability to fund future growth projects.

c. Funding Assumptions

The Comprehensive Spending Review 2015 made a four year proposal to Local Authorities. Council agreed in October 2016 to submit our efficiency plan to qualify for the four year deal. In total 97% of Local Authorities signed up for the four year deal.

It was intended that the four year deal would provide some certainty over future funding arrangements however the Business Rates and New Homes Bonus arrangements were not included.

We will not know the full implications of the local retention of Business Rates and the new duties to be delegated to Local Authorities, until a full consultation exercise has been undertaken. It is clear that there will need to be a mechanism for equalisation of Business Rates on a national basis and we await to see what the review over the next year will deliver.

d. Corporate Priorities and Dependencies

This MTFP is based on the delivery of the Corporate Plan priorities (as shown above), the Commercial Plan and the growth initiatives currently being developed. The implications of these strategies, alongside the commitment to deliver excellent services is the basis on which this MTFP has been developed.

Two key plans include the Commercial Plan and the Growth and Regeneration Plan; the key objectives of which are summarised below.

The Commercial objectives are:

- Developing new trading opportunities
- Securing external funding
- Enhancing land and property assets and to attract additional council tax and NNDR
- Developing a more commercial culture

The growth strategies are designed to be housing led, to create a self-sustaining growth area and include:

- Delivery of 800 new homes on brown field sites
- Support and quicken the pace of delivery in the Gainsborough Southern and Northern Neighbourhoods
- Provide a critical mass of population living/using the town
- Re-development of strategic brownfield sites
- Capitalising on the towns relationship with the river to drive land values
- Reverse market stigma
- Provide a catalyst to town centre regeneration including protection enhancement of the historic fabric and townscape
- Delivery of mooring and a marina to animate the riverfront, providing a focus for new commercial development
- Delivery of new retail and mixed use development to anchor the western end of the town centre

4. WLDC Executive Business Plan

a. Commitments within this MTFP (Business Plan)

Alongside this Financial Plan we will publish an action plan to deliver our corporate priorities. This section will provide a summary and overview of those actions. This Medium Term Financial Strategy commits the Authority to delivering the above priorities through our strategic cluster of services;

i. Commercial Cluster

- Trading Activity
  - A number of services are beginning to establish themselves for commercial trading and these will begin to contribute to the income of the organisation within the life of this plan.
- Commercial Investments
  - There are three major commercial investment projects currently being progressed within the lifetime of this project:
  - There are also a number of projects within the Growth and Regeneration programme which are expected to have commercial outcomes but at this stage have not been recognised within the revenue generation elements of this plan.

ii. Customer First Cluster

- Closer to the Customer
  - The Council is embarking on a transformation journey; to provide a real focus on our customers; in all that we do.
- Commercialisation
  - The Council has committed to being a 'Commercial' organisation, providing a range of 'paid-for' services to residents and businesses both inside and outside of the district, as part of the Customer First Cluster.
- Efficient Services
  - In support of this programme; and to ensure that the services continue to ensure that they are operating as efficiently and cost-effectively as possible, with the customer in mind, the service units have also developed a range of business plans which are short term improvement initiatives to support the Excellent Value for Money Corporate Priority

iii. Economic Development and Neighbourhoods Cluster

- **Central Lincolnshire Local Plan**
  - The public examination concluded on the 14th of December 2016. The Inspector raised no issues with the new employment allocation at Hemswell and was satisfied by the evidence of deliverability of the Gainsborough SUE's. Minor

modifications will be published and consulted on in the spring of 2017 as a precursor to adopting the Local Plan.

- **Neighbourhood plans –**
    - WLDC has received national recognition for its approach to Neighbourhood plans. We currently have 6 completed with a further 33 in development. This will ensure that our residents have their say on development across the District.

- **Housing Zone**
    - Following the successful bid for Capacity Funding in May 2016, securing a grant of £165k and an additional £100k for technical studies from the HCA, the team have successfully secured a Housing LDO at Riverside Gateway for 245 new homes and have delivered circa 20 new homes in central Gainsborough. In early 2017, work will commence on a second LDO for Albion Works. In February 2017 Local Partnerships are providing a senior development professional at nil cost to work with team in preparing complex development appraisals and cash flows and to negotiate delivery of the strategic brownfield housing sites, in addition to appraising the Council's potential role in delivering the SUE's.

    - We are expecting that funds will be made available from GLLEP to unlock housing opportunities. An announcement is imminent.

- **Selective Licensing**
    - Successfully underway in addition to other interventions in the private sector rent marketed to improve the quality of the housing stock and social wellbeing.

- **Marina**
    - We continue to explore and promote the potential for a Marina in West Lindsey and currently Lincolnshire County Council are leading and funding a water space study, business case and Environmental Impact Assessment at cost of £60k.

- **INVEST Gainsborough**
    - A market facing investment prospectus for the town was launched in July 2016. This sets out the economic growth and locational benefits of Gainsborough in tandem with the Councils Regeneration funds and delivery plan.

    - WLDC Development Partnership
        - The Council is procuring a DP via Competitive Dialogue to assist in the development of the INVEST programme, the Councils housing and commercial land and property agenda's.

- **Heritage Master Plan**

  - A bid to HLF has been made with a decision due in January 2017 for £1.5 m with £400k match funding from Council reserves

  - Joint Venture Company – Market Renewal LTD – to be incorporated in mid-February with £250k for DPL a private developer and matched funded by WLDC

  - Targeted lettings/GGF – a £50k pilot has been allocated to this to refurbish and re-let shops in private ownership. Additional funds will be sought for reserves and Lindsey Action Zone/LEADER funding

  - Sun Inn hotel - a bespoke Funding Agreement with DPL to deliver a hotel and restaurant, and public realm improvements to North St and Rose way carpark.

- **Food Enterprise Zone**
  - The draft LDO will be considered at Committees in February 2017 for 30 hectares of Agri- food use. The GLLEP have allocated £2.7m from SLGF. Discussions with land owners are ensuing to work up development plans with a potential commercial role for WLDC. £50K of DEFRA funds have been used on LDO costs. £250k of funding for this project from the capital programme has been reserved and will be drawn down in 2017/18.

- **Hemswell Cliff Master Plan**
  - An implementation plan has been drawn up to maximise the use and leverage of the allocated £250k capital programme funds on road improvements and infra-structure to allow for adoption by LCC and the Parish. This is In addition to a Neighbourhood plan and housing interventions.

iv. **Housing and Regeneration Cluster**

- Delivering the Property and Land Management Strategy is a key priority in order to ensure that the WLDC property portfolio delivers the anticipated revenue returns, and covers its own costs wherever possible, along with the delivery of major commercial projects

- The Housing Strategy is a priority to ensure that growth targets can be delivered by fully understanding the demand, supply, micro-markets within the district and those of neighbouring authorities, as well as looking at potential partnership opportunities with developers, social landlords and specialist service providers.

- One Public Estate to meet the Government's agenda in ensuring that we maximise the benefit of public property for public use.

- The strategic acquisition of the former Lidl site will be completed to facilitate the redevelopment of the Council's town centre sites in the Development Partnership.

- o The development of a new paid for service facility within West Lindsey is also an active project. This is intended to provide a modern and sympathetic facility for the residents of West Lindsey and bordering districts that leaves scope for expansion and provides additional income for improvement of council services.

- o Investigation into the feasibility and requirement for a new waste services depot facility for the Council is underway. Work will progress on this front to identify suitable locations and design options.

5. **Financial and Risk Analysis**

a. Value for Money (VFM)

Our financial strategy is also designed to ensure that we deliver on our value for money duty. The VFM framework is set out at paragraph 1.5 in Part 1 of the attached strategy. It shows the range of activities we undertake to ensure that this strategy is embedded throughout the organisation and that ongoing decision making is designed around delivering value for money outcomes across all activities of the council.

Benchmarking

Section 2 of the MTFS relates how we, as an authority, perform against other District Councils nationally. A couple of comparisons that should be noted include:

- Reserves position as a proportion of net revenue expenditure. (part 2, para 2.4) As an authority we compare favourably with regards to most financial measures due to our high level of reserves, however the future available resources will reduce our position in this respect

- Pension Fund Liability as a % of net revenue expenditure (part 2 para 2.4). With a ranking of 26 out of 201 we again rank highly compared with other Districts, this, in part, is as a consequence of making additional payments to reduce this liability.

b. **Financial Management and Principles**

The budget presented in this report has followed a thorough process, which has included a review of all budgets within services and this has delivered a reduction in expenditure of over £150k.

The budget creation and monitoring process has recently received a full assurance rating from the internal audit team, providing a high level of confidence in the procedures which incorporates engagement and challenge within the process.

Section 3 of this strategy shows the assumptions used in the creation of the budget for 2016/17 and the forecasts for future years, with the key assumptions being;

- Employee Pay Award 1% per annum
- Council Tax increase at £4.95 per annum and growth 0.5%
- Commercial Property Investment of £20m to generate £0.6m savings by 2020/2021
- No growth in NNDR
- Contractual inflation only applied to service expenditure budgets
- 4 year funding settlement in line with draft figures issued by Government
- New Homes bonus is based on Government estimates and payable over 4 years.
- NNDR 1.8% (August RPI)

- Electricity 4%
- Gas 4% from 2018/19
- Capital Programme – total investment; total borrowing; use of reserves; balances at end of five years

c. Sustainability

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

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

In providing a forecast for the five years on a sustainable basis there are a number of assumptions that have been made. These are listed at Section 3 of the MTFS. The key assumptions are that we will be able to borrow for self-funding capital investments and generate financial benefits at least equal to the cost of borrowing including the minimum revenue provision (MRP), a regulatory requirement on Local Authorities. In addition, we assume that we will generate significant revenue from new income streams by selling our services.

The remaining funding gap in future years is expected to be balanced by the development of further commercial opportunities and significant restructuring of services. Plans in these two areas continue to be developed but are insufficiently advanced to be included at this stage.

Members will be informed on progress via the quarterly budget monitoring reports.

d. Medium Term Analysis

The medium term analysis is aided by the indicative four year view provided by the comprehensive spending review and can become more certain if we as an authority agree to the ‘four year deal’.

The MTFP shows that we have a balanced position for 2017/18 and 2018/19 however subsequent years continue to reflect deficits. It should be noted that the balanced position is reliant on the delivery of commercial investment projects and the provisioning of significant services.

The forecast already includes net income of £1.5m if all commercial opportunities deliver the expected returns. The balance is expected to be achieved through significant restructuring of our service provision which will create a customer and commercial centric delivery environment.

We have consulted with, residents and businesses on our proposals and there has been overall general support for the approach set out in the strategy.

This strategy assumes that over its lifetime we will deliver a capital programme of £53m which will be designed to support the Council priorities. This will use a mix of self-financing and borrowing to fund that programme. It should be noted that we have a high level of earmarked revenues reserves set aside for the purpose of investment and once committed to the capital programme will no longer be available to support revenue expenditure.

e. Council Tax Setting

The aim is to raise Council Tax by the maximum amount permitted without the need for a referendum, it is therefore proposed that an increase of £4.95 is applied. (See paragraph 3.5 of the Medium Term Financial Plan)

f. Business Rates (NNDR)

The objective to grow business rates is embedded throughout the Corporate Plan through regeneration and growth schemes. Any actual growth being a benefit for future MTFP's.

The strategy to mitigate volatility and the unknown impacts of the proposed 100% business rates retention scheme will be achieved by setting a base budget and setting aside any additional resources achieved from the scheme, to an Earmarked Volatility Reserve.

g. Risk Considerations

A full risk assessment is included at section 4. The key risks attached to this strategy include:

Successful delivery of our commercial and growth commitments – This strategy has plans to use our reserves and borrowed funds to both develop Gainsborough and a range of commercial opportunities to increase our self-generated income substantially over the next four years. It is unlikely that all initiatives will be successful however we are confident that sufficient success will be achieved to deliver an appropriate level of return on our investment. You will see within our commitments we continue to focus on service improvement, governance and performance which is designed to manage our risk exposure and provide opportunities for assessing the likelihood for success.

Successful transformation and service improvement – This strategy will see West Lindsey District Council become a self-sustaining organisation supported by Council Tax, Business Rates and Commercial income. The transformation and improvement of services will be a key pillar of delivering that aspiration and will see a series of changes delivered over the life of this plan.

h. Finance Officer Statement on Robustness of Estimates.

In recent months our approach to budget development and monitoring has received the highest assessment from our internal audit team. This provides added confidence with regards the robustness of our estimates within this financial plan.

The professional opinion of the Chief Finance Officer on the overall adequacy of the total level of reserves and the robustness of estimates is integral to the sign off of the overall agreed budget. The Chief Finance Officer therefore confirms that the budget estimates are robust, the adequacy of reserves is satisfactory and the capital programme is affordable. At section 4.5 below, I set out my statement as Chief Financial Officer and on the robustness of estimates, the adequacy of reserves and the affordability of capital investments.

THE FINANCIAL STRATEGY 2017/18 – 2021/22

PART 1: OVERVIEW AND VISION

Introduction

The Medium Term Financial plan is the primary strategic financial document for this Authority. This document will set out the national and local context, the commitments of the Authority to future service and capital development and establish the principals on which financial decisions will be made within available resources.

This document will also meet a number of regulatory requirements:

A - The requirement for the local Authority to agree a balanced budget for each financial year prior to the start of that year.

B – The requirement for the local Authority to establish the level of Council Tax for the coming year on the basis of that budget.

C - Meet best practice (supported by CIPFA) by setting out the coming year's budget within a Medium Term Financial Plan (MTFP).

The Strategy has three elements:

1 – Generate Commercial Income to replace grant
2 – Deliver Efficiencies to reduce the overall required expenditure
3 – Lever in grant support and other resources to secure programme delivery

Over the last four years West Lindsey has reduced its expenditure by £4.4m and held Council Tax in three out of the last five years whilst still providing award winning services to our residents.

This MTFP provides a five year time horizon for West Lindsey District Council and sets out a high level financial strategy and where possible proposals being considered to deliver a sustainable budget position.

Overview and Vision

This document provides an analysis of the financial state of the organisation and proposals for how the financial strategy will deliver the Corporate Plan and vision for the Authority.

The vision for the Authority has is for

'West Lindsey to be seen as a place where people want to live, work invest and visit.'

Our values include:

Can-Do Council

Communicate Effectively

Creative and Business Smart

Focus on Communities and Customers First

The Corporate Plan aims to deliver this vision through six priority Themes:

- Open for Business
- People First
- Asset Management

- Local Plan
- Partnerships/Devolution
- Excellent Value for Money Service

Our approach in delivering under each of these themes includes:

- Being an Entrepreneurial Council
- Investing in Communities
- Being more commercial
- Being modern innovative and collaborative
- Delivering Outcomes for Less
- Seeking to deliver a surplus on traded services
- Investing in Communities
- Delivering Customer focused priorities
- Growth and regeneration

The remainder of this document will focus on the actions we will take to deliver the above ambition within the financial constraints set out in the financial strategy.

1.1 West Lindsey District Council Business Plan - The Medium Term Financial Strategy (MTFS)

The MTFS is the Council's key financial planning document which sets out the Council's strategic approach to the management of its finances. The Medium Term Financial Plan (MTFP) represents the indicative budgets and Council Tax levels for the medium term. It covers the General Fund Account, the Investment Strategy, the Capital Programme the Treasury Management Strategy and the Pay Policy Statement. It also comments on the significant risks facing the Council in the forthcoming years and explains what the Council is doing to reduce those risks.

The Financial Strategy Principles are;

- to drive a robust and sustainable financial position
- to support growth and service delivery, utilising the Council's resources
- to ensure a sound and appropriate mechanism to support robust decision making

The main objectives of the MTFS are to:

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

A balanced budget will be presented annually to the Council for approval.

PART 2: Context and Strategy

2.1. National Context

On 19th December 2016 the Secretary of State for the Department of Communities and Local Government, The Rt Hon Sajid Javid MP, made a statement to Parliament on the provisional local government finance settlement 2017/18. The final settlement will be announcement in February 2017, the impact of which is covered in brackets in each bullet point below;

The main points were;

- Removal of the commitment to achieve a budget surplus by the end of Parliament.
- Current spending plans for Central and Local Government are as announced in February 2016 (4 year settlement funding)
- The Council Tax referendum limit will be maintained at 2% or £5 whichever is the greater
- New Homes Bonus will retained, although reduced to 4 years and only growth above 0.4% will attract New Homes Bonus in the future
- The government stood by its 4 year settlement offer
- There is still commitment to the review of NNDR Retention Scheme which will require some level of Top Up/Tariff to with the intention that 100% would be retained locally
- A Local Infrastructure Borrowing Rate will be introduced

2.2 Core Spending Power within Local Government

Based on the Governments announcement the Core Spending Power will see only a small impact nationally, however in allocating Core Spending Power to individual authorities is based on the services they provide, WLDC is likely to see a 10.6% reduction over the 4 year period.

England

Illustrative Core Spending Power of Local Government;

	2015-16 £ millions	2016-17 £ millions	2017-18 £ millions	2018-19 £ millions	2019-20 £ millions
Settlement Funding Assessment*	21,249.9	18,601.5	16,632.4	15,598.8	14,584.3
Council Tax of which;	22,035.9	23,247.3	24,623.2	26,082.1	27,629.0
Council Tax Requirement excluding parish precepts (including base growth and levels increasing by CPI)	22,035.9	22,858.5	23,789.7	24,760.7	25,773.5
additional revenue from referendum principle for social care	0.0	381.8	814.2	1,289.6	1,811.5
Potential additional Council Tax from £5 referendum principle for all Districts	0.0	7.0	19.4	31.7	44.0
Improved Better Care Fund	0.0	0.0	105.0	825.0	1,500.0
New Homes Bonus	1,200.0	1,485.0	1,251.9	938.0	900.0
Rural Services Delivery Grant	15.5	80.5	65.0	50.0	65.0
Transition Grant	0.0	150.0	150.0	0.0	0.0
The 2017-18 Adult Social Care Support Grant	0.0	0.0	241.1	0.0	0.0
Core Spending Power	**44,501.3**	**43,564.2**	**43,068.6**	**43,493.8**	**44,678.3**
Change over the Spending Review period (£ millions)					177.0
Change over the Spending Review period (% change)					0.4%

Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Funding
*2019-20 Settlement Funding Assessment has been modified to include a provisional tariff or top-up adjustment

2.3 Local Context

The settlement Funding Assessment for West Lindsey provided below. West Lindsey will see a reduction of 10.6% compared with 0.4% nationally, services such as health, social care and education are prioritised for resources.

West Lindsey

Illustrative Core Spending Power of Local Government;

	2015-16 £ millions	2016-17 £ millions	2017-18 £ millions	2018-19 £ millions	2019-20 £ millions
Settlement Funding Assessment*	4.9	4.2	3.6	3.3	3.0
Council Tax of which;	5.4	5.7	5.9	6.1	6.4
Council Tax Requirement excluding parish precepts (including base growth and levels increasing by CPI)	5.4	5.6	5.8	6.0	6.2
additional revenue from referendum principle for social care	0.0	0.0	0.0	0.0	0.0
Potential additional Council Tax from £5 referendum principle for all Districts	0.0	0.0	0.1	0.1	0.1
Improved Better Care Fund	0.0	0.0	0.0	0.0	0.0
New Homes Bonus	2.0	2.5	1.9	1.4	1.4
Rural Services Delivery Grant	0.1	0.5	0.4	0.3	0.4
Transition Grant	0.0	0.0	0.0	0.0	0.0
The 2017-18 Adult Social Care Support Grant	0.0	0.0	0.0	0.0	0.0
Core Spending Power	**12.4**	**12.8**	**11.8**	**11.2**	**11.1**
Change over the Spending Review period (£ millions)					-1.3
Change over the Spending Review period (% change)					-10.6%

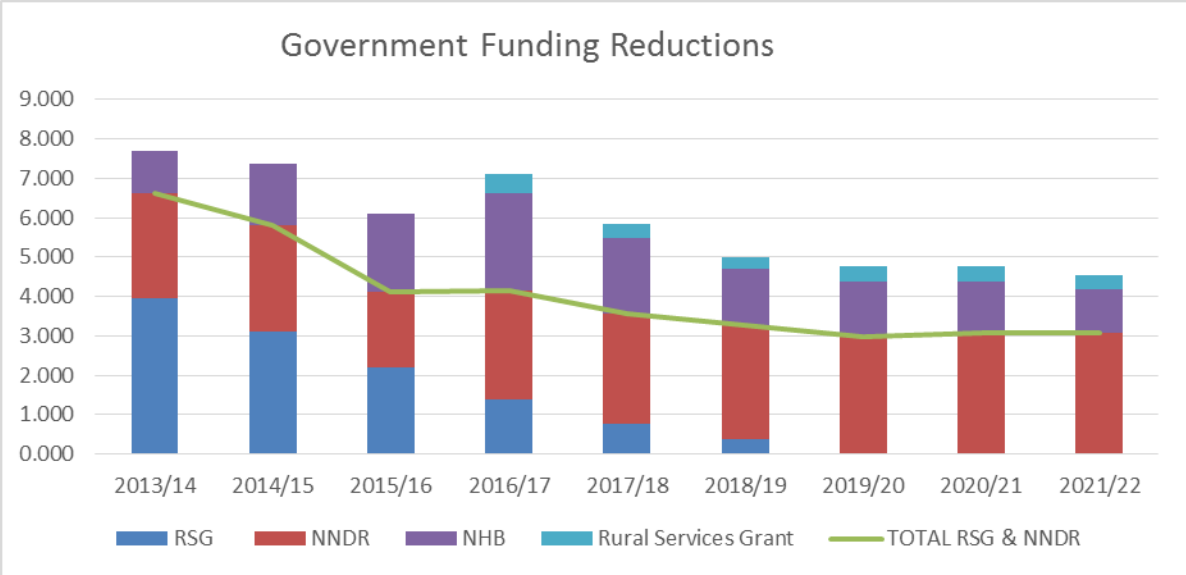
Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Funding
*2019-20 Settlement Funding Assessment has been modified to include a provisional tariff or top-up adjustment

Core Spending Power

		2016-17	2017-18	2018-19	2019-20
Core Spending Power	£ millions	*12.8*	*11.8*	*11.2*	*11.1*
Dwellings As At September 2016		42,486	42,486	42,486	42,486
Core Spending Power per Dwelling	£	301	277	263	261

This Council had prudently prepared for funding reductions and had made assumptions within the 2015/16 MTFP that RSG would cease in 2020/21, the funding announcement 2016/17 confirmed that for this Council the ceasation of RSG will be in 2019/20 in addition to front loading the reduction in RSG to 2016/17.

The graph below illustrates the change in the main sources of Government Funding for West Lindsey District Council since 2013/14 including Revenue Support Grant and NNDR baseline (elements of the Settlement Funding), New homes Bonus and the Rural Services Grant.



	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
RSG	3.969	3.125	2.198	1.387	0.761	0.371	0	0	0
NNDR	2.641	2.692	1.934	2.766	2.821	2.904	2.997	3.093	3.093
TOTAL RSG & NNDR	**6.610**	**5.817**	**4.132**	**4.154**	**3.582**	**3.275**	**2.997**	**3.093**	**3.093**
NHB	1.083	1.549	1.986	2.481	1.889	1.444	1.386	1.285	1.076
Rural Services Grant	0	0	0	0.471	0.381	0.293	0.381	0.381	0.381
TOTAL FUNDING	**14.303**	**13.183**	**10.250**	**11.260**	**9.433**	**8.286**	**7.760**	**7.851**	**7.643**

The Councils settlement funding resources for 2017/18 total £9.433m. The Council continues to engage in consultations and lobby for a fairer outcome for our rural communities.

2.4 Financial Performance Benchmarking – How we compare (Appendix E)

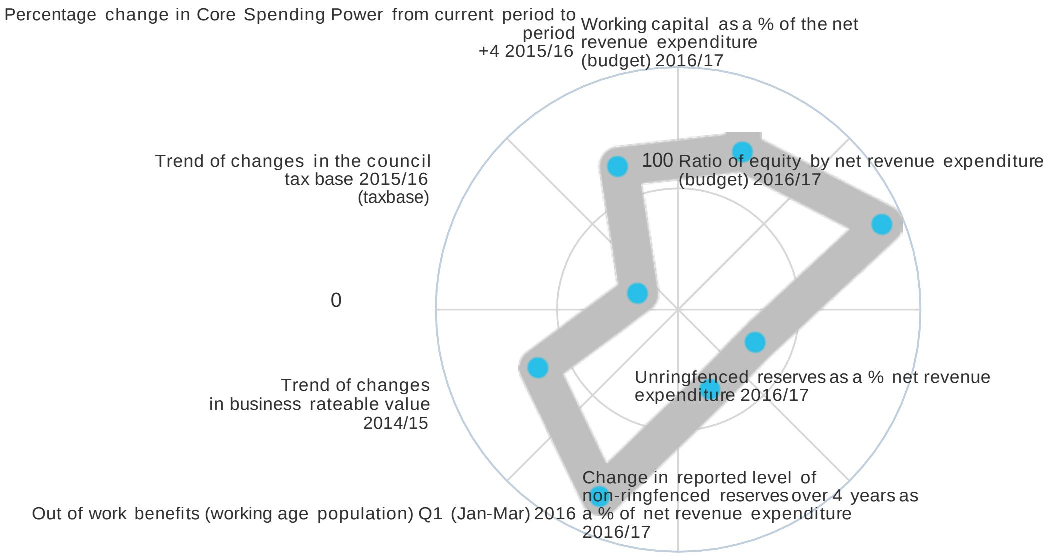
The Council participates in a strategic financial benchmarking exercise developed by the Local Government Association (LGA). This looks at our current and future funding outlook compared to other District Councils (and all Local Authorities) providing an analysis of each authority's position. This provides a relative financial position of each Local Authority based on present information and also our relative future position based on past trends and future expectations. This is useful in terms of being able to benchmark our strategic financial health with other Local Authorities. The analysis does not provide an exact position but it is arguably the most extensive analysis undertaken of the sector as a whole and does provide useful comparative data.

The Spider graphs below illustrate the Councils ranking (represents WLDC position) and the nearer the outer edge a low ranking compared to others. This enables us to gain a more informed view of our benchmarked position. It also identifies relative strengths and weaknesses, risks and opportunities which can be taken into account when we consider our financial strategy.

To understand the spider diagram, if we were ranked best performing (1) in all indicators this would be a small area close to the centre, if we were ranked worst performing in all areas this would be a large area closer to the edge of the diagram representing a weaker relative position.

The full report and diagrams are attached at Appendix E, with our Strategic (Present and Future) and Risk chart illustrated below;

Strategic: All English district local authorities Rank (201)



This diagram reflects our strategic financial position in terms of potential future sustainability;

- The availability of reserves to meet revenue expenditure need arise.
- The potential for increases in local taxation (based on past 4 years growth)
- The comparable impact of additional costs due to changes to welfare reform
- The reduction in core spending power.

WLDC are in a good position in relation to our level of reserves which can be utilised for investment to generate regeneration and growth, commercial income and transformation initiatives.

The Council continues to undertake work on bringing empty homes back into use, identifying fraudulent claims for discounts and supporting housing and business growth which will improve the Council Tax Base and Business Rates (NNDR) income levels to support the reductions in core spending power, and funding shortfall.

The impact on welfare reform, due to the high level of working aged people on benefit, may result in pressures on the future budget.

Strategic: West Lindsey and All English district local authorities Rank

Metric type	Period	West Lindsey	
		Rank	%
Working capital as a % of the net revenue expenditure (budget)	2016/17	141	92.51
Ratio of equity by net revenue expenditure (budget)	2016/17	184	-0.06
Unringfenced reserves as a % net revenue expenditure	2016/17	70	103.26
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	2016/17	71	28.31
Out of work benefits (working age population)	Q1 (Jan-Mar) 2016	167	9.2
Trend of changes in business rateable value	2014/15	125	38.71
Trend of changes in the council tax base	2015/16 (taxbase)	35	7.97
Percentage change in Core Spending Power from current period to period +4	2015/16	128	-11.026

A key indicator of note is;

Unringfenced reserves as a % of net revenue expenditure. – Ranking 70 out of 201 districts

This measures the period over which an Authority could continue to operate without grant or tax income by utilising reserves. It should be noted that reserves are set aside against risks and to fund priority investments. If the use of unringfenced reserves were utilised to support the revenue budget, this would impact greatly on the Councils corporate aspirations.

WLDC performs well in this indicator as our un-ringfenced reserves are a high proportion of Net Revenue Expenditure (103.26%). However, as expected our ranking has dropped from 60 to the current ranking of 70 as our reserves are utilised for both revenue and capital investment.

Risk: All English district local authorities Rank (201)

Short term liability pressure: Short term liabilities as a % of total liabilities 2014/15

Settlement funding assessment exposure, as a % of revenue spending power 2015/16

100

50

Business rates appeals as a % of potential yield 2016/17

0

Pension fund liability as a % of the net revenue expenditure (budget) 2016/17

Other long-term liabilities as a % of net revenue expenditure (budget) 2016/17

Total debt as a % of long term assets 2014/15

The diagram above identifies our key financial risks, with the most significant risk being the reduction in settlement funding, which we are mitigating through a number of strategies and initiatives to realise self-sufficiency by 2019/20 when our Revenue Support Grant is expected to cease.

We have very low risk in relation to potential cashflow issues, in addition to having low level of other liabilities. Whilst our Pension Fund liability is significant to us comparably we rank within the top quartile.

Short term liability pressures are around the mid range, these liabilities have now been repaid.

Our most significant risks have been addressed within this MTFP ie settlement funding reductions, impact of business rates appeals and the costs of finance leases which include an element of long term debt and the current requirements for contributions to the pension fund, however this is a longer term risk to the council, this indicator is explained below;

Pension Fund Liability as a % of net revenue expenditure. Ranking 13 out of 201 districts. The Pension fund liability is currently 212.49% 2016/17 of net revenue expenditure (202.25% 2015/16). The Pension Fund liability may not be an immediate concern but will have an impact on the level of finances in future ie the amount for employers contribution rates and deficit reduction payments.

The table below provides the metrics and ranking

Risk: West Lindsey and All English district local authorities Rank

Metric type	Period	West Lindsey	
		Rank within All English district local	%
Settlement funding assessment exposure, as a % of revenue spending power	2015/16	137	39.17
Pension fund liability as a % of the net revenue expenditure (budget)	2016/17	13	212.49
Total debt as a % of long term assets	2014/15	74	-20.24
Other long-term liabilities as a % of net revenue expenditure (budget)	2016/17	12	-5.12
Business rates appeals as a % of potential yield	2016/17	77	-1.52
Short term liability pressure: Short term liabilities as a % of total liabilities	2014/15	102	10.70

PART 3 – WLDC Business Plan

3.1 Corporate Priorities and Dependencies

Overview and Vision

This document provides an analysis of the financial state of the organisation and proposals for how the financial strategy will deliver the Corporate Plan and the aforementioned vision the Council has for the district of West Lindsey.

The remainder of this document will focus on the actions we will take to deliver the above ambition within the financial constraints set out in the financial strategy.

This plan is based on the delivery of the Corporate Plan priorities (as shown above), the Commercial Plan and the growth initiatives. The implications of these strategies, alongside the commitment to deliver excellent services, is the basis on which this MTFP has been developed.

Two key plans include the Commercial Plan and the Growth and Regeneration Plan; the key objectives of which are summarised below.

The Commercial Plan objectives are:

- Developing new trading opportunities
- Securing external funding
- Enhancing land and property assets and to attract additional council tax and NNDR
- Developing a more commercial culture

The Growth and Regeneration strategies are designed to be housing led, to create a self-sustaining growth area and include:

- Delivery of 800 new homes on brown field sites
- Support and quicken the pace of delivery in the Gainsborough Southern and Northern Neighbourhoods
- Provide a critical mass of population living/using the town
- Re-development of strategic brownfield sites
- Capitalising on the town’s relationship with the river Trent to drive land values
- Reverse market stigma
- Provide a catalyst to town centre regeneration including protection/ enhancement of the historic fabric and townscape
- Delivery of mooring and a marina to animate the riverfront, providing a focus for new commercial development
- Delivery of new retail and mixed use development to anchor the western end of the town centre

3.2 Commitments within MTFP

Alongside this Financial Plan we will publish an action plan to deliver our Corporate priorities. The action plan details the key strategic activity that is underway, or scheduled to commence during 2017/18, and sets out the outcomes desired and the times lines and costs/sources of funding where these have been established at this stage.

This section provides a summary and overview of these activities which will be delivered via the Council's strategic cluster of services;

Commercial Cluster

- Trading Activity
    - A number of services are beginning to establish themselves for commercial trading and these services will begin to contribute to the income of the organisation within the life of this plan. The services with income targets within this plan include:
        - Commercial Waste
        - Building Control
        - Event Coordination
        - Staffing Agency (Surestaff Lincs Ltd)
- Commercial Investments
    - There are three major commercial investment projects currently being progressed within the lifetime of this project:
        - A leisure review
        - A new commercial service (name excluded due to sensitivity)
        - Commercial Property Investment
    - There are also a number of projects within the Growth and Regeneration programme which are expected to have commercial outcomes but at this stage have not been recognised within the revenue generation elements of this plan.

Customer First Cluster

- The Council is embarking on an transformation journey; to provide a real focus on our customers; in all that we do. The 'Closer to the Customer' programme is a key part of delivering the Council's Corporate Plan, 'People First' priority for ease and convenience of access to services for our customers; as well as instilling a customer-centric culture and exploring alternative delivery models under the Excellent Value for Money Services corporate theme.

- The purpose of this programme is to improve the customers' experience of contacting and interacting with us for; to provide greater choice; and greater satisfaction. It will look at how we delivery our customer-facing services;

making them more customer centric; how we engage in the new digital world of technology; how we extend and provide choice on how our customers can access our services; and how we equip our service providers with the right skills, knowledge and technology to provide an excellent customer experience. All of the Cluster services will go through this process, which is anticipated to take 2-3 years to complete.

- In addition, the Council has committed to being a ‘Commercial’ organisation, providing a range of ‘paid-for’ services to residents and businesses both inside and outside of the district, as part of the Customer First Cluster. The Customer First Cluster has a number of service areas which are actively taking forward this agenda – Building Control, Fraud and Customer Services in particular will have a strong commercial focus over the coming years; alongside their regulatory services. This is a developing area and the Cluster will look at other opportunities for commercial offerings, as well as providing a lead role in promoting commercial services to their customers when appropriate.

- In support of this programme; and to ensure that the services continue to ensure that they are operating as efficiently and cost-effectively as possible, with the customer in mind, the service units have also developed a range of business plans which are short term improvement initiatives to support the Excellent Value for Money Corporate Priority. Finally, the Customer First Cluster of Services will continue to deliver services for our residents and businesses in the area of Revenues, Benefits, Licensing, Public Protection, Building Control, Land Charges, Customer Services and Facilities Management, and will continue to improve and enhance these services to meet the needs of our customers.

Economic Development and Neighbourhoods Cluster

- **Central Lincolnshire Local Plan** – The public examination concluded on the 14th of December 2016. The Inspector raised no issues with the new employment allocation at Hemswell and was satisfied by the evidence of deliverability of the Gainsborough SUE’s. Minor modifications will be published and consulted on in the spring as a precursor to adopting the Local Plan.

- **Neighbourhood plans –** WLDC has received national recognition for its approach to Neighbourhood plans. We currently have 6 completed with a further 33 in development. This will ensure that our residents have their say on development across the District.

- **Housing Zone** – following the successful bid for Capacity funding in May 2016, securing a grant of £165k and additional £100k for technical studies from the HCA the team have successfully secured a Housing LDO at Riverside Gateway for 245 new homes and have delivered circa 20 new homes in down town Gainsborough. In early 2017, work will commence on a second LDO for Albion Works. In February 2017, Local Partnerships are providing a senior development professional at nil cost to work with the team in preparing complex development appraisals and cash flows and to negotiate delivery of the strategic brownfield housing sites, in addition to appraising the Council's potential role in delivering the SUE's.

- **Selective Licensing -** successfully underway in addition to other interventions in the private sector rent marketed to improve the quality of the housing stock and social wellbeing.

- **£4m Housing Unlocking funds -** funding from GLLEP has been targeted – imminent announcement of the bid.

- **Marina** – Lincolnshire County Council are leading and funding a water space study, business case and Environmental Impact Assessment at cost of £60k.

- **INVEST Gainsborough** – a market facing investment prospectus for the town was launched in July 2016. This sets out the economic growth and locational benefits of Gainsborough in tandem with the Council's regeneration funds and delivery plan. This has been highly praised by the development industry and HCA and is now securing development interest in the town.

- **WLDC Development Partnership** – the Council is procuring a DP via competitive dialogue to assist in the development of the INVEST programme, the Council's housing and commercial land and property agendas. The major blue chip development and regeneration companies have been shortlisted. Final selection of the preferred will be in September 2017. Enabling funds of £5m have been ring fenced to kick start the development programme; the use of which will be agreed via a financial model and Partnership Business Plan. Overall development works over an initial 5-7 years is expected to be circa £100m.

- **Heritage Master Plan**
  - A bid to HLF has been made for £1.5m with a decision due in January 2017, with £400k match funding from Council reserves

- Joint Venture Company – Market Renewal LTD – to be incorporated in mid-February with £250k from DPL (a private developer) and match funded by WLDC
- Targeted lettings/GGF – a £50k pilot has been allocated to this to refurbish and re-let shops in private ownership. Additional funds will be sought from reserves and Lindsey Action Zone/LEADER funding

- **Sun Inn hotel** – potential grant support for the delivery of a hotel and restaurant, and public realm improvements to North St and Roseway carpark, subject to approval at this Committee. An additional £300k is likely to brought into the scheme via Lindsey Action Zone. The hotel is estimated to have an annual economic benefit of £1.6m to the town's economy.

- **Food Enterprise Zone -** The draft LDO will be considered at Committees in February 2017 for 30 hectares of Agri- food use. The GLLEP have allocated £2.7m from SLGF and additional funding was prioritised in the DEVO 2 bid. Discussions with land owners are ensuing to work up development plans with a potential commercial role for WLDC. £50K of DEFRA funds have been used on LDO costs. £250k of funding for this project from the capital programme has been reserved and will be drawn down in 2017/18.

- **Hemswell Cliff Master Plan** – an implementation plan has been drawn up to maximise the use and leverage of the allocated £250k capital programme funds on road improvements and infra-structure to allow for adoption by LCC and the Parish. This is in addition to a Neighbourhood Plan and housing interventions.

Housing and Regeneration Cluster

- Delivering the Property and Land Management Strategy is a key priority in order to ensure that the WLDC property portfolio delivers the anticipated revenue returns and covers its own costs wherever possible, along with the delivery of major commercial projects
- The Housing Strategy is a priority to ensure that growth targets can be delivered by fully understanding the demand, supply, micro-markets within the district and those of neighbouring authorities, as well as looking at potential partnership opportunities with developers, social landlords and specialist service providers.
- The leisure contract review (due for renewal in 2018) seeks to generate a surplus from this facility and to secure a better offer for the district to promote healthy living and to improve the attraction of the district for both residents and visitors.
- One Public Estate to meet the Government's agenda in ensuring that we maximise the benefit of public property for public use. We have feasibility work underway in respect of looking to develop/expand a public sector hub in

Gainsborough. Additionally, we are looking to develop an existing Council owned site in Caistor for the provision of GP and associated NHS services. Again feasibility work on this will be undertaken during 2017.

- The strategic acquisition of the former Lidl site will be completed to facilitate the redevelopment of the Council's town centre sites in the Development Partnership. In addition this site will form part of the master plan proposals for Albion Works, the second Housing LDO site and a requirement of the Housing Zone Delivery Plan. We expect vacant possession by November 2017 and net funding of £885k has been allocated within the capital programme.
- The development of a new paid for service facility within West Lindsey is also an active project. This is intended to provide a modern and sympathetic facility for the residents of West Lindsey and bordering districts that leaves scope for expansion and provides additional income for improvement of council services.
- Investigation into the feasibility and requirement for a new waste services depot facility for the Council is underway. Work will progress on this front to identify suitable locations and design options. There are a number of outcomes we would want to achieve including the utilisation of existing assets to ensure longevity of the current facility if decision made to retain depot on site. We also aim to ensure value for money through efficient, economic and effective delivery of services; provide an adequate eastern depot solution; provide a safe and productive working environment for staff and explore options for sharing facilities with other stakeholders.

Democratic and Business Support Cluster

West Lindsey District Council has an ambitious plan which it details in this document. In order to deliver these ambitions, the Council will need the right staff to help deliver, appropriate financial resources and elected Members with the right skills and knowledge to take difficult and challenging decision. Therefore key priorities will include:

- Delivery of the Council's People Strategy and Workforce Development Plan
- A Medium Term Financial Plan which is sustainable and supports our ambitions
- A Member Development Plan which gives our elected members the skills and knowledge to make the right choices for the district.
- A review of the Council' governance arrangements to ensure that decisions can be made in a way that will deliver the ambitions of the Council.

Organisation Transformation Cluster

- With respect to Organisational Transformation and Corporate Governance the Council has identified the key priority of the delivery of Excellent, Value for Money Services. To achieve this, the Council will be progressing on a number of fronts to deliver against this priority and to ensure that the Council itself is structured in the most effective manner to support service delivery.

- To support transformation, our ICT Strategy 2016-2020 will be delivered with an associated Action Plan. The strategy will identify how ICT supports delivery of the Council's Corporate Plan; set out how ICT can fully support customers, the business and service delivery and modern working practices and how the ICT infrastructure can remain robust and secure with appropriate ICT skills and capacity in place. Focus on the Council's digital agenda will also be referenced and the implicit role it will play in the delivery of services and the provision of information for customers. Funding for ICT related requirements will be provided from ear-marked reserves and the Councils' capital programme.

- In addition to our ICT Strategy, the Council will also ensure that it plans effectively for the introduction of the General Data Protection Regulations (GDPR), which will apply in the UK from 25 May 2018. The issue of data protection is ever-changing and we are acutely aware of the potential implications of non-compliance. Work has already commenced to project plan and timeframe this work and resource requirements will be monitored as the finer detail is established.

- It is imperative that the Council's governance processes and structures remain robust to support effective decision making. Therefore we aim to maintain our overall 'green' governance rating as provided by the Head of Internal Audit. Focus will consequently be placed on monitoring and reviewing our governance arrangements, ensuring that processes achieve a level of full maturity and the key issues identified within our Annual Governance Statement for 2015/16 are fully addressed. Keen attention will also be paid to performance management across the Council along with the embedding of our revised Board structure and programme/project management methodology. To assist in the achievement of these aims, we intend to review the functions, structure and purpose of the team, ensuring that we have sufficient capacity and capability in place to effectively support the organisation. Additionally, we will undertake a series of benchmarking activities with service areas to ensure the achievement of value for money and the identification of initiatives to raise both the quality and improve our methods of service delivery.

- To further strengthen our contract management arrangements, we will be undertaking a full review of our procurement processes to ensure that value for money is secured and that we have as much information as possible upon which to make any future decisions relating to our future service delivery models and who is best placed to deliver them.

- In line with the Council's entrepreneurial philosophy, the service will continue to work to identify commercial opportunities through the provision of expertise to other bodies. We have embarked on this aim in the past 12 months and hope to secure both repeat business and work from new sources. As a result of this intention, we will closely prioritise our work plans and monitor our capacity to take advantage of commercial opportunities.

3.3 Value for Money

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

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

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

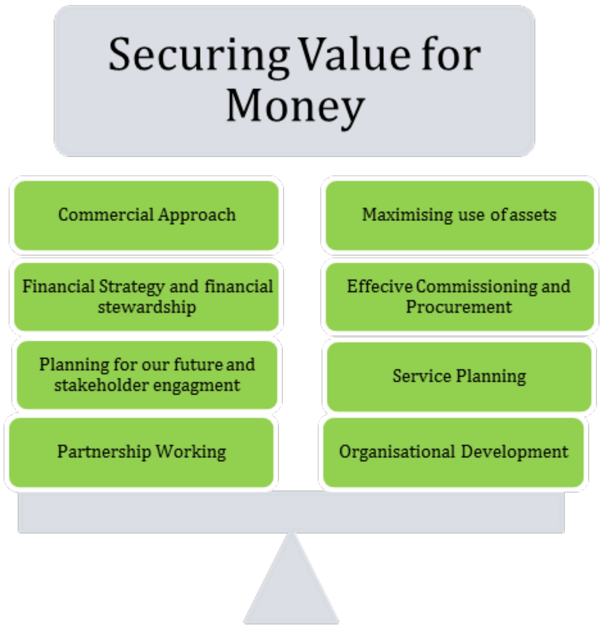
The Council has responded to the financial challenges in a systematic approach to achieving value for money and by embedding the Entrepreneurial Council culture throughout the organisation by;

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

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

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

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



Partnership Working

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

An example of this is the Public Sector Customer Hub which is located at the Council's Guildhall offices. This facility provides face to face contact for customers with West Lindsey DC, Lincolnshire County Council, Job Centre Plus, Lincolnshire Credit Union, The Volunteer Service and the Citizens Advice Bureaux.

Capital and Asset Review

West Lindsey's Asset Management Strategy will demonstrate that we have in place an effective management framework, which actively maximises the value of existing assets and provides a strategic context for future investments and to achieve the best possible outcomes.

Organisational Development

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

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

The Council as a learning organisation approves the annual People Strategy in addition to a Member Development plan is in place to support elected members.

Business Planning

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

Commercial Approach

West Lindsey is an Entrepreneurial Council and commercialism is embedded throughout the council, with officers and members undertaking training and commercial workshops. A Member Commercial Steering Group has also been created and services are becoming more proactive in identifying trading opportunities and bidding for new sources of grant funding. In addition a new property database provides management information to determine where investment should be made to improve our assets, their offer, or to identify those assets which should be considered for sale where they are not providing value for money.

All decisions are made as a result of a compelling business case which are fully supported by cost benefit analysis to inform financial viability, in addition we undertake extensive due diligence. West Lindsey uses a 5 case Business Model ensuring Financial, Legal, Operational, Strategic and Commercial implications are considered and all risks assessed to enable informed choices.

An annual review of fees and charges is undertaken, which is not only being used as a potential route to increase income but more importantly as a mechanism to create a more commercial focus amongst service areas and ensure cost recovery. In addition there is a robust challenge to ensure that charges are appropriate with reference to the market, and that comparative information from other organisations is taken into account.

Commissioning & Contract Review

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

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

Delivering Value for Money and Benchmarking

The Council has recently procured CFO Infosights for assistance in benchmarking. It is a tool developed by Grant Thornton in conjunction with CIPFA which uses national data sets such as the RA/RO financial returns. Although in it's infancy at West Lindsey we commit over the next year to develop the use of the tool as a means of delivering VFM throughout all services in the following ways:

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

PART 4 – FINANCIAL IMPLICATIONS

4.1 Financial Management Principals

Introduction

The Council, along with other local authorities, has faced unprecedented reductions in Government funding since the Comprehensive Spending Review 2010. In addition, service pressures and increasing demand for services, particularly from the most vulnerable, has meant the Council has had to make significant budget savings in response to the Government's austerity measures and now with increased resources being directed to ring fenced areas (health, social care, education)

The likely continuing requirement and scale of budget savings, coming on top of the £4.3m already delivered since 2013, presents an increasing challenge for the Council. The Queen's Speech delivered on 27 May 2015 stated that the government will "continue the work of bringing the public finances under control and reducing the deficit, so Britain lives within its means". This approach was confirmed in the Autumn Statement 2015 and the 4 year Financial Settlement offer confirmed in the 2016 Autumn Statement, resulting in Revenue Support Grant being withdrawn by 2019/20.

Reviewing the MTFS remains essential to ensuring the Council's medium term financial sustainability.

Whilst the Government has provided certainty around funding up to 2021/22, it remains unclear as to what the impact the review of Retention of Business rates will have on our funding level, as it is understood that the system of top-ups and tariffs will remain to control funding levels nationally.

Although there remains a great deal of uncertainty due to the level of assumptions in this paper, overall it is now estimated that the Council will need to close a funding gap of £0.434m over the five financial years 2017/18 to 2021/22.

The estimated funding gap within the Medium Term Financial Plan is detailed below;

	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £	2020/21 Original Budget £	2021/22 Original Budget £
Funding Gap	0	(77,174)	125,470	440,624	434,374

4.2 Principles for the development of the MTFP

With the financial challenges facing the organisation, the MTFP has been developed based on a number of underlying principles. These principles include that the MTFP for 2017/22 assumes the following:

Finance Principles

- The overarching principal is the commitment to achieve affordable investments over the longer term.
- To pursue all available external funding options and opportunities for leverage of external resources
- Value for money investment over full life cycle.
- Robust financial implications and appraisals are included within all Business Cases and Invest to Save scheme proposals and schemes are costed on a whole life basis.
- The development of partnerships, including the pursuit of shared services, joint ventures and community arrangements, where appropriate, to achieve the Council's investment aspirations and value for money.
- Monitoring and evaluation of approved schemes will form part of Progress and Delivery project monitoring reporting.

- Encourage community engagement by informing on priorities and consultation on proposals.

In relation to specific Budgets the following principles have been applied.

Fees and Charges

- That charges are in line with cost recovery

- That charges are introduced where no charge is currently being made,

- Whilst Car Parking income already makes a contribution to the net budget position, the new Car Parking Strategy is designed to make a contribution towards the funding gap.

Council Tax

That Council Tax will rise by the maximum amount permitted without the need for a referendum.

NNDR

That the Council will continue to be a party to the Lincolnshire Business Rates Pool, thus benefiting from a reduced levy that would have otherwise been payable to Government.

No assumptions have been made with regard to future changes of the 100% Business Rate retention proposals, however a baseline budget of £3,460,600 is assumed within the MTFP and any estimated budgetary surplus will be earmarked to smooth any volatility in future years.

Commercial Investments

The Local Authority will plan to borrow at significant levels to deliver a contribution from those investments. These investments may be outside the District where they are designed to deliver purely financial returns to the Council.

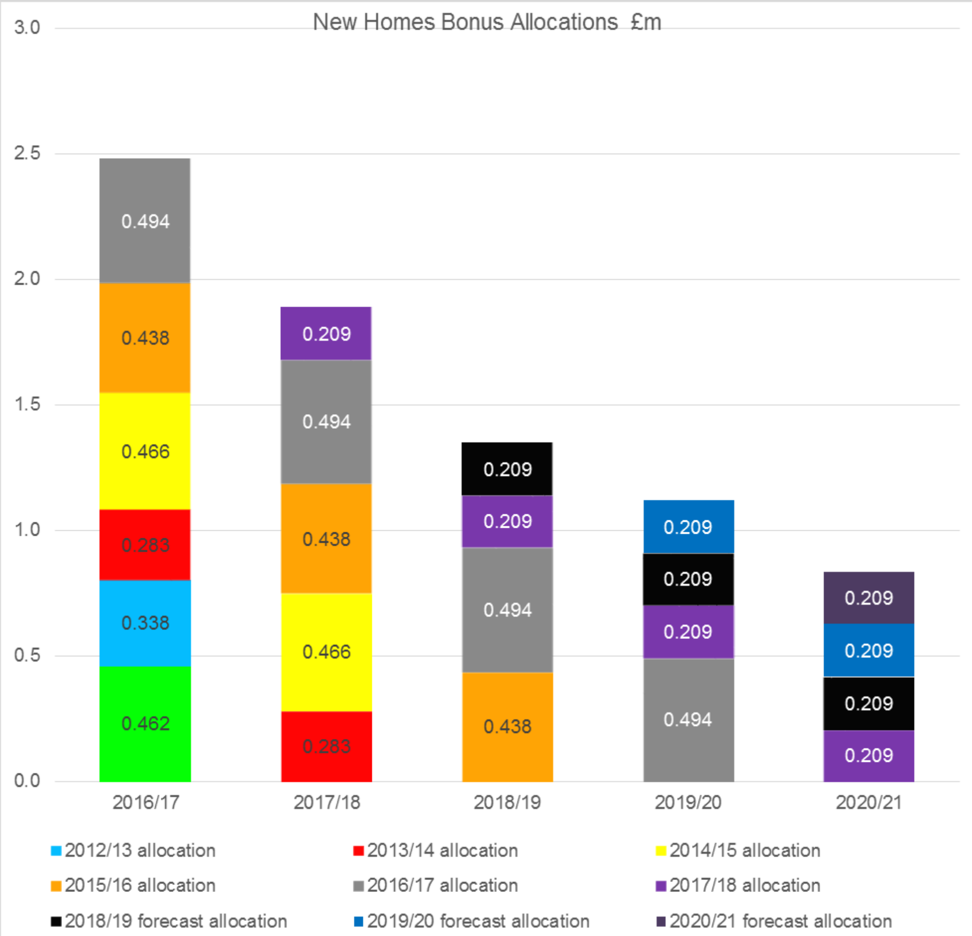
Service Efficiencies

Officers will continue to seek service efficiencies and deliver the maximum reduction in expenditure without a reduction in service levels.

The pay award assumption will be aligned with the Government announcement of a restriction of 1% p.a. for the next four years.

New Homes Bonus

Estimates provided by the Department of Communities and Local Government have been used within the Medium Term Financial Plan. The Council's current policy is to utilise this funding for the purpose of housing regeneration and growth.



4.3 Capital Investment (Appendix B)

The Capital Investment Strategy sets out the strategic direction for WLDC's capital management and investment plans, and is an integral part of our medium to long term financial and service planning and budget setting process. It sets the principals of our capital investment under the prudential system.

The Capital Investment Strategy will enable the Council to meet its corporate priorities, as it can be targeted in creative and innovative ways, by aligning resources to specific investment projects which will deliver corporate outcomes. We recognise the importance of investing in commercial opportunities to deliver our entrepreneurial aspirations and to generate sustainable ongoing income streams, in addition to investing in schemes that will deliver economic regeneration and housing support and growth which will provide new housing, independent living, job opportunities, an improved skills base and a revitalised town centre.

The level of borrowing to fund capital investment is only agreed if the borrowing is affordable and sustainable as our capital decisions can have significant revenue implications. For every £10m of prudential borrowing there are revenue costs approximately £0.5m per annum (over 50 yrs) to effectively repay the debt, in addition to either the cost of interest if actual borrowing is undertaken or loss of investment interest if internal funds are utilised for any period. This is in addition to the ongoing maintenance and running costs associated with the investment.

Service Business Plans have informed the budget setting process to ensure continued attainment of the objectives of the Corporate Plan and align staffing resources at an adequate level to achieve this, supported by appropriate technological systems to ensure efficiency in processes.

In addition, investment will be required to deliver The Commercial Strategy who's objectives are;

- To generate greater income from the Council's services to reduce net subsidy.
- To secure greater external funding for the Council and the District.
- To increase capital and revenue returns to the Council through delivering housing and economic growth.
- To enhance the Council's commercial culture and capability.

The Land and Property Investment Policy and the Acquisition and Disposals Policy detail the framework by which these priorities will be achieved i.e. by the acquisition of, and/or investment in our own land and property assets. This will be undertaken with the objective of achieving an increase in the capital value of our holdings and to deliver increased income streams from rental which will contribute to future revenue budgets. Ensuring our commercial aspirations can be delivered.

Asset Management Principles

The Property and Land Management Strategy

- Define corporate policies and responsibilities relating to property asset management.
- Link property asset management strategies and capital investment plans to the Council's other strategic plans
- Carry out an assessment of the Council's accommodation needs based on its statutory functions, strategic aims, service delivery priorities and other objectives
- Assess the extent, type, condition, accessibility and performance of the existing stock to ensure that it is sufficient, suitable and "fit for purpose"
- Develop strategies for improving asset management and determine priorities for future investment in terms of maintenance and capital replacements
- Carry out an assessment of capital receipt opportunities
- To identify all significant factors which will influence or direct the asset management strategy, with particular emphasis on matters related to the Council policies, service requirements, changes in working practices and the requirements of Government policy, legislation and regulations.

4.4 Reserves

The level of the General Fund Working Balance will be set, as a minimum at 5% of Net Operating Expenditure. This minimum balance will represent funds available to mitigate risks the Council is facing in any one year and which will depend upon the robustness of the estimates within the budgets, the adequacy of budgetary control and external factors such as inflation and interest rates. Such risks may also include changes in Government policy, further funding reductions and market factors.

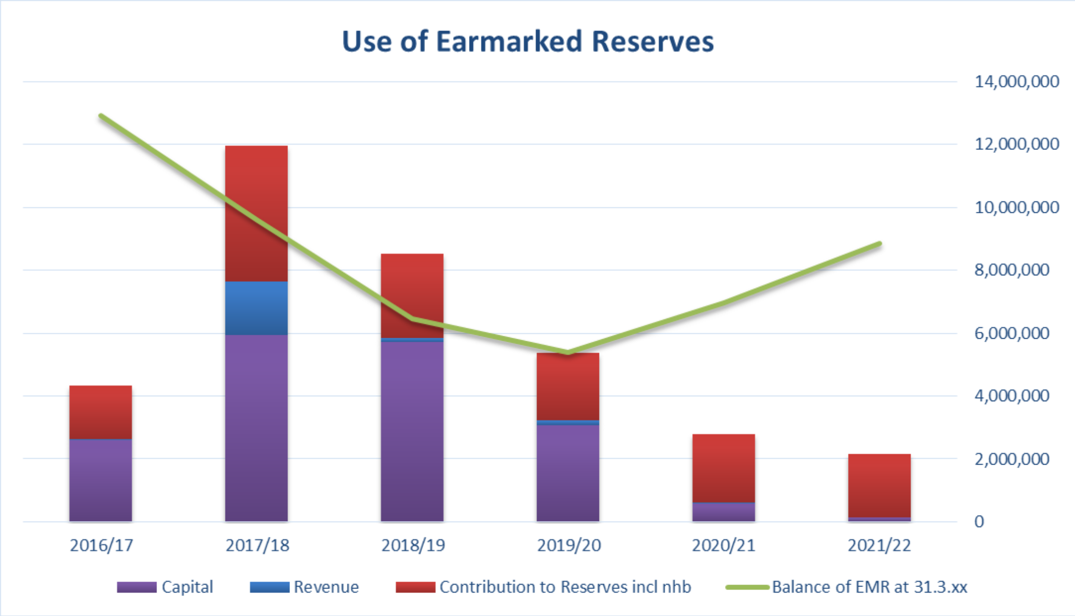
The level of general reserves will continue to be closely monitored during the period of this MTFP in the context of protecting the Council from existing and future liabilities. This is extremely important given the announcements by the Government regarding expected further funding reductions. However, reserves will continue to be maintained at a prudent level.

Earmarked reserves will be reviewed annually to ensure their investment in both revenue and capital initiatives align to Corporate Plan priorities.

Reserves held are invested in accordance with the Treasury Management Strategy and the interest received from their investment supports the Councils revenue budget.

The graph below illustrates the current level of earmarked reserves, contributions to the reserves and their use over the MTFP. The use of reserves for revenue purposes relate mainly to one off investments or budget smoothing purposes.

As the Council continues to earmark New Homes Bonus to support housing regeneration and economic growth schemes, revenue contributions to support future investment in replacement and renewals and budget smoothing, in addition to the contribution to earmarked reserves from any budgetary impact of Business Rates being set aside annually to replenish the volatility reserve in anticipation of the 100% business rates retention scheme, all contribute to the increase of earmarked reserves from 2019/20 onwards.



4.5 The Chief Finance Officer Statement on the Robustness of Estimates, the Adequacy of Reserves and the affordability of capital investments.

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

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

Budget changes have been built on changes approved by the Corporate Policy and Resources Committee throughout the year, and changes approved under delegation. Changes to the base budget have been reported to both Prosperous Communities Committee and Corporate Policy and Resources Committee in February 2015. Budget monitoring will be presented to the Service Leadership Team on a monthly basis with the Corporate Leadership Team and Corporate Policy and Resources Committee quarterly throughout the financial year (or by exception).

The balance of General Reserves as detailed at 4.15 within the MTFP are considered to be adequate to cover risks, peaks and troughs and the investments proposed. A minimum General Fund Working Balance represent 5% of Net Operating Expenditure.

The earmarked reserves as set aside by the Council at the year-end 2015/16 have been independently verified by the external auditor.

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

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

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

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

4.7 Working Capital

Based on the Council's current cashflow estimates, the programming of capital investments and borrowings, a working capital balance of circa £8m is required for funding business as usual.

4.8 Community Engagement

The Council held a number of Budget Engagement Events during September 2016 to get the views of residents, Parish Councils and West Lindsey District Council Members, in addition a separate exercise has been undertaken with Business Rate Payers. The following summarises their views, which have been taken into consideration as part of the budget process. Topics covered included how the Council might explore efficiencies and potential income streams to fund key services.

- Council Tax - 96% are happy with an annual increase
- Commercial Trading - The majority of residents (69%) are happy with the authority undertaking additional work of come kind as long as the service that residents currently receive is not affected and that we take into account how local services might be affected by the proposal.
- Green Waste Service - (62%) believe service should remain free. However there were a number of people (30%) who believe that only those who use the

service should pay for it and that if it was a paid for service then it should be all year round. Some considered that increased fly tipping would be a potential consequence of charging.

- Parish Lighting – the majority of respondents considered that lighting is very important to making people feel safe which when outside but also at home. 77% supported investing in low energy light bulbs to save money, as opposed 14% who would support turning them off. .

4.8 Treasury Management Strategy

The Council will ensure that the primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. The Council will ensure it has sufficient liquidity in its investments and that it maintains a policy covering categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring of their security.

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

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

The Minimum Revenue Provision (MRP) Policy now provides options on what would be considered prudent provision for the repayment of debt.

4.9 Borrowing Strategy for capital investment

For the Council to achieve its corporate priorities, reduce cost and increase revenue income streams, it is expected that a significant amount of capital investment will be required funded from Prudential Borrowing. This borrowing will only be undertaken if it is considered prudent, affordable and sustainable and has no impact on the council taxpayer. Where borrowing is to fund a commercial project the return on investment will also be taken into account when drawing down funds.

4.10 Risk Management

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

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

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

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

In terms of Budget risks these include;

- Inflation is underestimated in the original estimates
- Interest rates are underestimated
- Changes to grant funding regimes
- Some budgets are only indicative at the time the budget is agreed
- Volatility in some budget headings between years
- Efficiency gains expected in the agreed budget are not achieved
- Unforeseen insurance costs or legal claims
- Emergencies which cannot be foreseen which occur on an ad hoc basis
- Changes to budgets where targets are not met
- Financial guarantees/loans given by the Council
- Unforeseen Events

A list of MTFP risks and mitigating actions are detailed at 5 below.

4.11 Medium Term Financial Plan Analysis (APPENDIX A)

4.11.1 Current Position

4.11.1.1 2016/17 Forecast Out-turn

The Corporate Policy and Resources Committee receives quarterly updates of revenue spend against the budget together with a projection of the forecast out-turn position, in respect of Revenue, Capital and Treasury Management activity and investment returns. The Service Leadership Team receive monthly management reports and Core Leadership Team review summary details every quarter or by exception.

A recent audit of the budget monitoring has resulted in High Assurance being given to the process.

This process allows more accurate predictions of the likely outturn and therefore allows the Council to make further investments into priority services or take remedial action where appropriate.

Initial indications at Quarter 3 are that the Council is likely to outturn a surplus in the region of £0.560m.

Any surplus will transferred to General Fund Balances and/or Earmarked Reserves.

In respect of Capital Expenditure the forecast out turn is estimated to be £9.249m, with slippage of £1.879m which has been subject to carry forward.

4.11.2 Assumptions within the MTFP

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

- Employee Pay Award 1% per annum
- Council Tax increase at £4.95 per annum and growth 0.5%
- Commercial Property Investment of £20m to generate £0.6m savings by 2020/2021
- No growth in NNDR
- Contractual inflation only applied to service expenditure budgets
- 4 year funding settlement in line with draft figures issued by Government
- New Homes bonus is based on Government estimates and payable over 4 years.
- NNDR 1.8% (August RPI)
- Electricity 4%
- Gas 4% from 2018/19
- Capital Programme – total investment; total borrowing; use of reserves; balances at end of five years

4.12 Revenue Budget 2017/18

The Council presents a balanced budget for 2017/18.

The MTFP 2016/17 projected a funding gap in the 2017/18 financial year of £0.382m to be closed to enable a balanced budget to be delivered.

During the year a number of initiatives, projects and reviews were undertaken with the aim of achieving £2m of savings in 5 years. The projected savings requirement for 2017/18 was £0.382m. The Council has been successful in identifying these savings against this target. The significant savings have been achieved from;

- Budget and service reviews £0.147m
- Fees and Charges £0.043m
- Staffing Restructures £0.231

- Removal of Localisation of Council Tax Support (LCTS) Parish Grant £0.169m
- Contract Renewals £0.520m
- Planning Fee Income £0.086

This is against pressures identified during the budget process and legislative impacts

- No charging for Green Waste in 2017/18 £0.502m
- Apprenticeships incl Levy £0.48m

In addition to the above the continued focus on maximising New Homes Bonus through capital investment and identification and intervention measures relating to empty homes has resulted in a further £0.208m per annum of additional grant having been generated. However the New Homes Bonus scheme has been reviewed and allocations will be for a 4 year period reduced from a 6 year period. Further reductions may be required in future years to support other public services. The total allocation for 2017/18 is £1.889m. Future projections are based on Government estimates.

The Council continues to set aside New Homes Bonus to support growth and housing regeneration investment (many other authorities require this grant to support their revenue budgets).

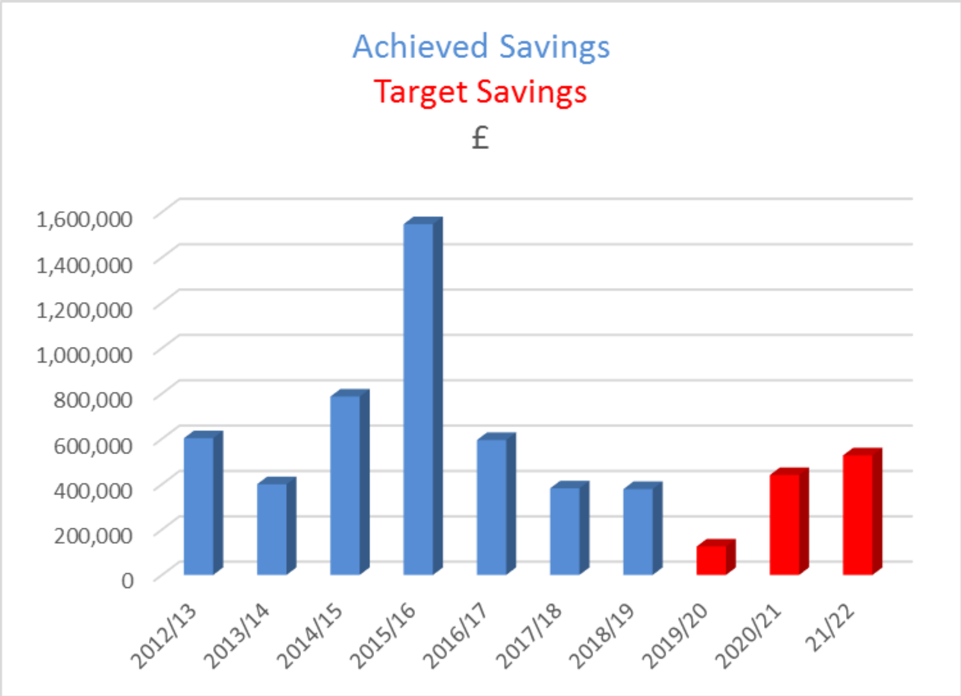
The Business Rates Retention Scheme was introduced in April 2013, calculation models have been developed to more accurately monitor and estimate any impacts of changes to grant funding from a number of local variables. However, it is considered prudent to assume a static level of business rates retention over the MTFP as it is anticipated that the scheme will be reviewed in the near future. 2017/18 specifically includes a share of the estimated 2016/17 declared deficit of £TBC and totals budgeted net income of £TBC

The Council will continue to benefit from being a partner in the Lincolnshire Business Rates Pool and this benefit is estimated to be £TBC

The proposed 2017/18 budget has been balanced with no requirement for a contribution from General Fund reserves.

The Revenue Budget includes the impact of the Capital Investment Programme proposals, with significant revenue contributions from commercial investments of £0.270m in 2017/18 raising to £0.600m by 2021/22.

The Council has managed the reduction in government funding effectively in addition to meeting increased costs. The savings achieved since 2012/13 and those still required to be found over the MTFP are illustrated below;



4.12 Fees and Charges (Appendix B & C)

The Fees and Charges Policy as recommended by the Corporate Policy and Resources Committee and the proposed fees and charges are set out at Appendix B and C of this report. These fees and charges have been complied on the basis of cost recovery and in conjunction with a benchmarking exercise undertaken in 2015. Additional income from the exercise is £0.043m.

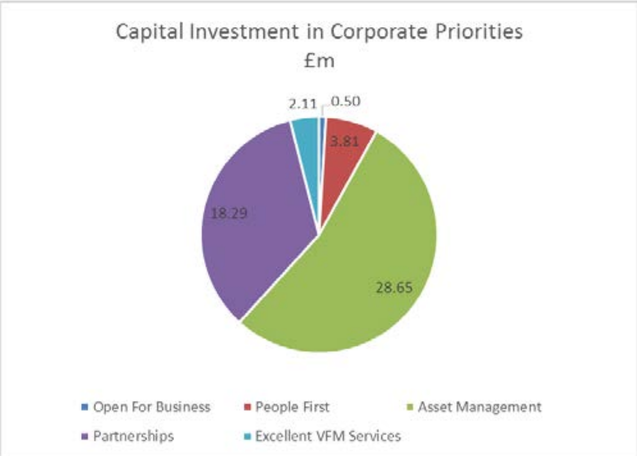
4.13 Capital Investment Programme and Funding (Appendix E)

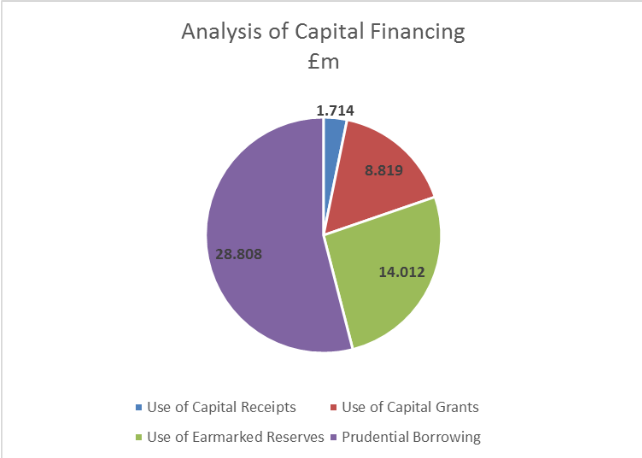
The capital investment programme gives a medium term view of our capital investment proposals in accordance with the Capital Investment Strategy (Appendix D) and are aligned to the key corporate priority themes. There a number of significant programmes of work, which at this time have not been the subject of a full financial appraisal, and to that end Members should be aware that the estimates within this programme could go up and/or down by 50%.

The focus will therefore be on robust business cases which include financial appraisals risk assessments, in addition to appropriate levels of due diligence being undertaken, thus ensuring decision makers are provided with adequate information with which to make an informed decision. The focus will then be on project management and monitoring of progress and the monitoring of risks.

The total capital programme 2017/18 – 2021/22 totals some £53m. The main changes to the programme presented to the Council last year are:-

The chart below illustrates Capital Investment in Corporate Priorities and Funding





4.14 Revenue impact of Capital Investment

The impact on revenue of Capital investment decisions has to meet the Treasury Management Strategy requirements to be affordable and sustainable.

Our strategy to ensuring sustainability will be to include in the budget the costs of external borrowing

As there is a significant element of the Capital Investment Programme where future returns will be realised beyond 2021/22, as these schemes relate to regeneration and growth of the district in year New Homes Bonus will be utilised for these housing and regeneration programme.

Detail	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Cost of Borrowing:					
Minimum Revenue Provision	100,000	311,000	661,860	701,860	701,860
Interest Payable	397,989	645,316	892,933	924,533	924,533
Loss of investment interest	22,898	57,872	73,960	85,145	87,150
Commercial Income:					
Commercial Properties	-715,800	-1,143,400	-1,453,000	-1,554,600	-1,554,600
Acquisition	-75,700	-75,700	-75,700	-75,700	-75,700
Crematorium	0	-292,100	-339,200	-388,700	-388,700
Leisure Centre	-11,400	-116,000	-365,100	-365,100	-365,100
Gross Impact (-)income	**-282,014**	**-613,011**	**-604,247**	**-672,562**	**-670,557**
Use of in year New Homes Bonus	-25,471	-110,231	-255,258	-255,258	-255,258
TOTAL REVENUE IMPACT (-) Income	**-307,485**	**-723,243**	**-859,505**	**-927,820**	**-925,815**

3.4 Treasury Management Strategy (Appendix F)

The Treasury Management Strategy provides the framework in which Finance Officers manage our investment portfolio, our cashflow balances, and in the future, the undertaking of borrowing.

Regular monitoring of the Treasury position is presented to Corporate Policy and Resources Committee on a quarterly basis, through monitoring of Treasury and Prudential Indicators, in addition to showing our investments, return yields and our indebtedness.

The Treasury Management and Prudential Indicators reflect the implications of the Capital Investment Programme, and therefore, will fluctuate in accordance with the delivery of this programme.

The key Prudential Indicator is the Capital Financing Requirement (CFR) simply reflects the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Whilst the Council is currently debt free, the CFR also includes any other long term liabilities i.e. finance leases. Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes.

The impact of the Councils Capital Programme on the CFR is detailed in the table below, and reflects the increase in the Council's borrowing need.

£'000	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Capital Financing Requirement							
Accounting Adj	1,065	1,065	1,065	1,065	1,065	1,065	1,065
Finance Leases	342	122	27	0	0	0	0
Prudential Borrowing	0	5,575	17,540	31,242	33,310	32,608	31,906
Total CFR	**1,407**	**6,762**	**18,632**	**32,307**	**34,375**	**33,673**	**32,971**
Movement in CFR	224	5,355	11,870	13,675	2,068	-702	-702
Movement in CFR represented by							
Net financing need for the year (above)	4	5,575	12,065	14,013	2,730	0	0
Less MRP/VRP and other financing movements	228	220	195	338	662	702	702
Movement in CFR	**224**	**5,355**	**11,870**	**13,675**	**2,068**	**-702**	**-702**

3.4 Reserves

The Council's reserves are held for a variety of reasons and are an essential part of good financial management. They help cope with unpredictable financial pressures and plan for future spending commitments. Having the right level of reserves is important. Where Councils hold very low reserves, there may be little resilience to the current financial shocks and sustained financial challenges being faced.

Reserves enable Councils to:

- Manage variations between their planned and actual budgets that result from unpredictable spending and income
- Smooth budgets where peaks and troughs are inevitable
- Plan their finances strategically to support their activities over the medium and long term
- Provide resources for investment to deliver corporate priorities.

The Council considers a minimum General Fund Working balance of 5% of Net Operating Expenditure (£1m) is adequate for unforeseen events.

The Council estimates that it will hold £18.195m of reserves at the end of 2016/17 reducing to £11.655m by 2021/22. This assumes proposals within the MTFP are approved, that the Capital Programme delivers as per projections and that New Homes Bonus is at the levels as those estimated by the DCLT. The categories of reserves are detailed below;

Year End Resources £'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
General Fund balance	3,715	3,089	1,689	1,489	1,789	2,039	2,289
Earmarked Reserves	13,847	12,934	9,617	6,460	5,401	6,971	8,857
Capital receipts	2,984	2,352	1,368	963	883	953	1,073
Total Reserves	**20,546**	**18,375**	**12,674**	**8,912**	**8,073**	**9,963**	**12,219**

The table above reflects the movements in the 2017/18 MTFP with contributions from revenue to fund replacement programmes ie IT, waste vehicles or for budget smoothing /contingencies ie 4 yearly elections, totalling £0.534m, in addition to New Homes Bonus being earmarked for Growth and Regeneration £1.77m and amounts set aside for future Business Rates volatility £1.869m

The use of reserves towards revenue funding totals £0.496m ie community grant scheme, property maintenance, replacement wheelie bins etc. and includes the use of the budget volatility reserve with regard to the actual 2015/16 deficit on the NNDR collection fund which will be a charge to revenue in 2017/18 of £1.195m

In addition £6.559m is to be utilised to fund the Capital Investment Programme.

Over the MTFP there may be a need to review both the level of the minimum General Fund Balance in addition to increasing the requirement for ‘contingency’ funds. These are essential elements of robust financial management as Government funding is reduced and more reliance is placed on volatile income sources such as Building Control, Land charges, Planning fees and Business rates; all of which are interrelated.

In line with best practice the Council will continue to review its specific reserves each year to ensure their continuing requirement. A review was undertaken in year with a number of reserves being transferred to increase existing reserves for corporate priority areas.

At this time it is not considered appropriate to return any further specific reserves to the General Fund balance, however as funds are expended, a strategy for replacement of these funds will need to be considered within available resources and the prioritisation of the capital investment programme.

General Fund balances are estimated to be £3.089m at 31 March 2017. These can be supplemented by £12.934m of earmarked resources and £2.352m of Capital Receipts. The aggregate total, therefore, is £18.375m.

This is considered adequate in view of the size of the Council's revenue budgets and the profile of the Capital programme.

Current spending plans would indicate that over the short term the General Fund balances would remain at an acceptable level and in line with the Financial Planning Principles, although further action is required to deliver the savings required to maintain a sustainable financial position.

3.5 **Council Tax** (Appendix G-K)

The level of Council Tax is considered in line with the impact on council tax payers, economic instability, settlement figures, potential capping, the impact on the Council's balances and the wish to invest in priorities.

In setting the Council Tax the Council has been mindful of the factors highlighted above; considering the financial pressures faced moving forward Council will need to be increasingly mindful of the financial implications of its Council Tax decisions.

The Secretary of State has powers to impose limits on the rate of Council tax increases imposed by Local Authorities, for 2017/18 this limit is set at 2% or £5 whichever is the greater. If the Council wished to increase Council Tax above this level there would be a requirement to hold a referendum. The cost of such a referendum would be broadly equivalent to a 2.5% increase in Council Tax. At this time it would be advised that any increase be below the level at which a referendum would be triggered.

The proposal for 2017/18 is to increase Council Tax by £4.95 (2.52%)

The Council's past decisions on Council Tax increases are detailed below;

Year	Charge Band D £	Increase %	Increase £
2013/14	191.34	0.78	1.48
2014/15	191.34	0.00	0
2015/16	191.34	0.00	0
2016/17	196.29	2.59	4.95
2017/18	201.24	2.52	4.95

The composition of the proposed Council Tax charge by property valuation band, excluding parish precepts, is set out in the table below for information.

Table 4 Council Tax Charges by Band 2017/18 (excludes parish precepts)

Band	West Lindsey DC	Lincolnshire CC	Police & Crime Commissioner Lincolnshire	Aggregate Council Tax
A	134.16	782.28	136.99	1,053.43
B	156.52	912.66	159.82	1,229.00
C	178.88	1,043.04	182.65	1,404.57
D	201.24	1,173.42	205.48	1,580.14
E	245.96	1,434.18	251.14	1,931.28
F	290.68	1,694.94	296.80	2,282.42
G	335.40	1,955.70	342.47	2,633.57
H	402.48	2,346.84	410.96	3,160.28

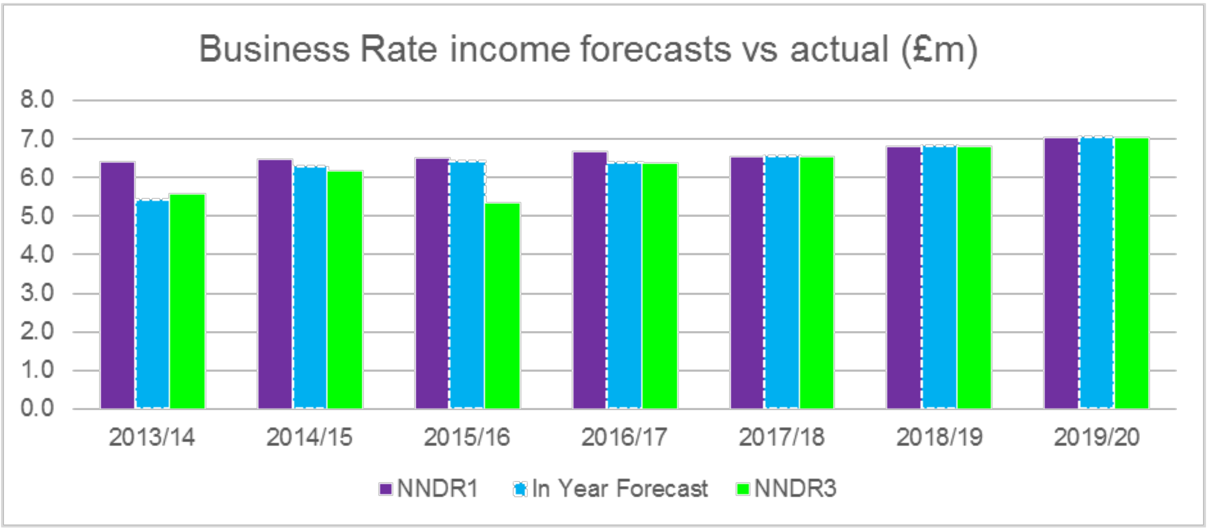
The required resolutions to determine Council tax levels and all other relevant supporting information can be found in Appendices G-K.

3.6 Business Rates (NNDR)

The Council is the billing authority for NNDR and collections 40% for our own purposes, 50% on behalf of Government and 10% for the Lincolnshire County Council.

The future forecasting of NNDR has been undertaking using the DCLG's latest proposals and their assumptions of inflationary increases in the NNDR multiplier. Anticipated growth of £0.050m has been included from 2018/19 onwards to reflect the estimated Rateable Value growth of known development schemes.

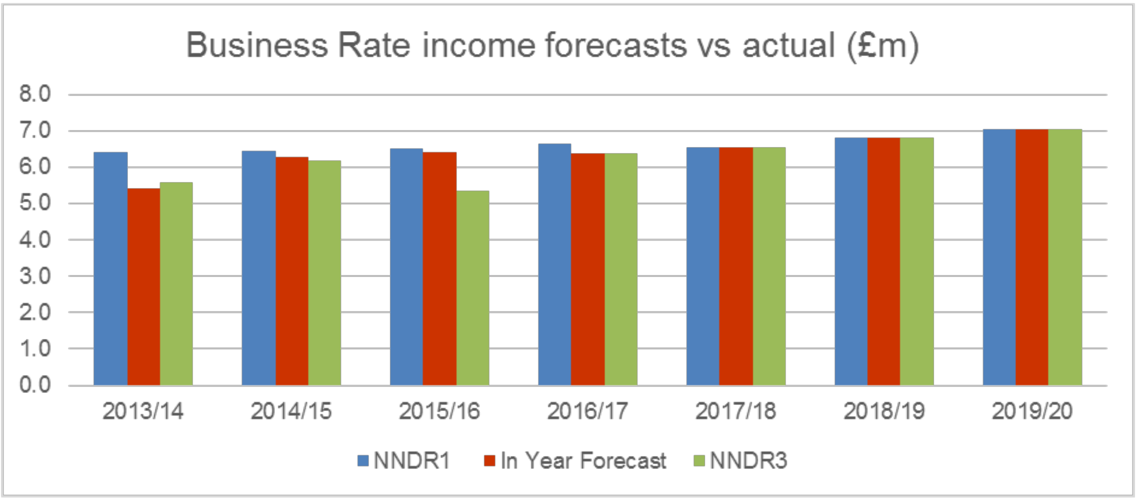
The Council is required to submit an estimate for the year to Government, this return is called the NNDR1. At the year end a NNDR3 is then submitted to confirm the actual resources received from the scheme. Any variance between these two amounts results in a surplus or deficit on the Collection fund, to which we have a 40% share.



The graph below illustrates all income from NNDR which includes additional government grant for supporting mandatory reliefs, or payments due to and from the Lincolnshire NNDR Pool should we exceed (levy) / or not achieve our NNDR baseline funding (safety net if above 7.5%).

For 2017/18 the resources budgeted is significantly less than in previous years as we are required to meet the cost of the deficit share from 2015/16 (£1.3m)

The remaining MTFP provides resources budget for of £3.461m, with any additional resources received above this amount being earmarked to the Volatility Reserve to mitigate any future deficits (due to impacts of appeals) and the 100% Business Rate Retention Scheme proposed for 2020/21. We assume that there will be no surplus or deficit in future years.



3.7 Pay Policy Statement and Establishment Numbers (Appendix L)

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

Following the Hutton Review of Fair Pay in Local Authorities on Data Transparency, authorities are now disclosing their pay multiple i.e. the ratio between the highest paid employee and the median earnings level with the organisation. This data will inform the annual review of the Pay Policy Statement in future years.

In March 2015 the Chancellor announced a commitment to implement a Living Wage with a commitment that by 2020 a person aged over 25 and paid the current minimum wage of £6.70 will benefit by increased pay of £4,800 per annum by 2020.

From April 2017 all workers aged over 25 are legally entitled to a living wage of £7.20 per hour. This amount is below our current lowest level of pay, however the impacts will be reviewed annually.

The Pay Policy Statement for 2017/18 and is set out at Appendix M for approval.

PART 9 - RISKS

	Likelihood	Impact	
Future available resources less than assumed	**Possible**	**High**	Annual review of reserves, 4 year settlement proposed, Entrepreneurial Council approach to commercialism
Commercial Projects do not deliver anticipated benefits	**Possible**	**High**	Project management and monitoring. Risk Register for each project Appropriate and robust due diligence
Council is unable to provide a balanced budget in future years.	**Possible**	**Low**	The Commercial Plan and the development of a transformation plan will bring forward proposals to ensure the Council has a strategy for delivering a sustainable Medium Term Financial Plan from 2017/18 onwards. The Council has an adequate level of General Fund Reserves to support balancing the budget should the need require.
Volatility of Business Rates	**Likely**	**Medium**	Volatility of funding stream outside of Council control but impact mitigated by establishment of contributions to an earmarked reserves
Pay and price increases above budgeted assumptions	**Unlikely**	**Low**	2 year pay award offer @ 1% proposed aligns to budget. Contractual inflation is included in budget. Average utilities % applied. Improved commissioning and procurement.
Future spending plans	**Possible**	**Low**	All Services carry out effective horizon scanning with profile of service demands (past and future). This informs the MTFP budget modelling throughout the year.
Anticipated savings/	**Possible**	**High**	Regular monitoring and reporting take place but the size of the funding cuts increase the likelihood of this risk. Non

efficiencies not achieved.			achievement of savings would require compensating reductions in planned spending within services. A principle is in place to maintain General Reserve at a minimum of 5% of Net Operating Expenditure.
Income targets not achieved.	**Possibly**	**Medium**	Current economic climate likely to impact. Regular monitoring and reporting is undertaken with a full review of fees and charges annually which incorporates trend analysis and future demand estimations. Commercial trading monitor volumes and pricing
Revenue implications of capital programmes not fully anticipated	**Possible**	**Low**	Capital bid approval identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in scenario planning and in business case development.
Loss of principal investments	**Unlikely**	**Medium**	Limited by the controls in the Treasury Management Strategy which prioritise security of deposit over returns on a risk based approach. Impact limited due to the strategy of a diverse portfolio with top rated institutions backed by Government guarantees and internal funding
New duties imposed by Government	**Likely**	**Low**	It has already been stated that new duties will be transferred to districts, however this will be considered in line with the retention of NNDR. Proactive preparation will be undertaken to engage early and influence the outcome. The availability of general reserves will also help smooth any initial financial impact, pending any reallocation of resources. In the event of new requirements being imposed 'new burdens' funding could also be sought.
Review of NNDR Retention Scheme	**Likely**	**Medium**	Government proposals for 100% of NNDR retention locally will have an impact on the resourcing of WLDC it is not yet known what future income levels will be.
The cultural change and capability required	**Possible**	**Low**	Entrepreneurial Board will ensure that the project management framework is effective and that robust business

to deliver against the Council's Entrepreneurial aspiration may not be realised as quickly as the financial cuts, as changes in business models can take large organisations a number of years to realise regardless of the sector.			cases are developed prior to approval of projects and that projects are monitored, with issues being raised and escalated at an early stage for consideration.
The assumptions contained within the MTFP are not realised.	**Likely**	**Medium**	A contingency budget in addition to a significant amount of reserves are held to mitigate any in year financial risks or volatility relating to income, or increases in expenditure, and which can be utilised in the event of variations to the assumptions made
Recruitment and Retention of skilled staff	**Likely**	**High**	The increased use of consultants brought in to do the right jobs.

APPENDIX A

Revenue Budget Summary 2017/18 to 2021/22

	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £	2020/21 Original Budget £	2021/22 Original Budget £
Corporate Policy & Resources	5,403,999	5,044,599	5,000,999	4,854,799	4,971,699
Prosperous Communities	5,803,700	4,696,100	4,578,800	4,541,200	4,573,800
Grand Total	**11,207,699**	**9,740,699**	**9,579,799**	**9,395,999**	**9,545,499**
Capital Accounting Adjustment	(754,200)	(702,900)	(908,600)	(864,400)	(850,700)
Committee Totals	**10,453,499**	**9,037,799**	**8,671,199**	**8,531,599**	**8,694,799**
Parish Precepts	1,867,387	1,867,387	1,867,387	1,867,387	1,867,387
Interest and Investment Income	(220,200)	(187,100)	(193,400)	(193,600)	(191,400)
Interest Payable	398,000	645,300	892,900	924,500	924,500
Statutory MRP	195,900	342,400	661,900	701,900	701,900
Capital Expenditure Charged Against General Fund	5,446,400	5,232,500	2,580,500	595,000	134,500
Net Operating Expenditure	**18,140,986**	**16,938,286**	**14,480,486**	**12,426,786**	**12,131,686**
Transfer to / (from) General Fund	(1,343,400)	(15,400)	0	0	0
Transfer to / (from) Earmarked Reserves	(3,500,700)	(3,101,700)	(501,400)	1,626,800	1,885,000
Amount to be met from Government Grant or Council Tax	**13,296,886**	**13,821,186**	**13,979,086**	**14,053,586**	**14,016,686**
Funding					
Revenue Support Grant	760,800	370,700	0	0	0
Business Rate Retention Scheme	2,266,000	3,794,000	3,924,000	3,996,000	3,996,000
Collection Fund Surplus - Council Tax	218,896	50,000	50,000	50,000	50,000
Parish Councils Tax Requirement	1,867,387	1,867,387	1,867,387	1,867,387	1,867,387
New Homes Bonus	1,888,800	1,444,000	1,385,500	1,285,200	1,076,700
Other Government Grants	467,200	371,400	451,200	62,600	62,600
Council Tax Requirement	**5,827,803**	**6,000,873**	**6,175,529**	**6,351,775**	**6,529,625**
TOTAL FUNDING	**13,296,886**	**13,898,360**	**13,853,616**	**13,612,962**	**13,582,312**
Balanced Budget/Cumulative Savings Target	**0**	**(77,174)**	**125,470**	**440,624**	**434,374**

Summary of WLDC Medium Term Financial Plan 2017/18 – 2021/22

Net Operating Expenditure

	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £	2020/21 Original Budget £	2021/22 Original Budget £
Expenditure	**45,697,886**	**45,739,186**	**43,637,986**	**41,639,486**	**41,363,886**
Capital Expenditure	5,446,400	5,232,500	2,580,500	595,000	134,500
Employees	9,755,000	9,840,600	10,016,700	10,104,300	10,295,700
Interest Payable	398,000	645,300	892,900	924,500	924,500
Other Operating Expenditure-Parish Precepts	1,867,387	1,867,387	1,867,387	1,867,387	1,867,387
Premises	706,500	1,027,000	1,066,600	1,086,100	1,084,700
Supplies and Services	2,654,100	2,598,100	2,650,600	2,589,600	2,589,600
Third Party Payments	1,382,799	1,020,799	1,064,699	978,699	973,599
Transfer Payments	22,608,200	22,614,600	22,608,200	22,608,200	22,608,200
Transport	879,500	892,900	890,400	885,700	885,700
Income	**(27,752,800)**	**(29,143,300)**	**(29,819,400)**	**(29,914,600)**	**(29,934,100)**
Customer and Client Receipts	(4,147,600)	(5,478,800)	(5,913,300)	(6,011,100)	(6,030,000)
Government Grants	(22,735,500)	(22,721,000)	(22,707,200)	(22,707,200)	(22,707,200)
Interest Receivable	(220,200)	(187,100)	(193,400)	(193,600)	(191,400)
Other Grants and Contributions	(649,500)	(756,400)	(1,005,500)	(1,002,700)	(1,005,500)
Transfers To / (From) Reserves	**(4,648,200)**	**(2,774,700)**	**160,500**	**2,328,700**	**2,586,900**
Transfers To / (From) Reserves	(4,648,200)	(2,774,700)	160,500	2,328,700	2,586,900
Grand Total	**13,296,886**	**13,821,186**	**13,979,086**	**14,053,586**	**14,016,686**
FUNDED BY:					
Revenue Support Grant	760,800	370,700	0	0	0
Business Rate Retention Scheme	2,266,000	3,794,000	3,924,000	3,996,000	3,996,000
Collection Fund Surplus - Council Tax	218,896	50,000	50,000	50,000	50,000
Parish Council Tax Requirement	1,867,387	1,867,387	1,867,387	1,867,387	1,867,387
New Homes Bonus	1,888,800	1,444,000	1,385,500	1,285,200	1,076,700
Other Government Grants	467,200	371,400	451,200	62,600	62,600
Council Tax Requirement	**5,827,803**	**6,000,873**	**6,175,529**	**6,351,775**	**6,529,625**
Grand Total	**13,296,886**	**13,898,360**	**13,853,616**	**13,612,962**	**13,582,312**
Balanced Budget/Cumulative Savings Target	**0**	**(77,174)**	**125,470**	**440,624**	**434,374**

Base Budget – Cluster Analysis (Controllable Budgets only)

Cluster and Business Unit	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Chief Executive / Directors	**485,600**	**490,300**	**495,100**	**499,700**	**504,200**
Chief Executive	149,300	150,700	152,200	153,500	155,000
Chief Operating Officer	111,600	112,700	113,800	114,900	115,900
Commercial Director	111,800	112,900	114,000	115,100	116,100
Director of Resources	112,900	114,000	115,100	116,200	117,200
Commercial	**2,746,700**	**2,235,400**	**2,243,700**	**2,184,900**	**2,214,500**
Street Cleansing	498,000	506,200	505,800	508,800	511,800
Town Centre Markets	32,200	30,200	30,900	30,800	31,500
Trade Waste	7,300	7,800	8,100	(6,300)	(6,000)
Waste Management	2,209,200	1,691,200	1,698,900	1,651,600	1,677,200
Customer First	**1,399,600**	**1,467,300**	**1,469,600**	**1,516,600**	**1,502,800**
Building Control	79,100	65,000	53,500	45,100	43,200
Customer Services	512,300	553,500	538,100	562,800	547,500
Debtors	28,900	29,400	30,100	30,800	31,000
Food Safety	136,100	137,400	138,600	139,900	141,200
Fraud	23,900	24,400	24,900	25,500	26,000
Health and Safety	71,000	71,700	72,300	72,800	73,400
Housing Benefits Admin	248,400	271,400	292,400	298,700	304,200
Housing Benefits Payments	(198,800)	(198,800)	(198,800)	(198,800)	(198,800)
Land Charges	42,300	46,800	47,800	48,800	49,900
Licenses - Community	4,900	(3,800)	(2,300)	9,600	(2,700)
Local Tax Collection	229,500	239,100	245,600	251,200	254,800
Parish Lighting	53,500	61,200	56,200	57,600	59,100
Pest and Dog Control	22,900	22,900	22,900	22,900	22,900
Pollution Control	115,200	116,300	117,300	118,500	119,600
Support Services - Admin	30,400	30,800	31,000	31,200	31,500
Democratic & Member Support	**3,342,299**	**3,472,499**	**3,766,999**	**3,787,799**	**3,890,499**
Communications	119,100	120,800	122,600	124,500	125,500
Corporate Management - Apprentices	57,400	57,400	57,400	57,400	57,400
Corporate Management - Finance	1,114,799	1,234,699	1,397,599	1,493,899	1,598,999
Democratic Representation	487,400	491,600	505,900	510,500	513,800
Elections	0	0	99,000	0	0
Financial Services	609,600	604,700	609,400	614,200	597,200
Human Resources	285,600	282,700	284,500	286,300	288,000
Levies	351,400	356,600	361,800	367,100	372,500
Register of Electors	132,400	133,300	134,100	134,900	135,800
Support Services - Corporate	184,600	190,700	194,700	199,000	201,300
Economic Development and Neighbourhoods	**1,272,300**	**1,005,200**	**1,075,300**	**1,078,500**	**1,090,400**
Community Action & Community Safety	158,200	161,600	163,200	164,600	166,400
Development Management	(47,100)	(38,200)	122,100	117,700	123,400
Economic Development	471,200	425,700	371,400	375,500	378,800
Environmental Initiatives	56,900	56,900	56,900	56,900	56,900
General Grants etc.	416,200	251,600	212,200	212,200	212,200
Neighbourhood Planning & Local Plans	139,500	68,300	68,400	68,600	69,000
Planning Policy - Forward Planning	77,400	79,300	81,100	83,000	83,700
Housing and Regeneration	**733,100**	**(143,500)**	**(726,200)**	**(863,200)**	**(846,000)**
Admin Buildings	319,000	290,600	293,000	296,600	300,300
Car Parks	(186,300)	(185,700)	(184,700)	(184,100)	(183,300)
Commercial Properties	(1,081,500)	(1,604,800)	(2,127,800)	(2,279,400)	(2,277,500)
Community Action & Community Safety	102,100	95,000	97,000	97,900	98,800
Culture, Heritage & Leisure	580,200	250,900	32,200	33,800	35,600
Emergency Planning	14,600	14,600	14,600	14,600	14,600
Environmental Initiatives	44,500	44,900	45,400	45,700	46,100
Homelessness/ Housing Advice	282,000	286,500	288,900	291,500	293,900
Housing Strategy	117,900	119,000	140,100	141,100	142,200
Other Council Properties	3,800	3,900	4,000	4,100	4,200
Private Sector Housing Renewal	149,800	152,200	154,700	156,200	157,700
Property Services	289,600	291,400	417,800	419,700	421,600
Public Conveniences	56,500	56,800	57,100	57,400	57,700
Tourism	40,900	41,200	41,500	41,700	42,100
Organisational Transformation	**1,228,100**	**1,213,500**	**1,255,300**	**1,191,700**	**1,189,100**
Business Improvement & Commercial Development	382,800	387,400	392,100	320,700	318,500
Cemeteries and Churchyards	47,100	57,100	61,100	61,100	51,100
ICT Services	266,900	282,700	307,200	306,200	307,700
Parks & Open Spaces	49,800	49,800	49,800	49,800	49,800
Systems Development	481,500	436,500	445,100	453,900	462,000
Grand Total	**11,207,699**	**9,740,699**	**9,579,799**	**9,395,999**	**9,545,499**

Appendix B

Fees, Charges and Concessions

Policy Framework

CONTENTS

1.0 Purpose of Fees, Charges and Concessions

1.1 Charging for local services makes a significant contribution to Council finances, totalling some £3.4m for 2015/16, and the majority of which the Council has discretion over what it can charge. The more income generated through fees and charges, the less is needed from Council Tax; which means keeping Council Tax as low as possible.

1.2 Fees, charges and concessions can also play an important part in helping the Council deliver its objectives, by influencing service users' behaviour. For example, offering a green bin at a 100% discount (i.e. "free"), encourages people to recycle garden waste and therefore supports the Council's objective of lowering the carbon footprint through reducing the amount of waste sent to landfill sites.

1.3 Some of the fees which the Council levies are set by statute and the Council has no say in what they should be, Planning Application fees are an example of this.

1.4 For some services, the Council no longer provides the service directly and therefore it has no say in the level of charge: however, it can offer subsidies or can instruct the service provider what concessions should be offered (i.e. Leisure Services).

1.5 In other cases the Council has the discretion to determine what charges should be made for a service and whether or not variations to the charge should be allowed.

1.6 This policy relates to the fees and charges for services over which the Council has discretion about whether to charge and what the level of the charge should be, and to what concessions/subsidies should be offered on these services and those provided by third parties.

1.7 The purpose of the policy is to ensure that decisions about charges are made on a consistent basis across all services and to provide a framework for Members and Service Managers to work to in determining what the charges and concessions should be.

2. Core principles

2.1 When considering whether to levy a charge for a service, Members and Service Managers should use the following principles to guide them.

2.2 In some circumstances it may be the case that principles and objectives may be contradictory. For example, one of the core principles is that the opportunity to levy charges should be fully exploited to maximise income. However, this could potentially have a negative impact on service take up or potentially disadvantage lower income groups.

2.3 To resolve these possible dilemmas an examination and informed debate of the issues will be necessary. Part of the policy framework requires a better understanding of costs and usage patterns. This is key information and should be used to model the impact of potential charges and how potentially detrimental effects can be offset by using other tools, such as concessions or discounts.

2.4 This policy is intended to facilitate informed decision making and to encourage Members and Service Managers to rigorously examine existing fees and charges and to explore opportunities for using charging as a way of supporting the Council's priorities.

2.3 Generating income

2.3.1 In considering fees and charges Service Managers should apply the principle of maximising income wherever possible. That means ensuring that all opportunities for charging for services are identified and considered and also by ensuring that fees and charges are made at an appropriate level. The section on pricing strategy gives more guidance on this.

2.4 Managing demand for services

2.4.1 The second principle to be applied is that of using fees and charges as a mechanism for managing demand for services. This may be either as a means of introducing or increasing charges to limit demand if the service in question is oversubscribed; or through the use of discounts as a way of stimulating demand if there is poor uptake.

2.5 Council's Reputation

2.5.1 The third principle to be applied is that the reputation of the Council must not be damaged by the use of fees, charges and concessions, and that where possible these should be used to enhance the Council's reputation. Fees, charges and concessions can have a significant impact on the Council's reputation. When considering new or existing fees, charges or concessions Service Managers must ensure that appropriate consultation and communication has been carried out with service users and other relevant stakeholders.

3. <u>Delivering objectives</u>

3.1 The Council is an entrepreneurial Council with a social mind set. To meet this vision it has set a number of corporate priorities:

- Open For Business
- People First
- Asset Management
- Local Plan
- Partnerships/Devolution

- Excellent Value for Money Service

When considering a charge or concession for a service, Members and Service Managers must consider how such a charge will impact on the Council's overall priorities and the objectives for the individual service. Charges and concessions can clearly influence service users' behaviour and therefore can support or undermine service objectives and corporate priorities.

3.2 Delivering corporate priorities

3.2.1 When reviewing existing charges and concessions, or considering new ones Service Managers should indicate clearly which priority will be affected and in what way. Should there be a conflict between a service objective and a corporate priority, this will require discussion and resolution by the relevant committee.

3.2.2 For example, the core principle of income generation outlined above ensures the Council Tax requirement is as low as possible is to maximise income. However, introducing new charges for services may result in financial hardship for some of the poorer sections of the community, and might deter them from using the service or facility. This therefore conflicts with the Prosperous corporate priority. In these cases the advantages and disadvantages, both financial and social should be explored and discussed by Members prior to any decision being made.

4. <u>Pricing strategy.</u>

4.1 All fees and charges are to be set in the context of a pricing strategy for each service, which will be determined by the objectives of the service, the core principles outlined above, corporate priorities and market intelligence. For major changes (i.e. new discretionary income sources, changes to concessions and removal of discretionary charges) a business plan should be prepared which gives an analysis of the market, the financial implications and the risks associated with the proposal.

4.2 The following principles should be applied to the pricing strategies for services:

4.3 Full cost recovery

4.3.1 For discretionary services the Council is not allowed to recover more than the cost of providing that "kind of service" and as a general principle charges should be set in order to recover the full cost of providing a particular service. Clearly market forces play a part in determining prices and in order to be competitive some charges may be lower than the cost of providing a service.

4.3.2 In determining the price to charge for a particular service it may be necessary to estimate the numbers of “units” of a service are likely to be sold during a financial year. If there is no management information to support this, market research data and benchmarking data should be used as the best alternative.

4.3.3 Within a group of services, the cost of some individual discretionary services may exceed their cost in order to subsidise other services within the group. The key point is that the overall total cost for a service must not be exceeded. This is a complex area and Service Managers must agree with the Financial Services Manager what individual service groupings constitute a “kind of service”, setting out clearly which services they expect to recover more than their costs to offset those services which will not recover all of their costs.

4.3.4 A similar flexibility in recovery of total cost is allowed across clients: theoretically as long as the total cost of a service is recovered, some client groups could be charged more and some less than full cost. As a general principle the Council would not anticipate subsidising one group of clients through increased charges to another. However, there may be some cases where this would be appropriate (e.g. Planning services might make a higher charge to commercial developers than domestic householders). These should be agreed with the Financial Services Manager on a case by case basis.

4.3.5 In some cases, the Council may decide not to recover the total cost of the service, in which case the full cost should be established so that the level of subsidy is clear.

4.3.6 There are different methodologies for establishing the full cost of a service. The Council requires that the CIPFA Service Reporting Code of Practice (SeRCOP) definition of total cost is used. However, it will be appropriate to exclude certain costs such as those relating to pensions early retirement. The costings should therefore be established by the Service Manager and relevant accountant working together, using data from the main financial system.

4.4 Different levels of charges

4.4.1 The agreed charge for a service, determined by the factors outlined in 4.3 above, represents the “standard charge” for that service. Against that “standard charge” a range of variations may be offered.

4.4.2 Standard charge

4.4.2.1 The price for a service, based on:

(Total cost of the service/number of units per year) less any direct subsidy.

4.4.2.2 In calculating the standard charge, Service Managers will need to adopt a pragmatic approach. It is suggested that services are categorised in one of three ways:

- Costs are likely to be far in excess of the potential income (based on an assessment of what the market will bear). In these cases the service manager should be clear to what extent the service is being subsidised and should be sure that it is appropriate to provide the service, in accordance with the Council's priorities.

- Costs are broadly equivalent to the likely income. Care should be taken that all costs are clearly identified, so that it can easily be demonstrated that the Council is not exceeding its charging powers.

- Costs are much lower than the potential charge which the market would bear. Care should be taken to ensure all costs are clearly identified and attributed. Consideration to be given to grouping the service with services that do not recover costs, in discussion with the Financial Services Manager. Consideration also to be given to greater differential charging between client groups, in discussion with the Financial Services Manager.

4.4.3 Commercial charge

4.4.3.1 A premium charge for a service, which does not necessarily reflect the cost of providing that service, but rather is based on what the market will bear. This may only be applied for services within a "Service Group", where a subsidised service to another client group will mean that the overall charges for providing a service will not exceed the modified total cost for that service. Any commercial charges will need to be agreed with the Financial Services Manager. Potential examples of this type of charge could be pre-planning advice for developers or commercial waste collection.

4.4.3.2 Setting property rents needs special consideration since in addition to having regard to the commercial market for the area, it may be that a specific rate of return would be required or perhaps to meet corporate objects it may be appropriate to offer substantial discounts in order to attract new businesses into the area. Due to the specialist nature of property rents, the Councils Head of Strategic Growth should be consulted for all proposals to review or introduce new property rents.

4.4.4 Concessions

4.4.4.1 The Council offers concessionary rates for some services to certain client groups. The basis for concessions is as follows:

- Financial hardship
- Age (below 18)
- Students

4.4.4.2 All groups entitled to a concession will receive upto a maximum discount of 50% of the standard charge for the service. Acceptable evidence for eligibility for a concession would be:

Financial hardship:

In receipt of Housing benefit, Council Tax relief, Job Seekers Allowance, Disability Living Allowance, Personal Independence Payment or state pension (as sole income).

Age (below 18):

Passport/birth certificate/proof of age card (if not obvious)

4.4.4.3 Services to which concessions apply:

- Leisure services
- Pest control services (given as a grant)
- Electoral Services (Statutory Concessions,sales of registers etc.)

4.4.5 Promotional and Premium Charges

4.4.5.1 Promotional charges offer a discount to the standard charge for either a time-limited period, or for bulk purchasing. They are generally used to stimulate demand. A current example is season tickets at a bulk purchase rate for parking in the Beaumont Street multi-storey in Gainsborough.

4.4.5.2 Premium charges are higher charges than the standard for a particular service. For example, customers may be willing to pay extra to have bulky waste collected on a specific day.

4.4.6 Discounts

4.4.6.1 Discounts to the standard charge may be offered to certain client groups for specific services, if in support of specific corporate priorities or service objectives.

Current discounted services are:

- Green bins: 100% discount on first green bin per household, for all client groups
- Car parking: 100% discount for blue badge holders and 50% discount for early payment of penalty notices
- Leisure: Three price levels, adult, junior and concession
- Swimming: 25% for disabled users and free for accompanying carers
- Markets: Discounts for registered traders and vending vans

4.5 Compliance

4.5.1 All non-statutory services provided must be in accordance with the provisions of Part 1 Section 2 of the Local Government Act 2000 and any discretionary charging must be in accordance with Section 93 of the Local Government Act 2003.

4.5.2 The costs of provision of a service must be calculated as described in CIPFA's publication "A Practical Guide for Local Authorities on Income Generation (2013 Edition) and in accordance with CIPFA's Service Reporting Code of Practice for Local Authorities.

4.6 Consistency

4.6.1 All discretionary fees and charges for services provided by the Council must be in accordance with the policy framework outlined above.

5.0 <u>Procedures</u>

5.1 Frequency of review of fees and charges

5.1.1 All fees and charges should be periodically reviewed and updated by, covering the following:

- To establish service groups.
- To establish the costs of providing the services within the group.
- To determine what the standard charge for the service should be.
- To identify any potential gap between current charges and the recalculated ones, and to develop a plan to close the gap over a suitable time period.
- To identify benchmarking data or comparisons with other Councils.

5.1.2 In establishing the standard charge for a service consideration of anticipated usage and competitor pricing will need to be taken into account.

5.1.3 Thereafter, as a minimum, annual review of fees and charges should take place. This should take into account the cost of provision of the service, the volume used and therefore the income generated, and the prevailing market rates. The following year's prices should be adjusted accordingly in the light of the findings of the review.

5.1.4 Service Managers need to be flexible in their approach to reviewing charges. They need to be aware that maximising income may not always involve increasing fees and charges. In areas where there is competition for Council services or where demand is reducing it may be more appropriate to reduce fees and charges to gain a bigger market share. Service officers should therefore put in place systems to actively monitor income, performance and market forces during the course of the year.

5.1.5 Once new charges have been calculated, the annual review of fees and charges will be reported to both Prosperous Communities and Policy & Resources Committee for discussion and recommendation to Full Council for approval as part of the Medium Term Financial Plan.

5.2 Identifying new opportunities for fees and charges

5.2.1 Services should actively identify new opportunities for income generation. This is undertaken by keeping abreast of benchmarking, other developments within Local Authorities, being entrepreneurial in their approach to delivering their services for example.

5.2.2 Any new opportunities identified should be costed, initial market research undertaken to gauge potential demand and what competitor pricing is set at, and a proposed standard charge identified. This, together with forecast annual income and costs, risks of implementation, and wider impacts should form a business case for consideration initially by CMT and then by Members.

5.2.3 The complexity of the business case will depend on the materiality of the potential fee income: if it is small, then the “business case” need not be complex, but should just summarise issues under each of the headings given. If the potential income is a significant figure and may incur additional costs to generate, then a more detailed business case will be required.

5.3 Budgeting and price setting

5.3.1 As described earlier in the framework, prices should be based on a “standard charge”, which is dependent on the total cost of a service and the anticipated volume of that service (which in itself is likely to be price sensitive). This will also take into account competition, “what the market will bear” and how far the Council may wish to subsidise the service in the pursuit of its objectives.

5.3.2 If the service is “marginal”, i.e. no additional resources or costs are incurred to provide that service, then a charge for the service may be based on an apportionment of costs, based on the time spent in providing the service.

5.3.3 Where a service is provided by an identifiable team or part of the organisation, specifically set up to provide that service, it should form a separate cost centre. In this case the standard charge for the service should be based on the costs of that service, divided by the number of units of the service provided.

5.3.4 So, the price for a service should be based on the following formula:

(Total cost of providing service) less any subsidy

(Number of units of service provided)

5.3.5 Services may be subsidised for a number of reasons:

- The Council deems it desirable to provide the service, but the market would not bear the full cost of providing the service.
- The Council deliberately subsidises the service in order to achieve policy objectives.

5.3.6 However, care must be taken in this situation that the Council does not put itself in contravention of EU law by providing “state aid” in the provision of services. This is most likely where the service in question is also provided by the private sector. Advice should be sought from the Financial Services Manager if services are to be subsidised

5.4 Financial management and monitoring of income

5.4.1 The fundamental principle is that systems for accounting for income and administering charges should be as simple as practicable, to reduce the administrative overhead as much as possible.

5.4.2 Payment for services should be taken in advance, or at the point of delivery. A pre-set list of charges should be available, and be clearly publicised. Customer services agents should be fully appraised of all potential services, the charges, and the mechanisms by which customers may pay. In some circumstances it may be necessary to invoice for services; this should be done using the Council’s sundry debtors system.

5.4.3 Each service should have its own income code so that income relating to a particular service can be clearly identified.

5.4.4 Income should be monitored as part of the monthly budget monitoring process and should be measured against anticipated profiles. If significant deviation is identified the cause should be established as quickly as possible and suitable remedial action taken.

5.5 Gathering market intelligence

5.5.1 In order to set charges at the right level a wide range of information about the demand for services, the profile of service users and non-users, the wider market for services and competitors for the provision of the service will be required.

5.5.2 Systems should be developed for recording service take up, including not just volumes, but information which would allow for a more sophisticated understanding of usage patterns (such as seasonality, time of day etc.). If practical it would be useful to be able to segment users of a service by client group, at least to the extent of understanding the concession take up. This will allow Service Managers to determine who is using or not using a particular service. Latent demand for a service can be established by the use of waiting lists if appropriate.

5.5.3 Consultation exercises and attitudinal research can provide valuable information about what customers are willing to pay, their perceptions of value for money and what other factors affect their use of services. The cost of carrying out such research must be balanced against the significance and likely impact of the service in question.

5.5.4 Information about the local market for services is also important. This should cover not just the price charged for similar services, but also the quality of the services being provided. This information can be used to set charges in ways that will make the Council's services more or less desirable than those of other providers.

Fees and Charges 2017/18 Appendix C

Policy and Resources Committee | **Central & Democratic Services**

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

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Electoral Services (Statutory):								
Letters confirming elector's register		£12.00			£12.00	£0.00	£12.00	OS
Copy of "old" electoral registers		£50.00			£50.00	£0.00	£50.00	OS
Sales of Electoral Registers		£10.00			£10.00	£0.00	£10.00	OS
- Per thousand names or part		£5.00			£5.00	£0.00	£5.00	OS
- Concession		£0.25			£0.25	£0.00	£0.25	OS
Supply of Computer Data		£20.00			£20.00	£0.00	£20.00	OS
- Per thousand names of part		£1.50			£1.50	£0.00	£1.50	OS
- Concession (minimum fee £30.00)		£1.80			£1.80	£0.00	£1.80	OS
Address/Elector labels	- Per thousand names or part	£25.00			£25.00	£0.00	£25.00	OS
	- Concession	£12.00			£12.00	£0.00	£12.00	OS
Inspection of Return of Declaration of Election Expenses		£1.50			£1.50	£0.00	£1.50	OS
Copy of a Return of Declaration of Election Expenses	- Per side	£0.20			£0.20	£0.00	£0.20	OS

Policy and Resources Committee | **Central & Democratic Services**

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Main Room Hire:								
Chamber (Up to 60 People)	Day Rate (0900 to 1700)	£250.00	0.0%		£250.00	£50.00	£300.00	S
	1/2 Day	£150.00	0.0%		£150.00	£30.00	£180.00	S
	Evening Rate (1800 to 2200)	£300.00	0.0%		£300.00	£60.00	£360.00	S
Trent or Ancholme (Up to 20 People)	Day Rate (0900 to 1700)	£125.00	0.0%		£125.00	£25.00	£150.00	S
	1/2 Day	£75.00	0.0%		£75.00	£15.00	£90.00	S
	Evening Rate (1800 to 2200)	£200.00	0.0%		£200.00	£40.00	£240.00	S
Chamber, Trent & Ancholme (Up to 100 People)	Day Rate (0900 to 1700)	£500.00	0.0%		£500.00	£100.00	£600.00	S
	1/2 Day	£300.00	0.0%		£300.00	£60.00	£360.00	S
	Evening Rate (1800 to 2200)	£500.00	0.0%		£500.00	£100.00	£600.00	S
Additional Day Hours (or part hours)	Per Hour (Max 2 hours)	£30.00	0.0%		£30.00	£6.00	£36.00	S
Other Room Hire:								
Meeting Room (Up to 10 People)	Day Rate (0900 to 1700)	£100.00	0.0%		£100.00	£20.00	£120.00	S
	1/2 Day	£60.00	0.0%		£60.00	£12.00	£72.00	S
Meeting Room (Up to 5 People)	Day Rate (0900 to 1700)	£80.00	0.0%		£80.00	£16.00	£96.00	S
	1/2 Day	£50.00	0.0%		£50.00	£10.00	£60.00	S
Meeting Room (Up to 3 People)	Day Rate (0900 to 1700)	£60.00	0.0%		£60.00	£12.00	£72.00	S
	1/2 Day	£35.00	0.0%		£35.00	£7.00	£42.00	S
Additional Day Hours (or part hours)	Per Hour (Max 2 hours)	£20.00	0.0%		£20.00	£4.00	£24.00	S
Refreshments packages are available on request and quotes are based on individual needs.				POA				

* 1/2 days are 4 hours commencing by 9am for morning sessions and by 1pm for afternoon sessions.
* Discounts are available for consecutive days or block bookings
* Terms and conditions apply including cancellation charges. Please contact Customer Relations for details.

Policy and Resources Committee									Central & Democratic Services
		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Property Name Changes:								
Naming or renaming of a registered property		£66.78		£1.00	£67.78	£0.00	£67.78	OS

Policy and Resources Committee									Central & Democratic Services
		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Statutory Charges								
Public Path Orders, i.e. Diversion Orders	Minimum charge	£525.31	0.00%		£525.31	£0.00	£525.31	OS
	Maximum charge	£1,574.91	0.00%		£1,574.91	£0.00	£1,574.91	OS
Plus actual advertisement costs								
Access to records under the Data Protection Act		£11.26	0.00%		£11.26	£0.00	£11.26	OS
Inspection of background papers to committee reports		£6.14	0.00%		£6.14	£0.00	£6.14	OS
Non - Statutory Charges								
Annual subscription for agenda, reports and minutes.	Planning Services	£206.70	0.00%		£206.70	£41.34	£248.04	S
	Other committees	£62.76	0.00%		£62.76	£12.55	£75.32	S
Photocopying (where no other charge applies)	Per side of A4(colour)	£0.17	0.00%		£0.17	£0.03	£0.20	S
	Per side of A4(black/white)	£0.17	0.00%		£0.17	£0.03	£0.20	S

Policy and Resources Committee									Revenue Services
		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Revenues *								
Court costs added to Council Tax accounts.		£75.00	0.00%		£75.00	£0.00	£75.00	OS
Court costs added to NNDR accounts.		£85.00	0.00%		£85.00	£0.00	£85.00	OS

* Charges agreed with Magistrates

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Car Parks								
Gainsborough	0-1 hours	£0.50		£0.00	£0.50	£0.10	£0.60	S
	1-2 hours	£0.92		£0.08	£1.00	£0.20	£1.20	S
	2-3 hours	£1.33		£0.00	£1.33	£0.27	£1.60	S
	3-4 hours	£1.67		£0.08	£1.75	£0.35	£2.10	S
	4-6 hours	£2.75		£0.00	£2.75	£0.55	£3.30	S
	6+ hours	£3.25		£0.00	£3.25	£0.65	£3.90	S
Market Rasen	0-1 hours	£0.25		£0.00	£0.25	£0.05	£0.30	S
	1-2 hours	£0.42		£0.08	£0.50	£0.10	£0.60	S
	2-3 hours	£0.67		£0.08	£0.75	£0.15	£0.90	S
	3-4 hours	£0.83		£0.00	£0.83	£0.17	£1.00	S
	4-6 hours	£1.43		£0.08	£1.51	£0.30	£1.80	S
	6+ hours	£1.68		£0.08	£1.76	£0.35	£2.10	S
Annual Season Tickets								
District-Wide	Mon-Sat	£177.36		£0.06	£177.42	£35.48	£212.90	S
(Including parking at both Gainsborough and Market Rasen)	Mon-Sat (If paid by monthly DD)	£153.36		£0.06	£153.42	£30.68	£184.10	S
	Mon-Fri	£150.86		£0.06	£150.92	£30.18	£181.10	S
	Mon-Fri (If paid by monthly DD)	£124.36		£0.06	£124.42	£24.88	£149.30	S
Market Rasen Only	Mon-Sat	£88.68		£0.07	£88.75	£17.75	£106.50	S
	Mon-Sat (If paid by monthly DD)	£76.68		£0.07	£76.75	£15.35	£92.10	S
	Mon-Fri	£75.43		£0.07	£75.50	£15.10	£90.60	S
	Mon-Fri (If paid by monthly DD)	£62.18		£0.07	£62.25	£12.45	£74.70	S

Penalty Charge Notice								
Higher Rate		£70.00		£0.00	£70.00	£0.00	£70.00	OS
Higher rate discounted if paid within 14 days		£35.00		£0.00	£35.00	£0.00	£35.00	OS
Lower Rate		£50.00		£0.00	£50.00	£0.00	£50.00	OS
Lower rate discounted if paid within 14 days		£25.00		£0.00	£25.00	£0.00	£25.00	OS

Penalty Charge Notices have replaced the Excess Charge Notice.
The Traffic Management Act 2004 has introduced differential Penalty Charge Notices.
Notices are categorised as ‘Higher’ or ‘Lower’ dependent on the severity of the parking infringement.
Higher penalties are payable at £70 and lower penalties at £50. These categories are as determined in National Guidance.

Bus Station								
Allocated stand	Per quarter for first stand	£288.65		£0.00	£288.65	£0.00	£288.65	X
	Per quarter for second stand	£178.00		£0.00	£178.00	£0.00	£178.00	X
Registered Casual Users Per Quarter		£55.00		£0.00	£55.00	£0.00	£55.00	X

Prosperous Communities Committee								Markets
	2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
	£	% Type	or £	£	£	£	
Gainsborough Market							
Tuesday Market							
Registered Trader							
1 stall	£16.00	0.00%		£16.00	£0.00	£16.00	X
2 stalls	£27.00	0.00%		£27.00	£0.00	£27.00	X
3 stalls	£35.00	0.00%		£35.00	£0.00	£35.00	X
4 stalls	£43.00	0.00%		£43.00	£0.00	£43.00	X
5 stalls	£51.00	0.00%		£51.00	£0.00	£51.00	X
Casual Trader							
1 stall	£17.50	0.00%		£17.50	£0.00	£17.50	X
2 stalls	£35.00	0.00%		£35.00	£0.00	£35.00	X
3 stalls	£52.50	0.00%		£52.50	£0.00	£52.50	X
4 stalls	£70.00	0.00%		£70.00	£0.00	£70.00	X
5 stalls	£87.50	0.00%		£87.50	£0.00	£87.50	X
Saturday Market							
Registered Trader							
1 stall	£10.00	0.00%		£10.00	£0.00	£10.00	X
2 stalls	£20.00	0.00%		£20.00	£0.00	£20.00	X
3 stalls	£25.00	0.00%		£25.00	£0.00	£25.00	X
4 stalls	£30.00	0.00%		£30.00	£0.00	£30.00	X
5 stalls	£35.00	0.00%		£35.00	£0.00	£35.00	X
Casual Trader							
1 stall	£16.50	0.00%		£16.50	£0.00	£16.50	X
2 stalls	£33.00	0.00%		£33.00	£0.00	£33.00	X
3 stalls	£49.50	0.00%		£49.50	£0.00	£49.50	X
4 stalls	£66.00	0.00%		£66.00	£0.00	£66.00	X
5 stalls	£82.50	0.00%		£82.50	£0.00	£82.50	X

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

	2016/17	% Type	or £	2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
Other Units (Vending Vans, Trailers etc.)							
Tuesday Market							
Registered Trader	£23.50	0.00%		£23.50	£0.00	£23.50	X
Casual Trader	£25.50	0.00%		£25.50	£0.00	£25.50	X
Saturday Market							
Registered Trader	£15.00	0.00%		£15.00	£0.00	£15.00	X
Casual Trader	£20.00	0.00%		£20.00	£0.00	£20.00	X

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc.	VAT Rate
		£	% Type	or £	£	£	£	
Development								
Householder development including alterations, extensions and outbuildings (this fee would also include establishing whether an application is required and any listed building consent enquiry if applicable)		£69.96	2.20%	£1.54	£72.00	£0.00	£72.00	OS
Non-residential changes of use including siting of caravans for sites under 1 ha or buildings under 1,000 m^2 (gross)		£151.25	2.20%	£3.33	£155.00	£31.00	£186.00	S
Non-residential changes of use including siting of caravans for sites of 1 ha or above or buildings of 1,000 m^2 or above (gross)		£265.00	2.20%	£5.83	£271.00	£54.20	£325.20	S
Development of 1-9 dwellings including changes of use to residential								
	1st dwelling	£181.50	2.20%	£3.99	£186.00	£37.20	£223.20	S
	Additional dwellings	£100.00	2.20%	£2.20	£103.00	£20.60	£123.60	S
Development of 10-49 dwellings including changes of use to residential								
	10th dwelling	£1,100.00	2.20%	£24.20	£1,125.00	£225.00	£1,350.00	S
	Additional dwellings	£53.00	2.20%	£1.17	£55.00	£11.00	£66.00	S
Development of 50 or more dwellings								
	minimum fee	£3,300.00	2.20%	£72.60	£3,373.00	£674.60	£4,047.60	S
With additional fee subject to negotiation dependant on complexity of proposal. Encouragement to adopt a Planning Performance Agreement.								
Non-residential development where no floor space is created.		£96.00	2.20%	£2.11	£99.00	£19.80	£118.80	S
Non-residential development up to 499 m^2 floor area, or 0.5 ha site area		£132.50	2.20%	£2.92	£136.00	£27.20	£163.20	S
Non-residential development between 500 and 999 m^2 floor area, or between 0.51ha and 1.0 ha.								
	For 500 m^2 or 0.51ha	£200.00	2.20%	£4.40	£205.00	£41.00	£246.00	S
	Each additional 100 m^2 or 0.1 ha	£100.00	2.20%	£2.20	£103.00	£20.60	£123.60	S
Non-residential development between 1,000 and 4,999 m^2 floor area, or between 1.1ha and 2.0ha.								
	For 1,000 m^2 or 1.1ha	£689.00	2.20%	£15.16	£705.00	£141.00	£846.00	S
	Each additional 100 m^2 or 0.1 ha	£50.00	2.20%	£1.10	£52.00	£10.40	£62.40	S
Non-residential development of 5,000 m^2 or more or 2.1ha or more.								
	Minimum fee	£2,809.00	2.20%	£61.80	£2,871.00	£574.20	£3,445.20	S
With additional fee subject to negotiation dependant on complexity of proposal. Encouragement to adopt a Planning Performance Agreement.								
Variation or removal of condition.		£69.96	2.20%	£1.54	£72.00	£14.40	£86.40	S
Advertisements		£69.96	2.20%	£1.54	£72.00	£14.40	£86.40	S
Non-householder listed building consent		£137.50	2.20%	£3.03	£141.00	£28.20	£169.20	S
Additional site visit		£120.00	2.20%	£2.64	£123.00	£24.60	£147.60	S
Hazardous Substances		£ negotiable			£ negotiable			S

N.B.

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

Prosperous Communities Committee | **Planning**

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Decision Notices, Consents, Determinations, Tree Preservation Orders, Enforcement Notices, S106 Agreements.	Per Item (black/white)	£24.00	0.00%	£0.00	£24.00	£0.00	£24.00	OS
		Plus officer time at cost recovery			Total Cost			
Other copies								
Copy plans - A4	Per side of A4 (black/white)	£0.20	0.00%	£0.00	£0.20	£0.00	£0.20	OS
Copy plans - A3	Per copy	£0.46	0.00%	£0.00	£0.46	£0.00	£0.46	OS
Copy plans - A2, A1, A0	Per copy	£5.66	0.00%	£0.00	£5.66	£0.00	£5.66	OS
Information on planning records	Planning Control	£0.20	0.00%	£0.00	£0.20	£0.00	£0.20	OS
Requests for Planning Information	Planning - as per above plus officer time per hour	£54.06	0.00%	£0.00	£54.06	£0.00	£54.06	OS
		Plus officer time at cost recovery						
Information on Building Control Records	Building Control - as per above plus officer time	£51.00	0.00%	£0.00	£51.00	£0.00	£51.00	OS
		Plus officer time per hour at cost recovery						

Prosperous Communities Committee | **Planning Applications**

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Outline Applications								
All types of building per 0.1 ha		£110.00			£110.00	£0.00	£110.00	OS
Full Applications and Applications for Approval of Reserved Matters following an Outline Permission								
Alterations/extensions to existing dwellings		£172.00			£172.00	£0.00	£172.00	OS
Erection of dwelling		£385.00			£385.00	£0.00	£385.00	OS
Other buildings	Less than 40 m^2 floor space created	£195.00			£195.00	£0.00	£195.00	OS
	Between 40 and 75 m^2 floor space created	£385.00			£385.00	£0.00	£385.00	OS
	Every additional 75 m^2 up to 3750 m^2	£385.00			£385.00	£0.00	£385.00	OS
	Over 3750 m^2, £19,049 plus for each additional 75 m^2 (Maximum fee £250,000)	£115.00			£115.00	£0.00	£115.00	OS
Plant or machinery	Where site does not exceed 5 ha; per 0.1 ha	£385.00			£385.00	£0.00	£385.00	OS
	Over 5 ha £19,049 plus for each additional 0.1 ha (Maximum fee £250,000)	£115.00			£115.00	£0.00	£115.00	OS
Agricultural Buildings								
Less than 465 m^2 floor space created		£80.00			£80.00	£0.00	£80.00	OS
Between 465 > 540 m^2		£385.00			£385.00	£0.00	£385.00	OS
Between 540 > 4215 m^2, £385 for the first 540 m^2 then per additional 75 m^2		£385.00			£385.00	£0.00	£385.00	OS
Over 4215 m^2, £19,049 then per additional 75 m^2 (Maximum fee £250,000)		£115.00			£115.00	£0.00	£115.00	OS
Glasshouses								
No more than 465 m^2 floor space created		£80.00			£80.00	£0.00	£80.00	OS
More than 465 m^2 floor space created		£2,150.00			£2,150.00	£0.00	£2,150.00	OS

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Changes of Use								
Buildings or land, including caravan sites		£385.00			£385.00	£0.00	£385.00	OS
A building to more than one dwelling where no. of dwellings 50 or less; per dwelling		£385.00			£385.00	£0.00	£385.00	OS
A building to more than one dwelling where no. of dwellings more than 50; £19,049 then for each dwelling in excess of 50 (Maximum		£115.00			£115.00	£0.00	£115.00	OS
Refuse or waste disposal where site area less than 15 ha; per 0.1 ha		£195.00			£195.00	£0.00	£195.00	OS
Refuse or waste disposal where site area exceeds 15 ha, £29,112 then for each 0.1 ha in excess of 15 ha (Maximum Fee £65,000)		£115.00			£115.00	£0.00	£115.00	OS
Other material change of use of building or land		£385.00			£385.00	£0.00	£385.00	OS
No Buildings Created								
Ancillary to a dwelling		£172.00			£172.00	£0.00	£172.00	OS
Car parks, service roads, accesses at existing developments		£195.00			£195.00	£0.00	£195.00	OS
Exploratory drilling for oil/gas	Site area not exceeding 7.5 ha (per 0.1 ha)	£385.00			£385.00	£0.00	£385.00	OS
	Site area exceeding 7.5 ha (£28,750 plus for each 0.1 ha > 7.5 ha - maximum fee £250,000)	£115.00			£115.00	£0.00	£115.00	OS
Other Operations - Minerals Working	Site area not exceeding 15 ha (per 0.1 ha)	£195.00			£195.00	£0.00	£195.00	OS
	Site area exceeding 15 ha (£29,112 plus for each 0.1 ha > 15 ha - maximum fee £65,000)	£115.00			£115.00	£0.00	£115.00	OS
Other Operations - Non-Minerals related, per 0.1 ha (Maximum fee £250,000)		£195.00			£195.00	£0.00	£195.00	OS
Advertisements								
Relating to the business on the premises		£110.00			£110.00	£0.00	£110.00	OS
Advance direction signs to a business		£110.00			£110.00	£0.00	£110.00	OS
Other advertisements		£385.00			£385.00	£0.00	£385.00	OS
Prior Notifications and Approvals								
Agriculture, forestry or demolition proposals		£80.00			£80.00	£0.00	£80.00	OS
Telecommunications		£385.00			£385.00	£0.00	£385.00	OS
Proposed change of use to state funded school or registered nursery		£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of agricultural building to a flexible use within shops, financial and professional services, restaurants and cafes, business, storage or distribution, hotels or assembly or leisure		£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of a building from office use to a dwelling house		£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of agricultural building to a dwelling house where there are no associated building operations		£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of agricultural building to a dwelling house and associated building operations		£172.00			£172.00	£0.00	£172.00	OS
Proposed change of use of a building from retail or mixed use retail and residential use to a dwelling house where there are no associated building operations		£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of a building from retail or mixed use retail and residential use to a dwelling house and associated building operations		£172.00			£172.00	£0.00	£172.00	OS
Other Applications								
Renewal of temporary permission		£195.00	The equivalent planning application fee					OS
Variation or removal of a condition		£195.00			£195.00	£0.00	£195.00	OS
Lawful Development Certificates	- Existing development	The equivalent planning application fee						OS
	- Proposed development	Half the equivalent application fee						OS
High Hedges Complaints Application		£307.20			£307.20	£0.00	£307.20	OS

Prosperous Communities Committee									Fixed Penalty Notices
		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Depositing Litter	Fee set by Government - payable within 14 days of issue	£75.00			£75.00	£0.00	£75.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00			£50.00	£0.00	£50.00	OS
Failing to pick up Dog Fouling	Fee set by Government - payable within 14 days of issue	£50.00			£50.00	£0.00	£50.00	OS
Failure to produce Waste Documents	Fee set by Government - payable within 14 days of issue	£300.00			£300.00	£0.00	£300.00	OS
Failure to produce Authority to Transport Waste	Fee set by Government - payable within 14 days of issue	£300.00			£300.00	£0.00	£300.00	OS
Unauthorised Distribution of Free Printed Matter	Fee set by Government - payable within 14 days of issue	£75.00			£75.00	£0.00	£75.00	OS
Failure to comply with a Waste Receptacles Notice	Fee set by Government - payable within 14 days of issue	£75.00			£75.00	£0.00	£75.00	OS
	Fee set by Government - discounted if paid within 10 days	£60.00			£60.00	£0.00	£60.00	OS
Abandoning a Vehicle	Fee set by Government - payable within 14 days of issue	£200.00			£200.00	£0.00	£200.00	OS
Nuisance Parking	Fee set by Government - payable within 14 days of issue	£100.00			£100.00	£0.00	£100.00	OS
Failure to comply with Dog Control Order	Fee set by Government - payable within 14 days of issue	£75.00			£75.00	£0.00	£75.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00			£50.00	£0.00	£50.00	OS
Anti Social Behaviour Crime and Policing Act 2014 - Community Protection Notice	Fee set by Government - payable within 14 days of issue	£75.00			£75.00	£0.00	£75.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00			£50.00	£0.00	£50.00	OS
Anti Social Behaviour Crime and Policing Act 2014 - Public Space Protection Order	Fee set by Government - payable within 14 days of issue	£75.00			£75.00	£0.00	£75.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00			£50.00	£0.00	£50.00	OS
Flytipping	Fee set by Government - payable within 14 days of issue				£400.00	£0.00	£400.00	OS
	Fee set by Government - discounted if paid within 10 days				£250.00	£0.00	£250.00	OS
Smoking Free Regulations - Premises / Vehicles	Fee set by Government - payable within 14 days of issue	£50.00			£50.00	£0.00	£50.00	OS

Prosperous Communities Committee								Pest Control and Stray Dogs
		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Concessionary rates apply to residents in receipt of benefit or whose only source of income is the State Retirement Pension. A re-imbursement will be given to those residents qualifying for the concession.								
Reclaim of Stray Dogs	Prescribed fee	£25.00	0.00%	£0.00	£25.00	£0.00	£25.00	OS
	Collection fee	£75.00	0.00%	£0.00	£75.00	£0.00	£75.00	OS
	Plus kennel and vet fees as incurred by the authority.							
Recovery of Costs for removal, storage and disposal from owners of abandoned vehicles.		These charges are statutory and are governed by the Removal, Storage and Disposal of vehicles (Prescribed Sums and Charges) Regulations 2008						
Commerical Waste Fixed Penalty Notice		£300.00	0.00%	£0.00	£300.00	£0.00	£300.00	OS
This is a statutory charge set up by central government and subject to annual review.								

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Housing Enforcement Charges								
Mandatory HMO Licence Application	Up to 5 units / bedrooms	£450.00			£450.00	£0.00	£450.00	OS
	Per additional unit	£10.00			£10.00	£0.00	£10.00	OS
	Maximum charge - n/a					£0.00	£0.00	OS
Mandatory HMO Licence Renewal	Up to 5 units / bedrooms	£450.00			£450.00	£0.00	£450.00	OS
	Per additional unit	£10.00			£10.00	£0.00	£10.00	OS
	Maximum charge - n/a					£0.00	£0.00	OS
Hazard Awareness Notice	None					£0.00	£0.00	OS
Improvement Notice	For one hazard	£150.00		£150.00	£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Emergency Remedial Action Notice (plus work - see below)	For one hazard	£150.00		£150.00	£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Prohibition Order	For one hazard	£150.00		£150.00	£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Emergency Prohibition Order	For one hazard	£150.00		£150.00	£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Demolition Order	For one hazard	£150.00		£150.00	£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Immigration Procedure Inspection	Per inspection	£65.00			£65.00	£0.00	£65.00	OS
Mobile Homes Act 2013 – Compliance Notice	Hourly rate of relevant officers with on costs plus work in default costs of works							OS
Mobile Homes Act 2014 – Emergency Remedial Action Notice	Hourly rate of relevant officers with on costs plus work in default cost of works							OS
Penalty Charge Notice (Smoke and Carbon Monoxide Alarm (England) Regulations 2015)	Up to £5,000							OS
Notice of Intent (Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014)	Up to £5,000							OS
Works in default of any legislation or emergency remedial action	Base charge	Cost of work plus hourly rate of officer with on costs						OS
Works In Default of any Legislation or Emergency Remedial Action	Base charge	Cost of work plus hourly rate of officer with on costs						OS
Selective Licensing	WLDC Scheme Fee	£375.00			£375.00	£0.00	£375.00	OS
	Co-Regulated Scheme (WLDC Fee)	£120.00			£120.00	£0.00	£120.00	OS
The Unauthorised Deposit of Waste	Up to £400 with an early payment incentive of £250	New			£400.00	£0.00	£400.00	OS

Prosperous Communities Committee

Mobile Homes - HR02

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Mobile Homes Act 2013								
Annual Fee		£430.00	0.00%		£430.00	£0.00	£430.00	OS
Plus Fee Per Unit On Site		£1.65	0.00%		£1.65	£0.00	£1.65	OS
Issue of a New Licence		£300.00	0.00%		£300.00	£0.00	£300.00	OS
Deposit of Site Rules		£30.00	0.00%		£30.00	£0.00	£30.00	OS
Transfer and Alteration of a Licence		£100.00	0.00%		£100.00	£0.00	£100.00	OS

All charges are set by DEFRA

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Application Fee								
- Standard Process		£1,579.00	0.00%	£0.00	£1,579.00	£0.00	£1,579.00	OS
- Additional fee for operating without a permit		£1,137.00	0.00%	£0.00	£1,137.00	£0.00	£1,137.00	OS
- Reduced fee activities		£148.00	0.00%	£0.00	£148.00	£0.00	£148.00	OS
- Reduced fee activities: Additional Fee for operating without a permit		£68.00	0.00%	£0.00	£68.00	£0.00	£68.00	OS
- Mobile Screening and crushing plant		£1,579.00	0.00%	£0.00	£1,579.00	£0.00	£1,579.00	OS
- For the third to seventh applications		£943.00	0.00%	£0.00	£943.00	£0.00	£943.00	OS
- For the eighth and subsequent applications		£477.00	0.00%	£0.00	£477.00	£0.00	£477.00	OS
An additional charge of £297 applies to the above where the permit is for a combined part B and waste installation.								
Annual Subsistence Fee -Standard Process	Low	£739.00	0.00%	£0.00	£739.00	£0.00	£739.00	OS
	Medium	£1,111.00	0.00%	£0.00	£1,111.00	£0.00	£1,111.00	OS
	High	£1,672.00	0.00%	£0.00	£1,672.00	£0.00	£1,672.00	OS
An additional charge of £99 for Low, £149 for Medium and £198 for High applies to the above where the permit is for a combined part B and waste installation.								
- Reduced fee activities	Low	£76.00	0.00%	£0.00	£76.00	£0.00	£76.00	OS
	Medium	£151.00	0.00%	£0.00	£151.00	£0.00	£151.00	OS
	High	£227.00	0.00%	£0.00	£227.00	£0.00	£227.00	OS
- PVR I & II Combined	Low	£108.00	0.00%	£0.00	£108.00	£0.00	£108.00	OS
	Medium	£216.00	0.00%	£0.00	£216.00	£0.00	£216.00	OS
	High	£326.00	0.00%	£0.00	£326.00	£0.00	£326.00	OS
- Vehicle refinishers	Low	£218.00	0.00%	£0.00	£218.00	£0.00	£218.00	OS
	Medium	£349.00	0.00%	£0.00	£349.00	£0.00	£349.00	OS
	High	£524.00	0.00%	£0.00	£524.00	£0.00	£524.00	OS
- Odorisation of natural gas	Low	£76.00	0.00%	£0.00	£76.00	£0.00	£76.00	OS
	Medium	£151.00	0.00%	£0.00	£151.00	£0.00	£151.00	OS
	High	£227.00	0.00%	£0.00	£227.00	£0.00	£227.00	OS
- Mobile Screening and crushing plant 1st to 2nd Permits	Low	£618.00	0.00%	£0.00	£618.00	£0.00	£618.00	OS
	Medium	£989.00	0.00%	£0.00	£989.00	£0.00	£989.00	OS
	High	£1,485.00	0.00%	£0.00	£1,485.00	£0.00	£1,485.00	OS
- Mobile Screening and crushing plant 3rd to 7th Permits	Low	£368.00	0.00%	£0.00	£368.00	£0.00	£368.00	OS
	Medium	£590.00	0.00%	£0.00	£590.00	£0.00	£590.00	OS
	High	£884.00	0.00%	£0.00	£884.00	£0.00	£884.00	OS
- Mobile Screening and crushing plant 8th and Subsequent permits	Low	£189.00	0.00%	£0.00	£189.00	£0.00	£189.00	OS
	Medium	£302.00	0.00%	£0.00	£302.00	£0.00	£302.00	OS
	High	£453.00	0.00%	£0.00	£453.00	£0.00	£453.00	OS
Where a part B installation is subject to reporting under the E-PRTR regulation an additional charge of £99 applies.								
Transfer and Surrender								
- Transfer		£162.00	0.00%	£0.00	£162.00	£0.00	£162.00	OS
- Partial transfer		£476.00	0.00%	£0.00	£476.00	£0.00	£476.00	OS
- New operator at low risk reduced fee		£75.00	0.00%	£0.00	£75.00	£0.00	£75.00	OS
- Reduced fee activities: Partial transfer		£45.00	0.00%	£0.00	£45.00	£0.00	£45.00	OS
Substantial Change								
- Standard Process		£1,005.00	0.00%	£0.00	£1,005.00	£0.00	£1,005.00	OS
- Standard process where the substantial change results in a new PPC activity		£1,579.00	0.00%	£0.00	£1,579.00	£0.00	£1,579.00	OS
- Reduced fee activities		£98.00	0.00%	£0.00	£98.00	£0.00	£98.00	OS
Subsistence charges can be paid in four equal instalments at an additional cost of £36 p.a.								

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
All charges are set by DEFRA		£	% Type	or £	£	£	£	
Request for Information / Document Disclosure where Charging is Permitted	Minimum per request plus cost of materials	£70.00	0.00%	£1.54	£71.54	£0.00	£71.54	OS
	Thereafter per hour	£42.00	0.00%	£0.00	£42.00	£0.00	£42.00	OS
Health Certificates		£50.00	0.00%	£1.10	£51.10	£0.00	£51.10	OS
Food Premises Register	Per page	£3.00	0.00%	£0.00	£3.00	£0.00	£3.00	OS
SFBB Pack	(including diary)		0.00%	£10.00	£10.00	£0.00	£10.00	OS
Diary Refill				£5.00	£5.00	£0.00	£5.00	OS
Updated hygiene score sticker				£15.00	£15.00	£0.00	£15.00	OS
Private Water Supply Work	Maximum charges							
	Risk assessment (each assessment)	£500.00	0.00%	£0.00	£500.00	£0.00	£500.00	OS
	Sampling (each visit)	£100.00	0.00%	£0.00	£100.00	£0.00	£100.00	OS
	Investigation (each investigation)	£100.00	0.00%	£0.00	£100.00	£0.00	£100.00	OS
	Granting an authorisation (each authorisation)	£100.00	0.00%	£0.00	£100.00	£0.00	£100.00	OS
	Analysing a sample:-							
	Taken under regulation 10 (domestic supplies)	£25.00	0.00%	£0.00	£25.00	£0.00	£25.00	OS
	Taken during check monitoring (commercial supplies)	£100.00	0.00%	£0.00	£100.00	£0.00	£100.00	OS
	Taken during audit monitoring (commercial supplies)	£500.00	0.00%	£0.00	£500.00	£0.00	£500.00	OS
Food Advisory	Charge for a visit (up to a maximum 2 hours contact time)	£125.00	0.00%	£0.00	£125.00	£0.00	£125.00	OS
	Charge for additional hours	£40.00	0.00%	£0.00	£40.00	£0.00	£40.00	OS
Health Act 2006	Smoking in a smoke free place	£50.00	0.00%	£0.00	£50.00	£0.00	£50.00	OS
	Failure to display no smoking sign	£200.00	0.00%	£0.00	£200.00	£0.00	£200.00	OS

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Bingo Premises Licence								
Application Fee for Provisional Statement		£953.70			£953.70	£0.00	£953.70	OS
Licence for Provisional Statement Premises		£859.10			£859.10	£0.00	£859.10	OS
Application Fee New Premises		£953.70			£953.70	£0.00	£953.70	OS
Annual Fee		£796.06			£796.06	£0.00	£796.06	OS
Variation of Licence		£953.70			£953.70	£0.00	£953.70	OS
Transfer Fee		£826.10			£826.10	£0.00	£826.10	OS
Application for Reinstatement		£826.10			£826.10	£0.00	£826.10	OS
Adult Gaming Centre								
Application Fee for Provisional Statement		£953.70			£953.70	£0.00	£953.70	OS
Licence for Provisional Statement Premises		£859.10			£859.10	£0.00	£859.10	OS
Application Fee New Premises		£953.70			£953.70	£0.00	£953.70	OS
Annual Fee		£826.10			£826.10	£0.00	£826.10	OS
Variation of Licence		£867.00			£867.00	£0.00	£867.00	OS
Transfer Fee		£826.10			£826.10	£0.00	£826.10	OS
Application for Reinstatement		£826.10			£826.10	£0.00	£826.10	OS
Family Entertainment Centre								
Application Fee for Provisional Statement		£953.70			£953.70	£0.00	£953.70	OS
Licence for Provisional Statement Premises		£858.00			£858.00	£0.00	£858.00	OS
Application Fee New Premises		£953.70			£953.70	£0.00	£953.70	OS
Annual Fee		£750.00			£750.00	£0.00	£750.00	OS
Variation of Licence		£867.00			£867.00	£0.00	£867.00	OS
Transfer Fee		£796.06			£796.06	£0.00	£796.06	OS
Application for Reinstatement		£796.06			£796.06	£0.00	£796.06	OS
Betting Premises (Other)								
Application Fee for Provisional Statement		£953.70			£953.70	£0.00	£953.70	OS
Licence for Provisional Statement Premises		£858.00			£858.00	£0.00	£858.00	OS
Application Fee New Premises		£953.70			£953.70	£0.00	£953.70	OS
Annual Fee		£600.00			£600.00	£0.00	£600.00	OS
Variation of Licence		£953.70			£953.70	£0.00	£953.70	OS
Transfer Fee		£826.10			£826.10	£0.00	£826.10	OS
Application for Reinstatement		£826.10			£826.10	£0.00	£826.10	OS
Betting Premises (Tracks)								
Application Fee for Provisional Statement		£953.70			£953.70	£0.00	£953.70	OS
Licence for Provisional Statement Premises		£858.00			£858.00	£0.00	£858.00	OS
Application Fee New Premises		£953.70			£953.70	£0.00	£953.70	OS
Annual Fee		£750.00			£750.00	£0.00	£750.00	OS
Variation of Licence		£953.70			£953.70	£0.00	£953.70	OS
Transfer Fee		£796.06			£796.06	£0.00	£796.06	OS
Application for Reinstatement		£796.06			£796.06	£0.00	£796.06	OS

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Miscellaneous								
Change of Circumstances		£49.82			£49.82	£0.00	£49.82	OS
Fee for Copy of a Licence Under the Gambling Act 2005		£24.00			£24.00	£0.00	£24.00	OS
Temporary Usage License		£377.30			£377.30	£0.00	£377.30	OS
Unlicenced FEC's & Prize gaming Permits (10 year duration)								
New Gaming Machine Permit (no annual fee)		£300.00			£300.00	£0.00	£300.00	OS
Renewal		£300.00			£300.00	£0.00	£300.00	OS
Change of name on permit		£25.00			£25.00	£0.00	£25.00	OS
Copy of permit		£15.00			£15.00	£0.00	£15.00	OS
New Prize Gaming Permit (no annual fee)		£300.00			£300.00	£0.00	£300.00	OS
Renewal		£300.00			£300.00	£0.00	£300.00	OS
Change of name on permit		£25.00			£25.00	£0.00	£25.00	OS
Copy of permit		£15.00			£15.00	£0.00	£15.00	OS
Club Gaming Permit & Club Machine Permit (10 year duration)								
New Grant Club Gaming Permit		£200.00			£200.00	£0.00	£200.00	OS
New Grant Club Gaming Permit with Club Premises Certificate		£100.00			£100.00	£0.00	£100.00	OS
Renewal		£200.00			£200.00	£0.00	£200.00	OS
Renewal with Club Premises Certificate		£100.00			£100.00	£0.00	£100.00	OS
Annual Fee		£20.00			£20.00	£0.00	£20.00	OS
Variation		£100.00			£100.00	£0.00	£100.00	OS
Copy of permit		£15.00			£15.00	£0.00	£15.00	OS
Lotteries								
Society Lottery - New		£40.00			£40.00	£0.00	£40.00	OS
Society Lottery - Renewal		£20.00			£20.00	£0.00	£20.00	OS
Machines in Alcohol Licensed premises - 3 or more machines								
New		£150.00			£150.00	£0.00	£150.00	OS
Annual Fee		£50.00			£50.00	£0.00	£50.00	OS
Transfer		£25.00			£25.00	£0.00	£25.00	OS
Variation		£100.00			£100.00	£0.00	£100.00	OS
Change of name on permit		£25.00			£25.00	£0.00	£25.00	OS
Copy of gaming machine permit		£15.00			£15.00	£0.00	£15.00	OS
Gambling Machine Permit - Up to 2 Machines	One-off fee	£50.00			£50.00	£0.00	£50.00	OS

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Taxi Licensing (Including Horse Drawn Omnibus)								
Driver's License Application (3Yr)	New/Renewal	£156.00		£0.00	£156.00	£0.00	£156.00	OS
Knowledge Test Fee	New or Lapsed Driver Licenses	£25.00		£3.00	£28.00	£0.00	£28.00	OS
Knowledge Test Fee	Retest	£25.00		£3.00	£28.00	£0.00	£28.00	OS
CRB Check	On New or Renewal	£44.00		£0.00	£44.00	£0.00	£44.00	OS
CRB Admin Fee*	On New or Renewal	£10.00		£0.00	£10.00	£2.00	£12.00	S
	**This fee is controlled by LCC and subject to change*							
Vehicle License	New	£249.00		£0.00	£249.00	£0.00	£249.00	OS
Vehicle License	Renewal	£249.00		£0.00	£249.00	£0.00	£249.00	OS
Replacement Plate	Plate Only	£0.00		£27.00	£27.00	£0.00	£27.00	OS
Replacement Plate	Plate and Bracket	£50.00		-£14.00	£36.00	£0.00	£36.00	OS
Private Hire Operators Licence (5Yr)		£210.00		£0.00	£210.00	£0.00	£210.00	OS
Transfer of Ownership of Taxi/Private Hire Vehicle License		£25.00		£0.00	£25.00	£0.00	£25.00	OS
Alcohol and Entertainment Licenses		Charges set by Licensing Act 2003						
New Premise Licence		£100.00		£0.00	£100.00	£0.00	£100.00	OS
Category A		£190.00		£0.00	£190.00	£0.00	£190.00	OS
Category B		£315.00		£0.00	£315.00	£0.00	£315.00	OS
Category C		£450.00		£0.00	£450.00	£0.00	£450.00	OS
Category D		£635.00		£0.00	£635.00	£0.00	£635.00	OS
Category E		£100.00		£0.00	£100.00	£0.00	£100.00	OS
Large scale application >4999 (minimum fee applies)		£100.00		£0.00	£100.00	£0.00	£100.00	OS
Variation of Premises Licence		£100 - £635		£0.00	£100 - £635	£0.00	£100 - £635	OS
Change of DPS or Dissapplication of DPS		£23.00		£0.00	£23.00	£0.00	£23.00	OS
Annual fee demand								
Category A		£70.00		£0.00	£70.00	£0.00	£70.00	OS
Category B		£180.00		£0.00	£180.00	£0.00	£180.00	OS
Category C		£295.00		£0.00	£295.00	£0.00	£295.00	OS
Category D		£320.00		£0.00	£320.00	£0.00	£320.00	OS
Category E		£350.00		£0.00	£350.00	£0.00	£350.00	OS
Large scale annual fee >4999 (minimum fee applies)		£500.00		£0.00	£500.00	£0.00	£500.00	OS
Minor Variation		£89.00		£0.00	£89.00	£0.00	£89.00	OS
Provisional Statement		£195.00		£0.00	£195.00	£0.00	£195.00	OS
Register of Interest		£21.00		£0.00	£21.00	£0.00	£21.00	OS
Copy of Licence		£10.50		£0.00	£10.50	£0.00	£10.50	OS
Club Premises Certificate - New		£100 - £635		£0.00	£100 - £635	£0.00	£100 - £635	OS
Club Premises Certificate - Variation		£100 - £635		£0.00	£100 - £635	£0.00	£100 - £635	OS
Club Premises Certificate - Minor Variation		£89.00		£0.00	£89.00	£0.00	£89.00	OS
Personal Licence - New		£37.00		£0.00	£37.00	£0.00	£37.00	OS
Personal Licence - Change of name /address		£10.50		£0.00	£10.50	£0.00	£10.50	OS
Personal Licence - Copy of Licence (card part, paper part or both)		£10.50		£0.00	£10.50	£0.00	£10.50	OS
Transfer of Premises Licence		£23.00		£0.00	£23.00	£0.00	£23.00	OS
Temporary Event Notice		£21.00		£0.00	£21.00	£0.00	£21.00	OS
Sex Shop Licences and Sexual Entertainment Venues	Initial application	£1,950.00		£0.00	£1,950.00	£0.00	£1,950.00	OS
	Renewal	£1,528.52		£0.00	£1,528.52	£0.00	£1,528.52	OS
	Transfer fee	£395.00		£0.00	£395.00	£0.00	£395.00	OS

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Pet Shops	New	£159.00		£16.00	£175.00	£0.00	£175.00	OS
	Renewal	£159.00		£16.00	£175.00	£0.00	£175.00	OS
Animal Boarding Establishments	Cats or Dogs - New - Admin Fee Only	£79.00		£0.00	£79.00	£0.00	£79.00	OS
(Excludes vet fees payable direct to vet)	Cats or Dogs - Renewal	£199.00		£21.00	£220.00	£0.00	£220.00	OS
	Dual Usage - New - Admin Fee Only	£79.00		£0.00	£79.00	£0.00	£79.00	OS
	Dual Usage - Renewal	£259.00		£0.00	£259.00	£0.00	£259.00	OS
	Home Boarding - New	New		£0.00	£145.00	£0.00	£145.00	OS
	Home Boarding - Renewal	New		£0.00	£145.00	£0.00	£145.00	OS
Horse Riding Establishment (Excluding vet fees)	Admin Cost - New or Renewal	£79.00		£0.00	£79.00	£0.00	£79.00	OS
Dog Breeding	New	£79.00		£0.00	£79.00	£0.00	£79.00	OS
	Renewal	£199.00		£21.00	£220.00	£0.00	£220.00	OS
Dangerous Wild Animals (Excluding vet fees)	Vets fees plus admin costs of	£140.00		£0.00	£140.00	£0.00	£140.00	OS
Zoos (Excluding vet fees) - payable at 4 yr initial application	Vets fees plus admin costs of	£350.00		£0.00	£350.00	£0.00	£350.00	OS
Zoos (Excluding vet fees) - payable at 6 yr intervals	Vets fees plus admin costs of	£499.00		£0.00	£499.00	£0.00	£499.00	OS
Zoos Annual Inspection	Officer hourly rate	£0.00		£58.00	£58.00	£0.00	£58.00	OS
Scrap Metal								
New Collectors fee - 3 yr		£199.00		£0.00	£199.00	£0.00	£199.00	OS
Collectors fee renewal - 3 yr		£199.00		£0.00	£199.00	£0.00	£199.00	OS
Change of details, name / address		£100.00		£0.00	£100.00	£0.00	£100.00	OS
New Site fee - 3 yr		£1,298.00		£0.00	£1,298.00	£0.00	£1,298.00	OS
Renewal - 3 yr		£1,298.00		£0.00	£1,298.00	£0.00	£1,298.00	OS
Change of site manager		£70.00		£0.00	£70.00	£0.00	£70.00	OS
Skin Piercing	Premises registration	£174.00		£0.00	£174.00	£0.00	£174.00	OS
	Personal registration	£45.00		£0.00	£45.00	£0.00	£45.00	OS
Street Trading Consents		£170.00		£0.00	£170.00	£0.00	£170.00	OS
Copy of Any License Not Covered by the Licensing Act 2003 or Gambling Act 2005		£24.00		£0.00	£24.00	£0.00	£24.00	OS

		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Access to data	Access to information not held on public registers (includes £5 admin fee)	£19.00	2.20%	£0.42	£19.50	£0.00	£19.50	OS
	Cancellation Fee	£5.00	2.20%	£0.11	£5.20	£0.00	£5.20	OS
LLC1:	Any one part of the register	£6.15	2.20%	£0.14	£6.30	£0.00	£6.30	OS
	Whole of the register	£19.00	2.20%	£0.42	£19.50	£0.00	£19.50	OS
	Per additional parcel (maximum of £16)	£1.00	2.20%	£0.02	£1.10	£0.00	£1.10	OS
CON 29R	One parcel	£61.00	2.20%	£1.34	£62.40	£12.48	£74.88	S
	Each additional parcel	£13.50	2.20%	£0.30	£13.80	£2.76	£16.56	S
	Lincolnshire County Council Fee *	£20.00	0.00%	£1.00	£21.00	£4.20	£25.20	S
CON 29O								
submitted with CON29R or LLC1	Each printed enquiry	£15.00	2.20%	£0.33	£15.40	£3.08	£18.48	S
submitted on its own	Each printed enquiry	£15.00	2.20%	£0.33	£15.40	£3.08	£18.48	S
Administration Fee		£10.00	0.00%	£1.00	£11.00	£2.20	£13.20	S
Additional Enquiries	Per additional enquiry	£26.00	2.20%	£0.57	£26.60	£5.32	£31.92	S
Filing a definitive certificate of the Lands Tribunal		£2.50	2.20%	£0.06	£2.60	£0.00	£2.60	OS
Office copy of any entry in the register (not including a copy or extract of any plan or document filed pursuant to these rules)		Fee set according to time and work involved						OS

* Please note: LCC have not as yet advised if this fee is to change. Any change in cost will be passed on to the purchaser

Prosperous Communities Committee		2016/17	Proposed Increase		2017/18	VAT Amount	2017/18 Charge Inc. VAT	VAT Rate
	Cemeteries	£	% Type	or £	£	£	£	
Exclusive Rights of Burial in Earthen Graves								
Single Grave not exceeding 9' x 4'		£250.00	65%	£413.00	£413.00	£0.00	£413.00	OS
Grave not exceeding 9' x 4' for double/triple interments		£350.00	65%	£578.00	£578.00	£0.00	£578.00	OS
Cremated remains only grave not exceeding 4' 6" x 4'		£150.00	65%	£248.00	£248.00	£0.00	£248.00	OS
Exclusive Right of Burial single (50 years)		New		£287.50	£287.50	£0.00	£287.50	OS
Exclusive Right of Burial double (50 years)		New		£402.50	£402.50	£0.00	£402.50	OS
Exclusive Right of Burial triple (50 years)		New		£450.00	£450.00	£0.00	£450.00	OS
Exclusive Right of Burial double (99 years)		New		£805.00	£805.00	£0.00	£805.00	OS
Exclusive Right of Burial triple (99 years)		New		£900.00	£900.00	£0.00	£900.00	OS
Cremated remains only - Exclusive Right of Burial child up to 12 years		New		£80.00	£80.00	£0.00	£80.00	OS
Exhumation								
Body		New			£500.00	£0.00	£500.00	OS
Cremated remains		New			£250.00	£0.00	£250.00	OS
Monuments, Gravestones, Tablets & Monumental Inscriptions (Permission to erect)								
The right to erect or place on a grave or vault	A headstone not exceeding 3 feet in height	£60.00	65%	£39.00	£99.00	£0.00	£99.00	OS
	A vase or tablet not exceeding 12 inches in height by 12 inches in width at the head of the grave	£40.00	65%	£26.00	£66.00	£0.00	£66.00	OS
	For each inscription after the first	£25.00	65%	£41.00	£41.00	£0.00	£41.00	OS
	Headstone over 3ft but under 4ft	New			£250.00	£0.00	£250.00	OS
	Flat stone (not exceeding 12" x 18")	New			£102.00	£0.00	£102.00	OS
	vase (up to 12" in height) (fixed)	New			£92.00	£0.00	£92.00	OS
	Plaque (not exceeding 12" x 6")(fixed)	New			£92.00	£0.00	£92.00	OS
	Memorial figurine (over 12" but under 24" fixed)	New			£110.00	£0.00	£110.00	OS
Cremation	Headstone up to 18 inches	New			£115.00	£0.00	£115.00	OS
	Headstone 18 inches to 3ft	New			£138.00	£0.00	£138.00	OS
	Flat stone (not exceeding 12" x 12")	New			£92.00	£0.00	£92.00	OS
	small vase (up to 6" in height)(fixed)	New			£50.00	£0.00	£50.00	OS
	Plaque (not exceeding 8" x 4")(fixed)	New			£50.00	£0.00	£50.00	OS
	Memorial figurine (not exceeding 12" fixed)	New			£92.00	£0.00	£92.00	OS
Registration Fees								
Per certified copy of a certificate of grant of exclusive right of burial		£40.00	65%	£26.00	£66.00	£0.00	£66.00	OS
Per certified copy of entry in Register of Burials		£40.00	65%	£26.00	£66.00	£0.00	£66.00	OS
Copies of Certificates								
Permission to plant memorial tree		New			£75.00	£0.00	£75.00	OS
Permission to install memerial seat		New			£75.00	£0.00	£75.00	OS
Burial grounds at Market Rasen & Springthorpe								

APPENDX D

CAPITAL INVESTMENT STRATEGY 2017/18 – 2021/22

1. Introduction

The Capital Investment Strategy forms a key part of the Council's overall Corporate Planning Framework. It provides a mechanism by which the Council's capital investment and financing decisions can be aligned with the Council's over-arching corporate priorities and objectives over a medium term (five year) planning horizon.

The Capital Investment Strategy provides a framework to enable both revenue and capital investment decisions which contribute to the achievement of the Council's priorities and objectives as set out in the Corporate Plan.

The strategy defines how the capital programme is to be formulated, and it identifies issues and options that influence revenue and capital spending, and sets out how the resources will be managed.

Key elements of the strategy;

- Ensures investments meet our Corporate Plan objectives
- Incorporates the requirements of the Asset Management Plan
- Enables the development of an Capital Investment Programme over the medium term (5 years)
- A framework which will identify priorities for the use of resources for investment.
- Decisions are based on sound business cases.
- Directly links to the Treasury Management Strategy ensuring an affordable and sustainable Capital Investment Programme and within the limitations of Prudential Indicators.
- Informs the Budget Strategy by identifying the revenue impacts of investment decisions.
- Incorporates an annual review to ensure the programme still meets our priorities.
- Considers opportunities for joint ventures/partnerships/co-production

2. Principles Supporting the Capital Investment Strategy

a) Strategy Principles

- The investment programme will support the Council’s strategic priorities. therefore the capital investment programme will link to all key strategic planning documents: specifically the Corporate Plan and the Medium Term Financial Strategy.

- Schemes within the programme will be prioritised on an authority wide basis and the process of assessing investments, against specific criteria, will identify the relative importance of potential schemes.

- **Responsible Investing (RI)** - investing in opportunities that seek to generate both financial value and sustainable growth*,*

- **Socially responsible investing** (**SRI**), also known as sustainable, socially conscious, "green" or ethical investing, is any investment strategy which seeks to consider both financial return and social good.

b) Capital Investment Policy

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

c) Finance Principles

- The overarching principal is the commitment to achieve affordable capital investments over the longer term.

- To pursue all available external funding options and opportunities for leverage of external resources

- Value for money investment over full life cycle.

- Robust financial implications and appraisals are included within all Business Cases and Invest to Save/Earn scheme proposals and schemes are costed on a whole life basis.

- The development of partnerships, including the pursuit of shared services, joint ventures and community arrangements, where appropriate, to achieve the Council’s investment aspirations and value for money.

- Monitoring and evaluation of approved budgets will form part of the quarterly budget monitoring reports.

- Monitoring and evaluation of approved schemes will form part of Progress and Delivery project monitoring reporting.
- Encourage community engagement by informing on priorities and consultation on proposals.

d) Asset Management Principles

The Asset Management Strategy

- Define corporate policies and responsibilities relating to property asset management.
- Link property asset management strategies and capital investment plans to the Council's other strategic plans
- Carry out an assessment of the Council's accommodation needs based on its statutory functions, strategic aims, service delivery priorities and other objectives
- Assess the extent, type, condition, accessibility and performance of the existing stock to ensure that it is sufficient, suitable and "fit for purpose"
- Develop strategies for improving asset management and determine priorities for future investment in terms of maintenance and capital replacements
- Carry out an assessment of capital receipt opportunities
- To identify all significant factors which will influence or direct the asset management strategy, with particular emphasis on matters related to the Council policies, service requirements, changes in working practices and the requirements of Government policy, legislation and regulations.

3. Capital Investment Priorities

The Council's proposed Capital Investment Programme 2017/18 will support the Corporate Plan's 6 key themes.

Key Themes

Open for Business

People First

Asset Management

Central Lincolnshire Local Plan

Partnerships/Devolution

Excellent, Value for Money Services

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

The Corporate Plan

The Medium Term Financial Strategy - incorporates the revenue budget financial impacts of Capital decisions.

The Reserves Strategy- prioritises the use of reserves for capital and revenue purposes.

The Treasury Management Strategy - informs the affordability and sustainability of prudent capital investment decisions.

The Commercial Strategy

The Procurement Strategy

The Land and Property Investment Strategy

The Asset Management Strategy

The Commercial Strategy and Commercial Delivery Plan

4. The Capital Investment Strategy Process

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

Therefore the Capital Investment Strategy Process has been developed which will ensure that prioritisation of investments are directed to deliver Corporate objectives. This will include:

Existing Capital Programme – review outcome

Annual review of existing Projects – reviewed outcome

Asset Management Plan – detailed costs of required investment in property portfolio.

Financing availability i.e. Earmarked Reserves, Grant funding, Capital Receipts and Prudential Borrowing

Business Plans – identifying new schemes and projects for evaluation both capital and revenue.

The final Investment Programme and its financial implications, will be included within the Medium Term Financial Plan and this will be submitted to Council in March annually.

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

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

The Capital Investment Value is assessed against capital definition, and deminimis limits (£10k).

Revenue Implications – impact on revenue budgets for running costs/additional staffing etc. and the impact of the cost of borrowing or loss of investment interest if capital receipts and revenue reserves are to be utilised

5. Governance of the Capital Investment Programme

In accordance with the Constitution and governance arrangements, the Council reviews its capital requirements and determines its Capital Programme within the framework of the MTFS and as part of the annual budget process. Resource constraints mean the Council continually needs to priorities expenditure in light of its aims and priorities and considers alternative solutions.

To ensure that available resources are allocated optimally, capital programme planning is determined in parallel with service and revenue budget planning process within the frame work of the MTFS.

New programmes of expenditure will be appraised following a clearly defined Business Case gateway process.

Corporate Policy and Resources Committee will receive quarterly reports detailing the full details and financial implications of schemes prior to the approval of funds being released. These reports will also include details of

- new capital investment schemes
- slippage in programme delivery
- programmes removed or reduced
- virements between schemes
- Revisions in spend profile
- overspending

Progress will also be monitored in relation to projects through the Progress and Delivery reporting framework.

The Service Leadership Team will receive monthly monitoring reports

The Corporate Leadership Team will receive quarterly monitoring reports and any exception reporting.

6. Capital Financing Strategy

The major source of capital funding available to the Council for investment has been our own reserves as we have avoided the need to borrow to fund the Capital Investment Programme.

The funding of Capital schemes can come from a number of resources;

- Prudential unsupported borrowing
- Revenue contributions and Earmarked Reserves
- Capital Receipts
- External grants and contributions (including S106)
- Leasing
- Other sources – i.e. partnerships or private sector involvement

This strategy, the outcomes of which will inform the Medium Term Financial Strategy, is intended to consider all potential funding options available to the Council and to maximise the financial resources available for investment in service provision and improvement within the framework of the MTFP.

To deliver our strategic objectives, especially in relation to economic and housing growth, regeneration and commercial investments to provide a revenue return, significant levels of investment will be required, which will result in a borrowing need.

Prudential Borrowing

The Council has discretion to undertake Prudential “unsupported” borrowing to fund capital projects with the full cost of that borrowing being funded from within Council revenue resources. This discretion is subject to complying with the Code’s regulatory framework which essentially requires any such borrowing to be prudent, affordable and sustainable. Prudential borrowing does provide an option for funding additional capital development but one which has to be funded each year from within the revenue budget or from generating additional ongoing income streams.

Given the pressure on the Council’s revenue budget in future years, prudent use will be made of this discretion in cases and only where there is a clear financial benefit, such as “invest to save”, “invest to earn” commercial investments where returns are expected to be higher than the revenue costs of the debt, provision of loans where principal repayments will be utilised as proxy for MRP, borrowing or major regeneration schemes which do not increase revenue expenditure levels in the longer term.

The Council will remain cautious and prudent in the extent of prudential borrowing undertaken to fund new capital investment.

Earmarked Reserves

Our continued prudent approach is to set aside revenue resources to fund capital investments in economic and housing growth, future service investment needs, invest to save and invest to earn schemes and enhancements of our own property assets, in addition to providing for contingencies, volatility and budget smoothing.

Our own resources will therefore be utilised to fund those schemes which provide a SRI, invest to save schemes which achieve efficiencies, and investment in our operational service asset needs.

Capital Receipts

The Council's policy of utilising Housing capital receipts for Housing related purposes will continue.

Capital receipts generated from sales of our own assets will not be ring fenced and will be utilised to either fund new capital investment or repay prudential borrowing.

External Grants and contributions (incl S106)

The Council will actively pursue grants and contributions which are available to fund capital investment schemes. This funding will be utilised in the first instance.

Leasing

The use of leasing will be undertaken where alternative funding is not available for vehicles or minor equipment and the revenue budget does not allow for a full capital repayment and there is a robust business case then the option of leasing may be considered.

Other Sources of Funding

There are a range of other potential funding sources which may be generated locally either by the Council itself or in partnership with others ie a growing number of private organisations are showing interest where clear joint benefits exist. Each case will be subject to specific financial appraisals and appropriate governance arrangements.

7. CONCLUSION

The Capital Investment Strategy is a working document, which enables the Council to make informed rational capital investment decisions to achieve its corporate priorities and objectives. It provides a framework for determining the relative importance of individual projects.

The strategy will be reviewed annually to ensure that it remains relevant and effective.

APPENDIX E

Capital Investment Programme 2017/18 - 2021/2022						
Corporate Priority / Scheme	**Estimate 2017/18**	**Estimate 2018/19**	**Estimate 2019/20**	**Estimate 2020/21**	**Estimate 2021/22**	**TOTAL CAPITAL INVESTMENT**
	£	**£**	**£**	**£**	**£**	**£**
Open for Business						
Telephony	150,000	-	-	-	-	150,000
Electronic Chanel Analytics	20,000	-	-	-	-	20,000
People First						
Disabled Facilities Grants	601,400	605,000	605,000	555,000	555,000	2,921,400
Closer to the Customer Programme	160,000	150,000	90,000	-	-	400,000
Asset Management						
Capital Enhancements to Council Owned Assets	270,000	100,000	50,000	30,000	30,000	480,000
Carbon Management Plan	27,000	29,000	19,500	5,000	-	80,500
5-7 Market Place	100,000	-	-	-	-	100,000
Riverside Gateway -Lea Road School	300,000	-	-	-	-	300,000
Hemswell Masterplan - Public Realm Improvements	70,000	60,000	-	-	-	130,000
Commercial Investment	1,270,000	2,013,000	730,000	-	-	4,013,000
Caistor - South Dale Redevelopment	100,000	-	-	-	-	100,000
Public Sector Hub - Property	-	500,000	-	-	-	500,000
Leisure Facilities	800,000	7,000,000	-	-	-	7,800,000
Commercial Investment - Property Portfolio	8,000,000	5,000,000	2,000,000	-	-	15,000,000
Central Lincolnshire Local Plan						
Gainsborough Growth Fund	175,000	141,000	-	-	-	316,000
WLDC Wider Heritage Scheme	60,000	120,000	205,000	-	-	385,000
Towncentre Regeneration HLF	91,500	300,000	500,000	500,000	325,300	1,716,800
Riverside Gateway - Marina/Transformational Change	100,000	-	2,900,000	-	-	3,000,000
Riverside North - Housing Zone	600,000	-	-	-	-	600,000
Gainsborough Regeneration - Dev Partnership	2,000,000	3,000,000	-	-	-	5,000,000
Roseway	130,000	-	-	-	-	130,000
Acquistions	995,000	-	-	-	-	995,000
Viability Funding - Capital Grant	1,400,000	-	-	-	-	1,400,000
Infra-structure Delivery Plan	150,000	200,000	200,000	200,000	-	750,000
Housing Strategy initiatives incl empty homes	339,000	400,000	400,000	300,000	-	1,439,000
Food Enterprise Zone infrastructure	1,005,300	1,000,000	1,000,000	-	-	3,005,300

APPENDIX E

Capital Investment Programme 2017/18 - 2021/2022						
Corporate Priority / Scheme	**Estimate 2017/18**	**Estimate 2018/19**	**Estimate 2019/20**	**Estimate 2020/21**	**Estimate 2021/22**	**TOTAL CAPITAL INVESTMENT**
Excellent, VFM Services						
Vehicle Replacement Programme	255,000	609,500	382,500	60,000	104,500	1,411,500
Replacment Planning/Building Control/Land Charges System	20,000	-	-	-	-	20,000
Desktop Refresh/SAN and SQL replacment	185,000	29,000	-	-	-	214,000
Commercial Loan	500,000	-	-	-	-	500,000
Replace IDOX Scanner	10,000	-	-	-	-	10,000
Civic Enhancements	51,000	-	-	-	-	51,000
Replacement of Noise Equipment	-	-	10,000	-	-	10,000
Email Upgrade	30,000	-	-	-	-	30,000
Infrastructure Refresh	-	110,000	-	-	-	110,000
Grounds Maintenance	-	100,000	-	-	-	100,000
Financial Management System	150,000	-	-	-	-	150,000
Close Public Conveniences	15,000	-	-	-	-	15,000
Total Capital Programme Gross Expenditure	**20,130,200**	**21,466,500**	**9,092,000**	**1,650,000**	**1,014,800**	**53,353,500**
CAPITAL FINANCING						
Grants & Contributions etc	1,506,400	1,746,000	3,631,460	1,055,000	880,300	8,819,160
Revenue Financing	5,469,800	5,232,500	2,580,540	595,000	134,500	14,012,340
Useable Capital Receipts	1,089,000	475,000	150,000	-	-	1,714,000
Prudential Borrowing	12,065,000	14,013,000	2,730,000	-	-	28,808,000
Total Capital Programme Funding	**20,130,200**	**21,466,500**	**9,092,000**	**1,650,000**	**1,014,800**	**53,353,500**

APPENDIX F

TREASURY MANGEMENT STRATEGY (INCLUDING INVESTMENT AND BORROWING STRATEGIES AND MINIUM REVENUE PROVISION POLICY (MRP)

1. Executive Summary

The Treasury Management Strategy has been developed to take into account our cashflow requirements, and our capital investment plans over the medium term.

The Councils Corporate Plan identifies the Corporate Objectives of the Council and which then informs investment requirements. The 2017/18 to 2021/22 Capital Programme therefore includes significant capital investment which will require resourcing, from revenue, earmarked reserves, capital receipts, grant income, and borrowing.

Specifically the Commercial Strategy, the Asset Management Plan, economic growth and housing regeneration, opportunities deliverable through Housing Zone status, and investment in services will meet wider corporate objectives and deliver social benefits for the district, however, these require significant capital investment which will result in a borrowing need.

The significant changes to the Treasury Management Strategy are detailed below;

It is proposed that the Borrowing Strategy, which was previously restricted to borrowing purely for capital investment which would generate future revenue income streams and/or capital receipts in addition to meeting the costs of borrowing, be expanded to include any investment where resources can be identified which can fund the cost of borrowing. Such schemes may provide social and economic value ie for regeneration schemes or be for service or asset improvement ie operational buildings, IT systems etc. All borrowing will remain affordable and sustainable over the long term. The borrowing strategy has therefore been amended to reflect this.

The Strategy also includes an increase to the maximum investment limit within the Local Authority Property Fund (CCLA) from £2m to £4m. This is a longer term investment option. Based on current cashflow projections over the medium term this amount of money is available for investment in excess of 5 years. Members should be aware however, that the fund value (capital investment) can go down as well as up.

2. Background

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

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

CIPFA defines treasury management as:

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

2.2 Reporting requirements

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

Prudential and treasury indicators and treasury strategy (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 any policies require revision. In addition, the Corporate Policy and Resources Committee will receive quarterly update reports.

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. This role is undertaken by the Governance & Audit Committee in respect of the Treasury Management Strategy, and by the Corporate Policy and Resources Committee for the Mid-Year and Annual Treasury Management Reports.

2.3 Treasury Management Strategy for 2017/18

The strategy for 2017/18 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

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

2.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. This specific training was delivered on 9th January and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

2.5 Treasury management consultants

The Council uses Capita Asset Services -Treasury Solutions as its external treasury management advisors.

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

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

3. The Capital Prudential Indicators 2017/18 – 2019/20

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

3.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Total	**0.962**	**9.706**	**20.130**	**21.466**	**9.092**

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

Financing of capital expenditure £m	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Total	**0.962**	**9.706**	**20.130**	**21.466**	**9.092**
Capital receipts	0.560	0.705	1.089	0.475	0.150
Capital grants	0.356	0.788	1.507	1.746	3.631
Capital reserves	0.000	2.613	5.446	5.232	2.581
Revenue	0.046	0.025	0.023	0	0
Net financing need for the year	**0.000**	**5.575**	**12.065**	**14.013**	**2.730**

3.2 The Council's borrowing need (the Capital Financing Requirement)

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

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £0.122m of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£m	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Capital Financing Requirement					
Accounting Adj	**1.065**	**1.065**	**1.065**	**1.065**	**1.065**
Finance Leases	**0.342**	**0.122**	**0.027**	**0**	**0**
Prudential Borrowing	**0**	**5.575**	**17.540**	**31.242**	**33.310**
Total CFR	**1.407**	**6.762**	**18.632**	**32.307**	**34.375**
Movement in CFR	**0.224**	**5.355**	**11.870**	**13.675**	**2.068**

Movement in CFR represented by					
Net financing need for the year (above)	0.004	5.575	12.065	14.013	2.730
Less MRP/VRP and other financing movements	0.228	0.220	0.195	0.338	0.662
Movement in CFR	**0.224**	**5.355**	**11.870**	**13.675**	**2.068**

Note: MRP includes finance lease annual principal payments

3.3 Core funds and expected investment balances

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

Year End Resources £m	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
General Fund balance	3.715	3.089	1.689	1.489	1.789
Earmarked Reserves	13.847	12.934	9.617	6.460	5.401
Capital receipts	2.984	2.352	1.368	0.963	0.883
Provisions	1.012	1.000	1.000	1.000	1.000
Total core funds	**21.558**	**19.375**	**13.674**	**9.912**	**9.073**
Working capital*	-1.191	0.000	-0.923	2.086	-0.737
Under/(-)over borrowing**	1.065	6.640	4.105	3.807	2.875
Expected investments	20.672	13.745	9.533	4.936	3.634

*Working capital balances shown are estimated as at the year end and exclude investments (may be higher mid-year).

** Reflects internal borrowing

3.4 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:

3.5 Ratio of financing costs to net revenue stream

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

%	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Ratio	0.25	1.44	5.99	9.34	12.77

The estimates of net financing costs include current commitments and the proposals in this budget report.

The financing costs include;

Minimum Revenue Provision (Leasing principal)
Loss of investment interest due to investment of funds
Additional interest receivable from investments (Loans)
Additional revenue costs and income generated by the capital investment.

This is measured against the reducing Net Budget requirement over the Medium Term Financial Plan.

3.6 Incremental impact of capital investment decisions on council tax

This indicator identifies the revenue costs or savings (-) associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

£	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2020/21 Estimate
Council tax - band D	£0.30	-£1.44	-£10.62	-£24.85	-£29.39

(Taken from original table)

4. Borrowing

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. 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.

4.1 Current portfolio position

The Council's treasury portfolio position at 31 March 2016, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£m	***2015/16 Actual***	***2016/17 Estimate***	***2017/18 Estimate***	***2018/19 Estimate***	***2019/20 Estimate***
External Debt					
Debt 1 April	*0.000*	*0.000*	*0.000*	*14.500*	*28.500*
OLTL 1 April	*0.570*	*0.342*	*0.122*	*0.027*	*0.000*
Expected change in Debt	*0.000*	*0.000*	*14.500*	*14.000*	*3.000*
Expected change in OLTL	*-0.228*	*-0.220*	*-0.095*	*-0.027*	*0.000*
Actual gross debt at 31 March	***0.342***	***0.122***	***14.527***	***28.500***	***31.500***
The Capital Financing Requirement	***1.407***	***6.762***	***18.632***	***32.307***	***34.375***
Under (-) / over borrowing	***-1.065***	***-6.640***	***-4.105***	***-3.807***	***-2.875***

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2017/18 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Director of Resources reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

4.2 Treasury Indicators: limits to borrowing activity

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

Operational boundary £m	**2016/17 Estimate**	**2017/18 Estimate**	**2018/19 Estimate**	**2019/20 Estimate**
Debt	5.575	17.640	31.653	34.383
Other long term liabilities	0.122	0.027	0	0
Total	**5.697**	**17.667**	**31.653**	**34.383**

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

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

Authorised limit £m	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Debt	17.640	31.653	34.383	34.383
Other long term liabilities	0.122	0.027	0	0
Total	**17.762**	**31.680**	**34.383**	**34.383**

4.3 Prospects for interest rates

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

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
5yr PWLB rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB rate	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
50yr PWLB rate	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%

The Monetary Policy Committee, (MPC), cut Bank Rate from 0.50% to 0.25% on 4th August in order to counteract what it forecast was going to be a sharp slowdown in growth in the second half of 2016. It also gave a strong steer that it was likely to cut Bank Rate again by the end of the year. However, economic data since August has indicated much stronger growth in the second half 2016 than that forecast; also, inflation forecasts have risen substantially as a result of a continuation of the sharp fall in the value of sterling since early August. Consequently, Bank Rate was not cut again in November and, on current trends, it now appears unlikely that there will be another cut, although that cannot be completely ruled out if there was a significant dip downwards in economic growth. During the two-year period 2017 – 2019, when the UK is negotiating the terms for withdrawal from the

EU, it is likely that the MPC will do nothing to dampen growth prospects, (i.e. by raising Bank Rate), which will already be adversely impacted by the uncertainties of what form Brexit will eventually take. Accordingly, a first increase to 0.50% is not tentatively pencilled in, as in the table above, until quarter 2 2019, after those negotiations have been concluded, (though the period for negotiations could be extended). However, if strong domestically generated inflation, (e.g. from wage increases within the UK), were to emerge, then the pace and timing of increases in Bank Rate could be brought forward.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently. It has long been expected that at some point, there would be a start to a switch back from bonds to equities after a historic long term trend over about the last twenty five years of falling bond yields. The action of central banks since the financial crash of 2008, in implementing substantial quantitative easing purchases of bonds, added further impetus to this downward trend in bond yields and rising prices of bonds. The opposite side of this coin has been a rise in equity values as investors searched for higher returns and took on riskier assets. The sharp rise in bond yields since the US Presidential election, has called into question whether, or when, this trend has, or may, reverse, especially when America is likely to lead the way in reversing monetary policy. Until 2015, monetary policy was focused on providing stimulus to economic growth but has since started to refocus on countering the threat of rising inflationary pressures as strong economic growth becomes more firmly established. The expected substantial rise in the Fed. rate over the next few years may make holding US bonds much less attractive and cause their prices to fall, and therefore bond yields to rise. Rising bond yields in the US would be likely to exert some upward pressure on bond yields in other developed countries but the degree of that upward pressure is likely to be dampened by how strong, or weak, the prospects for economic growth and rising inflation are in each country, and on the degree of progress in the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

PWLB rates and gilt yields have been experiencing exceptional levels of volatility that have been highly correlated to geo-political, sovereign debt crisis and emerging market developments. It is likely that these exceptional levels of volatility could continue to occur for the foreseeable future.

The overall balance of risks to economic recovery in the UK is to the downside, particularly in view of the current uncertainty over the final terms of Brexit and the timetable for its implementation.

Apart from the above uncertainties, **downside risks to current forecasts** for UK gilt yields and PWLB rates currently include:

- Monetary policy action by the central banks of major economies reaching its limit of effectiveness and failing to stimulate significant sustainable growth, combat the threat of deflation and reduce high levels of debt in some countries, combined with a lack of adequate action from national governments to promote growth through structural reforms, fiscal policy and investment expenditure.
- Major national polls:
  - Italian constitutional referendum 4.12.16;
  - Spain has a minority government with only 137 seats out of 350 after already having had two inconclusive general elections in 2015 and 2016. This is potentially highly unstable.
  - Dutch general election 15.3.17;
  - French presidential election April/May 2017;
  - French National Assembly election June 2017;
  - German Federal election August – October 2017.
- A resurgence of the Eurozone sovereign debt crisis, with Greece being a particular problem, and stress arising from disagreement between EU countries on free movement of people and how to handle a huge influx of immigrants and terrorist threats
- Weak capitalisation of some European banks, especially Italian.
- Geopolitical risks in Europe, the Middle East and Asia, causing a significant increase in safe haven flows.
- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.

The potential for **upside risks to current forecasts** for UK gilt yields and PWLB rates, especially for longer term PWLB rates, include: -

- UK inflation rising to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium in gilt yields.
- A rise in US Treasury yields as a result of Fed. funds rate increases and rising inflation expectations in the USA, dragging UK gilt yields upwards.

- The pace and timing of increases in the Fed. funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- A downward revision to the UK's sovereign credit rating undermining investor confidence in holding sovereign debt (gilts).

Investment and borrowing rates

- Investment returns are likely to remain low during 2017/18 and beyond;
- Borrowing interest rates have been on a generally downward trend during most of 2016 up to mid-August; they fell sharply to historically phenomenally low levels after the referendum and then even further after the MPC meeting of 4th August when a new package of quantitative easing purchasing of gilts was announced. Gilt yields have since risen sharply due to a rise in concerns around a 'hard Brexit', the fall in the value of sterling, and an increase in inflation expectations. The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times when authorities will not be able to avoid new borrowing to finance capital expenditure and/or to refinance maturing debt;
- There will remain a cost of carry to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost – the difference between borrowing costs and investment returns.

4.4 Borrowing strategy

The Council may undertake borrowing for capital investment;

- to support commercial aspirations, where returns can meet the cost of borrowing.
- to support schemes with a socio-economic value ie for the regeneration and growth of the District.
- to support significant service investment where the cost of borrowing will be offset by efficiencies and/or cost savings

All borrowing will be affordable and sustainable within the long term seeking to achieve a £0 effect to the budget.

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing

Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2017/18 treasury operations. The Director of Resources will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates* (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast,* perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

4.5 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 that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Council, at the earliest meeting following its action.

4.7 Municipal Bond Agency

It is likely that the Municipal Bond Agency, currently in the process of being set up, will be offering loans to local authorities in the near future. It is also hoped that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority intends to make use of this new source of borrowing as and when appropriate.

5. Annual Investment Strategy

5.1 Investment policy

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in appendix 5.4 under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

5.2 Creditworthiness policy

This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swaps (CDS) 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 *
- Dark pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- Light pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

The Capita Asset Services' creditworthiness service uses a wider array of information 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 equivalents) 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 daily. The Council is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services' 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 Capita 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 this Council will also use market data and market information, information on any external support for banks to help support its decision making process.

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

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

The Director of Resources will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the

Council may use, rather than defining what types of investment instruments are to be used.

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

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

- Banks 1 - good credit quality **–** the Council will only use banks which:
    i. are UK banks; and/or
    ii. are non-UK and domiciled in a country which has a minimum sovereign Long Term rating of AA

  and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):
    i. Short Term – F1
    ii. Long Term – A
- Banks 2 – Part nationalised UK bank – Royal Bank of Scotland. This bank can be included provided it continues to be part nationalised or it meets the ratings in Banks 1 above.
- Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time invested.
- Bank subsidiary and treasury operation -. The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- Building societies - The Council will *use* all societies which:
    i. Meet the ratings for banks outlined above;
- Money market funds (MMFs) – AAA
- Enhanced money market funds (EMMFs) - AAA
- UK Government (including gilts, treasury bonds and the DMADF)
- Local authorities, parish councils etc.

- Supranational institutions
- Local Authority Property Asset Fund (CCLA)
- Corporate Bond Funds
- Covered Bonds

A limit of £2m per counterparty will be applied to the use of non-specified investments largely determined by the long term investment limits.

Except for Local Authority Property Asset Fund which will have a limit of £4m

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

Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments). It should be noted that in the case of Lloyds Bank, our current bankers, that as well as allowing £5m fixed term investment in that one institution that there is flexibility to hold, in current account balances at Lloyds Bank, up to £1m 'cash' on any one day:

	Fitch	Moody's	Standard & Poors	Money Limit	Time Limit
Banks 1 – up to 1 year	F1	P1	A1	£5m per counterparty at Group level	1 year
Banks 1 – over 1 year	AA	Aa2	AA	£2m maximum exposure	1 year to 5 years
Banks 2 – UK part nationalised				£5m per counterparty at Group level	1 year
Banks 3 – Council's own bank if not covered by 1 or 2				£1m	1 day
Other Local Authorities				£5m per counterparty	5 years
Bank of England DMADF				No limit	6 months
Gilts/Treasury Bills – where no loss of principal if held to maturity				£5m maximum exposure	5 years
Supranational				£5m per counterparty	1 year

Quality Corporate Bond Funds				£2m	5 years
Local Authority Property Asset Funds				£4m	5 years
Certificates of Deposit				£2m	5 years
Covered Bonds				£1m	5 years
	Fund rating			**Money Limit**	**Time Limit**
Money market funds	AAA			£5m per counterparty	overnight
Enhanced money market funds	AAA			£5m	5 years

The proposed criteria for specified and non-specified investments are shown in Appendix 5.5 for approval.

5.3 Country and sector limits

Due care will be taken to consider the country, group and sector exposure of the Council's investments.

The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA from Fitch or equivalent. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 6.5. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

In addition:

- no more than £2m will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

5.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Longer term investment will be undertaken where it is anticipated that levels of reserves and cashflows are adequate over the medium term.

Investment returns expectations. Bank Rate is forecast to stay flat at 0.25% until quarter 2 2019 and not to rise above 0.75% by quarter 1 2020. Bank Rate forecasts for financial year ends (March) are:

- 2016/17 0.25%
- 2017/18 0.25%
- 2018/19 0.25%

- 2019/20 0.50%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year provided by Capita are detailed below;

	Capita Estimate
2016/17	0.25%
2017/18	0.25%
2018/19	0.25%
2019/20	0.50%
2020/21	0.75%
2021/22	1.00%
2022/23	1.50%
2023/24	1.75%
Later years	2.75%

However, West Lindsey District Council will maintain a budget target of 1% for 2017/18, taking into account fixed rate and the longer term investment in the Local Authority Property Fund.

The overall balance of risks to these forecasts is currently probably slightly skewed to the downside in view of the uncertainty over the final terms of Brexit. If growth expectations disappoint and inflationary pressures are minimal, the start of increases in Bank Rate could be pushed back. On the other hand, should the pace of growth quicken and / or forecasts for increases in inflation rise, there could be an upside risk i.e. Bank Rate increases occur earlier and / or at a quicker pace.

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

The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
£m	**2017/18**	**2018/19**	**2019/20**
Principal sums invested > 364 days	£6m	£6m	£6m

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

5.5 Investment risk benchmarking

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

1.1 Security - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- **0.06% historic risk of default when compared to the whole portfolio.**

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

- Liquid short term deposits of at least £4m available with a week's notice.
- Weighted average life benchmark is expected to be 0.25 years, with a maximum of 1 year.

Yield - local measures of yield benchmarks are;

- Investments – internal returns above the 7 day LIBID rate

And in addition that the security benchmark for each individual year is:

	1 year	2 years	3 years	4 years	5 years
Maximum	**0.07%**	**0.19%**	**0.36%**	**0.55%**	**0.77%**

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

5.6 End of year investment report

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

6. Appendices

1. MRP Policy Statement and Treasury Prudential Indicator for Debt
2. Interest rate forecasts
3. Economic background
4. Treasury management practice 1 – credit and counterparty risk management

5. Approved countries for investments

6. Treasury management scheme of delegation

7. The treasury management role of the section 151 officer

Annex 1.

MRP POLICY STATEMENT AND TREASURY PRUDENTIAL INDICATOR FOR DEBT

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

1.1 Minimum revenue provision (MRP) policy statement

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

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

For all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

- **Asset life method – Equal Instalment**
  MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction)

Except for the elements below;

- **Asset life method – Annuity Method**
  For commercial, regeneration or administrative projects, where revenue benefits are only realised in future years or increase in future years, and will be based on an appropriate rate.

- **Loan Principal repayment as proxy for MRP**
  The council considers that where borrowing has funded loan advances, the loan principal repaid as a capital receipt negates the requirement to set aside an annual MRP charge, or in the event of default the realisation of security.

Repayment of principal included in finance leases are applied as MRP.

Should the Council consider any Capital Investment whereby a capital receipt would be realised within the short/medium term i.e. for Capital Investment where the asset is to be held for a set period, and a capital receipt is expected to be realised at the end of this period, then the requirement to aside a minimum revenue provision to repay the debt will be considered on a case by case basis and in such cases, and in agreement with the Auditor, MRP may not be applied subject to taking account of any risks, project profiles and revenue income streams.

1.2 Treasury indicators for debt

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

£m	2017/18	2018/19	2019/20
Interest rate exposures			
	Upper	**Upper**	**Upper**
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	75%	75%	75%
Maturity structure of fixed interest rate borrowing 2017/18			
		Lower	**Upper**
Under 12 months		0%	100%
12 months to 2 years		0%	100%
2 years to 5 years		0%	100%
5 years to 10 years		0%	100%
10 years and above		0%	100%
Maturity structure of variable interest rate borrowing 2017/18			

	Lower	Upper
Under 12 months	0%	25%
12 months to 2 years	0%	25%
2 years to 5 years	0%	25%
5 years to 10 years	0%	25%
10 years and above	0%	25%

Annex 2.

INTEREST RATE FORECASTS 2016 – 2020

PWLB forecasts are based on PWLB certainty rates available to WLDC (-.2bps).

PWLB rates and forecast shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

Capita Asset Services Interest Rate View													
	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Dec-19	Mar-20
Bank Rate View	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.75%	0.75%
3 Month LIBID	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.40%	0.50%	0.60%	0.80%	0.90%
6 Month LIBID	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.50%	0.60%	0.70%	0.90%	1.00%
12 Month LIBID	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.80%	0.80%	0.90%	1.00%	1.10%	1.30%	1.40%
5yr PWLB Rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	2.00%	2.00%
10yr PWLB Rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%
25yr PWLB Rate	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%
50yr PWLB Rate	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.20%
Bank Rate													
Capita Asset Services	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.75%	0.75%
Capital Economics	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.75%
5yr PWLB Rate													
Capita Asset Services	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	2.00%	2.00%
Capital Economics	1.60%	1.70%	1.80%	1.90%	1.95%	2.05%	2.20%	2.30%	2.40%	2.60%	2.80%	3.20%	3.30%
10yr PWLB Rate													
Capita Asset Services	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%
Capital Economics	2.30%	2.35%	2.45%	2.50%	2.55%	2.60%	2.70%	2.70%	2.80%	3.00%	3.20%	3.60%	3.70%
25yr PWLB Rate													
Capita Asset Services	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%
Capital Economics	2.90%	3.00%	3.05%	3.10%	3.15%	3.25%	3.30%	3.35%	3.45%	3.55%	3.75%	4.15%	4.35%
50yr PWLB Rate													
Capita Asset Services	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.20%
Capital Economics	2.80%	2.85%	2.95%	3.00%	3.05%	3.10%	3.15%	3.20%	3.30%	3.50%	3.70%	4.10%	4.20%

Annex 3.

ECONOMIC BACKGROUND

UK. **GDP growth rates** in 2013, 2014 and 2015 of 2.2%, 2.9% and 1.8% were some of the strongest rates among the G7 countries. Growth is expected to have strengthened in 2016 with the first three quarters coming in respectively at +0.4%, +0.7% and +0.5%. The latest Bank of England forecast for growth in 2016 as a whole is +2.2%. The figure for quarter 3 was a pleasant surprise which confounded the downbeat forecast by the Bank of England in August of only +0.1%, (subsequently revised up in September, but only to +0.2%). During most of 2015 and the first half of 2016, the economy had faced headwinds for exporters from the appreciation of sterling against the Euro, and weak growth in the EU, China and emerging markets, and from the dampening effect of the Government's continuing austerity programme.

The **referendum vote for Brexit** in June 2016 delivered an immediate shock fall in confidence indicators and business surveys at the beginning of August, which were interpreted by the Bank of England in its August Inflation Report as pointing to an impending sharp slowdown in the economy. However, the following monthly surveys in September showed an equally sharp recovery in confidence and business surveys so that it is generally expected that the economy will post reasonably strong growth numbers through the second half of 2016 and also in 2017, albeit at a slower pace than in the first half of 2016.

The **Monetary Policy Committee, (MPC), meeting of 4th August** was therefore dominated by countering this expected sharp slowdown and resulted in a package of measures that included a cut in Bank Rate from 0.50% to 0.25%, a renewal of quantitative easing, with £70bn made available for purchases of gilts and corporate bonds, and a £100bn tranche of cheap borrowing being made available for banks to use to lend to businesses and individuals.

The **MPC meeting of 3 November** left Bank Rate unchanged at 0.25% and other monetary policy measures also remained unchanged. This was in line with market expectations, but a major change from the previous quarterly Inflation Report MPC meeting of 4 August, which had given a strong steer, in its forward guidance, that it was likely to cut Bank Rate again, probably by the end of the year if economic data turned out as forecast by the Bank.

The latest MPC decision included a forward view that **Bank Rate** could go either up or down depending on how economic data evolves in the coming months. Our central view remains that Bank Rate will remain unchanged at 0.25% until the first increase to 0.50% in quarter 2 2019 (unchanged from our previous forecast). However, we would not, as yet, discount the risk of a cut in Bank Rate if economic growth were to take a significant dip downwards, though we think this is unlikely. We would also point out that forecasting as far ahead as mid 2019 is highly fraught as there are many potential economic headwinds which could blow the UK economy one way or the other as well as political developments in the UK, (especially over the terms of Brexit), EU, US and beyond, which could have a major impact on our forecasts.

The pace of Bank Rate increases in our forecasts has been slightly increased beyond the three year time horizon to reflect higher inflation expectations.

The August quarterly Inflation Report was based on a pessimistic forecast of near to zero GDP growth in quarter 3 i.e. a sharp slowdown in growth from +0.7% in quarter 2, in reaction to the shock of the result of the referendum in June. However, **consumers** have very much stayed in a ‘business as usual’ mode and there has been no sharp downturn in spending; it is consumer expenditure that underpins the services sector which comprises about 75% of UK GDP. After a fairly flat three months leading up to October, retail sales in October surged at the strongest rate since September 2015. In addition, the GfK consumer confidence index has recovered quite strongly to -3 in October after an initial sharp plunge in July to -12 in reaction to the referendum result.

Bank of England GDP forecasts in the November quarterly Inflation Report were as follows, (August forecasts in brackets) - 2016 +2.2%, (+2.0%); 2017 1.4%, (+0.8%); 2018 +1.5%, (+1.8%). There has, therefore, been a sharp increase in the forecast for 2017, a marginal increase in 2016 and a small decline in growth, now being delayed until 2018, as a result of the impact of Brexit.

Capital Economics’ GDP forecasts are as follows: 2016 +2.0%; 2017 +1.5%; 2018 +2.5%. They feel that pessimism is still being overdone by the Bank and Brexit will not have as big an effect as initially feared by some commentators.

The Chancellor has said he will do ‘whatever is needed’ i.e. to **promote growth**; there are two main options he can follow – fiscal policy e.g. cut taxes, increase investment allowances for businesses, and/or increase government expenditure on infrastructure, housing etc. This will mean that the PSBR deficit elimination timetable will need to slip further into the future as promoting growth, (and ultimately boosting tax revenues in the longer term), will be a more urgent priority. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting to boost economic growth and suggested that the Government would need to help growth e.g. by increasing investment expenditure and by using fiscal policy tools. The newly appointed Chancellor, Phillip Hammond, announced, in the aftermath of the referendum result and the formation of a new Conservative cabinet, that the target of achieving a budget surplus in 2020 would be eased in the Autumn Statement on 23 November.

The other key factor in forecasts for Bank Rate is **inflation** where the MPC aims for a target for CPI of 2.0%. The November Inflation Report included an increase in the peak forecast for inflation from 2.3% to 2.7% during 2017; (Capital Economics are forecasting a peak of 3.2% in 2018). This increase was largely due to the effect of the sharp fall in the value of sterling since the referendum, (16% down against the US dollar and 11% down against the Euro); this will feed through into a sharp increase in the cost of imports and materials used in production in the UK. However, the MPC is expected to look through the acceleration in inflation caused by external, (outside of the UK), influences, although it has given a clear warning that if wage inflation were to rise significantly as a result of these cost pressures on consumers, then they would take action to raise Bank Rate.

What is clear is that **consumer disposable income** will come under pressure, as the latest employers' survey is forecasting median pay rises for the year ahead of only 1.1% at a time when inflation will be rising significantly higher than this. The CPI figure for October surprised by under shooting forecasts at 0.9%. However, producer output prices rose at 2.1% and core inflation was up at 1.4%, confirming the likely future upwards path.

Gilt yields, and consequently PWLB rates, have risen sharply since hitting a low point in mid-August. There has also been huge volatility during 2016 as a whole. The year started with 10 year gilt yields at 1.88%, fell to a low point of 0.53% on 12 August, and have hit a peak on the way up again of 1.46% on 14 November. The rebound since August reflects the initial combination of the yield-depressing effect of the MPC's new round of quantitative easing on 4 August, together with expectations of a sharp downturn in expectations for growth and inflation as per the pessimistic Bank of England Inflation Report forecast, followed by a sharp rise in growth expectations since August when subsequent business surveys, and GDP growth in quarter 3 at +0.5% q/q, confounded the pessimism. Inflation expectations also rose sharply as a result of the continuing fall in the value of sterling.

Employment has been growing steadily during 2016, despite initial expectations that the referendum would cause a fall in employment. However, the latest employment data in November, (for October), showed a distinct slowdown in the rate of employment growth and an increase in the rate of growth of the unemployment claimant count. **House prices** have been rising during 2016 at a modest pace but the pace of increase has been slowing since the referendum; a downturn in prices could dampen consumer confidence and expenditure.

USA. The American economy had a patchy 2015 with sharp swings in the quarterly **growth rate** leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 at +0.8%, (on an annualised basis), and quarter 2 at 1.4% left average growth for the first half at a weak 1.1%. However, the first estimate for quarter 3 at 2.9% signalled a rebound to strong growth. The Fed. embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December 2016. Overall, despite some data setbacks, the US is still, probably, the best positioned of the major world economies to make solid progress towards a combination of strong growth, full employment and rising inflation: this is going to require the central bank to take action to raise rates so as to make progress towards normalisation of monetary policy, albeit at lower central rates than prevailed before the 2008 crisis.

The result of the **presidential election** in November is expected to lead to a strengthening of US growth if Trump's election promise of a major increase in expenditure on infrastructure is implemented. This policy is also likely to strengthen inflation pressures as the economy is already working at near full capacity. In addition, the unemployment rate is at a low point verging on what is normally classified as being full employment. However, the US does have a substantial amount of hidden unemployment in terms of an unusually large, (for a developed economy), percentage of the working population not actively seeking employment.

Trump's election has had a profound effect on the **bond market and bond yields** have risen sharply in the week since his election. Time will tell if this is a temporary over reaction, or a reasonable assessment of his election promises to cut taxes at the same time as boosting expenditure. This could lead to a sharp rise in total debt issuance from the current level of around 72% of GDP towards 100% during his term in office. However, although the Republicans now have a monopoly of power for the first time since the 1920s, in having a President and a majority in both Congress and the Senate, there is by no means any certainty that the politicians and advisers he has been appointing to his team, and both houses, will implement the more extreme policies that Trump outlined during his election campaign. Indeed, Trump may even rein back on some of those policies himself.

The election does not appear likely to have much impact on the Fed. in terms of holding back further on increasing **the Fed. Rate.** Accordingly, the next rate rise is still widely expected to occur in December 2016, followed by sharper increases thereafter, which may also cause Treasury yields to rise further. If the Trump package of policies is fully implemented, there is likely to be a significant increase in inflationary pressures which could, in turn, mean that the pace of further Fed. Rate increases will be quicker and stronger than had been previously expected.

In the first week since the US election, there has been a major shift in **investor sentiment** away from bonds to equities, especially in the US. However, gilt yields in the UK and bond yields in the EU have also been dragged higher. Some commentators are saying that this rise has been an overreaction to the US election result which is likely to be reversed. Other commentators take the view that this could well be the start of the long expected eventual unwinding of bond prices propelled upwards to unrealistically high levels, (and conversely bond yields pushed down), by the artificial and temporary power of quantitative easing.

<u>EZ.</u> In the Eurozone, **the ECB** commenced, in March 2015, its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month. This was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March 2016 meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise significantly from low levels towards the target of 2%.

EZ GDP growth in the first three quarters of 2016 has been 0.5%, +0.3% and +0.3%, (+1.6% y/y). Forward indications are that economic growth in the EU is likely to continue at moderate levels. This has added to comments from many forecasters that those central banks in countries around the world which are currently struggling to combat low growth, are running out of ammunition to stimulate growth and to boost inflation. Central banks have also been stressing that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand and economic growth in their economies.

There are also significant specific political and other risks within the EZ: -

- **Greece** continues to cause major stress in the EU due to its tardiness and reluctance in implementing key reforms required by the EU to make the country more efficient and to make significant progress towards the country being able to pay its way – and before the EU is prepared to agree to release further bail out funds.
- **Spain** has had two inconclusive general elections in 2015 and 2016, both of which failed to produce a workable government with a majority of the 350 seats. At the eleventh hour on 31 October, before it would have become compulsory to call a third general election, the party with the biggest bloc of seats (137), was given a majority confidence vote to form a government. This is potentially a highly unstable situation, particularly given the need to deal with an EU demand for implementation of a package of austerity cuts which will be highly unpopular.
- The under capitalisation of **Italian banks** poses a major risk. Some **German banks** are also undercapitalised, especially Deutsche Bank, which is under threat of major financial penalties from regulatory authorities that will further weaken its capitalisation. What is clear is that national governments are forbidden by EU rules from providing state aid to bail out those banks that are at risk, while, at the same time, those banks are unable realistically to borrow additional capital in financial markets due to their vulnerable financial state. However, they are also ‘too big, and too important to their national economies, to be allowed to fail’.
- **4 December Italian constitutional referendum** on reforming the Senate and reducing its powers; this has also become a confidence vote on Prime Minister Renzi who originally said he would resign if

there is a ‘no’ vote, but has since back tracked on that in the light of adverse poll predictions. A rejection of these proposals would stop progress to fundamental political and economic reform which is urgently needed to deal with Italy’s core problems, especially low growth and a very high debt to GDP ratio of 135%. They are also intended to give Italy more stable government as no western European country has had such a multiplicity of governments since the Second World War as Italy, due to the equal split of power between the two chambers of the Parliament which are both voted in by the Italian electorate but by using different voting systems. It is unclear what the political, and other, repercussions could be if there is a ‘No’ vote.

- **Dutch general election 15.3.17**; a far right party is currently polling neck and neck with the incumbent ruling party. In addition, anti-big business and anti-EU activists have already collected two thirds of the 300,000 signatures required to force a referendum to be taken on approving the EU – Canada free trade pact. This could delay the pact until a referendum in 2018 which would require unanimous approval by all EU governments before it can be finalised. In April 2016, Dutch voters rejected by 61.1% an EU – Ukraine cooperation pact under the same referendum law. Dutch activists are concerned by the lack of democracy in the institutions of the EU.
- **French presidential election;** first round 13 April; second round 7 May 2017.
- **French National Assembly election June 2017.**
- **German Federal election August – 22 October 2017.** This could be affected by significant shifts in voter intentions as a result of terrorist attacks, dealing with a huge influx of immigrants and a rise in anti EU sentiment.
- The core EU, (note, not just the Eurozone currency area), principle of **free movement of people** within the EU is a growing issue leading to major stress and tension between EU states, especially with the Visegrad bloc of former communist states.

Given the number and type of challenges the EU faces in the next eighteen months, there is an identifiable risk for the EU project to be called into fundamental question. The risk of an electoral revolt against the EU establishment has gained traction after the shock results of the UK referendum and the US Presidential election. But it remains to be seen whether any shift in sentiment will gain sufficient traction to produce any further shocks within the EU.

Asia. Economic growth in **China** has been slowing down and this, in turn, has been denting economic growth in emerging market countries dependent on exporting raw materials to China. Medium term risks have been increasing in China e.g. a dangerous build up in the level of credit compared to the size of GDP, plus there is a need to address a major over supply of housing and surplus industrial capacity, which both need to be eliminated. This needs to be combined with a rebalancing of the economy from investment expenditure to consumer spending. However, the central bank has a track record of supporting growth through various monetary policy measures, though these further stimulate the growth of credit risks and so increase the existing major imbalances within the economy.

Economic growth in **Japan** is still patchy, at best, and skirting with deflation, despite successive rounds of huge monetary stimulus and massive fiscal action to promote consumer spending. The government is also making little progress on fundamental reforms of the economy.

Emerging countries. There have been major concerns around the vulnerability of some emerging countries exposed to the downturn in demand for commodities from China or to competition from the increase in supply of American shale oil and gas reaching world markets. The ending of sanctions on Iran has also brought a further significant increase in oil supplies into the world markets. While these concerns have subsided during 2016, if interest rates in the USA do rise substantially over the next few years, (and this could also be accompanied by a rise in the value of the dollar in exchange markets), this could cause significant problems for those emerging countries with large amounts of debt denominated in dollars. The Bank of International Settlements has recently released a report that $340bn of emerging market corporate debt will fall due for repayment in the remaining two months of 2016 and in 2017 – a 40% increase on the figure for the last three years.

Financial markets could also be vulnerable to risks from those emerging countries with major sovereign wealth funds, that are highly exposed to the falls in commodity prices from the levels prevailing before 2015, especially oil, and which, therefore, may have to liquidate substantial amounts of investments in order to cover national budget deficits over the next few years if the price of oil does not return to pre-2015 levels.

Brexit timetable and process

- March 2017: UK government notifies the European Council of its intention to leave under the Treaty on European Union Article 50
- March 2019: two-year negotiation period on the terms of exit. This period can be extended with the agreement of all members i.e. not that likely.
- UK continues as an EU member during this two-year period with access to the single market and tariff free trade between the EU and UK.
- The UK and EU would attempt to negotiate, among other agreements, a bi-lateral trade agreement over that period.
- The UK would aim for a negotiated agreed withdrawal from the EU, although the UK may also exit without any such agreements.
- If the UK exits without an agreed deal with the EU, World Trade Organisation rules and tariffs could apply to trade between the UK and EU - but this is not certain.

- On exit from the EU: the UK parliament would repeal the 1972 European Communities Act.
- The UK will then no longer participate in matters reserved for EU members, such as changes to the EU’s budget, voting allocations and policies.

Annex 4.

TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

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

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code on 01/03/2010 and will apply its principles to all investment activity. In accordance with the Code, the Director of Finance has produced its treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

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

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

The investment policy proposed for the Council is:

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

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

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

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. These criteria are set out within the main report.

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

	Non Specified Investment Category	**Limit £**
a.	**Gilt edged securities** with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	£5m
b.	**The Council's own banker** if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	£1m
c.	Any **bank or building society** that has a minimum long term credit rating of AA, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	£2m
d.	Enhanced Money Market Funds AA rated	£2m
e.	Corporate Bond Funds	£2m
f.	Local Authority Property Asset Fund	£4m
g.	Certificates of Deposit	£2m
h.	Covered Bonds	£1m
i.	**Property funds** – The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using.	

This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.

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

Appendix 5. APPROVED COUNTRIES FOR INVESTMENTS

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- Hong Kong
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- Qatar
- U.K.

Appendix 6.

TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Corporate Policy and Resources Committee

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

(iii) Governance and Audit Committee

- reviewing the treasury management policy and procedures and making recommendations to the full Council.

Appendix 7.

THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

APPENDIX G

THE COUNCIL TAX REQUIREMENT

1. Introduction

1.1 This Council is the billing Authority for the West Lindsey area and is required to set a Council Tax that will cover not only its own requirements, but also those of the County Council, Police Authority and Town/Parish Councils.

1.2 The Localism Act 2011 has introduced a new requirement for a local authority to determine whether the basic amount of council tax for a financial year is excessive, in which case a local referendum would be needed. Schedule 5 of the Localism Act 2011 has inserted a new chapter 4ZA into part 1 of the Local Government Finance Act 1992. Section 52ZB sets out the steps needed to determine the level of tax which would be 'excessive'. These steps are in effect to compare the level of increase in council tax with principles set out by the Secretary of State. The Secretary of State has indicated that, for 2017/18, an increase above 2% or £5, whichever is the greater, in a district council's council tax would be excessive.

2 Again the ability for local authorities providing Adult Care Services to add up to a further 3% could be applied to Council Tax. Lincolnshire County Council has approved a 2% increase for this purpose.

3 The Council's basic amount of council tax recommended for 2017/18 is £201.24 (2016/17 £196.29) a 2.52% increase.

4 Council Tax levels 2017/18

2.1 The level of Council Tax will vary between households throughout the District and will depend upon which band and in which Town/Parish the taxpayer lives. A full schedule of Council Taxes by Parish is attached at Appendix I.

2.2 Taking account of the above council tax requirements the average Council Tax at Band D for 2017/18 will be set as follows:-

	2016/17 **£**	**2017/18** **£**	**Variance** £	%
Lincolnshire County Council	1,128.83	1,173.42	44.59	3.95
Police	201.51	205.47	3.97	1.97
West Lindsey District Council	196.29	201.24	4.95	2.52
Direct Parish Precept Charges	55.75	64.48	8.73	15.66
Total Average Council Tax	**1,582.38**	**1,644.61**	**62.23**	**3.93**

2.3 Although the increases in Town/Parish Precepts average 15.66% the impact on the individual Town/Parish Councils will vary according to the amount by which each has increased its precept.

3. Recommendations - Council Tax Requirements 2017/18

3.1 It be noted that on 30 November 2016 the Council calculated the Council Tax Base 2017/18.

a) for the whole Council area as 28,959.46 (28,878.71 2016/17) [Item T in the formula in Section 31b of the Local Government Finance Act 1992, as amended (the "Act")]; and

b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix I.

3.2 The council tax requirement for the Council's own purposes for 2017/18 (excluding Parish precepts) is £5,827,803

3.3 The following amounts be calculated for the year 2017/18 in accordance with Sections 31 to 36 of the Act:

a)	£49,485,986	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Local Government Finance Act 1992. **(Gross expenditure including Parish Precepts and contribution to reserves)**
b)	£41,790,796	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act. **(Total income including contribution from reserves)**
c)	£7,695,190	being the amount by which the aggregate at 3.3(a) above exceeds the aggregate at 3.3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its **Council Tax requirement for the year (including Parish precepts).**
d)	£265.72	being the amount at 3.3(c) above (item R), all divided by Item T (3.1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
e)	£1,867,387	being the aggregate amount of all special items **(total parish precepts)** referred to in Section 34(1) of the Act (as per the attached Appendix I)
f)	£201.24	being the amount at 3.3(d) above less the result given by dividing the amount at 3.3(e) above by Item T (3.1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates. **(WLDC Band D average)**

3.4 That the amounts stated in the "Total" column of Appendix I to this resolution be calculated by adding to the amount at (f) above the amounts of special item or items relating to dwellings in those parts of the Council's area mentioned in Appendix I divided in each case by the individual tax bases (Appendix H) set by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate. **(Band D Council Taxes for the WLDC and individual parishes)**

3.5 That the amounts stated in Appendix J to this resolution be calculated by multiplying the aggregate of the amounts at (f) above and 3.4 above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands. **(All valuation band council taxes for WLDC and individual parishes).**

3.6 To note that the County Council and the Police Authority have issued precepts to the Council in accordance with Section 40 of the local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

3.7 That the Council, in accordance with Sections 30 to 36 of the local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2017/18 for each part of its area and for each of the categories of dwellings.

Band	West Lindsey DC	Lincolnshire CC	Police & Crime Commissioner Lincolnshire	Aggregate Council Tax
A	134.16	782.28	136.98	1,053.42
B	156.52	912.66	159.81	1,228.99
C	178.88	1,043.04	182.64	1,404.56
D	201.24	1,173.42	205.47	1,580.13
E	245.96	1,434.18	251.13	1,931.27
F	290.68	1,694.94	296.79	2,282.41
G	335.40	1,955.70	342.45	2,633.55
H	402.48	2,346.84	410.94	3,160.26

3.8 That having calculated the aggregate in each case of the amounts at 3.5 and 3.6 above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts in Appendix K as the levels of Council Tax for the year 2017/18 for each of the categories of dwellings shown in that Appendix.

3.9 To determine that the Council's basic amount of Council Tax for 2017/18 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

3.10 **That the Council approves the recommendations set out above and the levels of Council Tax for the year 2017/18 in respect of each of the areas in the District as set out in the appendices to this report.**

APPENDIX H

COUNCIL TAX BASE

Parish	2017/18 Tax Base
Aisthorpe	37.34
Bardney - Apley - Stainfield	684.70
Bigby	133.71
Bishop Norton	124.71
Blyborough	31.92
Blyton	365.46
Brampton	33.11
Brattleby	51.57
Broadholme	38.20
Brocklesby	34.03
Brookenby	158.52
Broxholme	30.49
Bullington	11.20
Burton	393.63
Buslingthorpe	21.02
Cabourne	26.97
Caenby	26.69
Caistor	907.84
Cammeringham	48.02
Cherry Willingham	1,296.20
Claxby	66.67
Corringham	164.32
Dunholme	684.46
East Ferry	39.41
East Stockwith	68.20
Faldingworth	162.15
Fenton	134.55
Fillingham	82.70
Fiskerton	362.43
Friesthorpe	10.81
Fulnetby	4.81
Gainsborough	4,472.31
Glentham	164.62
Glentworth	112.29
Goltho	25.20
Grange de Lings	10.56
Grasby	188.22
Grayingham	57.62
Great Limber	83.37
Greetwell	292.81
Hackthorn - Cold Hanworth	80.04
Hardwick	16.33
Harpswell	21.89
Heapham	42.12
Hemswell	111.51

Parish	2017/18 Tax Base
Hemswell Cliff	159.71
Holton Beckering	40.25
Holton le Moor	63.37
Ingham	312.55
Keelby	669.09
Kettlethorpe	162.48
Kexby	117.26
Kirmond le Mire	12.92
Knaith	119.15
Langworth - Barlings - Newball	201.45
Laughton	150.07
Lea	377.40
Legsby	77.57
Linwood	36.97
Lissington	50.27
Market Rasen	1,201.37
Marton - Gate Burton	240.25
Middle Rasen	702.88
Morton	422.47
Nettleham	1,352.59
Nettleton	226.75
Newton-On-Trent	136.89
Normanby-By-Spital	139.89
Normanby le Wold	19.56
North Carlton	71.25
North Kelsey	341.47
North Willingham	48.39
Northorpe	46.95
Osgodby	202.34
Owersby	89.67
Owmby-By-Spital	104.67
Pilham	27.47
Rand	16.78
Reepham	338.43
Riby	44.76
Riseholme	109.90
Rothwell	62.11
Saxby	16.14
Saxilby - Ingleby	1,326.34
Scampton	354.06
Scothern	311.76
Scotter	1,131.97
Scotton	213.92
Searby cum Owmby	78.86
Sixhills	15.73

Parish	2017/18 Tax Base
Snarford	17.30
Snelland	32.82
Snitterby	91.65
Somerby	23.15
South Carlton	37.42
South Kelsey	205.40
Spridlington	85.37
Springthorpe	54.64
Stainton le Vale	33.81
Stow	116.13
Sturton-By-Stow	482.11
Sudbrooke	695.73
Swallow	94.90
Swinhope	47.13
Tealby	263.98
Thonock	9.76
Thoresway	36.44
Thorganby	12.88
Thorpe le Fallows	6.11
Toft Newton	125.12
Torksey	279.42
Upton	159.63
Waddingham	204.98
Walesby	106.90
Walkerith	26.71
Welton	1,400.27
West Firsby	11.50
West Rasen	33.04
Wickenby	80.09
Wildsworth	27.13
Willingham	192.85
Willoughton	104.23
Total	**28,959.46**

APPENDIX I

DETERMINATION OF COUNCIL TAX WHERE SPECIAL ITEMS APPLY
PARISH PRECEPTS

Parish	Parish Precept £	Parish Council Tax £	District Council Tax £	Total £
Bardney - Apley - Stainfield	50,080.00	73.14	201.24	274.38
Bigby	6,400.00	47.86	201.24	249.10
Bishop Norton	6,400.00	51.32	201.24	252.56
Blyton	27,400.00	74.97	201.24	276.21
Brattleby	1,900.00	36.84	201.24	238.08
Broadholme	400.00	10.47	201.24	211.71
Brookenby	16,719.00	105.47	201.24	306.71
Burton	6,744.00	17.13	201.24	218.37
Caistor	88,640.00	97.64	201.24	298.88
Cammeringham	900.00	18.74	201.24	219.98
Cherry Willingham	70,400.00	54.31	201.24	255.55
Claxby	4,900.00	73.50	201.24	274.74
Corringham	6,400.00	38.95	201.24	240.19
Dunholme	38,900.00	56.83	201.24	258.07
East Stockwith	3,700.00	54.25	201.24	255.49
Faldingworth	6,400.00	39.47	201.24	240.71
Fenton	5,150.00	38.28	201.24	239.52
Fillingham	3,541.00	42.82	201.24	244.06
Fiskerton	21,900.00	60.43	201.24	261.67
Gainsborough	458,250.00	102.46	201.24	303.70
Glentham	7,400.00	44.95	201.24	246.19
Glentworth	8,900.00	79.26	201.24	280.50
Grasby	4,947.00	26.28	201.24	227.52
Great Limber	8,400.00	100.76	201.24	302.00
Greetwell	6,850.00	23.39	201.24	224.63
Hackthorn - Cold Hanworth	1,850.00	23.11	201.24	224.35
Hemswell	5,900.00	52.91	201.24	254.15
Hemswell Cliff	10,600.00	66.37	201.24	267.61
Ingham	18,887.00	60.43	201.24	261.67
Keelby	19,544.00	29.21	201.24	230.45
Kettlethorpe	8,900.00	54.78	201.24	256.02
Kexby	1,900.00	16.20	201.24	217.44
Knaith	2,900.00	24.34	201.24	225.58
Langworth - Barlings - Newball	15,324.00	76.07	201.24	277.31
Laughton	5,380.00	35.85	201.24	237.09
Lea	13,900.00	36.83	201.24	238.07
Legsby	1,400.00	18.05	201.24	219.29
Market Rasen	109,498.00	91.14	201.24	292.38
Marton - Gate Burton	8,900.00	37.04	201.24	238.28
Middle Rasen	16,610.00	23.63	201.24	224.87
Morton	14,849.00	35.15	201.24	236.39
Nettleham	132,974.00	98.31	201.24	299.55

APPENDIX I

Parish	Parish Precept £	Parish Council Tax £	District Council Tax £	Total £
Nettleton	11,900.00	52.48	201.24	253.72
Newton-On-Trent	14,176.00	103.56	201.24	304.80
Normanby-By-Spital	2,600.00	18.59	201.24	219.83
North Kelsey	15,900.00	46.56	201.24	247.80
Northorpe	2,409.00	51.31	201.24	252.55
Osgodby	5,250.00	25.95	201.24	227.19
Owersby	1,900.00	21.19	201.24	222.43
Owmby-By-Spital	3,410.00	32.58	201.24	233.82
Reepham	7,900.00	23.34	201.24	224.58
Riby	150.00	3.35	201.24	204.59
Riseholme	1,900.00	17.29	201.24	218.53
Rothwell	3,700.00	59.57	201.24	260.81
Saxby	150.00	9.29	201.24	210.53
Saxilby - Ingleby	176,951.00	133.41	201.24	334.65
Scampton	6,400.00	18.08	201.24	219.32
Scothern	17,400.00	55.81	201.24	257.05
Scotter	46,900.00	41.43	201.24	242.67
Scotton	5,900.00	27.58	201.24	228.82
Snitterby	2,760.00	30.11	201.24	231.35
South Kelsey	5,816.00	28.32	201.24	229.56
Spridlington	2,900.00	33.97	201.24	235.21
Springthorpe	525.00	9.61	201.24	210.85
Stow	3,900.00	33.58	201.24	234.82
Sturton-By-Stow	26,400.00	54.76	201.24	256.00
Sudbrooke	26,526.00	38.13	201.24	239.37
Swallow	5,400.00	56.90	201.24	258.14
Tealby	9,400.00	35.61	201.24	236.85
Toft Newton	5,400.00	43.16	201.24	244.40
Torksey	16,470.00	58.94	201.24	260.18
Upton	8,300.00	52.00	201.24	253.24
Waddingham	7,400.00	36.10	201.24	237.34
Walesby	1,975.00	18.48	201.24	219.72
Welton	148,332.00	105.93	201.24	307.17
Wickenby	3,150.00	39.33	201.24	240.57
Willingham	9,900.00	51.34	201.24	252.58
Willoughton	7,000.00	67.16	201.24	268.40
Total	**1,867,387.00**			

Determination of Amounts of Council Tax for each category and dwelling in each part of the area

APPENDIX J

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Aisthorpe	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Apley	182.92	213.41	243.89	274.38	335.35	396.33	457.30	548.76	73.14
Bardney	182.92	213.41	243.89	274.38	335.35	396.33	457.30	548.76	73.14
Barlings	184.87	215.69	246.50	277.31	338.93	400.56	462.18	554.62	76.07
Bigby	166.07	193.74	221.42	249.10	304.46	359.81	415.17	498.20	47.86
Bishop Norton	168.37	196.44	224.50	252.56	308.68	364.81	420.93	505.12	51.32
Blyborough	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Blyton	184.14	214.83	245.52	276.21	337.59	398.97	460.35	552.42	74.97
Brampton	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Brattleby	158.72	185.17	211.63	238.08	290.99	343.89	396.80	476.16	36.84
Brocklesby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Broxholme	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Bullington	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Burton	145.58	169.84	194.11	218.37	266.90	315.42	363.95	436.74	17.13
Buslingthorpe	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Cabourne	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Caenby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Caistor	199.25	232.46	265.67	298.88	365.30	431.72	498.13	597.76	97.64
Cammeringham	146.65	171.10	195.54	219.98	268.86	317.75	366.63	439.96	18.74
Broadholme	141.14	164.66	188.19	211.71	258.76	305.80	352.85	423.42	10.47
Brookenby	204.47	238.55	272.63	306.71	374.87	443.03	511.18	613.42	105.47
Cherry Willingham	170.37	198.76	227.16	255.55	312.34	369.13	425.92	511.10	54.31
Claxby	183.16	213.69	244.21	274.74	335.79	396.85	457.90	549.48	73.50
Cold Hanworth	149.57	174.49	199.42	224.35	274.21	324.06	373.92	448.70	23.11
Corringham	160.13	186.81	213.50	240.19	293.57	346.94	400.32	480.38	38.95
Dunholme	172.05	200.72	229.40	258.07	315.42	372.77	430.12	516.14	56.83
East Ferry	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
East Stockwith	170.33	198.71	227.10	255.49	312.27	369.04	425.82	510.98	54.25
Faldingworth	160.47	187.22	213.96	240.71	294.20	347.69	401.18	481.42	39.47
Fenton	159.68	186.29	212.91	239.52	292.75	345.97	399.20	479.04	38.28
Fillingham	162.71	189.82	216.94	244.06	298.30	352.53	406.77	488.12	42.82
Fiskerton	174.45	203.52	232.60	261.67	319.82	377.97	436.12	523.34	60.43
Friesthorpe	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Fulnetby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Gainsborough	202.47	236.21	269.96	303.70	371.19	438.68	506.17	607.40	102.46
Gate Burton	158.85	185.33	211.80	238.28	291.23	344.18	397.13	476.56	37.04
Glentham	164.13	191.48	218.84	246.19	300.90	355.61	410.32	492.38	44.95
Glentworth	187.00	218.17	249.33	280.50	342.83	405.17	467.50	561.00	79.26
Goltho	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Grange de Lings	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Grasby	151.68	176.96	202.24	227.52	278.08	328.64	379.20	455.04	26.28
Grayingham	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Greetwell	149.75	174.71	199.67	224.63	274.55	324.47	374.38	449.26	23.39
Great Limber	201.33	234.89	268.44	302.00	369.11	436.22	503.33	604.00	100.76
Hackthorn	149.57	174.49	199.42	224.35	274.21	324.06	373.92	448.70	23.11
Hardwick	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Harpswell	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Heapham	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Hemswell	169.43	197.67	225.91	254.15	310.63	367.11	423.58	508.30	52.91
Holton Beckeringham	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Holton Le Moor	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Ingham	174.45	203.52	232.60	261.67	319.82	377.97	436.12	523.34	60.43
Hemswell Cliff	178.41	208.14	237.88	267.61	327.08	386.55	446.02	535.22	66.37
Keelby	153.63	179.24	204.84	230.45	281.66	332.87	384.08	460.90	29.21
Kettlethorpe	170.68	199.13	227.57	256.02	312.91	369.81	426.70	512.04	54.78
Kexby	144.96	169.12	193.28	217.44	265.76	314.08	362.40	434.88	16.20
Kirmond Le Mire	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Knaith	150.39	175.45	200.52	225.58	275.71	325.84	375.97	451.16	24.34
Laughton	158.06	184.40	210.75	237.09	289.78	342.46	395.15	474.18	35.85
Lea	158.71	185.17	211.62	238.07	290.97	343.88	396.78	476.14	36.83
Legsby	146.19	170.56	194.92	219.29	268.02	316.75	365.48	438.58	18.05
Linwood	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Lissington	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Market Rasen	194.92	227.41	259.89	292.38	357.35	422.33	487.30	584.76	91.14
Marton	158.85	185.33	211.80	238.28	291.23	344.18	397.13	476.56	37.04
Middle Rasen	149.91	174.90	199.88	224.87	274.84	324.81	374.78	449.74	23.63
Morton	157.59	183.86	210.12	236.39	288.92	341.45	393.98	472.78	35.15
Nettleham	199.70	232.98	266.27	299.55	366.12	432.68	499.25	599.10	98.31
Nettleton	169.15	197.34	225.53	253.72	310.10	366.48	422.87	507.44	52.48
Newball	184.87	215.69	246.50	277.31	338.93	400.56	462.18	554.62	76.07
Newton on Trent	203.20	237.07	270.93	304.80	372.53	440.27	508.00	609.60	103.56
Normanby By Spital	146.55	170.98	195.40	219.83	268.68	317.53	366.38	439.66	18.59
Normanby le Wold	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
North Carlton	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
North Kelsey	165.20	192.73	220.27	247.80	302.87	357.93	413.00	495.60	46.56
North Willingham	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Northorpe	168.37	196.43	224.49	252.55	308.67	364.79	420.92	505.10	51.31
Osgodby	151.46	176.70	201.95	227.19	277.68	328.16	378.65	454.38	25.95
Owersby	148.29	173.00	197.72	222.43	271.86	321.29	370.72	444.86	21.19
Owmby by Spital	155.88	181.86	207.84	233.82	285.78	337.74	389.70	467.64	32.58
Pilham	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Rand	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Reepham	149.72	174.67	199.63	224.58	274.49	324.39	374.30	449.16	23.34
Riby	136.39	159.13	181.86	204.59	250.05	295.52	340.98	409.18	3.35
Riseholme	145.69	169.97	194.25	218.53	267.09	315.65	364.22	437.06	17.29
Rothwell	173.87	202.85	231.83	260.81	318.77	376.73	434.68	521.62	59.57
Saxby	140.35	163.75	187.14	210.53	257.31	304.10	350.88	421.06	9.29
Saxilby	223.10	260.28	297.47	334.65	409.02	483.38	557.75	669.30	133.41
Scampton	146.21	170.58	194.95	219.32	268.06	316.80	365.53	438.64	18.08
Scothern	171.37	199.93	228.49	257.05	314.17	371.29	428.42	514.10	55.81
Scotter	161.78	188.74	215.71	242.67	296.60	350.52	404.45	485.34	41.43
Scotton	152.55	177.97	203.40	228.82	279.67	330.52	381.37	457.64	27.58
Searby Cum Owmby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Sixhills	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Snarford	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Snelland	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Snitterby	154.23	179.94	205.64	231.35	282.76	334.17	385.58	462.70	30.11
Somerby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
South Carlton	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
South Kelsey	153.04	178.55	204.05	229.56	280.57	331.59	382.60	459.12	28.32
Spridlington	156.81	182.94	209.08	235.21	287.48	339.75	392.02	470.42	33.97
Springthorpe	140.57	163.99	187.42	210.85	257.71	304.56	351.42	421.70	9.61
Langworth	184.87	215.69	246.50	277.31	338.93	400.56	462.18	554.62	76.07
Stainton Le Vale	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Stainfield	182.92	213.41	243.89	274.38	335.35	396.33	457.30	548.76	73.14
Stow	156.55	182.64	208.73	234.82	287.00	339.18	391.37	469.64	33.58
Sturton by Stow	170.67	199.11	227.56	256.00	312.89	369.78	426.67	512.00	54.76
Sudbrooke	159.58	186.18	212.77	239.37	292.56	345.76	398.95	478.74	38.13
Swallow	172.09	200.78	229.46	258.14	315.50	372.87	430.23	516.28	56.90
Swinhope	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Tealby	157.90	184.22	210.53	236.85	289.48	342.12	394.75	473.70	35.61
Thonock	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Thoresway	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Thorganby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Thorpe Le Fallows	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Toft Newton	162.93	190.09	217.24	244.40	298.71	353.02	407.33	488.80	43.16
Torksey	173.45	202.36	231.27	260.18	318.00	375.82	433.63	520.36	58.94
Upton	168.83	196.96	225.10	253.24	309.52	365.79	422.07	506.48	52.00
Waddingham	158.23	184.60	210.97	237.34	290.08	342.82	395.57	474.68	36.10
Walesby	146.48	170.89	195.31	219.72	268.55	317.37	366.20	439.44	18.48
Walkerith	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Welton	204.78	238.91	273.04	307.17	375.43	443.69	511.95	614.34	105.93
West Firsby	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
West Rasen	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Wickenby	160.38	187.11	213.84	240.57	294.03	347.49	400.95	481.14	39.33
Wildsworth	134.16	156.52	178.88	201.24	245.96	290.68	335.40	402.48	0.00
Willingham	168.39	196.45	224.52	252.58	308.71	364.84	420.97	505.16	51.34
Willoughton	178.93	208.76	238.58	268.40	328.04	387.69	447.33	536.80	67.16

OVERALL LEVELS OF COUNCIL TAX

APPENDIX K

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Aisthorpe	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Apley	1,102.18	1,285.88	1,469.57	1,653.27	2,020.66	2,388.06	2,755.45	3,306.54	73.14
Bardney	1,102.18	1,285.88	1,469.57	1,653.27	2,020.66	2,388.06	2,755.45	3,306.54	73.14
Barlings	1,104.13	1,288.16	1,472.18	1,656.20	2,024.24	2,392.29	2,760.33	3,312.40	76.07
Bigby	1,085.33	1,266.21	1,447.10	1,627.99	1,989.77	2,351.54	2,713.32	3,255.98	47.86
Bishop Norton	1,087.63	1,268.91	1,450.18	1,631.45	1,993.99	2,356.54	2,719.08	3,262.90	51.32
Blyborough	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Blyton	1,103.40	1,287.30	1,471.20	1,655.10	2,022.90	2,390.70	2,758.50	3,310.20	74.97
Brampton	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Brattleby	1,077.98	1,257.64	1,437.31	1,616.97	1,976.30	2,335.62	2,694.95	3,233.94	36.84
Brocklesby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Broxholme	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Bullington	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Burton	1,064.84	1,242.31	1,419.79	1,597.26	1,952.21	2,307.15	2,662.10	3,194.52	17.13
Buslingthorpe	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Cabourne	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Caenby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Caistor	1,118.51	1,304.93	1,491.35	1,677.77	2,050.61	2,423.45	2,796.28	3,355.54	97.64
Cammeringham	1,065.91	1,243.57	1,421.22	1,598.87	1,954.17	2,309.48	2,664.78	3,197.74	18.74
Broadholme	1,060.40	1,237.13	1,413.87	1,590.60	1,944.07	2,297.53	2,651.00	3,181.20	10.47
Brookenby	1,123.73	1,311.02	1,498.31	1,685.60	2,060.18	2,434.76	2,809.33	3,371.20	105.47
Cherry Willingham	1,089.63	1,271.23	1,452.84	1,634.44	1,997.65	2,360.86	2,724.07	3,268.88	54.31
Claxby	1,102.42	1,286.16	1,469.89	1,653.63	2,021.10	2,388.58	2,756.05	3,307.26	73.50
Cold Hanworth	1,068.83	1,246.96	1,425.10	1,603.24	1,959.52	2,315.79	2,672.07	3,206.48	23.11
Corringham	1,079.39	1,259.28	1,439.18	1,619.08	1,978.88	2,338.67	2,698.47	3,238.16	38.95
Dunholme	1,091.31	1,273.19	1,455.08	1,636.96	2,000.73	2,364.50	2,728.27	3,273.92	56.83
East Ferry	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
East Stockwith	1,089.59	1,271.18	1,452.78	1,634.38	1,997.58	2,360.77	2,723.97	3,268.76	54.25
Faldingworth	1,079.73	1,259.69	1,439.64	1,619.60	1,979.51	2,339.42	2,699.33	3,239.20	39.47
Fenton	1,078.94	1,258.76	1,438.59	1,618.41	1,978.06	2,337.70	2,697.35	3,236.82	38.28
Fillingham	1,081.97	1,262.29	1,442.62	1,622.95	1,983.61	2,344.26	2,704.92	3,245.90	42.82
Fiskerton	1,093.71	1,275.99	1,458.28	1,640.56	2,005.13	2,369.70	2,734.27	3,281.12	60.43
Friesthorpe	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Fulnetby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Gainsborough	1,121.73	1,308.68	1,495.64	1,682.59	2,056.50	2,430.41	2,804.32	3,365.18	102.46
Gate Burton	1,078.11	1,257.80	1,437.48	1,617.17	1,976.54	2,335.91	2,695.28	3,234.34	37.04
Glentham	1,083.39	1,263.95	1,444.52	1,625.08	1,986.21	2,347.34	2,708.47	3,250.16	44.95
Glentworth	1,106.26	1,290.64	1,475.01	1,659.39	2,028.14	2,396.90	2,765.65	3,318.78	79.26
Goltho	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Grange de Lings	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Grasby	1,070.94	1,249.43	1,427.92	1,606.41	1,963.39	2,320.37	2,677.35	3,212.82	26.28
Grayingham	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Greetwell	1,069.01	1,247.18	1,425.35	1,603.52	1,959.86	2,316.20	2,672.53	3,207.04	23.39
Great Limber	1,120.59	1,307.36	1,494.12	1,680.89	2,054.42	2,427.95	2,801.48	3,361.78	100.76
Hackthorn	1,068.83	1,246.96	1,425.10	1,603.24	1,959.52	2,315.79	2,672.07	3,206.48	23.11
Hardwick	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Harpswell	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Heapham	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Hemswell	1,088.69	1,270.14	1,451.59	1,633.04	1,995.94	2,358.84	2,721.73	3,266.08	52.91
Holton Beckeringham	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Holton Le Moor	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Ingham	1,093.71	1,275.99	1,458.28	1,640.56	2,005.13	2,369.70	2,734.27	3,281.12	60.43
Hemswell Cliff	1,097.67	1,280.61	1,463.56	1,646.50	2,012.39	2,378.28	2,744.17	3,293.00	66.37
Keelby	1,072.89	1,251.71	1,430.52	1,609.34	1,966.97	2,324.60	2,682.23	3,218.68	29.21
Kettlethorpe	1,089.94	1,271.60	1,453.25	1,634.91	1,998.22	2,361.54	2,724.85	3,269.82	54.78
Kexby	1,064.22	1,241.59	1,418.96	1,596.33	1,951.07	2,305.81	2,660.55	3,192.66	16.20
Kirmond Le Mire	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Knaith	1,069.65	1,247.92	1,426.20	1,604.47	1,961.02	2,317.57	2,674.12	3,208.94	24.34
Laughton	1,077.32	1,256.87	1,436.43	1,615.98	1,975.09	2,334.19	2,693.30	3,231.96	35.85
Lea	1,077.97	1,257.64	1,437.30	1,616.96	1,976.28	2,335.61	2,694.93	3,233.92	36.83
Legsby	1,065.45	1,243.03	1,420.60	1,598.18	1,953.33	2,308.48	2,663.63	3,196.36	18.05
Linwood	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Lissington	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Market Rasen	1,114.18	1,299.88	1,485.57	1,671.27	2,042.66	2,414.06	2,785.45	3,342.54	91.14
Marton	1,078.11	1,257.80	1,437.48	1,617.17	1,976.54	2,335.91	2,695.28	3,234.34	37.04

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Middle Rasen	1,069.17	1,247.37	1,425.56	1,603.76	1,960.15	2,316.54	2,672.93	3,207.52	23.63
Morton	1,076.85	1,256.33	1,435.80	1,615.28	1,974.23	2,333.18	2,692.13	3,230.56	35.15
Nettleham	1,118.96	1,305.45	1,491.95	1,678.44	2,051.43	2,424.41	2,797.40	3,356.88	98.31
Nettleton	1,088.41	1,269.81	1,451.21	1,632.61	1,995.41	2,358.21	2,721.02	3,265.22	52.48
Newball	1,104.13	1,288.16	1,472.18	1,656.20	2,024.24	2,392.29	2,760.33	3,312.40	76.07
Newton on Trent	1,122.46	1,309.54	1,496.61	1,683.69	2,057.84	2,432.00	2,806.15	3,367.38	103.56
Normanby by Spital	1,065.81	1,243.45	1,421.08	1,598.72	1,953.99	2,309.26	2,664.53	3,197.44	18.59
Normanby le Wold	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
North Carlton	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
North Kelsey	1,084.46	1,265.20	1,445.95	1,626.69	1,988.18	2,349.66	2,711.15	3,253.38	46.56
North Willingham	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Northorpe	1,087.63	1,268.90	1,450.17	1,631.44	1,993.98	2,356.52	2,719.07	3,262.88	51.31
Osgodby	1,070.72	1,249.17	1,427.63	1,606.08	1,962.99	2,319.89	2,676.80	3,212.16	25.95
Owersby	1,067.55	1,245.47	1,423.40	1,601.32	1,957.17	2,313.02	2,668.87	3,202.64	21.19
Owmby by Spital	1,075.14	1,254.33	1,433.52	1,612.71	1,971.09	2,329.47	2,687.85	3,225.42	32.58
Pilham	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Rand	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Reepham	1,068.98	1,247.14	1,425.31	1,603.47	1,959.80	2,316.12	2,672.45	3,206.94	23.34
Riby	1,055.65	1,231.60	1,407.54	1,583.48	1,935.36	2,287.25	2,639.13	3,166.96	3.35
Riseholme	1,064.95	1,242.44	1,419.93	1,597.42	1,952.40	2,307.38	2,662.37	3,194.84	17.29
Rothwell	1,093.13	1,275.32	1,457.51	1,639.70	2,004.08	2,368.46	2,732.83	3,279.40	59.57
Saxby	1,059.61	1,236.22	1,412.82	1,589.42	1,942.62	2,295.83	2,649.03	3,178.84	9.29
Saxilby	1,142.36	1,332.75	1,523.15	1,713.54	2,094.33	2,475.11	2,855.90	3,427.08	133.41
Scampton	1,065.47	1,243.05	1,420.63	1,598.21	1,953.37	2,308.53	2,663.68	3,196.42	18.08
Scothern	1,090.63	1,272.40	1,454.17	1,635.94	1,999.48	2,363.02	2,726.57	3,271.88	55.81
Scotter	1,081.04	1,261.21	1,441.39	1,621.56	1,981.91	2,342.25	2,702.60	3,243.12	41.43
Scotton	1,071.81	1,250.44	1,429.08	1,607.71	1,964.98	2,322.25	2,679.52	3,215.42	27.58
Searby Cum Owmby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Sixhills	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Snarford	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Snelland	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Snitterby	1,073.49	1,252.41	1,431.32	1,610.24	1,968.07	2,325.90	2,683.73	3,220.48	30.11
Somerby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
South Carlton	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
South Kelsey	1,072.30	1,251.02	1,429.73	1,608.45	1,965.88	2,323.32	2,680.75	3,216.90	28.32
Spridlington	1,076.07	1,255.41	1,434.76	1,614.10	1,972.79	2,331.48	2,690.17	3,228.20	33.97
Springthorpe	1,059.83	1,236.46	1,413.10	1,589.74	1,943.02	2,296.29	2,649.57	3,179.48	9.61
Langworth	1,104.13	1,288.16	1,472.18	1,656.20	2,024.24	2,392.29	2,760.33	3,312.40	76.07
Stainton Le Vale	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Stainfield	1,102.18	1,285.88	1,469.57	1,653.27	2,020.66	2,388.06	2,755.45	3,306.54	73.14
Stow	1,075.81	1,255.11	1,434.41	1,613.71	1,972.31	2,330.91	2,689.52	3,227.42	33.58
Sturton by Stow	1,089.93	1,271.58	1,453.24	1,634.89	1,998.20	2,361.51	2,724.82	3,269.78	54.76
Sudbrooke	1,078.84	1,258.65	1,438.45	1,618.26	1,977.87	2,337.49	2,697.10	3,236.52	38.13
Swallow	1,091.35	1,273.25	1,455.14	1,637.03	2,000.81	2,364.60	2,728.38	3,274.06	56.90
Swinhope	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Tealby	1,077.16	1,256.69	1,436.21	1,615.74	1,974.79	2,333.85	2,692.90	3,231.48	35.61
Thonock	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Thoresway	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Thorganby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Thorpe Le Fallows	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Toft Newton	1,082.19	1,262.56	1,442.92	1,623.29	1,984.02	2,344.75	2,705.48	3,246.58	43.16
Torksey	1,092.71	1,274.83	1,456.95	1,639.07	2,003.31	2,367.55	2,731.78	3,278.14	58.94
Upton	1,088.09	1,269.43	1,450.78	1,632.13	1,994.83	2,357.52	2,720.22	3,264.26	52.00
Waddingham	1,077.49	1,257.07	1,436.65	1,616.23	1,975.39	2,334.55	2,693.72	3,232.46	36.10
Walesby	1,065.74	1,243.36	1,420.99	1,598.61	1,953.86	2,309.10	2,664.35	3,197.22	18.48
Walkerith	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Welton	1,124.04	1,311.38	1,498.72	1,686.06	2,060.74	2,435.42	2,810.10	3,372.12	105.93
West Firsby	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
West Rasen	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Wickenby	1,079.64	1,259.58	1,439.52	1,619.46	1,979.34	2,339.22	2,699.10	3,238.92	39.33
Wildsworth	1,053.42	1,228.99	1,404.56	1,580.13	1,931.27	2,282.41	2,633.55	3,160.26	0.00
Willingham	1,087.65	1,268.92	1,450.20	1,631.47	1,994.02	2,356.57	2,719.12	3,262.94	51.34
Willoughton	1,098.19	1,281.23	1,464.26	1,647.29	2,013.35	2,379.42	2,745.48	3,294.58	67.16

APPENDIX L

West Lindsey District Council

Pay Policy Statement 2017/18

West Lindsey
District Council
The Entrepreneurial Council

Date: 2017-18 **Reviewed annually**

Introduction

West Lindsey District Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.

In particular, it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often national and local pressure conflict. The council's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge, is crucial if the council is to retain its current high performance levels during this period of change. The next period will be a particularly complex and challenging time for senior leaders and staff.

Legislation

Section 38/11 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for 2013/2014 and for each financial year thereafter. This document comprises that Pay Policy Statement being recommended for adoption.

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

The Council will comply with the National Living Wage legislation.

Context

This pay policy includes a policy on:-

- The level and elements of remuneration for each Chief Officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of Chief Officer and other officers; and
- Other specific aspects of Chief Officer remuneration, fees and charges and other discretionary payments

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

Senior Pay

In this policy the senior pay group covers posts in the top two tiers of the organisation and any statutory officers i.e. Chief Finance Officer, section 151 or monitoring officer that are not included in the two tiers. These include the Chief Executive and Directors.

The council currently have the following number of posts at the level:-
1 x Chief Executive
3 x Directors and 1 x Monitoring Officer, at Strategic Lead level

The management structure of the council can be found in Appendix 1.

The policy for each group is as follows:-

Chief Executive

The salary for this post has been established as a fixed salary point of £106,050 plus nationally agreed pay awards. This is a local grade established following an analysis of the degree of responsibility in the role, the current downward movement in the market rates, benchmarking with other comparators and the ability to recruit and retain an exceptional candidate.

This salary was approved by full council. There are no additional bonus, performance, honoraria or ex gratia payments.

Other conditions of service are as prescribed by the Joint National Council (JNC) for Local Authority Chief Executives national conditions.

Directors

The salary for these posts has been established as a fixed salary point within the range £80,000 to £85,000. This is a local grade established following an analysis of the degree of responsibility in the role, the current downward movement in the market rates, benchmarking with other comparators and the ability to recruit and retain exceptional candidates.

There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, etc., paid to these senior staff, as they are expected to undertake duties outside their contractual hours and working patterns without additional payment.

Other terms and conditions are as prescribed by the NJC for Local Authority Services.

Chief Finance Officer – Section 151

This post is at Director level which has been detailed above.

Monitoring Officer

The salary for this post is paid at a spot salary of £60,600 per annum plus an honorarium of £5,000 per annum to reflect the specific statutory responsibilities. This additional payment has been approved under officer delegation.

The Council applies the Joint National Conditions of Service for Chief Executives and Chief Officers and any nationally agreed salary increases are applied.

Additional Fees

Special fees are paid for Returning Officer duties which are not part of the post holder's substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role. The Returning Officer is an officer of West Lindsey District Council who is appointed under representation of the People Act 1983. Whilst appointed by West Lindsey District Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of West Lindsey District Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

Lowest Paid Employees

The council operates an apprenticeship scheme, apprentices are employed with the council as part of a training and development scheme for a maximum of an 18 month period.

Apprentices provide an additional staffing resource to the council, however they are not a substitute for established posts; the emphasis of the apprenticeship programme is learning and development.

Year	25 +	21-24	18-20	Under 18	Apprentice
October 2016	£7.20	£6.95	£5.55	£4.00	£3.40

Apprentices are entitled to the apprentice rate if they're either:

- Aged under19
- Aged 19 or over and in the first year of their apprenticeship

Apprentices are entitled to the minimum wage for their age if they both:

- Are aged 19 or over
- Have completed the first year of their apprenticeship

The salary paid to all apprentices is based on the National Minimum Wage requirement and therefore is increased in line with Government recommendations.

All posts except that of the Chief Executive, Directors and Strategic Leads are evaluated using the NJC job evaluation scheme, which is recognised by employers and trade unions nationally. This scheme allows for robust measurement against set criteria resulting in fair and objective evaluations and satisfies equal pay requirements.

Each salary other than that of the Senior Management is set within a pay band which is made up of spinal points, staff progress through these spinal points with length of service until they reach the top point in their pay band.

The Council applies the National Joint Conditions of Service for all employees, and any nationally agreed salary increases are applied.

Payments/Charges and Contributions

All officers of the Council are entitled to join the Local Government Pension Scheme (LGPS). The LGPS is a contributory scheme; employees contribute 5.5%-12.5% of their own salaries to the scheme. Employers' contributions to the LGPS vary depending upon how much is needed to ensure benefits under the Scheme are properly funded, and are set independently. The rules governing the pension scheme are contained in regulations made by Parliament.

The council makes employer's contributions into the scheme, which are reviewed each 3 years by the actuary. The current rate is 16.2% of pensionable pay, in addition the council makes lump sum deficit payments to the local government pension fund which equate to approximately 12.7% of pensionable pay.

Multipliers

The idea of publishing the ratio of the pay of an organisation's top earner to that of its median earner has been recommended in order to support the principles of Fair Pay following the 2011 report on public sector pay and the transparency agenda.

The current pay multiple, based on earnings for the financial year ending 31 March 2017 is 1 to 5.03 – the median average salary being £21,057 and the Chief Executive salary of £106,050.

Discretionary Payments

The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply:

‘Redundancy payments under regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) regulations 2006.’

This provides an overall lump sum of 2 times the statutory redundancy payment multiplier based on actual weeks pay. This is payable to employees made redundant with 2 or more years local government service.

Severance payments under section 6

No severance payments: Employees aged 55 and over who are retiring early in the interests of efficiency will receive immediate payment of their pension benefits with no additional years service or compensatory payments. The capital cost of the early payment of pension benefits will be met by the council but approval is subject to the cost being met by savings over a 3 year period.

Additional memberships for revision purposes under regulation 12 of the Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations 2007. Additional payments under regulation 13 of the same legislation.

No discretionary additional membership or payment provisions are applied.

Disclosure

This pay policy statement will be published on the council’s website. In addition, the remuneration details for all senior staff are disclosed at regular intervals.

Appendix 1

Core Leadership Team Structure

Manjeet Gill

- Chief Executive Office
- Leader and Civic Function
- PA Function
- Corporate Governance Strategy and Plan

Eve Fawcett-Moralee
Economic & Commercial Growth Director

Special Projects
Land & Property
Income Generation
Commercial Strategy

Mark Sturgess
Chief Operating Officer

Revenues & Benefits
Localism Strategy
MOD Strategy
Voluntary Sector
Community Safety
Economic Growth
Democratic Services
Home Choices
Environmental Health
Health / Leisure
Waste/Street Scene
Planning / Building Control
Neighbourhood Planning
Housing Strategy

Ian Knowles
Director Of Resources Section 151

Corporate Accounts
Treasury Management
Financial Management / VFM
HR/OD
Corporate Governance
Business Development
Business Improvement
ICT
Customer Services
Communications

West Lindsey **District Council**

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01427 676676

Guildhall, Marshall's Yard
Gainsborough, Lincolnshire DN21 2NA
Tel: 01427 676676 Fax: 01427 675170
DX 27214 Gainsborough

www.west-lindsey.gov.uk

West Lindsey DISTRICT COUNCIL Making a Difference

Human Resources Statement 2017/18

Cluster	Budgeted Full Time Equivalents
Chief Executive / Directors	4.00
Commercial	70.61
Customer First	68.16
Democratic & Business Support	35.48
Economic Development and Neighbourhoods	29.04
Housing and Regeneration	26.30
Organisational Transformation	20.91
	254.50

Human Resources Statement 2017/18

Committee	Business Unit	Budgeted Full Time Equivalents
Corporate Policy & Resources	Business Improvements	7.00
	Chief Executive	1.00
	Commercial Development	2.80
	Committee Administration	4.97
	Communications	2.54
	Corporate Facilities	0.68
	Corporate Fraud	1.80
	Corporate Governance-Developmental	8.11
	Corporate Services	0.55
	Corporate Support Services	7.42
	Customer Relations	14.91
	Debtors	0.75
	Director	2.00
	Director of Resources	1.00
	Electoral registration	2.36
	Financial services - accountancy	9.89
	Housing benefit administration	16.47
	Human resources	3.88
	IT & contracts team	3.00
	Local tax collection	11.52
	Members' costs	0.05
	Property services	4.79
	Public Conveniences	0.00
	WLDC - Apprentices	3.81
Corporate Policy & Resources Total		**111.30**
Prosperous Communities	Building Control - Commercial	0.35
	Building Regulations - Fee Earning	3.85
	Building Regulations - Non-Fee Earning	3.45
	Car Parks	0.29
	CCTV	2.00
	Civil Parking Enforcement	0.17
	Community Action	2.20
	Community Licences	2.50
	Conservation & Listed Buildings	2.00
	Development Control	15.27
	Economic & Tourism	6.21
	Food Safety	3.40
	Health & Safety at Work	1.60
	Housing Advice & Homelessness	6.71
	Housing Renewal Activity	3.81
	Housing Strategy	2.25
	Housing Zone	0.40
	Leisure Centre - Gainsborough	0.87
	Local Land Charges	3.35
	Localism	2.81
	Markets	0.81
	Neighbourhood Planning	0.35
	Pollution Reduction	3.54
	Street Cleansing	14.30
	Supplementary Services (Chargeable)	2.00
	Sustainable Development Strategies	1.02
	Tourism Policy; etc	1.00
	Trade Waste	1.00
	Trinity Arts Centre	3.20
	Waste Collection	43.70
	Waste Management Team	8.79
Prosperous Communities Total		**143.20**
Grand Total		**254.50**

Benchmarking Report and Spidercharts for West Lindsey

Our financial position model, also known as the 'spidergram' model, was first issued in 2013 by the Local Government Association and has helped inform our Medium Term Financial Strategy since that time. This model is designed as a tool to help councils assess their financial position compared to other councils. The model produces a report for each council alone.

It aims to do the following:

Allow councils to gain an objective view of where they stand in comparison to other councils on a set of measures which have something to say about their financial position;
Identify relative strengths and weaknesses, risks and opportunities which can be taken into account when considering a future financial strategy.

How to use understand the diagrams:

This report is split into three sections, each is a suite of themed indicators:

- Strategic (present and future),
- Risk
- Opportunity

The highest (or best) rank, of 1, on a spiderchart is the inner most point of the graph. The lowest (or worst) rank for All English district local authorities will be 201, the lowest rank will be on the outer edge of the spiderchart.

Each section comes with a description of the metrics used and commentary as to why they are considered to be important, and context to our own positioning. In the reference section there are tables showing additional comparison data and in the collection library there are links (when viewed at www.LG Inform, which can produce these diagrams against different benchmark groups) to the data collections used in the report and information on when they were last updated.

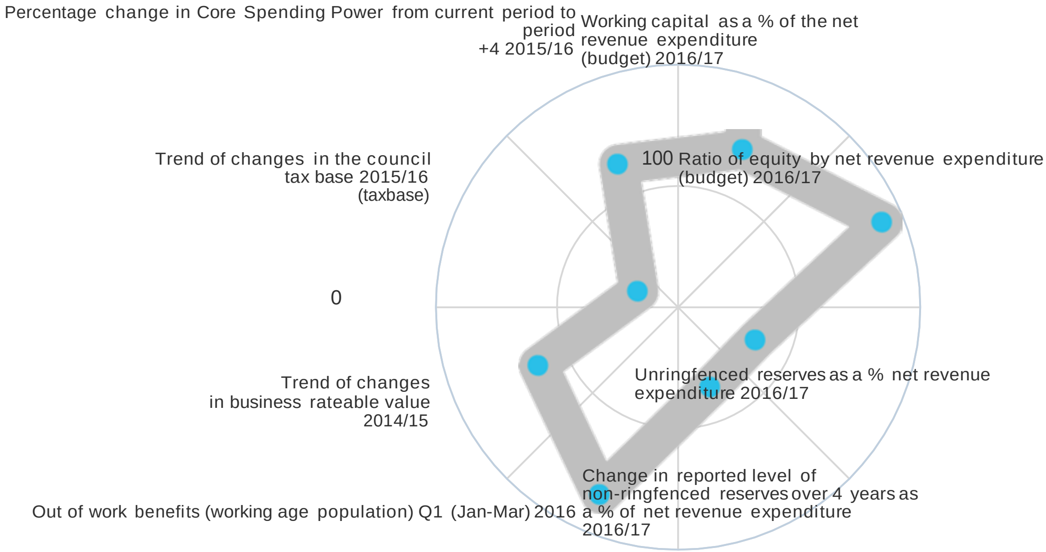
For the purpose of this report we have used a comparator of all English District Councils

Please note that the data used has been gleaned from the Whole of Government Accounts 2014/15 and reflects our balance sheet as at 31 March 2015, and the 2016/17 Budget.

The Council has a corporate subscription to the Local Government Association and these interactive diagrams can be found by registering and then accessing at http://lginform.local.gov.uk

Contents:

Strategic: All English district local authorities Rank (201)



West Lindsey Rank within All English district local authorities

Represents West Lindsey

This diagram reflects our strategic financial position in terms of potential future sustainability;

- The availability of reserves to meet revenue expenditure need arise.
- The potential for increases in local taxation (based on past 4 years growth)
- The comparable impact of additional costs due to changes to welfare reform
- The reduction in core spending power.

WLDC are in a good position in relation to our level of reserves, work undertaken on bringing empty homes into use, housing and business growth which support the reductions in core spending power, and funding shortfall.
Reserves can be utilised for investment generate new income from transformation, growth or commercial activities. The impact on welfare reform, due to the high level of working aged people on benefit, will result in a potential pressure on the future budget.

The represents WLDC position and the nearer the outer edge a low ranking compared to others.

Strategic: West Lindsey and All English district local authorities Rank

Metric type	Period	West Lindsey	
		Rank within All English district local authorities	%
Working capital as a % of the net revenue expenditure (budget)	2016/17	141	92.51
Ratio of equity by net revenue expenditure (budget)	2016/17	184	-0.06
Unringfenced reserves as a % net revenue expenditure	2016/17	70	103.26
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	2016/17	71	28.31
Out of work benefits (working age population)	Q1 (Jan-Mar) 2016	167	9.2
Trend of changes in business rateable value	2014/15	125	38.71
Trend of changes in the council tax base	2015/16 (taxbase)	35	7.97
Percentage change in Core Spending Power from current period to period +4	2015/16	128	-11.026

STRATEGIC: PRESENT AND FUTURE

P1: Working capital as a percentage of the net revenue expenditure (budget)

This is the level of working capital weighted according to the total net revenue expenditure. The working capital (Current Assets ie Investments, debtors and cash less Current Liabilities ie creditors, lease liabilities, provisions) for West Lindsey is £15.115m
which equates to 92.51% of the net revenue expenditure (£16.338m); in the previous period it was 109.52%.

WLDC has a strong positive indicator, therefore having less difficulty liquidating sufficient assets to operate in the event of a short term debt problem, however this is highly unlikely due to the level of investments held and effective cashflow management being undertaken.

As we utilise our Earmarked Reserves to finance investment and growth, this will reduce our working capital, at a faster pace than the reduction in net revenue expenditure as a result of funding reductions.

The higher the working capital value as a percentage of the net revenue expenditure the higher the rank.

P2: Ratio of equity by net revenue expenditure (budget)

This is the level of net assets weighted according to total net revenue expenditure. West Lindsey has a net worth of -£1.003m (2014/15), which is a ratio of -0.06:1 of the net revenue expenditure (£16.338m 2016/17). The ratio of equity has increased since the last period when it was -0.07:1.

West Lindsey had a low level of net assets (equity) due to the significant Pension Liability of £34m.

This indicator differentiates those authorities which over time have a relatively higher level of liabilities to fund and limited assets from which to do so, making additional financing costs likely in the years ahead. The higher the ratio of equity the higher the rank.

This indicator will reflect an improvement for next year to 0.6:1 as our 2015/16 net worth has increased to £10.611m, this has been due to increased values in Long Term Assets (Property, Plant, Equipment etc) £3m and a reduction in the Pension Liability of £6m.

The volatility of the Pension Liability is due to a number of factors, and is likely to affect this indicator in future years.

P3: Estimated unringfenced reserves as a % net revenue expenditure

The level of unringfenced reserves (earmarked and other unallocated) is weighted according to - or as a percentage of - total net revenue expenditure. In West Lindsey the unringfenced reserves stand at £16.871m, higher than the last period when they were £12.942m; currently it is 103.26% of the total net revenue expenditure (£16.338m).

Our reserves are set aside for a number of purposes, to cover risks which are difficult to measure, ie volatility in the Business Rates, Service investment and achievement of Corporate Priority objectives through capital and revenue investment.

The indicator therefore has a limitation in cases where unringfenced reserves include reserves set aside against risks that have a high likelihood of crystallising. The higher the relative value of the unringfenced reserves the higher the rank.

WLDC is within the top quartile for this indicator as our healthy reserves exceed our net revenue expenditure, effectively enabling us to operate as a going concern, if our costs exceeded our funding streams.

P4: Net change in reserves over 4 years as a % of net revenue expenditure

This is the change in total estimated unringfenced revenue reserves after a four year period weighted as a proportion of budgeted total net revenue expenditure.

In West /Lindsey the change in reserves has been £4.625m over the last four years (£16.871m in the current period minus £12.246m 4 periods earlier), this represents 28.31% of the total net revenue expenditure (£16.338m).

At WLDC we have been fortunate to be able to retain a strategy of setting aside New Homes Bonus for future investment, therefore historically contributing significantly to reserves. It is therefore the case that the MTFP years pose less of a challenge. However, at the same time the Capital Programme 2016/17 to 2020/21 utilises a significant proportion of reserves for our Corporate Objectives, especially around housing regeneration and economic growth, and reserves are likely to reduce to circa £6m over this period.

The greater the change the higher the level of contributions to reserves, and the higher the rank.

F1: % of working age individuals receiving benefits

This metric is the percentage of all working age individuals that are in receipt of key out of work benefits. 9.2% of working age residents in West Lindsey were receiving out of work benefits in 17/10/2016, this is an average across the months.

This indicator assumes that authorities where benefit claimants live will see higher financial pressure related to providing services such as homelessness, than those with fewer claimants. It is arguable that the impact of welfare reform will be to encourage claimants to move from current high density areas to low density areas. There is no easy way of modelling this.

The lower the number of residents receiving the benefits the higher the rank. A report on the impacts of the Welfare Reform can be accessed on the LG Inform website.

F2: Trend of changes in business rateable value

This is the change in the business rate taxbase since 2009. Currently the total business rateable value in West Lindsey is £43m, a change of 38.71% since 2009. This figure is an index, rather than a percentage change. An index number is an economic data figure reflecting price or quantity compared with a standard or base value, which in this case is the base year value from 2009. In the previous period the index was 38.71%.

This is a measure of relative economic growth in the recent past and the assumption is that this is a momentum indicator – growth is more likely to continue where it is already taking place. There is a risk that this indicator is affected by large one off developments or valuation appeals, especially in smaller authorities. The higher the trend change the higher the rank.

A key Corporate Objective is to encourage growth in the economy through a number of initiatives to support businesses and regenerate areas of West Lindsey. This should result in an increased Business Rateable Value, which directly affects the amount of Business Rates collectable, and the relative amount of Business rates which will be retained in the future, to support self-sufficiency by 2019/20.

F3: Trend of changes in the council tax base

This is the change in the council taxbase since 2002. Currently the council tax base is 33,011 dwellings (before Localisation of Council Tax Discounts), a change of 7.97% since 2002. This figure is an index, rather than a percentage change. An index number is an economic data figure reflecting price or quantity compared with a standard or base value, which in this case is the base year value from 2002. In the previous period the index was 6.32%.

This is a measure of relative economic growth in the recent past and the assumption is that this is a momentum indicator – growth is more likely to continue where it is already taking place. Similar in principle to trend of changes in business rateable value, it is a momentum indicator. It measures relative growth in taxable property. The higher the trend change the higher the rank.

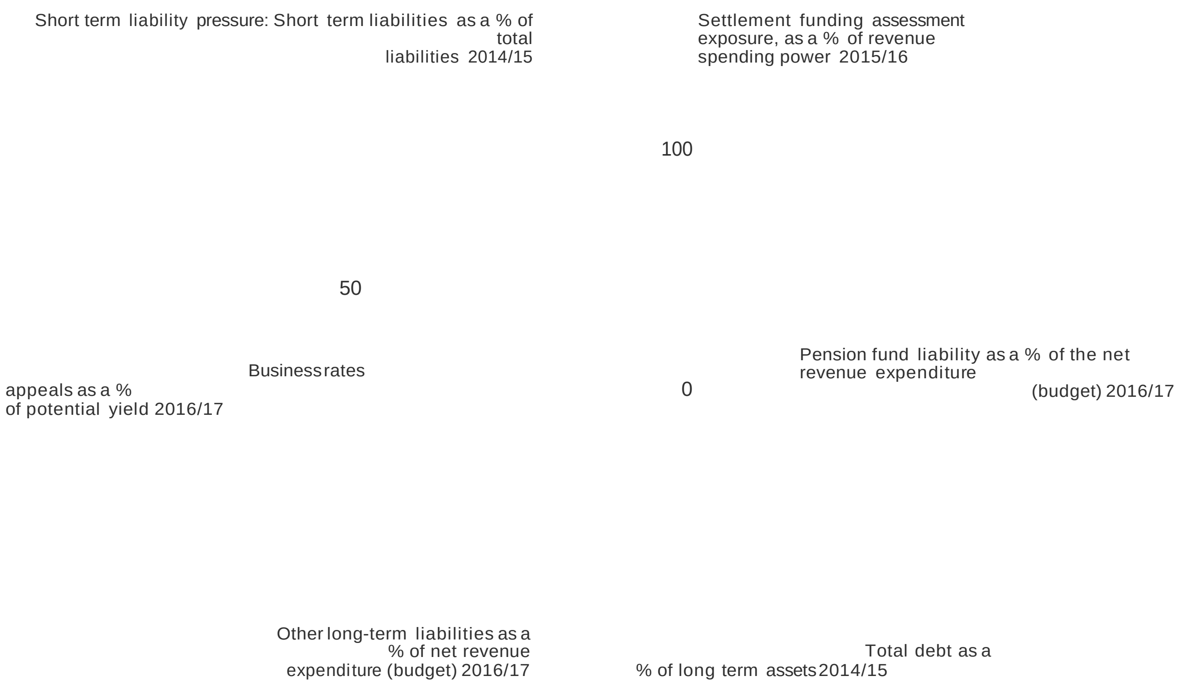
WLDC top quartile ranking reflects the impact of the work undertaken to bringing empty homes, back into use and housing growth in the district.

F4: Change in core spending power

This is the percentage change in core spending power from the local government finance settlement. It represents the percentage change from the current period (4.154 GBP (millions) in 2016/17), compared to that in four year's time: 2.932 GBP (millions) in 2019/20; this is a change of - 11.026%. Calculated by DCLG in order to provide some certainty for the four year period. The local authority core spending power figures set out indicative figures for the potential income from core components that could be available to authorities over those four years.

WLDC has a negative change that signifies a drop in core spending, others have a positive change, which signifies an increase in core spending. The greater the positive change the higher the rank. As a rural area we will continue to lobby for additional funding support.

Risk: All English district local authorities Rank (201)



West Lindsey Rank within All English district local authorities

West Lindsey position

The diagram above identifies our key financial risks, with the most significant risk being the reduction in settlement funding, which we are mitigating through a number of strategies and initiatives to realise self-sufficiency by 2019/20 when our Revenue Support Grant is expected to cease.

Being a debt free authority (other than leases) we are very low risk in relation to potential cashflow issues, in addition to having low level of other liabilities. Whilst our Pension Fund liability is significant to us comparably we rank within the top quartile.

Short term liability pressures are around the mid range, these liabilities have now been repaid.

Risk: West Lindsey and All English district local authorities Rank

Metric type	Period	West Lindsey	
		Rank within All English district local authorities	%
Settlement funding assessment exposure, as a % of revenue spending power	2015/16	137	39.17
Pension fund liability as a % of the net revenue expenditure (budget)	2016/17	13	212.49
Total debt as a % of long term assets	2014/15	74	-20.24
Other long-term liabilities as a % of net revenue expenditure (budget)	2016/17	12	-5.12
Business rates appeals as a % of potential yield	2016/17	77	-1.52
Short term liability pressure: Short term liabilities as a % of total liabilities	2014/15	102	10.70

RISK INDICATORS

There are six risk metrics for West Lindsey.

R1: Settlement funding assessment exposure

This is the Settlement funding assessment as a share of total revenue spending power. In West Lindsey the Settlement Funding Assessment was £4.942m in 20/10/2016 and the revenue spending power was £12.615m, resulting in the settlement funding assessment exposure of 39.17%. It was previously a settlement funding exposure of 44.53%.

High settlement funding assessment figures indicate a larger reliance on government grant funding, leaving an authority more exposed to grant reductions. The lower the figure, the lower the exposure to grant funding and therefore the higher the rank. Subsequent Government announcements can reduced the predictive value of this metric.

R2: Pension fund liability

Pension fund liability is weighted according to total net revenue expenditure. In West Lindsey the pension liability stands at -£34,716m, 212.49% of the net revenue expenditure (£16,338m). This is an improvement the previous period when it was 251.55%.

Pension fund liabilities may not be an immediate concern but will have an impact on council finances in the future – for example affecting employer contribution rates. As an authority with a relatively low pension fund liability we are in the top quartile ranking.

R3: Total debt

The total debt is the sum of short term and long term borrowing, weighted according to total long term assets. In West Lindsey the current total debt is -20.24% of the long term assets, which are £19.434m. In the previous period the total debt stood at -20.02% of the long term assets which were £17.137m.

Whilst total debt can pose both short term liquidity risk and long term cash pressures, as WLDC are debt free (excluding leases) we have low relative debt and therefore this is a low risk to the authority.

R4: Other long term liabilities

Other long term liabilities are liabilities that are not borrowing or pensions and in this indicator they are weighted according to the total net revenue expenditure. Other long term liabilities in West Lindsey are -£0.836m, that is -5.12% of the total net revenue (£16,338m). This is an improvement over the previous period when it was -6.06%.

Other long term liabilities also represent future costs of borrowing. They include such elements as, provisions and receipts in advance. The lower the other long term liabilities the higher the rank. Again our high ranking reflects our low levels of long term liabilities and is therefore low risk.

R5: Business rate appeals

This is the estimated business rate appeals as a share of total collectable business rates in an area. The lower the value the lower the business rate appeal risk. In 20/10/2016 business rate appeals stood at -£0.303, -1.52% of the potential yield. This is compared to the previous period when it was –£0.227, -1.35% of the potential yield.

Appeals are a source of council income uncertainty and higher exposure means that councils have to prudently budget for less income, potentially harming services. At WLDC we set aside funds into a volatility reserve to ensure that where there is an impact on the budget this can be funded from previous years budget surpluses. The lower the rate of business rate appeals, the higher the rank.

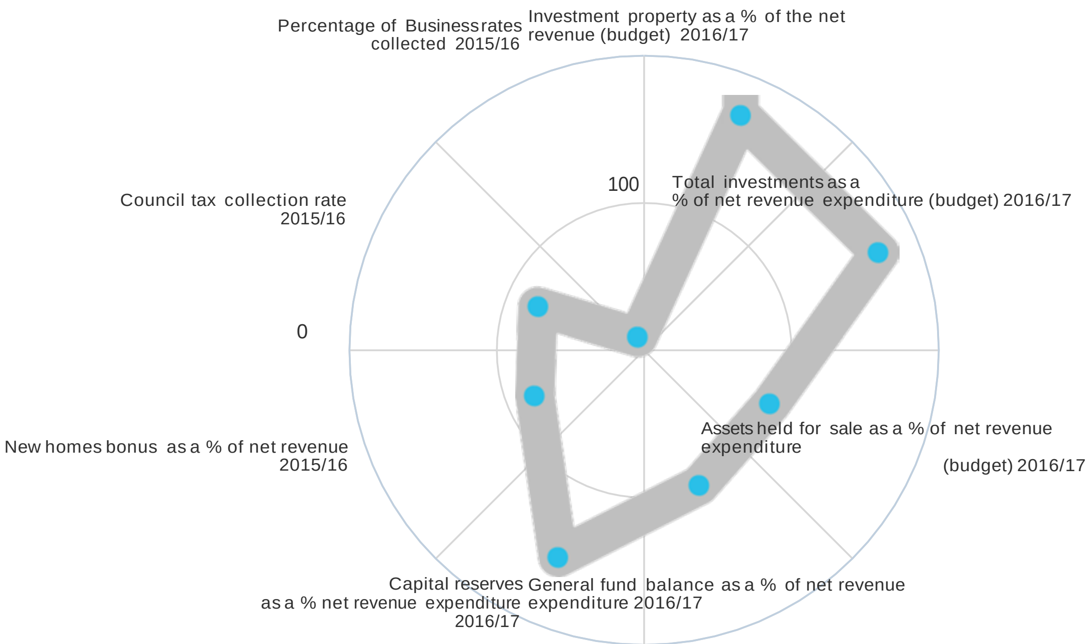
R6: Short term liability pressure

This is the council's short term liabilities as a share of total liabilities. Short term liabilities in West Lindsey are -£4.260m, that is 10.70% of the total liabilities, which stand at -£35.552m. Short term liabilities have increased since the last period when they were -£3.770m, this is mainly due to the level of outstanding creditors at the balance sheet date, and which have now been paid; total liabilities have increased since the last period when they were -£28.963m due to the increase in pension liability, and which has reduced back to the £29m level in 2015/16.

Short term liability poses an immediate pressure on liquidity. This indicator does not scale the overall level of total liabilities, but more information about liabilities can be found through indicators R2, R3 and R4. The lower the figure, the relatively lower exposure to short term liabilities and therefore the higher the rank.

OPPORTUNITY INDICATORS

Opportunity: All English district local authorities Rank (201)



West Lindsey Rank within All English district local authorities

The opportunity for WLD to increase income compared to others is through Investment property, which is a strand of our Commercial Stragtegy, in addition to longer term financial instrument investments, which will be considered as part of the Treasury Management Strategy.

The liquidation of property assets is another lower ranking opportunity, however, there may be minimal opportunity due to the low number of assets we have available for sale. The Land and Property Strategy and Asset Management Plan will determine where these opportunities may be.

Opportunity: West Lindsey and All English district local authorities Rank

Metric type	Period	West Lindsey	
		Rank within All English district local authorities	%
Investment property as a % of the net revenue (budget)	2016/17	173	0.78
Total investments as a % of net revenue expenditure (budget)	2016/17	174	56.49
Assets held for sale as a % of net revenue expenditure (budget)	2016/17	94	0.21
General fund balance as a % of net revenue expenditure	2016/17	99	-25.46
Capital reserves as a % net revenue expenditure	2016/17	152	17.71
New homes bonus as a % of net revenue	2015/16	80	15.81
Council tax collection rate	2015/16	78	98.35
Percentage of Business rates collected	2015/16	10	99.46

OPPORTUNITY INDICATORS

There are eight headline metrics which show the potential opportunities for West Lindsey.

OP1: Investment property

Investment property value is weighted according to total net revenue expenditure. In the most recent period investment property in West Lindsey was worth £0.127m, compared to £0.127m in the previous period. That is 0.78% of the total net revenue in the most recent period (£16,338m), and 0.92% in the previous period.

A higher total value of investment property indicates more opportunity to raise income. However, return on investment can vary depending on the type of investment and an investment strategy. The higher the relative value of investment property the higher the rank. Multiple authorities share the lowest ranked value of 1.

The Council holds one investment property, specifically purchased for commercial purposes. This indicator is likely to increase as the Commercial Strategy objective of increasing the number of investment properties to generate revenue income is progressed.

OP2: Total investments

This indicator includes short term investments, long term investments and investment property weighted according to total net revenue expenditure. Total investments have increased in West Lindsey by 39.9%

since the last period, and is currently £9.229, that is 56.49% of the total net revenue (£16.338).

This indicator has a similar logic to OP1: Investment property as a percentage of the total net revenue, but also includes short term investments. The more investments relative to the net revenue expenditure the higher the rank.

This indicator excludes investments held in Money Market Funds of £10.060m, as they are considered liquid assets they are classified as Cash and Cash Equivalents, but which generate low level returns ie <0.5%.

OP3: Assets held for sale

This is the value of assets held for sale weighted according to total net revenue expenditure. There is a total of £0.034m assets in West Lindsey held for sale, that is 0.21% of the total net revenue (£16.338m). In the previous period assets held for sale represented 0.25% of the net revenue expenditure.

Assets held for sale represent an immediate opportunity for a cash injection which can be used for further capital investment. The more assets the council has relative to total net revenue expenditure, held for sale, the higher the rank. Multiple authorities share the lowest ranked value of 1.

The Council has few assets held for sale, however recent Condition Survey work will now be analysed to determine which properties can provide Value for Money, or be considered for sale to generate a capital receipt.

OP4: General fund balance

The general fund balance weighted according to total net revenue expenditure (due to accounting formatting positive figures are presented as negatives). In West Lindsey the general fund balance is -£4.160m, an increase since the previous period when it was -£2.160. It is currently -25.46% of the total net revenue expenditure (£16.338m).

A higher general fund balance may indicate better preparedness for unexpected economic shocks. Alternatively, councils may make a decision to build up their general fund reserves in response to increased perceived risk. The relatively bigger the proportion of the general fund balance against the total net revenue expenditure the higher the rank. Multiple authorities share the lowest value of 1.

WLDC reviews the adequacy of its reserves as part of its annual budget process. Amounts in excess of minimum working balance requirements will be earmarked for future investment.

OP5: Capital reserves

This is the sum of capital grants unapplied and capital receipts reserves, weighted according to total net revenue expenditure. In West Lindsey the capital reserves stand at -£2.893, that is 17.71% of the total net revenue expenditure. This is compared to the previous period when it was -£2.904, 20.96% of the total net revenue expenditure (£16.338m).

Higher capital reserves provide more scope for investment that can save costs or generate income in the future. The definition is limited to these two particular reserves due to data limitations. The higher the level of capital reserves against the net revenue expenditure the higher the rank.

Due to the relatively low number of assets the Council owns, there is no significant opportunity to liquidise assets at this time to generate capital receipts. Our in year capital receipts are mainly from repayment of capital grants, and annual receipts associated with our Housing Transfer Agreement.

OP6: New Homes Bonus

New Homes Bonus as a share of total revenue spending power. The New Homes Bonus in West Lindsey was £1.558m in the previous period, 11.90% of the total net revenue expenditure. Currently New Homes Bonus stands at £1.995m, 15.81% of the total net revenue expenditure (£16.338m).

Higher new homes bonus has provided a stable source of income since its inception as a reflection of a lively house building market. However, this funding stream is government policy, meaning that there is always a risk of it ending. WLDC use new homes bonus for further investment instead of funding services as a result. The greater the relative value of the New Homes Bonus the higher the rank.

The scheme ended in 2015/16 and whilst we may benefit from income over the next 5 years, as yet there has been no announcement on its replacement.

P7: Council tax collection rate

This is the amount of council tax revenue collected as a share of total collectable council tax. West Lindsey collected 98.35% of the collectable council tax, this is an improvement on the previous period when West Lindsey collected 98.23% of the collectable council tax.

A lower council tax collection rate could also represent an opportunity in its own regard as there is room to increase annual income through better collection practices. In some cases a low collection rate can be explained by socioeconomic characteristics of an area, such as reliance on council tax support. The high collection rate of local taxes shows that as an authority we are close to maximising income.

OP8: Business rates collection rate

This is the amount of business rates collected as a share of total collectable business rates. West Lindsey collected 99.46% of the collectable business rates, this is an improvement than the previous period when West Lindsey collected 99.17% of the collectable business rates.

A high collection rate of business rates shows that an authority is close to maximising its income. The higher the collection rate, the higher the rank.

WLDC continue to be one of the top district councils in the country (10th) for Business Rate collection levels.

REFERENCE TABLES

The following reference tables show the current value of each metric used against the minimum, average (mean) and maximum for all English district authorities as the selected comparison group.

Strategic: West Lindsey and All English district local authorities

Metric type	Period	West Lindsey	Minimum for All English district local authorities	Mean for All English district local authorities	Maximum for All English district local authorities
		%			
Working capital as a % of the net revenue expenditure (budget)	2016/17	92.51	-463.53	160.88	1,054.67
Ratio of equity by net revenue expenditure (budget)	2016/17	-0.06	-3.21	7.57	64.15
Unringfenced reserves as a % net revenue expenditure	2016/17	103.26	0.00	91.65	414.69
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	2016/17	28.31	-251.75	20.58	173.82
Out of work benefits (working age population)	Q1 (Jan-Mar) 2016	9.2	3.0	7.0	14.7
Trend of changes in business rateable value	2014/15	38.71	-9.26	44.77	124.32
Trend of changes in the council tax base	2015/16 (taxbase)	7.97	2.05	6.34	16.00
Percentage change in Core Spending Power from current period to period +4	2015/16	-11.026	-17.112	-10.030	-1.458

Risk: West Lindsey and All English district local authorities

Metric type	Period	West Lindsey	Minimum for All English district local authorities	Mean for All English district local authorities	Maximum for All English district local authorities
		%			
Settlement funding assessment exposure, as a % of revenue spending power	2015/16	39.17	19.93	35.61	57.63
Pension fund liability as a % of the net revenue expenditure (budget)	2016/17	212.49	104.29	413.99	1,406.00
Total debt as a % of long term assets	2014/15	-20.24	-84.66	-28.24	-3.71
Other long-term liabilities as a % of net revenue expenditure (budget)	2016/17	-5.12	-301.24	-34.54	0.00
Business rates appeals as a % of potential yield	2016/17	-1.52	-12.00	-2.13	0.00
Short term liability pressure: Short term liabilities as a % of total liabilities	2014/15	10.70	3.19	12.81	54.01

Opportunity: West Lindsey and All English district local authorities

Metric type	Period	West Lindsey	Minimum for All English district local authorities	Mean for All English district local authorities	Maximum for All English district local authorities
		%			
Investment property as a % of the net revenue (budget)	2016/17	0.78	0.00	130.38	1,717.96
Total investments as a % of net revenue expenditure (budget)	2016/17	56.49	0.00	279.06	2,539.90
Assets held for sale as a % of net revenue expenditure (budget)	2016/17	0.21	0.00	5.30	109.36
General fund balance as a % of net revenue expenditure	2016/17	-25.46	-266.16	-32.66	0.00
Capital reserves as a % net revenue expenditure	2016/17	17.71	0.37	61.33	587.59
New homes bonus as a % of net revenue	2015/16	15.81	3.62	14.47	32.19
Council tax collection rate	2015/16	98.35	94.13	97.92	99.44
Percentage of Business rates collected	2015/16	99.46	94.46	98.39	99.84

COLLECTION LIBRARY

Below are links to the data collections used in the report and when they were last updated:

Budgeted Revenue Accounts: 15/06/2016

Council Tax Collection Rates: 25/10/2016 Financial

Sustainability Analysis: 24/10/2016 Labour Market

Statistics: 17/10/2016

Local Government Finance Settlement: 20/10/2016

Non Domestic Rates Collected by Local Councils in England: Forecast: 20/10/2016

Revenue Outturn Summary: 26/09/2016

Valuation Office: Central and Local rating lists: 12/09/2016 Whole

of Government Accounts: 10/10/2016

References

This report was generated using data from:

Local Government Association [http://www.local.gov.uk/]
HM Treasury [https://www.gov.uk/government/collections/whole-of-government-accounts]
Communities and Local Government [https://www.gov.uk/government/policies/local-government-spending] Nomis [https://www.nomisweb.co.uk/Default.asp]

West Lindsey District Council
The Entrepreneurial Council

Committee and Business Unit Budgets 2017/18 – 2021/22

Corporate Policy and Resources Base Budget – Business Unit Analysis

Business Unit	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Admin Buildings	26,400	19,600	19,900	23,100	23,400	23,700
Business Improvement & Commercial Development	90,200	173,300	174,000	176,100	139,700	140,700
Commercial Director	0	226,400	227,800	231,700	230,800	231,600
Commercial Properties	(109,200)	(922,600)	(1,445,500)	(1,923,500)	(2,073,900)	(2,072,100)
Corporate Management - Apprentices	56,700	85,300	84,600	85,900	85,700	85,900
Corporate Management - Finance	1,832,300	1,937,599	2,062,599	2,236,799	2,331,999	2,434,599
Democratic Representation	745,500	687,700	693,100	710,600	717,100	720,300
Elections	0	0	0	99,000	0	0
Emergency Planning	20,300	23,200	22,800	22,900	22,700	22,800
Financial Services	65,900	59,800	59,900	60,400	61,000	59,700
Fraud	0	41,200	41,200	42,500	42,800	43,400
Housing Benefits Admin	546,500	523,000	539,000	567,500	577,400	583,600
Housing Benefits Payments	(195,300)	(198,800)	(198,800)	(198,800)	(198,800)	(198,800)
Local Tax Collection	533,900	463,200	466,800	478,700	488,800	492,700
Other Council Properties	15,000	12,100	12,100	15,200	15,200	15,200
Precepts	515,300	351,400	356,600	361,800	367,100	372,500
Property Services	600	0	0	0	0	0
Register of Electors	183,200	166,200	166,900	168,000	168,800	169,300
Support Services - Corporate	2,500	0	0	0	0	0
Grand Total	**4,329,800**	**3,648,599**	**3,282,999**	**3,157,899**	**2,999,799**	**3,125,099**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Admin Buildings	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(300)	(10,300)	(10,300)	(10,300)	(10,300)	(10,300)
Other Grants and Contributions	(13,800)	(13,800)	(13,800)	(13,800)	(13,800)	(13,800)
Total Income	**(14,100)**	**(24,100)**	**(24,100)**	**(24,100)**	**(24,100)**	**(24,100)**
Expenditure						
Premises	214,700	223,400	226,900	230,400	234,000	237,700
Supplies and Services	43,100	41,800	41,800	41,800	41,800	41,800
Total Expenditure	**257,800**	**265,200**	**268,700**	**272,200**	**275,800**	**279,500**
Net (Surplus) / Deficit	**243,700**	**241,100**	**244,600**	**248,100**	**251,700**	**255,400**
Corporate Accounting						
Capital Charges	75,100	77,900	46,000	44,900	44,900	44,900
Recharges Out	(372,400)	(387,900)	(359,700)	(396,100)	(400,000)	(404,000)
Support Services	80,000	88,500	89,000	126,200	126,800	127,400
Total Corporate Accounting	**(217,300)**	**(221,500)**	**(224,700)**	**(225,000)**	**(228,300)**	**(231,700)**
Gross (Surplus) / Deficit	**26,400**	**19,600**	**19,900**	**23,100**	**23,400**	**23,700**

Business Improvement & Commercial Development	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	401,200	368,500	373,100	377,800	307,200	311,200
Supplies and Services	1,200	2,800	2,800	2,800	2,800	2,800
Third Party Payments	1,400	8,400	8,400	8,400	7,600	1,400
Transport	3,500	3,100	3,100	3,100	3,100	3,100
Total Expenditure	**407,300**	**382,800**	**387,400**	**392,100**	**320,700**	**318,500**
Net (Surplus) / Deficit	**407,300**	**382,800**	**387,400**	**392,100**	**320,700**	**318,500**
Corporate Accounting						
Recharges Out	(429,200)	(290,800)	(292,700)	(297,200)	(261,900)	(258,900)
Support Services	112,100	81,300	79,300	81,200	80,900	81,100
Total Corporate Accounting	**(317,100)**	**(209,500)**	**(213,400)**	**(216,000)**	**(181,000)**	**(177,800)**
Gross (Surplus) / Deficit	**90,200**	**173,300**	**174,000**	**176,100**	**139,700**	**140,700**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Commercial Director	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	183,900	107,700	108,800	109,900	111,000	112,000
Supplies and Services	1,600	1,600	1,600	1,600	1,600	1,600
Transport	2,500	2,500	2,500	2,500	2,500	2,500
Total Expenditure	**188,000**	**111,800**	**112,900**	**114,000**	**115,100**	**116,100**
Net (Surplus) / Deficit	**188,000**	**111,800**	**112,900**	**114,000**	**115,100**	**116,100**
Corporate Accounting						
Recharges Out	(296,100)	0	0	0	0	0
Support Services	108,100	114,600	114,900	117,700	115,700	115,500
Total Corporate Accounting	**(188,000)**	**114,600**	**114,900**	**117,700**	**115,700**	**115,500**
Gross (Surplus) / Deficit	**0**	**226,400**	**227,800**	**231,700**	**230,800**	**231,600**

Commercial Properties	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(792,000)	(1,257,100)	(2,086,500)	(2,619,300)	(2,783,900)	(2,783,900)
Other Grants and Contributions	(18,400)	(18,400)	(18,400)	(18,400)	(18,400)	(18,400)
Total Income	**(810,400)**	**(1,275,500)**	**(2,104,900)**	**(2,637,700)**	**(2,802,300)**	**(2,802,300)**
Expenditure						
Premises	407,000	136,900	443,000	452,800	465,800	467,700
Supplies and Services	31,700	31,700	31,700	31,700	31,700	31,700
Total Expenditure	**438,700**	**168,600**	**474,700**	**484,500**	**497,500**	**499,400**
Net (Surplus) / Deficit	**(371,700)**	**(1,106,900)**	**(1,630,200)**	**(2,153,200)**	**(2,304,800)**	**(2,302,900)**
Corporate Accounting						
Capital Charges	26,200	25,400	25,400	25,400	25,400	25,400
Support Services	200,300	158,900	159,300	204,300	205,500	205,400
Total Corporate Accounting	**226,500**	**184,300**	**184,700**	**229,700**	**230,900**	**230,800**
Gross (Surplus) / Deficit	**(145,200)**	**(922,600)**	**(1,445,500)**	**(1,923,500)**	**(2,073,900)**	**(2,072,100)**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Corporate Management - Apprentices	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	44,600	57,400	57,400	57,400	57,400	57,400
Total Expenditure	**44,600**	**57,400**	**57,400**	**57,400**	**57,400**	**57,400**
Net (Surplus) / Deficit	**44,600**	**57,400**	**57,400**	**57,400**	**57,400**	**57,400**
Corporate Accounting						
Support Services	12,100	27,900	27,200	28,500	28,300	28,500
Total Corporate Accounting	**12,100**	**27,900**	**27,200**	**28,500**	**28,300**	**28,500**
Gross (Surplus) / Deficit	**56,700**	**85,300**	**84,600**	**85,900**	**85,700**	**85,900**

Corporate Management - Finance	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	68,300	0	0	0	0	0
Total Income	**68,300**	**0**	**0**	**0**	**0**	**0**
Expenditure						
Employees	693,600	884,200	990,700	1,148,200	1,239,800	1,340,100
Supplies and Services	34,200	99,500	109,600	114,100	118,800	123,600
Third Party Payments	57,000	131,099	134,399	135,299	135,299	135,299
Total Expenditure	**784,800**	**1,114,799**	**1,234,699**	**1,397,599**	**1,493,899**	**1,598,999**
Net (Surplus) / Deficit	**853,100**	**1,114,799**	**1,234,699**	**1,397,599**	**1,493,899**	**1,598,999**
Corporate Accounting						
Support Services	979,200	822,800	827,900	839,200	838,100	835,600
Total Corporate Accounting	**979,200**	**822,800**	**827,900**	**839,200**	**838,100**	**835,600**
Gross (Surplus) / Deficit	**1,832,300**	**1,937,599**	**2,062,599**	**2,236,799**	**2,331,999**	**2,434,599**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Democratic Representation	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	205,700	177,700	180,400	183,100	186,100	187,800
Supplies and Services	306,200	277,600	279,100	290,700	292,300	293,900
Transport	29,200	28,200	28,200	28,200	28,200	28,200
Total Expenditure	**541,100**	**483,500**	**487,700**	**502,000**	**506,600**	**509,900**
Net (Surplus) / Deficit	**541,100**	**483,500**	**487,700**	**502,000**	**506,600**	**509,900**
Corporate Accounting						
Capital Charges	9,200	3,900	3,900	3,900	3,900	3,900
Support Services	195,200	200,300	201,500	204,700	206,600	206,500
Total Corporate Accounting	**204,400**	**204,200**	**205,400**	**208,600**	**210,500**	**210,400**
Gross (Surplus) / Deficit	**745,500**	**687,700**	**693,100**	**710,600**	**717,100**	**720,300**

Elections	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	0	0	0	(70,500)	0	0
Total Income	**0**	**0**	**0**	**(70,500)**	**0**	**0**
Expenditure						
Employees	0	0	0	0	(19,400)	(19,400)
Premises	0	0	0	19,400	19,400	19,400
Supplies and Services	0	0	0	60,100	0	0
Third Party Payments	0	0	0	85,300	0	0
Transport	0	0	0	4,700	0	0
Total Expenditure	**0**	**0**	**0**	**169,500**	**0**	**0**
Net (Surplus) / Deficit	**0**	**0**	**0**	**99,000**	**0**	**0**
Gross (Surplus) / Deficit	**0**	**0**	**0**	**99,000**	**0**	**0**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Emergency Planning	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Supplies and Services	15,200	14,600	14,600	14,600	14,600	14,600
Transport	3,800	0	0	0	0	0
Total Expenditure	**19,000**	**14,600**	**14,600**	**14,600**	**14,600**	**14,600**
Net (Surplus) / Deficit	**19,000**	**14,600**	**14,600**	**14,600**	**14,600**	**14,600**
Corporate Accounting						
Support Services	1,300	8,600	8,200	8,300	8,100	8,200
Total Corporate Accounting	**1,300**	**8,600**	**8,200**	**8,300**	**8,100**	**8,200**
Gross (Surplus) / Deficit	**20,300**	**23,200**	**22,800**	**22,900**	**22,700**	**22,800**

Financial Services	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	0	(11,600)	(11,600)	(11,600)	(11,600)	(11,600)
Total Income	**0**	**(11,600)**	**(11,600)**	**(11,600)**	**(11,600)**	**(11,600)**
Expenditure						
Employees	407,400	430,000	434,500	439,200	443,900	448,000
Supplies and Services	50,500	43,000	43,000	43,000	43,000	43,000
Third Party Payments	122,900	122,700	113,300	113,300	113,400	114,500
Transport	4,100	3,300	3,300	3,300	3,300	3,300
Total Expenditure	**584,900**	**599,000**	**594,100**	**598,800**	**603,600**	**608,800**
Net (Surplus) / Deficit	**584,900**	**587,400**	**582,500**	**587,200**	**592,000**	**597,200**
Corporate Accounting						
Capital Charges	22,400	22,200	22,200	22,200	22,200	0
Recharges Out	(692,300)	(680,100)	(673,800)	(680,600)	(685,200)	(668,500)
Support Services	150,900	130,300	129,000	131,600	132,000	131,000
Total Corporate Accounting	**(519,000)**	**(527,600)**	**(522,600)**	**(526,800)**	**(531,000)**	**(537,500)**
Gross (Surplus) / Deficit	**65,900**	**59,800**	**59,900**	**60,400**	**61,000**	**59,700**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Fraud	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	0	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
Total Income	**0**	**(30,000)**	**(30,000)**	**(30,000)**	**(30,000)**	**(30,000)**
Expenditure						
Employees	0	51,400	51,900	52,400	53,000	53,500
Supplies and Services	0	500	500	500	500	500
Transport	0	2,000	2,000	2,000	2,000	2,000
Total Expenditure	**0**	**53,900**	**54,400**	**54,900**	**55,500**	**56,000**
Net (Surplus) / Deficit	**0**	**23,900**	**24,400**	**24,900**	**25,500**	**26,000**
Corporate Accounting						
Support Services	0	17,300	16,800	17,600	17,300	17,400
Total Corporate Accounting	**0**	**17,300**	**16,800**	**17,600**	**17,300**	**17,400**
Gross (Surplus) / Deficit	**0**	**41,200**	**41,200**	**42,500**	**42,800**	**43,400**

Housing Benefits Admin	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(30,000)	0	0	0	0	0
Government Grants	(336,800)	(290,700)	(276,200)	(262,400)	(262,400)	(262,400)
Total Income	**(366,800)**	**(290,700)**	**(276,200)**	**(262,400)**	**(262,400)**	**(262,400)**
Expenditure						
Employees	566,100	468,300	476,800	484,000	490,300	495,800
Premises	1,500	1,500	1,500	1,500	1,500	1,500
Supplies and Services	35,600	43,700	43,700	43,700	43,700	43,700
Third Party Payments	0	17,200	17,200	17,200	17,200	17,200
Transport	10,600	8,400	8,400	8,400	8,400	8,400
Total Expenditure	**613,800**	**539,100**	**547,600**	**554,800**	**561,100**	**566,600**
Net (Surplus) / Deficit	**247,000**	**248,400**	**271,400**	**292,400**	**298,700**	**304,200**
Corporate Accounting						
Support Services	299,500	274,600	267,600	275,100	278,700	279,400
Total Corporate Accounting	**299,500**	**274,600**	**267,600**	**275,100**	**278,700**	**279,400**
Gross (Surplus) / Deficit	**546,500**	**523,000**	**539,000**	**567,500**	**577,400**	**583,600**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Housing Benefits Payments	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Government Grants	(22,755,000)	(22,339,000)	(22,339,000)	(22,339,000)	(22,339,000)	(22,339,000)
Other Grants and Contributions	(400,000)	(387,500)	(387,500)	(387,500)	(387,500)	(387,500)
Total Income	**(23,155,000)**	**(22,726,500)**	**(22,726,500)**	**(22,726,500)**	**(22,726,500)**	**(22,726,500)**
Expenditure						
Transfer Payments	22,959,700	22,527,700	22,527,700	22,527,700	22,527,700	22,527,700
Total Expenditure	**22,959,700**	**22,527,700**	**22,527,700**	**22,527,700**	**22,527,700**	**22,527,700**
Net (Surplus) / Deficit	**(195,300)**	**(198,800)**	**(198,800)**	**(198,800)**	**(198,800)**	**(198,800)**
Gross (Surplus) / Deficit	**(195,300)**	**(198,800)**	**(198,800)**	**(198,800)**	**(198,800)**	**(198,800)**

Local Tax Collection	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Government Grants	(105,800)	(105,800)	(105,800)	(105,800)	(105,800)	(105,800)
Other Grants and Contributions	(157,600)	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)
Total Income	**(263,400)**	**(285,800)**	**(285,800)**	**(285,800)**	**(285,800)**	**(285,800)**
Expenditure						
Employees	335,000	344,600	354,200	360,700	366,300	369,900
Supplies and Services	92,700	94,100	94,100	94,100	94,100	94,100
Third Party Payments	75,300	74,300	74,300	74,300	74,300	74,300
Transport	2,300	2,300	2,300	2,300	2,300	2,300
Total Expenditure	**505,300**	**515,300**	**524,900**	**531,400**	**537,000**	**540,600**
Net (Surplus) / Deficit	**241,900**	**229,500**	**239,100**	**245,600**	**251,200**	**254,800**
Corporate Accounting						
Support Services	292,000	233,700	227,700	233,100	237,600	237,900
Total Corporate Accounting	**292,000**	**233,700**	**227,700**	**233,100**	**237,600**	**237,900**
Gross (Surplus) / Deficit	**533,900**	**463,200**	**466,800**	**478,700**	**488,800**	**492,700**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Other Council Properties	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Other Grants and Contributions	(5,500)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)
Total Income	**(5,500)**	**(2,600)**	**(2,600)**	**(2,600)**	**(2,600)**	**(2,600)**
Expenditure						
Premises	4,700	2,100	2,100	2,100	2,100	2,100
Total Expenditure	**4,700**	**2,100**	**2,100**	**2,100**	**2,100**	**2,100**
Net (Surplus) / Deficit	**(800)**	**(500)**	**(500)**	**(500)**	**(500)**	**(500)**
Corporate Accounting						
Capital Charges	2,100	1,400	1,400	1,400	1,400	1,400
Support Services	13,700	11,200	11,200	14,300	14,300	14,300
Total Corporate Accounting	**15,800**	**12,600**	**12,600**	**15,700**	**15,700**	**15,700**
Gross (Surplus) / Deficit	**15,000**	**12,100**	**12,100**	**15,200**	**15,200**	**15,200**

Precepts	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Supplies and Services	338,300	343,400	348,600	353,800	359,100	364,500
Transfer Payments	177,000	8,000	8,000	8,000	8,000	8,000
Total Expenditure	**515,300**	**351,400**	**356,600**	**361,800**	**367,100**	**372,500**
Net (Surplus) / Deficit	**515,300**	**351,400**	**356,600**	**361,800**	**367,100**	**372,500**
Gross (Surplus) / Deficit	**515,300**	**351,400**	**356,600**	**361,800**	**367,100**	**372,500**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Property Services	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Total Income	**(1,600)**	**(1,600)**	**(1,600)**	**(1,600)**	**(1,600)**	**(1,600)**
Expenditure						
Employees	143,200	186,500	188,300	190,200	192,100	194,000
Premises	29,100	8,000	8,000	8,000	8,000	8,000
Supplies and Services	10,800	48,200	48,200	48,200	48,200	48,200
Third Party Payments	20,000	41,100	41,100	41,100	41,100	41,100
Transport	4,500	4,500	4,500	4,500	4,500	4,500
Total Expenditure	**207,600**	**288,300**	**290,100**	**292,000**	**293,900**	**295,800**
Net (Surplus) / Deficit	**206,000**	**286,700**	**288,500**	**290,400**	**292,300**	**294,200**
Corporate Accounting						
Capital Charges	600	0	0	124,500	124,500	124,500
Recharges Out	(469,000)	(406,000)	(407,200)	(534,200)	(536,900)	(537,700)
Support Services	263,000	119,300	118,700	119,300	120,100	119,000
Total Corporate Accounting	**(205,400)**	**(286,700)**	**(288,500)**	**(290,400)**	**(292,300)**	**(294,200)**
Gross (Surplus) / Deficit	**600**	**0**	**0**	**0**	**0**	**0**

Corporate Policy and Resources Base Budget – Business Unit Analysis

Register of Electors	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Government Grants	(10,000)	0	0	0	0	0
Total Income	**(20,000)**	**(10,000)**	**(10,000)**	**(10,000)**	**(10,000)**	**(10,000)**
Expenditure						
Employees	65,400	79,300	80,200	81,000	81,800	82,700
Supplies and Services	28,400	32,200	32,200	32,200	32,200	32,200
Third Party Payments	30,200	30,200	30,200	30,200	30,200	30,200
Transport	2,700	700	700	700	700	700
Total Expenditure	**126,700**	**142,400**	**143,300**	**144,100**	**144,900**	**145,800**
Net (Surplus) / Deficit	**106,700**	**132,400**	**133,300**	**134,100**	**134,900**	**135,800**
Corporate Accounting						
Support Services	76,500	33,800	33,600	33,900	33,900	33,500
Total Corporate Accounting	**76,500**	**33,800**	**33,600**	**33,900**	**33,900**	**33,500**
Gross (Surplus) / Deficit	**183,200**	**166,200**	**166,900**	**168,000**	**168,800**	**169,300**

Support Services - Corporate	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	194,000	180,700	186,800	190,800	195,100	197,400
Supplies and Services	2,100	3,200	3,200	3,200	3,200	3,200
Transfer Payments	2,100	0	0	0	0	0
Transport	700	700	700	700	700	700
Total Expenditure	**198,900**	**184,600**	**190,700**	**194,700**	**199,000**	**201,300**
Net (Surplus) / Deficit	**198,900**	**184,600**	**190,700**	**194,700**	**199,000**	**201,300**
Corporate Accounting						
Recharges Out	(239,100)	(226,400)	(231,400)	(236,600)	(240,900)	(243,400)
Support Services	42,700	41,800	40,700	41,900	41,900	42,100
Total Corporate Accounting	**(196,400)**	**(184,600)**	**(190,700)**	**(194,700)**	**(199,000)**	**(201,300)**
Gross (Surplus) / Deficit	**2,500**	**0**	**0**	**0**	**0**	**0**

Prosperous Communities Base Budget – Business Unit Analysis

Business Unit	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Building Control	130,100	180,400	165,500	157,000	149,000	146,300
Car Parks	(88,400)	(136,200)	(135,600)	(130,700)	(129,700)	(128,800)
Cemeteries and Churchyards	99,300	89,600	99,900	113,600	113,800	103,700
Community Action & Community Safety	624,100	365,000	360,900	368,900	370,300	372,200
Culture, Heritage & Leisure	810,800	712,100	383,400	176,400	179,600	180,200
Development Management	(23,600)	146,800	159,000	324,000	321,800	326,000
Economic Development	943,300	600,300	553,600	503,600	507,800	510,700
Environmental Initiatives	120,700	124,100	123,400	124,500	124,400	124,700
Food Safety	158,300	171,600	172,400	174,800	175,900	177,200
General Grants etc	489,200	446,400	281,700	242,800	242,900	243,000
Health and Safety	88,400	0	0	0	0	0
Homelessness/ Housing Advice	336,500	367,200	372,900	377,100	380,900	382,700
Housing Strategy	246,300	146,400	147,300	169,200	170,100	171,100
Land Charges	16,900	84,300	88,700	91,000	92,000	93,000
Licenses - Community	20,200	59,900	51,100	53,000	65,200	52,200
Neighbourhood Planning & Local Plans	0	152,100	80,600	81,200	81,100	81,600
Other Council Properties	57,400	30,300	30,500	38,400	38,600	38,800
Parish Lighting	55,300	61,100	68,400	63,500	64,700	66,300
Parks & Open Spaces	75,300	69,000	68,900	71,000	70,200	70,100
Pest and Dog Control	28,300	30,700	30,300	30,400	30,200	30,300
Planning Policy - Forward Planning	93,400	105,400	107,300	109,500	111,600	112,100
Pollution Control	157,100	146,300	146,600	148,800	149,800	151,000
Private Sector Housing Renewal	265,500	192,200	194,400	198,100	199,800	201,200
Property Services	3,300	10,600	10,200	10,200	10,200	10,200
Public Conveniences	116,300	77,500	78,000	84,100	84,600	85,000
Street Cleansing	596,100	598,900	608,600	613,900	618,900	623,200
Tourism	41,900	56,500	56,300	57,000	57,200	57,500
Town Centre Markets	68,700	62,600	60,800	62,200	62,300	62,900
Trade Waste	(17,800)	30,600	31,700	33,300	19,400	20,200
Waste Management	2,662,600	2,577,400	2,060,900	2,075,100	2,033,600	2,055,800
Grand Total	**8,175,500**	**7,559,100**	**6,457,700**	**6,421,900**	**6,396,200**	**6,420,400**

Prosperous Communities Base Budget – Business Unit Analysis

Building Control	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(210,500)	(241,100)	(257,600)	(273,900)	(287,400)	(292,200)
Total Income	**(210,500)**	**(241,100)**	**(257,600)**	**(273,900)**	**(287,400)**	**(292,200)**
Expenditure						
Employees	232,700	282,400	286,200	291,000	296,100	299,000
Supplies and Services	12,200	20,700	19,300	19,300	19,300	19,300
Third Party Payments	2,700	2,700	2,700	2,700	2,700	2,700
Transport	14,400	14,400	14,400	14,400	14,400	14,400
Total Expenditure	**262,000**	**320,200**	**322,600**	**327,400**	**332,500**	**335,400**
Net (Surplus) / Deficit	**51,500**	**79,100**	**65,000**	**53,500**	**45,100**	**43,200**
Corporate Accounting						
Support Services	78,600	101,300	100,500	103,500	103,900	103,100
Total Corporate Accounting	**78,600**	**101,300**	**100,500**	**103,500**	**103,900**	**103,100**
Gross (Surplus) / Deficit	**130,100**	**180,400**	**165,500**	**157,000**	**149,000**	**146,300**

Car Parks	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(251,800)	(272,500)	(272,500)	(272,500)	(272,500)	(272,500)
Total Income	**(251,800)**	**(272,500)**	**(272,500)**	**(272,500)**	**(272,500)**	**(272,500)**
Expenditure						
Employees	16,200	19,900	20,000	20,500	20,600	20,900
Premises	57,400	34,900	35,400	35,900	36,400	36,900
Supplies and Services	3,800	3,800	3,800	3,800	3,800	3,800
Third Party Payments	29,200	26,500	26,500	26,500	26,500	26,500
Transport	1,100	1,100	1,100	1,100	1,100	1,100
Total Expenditure	**107,700**	**86,200**	**86,800**	**87,800**	**88,400**	**89,200**
Net (Surplus) / Deficit	**(144,100)**	**(186,300)**	**(185,700)**	**(184,700)**	**(184,100)**	**(183,300)**
Corporate Accounting						
Support Services	55,700	50,100	50,100	54,000	54,400	54,500
Total Corporate Accounting	**55,700**	**50,100**	**50,100**	**54,000**	**54,400**	**54,500**
Gross (Surplus) / Deficit	**(88,400)**	**(136,200)**	**(135,600)**	**(130,700)**	**(129,700)**	**(128,800)**

Prosperous Communities Base Budget – Business Unit Analysis

Cemeteries and Churchyards	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(4,600)	(10,100)	(10,100)	(10,100)	(10,100)	(10,100)
Total Income	**(4,600)**	**(10,100)**	**(10,100)**	**(10,100)**	**(10,100)**	**(10,100)**
Expenditure						
Premises	52,400	55,800	65,800	69,800	69,800	59,800
Supplies and Services	400	400	400	400	400	400
Total Expenditure	**52,800**	**56,200**	**66,200**	**70,200**	**70,200**	**60,200**
Net (Surplus) / Deficit	**48,200**	**46,100**	**56,100**	**60,100**	**60,100**	**50,100**
Corporate Accounting						
Capital Charges	1,000	1,000	1,000	1,000	1,000	1,000
Support Services	50,100	42,500	42,800	52,500	52,700	52,600
Total Corporate Accounting	**51,100**	**43,500**	**43,800**	**53,500**	**53,700**	**53,600**
Gross (Surplus) / Deficit	**99,300**	**89,600**	**99,900**	**113,600**	**113,800**	**103,700**

Community Action & Community Safety	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(800)	(21,200)	(21,200)	(21,200)	(21,200)	(21,200)
Other Grants and Contributions	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Income	**(1,800)**	**(22,200)**	**(22,200)**	**(22,200)**	**(22,200)**	**(22,200)**
Expenditure						
Employees	383,900	240,100	246,400	250,000	252,300	255,000
Premises	200	200	200	200	200	200
Supplies and Services	35,400	35,500	25,500	25,500	25,500	25,500
Third Party Payments	7,000	0	0	0	0	0
Transfer Payments	1,500	1,500	1,500	1,500	1,500	1,500
Transport	17,300	5,200	5,200	5,200	5,200	5,200
Total Expenditure	**445,300**	**282,500**	**278,800**	**282,400**	**284,700**	**287,400**
Net (Surplus) / Deficit	**443,500**	**260,300**	**256,600**	**260,200**	**262,500**	**265,200**
Corporate Accounting						
Capital Charges	9,000	0	0	0	0	0
Support Services	171,600	104,700	104,300	108,700	107,800	107,000
Total Corporate Accounting	**180,600**	**104,700**	**104,300**	**108,700**	**107,800**	**107,000**
Gross (Surplus) / Deficit	**624,100**	**365,000**	**360,900**	**368,900**	**370,300**	**372,200**

Prosperous Communities Base Budget – Business Unit Analysis

Culture, Heritage & Leisure	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(137,100)	(138,100)	(138,100)	(138,100)	(138,100)	(138,100)
Government Grants	(135,200)	0	0	0	0	0
Other Grants and Contributions	0	(11,400)	(116,000)	(365,100)	(365,100)	(365,100)
Total Income	**(272,300)**	**(149,500)**	**(254,100)**	**(503,200)**	**(503,200)**	**(503,200)**
Expenditure						
Employees	162,900	131,600	129,500	115,600	116,700	118,000
Premises	91,200	86,700	85,300	85,800	86,300	86,800
Supplies and Services	129,900	118,200	118,200	118,200	118,200	118,200
Third Party Payments	360,700	274,700	50,800	6,000	6,000	6,000
Transfer Payments	8,000	8,000	8,000	8,000	8,000	8,000
Transport	1,800	900	900	900	900	900
Total Expenditure	**754,500**	**620,100**	**392,700**	**334,500**	**336,100**	**337,900**
Net (Surplus) / Deficit	**482,200**	**470,600**	**138,600**	**(168,700)**	**(167,100)**	**(165,300)**
Corporate Accounting						
Capital Charges	172,600	109,600	112,300	200,900	200,900	200,900
Support Services	156,000	131,900	132,500	144,200	145,800	144,600
Total Corporate Accounting	**328,600**	**241,500**	**244,800**	**345,100**	**346,700**	**345,500**
Gross (Surplus) / Deficit	**810,800**	**712,100**	**383,400**	**176,400**	**179,600**	**180,200**

Development Management	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(920,400)	(942,700)	(923,200)	(738,700)	(739,800)	(740,700)
Total Income	**(920,400)**	**(942,700)**	**(923,200)**	**(738,700)**	**(739,800)**	**(740,700)**
Expenditure						
Employees	575,300	745,500	734,900	710,700	707,400	714,000
Premises	5,000	5,000	5,000	5,000	5,000	5,000
Supplies and Services	45,000	121,100	121,100	121,100	121,100	121,100
Third Party Payments	15,000	10,000	10,000	10,000	10,000	10,000
Transfer Payments	500	500	500	500	500	500
Transport	11,500	13,500	13,500	13,500	13,500	13,500
Total Expenditure	**652,300**	**895,600**	**885,000**	**860,800**	**857,500**	**864,100**
Net (Surplus) / Deficit	**(268,100)**	**(47,100)**	**(38,200)**	**122,100**	**117,700**	**123,400**
Corporate Accounting						
Support Services	244,500	193,900	197,200	201,900	204,100	202,600
Total Corporate Accounting	**244,500**	**193,900**	**197,200**	**201,900**	**204,100**	**202,600**
Gross (Surplus) / Deficit	**(23,600)**	**146,800**	**159,000**	**324,000**	**321,800**	**326,000**

Prosperous Communities Base Budget – Business Unit Analysis

Economic Development	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	0	(6,800)	0	0	0	0
Government Grants	(55,000)	0	0	0	0	0
Total Income	**(55,000)**	**(6,800)**	**0**	**0**	**0**	**0**
Expenditure						
Employees	608,700	445,600	393,300	354,100	358,200	361,500
Supplies and Services	900	1,500	1,500	1,400	1,400	1,400
Third Party Payments	165,100	15,000	15,000	0	0	0
Transfer Payments	23,900	11,900	11,900	11,900	11,900	11,900
Transport	4,000	4,000	4,000	4,000	4,000	4,000
Total Expenditure	**802,600**	**478,000**	**425,700**	**371,400**	**375,500**	**378,800**
Net (Surplus) / Deficit	**747,600**	**471,200**	**425,700**	**371,400**	**375,500**	**378,800**
Corporate Accounting						
Capital Charges	2,100	0	0	0	0	0
Support Services	193,600	129,100	127,900	132,200	132,300	131,900
Total Corporate Accounting	**195,700**	**129,100**	**127,900**	**132,200**	**132,300**	**131,900**
Gross (Surplus) / Deficit	**943,300**	**600,300**	**553,600**	**503,600**	**507,800**	**510,700**

Environmental Initiative	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(1,000)	0	0	0	0	0
Total Income	**(1,000)**	**0**	**0**	**0**	**0**	**0**
Expenditure						
Employees	37,000	38,800	39,200	39,700	40,000	40,400
Supplies and Services	3,800	6,200	6,200	6,200	6,200	6,200
Third Party Payments	30,000	37,000	37,000	37,000	37,000	37,000
Transfer Payments	17,900	17,900	17,900	17,900	17,900	17,900
Transport	1,500	1,500	1,500	1,500	1,500	1,500
Total Expenditure	**90,200**	**101,400**	**101,800**	**102,300**	**102,600**	**103,000**
Net (Surplus) / Deficit	**89,200**	**101,400**	**101,800**	**102,300**	**102,600**	**103,000**
Corporate Accounting						
Support Services	31,500	22,700	21,600	22,200	21,800	21,700
Total Corporate Accounting	**31,500**	**22,700**	**21,600**	**22,200**	**21,800**	**21,700**
Gross (Surplus) / Deficit	**120,700**	**124,100**	**123,400**	**124,500**	**124,400**	**124,700**

Prosperous Communities Base Budget – Business Unit Analysis

Food Safety	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(700)	(700)	(700)	(700)	(700)	(700)
Total Income	**(700)**	**(700)**	**(700)**	**(700)**	**(700)**	**(700)**
Expenditure						
Employees	125,200	126,600	127,900	129,100	130,400	131,700
Supplies and Services	600	1,100	1,100	1,100	1,100	1,100
Transport	7,000	9,100	9,100	9,100	9,100	9,100
Total Expenditure	**132,800**	**136,800**	**138,100**	**139,300**	**140,600**	**141,900**
Net (Surplus) / Deficit	**132,100**	**136,100**	**137,400**	**138,600**	**139,900**	**141,200**
Corporate Accounting						
Support Services	26,200	35,500	35,000	36,200	36,000	36,000
Total Corporate Accounting	**26,200**	**35,500**	**35,000**	**36,200**	**36,000**	**36,000**
Gross (Surplus) / Deficit	**158,300**	**171,600**	**172,400**	**174,800**	**175,900**	**177,200**

General Grants etc.	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Supplies and Services	135,800	124,500	91,900	55,000	55,000	55,000
Third Party Payments	324,000	291,700	159,700	157,200	157,200	157,200
Total Expenditure	**459,800**	**416,200**	**251,600**	**212,200**	**212,200**	**212,200**
Net (Surplus) / Deficit	**459,800**	**416,200**	**251,600**	**212,200**	**212,200**	**212,200**
Corporate Accounting						
Support Services	29,400	30,200	30,100	30,600	30,700	30,800
Total Corporate Accounting	**29,400**	**30,200**	**30,100**	**30,600**	**30,700**	**30,800**
Gross (Surplus) / Deficit	**489,200**	**446,400**	**281,700**	**242,800**	**242,900**	**243,000**

Prosperous Communities Base Budget – Business Unit Analysis

Health and Safety	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	69,000	69,300	70,000	70,600	71,100	71,700
Supplies and Services	300	400	400	400	400	400
Transport	1,300	1,300	1,300	1,300	1,300	1,300
Total Expenditure	**70,600**	**71,000**	**71,700**	**72,300**	**72,800**	**73,400**
Net (Surplus) / Deficit	**70,600**	**71,000**	**71,700**	**72,300**	**72,800**	**73,400**
Corporate Accounting						
Recharges Out	0	(85,800)	(86,000)	(86,600)	(86,800)	(87,300)
Support Services	17,800	14,800	14,300	14,300	14,000	13,900
Total Corporate Accounting	**17,800**	**(71,000)**	**(71,700)**	**(72,300)**	**(72,800)**	**(73,400)**
Gross (Surplus) / Deficit	**88,400**	**0**	**0**	**0**	**0**	**0**

Homelessness & Housing Advice	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(23,000)	(43,900)	(43,900)	(43,900)	(43,900)	(43,900)
Government Grants	(31,300)	0	0	0	0	0
Total Income	**(54,300)**	**(43,900)**	**(43,900)**	**(43,900)**	**(43,900)**	**(43,900)**
Expenditure						
Employees	241,300	249,600	254,100	256,500	259,100	261,500
Supplies and Services	5,000	16,000	16,000	16,000	16,000	16,000
Third Party Payments	61,100	55,600	55,600	55,600	55,600	55,600
Transport	5,900	4,700	4,700	4,700	4,700	4,700
Total Expenditure	**313,300**	**325,900**	**330,400**	**332,800**	**335,400**	**337,800**
Net (Surplus) / Deficit	**259,000**	**282,000**	**286,500**	**288,900**	**291,500**	**293,900**
Corporate Accounting						
Support Services	77,500	85,200	86,400	88,200	89,400	88,800
Total Corporate Accounting	**77,500**	**85,200**	**86,400**	**88,200**	**89,400**	**88,800**
Gross (Surplus) / Deficit	**336,500**	**367,200**	**372,900**	**377,100**	**380,900**	**382,700**

Prosperous Communities Base Budget – Business Unit Analysis

Housing Strategy	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(15,000)	0	0	0	0	0
Total Income	**(15,000)**	**0**	**0**	**0**	**0**	**0**
Expenditure						
Employees	167,200	108,900	110,000	111,100	112,100	113,200
Supplies and Services	1,100	6,600	6,600	6,600	6,600	6,600
Third Party Payments	60,000	0	0	20,000	20,000	20,000
Transport	2,400	2,400	2,400	2,400	2,400	2,400
Total Expenditure	**230,700**	**117,900**	**119,000**	**140,100**	**141,100**	**142,200**
Net (Surplus) / Deficit	**215,700**	**117,900**	**119,000**	**140,100**	**141,100**	**142,200**
Corporate Accounting						
Support Services	30,600	28,500	28,300	29,100	29,000	28,900
Total Corporate Accounting	**30,600**	**28,500**	**28,300**	**29,100**	**29,000**	**28,900**
Gross (Surplus) / Deficit	**246,300**	**146,400**	**147,300**	**169,200**	**170,100**	**171,100**

Land Charges	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(125,000)	(117,400)	(117,400)	(117,400)	(117,400)	(117,400)
Total Income	**(125,000)**	**(117,400)**	**(117,400)**	**(117,400)**	**(117,400)**	**(117,400)**
Expenditure						
Employees	80,500	97,900	98,900	99,900	100,900	102,000
Supplies and Services	1,300	3,200	1,700	1,700	1,700	1,700
Third Party Payments	27,500	27,500	27,500	27,500	27,500	27,500
Transport	500	500	500	500	500	500
Total Expenditure	**109,800**	**129,100**	**128,600**	**129,600**	**130,600**	**131,700**
Net (Surplus) / Deficit	**(15,200)**	**11,700**	**11,200**	**12,200**	**13,200**	**14,300**
Corporate Accounting						
Capital Charges	0	30,600	35,600	35,600	35,600	35,600
Support Services	32,100	42,000	41,900	43,200	43,200	43,100
Total Corporate Accounting	**32,100**	**72,600**	**77,500**	**78,800**	**78,800**	**78,700**
Gross (Surplus) / Deficit	**16,900**	**84,300**	**88,700**	**91,000**	**92,000**	**93,000**

Prosperous Communities Base Budget – Business Unit Analysis

Licenses - Community	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(131,300)	(111,800)	(121,400)	(120,800)	(109,900)	(123,100)
Other Grants and Contributions	(5,400)	(1,000)	(3,300)	(3,300)	(500)	(3,300)
Total Income	**(136,700)**	**(112,800)**	**(124,700)**	**(124,100)**	**(110,400)**	**(126,400)**
Expenditure						
Employees	85,800	90,000	90,900	91,800	92,800	93,700
Supplies and Services	18,900	24,700	27,000	27,000	24,200	27,000
Transport	3,000	3,000	3,000	3,000	3,000	3,000
Total Expenditure	**107,700**	**117,700**	**120,900**	**121,800**	**120,000**	**123,700**
Net (Surplus) / Deficit	**(29,000)**	**4,900**	**(3,800)**	**(2,300)**	**9,600**	**(2,700)**
Corporate Accounting						
Support Services	49,200	55,000	54,900	55,300	55,600	54,900
Total Corporate Accounting	**49,200**	**55,000**	**54,900**	**55,300**	**55,600**	**54,900**
Gross (Surplus) / Deficit	**20,200**	**59,900**	**51,100**	**53,000**	**65,200**	**52,200**

Neighbourhood Planning & Local Plans	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	0	95,400	24,200	24,300	24,500	24,900
Supplies and Services	0	100	100	100	100	100
Third Party Payments	0	44,000	44,000	44,000	44,000	44,000
Total Expenditure	**0**	**139,500**	**68,300**	**68,400**	**68,600**	**69,000**
Net (Surplus) / Deficit	**0**	**139,500**	**68,300**	**68,400**	**68,600**	**69,000**
Corporate Accounting						
Support Services	0	12,600	12,300	12,800	12,500	12,600
Total Corporate Accounting	**0**	**12,600**	**12,300**	**12,800**	**12,500**	**12,600**
Gross (Surplus) / Deficit	**0**	**152,100**	**80,600**	**81,200**	**81,100**	**81,600**

Prosperous Communities Base Budget – Business Unit Analysis

Other Council Properties	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(38,400)	(41,300)	(41,300)	(41,300)	(41,300)	(41,300)
Total Income	**(38,400)**	**(41,300)**	**(41,300)**	**(41,300)**	**(41,300)**	**(41,300)**
Expenditure						
Premises	24,900	22,500	22,600	22,700	22,800	22,900
Supplies and Services	1,100	1,100	1,100	1,100	1,100	1,100
Total Expenditure	**26,000**	**23,600**	**23,700**	**23,800**	**23,900**	**24,000**
Net (Surplus) / Deficit	**(12,400)**	**(17,700)**	**(17,600)**	**(17,500)**	**(17,400)**	**(17,300)**
Corporate Accounting						
Capital Charges	29,300	20,600	20,600	20,600	20,600	20,600
Support Services	40,500	27,400	27,500	35,300	35,400	35,500
Total Corporate Accounting	**69,800**	**48,000**	**48,100**	**55,900**	**56,000**	**56,100**
Gross (Surplus) / Deficit	**57,400**	**30,300**	**30,500**	**38,400**	**38,600**	**38,800**

Parish Lighting	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Premises	32,400	33,300	34,600	36,000	37,400	38,900
Transfer Payments	22,300	20,200	26,600	20,200	20,200	20,200
Total Expenditure	**54,700**	**53,500**	**61,200**	**56,200**	**57,600**	**59,100**
Net (Surplus) / Deficit	**54,700**	**53,500**	**61,200**	**56,200**	**57,600**	**59,100**
Corporate Accounting						
Support Services	600	7,600	7,200	7,300	7,100	7,200
Total Corporate Accounting	**600**	**7,600**	**7,200**	**7,300**	**7,100**	**7,200**
Gross (Surplus) / Deficit	**55,300**	**61,100**	**68,400**	**63,500**	**64,700**	**66,300**

Prosperous Communities Base Budget – Business Unit Analysis

Parks & Open Spaces	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(1,000)	0	0	0	0	0
Total Income	**(1,000)**	**0**	**0**	**0**	**0**	**0**
Expenditure						
Premises	46,200	33,700	33,700	33,700	33,700	33,700
Supplies and Services	16,800	16,100	16,100	16,100	16,100	16,100
Total Expenditure	**63,000**	**49,800**	**49,800**	**49,800**	**49,800**	**49,800**
Net (Surplus) / Deficit	**62,000**	**49,800**	**49,800**	**49,800**	**49,800**	**49,800**
Corporate Accounting						
Capital Charges	500	0	0	0	0	0
Support Services	12,800	19,200	19,100	21,200	20,400	20,300
Total Corporate Accounting	**13,300**	**19,200**	**19,100**	**21,200**	**20,400**	**20,300**
Gross (Surplus) / Deficit	**75,300**	**69,000**	**68,900**	**71,000**	**70,200**	**70,100**

Pest & Dog Control	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Total Income	**(2,000)**	**(2,000)**	**(2,000)**	**(2,000)**	**(2,000)**	**(2,000)**
Expenditure						
Supplies and Services	27,900	24,900	24,900	24,900	24,900	24,900
Transport	800	0	0	0	0	0
Total Expenditure	**28,700**	**24,900**	**24,900**	**24,900**	**24,900**	**24,900**
Net (Surplus) / Deficit	**26,700**	**22,900**	**22,900**	**22,900**	**22,900**	**22,900**
Corporate Accounting						
Support Services	1,600	7,800	7,400	7,500	7,300	7,400
Total Corporate Accounting	**1,600**	**7,800**	**7,400**	**7,500**	**7,300**	**7,400**
Gross (Surplus) / Deficit	**28,300**	**30,700**	**30,300**	**30,400**	**30,200**	**30,300**

Prosperous Communities Base Budget – Business Unit Analysis

Planning Policy Forward Planning	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	68,700	74,400	76,300	78,100	80,000	80,700
Supplies and Services	800	800	800	800	800	800
Transport	2,200	2,200	2,200	2,200	2,200	2,200
Total Expenditure	**71,700**	**77,400**	**79,300**	**81,100**	**83,000**	**83,700**
Net (Surplus) / Deficit	**71,700**	**77,400**	**79,300**	**81,100**	**83,000**	**83,700**
Corporate Accounting						
Support Services	21,700	28,000	28,000	28,400	28,600	28,400
Total Corporate Accounting	**21,700**	**28,000**	**28,000**	**28,400**	**28,600**	**28,400**
Gross (Surplus) / Deficit	**93,400**	**105,400**	**107,300**	**109,500**	**111,600**	**112,100**

Pollution Control	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(10,800)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)
Other Grants and Contributions	(500)	(500)	(500)	(500)	(500)	(500)
Total Income	**(11,300)**	**(5,700)**	**(5,700)**	**(5,700)**	**(5,700)**	**(5,700)**
Expenditure						
Employees	110,200	107,000	108,100	109,100	110,300	111,400
Premises	500	500	500	500	500	500
Supplies and Services	2,300	4,300	4,300	4,300	4,300	4,300
Third Party Payments	3,500	3,500	3,500	3,500	3,500	3,500
Transport	7,200	5,600	5,600	5,600	5,600	5,600
Total Expenditure	**123,700**	**120,900**	**122,000**	**123,000**	**124,200**	**125,300**
Net (Surplus) / Deficit	**112,400**	**115,200**	**116,300**	**117,300**	**118,500**	**119,600**
Corporate Accounting						
Support Services	44,700	31,100	30,300	31,500	31,300	31,400
Total Corporate Accounting	**44,700**	**31,100**	**30,300**	**31,500**	**31,300**	**31,400**
Gross (Surplus) / Deficit	**157,100**	**146,300**	**146,600**	**148,800**	**149,800**	**151,000**

Prosperous Communities Base Budget – Business Unit Analysis

Private Sector Housing Renewal	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(6,300)	(8,400)	(8,400)	(8,400)	(8,400)	(8,400)
Total Income	**(6,300)**	**(8,400)**	**(8,400)**	**(8,400)**	**(8,400)**	**(8,400)**
Expenditure						
Employees	139,600	142,000	144,400	146,900	148,400	149,900
Premises	5,000	0	0	0	0	0
Supplies and Services	1,400	9,900	9,900	9,900	9,900	9,900
Transport	6,300	6,300	6,300	6,300	6,300	6,300
Total Expenditure	**152,300**	**158,200**	**160,600**	**163,100**	**164,600**	**166,100**
Net (Surplus) / Deficit	**146,000**	**149,800**	**152,200**	**154,700**	**156,200**	**157,700**
Corporate Accounting						
Support Services	119,500	42,400	42,200	43,400	43,600	43,500
Total Corporate Accounting	**119,500**	**42,400**	**42,200**	**43,400**	**43,600**	**43,500**
Gross (Surplus) / Deficit	**265,500**	**192,200**	**194,400**	**198,100**	**199,800**	**201,200**

Property Services	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Premises	2,900	2,900	2,900	2,900	2,900	2,900
Total Expenditure	**2,900**	**2,900**	**2,900**	**2,900**	**2,900**	**2,900**
Net (Surplus) / Deficit	**2,900**	**2,900**	**2,900**	**2,900**	**2,900**	**2,900**
Corporate Accounting						
Support Services	400	7,700	7,300	7,300	7,300	7,300
Total Corporate Accounting	**400**	**7,700**	**7,300**	**7,300**	**7,300**	**7,300**
Gross (Surplus) / Deficit	**3,300**	**10,600**	**10,200**	**10,200**	**10,200**	**10,200**

Prosperous Communities Base Budget – Business Unit Analysis

Public Conveniences	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	37,100	0	0	0	0	0
Premises	25,900	49,800	50,100	50,400	50,700	51,000
Supplies and Services	2,100	2,600	2,700	2,800	2,900	3,000
Total Expenditure	**65,100**	**52,400**	**52,800**	**53,200**	**53,600**	**54,000**
Net (Surplus) / Deficit	**65,100**	**52,400**	**52,800**	**53,200**	**53,600**	**54,000**
Corporate Accounting						
Capital Charges	7,500	4,800	4,800	4,800	4,800	4,800
Support Services	43,700	20,300	20,400	26,100	26,200	26,200
Total Corporate Accounting	**51,200**	**25,100**	**25,200**	**30,900**	**31,000**	**31,000**
Gross (Surplus) / Deficit	**116,300**	**77,500**	**78,000**	**84,100**	**84,600**	**85,000**

Street Cleansing	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(32,000)	(32,700)	(32,700)	(32,700)	(32,700)	(32,700)
Other Grants and Contributions	(20,000)	(33,300)	(33,300)	(33,300)	(33,300)	(33,300)
Total Income	**(52,000)**	**(66,000)**	**(66,000)**	**(66,000)**	**(66,000)**	**(66,000)**
Expenditure						
Employees	303,200	311,100	314,200	317,200	320,200	323,200
Premises	2,500	2,500	2,500	2,500	2,500	2,500
Supplies and Services	32,400	113,900	115,800	118,000	119,100	120,500
Transport	152,300	151,600	156,700	153,300	153,300	153,300
Total Expenditure	**490,400**	**579,100**	**589,200**	**591,000**	**595,100**	**599,500**
Net (Surplus) / Deficit	**438,400**	**513,100**	**523,200**	**525,000**	**529,100**	**533,500**
Corporate Accounting						
Support Services	157,700	85,800	85,400	88,900	89,800	89,700
Total Corporate Accounting	**157,700**	**85,800**	**85,400**	**88,900**	**89,800**	**89,700**
Gross (Surplus) / Deficit	**596,100**	**598,900**	**608,600**	**613,900**	**618,900**	**623,200**

Tourism	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Expenditure						
Employees	27,300	27,600	27,900	28,200	28,400	28,800
Transfer Payments	0	12,000	12,000	12,000	12,000	12,000
Transport	1,300	1,300	1,300	1,300	1,300	1,300
Total Expenditure	**28,600**	**40,900**	**41,200**	**41,500**	**41,700**	**42,100**
Net (Surplus) / Deficit	**28,600**	**40,900**	**41,200**	**41,500**	**41,700**	**42,100**
Corporate Accounting						
Support Services	13,300	15,600	15,100	15,500	15,500	15,400
Total Corporate Accounting	**13,300**	**15,600**	**15,100**	**15,500**	**15,500**	**15,400**
Gross (Surplus) / Deficit	**41,900**	**56,500**	**56,300**	**57,000**	**57,200**	**57,500**

Town Centre Markets	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(51,300)	(51,300)	(51,300)	(51,300)	(51,300)	(51,300)
Total Income	**(51,300)**	**(51,300)**	**(51,300)**	**(51,300)**	**(51,300)**	**(51,300)**
Expenditure						
Employees	64,700	54,500	55,200	55,800	55,600	56,200
Premises	4,600	4,800	4,900	5,000	5,100	5,200
Supplies and Services	9,700	17,700	17,900	18,100	18,200	18,300
Transport	4,200	4,200	4,200	4,200	4,200	4,200
Total Expenditure	**83,200**	**81,200**	**82,200**	**83,100**	**83,100**	**83,900**
Net (Surplus) / Deficit	**31,900**	**29,900**	**30,900**	**31,800**	**31,800**	**32,600**
Corporate Accounting						
Capital Charges	3,800	3,800	1,000	1,000	1,000	1,000
Support Services	33,000	28,900	28,900	29,400	29,500	29,300
Total Corporate Accounting	**36,800**	**32,700**	**29,900**	**30,400**	**30,500**	**30,300**
Gross (Surplus) / Deficit	**68,700**	**62,600**	**60,800**	**62,200**	**62,300**	**62,900**

Prosperous Communities Base Budget – Business Unit Analysis

Waste Management	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £
Income						
Customer and Client Receipts	(111,900)	(501,200)	(1,011,500)	(1,021,300)	(1,026,300)	(1,032,700)
Total Income	**(111,900)**	**(501,200)**	**(1,011,500)**	**(1,021,300)**	**(1,026,300)**	**(1,032,700)**
Expenditure						
Employees	1,353,900	1,366,900	1,390,700	1,408,500	1,423,100	1,440,200
Premises	700	700	700	700	700	700
Supplies and Services	100,600	340,500	345,900	352,400	335,700	340,000
Third Party Payments	4,000	4,000	4,000	4,000	4,000	4,000
Transport	587,000	571,300	579,600	575,800	575,800	575,800
Total Expenditure	**2,046,200**	**2,283,400**	**2,320,900**	**2,341,400**	**2,339,300**	**2,360,700**
Net (Surplus) / Deficit	**1,934,300**	**1,782,200**	**1,309,400**	**1,320,100**	**1,313,000**	**1,328,000**
Corporate Accounting						
Capital Charges	446,600	404,000	355,900	349,600	307,700	316,200
Recharges Out	(410,300)	0	0	0	0	0
Support Services	692,000	391,200	395,600	405,400	412,900	411,600
Total Corporate Accounting	**728,300**	**795,200**	**751,500**	**755,000**	**720,600**	**727,800**
Gross (Surplus) / Deficit	**2,662,600**	**2,577,400**	**2,060,900**	**2,075,100**	**2,033,600**	**2,055,800**

West Lindsey District Council

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01427 676676

Guildhall, Marshall's Yard
Gainsborough, Lincolnshire DN21 2NA
Tel: 01427 676676

www.west-lindsey.gov.uk

West Lindsey DISTRICT COUNCIL

The Entrepreneurial Council