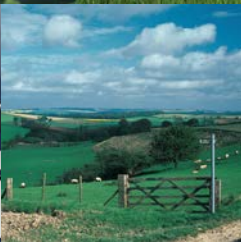


West Lindsey District Council

Budget Book 2018/19 to 2022/23

A financial outlook and Budgetary Forecast.



West Lindsey
DISTRICT COUNCIL
Making a Difference

**THE FINANCIAL STRATEGY & MEDIUM TERM FINANCIAL PLAN 2018/19 TO
2022/23**

List of Appendices

Appendix	Page
5 Year Financial Plan 2018/19 – 2022/23 (including Council Tax 2018/19 Resolution)	1 – 53
- A : Revenue Budget Summary	54 - 56
- B : Fees and Charges Policy	57 – 68
- C : Fees and Charges	69 – 87
- D : Capital Investment Strategy	88 – 96
- E : Capital Investment Programme and Funding 2018/19–2022/23	97 – 98
- F : Treasury Management Strategy, Capital Prudential Indicators, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2018/19	99 – 124
Annex 1. MRP Policy Statement and Treasury Prudential Indicator for Debt	125 – 129
Annex 2. Interest Rate Forecasts	130 – 132
Annex 3. Economic Background	133 – 138
Annex 4. Treasury Management Practice	139 – 141
Annex 5. Approved Countries for Investments	142
Annex 6. Treasury Management Scheme of Delegation	143
Annex 7. Role of the Section 151 Officer	144
- G : Council Tax Requirement for 2018/19	145 – 148
- H : Council Tax Base 2018/19	149 – 150
- I : Parish Precepts 2018/19 (Determination of Council Tax where Special Items Apply)	151 – 152
- J : Determination of Amounts of Council Tax for each category And dwelling in each part of the area	153 – 154
- K : Levels of Overall Council Tax for 2018/19	155 – 156
- L : Pay Policy Statement/HR Statement 2018/19	157 – 166
- M : West Lindsey Benchmarking report	167 – 184
Committee and Business Unit Budgets 2018/19 to 2022/23	185 – 205



Council
5 March 2018

**Executive Business Plan,
Medium Term Financial Plan 2018/19 – 2022/23
(incl. Financial Strategy, Financial Analysis, Revenue Budget 2018/19
Capital Programme 2018/19 to 2022/23)**

Report by:

Ian Knowles
Director of Resources (S151)

Contact Officer:

Tracey Bircumshaw,
Finance and Business Support Manager
Telephone: 01427 656560

Purpose / Summary:

The purpose of the Executive Business Plan is to set out the actions to be taken by the Executive to deliver the Corporate Plan over the next three years.

The purpose of the Medium Term Financial Plan (MTFP) is to set a robust overall framework for the Council's spending plans over the next five years in supporting the delivery of the Corporate Plan and underpinned by the delivery of the Financial Strategy. The report therefore outlines the Council's revised financial plans, having taken into account, in the Financial Analysis, for changes in Government funding, the economic environment, local engagement and the priorities for the Council. The plan reflects the revisions to the previous estimates and details the Revenue Budget 2018/19 and estimates up to 2022/23.

The report also covers the setting of Council Tax for 2018/19, Fees and Charges for 2018/19 the Capital Programme 2018/19 to 2022/23 and the Treasury Management Strategy.

RECOMMENDATION(S):

- 1) That Members recognise the external environment and the severity of the financial challenges being faced as detailed in the Financial Strategy.
- 2) That Members accept the Statement of the Chief Finance Officer on the Robustness of Estimates and Adequacy of Reserves.
- 3) That Members approve the Medium Term Financial Plan 2018/19 to 2022/23 (Appendix 2) and are aware of the associated Risks included at Appendix B
- 4) That Members receive a Mid-Year Review of the Medium Term Financial Plan during 2018/19.
- 5) That Members set the Revenue Budget 2018/19 (Appendix A)
- 6) That Members approve the Fees and Charges Policy and set the Fees and Charges 2018/19 (as amended) (Appendix C&D)
- 7) That Members adopt the Capital Investment Strategy (Appendix E)
- 8) That Members approve the Capital Programme 2018/19 to 2022/23 and Financing (Appendix F).
- 9) That Members approve the Treasury Management Strategy 2018/19 and adopt the Treasury Investment Strategy, the detailed Counter Party criteria, the Treasury and Borrowing Prudential Indicators (Appendix G)
- 10) That Members approve the Minimum Revenue Provision (MRP) Policy as contained in the Treasury Management Strategy (Appendix G)
- 11) That Members approve a 3% increase in the Council Tax (Appendix H-L)
- 12) That Members approve the 2018/19 Pay Policy Statement and establishment numbers (Appendix M)

Note: The Benchmarking Report is attached at Appendix N for information

IMPLICATIONS

Legal:

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

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

The Local Government Act 2003 introduced the requirement to approve an Annual Treasury Management Strategy

Financial : FIN/131/17

The report presents a balanced budget 2018/19 and addresses the financial implications arising from the recommended revisions to the MTFP and the requirement to determine the Council Tax for 2018/19.

The report proposes the following contributions to Earmarked Reserves as part of the 2018/19 revenue budget;

- £1.2m NNDR Gain to be earmarked to the Investment for Growth Earmarked Reserve to fund regeneration and growth schemes in accordance with the Pilot bid.
- £0.400m to the Business Rates volatility reserve
- £1.024m of New Homes Bonus to Investment for Growth Reserve
- £0.624m of contributions to other Earmarked reserves

The use of Earmarked Reserves within the 2018/19 Revenue Budget totals £0.189m previously agreed to support fixed term resourcing and project delivery.

£6.024m is forecast to be utilised for funding Capital Schemes in 2018/19 (see Appendix F)

The use of the General Fund Balance

- The Corporate Policy and Resources Committee has approved £500k of General Fund balances be utilised to create a 3 year Community Grants Scheme 2018/19 to 2020/21. Balances will be held in an appropriate Earmarked Reserves to be released annually.

In relation to the proposed 3% increase in Council Tax, this will generate an additional £0.031m in 2018/19 increasing to £0.215m by 2022/23 compared to the previous assumption of a £4.95 increase.

Staffing: None arising from this report.

Equality and Diversity including Human Rights :

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

Risk Assessment :

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

An analysis of possible budget risks and comment on the level of reserves are included within the report.

Climate Related Risks and Opportunities :

None arising from this report

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

The Chartered Institute of Public Finance and Accountancy – The Prudential Code for Capital Finance in Local Authorities (2017 Edition)

The Chartered Institute of Public Finance and Accountancy – Treasury Management in the Public Services, Code of Practice and Cross-Sectoral Guidance Notes (2017 Edition)

The Chartered Institute of Public Finance and Accountancy – Treasury Management in the Public Services, Guidance Notes for Local Authorities including Police Authorities and Fire Authorities (2017 Edition).

The Corporate Plan

The Capital Investment Strategy

The Fees and Charges Policy

The Asset Management Plan

The Acquisitions and Disposal Policy

Investment Policy – Land and Buildings

All documents are held within Financial Services at the Guildhall, Marshalls Yard, Gainsborough

Call in and Urgency:**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

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

Yes**No****Key Decision:**

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

Yes**No**

1. Introduction

Presented below is the Executive Business Plan and Medium Term Financial Plan 2018/19 – 2022/23 (which includes the Financial Strategy and Medium Term Financial Analysis). An Executive Summary is contained therein.

These documents are central to our financial planning and play a key role in the budget setting process to ensure that resources are aligned with the Revenue Budget, Capital Programme and their impact and risks considered in the Treasury Management Strategy (recommended to Council by the Governance and Audit Committee).

The Executive Business Plan - The purpose of the Executive Business Plan is to set out the actions to be taken by the Executive to deliver the Corporate Plan over the next three years.

The Medium Term Financial Plan (Appendix 2) – Aims to deliver an annual balanced and sustainable budget whilst considering the context of the National and Local funding settlement and its impact over the 5 year plan. It ensures that our resources are directed towards delivery of the Council's corporate priorities, and provides the;

- **Financial Strategy** which sets out through the establishment of objectives, the strategies to deliver the Corporate Priorities whilst ensuring future sustainability of the Council, and to establish the principals on which financial decisions will be made within available resources.
- **The Medium Term Financial Analysis** details, in monetary term, the specific elements of the budget, our assumptions and estimates in developing a plan which covers a 5 year period. It is reviewed annually as part of the budget setting process, taking into consideration investment proposals, in year decisions impacting future years, forward planning, service and business planning and availability of resources, ensuring we can set a balanced budget for the current year and identifying any funding gaps for future years. A 10 year estimate has also been undertaken, which incorporates the impact of those projects with longer term financial benefits.

2. The General Fund Revenue Budget

The General Fund Revenue budget and future estimates are included at Appendix A of the Medium Term Financial Analysis (which covers a period of five financial years).

Members should be aware;

- that the final settlement announcement was issued in February 2017, this provided an additional £0.094m Rural Services Delivery Grant and a further £0.006m
- That the Council will benefit from the Greater Lincolnshire Pilot for 100% Business Rates retention for 2018/19 only, the benefit being by an estimated £1.6m increase in Business Rates Income for the Authority. Rolled in grants of Revenue Support Grant and Rural Services Delivery Grant are shown separately within the Budget.
- The Council will consider the level of Council Tax 2018/19 at its meeting on 5 March 2018. The current strategy is to maximise Council Tax within the referendum limit. The limit was increased from 2% to 3% or £5 (whichever is the greater) as part of the Budget Statement. The 2018/19 Revenue Budget proposes a 3% increase and the Medium Term Financial Analysis assumes a 3% increase annually.

The Revenue Budget 2018/19

The Revenue Budget is detailed below and is analysed by our Service Clusters;

- People – Front facing customer services - Benefits, Council Tax, Operational Services, Homelessness and Housing, Licensing, Customer Services, Food Safety
- Places – Area based services, ie Development Management, Economic Development, Car Parking, Asset Management, Leisure
- Policy and Resources – Corporate services, ie Finance, Human Resources, Committee Administration, ICT, Business Improvement, Elections, Corporate Fraud

Cluster	2018/19 Budget £
People	4,849,100
Places	493,300
Policy and Resources	5,081,300
Grand Total	10,423,700
Capital Accounting Adjustment	(816,600)
Committee Total	9,607,100
Drainage Board Levies	351,500
Parish Precepts	1,909,249
Interest and Investment Income	(263,300)
Interest Payable	371,800
Statutory MRP	32,400
Capital Expenditure Charged Against General Fund	6,024,300
Net Operating Expenditure	18,033,049
Capital Grants Applied	555,200
Transfer to / (from) General Fund	(555,700)
Transfer to / (from) Earmarked Reserves	(2,605,307)
Amount to be met from Government Grant or Council Tax	15,427,242
Funding	
Revenue Support Grant	370,700
Business Rate Retention Scheme	5,159,100
Collection Fund Surplus - Council Tax	105,010
Parish Councils Tax Requirement	1,909,249
New Homes Bonus	1,278,400
Other Government Grants	547,500
Council Tax Requirement	6,057,283
TOTAL FUNDING	15,427,242
Balanced Budget/Funding Gap	0

3. The Capital Investment Programme

The draft Capital Programme 2018/19 to 2022/23 provides a plan of future capital investments, this is reviewed annually and may result in significant change as business cases for schemes are developed or schemes re-profiled over financial years due to external factors.

The overall Capital Investment Programme totals £54.937m however, £27.695m relates to the approved Capital Budgets (Stage 3 and Business as usual) with the remainder of £27.242m being pipeline projects. The 4 levels of the Programme are detailed below;

- Pre-Stage 1 – Business Case in preparation - £8.450m
- Stage 1 – Budget approved – requires full business case - £6.374m
- Stage 2 – Business case approved in principal or awaiting funding - £12.448m
- Stage 3 and Business as Usual (BAU) – Approved to spend and funding secured - £27.665m

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 detailed Capital Investment programme is attached at Appendix F for consideration and recommendation to Council.

4. Robustness of Estimates and Adequacy of Reserves

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 reserves and the prudence of capital investment decisions. This information enables a longer-term view of the overall position to be taken.

In 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, further detail is included within the Medium Term Financial Analysis (paragraph 4)

5. Fees and Charges

The Fees and Charges Policy is attached at Appendix C and Fees and Charges, as recommended by the Corporate Policy and Resources Committee and Prosperous Communities Committee at Appendix D.

6. Capital Investment Strategy (Appendix E)

The Strategy has been updated to include commercial investment pr

7. The Capital Programme (Appendix F)

The Capital Programme and financing is attached at Appendix F and has been recommended for approval by the Corporate Policy and Resources Committee

8. Treasury Management Strategy (Appendix G)

The Treasury Management Strategy has been scrutinised by the Governance and Audit Committee with the main changes from the previous Strategy being;

- Investment Strategy including New Section on the Non -Treasury Investments (4.7), including the Strategy for these investments, the proportionality of the investment and risk mitigation.
- Borrowing Strategy – inclusion that any external borrowing will be taken as a Maturity Loan, with principal repayment being due at the end of the term.
- MRP Policy

9. Council Tax (Appendix H-L)

The detailed amounts for the Tax Base, Parish Precepts and Council Tax increase are

10. RECOMMENDATION(S):

1. That Members recognise the external environment and the severity of the financial challenges being faced as detailed in the Financial Strategy.
2. That Members accept the Statement of the Chief Finance Officer on the Robustness of Estimates and Adequacy of Reserves.
3. That Members approve the Medium Term Financial Plan 2018/19 to 2022/23 and are aware of the associated Risks (Appendix B)
4. That Members receive a Mid-Year Review of the Medium Term Financial Plan during 2018/19.
5. That Members set the Revenue Budget 2018/19 (Appendix A)
6. That Members approve the Fees and Charges Policy and set the Fees and Charges 2018/19 (as amended) (Appendix C&D)
7. That Members adopt the Capital Investment Strategy (Appendix E)
8. That Members approve the Capital Programme 2018/19 to 2022/23 and Financing (Appendix F).
9. That Members approve the Treasury Management Strategy 2018/19 and adopt the Treasury Investment Strategy, the detailed Counter Party criteria, the Treasury and Borrowing Prudential Indicators (Appendix G)
10. That Members approve the Minimum Revenue Provision (MRP) Policy as contained in the Treasury Management Strategy (Appendix G)
11. That Members approve a 3% increase in the Council Tax (Appendix H-L)
12. That Members approve the 2018/19 Pay Policy Statement and establishment numbers (Appendix M)

1. Introduction

This is our first Executive Business Plan. The purpose of which is to outline the national, regional and local operating environment and to set out our response and proposed activity for the next three years. The supporting financial strategy will be set out in the Appendix 2 document headed Medium Term Financial Plan (MTFP) and this will not only look at the medium term but also attempt to consider those actions that will have an impact beyond that time horizon.

This document will therefore reflect our short, medium and long term goals with diminishing accuracy but will act as a guide for the executive team, our managers and our employees to current and future decisions and behaviour.

2. National Context

The current government is developing its approach to a UK that is no longer in the European Union. At this time there is significant uncertainty over what this will mean both economically and politically.

Local Government is being consulted through its range of networks; Local Government Association (LGA), Rural Services Network (RSN), District Council Network (DCN) and County Council Network (CCN) in addition to work being undertaken at a regional level in creating the 'Midlands Engine'.

Industrial Strategy

The national Industrial Strategy is being rolled out at a regional level and the Midlands Engine is developing the approach for East and West Midlands.

The Industrial Strategy – Building a Britain Fit for the Future – was published on the 27th November 2017. It sets out a vision for the future of creating

- a - The world's most innovative economy
- b - Good jobs and greater earning power for all
- c - A major upgrade to the UK's infrastructure
- d - The best place to start and grow a business
- e - Prosperous communities across the UK

In addition, the white paper identified four grand challenges that would 'put the United Kingdom at the forefront of the industries of the future';

- 1 - Put the UK at the forefront of the artificial intelligence and data revolution;
- 2 - Maximise the advantages for UK industry from the global shift to clean growth;
- 3 - Become a world leader in shaping the future of mobility; and
- 4 - Harness the power of innovation to help meet the needs of an ageing society.

Business Rates Retention

Alongside the Industrial Strategy the Ministry of Housing, Communities and Local Government (MHCLG) (previously Department of Communities and Local Government (DCLG)) are currently progressing with using 'pilots' of 100% Business Rates retention, to continue testing the premise that Local Government can be self-financing through Council Tax and Business Rates. Whilst Treasury will still have overall control of upper funding levels through the determination of a local authority's settlement funding assessment, and the top up and tariff system, Local Government will not receive the grants. The Settlement Funding Assessment (SFA) determines the amount of funding a local authority should receive and how much of tax, locally generated, should be redistributed. There is a debate ongoing at the moment whether this calculation should take into account commercially generated income (we are currently lobbying against this approach).

Provisional Settlement 2018/19

In the Provisional Settlement published on 19th December 2017, it was announced that Government would be seeking to implement a NNDR 75% retention policy in 2020/21 as this will not need primary legislation. In addition there were ten new 100% pilots announced as part of the Provisional Settlement and Greater Lincolnshire was included.

The MHCLG, in making its announcement, have maintained the four year agreement, previously agreed by 97% of Local Authorities (there has been no obvious detriment to those who did not agree) and in fact has improved the position for some Authorities through increasing the referendum threshold to 3% (or £5 for Shire Districts – whichever is the greater), increasing the level of Rural Services Delivery Grant and leaving the New Homes Bonus arrangements unaltered.

As discussed in previous years the four year settlement embedded an inequality between predominantly urban and predominantly rural areas placing the rural areas with a greater reliance on Council Tax.

In addition to the provisional settlement MHCLG also announced that Planning Fees will be increased by 20% from 18th January 2018 and new capital financing and investment guidance has recently been issued. The latter is predominantly aimed at securing that Local Authorities undertake appropriate considerations and advice when making investment decisions.

3. Regional and Local Context

The Midlands Engine is the primary driver for regional policy and development and it will focus on five key objectives (Midlands Engine Strategy – March 2017):

- i. **Improving connectivity** in order to raise productivity.
- ii. **Strengthening skills** in order to make the Midlands a more attractive location for businesses.
- iii. **Supporting enterprise and innovation** in order to foster a more dynamic regional economy.
- iv. **Promoting the Midlands** nationally and internationally in order to maximise trade and investment in the region.
- v. **Enhancing quality of life** in order to attract and retain skilled workers, as well as to foster the local tourist economy.

The strategy is designed to tackle three identified weaknesses within the region:

- I – A shortage of skilled workers
- li – a regional economy that is fragmented in to small poorly connected areas
- lii – a lack of entrepreneurship and economic dynamism.

4. WLDC Corporate Plan

Council agreed a four year Corporate Plan in 2016 which had a four year horizon 2016-2020. The vision of the Council is;

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

The corporate objectives are based around six themes:

Open for Business

People First

Asset Management

The Local Plan

Devolution/Partnerships

Excellent Value for Money Services

The Corporate Plan sets out a number of priorities against each theme and this Business Plan will set out the activities that will deliver those priorities.

4.1 Review of Corporate Plan

The priorities above were agreed before the Industrial Strategy was announced and work has begun on a review and new corporate plan for 2019-2023 which will ensure we align ourselves with the national strategy. That said, our Economic Development Team are already working with this in mind and our development activity is being aligned to the Industrial Strategy so that WLDC is well placed to benefit from any resources made available.

The majority of programmes and projects currently supporting the delivery of the existing Corporate Plan priorities will continue as these were designed to create long term growth and regeneration, for the District of West Lindsey, to achieve excellent customer service and to provide future financial sustainability for the Council.

Further, the Corporate Plan sets out a number of values which guide our working. (These are detailed at 9. In the MTFP executive summary)

5. Recent Achievements

Before setting out the activities for the next three years it is important to reflect on what has already been achieved in the first two years of the Corporate Plan. A full review of the Corporate Plan is also being provided so only a few highlights will be included here:

Open for Business – Travelodge Hotel, Land Assembly by the Riverside, Two Blue Chip regeneration specialists bidding to be our partner in Invest Gainsborough, New Leisure contract delivering improved facilities and new facilities for Market Rasen, New Crematorium to be built in West Lindsey.

People First – Creation of a Service Hub, Introduction of Selective Licencing Scheme, Community defibrillator scheme, Investment in Trinity Arts Centre

Asset Management – First new commercial property acquired, Increased income from existing commercial property, improvement in Market Rasen Depot

Local Plan – The Central Local Plan has been adopted.

Partnerships – Successful partnership to Pilot NNDR 100% retention, new joint venture for developing Market Street, Successful bid for the Wellbeing Service (contract awarded by LCC), Mayflower 400 national project

Excellent Value For Money Services – Waste Collection Services nominated for an award by APSE for the 7th year running, improved performance in Land Charges and Development Management.

6. Business Deliverables 2018-2021

Over the next 3 years the Executive will focus on delivering the following activities.

Economic Development

A Growth Programme which is aligned to the Industrial Strategy and which will include; delivery to support Employment and Skills, Helmswell Food Enterprise Zone, Business Units for SME's,

Appoint a Development Partner – Phase 1 former Guildhall site to deliver western anchor for Gainsborough Town Centre

Develop the Green Corridor (Riverside walkway, Gainsborough)

Develop and Deliver a Three Year Business Plan for Market Rasen

Deliver the Housing Strategy – implementation of Housing Zone and drawdown of £4m unlocking funding in addition to a Joint Venture Company to deliver 140 new homes

Further support to the Caistor Town Council to implement the Neighbourhood Plan

Place based regeneration schemes at Helmswell and Gainsborough to normalise and stabilise areas with high indices of deprivation.

Growth Fund to be widened to the whole district ready to dovetail with funding from the Midland Engine

Development of a Visitor Economy Strategy

Significant capital projects ie Crematorium and new leisure facilities to realise a net contribution to the MTFP.

Customer First

Introduce a Digital Strategy for all Services

Develop an approach that puts the Customer at the centre of all service delivery

Re-focus Services to be Customer centric

Establish quality standards for Customer Service

Service Specific

Introduce Green Waste Charging

Grow the income from Trade Waste Services

Review the Regulatory services of Food Hygiene and Anti-social Behaviour

Establish the new Well Being Service

Introduce the new Choice Base lettings System and meet the new Homelessness Act requirements

Introduce a new IT system for Land Based Services (Development Management, Building Control and Land Charges)

Introduce a new Finance System

Develop an ICT Strategy

Build and develop a Crematorium

Maximise the return from the Leisure Contract

More detail is available at a Service Team level in Appendix 1.

7. Summary Financial and Commercial Strategy

The overall financial and commercial strategy for the Council has the following objectives:

- 1 – Maximise the income from all services and be opportunistic (but not at the cost to our own service delivery).
- 2 – Minimise the cost of services where ever possible, whilst maintaining the quality of services and improving performance levels.
- 3 – Secure value for money through a range of applied techniques as set out in the table contained at 2.5 of the Medium Term Financial Plan.

Commercial Integration

This year there will not be a separate commercial strategy and our commercial activity will be delivered and managed within our Executive Business Plan. Our commercial activity will be integrated in the following ways:

- 1 – Traded Services will run alongside our statutory services taking opportunities as they arise. Income will be monitored as part of the contribution made by those services. Specific services include Trade Waste, Building Control and CCTV.
- 2 – We will continue to develop our commercial property portfolio and take into account the changes to the CIPFA Prudential Code, recently announced, and the recent MHCLG capital financing and investment guidance.
- 3 – Capital Projects will be designed to deliver commercial returns where possible and that will include economic impact assessment and increases in tax receipts.
- 4 – Delivery of the commercial returns will be monitored through the performance, finance and project management routines.

8. Medium Term Financial Plan (Appendix 2) – Executive Summary

The Medium Term Financial Plan (MTFP) is the primary strategic financial document for this Authority. This document will support the national and local context as set out in the Executive Business Plan, the commitments of the Council 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 achieved reductions in the base budget of £3.3m through the Financial Strategy and initiatives to reduce expenditure, increase income and generate new income streams. Council Tax has been frozen in three out of the last six years whilst still providing award winning services to our residents.

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

9. Financial Strategy

The Financial Strategy is designed to complement the values set out in the Corporate Plan and deliver the Entrepreneurial Model by supporting the following values and approach

The Corporate Plan details the values which guide our working:

- Delivering a surplus to re-invest
- Investing in communities
- Delivering Customer Focused priorities
- Generating Growth
- Investing in communities to help themselves and others
- A more commercial Council
- A modern, innovative and collaborative Council

Our financial strategy supports these values and the Business Plan objectives with the following principles:

- to drive a robust and sustainable financial position
- to support growth and service delivery, utilising the Council's resources
- to ensure financial decision making is based on robust business cases that clearly match our ambitions

The MTFP will deliver against these objectives and principles by:

- Explaining the financial context, over the medium term, and within an uncertain economic and funding environment in which the Council is set to operate.
- Helping to ensure that the Council's financial resources are directed to support delivery of the Corporate Plan priorities and value for money.
- Providing a medium term forecast of resources and expenditure and to illustrate the financial effects of existing financial commitments, both revenue and capital, over the

medium term, and to inform transformational and commercial strategies necessary to achieve a balanced budget.

- Maximising the Council's financial resilience and management of risk and volatility, including maintaining adequate risk reserves.
- Managing effectively the Council's land and property assets by undertaking a prudent level of capital investment in addition to maximising returns on new investments
- Establishing a robust, stable and sustainable budget capable of withstanding future financial pressures.

10. Financial Analysis

10.1 Local Government Financial Settlement 2018/19

The Government announced its final Local Government Financial Settlement on 8 February 2018.

Revenue Support Grant - As part of the 4 year Financial Settlement in 2017/18 West Lindsey District Council had seen a further reduction in Revenue Support Grant (RSG) of 45.1 % on 2016/17 amount. The 2018/19 RSG is £0.371m and will reduce to a negative RSG of -£0.065 by 2019/20.

Whilst our plans to date have been based on the reduction of RSG to zero by 2019/20 as part of the four year settlement, which the Government has maintained for this Settlement, WLDC will actually be in a negative RSG position. The Government has committed to consult on how negative RSG will be dealt with over the summer of 2018.

Rural Services Delivery Grant – The reducing RSG is remediated to some degree by the separation of the Rural Services Delivery Grant (RSDG). As part of this agreement the RSDG was expected to reduce in 2018/19 to £0.293m however, the provisional settlement 2018/19 maintained the grant at the 2017/18 level of £0.381m. Further additional funding for this grant has been announced as part of the final settlement with a further increase of £0.094m for WLDC. This outcome has been due to the successful lobbying of Government by the RSN, WLDC and others for fairer funding for rural communities. We have assumed within the MTFP that this grant will revert back to £0.381m for 2019/20 although it is likely that it will now remain at the 2018/19 level of £0.475m

These two grants have been rolled up into the Business Rates Tariff for 2018/19 as part of the Business Rates Pilot arrangements, but have been identified separately in our Medium Term Analysis for transparency. We have assumed that the RSDG will revert back to £0.381m ongoing, however it may be likely that the 2018/19 level is maintained.

New Homes Bonus - Despite lobbying from Local Authorities the MHCLG have maintained their position with regards to NHB, although the threatened increase to the expected growth level before payment is made has not been increased and remains at 0.4%

Council Tax - The settlement has made changes to the Council Tax increase that would trigger a referendum. This has been amended to 3% or £5 whichever is the higher for Shire Districts. (Previously the figure was 2% or £5).

Business Rates - The Council will benefit from additional Business Rates income of £1.6m. This is due to a number of factors, including a 3% increase in the multiplier equating to £0.6m, increases in rateable value growth, S31 grants and renewable energy (£0.5m), in addition the Council will benefit from an additional one off amount of £0.5m from being part of the successful Greater Lincolnshire (excluding NE Lincolnshire) Pilot bid for 100% Business Rate Retention in 2018/19 only. Our commitment in the Pilot scheme was to use this additional funding towards

development in the District and this plan is provided on that assumption. The budget is based on estimates and based on information as at 30 November 2017, therefore exact level of the gain will not be known until the financial year end.

The increase in SFA 2018/19 is due to the NNDR – Baseline Funding being adjusted for the 100% business rates retention scheme. The assumption is that this will be for 1 year only.

The profile of grant reductions is shown in the table below;

	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	-0.065	-0.124	-0.185
NNDR - Baseline funding	2.641	3.111	3.226	2.766	2.823	3.407	2.972	3.032	3.092
Rural Services Grant	0	0	0	0.471	0.381	0.475	0.381	0.381	0.381
TOTAL SFA	6.610	6.236	5.424	4.624	3.965	4.253	3.288	3.289	3.288
% Annual Change		-5.66	-13.02	-14.74	-14.26	7.26	-22.70	0.03	-0.02
NHB	1.083	1.549	1.986	2.487	1.896	1.278	1.014	0.693	0.658
TOTAL SFA incl NHB	7.693	7.785	7.410	7.111	5.861	5.531	4.302	3.982	3.946
% Annual Change		1.20	-4.81	-4.03	-17.58	-5.63	-22.22	-7.44	-0.89

10.2 Budget Assumptions

The budget presented in this paper assumes the following income assumptions:

- Employee Pay Award 2% per annum
- Council Tax increase at 3% annum and growth 0.5%
- Commercial Property Investment of £20m (from 2017/18-2019/20) to generate £0.6m savings by 2020/2021
- No growth in NNDR for future years - whilst we have growth this is currently being negated by the impact of appeals
- £1.6m gain from 100% Business Rates of which £0.5m from being in a Pilot scheme
- Contractual inflation only applied to service expenditure budgets
- New Homes bonus is based on Government estimates and payable over 4 years.
- Electricity 4%
- Gas 4% from 2018/19

Based on the above assumptions the proposed budget for the Council in 2018/19 will be £15.427m.

APPENDIX 1

Business Activity Over the Next Three Years

The Council's annual business planning activity is designed to identify improvements to service delivery, key projects to support the objectives of the Corporate Plan and additional sustainable revenue streams. All service areas partake and the options generated are fully-appraised; financial implications assessed with decisions made by the Management Team. Feedback is provided and delivery of approved initiatives is monitored through the Councils project management methodology.

Key initiatives considered for 2018/19 onwards focused on the completion of key projects i.e. the build and delivery of the Crematorium facility and completion of the review of Leisure Contract. Across economic development support for the regeneration and development of the District will continue in the form of securing a strategic Development Partner to support the realisation of the Council's growth ambitions. In addition, support for businesses in the form of creating managed workspace facilities is a key driver.

Work on the Council's Customer First agenda is well-supported. A Digital and ICT Strategy is to be completed. This will provide a focus for the Council in ensuring that access to services and communication with residents are improved and take advantage of technological advances. Ensuring our staff are more customer-focused is also a key component of the overarching programme.

Wellbeing and support for communities is of high importance. The Council has been successful in being awarded a contract to deliver such services and the impact of this is reflected in the business planning work. Additionally, on-going support for home choices and homelessness are also key concerns.

The identification of sustainable income streams is also reflected in the business plans. The Council will continue to pursue its Commercial Property Investment Strategy. Additional income streams have also been identified in the form of introducing a charge for green waste collection, expanding the Council's trade waste service and securing additional income from street cleansing and associated activities.

Further initiatives are evident across a range of Council activity. More comprehensive details are available for review below;

Area	Activity
Key Projects	Build and develop a Crematorium
	Maximise the return from the Leisure Contract
Economic Development & Growth	Appoint a Development Partner
	Deliver Investment in Gainsborough Town Centre
	Develop the Green Corridor
	Develop and Deliver a Three Year Business Plan for Market Rasen
	Deliver the Housing Strategy
	Develop managed workspace facilities
	Create additional car parking capacity
	Undertake review of tourism service
Customer First	Introduce a Digital Strategy for all Services
	Develop an approach that puts the Customer at the centre of all service delivery
	Re-focus services to be customer centric
	Establish quality standards for customer service
	Introduce Green Waste Charging

Waste Services & Regulatory Services	Grow the income from Trade Waste Services
	Pursuit of additional and growth of current income streams associated with street cleansing
	Develop options for future waste depot facility
	Review the Food Hygiene and ASB services
Housing & Wellbeing	Establish the new Well-Being Service
	Introduce the new Choice Based Lettings System
	Meet the new Homelessness Act requirements
	Identify means of and provide appropriate support for particularly vulnerable communities
ICT	Develop an ICT Strategy
	Develop an Omni-channel approach that puts the Customer at the centre of all service delivery
	Undertake refresh of desktop ICT devices
Development Management	Introduce a new IT system for Land Based Services [Development Management, Building Control and Land Charges]
	Implement statutory increase in planning fees
Miscellaneous	Understand and assess implications of roll-out of Universal Credit (Oct 2018)
	Appraise usefulness of a project/programme management system

APPENDIX 2**THE MEDIUM TERM FINANCIAL PLAN 2018/19 TO 2022/23****1.1 Introduction**

The Medium Term Financial Plan (MTFP) is the primary strategic financial document for this Authority. This document will support the national and local context as set out in the Executive Business Plan, the commitments of the Council 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 achieved reductions in the base budget of £3.3m through the Financial Strategy and initiatives to reduce expenditure, increase income and generating new income streams. Council Tax has been frozen in three out of the last six years whilst still providing award winning services to our residents.

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

The MTFP is designed to complement the values set out in the Corporate Plan and deliver the Entrepreneurial Model by supporting the following values and approach

The Corporate Plan details the values which guide our working:

- Delivering a surplus to re-invest
- Investing in communities
- Delivering Customer Focused priorities
- Generating Growth
- Investing in communities to help themselves and others
- A more commercial Council
- A modern, innovative and collaborative Council

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

- to drive a robust and sustainable financial position
- to support growth and service delivery, utilising the Council's resources
- to ensure financial decision making is based on robust business cases that clearly match our ambitions

The MTFP will deliver against these objectives and principles by:

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

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. FINANCIAL STRATEGY

The Financial Strategy is designed to complement the values set out in the Corporate Plan and deliver the Entrepreneurial Model by supporting the following values;

The Corporate Plan details the values which guide our working:

- Delivering a surplus to re-invest
- Investing in communities
- Delivering Customer Focused priorities
- Generating Growth
- Investing in communities to help themselves and others
- A more commercial Council
- A modern, innovative and collaborative Council

Our financial strategy supports these values and the Business Plan objectives with the following principles:

- to drive a robust and sustainable financial position
- to support growth and service delivery, utilising the Council's resources
- to ensure financial decision making is based on robust business cases that clearly match our ambitions

The Strategy needs to achieve these objectives by continuing to support growth and service delivery, whilst understanding our funding position, this will be achieved by;

- Maximising the income from all services and be opportunistic but not at the cost to our own service delivery.

- Minimise the cost of services where ever possible whilst maintaining the quality of services and improving performance levels
- Securing value for money
- ensuring sound and appropriate mechanism to support robust decision making
- Costs of borrowing can be met from either commercial returns and/or cost savings

The Financial Strategy needs to consider the National Context and future Government Policy which may affect the Councils financial position in the medium term.

2.1 National Context

On 19th December 2017 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 2018/19. The final settlement being announcement in February 2018, the impact of which is covered in brackets in each bullet point below;

The main points were;

- Increase of the Council Tax referendum limit increased by 1% to 3%
- For 2018/19, there are no changes to how the award of New Homes Bonus will be made and as announced at last year's settlement, New Homes Bonus grant in 2018/19 will be paid on the basis of 4 years award with growth above 0.4% rewarded;
- Rural Service Delivery Grant in 2018/19 will remain at a national level of £65m rather than being reduced by £15m in 2018/19 as had been planned, this was subsequently increased to £81m in the final settlement;
- There will be a consultation in the spring of 2018 on negative RSG planned for 2019/20;
- Proposals for new Business Rates Pilots in 2018/19 have been approved for 10 areas in addition to London;
- There will be a reset of business rates baselines in 2020/21;
- There will be a move to 75% business rates retention for 2020/21 which will see RSG and Public Health grant replaced by business rates income.

2.2 Core Spending Power within Local Government

Based on the Government's announcement the Core Spending Power will see only a small impact of 2.1% nationally, however in allocating Core Spending Power to individual authorities which is based on the services they provide, WLDC is likely to see a 13.2% reduction over the 4 year period. The tables below detail the impact of individual Government funding streams.

CORE SPENDING POWER¹

England

Illustrative Core Spending Power of Local Government;

	2015-16	2016-17	2017-18	2018-19	2019-20
	£ millions	£ millions	£ millions	£ millions	£ millions
Settlement Funding Assessment ²	21,249.9	18,601.5	16,632.4	15,574.0	14,397.9
Compensation for under-indexing the business rates multiplier	165.1	165.1	175.0	275.0	374.8
Council Tax of which;	22,035.9	23,247.3	24,665.8	26,600.2	28,047.4
<i>Council Tax Requirement excluding parish precepts (including base and levels growth)</i>	22,035.9	22,858.5	23,701.6	24,902.6	26,166.0
<i>additional revenue from referendum principle for social care</i>	0.0	381.8	948.2	1,661.2	1,824.4
<i>Potential additional Council Tax from £5 referendum principle for all Districts</i>	0.0	7.0	16.0	36.4	57.0
Improved Better Care Fund	0.0	0.0	1,115.0	1,499.0	1,837.0
New Homes Bonus ³	1,167.6	1,461.9	1,227.4	947.5	900.0
New Homes Bonus returned funding	32.4	23.1	24.5	0.0	0.0
Rural Services Delivery Grant	15.5	80.5	65.0	81.0	65.0
Transition Grant	0.0	150.0	150.0	0.0	0.0
The Adult Social Care Support Grant	0.0	0.0	241.1	150.0	0.0
Core Spending Power	44,666.5	43,729.3	44,296.3	45,126.7	45,622.1
Change over the Spending Review period (£ millions)					955.6
Change over the Spending Review period (% change)					2.1%

Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Spending Power.

¹ The figures presented in Core Spending Power do not reflect the changes to Settlement Funding Assessment made for pilot authorities. For information about pilots please refer to the Pilots Explanatory Note. For the Settlement Finance Assessment figures after adjustments for pilots please see Key Information for Local Authorities.

² 2019-20 Settlement Funding Assessment has been modified to include a provisional tariff or top-up adjustment.

³ New Homes Bonus allocations for 2019-20 are for illustration purposes only. Actual payments will depend on housing delivery and are subject to change.

2.3 Local Settlement Funding

The Provisional Financial Settlement was issued by Government in December 2017, in relation to West Lindsey we will see further reductions from the 2017/18 Core Spending Power to 2019/20 as illustrated in the table below. The final settlement is to be announced in February 2018.

CORE SPENDING POWER¹

Please select authority

West Lindsey

Illustrative Core Spending Power of Local Government;

	2015-16	2016-17	2017-18	2018-19	2019-20
	£ millions	£ millions	£ millions	£ millions	£ millions
Settlement Funding Assessment ²	4.9	4.2	3.6	3.3	2.9
Compensation for under-indexing the business rates multiplier	0.0	0.0	0.0	0.1	0.1
Council Tax of which;	5.4	5.7	5.8	6.1	6.3
<i>Council Tax Requirement excluding parish precepts (including base and levels growth)</i>	5.4	5.6	5.8	6.0	6.3
<i>additional revenue from referendum principle for social care</i>	0.0	0.0	0.0	0.0	0.0
<i>Potential additional Council Tax from £5 referendum principle for all Districts</i>	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 ³	2.0	2.5	1.9	1.3	1.1
New Homes Bonus returned funding	0.0	0.0	0.0	0.0	0.0
Rural Services Delivery Grant	0.1	0.5	0.4	0.5	0.4
Transition Grant	0.0	0.0	0.0	0.0	0.0
The Adult Social Care Support Grant	0.0	0.0	0.0	0.0	0.0
Core Spending Power	12.4	12.8	11.7	11.2	10.8
Change over the Spending Review period (£ millions)					-1.6
Change over the Spending Review period (% change)					-13.2%

Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Spending Power.

¹ The figures presented in Core Spending Power do not reflect the changes to Settlement Funding Assessment made for pilot authorities. For information about pilots please refer to the Pilots Explanatory Note. For the Settlement Finance Assessment figures after adjustments for pilots please see Key Information for Local Authorities.

² 2019-20 Settlement Funding Assessment has been modified to include a provisional tariff or top-up adjustment.

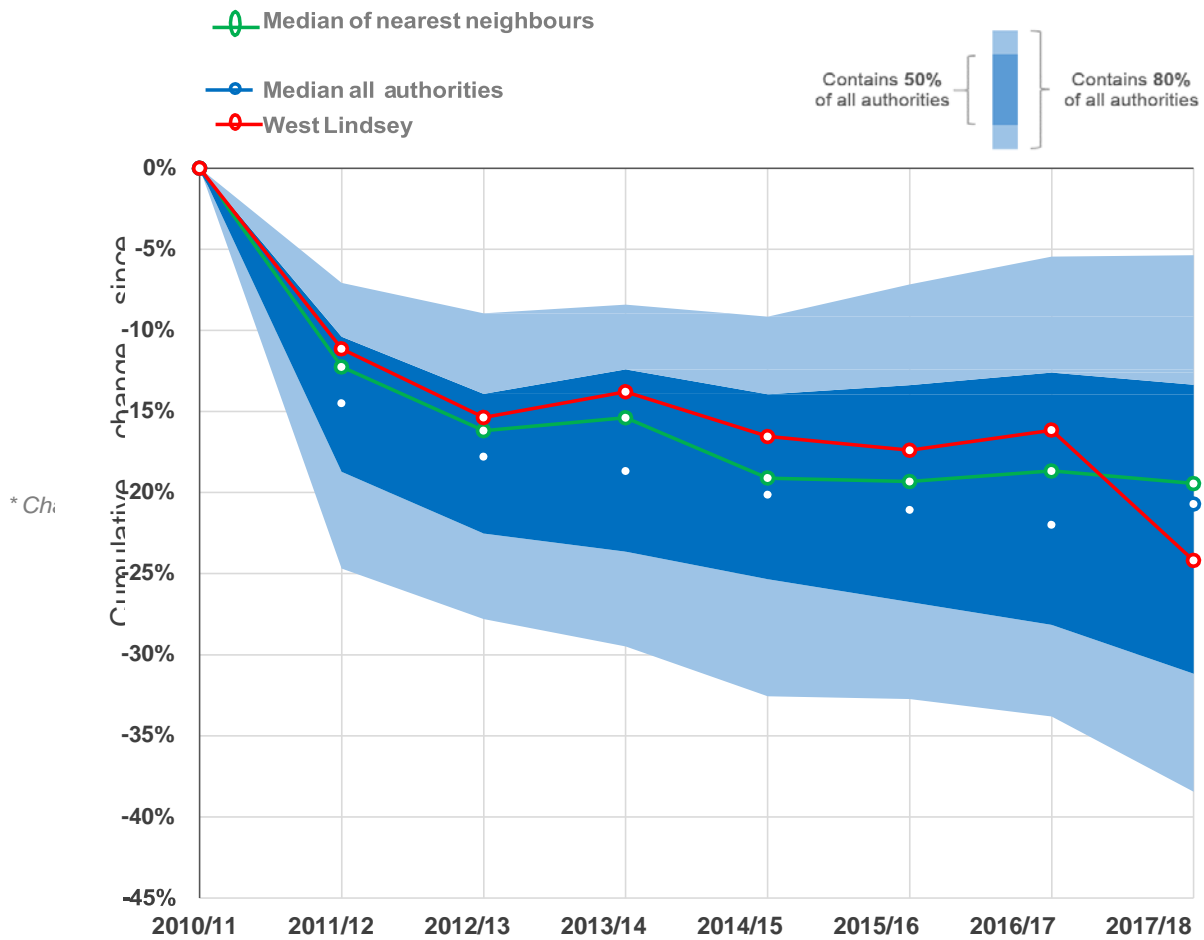
³ New Homes Bonus allocations for 2019-20 are for illustration purposes only. Actual payments will depend on housing delivery and are subject to change.

Benchmarking of the change in core budgeted expenditure since 2010/11 (the point at which the government's austerity measures were introduced) against our nearest neighbours and all District Council's is illustrated in the graph below.

The analysis focuses on 'core expenditure', which excludes schools, emergency services and public health spending. Other than excluding public health - a responsibility that was partially assumed by local councils in 2013/14 - the analysis does not attempt to adjust for other changes in functions and responsibilities

Between 2010/11 and 2017/18, West Lindsey's budgeted expenditure decreased by 24.2%. This is mainly due to the reduction in Settlement Funding of £0.6m and reduction in New Homes Bonus of £0.6m net of the ability to raise Council Tax £0.2m and an increase of £0.1m in Rural Services Delivery Grant. This compares to the median for all authorities in England, with a decrease of 20.7%. This graph below illustrates this position.

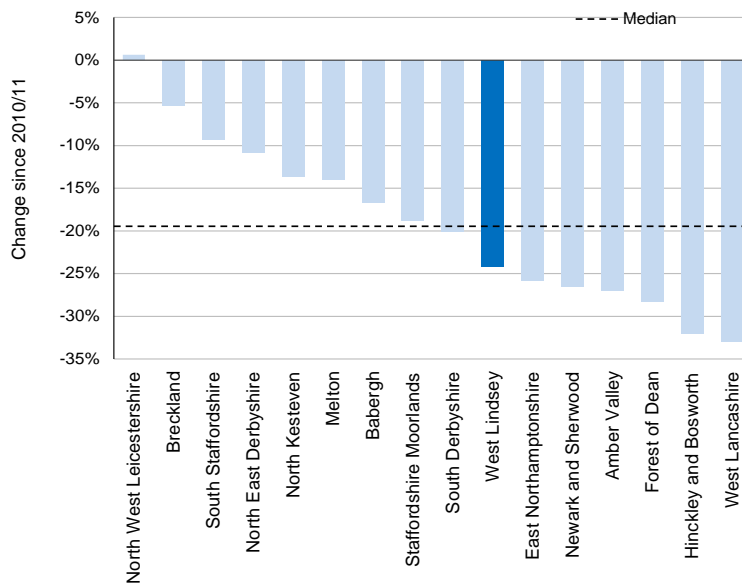
Chart 1 - Change in core spending power since 2010/11 (England)* to 2017/18



The Council continues to respond to Government consultations and lobbies for fairer funding for rural District Councils through the Rural Services Network, the Association of District Treasurers and the Local Government Association.

West Lindsey's overall change of -24.2% was also below the nearest neighbour median of -19.4%, and was ranked 10th highest in the group. This is illustrated in Chart 2.

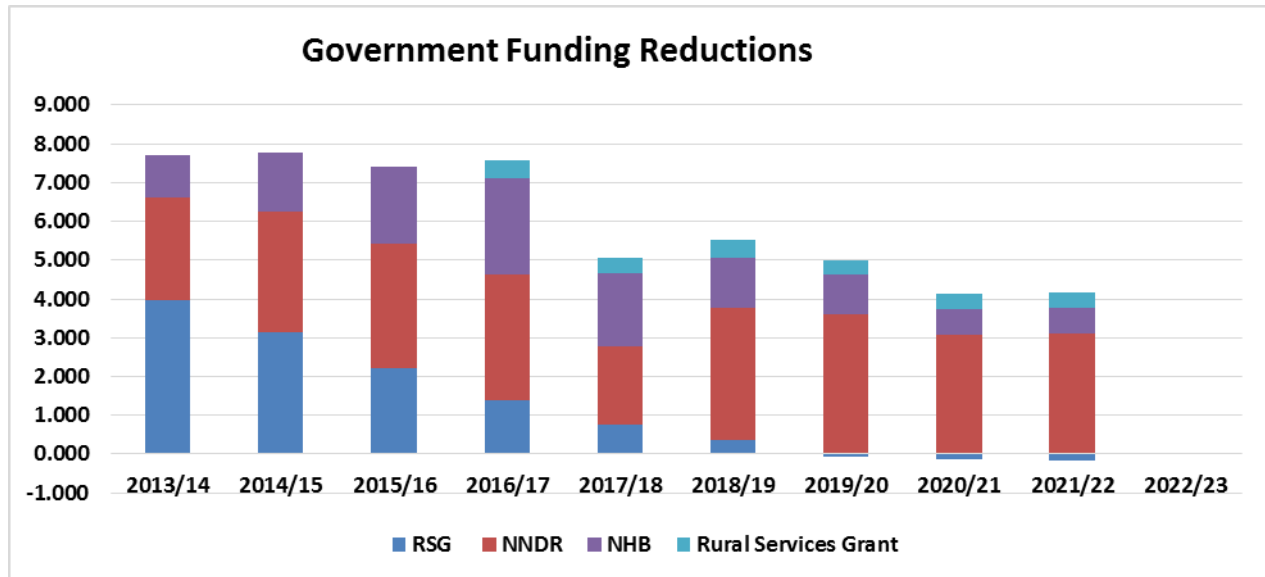
Chart 2 - Change in Core Expenditure Since 2010/11 (NN Group)



This Council had prudently prepared for funding reductions having signed up for the 4 year settlement offer in 2016/17 which saw a reduction in RSG from £1.387m to -£0.065 in 2019/20.

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 (RSG) and Business Rates (NNDR) baseline (elements of the Settlement Funding), New Homes Bonus (NHB) and the Rural Services Grant.

Information beyond 2021/22 has not been projected as Government Policy implications is as yet unknown.



The Council's settlement funding resources for 2018/19 total £4.252m. This includes the one-off gain from being part of the Greater Lincolnshire Pilot for 100% business rates retention of an estimated £0.5m.

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

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 Council's 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 M of the Medium Term Financial Plan, with our Strategic (Present and Future) and Risk chart illustrated below;

Indicators of note are:

Strategic Indicators

- Unringfenced Reserves as a proportion of net revenue expenditure. As an authority we compare favourably with regards to most financial measures due to our high level of reserves, however with a significant Capital Programme, these are forecast to reduce over the life of the MTFP.

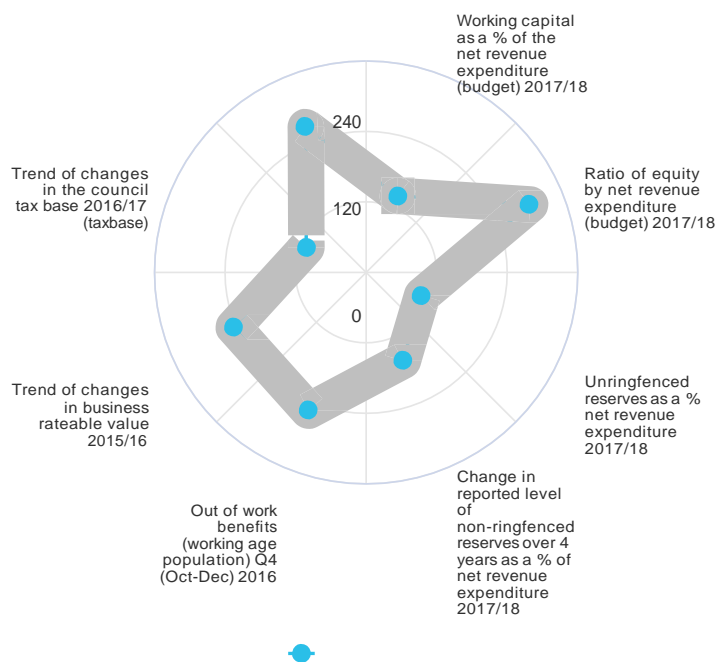
Risk Indicators

- Pension Fund Liability as a % of net revenue expenditure 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.

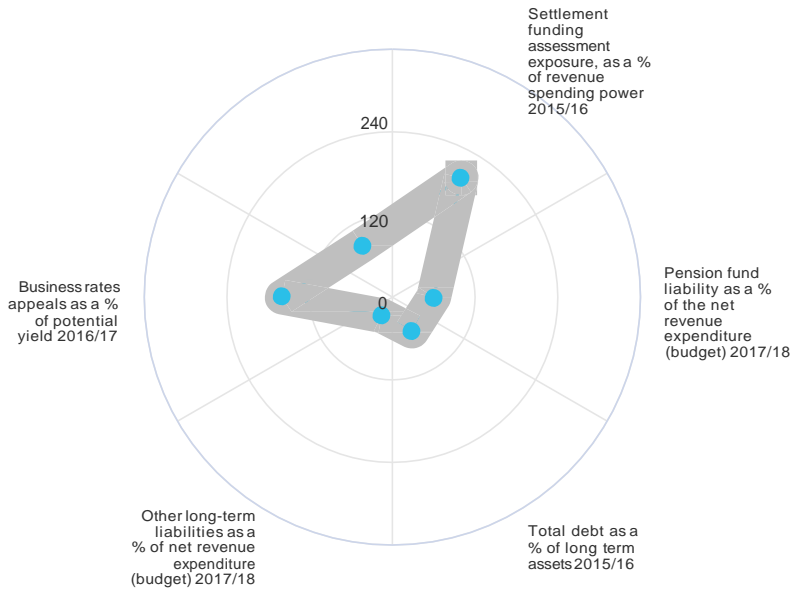
Opportunity Indicators

- Council Tax Collection rates remain some of the highest in the country.
- The opportunity to generate revenue income from Capital Investments is part of our commercial aspirations.

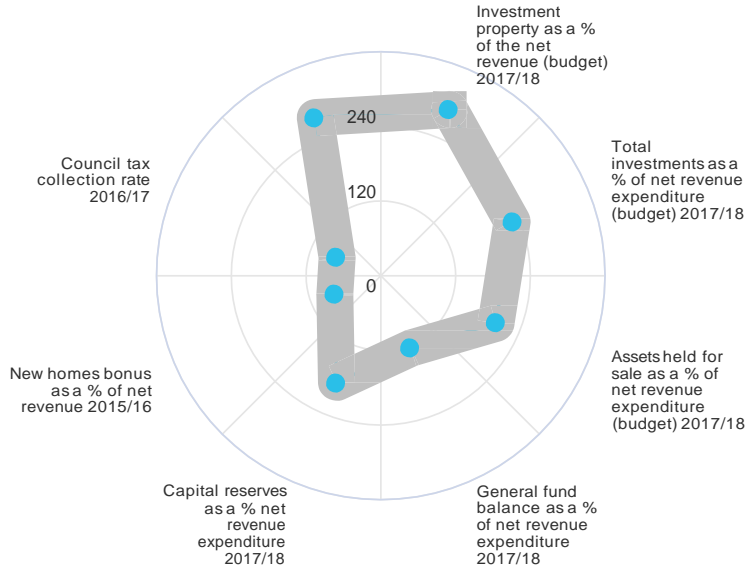
Strategic: All English authorities Rank (353)



Risk: All English authorities Rank (353)



Opportunity: All English authorities Rank (353)



2.5 Value for Money

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

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

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

The Council has responded to the financial challenges in a systematic approach to achieving value for money and by embedding the 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.

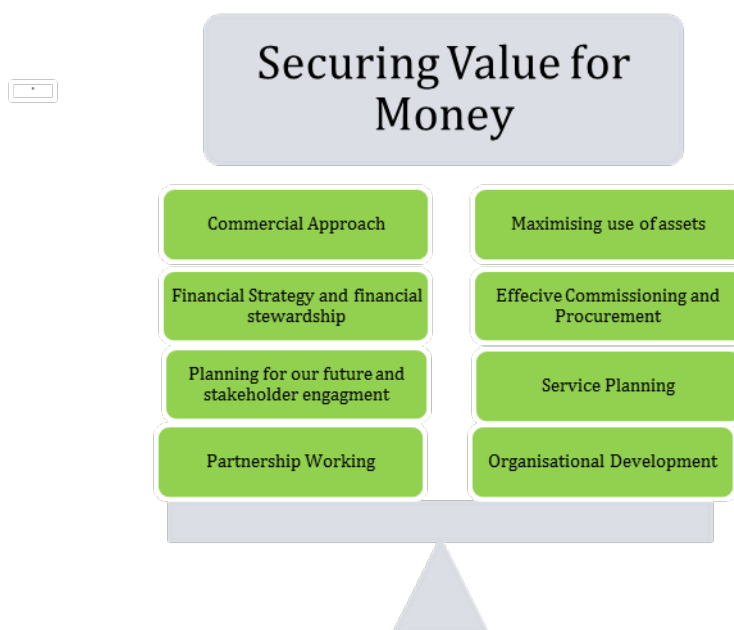
In addition the Council procured CFO Infosights for assistance in benchmarking. It is a tool developed by Grant Thornton in conjunction with CIPFA which uses national data sets such as the RA/RO financial returns. Although in it's infancy at West Lindsey have been developing the use of the tool as a means of delivering VFM through a selection of services in the following ways:

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

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

- 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



2.6 Commercial Approach

West Lindsey takes a commercial approach to the delivery of all services, with officers and members undertaking training and commercial workshops.

In addition we will consider capital investment as a means in which to generate revenue returns.

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

2.7 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.

2.8 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.

2.9 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.

2.10 Planning for our Future and Service 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.

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

2.11 Commissioning & Procurement

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

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

2.12 Financial 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.

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.
- We assume that we will generate significant revenue from new income streams by selling our services ie Trade and Garden Waste Collection

2.13 Borrowing for capital investment

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

2.14 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.

2.15 Capital Investment Strategy (Appendix E)

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 support housing 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 40 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.

The Executive and Service Business Plans inform 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.

2.16 Working Capital

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

2.17 Community Engagement

The Council hold annual Budget Engagement Events to get the views of residents, business, Parish Councils and the public.

With the challenges the Council faces the Council has a variety of options on how to meet our funding gap, these can include changes to; Fees and Charges, Council Tax charge, Commercial initiatives and the way services are delivered ie through technology or partnerships. It is therefore essential that our citizens are able to have a voice in the budget process. The full Consultation Report 2017 is available on our website <https://www.west-lindsey.gov.uk/my-council/have-your-say/consultations/previous-consultation-results/>

2.18 Treasury Management Strategy (Appendix G)

The Council will ensure that the primary principles governing the Council's investment criteria are the security of its investments and the availability of cash when required (liquidity). The yield or return on the investment is the final principle for 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 cash flow management and monitoring of interest rate forecasts will be a key focus.

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

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

2.19 Risk Considerations (Appendix B)

The full risk assessment is included at Appendix B. The key risk attached to this strategy include:

Successful delivery of our commercial and growth commitments – This strategy has plans to use a significant amount of our reserves in addition to borrowing both develop the District and to invest in 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 customer service improvement, governance and performance which is designed to manage our risk exposure and provide opportunities for assessing the likelihood for success.

2.20 Risk Management

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

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

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

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

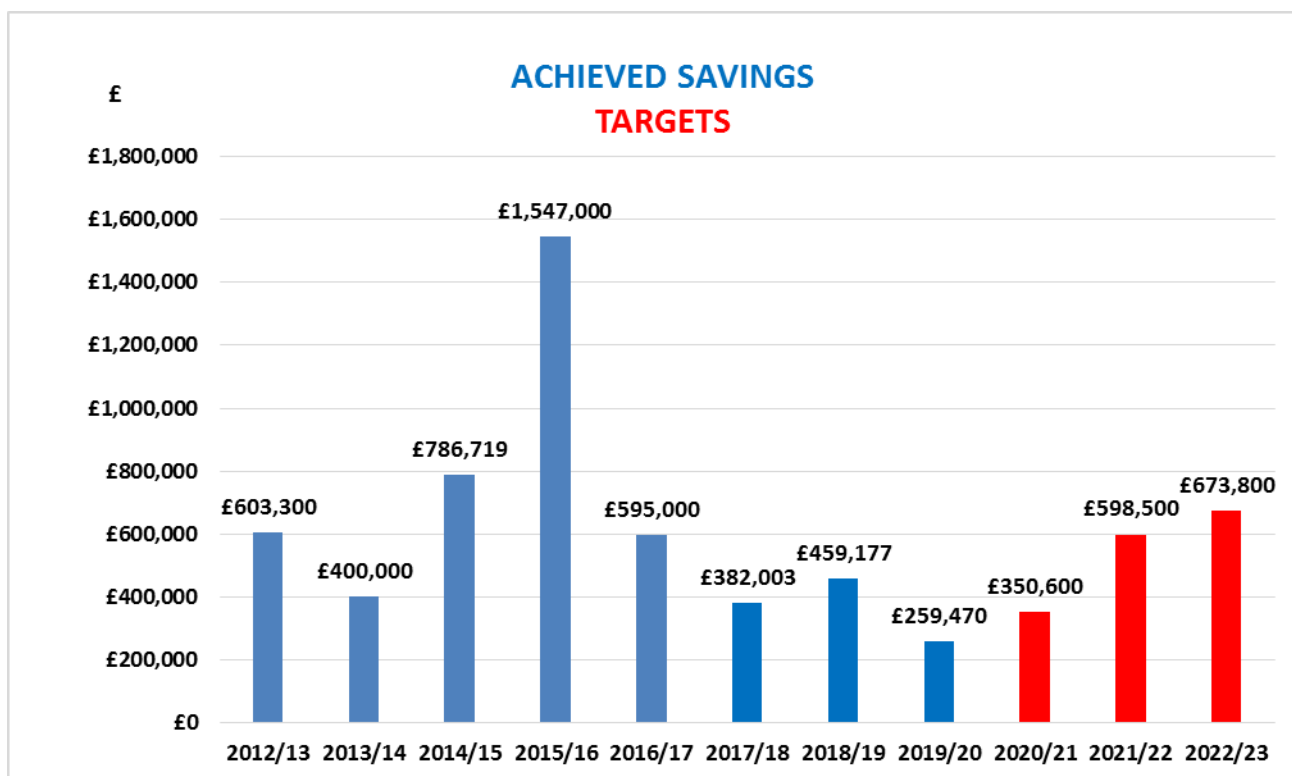
In terms of Budget risks these include;

- 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

3 Medium Term Financial Analysis

The medium term analysis remains difficult to predict due to external factors which include the move towards 100% business rates retention, UK's general election and Brexit. Funding beyond 2020 due to changes in the Local Government finance system will place greater risk locally. These unknown impacts and the level of financial risk contained within the MTFP will require closely monitoring, with at least an annual mid-year update to monitor forecasts as the consequences of these unknowns become clearer. (A Commercial Contingency budget and Business Rates Volatility Reserve have been created to mitigate financial risk within the Budget).

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;



3.1 The Medium Term Financial Analysis below details the current MTFP Funding gap and details the movements from the 2017/18 – 2022/23 position, further analysis is detailed at Appendix A;

	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
MTFP - FUNDING GAP B/fwd	(77)	126	440	434	434
Total Pressures	517	494	736	1,087	1,437
Total Savings	(199)	(199)	(199)	(199)	(199)
Total Additional Income	(1,181)	(890)	(981)	(1,078)	(1,353)
Total Capital Financing Costs	0	29	54	54	54
Total New Budgets	940	300	300	300	300
MTFP - FUNDING GAP	0	(140)	350	598	673

The movement on the medium term forecasts are detailed below;

- **Pressures** – the costs of new service pressures, mainly related to the increase from 1% to 2% in the national payaward offer, and the increased cost of pension contributions.
- **Savings** – savings on expenditure budgets as a result of the annual base budget review and contract savings achieved through procurements.
- **Additional Income** – The introduction of Garden Waste charging, the benefit of new Leisure Contract, the 20% increase in Statutory Planning Fees and projections on Trade Waste growth all contribute to this movement. An

additional 1% Council Tax and a £0.5m gain from being part of the Lincolnshire Business Rates Pilot (2018/19 only)

- **Capital Financing Costs** – The net costs of capital investment which is met from additional income or cost savings through project delivery
- **New Budgets** –
 - Commercial Contingency Budget £0.2m (ongoing) to mitigate commercial risk.
 - Business Case Development Budget £0.1m (ongoing) to support feasibility, legal and resourcing costs of investment projects.
 - Creation of a £0.5m Community grant Scheme to be delivered over 3 years (2018/19 only) funded from General Fund Balances.
 - Contribution to Business Rates Volatility Reserve £0.1m (2108/19 only)

The Financial Analysis reflects a balanced budget for 2018/19 in accordance with Statutory Requirements.

However, there remains a £0.673m funding gap which, is expected to be balanced by the development of further commercial opportunities through Gainsborough Growth Programme, and the potential efficiencies gained from the Customer First Programme intended to deliver a customer and commercial centric delivery environment. 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

We have consulted with, residents and businesses on our proposals and there has been overall general support for the Financial Strategy and the assumptions set out in the Financial Analysis.

In relation to Capital Investment the MTFP assumes that over its lifetime we will deliver a capital programme of £54.9m which will be designed to support the Council's Corporate objectives and Executive Business Plan activity. 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. It is therefore paramount that as we work towards future sustainability, we identify ongoing contributions to earmarked reserves to support future investment needs.

3.2 Longer Term Financial Outlook

The importance of understanding what the likely longer term financial position of the Council might be. The table below provides the significant assumptions on pay awards and Council Tax increases in addition to the future impacts of current business plans and capital investment projects which are forecast to generate additional returns beyond the 5 year MTFP. This provides an indication that a further £0.948m of funding gap will need to be met 10 years hence. Of course this an indication and amounts could vary significantly over time.

However we will continue to provide forecasts over the longer term to enable future strategies to be developed.

	2023/24	2024/25	2025/26	2026/27	2027/28
FUNDING GAP b fwd	673	673	673	673	673
Annual pay award @ 2%	190	376	562	750	940
Council Tax @ 3%	-62	-132	-208	-293	-385
Business Case and Capital Projects	-73	-113	-177	-225	-280
Development Partner	tbc	tbc	tbc	tbc	tbc
Net Future Funding Gap exl pressures	728	804	850	905	948

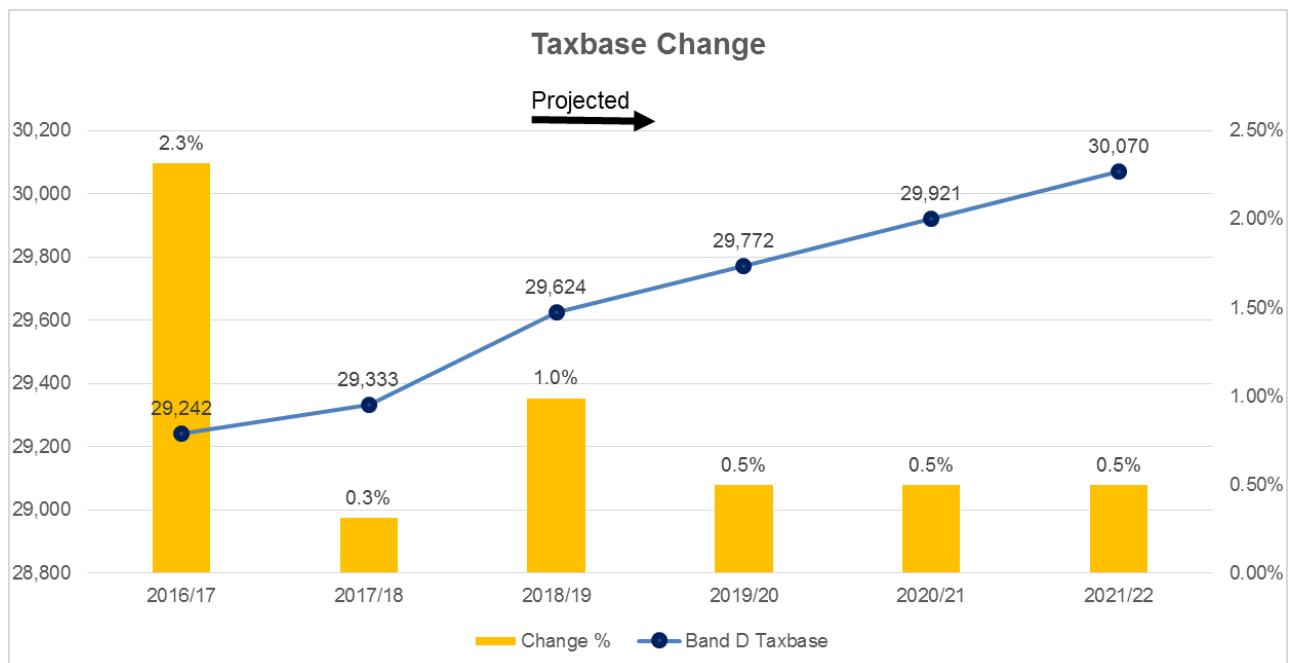
Specific elements of the Medium Term Financial Analysis include;

3.3 Council Tax Setting

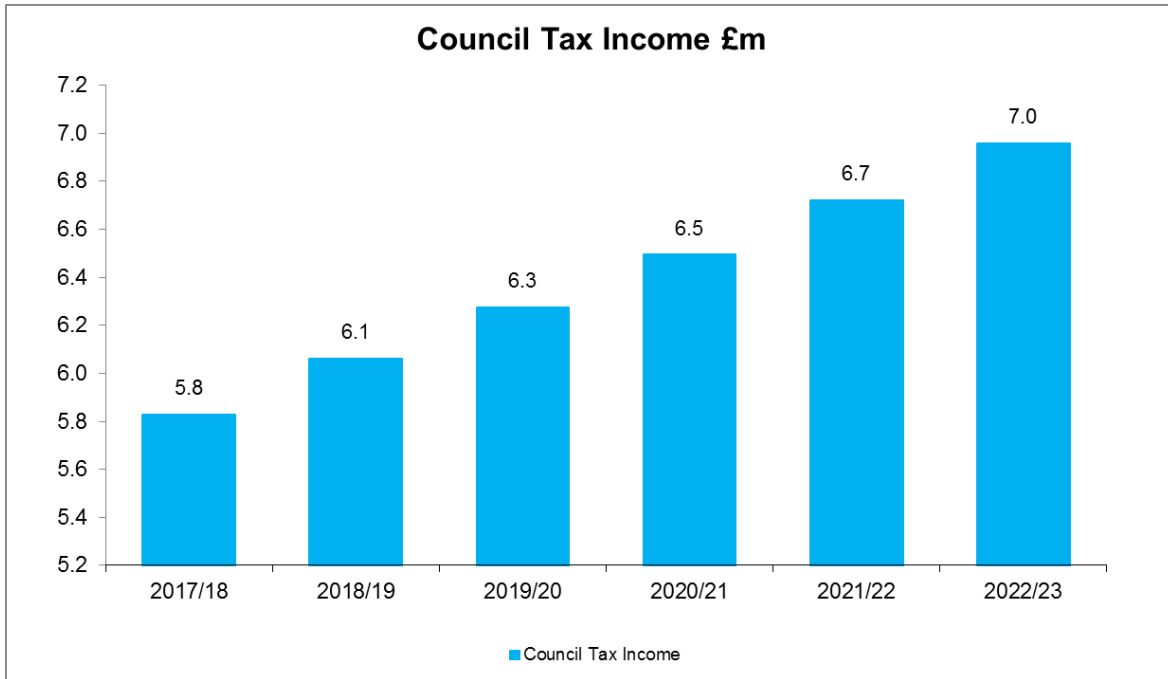
Council Tax projections are based on 2 factors;

- Estimated growth in the Taxbase
- Increase in the Council Tax charge.

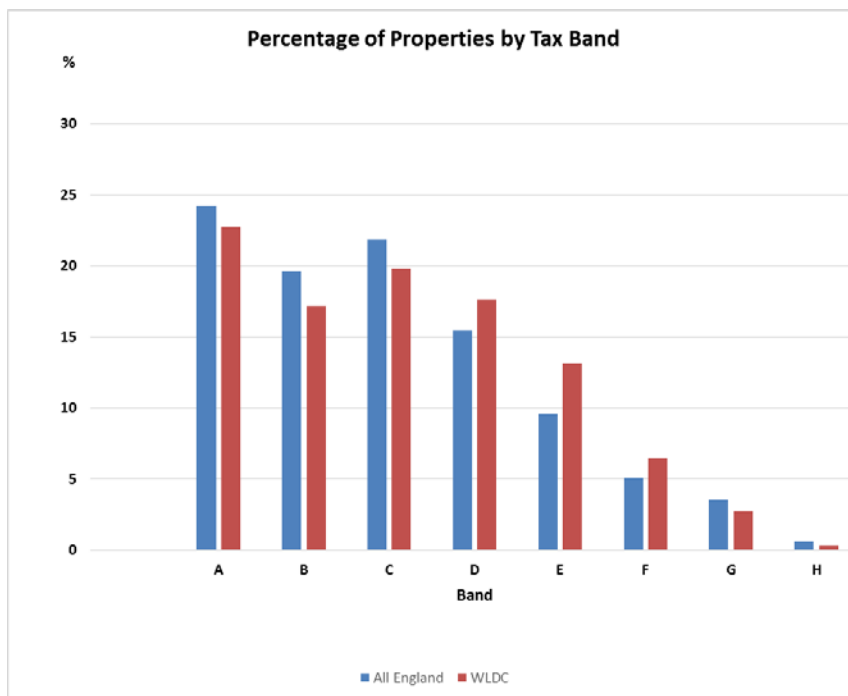
Assumptions for Tax base growth is illustrated below



The Financial Strategy aims to raise Council Tax by the maximum amount permitted without the need for a referendum, this amount has been increased from 2% to 3% as part of the Budget Statement. The Medium Term Financial Analysis therefore assumes an annual 3% uplift. Council Tax income projections including the 3% uplift are provided in the graph below;



An analysis of properties per Council Tax Band compared to the national average is detailed in the graph below;



3.4 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 estimates. However the reductions in income as a subsequence of settlement of valuation of appeals

has been offsetting this benefit for the past 2 years, therefore no growth is assumed within the Medium Term Financial Analysis.

The strategy to mitigate against volatility in the tax base due to appeals 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 the Business Rates Volatility Earmarked Reserve.

Due to the changes notified in the Budget Settlement, we will benefit from 100% Business Rates retention in 2018/19, revert back to 50% for 2019/20, and the Government is proposing 75% for 2020/21. Therefore the base budget is fixed over the MTFP and will be reviewed on an annual basis until there is stability in the scheme.

For 2018/19 we are in partnership with other Lincolnshire Authorities as a Pilot for the 100% business rates retention scheme. Gains will be earmarked to mitigate risk of volatility and for future regeneration and growth investments

3.3 Fees and Charges

- That charges are in line with cost recovery
- That charges are introduced where no charge is currently being made
- That benchmarking will be undertaken
- 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 in addition to funding additional car parking.

3.4 Commercial Investments in Property

The Local Authority has planned to borrow at significant levels to deliver a contribution from this type of non treasury investment. A Policy has been approved to establish criteria for investment. These investments may be outside the District where they are designed to deliver purely financial returns to the Council after the cost of borrowing has been met, therefore supporting ongoing service delivery. Approval to invest up to £20m was included in the 2017/18 MTFP and is forecast to generate a £0.6m contribution to the funding gap.

3.5 Service Efficiencies and Pay awards

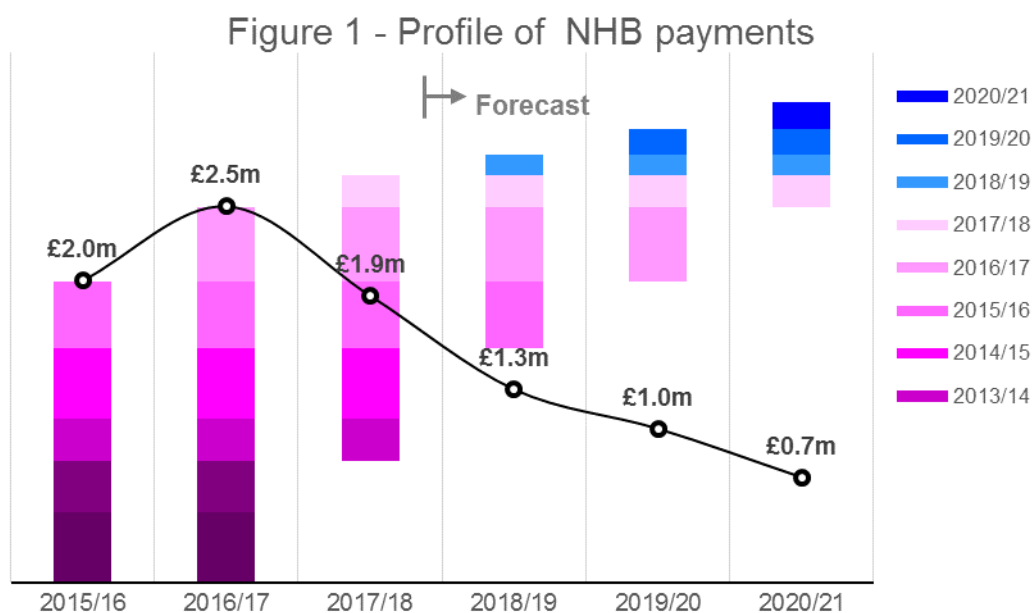
Officers will continue to seek service efficiencies and deliver the maximum reduction in expenditure without a reduction in service levels.

The pay award assumption will be aligned with the Employers recent offer of a 2% pay award. To be prudent 2% has been applied throughout.

3.6 New Homes Bonus

The forecast income to be generated from New Homes Bonus is detailed in the graph below. With a 40% implemented in 2018/19 annual awards are significantly lower than previously forecast. However as the Council's current policy is to utilise this funding for

the purpose of supporting housing and regeneration, it is set aside in the Investment for Growth reserve to fund capital initiatives. The graph below shows how New Homes Bonus funding has changed since 2015/16.



3.7 Budget Assumptions

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

- Employee Pay Award 2% per annum
- Council Tax increase at 3% and annual tax base growth of 0.5%
- Commercial Property Investment of £20m (from 2017/18-2019/20) to generate £0.6m savings by 2020/2021
- No growth in NNDR (whilst we have growth this is negated by the impact of appeals and future changes in the scheme as yet unquantifiable.
- 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 expenditure budgets 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

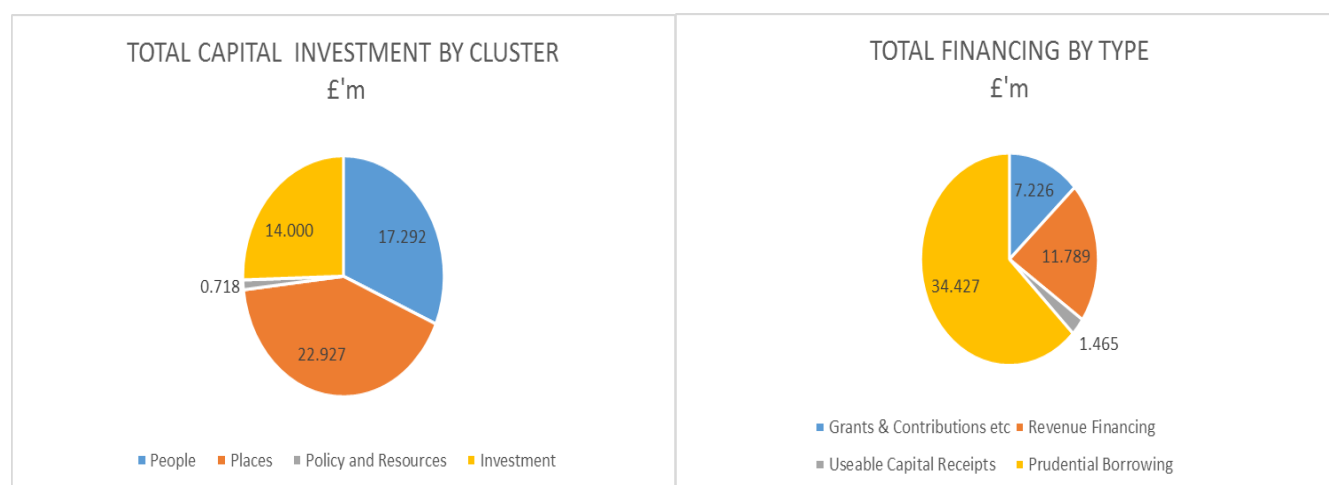
3.8 Capital Investment Programme and Funding (Appendix D & E)

The overall Capital Investment Programme totals £54.937m however, £27.695m relates to the approved Capital Budgets (Stage 3 and Business as usual) with the remainder of £27.242m being pipeline projects. The 4 levels of the Programme are detailed below;

- Pre-Stage 1 – Business Case in preparation - £8.450m
- Stage 1 – Budget approved – requires full business case - £6.374m
- Stage 2 – Business case approved in principal or awaiting funding - £12.448m
- Stage 3 and Business as Usual (BAU) – Approved to spend and funding secured - £27.665m

The detailed Capital Investment Programme 2018/19 – 2022/23 is attached at Appendix D. Appendix E details how the programme will be funded over the MTFP.

The chart below illustrates Capital Investment in Service Clusters and how this is Funded



3.9 Borrowing For Capital Schemes (Capital Financing Requirement (CFR))

The table below shows the impact of Capital Investment decisions on our need to borrow to fund relation to Prudential Borrowing. It is anticipated that by 2022/23 we will have a funded £41.5m of capital investment by borrowing. As part of our Treasury Management function we will consider whether to utilise internal funds or seek external borrowing to meet this financing, this will take into consideration future interest rates and cash balances.

£m	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	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	0.122	0.027	0.000	0.000	0.000	0.000	0.000
Prudential Borrowing	0.032	7.681	22.756	42.025	41.696	41.148	40.458
Total CFR	1.219	8.773	23.821	43.090	42.761	42.213	41.523

3.10 Revenue Implications of Prudential Borrowing

Contained within the Capital Programme Financing (Appendix D) is a forecast that we will undertake Prudential borrowing (as detailed in the table above) to finance a number of significant projects. In line with the Financial Strategy, the costs of borrowing must be met by the returns generated from the investment, in addition to a required contribution to the funding gap. The total cost of borrowing over the MTPF is £34.427m, this borrowing will cost the General Fund £1.919m by 2022/23. The table below details the schemes which are funding this borrowing;

Detail	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£	£	£	£	£
Cost of Borrowing:						
<i>Minimum Revenue Provision</i>	0	65,400	17,860	329,170	547,870	689,858
<i>Interest Payable</i>	47,300	371,840	882,965	1,174,080	1,174,080	1,174,080
Loss of investment interest	19,944	15,030	34,479	51,715	52,628	55,709
Total Cost of Prudential Borrowing	67,244	452,270	935,304	1,554,965	1,774,578	1,919,647
Funded From						
<i>Commercial Properties</i>	-79,000	-559,100	-1,066,400	-1,159,200	-1,159,200	-1,159,200
<i>Carbon</i>	0	-6,000	-6,000	-6,000	-6,000	-6,000
<i>Car parks</i>	-7,675	-12,320	-36,435	-36,435	-36,435	-36,435
<i>Saxilby</i>	0	-15,531	-11,349	-11,349	-11,349	-11,349
<i>Crematorium</i>		0	-38,100	-158,900	-186,800	-226,800
<i>Leisure Centre</i>		0	-162,159	-290,919	-293,734	-296,606
Net Impact (-)income	-19,431	-140,681	-385,139	-107,838	81,060	183,257
Use of in year New Homes Bonus	-25,471	-47,930	-177,115	-417,631	-389,731	-349,731
TOTAL REVENUE IMPACT (-) Income	-44,902	-188,611	-562,254	-525,468	-308,671	-166,474

Note: The use of in year New Homes Bonus to support regeneration through the creation of a Crematorium and new Leisure facilities is to finance these costs prior to business growth.

3.11 Impact on Reserves

The level of the General Fund Balance will be set, as a minimum at 10% (an increase from 5%) of Net Operating Expenditure (£1.4m for 2018/19)

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 table below provides the forecast level of reserves, after taking into account Capital Investment decisions, revenue contributions to the reserves and their use over the MTFP.

The use of reserves for revenue purposes relate mainly to one off investments in projects or for budget smoothing purposes.

Year End Resources £m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
General Fund Balance	-4.838	-2.707	-2.352	-2.322	-2.322	-2.322	-2.322
Earmarked Reserves	-13.334	-12.443	-10.326	-7.398	-7.954	-8.454	-7.949
Capital receipts	-2.895	-2.434	-1.977	-1.980	-1.868	-1.933	-1.998
Capital Grants Unapplied	-0.153	-0.006	-0.006	-0.006	-0.006	-0.006	-0.006
Total Reserves @ 31.3.xxxx	-21.220	-17.590	-14.661	-11.706	-12.150	-12.715	-12.275

Earmarked Reserves are made up of a number of reserves which the Council utilises for Capital Investment, Service Investment, Replacement and Renewals, Budget Smoothing, Risk Management etc. The Council continues to utilise New Homes Bonus to support housing regeneration and economic growth schemes.

4. 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 2018.

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

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

The earmarked reserves as set aside by the Council at the year-end 2016/17 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.

5. Current Financial Position 2017/18

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 Management Team review summary details every quarter or by exception.

An audit of the budget monitoring (2016) 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 £0.009m.

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

The Capital Budget forecast out-turn for schemes approved for spend (includes Stage 3 and Business as Usual) totals £10.553m against an original budget of £13.879m with pipeline schemes (Pre Stage 1, Stage 1 and Stage 2) expected to spend £0.298m (subject to future formal approval) This gives an overall total of £10.851m.

6. Revenue Budget 2018/19

The Council presents a balanced budget for 2018/19 for approval, with the amount to be met from Government Grant or Council Tax being £15.427m

Cluster	2018/19 Budget £
People	4,849,100
Places	493,300
Policy and Resources	5,081,300
Grand Total	10,423,700
Capital Accounting Adjustment	(816,600)
Committee Total	9,607,100
Drainage Board Levies	351,500
Parish Precepts	1,909,249
Interest and Investment Income	(263,300)
Interest Payable	371,800
Statutory MRP	32,400
Capital Expenditure Charged Against General Fund	6,024,300
Net Operating Expenditure	18,033,049
Capital Grants Applied	555,200
Transfer to / (from) General Fund	(555,700)
Transfer to / (from) Earmarked Reserves	(2,605,307)
Amount to be met from Government Grant or Council Tax	15,427,242
Funding	
Revenue Support Grant	370,700
Business Rate Retention Scheme	5,159,100
Collection Fund Surplus - Council Tax	105,010
Parish Councils Tax Requirement	1,909,249
New Homes Bonus	1,278,400
Other Government Grants	547,500
Council Tax Requirement	6,057,283
TOTAL FUNDING	15,427,242
Balanced Budget/Funding Gap	0

6.1 Service Budgets (Clusters)

The MTFP 2017/18 projected a funding gap in the 2018/19 financial year of £0.459m 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 meeting this funding gap. The Council has been successful in identifying these savings against this target. The significant savings on expenditure have been achieved from;

- Base budget review - £0.148m
- Contract Renewals £0.051m

Additional income is forecast from;

- The introduction of Green Waste Charging - £502k
- Planning Fees (incl 20% Statutory Fee increase) - £209k
- Fees and Charges £0.059m
- Council Tax (incl surplus) – £0.069m
- Trade Waste income – £0.131m
- Wellbeing Service Contract - £0.079m
- Interest Receivable - £0.079m

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

- An increase of 1% to 2% for the national pay offer - £0.082m
- Service pressures - £0.114m
- Commercial Property Investment Re-profiled - £0.195m

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 £0.138m per annum of additional grant having been generated. The Government has confirmed that this will be received for a period of 4 years. Further reductions may be required in future years to support other public services. The total allocation for 2018/19 £1.278m. Future projections are based on Government estimates.

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 was anticipated that the scheme will be reviewed in the near future. The Government has recently announced that from 2020/21 there will be a 75% retention scheme.

The Council will continue to benefit from being a partner in the Lincolnshire Business Rates Pool and in addition for 2018/19 we estimate a £1.6m benefit from the 100% Business Rate Retention scheme awarded to Greater Lincolnshire authorities. Gains will be transferred to the Business Rates Volatility Reserve and the Investment for Growth Reserve.

The proposed 2018/19 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 2018/19 raising to £0.600m by 2021/22.

The overall amount to be funded from Government Grant or Taxation is £15.434m

6.2 Council Tax 2018/19 (Appendix H-L)

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 2018/19 this limit is set at 3% 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 3.5% 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 2018/19 is therefore to increase Council Tax by 3% to £207.27 reflecting an increase of £6.03 (11p per week)

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
2018/19	207.27	3.00	6.03

The composition of the proposed Council Tax charge by property valuation band, with Band D being the comparator, is set out in the table below for information (excluding Parish Precepts)

Table 4 Council Tax Charges by Band 2018/19 (excludes parish precepts)

Band	West Lindsey DC	Lincolnshire CC	Police & Crime Commissioner Lincolnshire	Aggregate Council Tax
A	138.18	820.98	144.96	1,104.12
B	161.21	957.81	169.12	1,288.14
C	184.24	1,094.64	193.28	1,472.16
D	207.27	1,231.47	217.44	1,656.18
E	253.33	1,505.13	265.76	2,024.22
F	299.39	1,778.79	314.08	2,392.26
G	345.45	2,052.45	362.40	2,760.30
H	414.54	2,462.94	434.88	3,312.36

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

Parish Precepts are in addition to the amounts reflected above, the average Parish Precept is £65.33 (£64.48 2017/18) reflecting an increase of 1.32% increase.

6.3 Business Rates (NNDR)

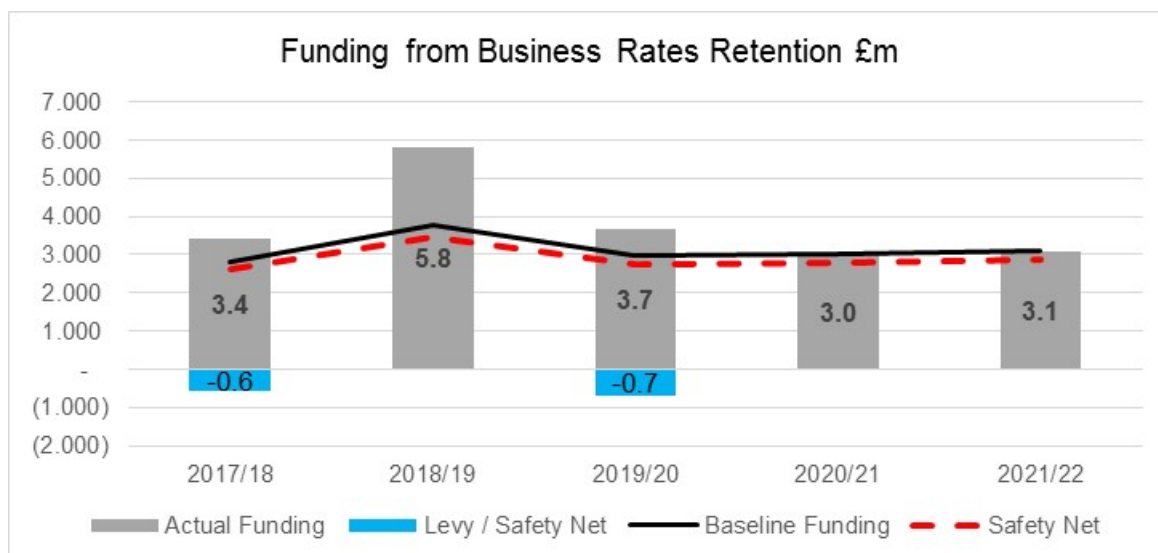
For 2018/19 West Lindsey District Council were a partner in the successful Greater Lincolnshire bid for Pilot status for 100% Business Rates Retention (approved for one year only). This results in an estimated £0.5m of additional income retained by the Council and which will be earmarked for regeneration and growth, as per the bid submission.

This means that the Council is the billing authority for NNDR and will collect 60% for our own purposes and 40% for the Lincolnshire County Council.

However there remains a redistribution of NNDR through the Top/up and Tariff mechanism, ensuring Councils only receive income up to their funding need.

The Council is required to submit an estimate for the year to Government, this return is called the NNDR1. At the yearend 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 will have a 60% share.

The table below shows our Funding from Business Rates Retention;



The graph above illustrates a forecast income from NNDR which includes additional government grant for supporting mandatory reliefs, or payments due to and from the the scheme in form of Tariffs and Levy. The additional benefit of being part of the Greater Lincolnshire NNDR Pilot Pool is reflected for 2018/19.

The 2018/19 Budget is made up of the following elements:

Budgeted Resources	2017/18	2018/19
	£m	£m
NDR income from collection fund	(6.042)	(10.431)
Tariff (adj for RSG/RSDG)	3.389	6.521
S31 grants	(0.683)	(1.301)
Levy safety net payments	(0.394)	0.000
Renewable Energy	0.024	0.052
Pooling gains / losses	0.246	0.000
Pilot Gains	0.000	0.000
Total Business Rates Related	(3.460)	(5.159)

The remaining MTFP provides resources budget of £3.460m, and will be reviewed on an annual basis until the scheme is stable. We assume that there will be no surplus or deficit in this or future years.

7. Pay Policy Statement and Establishment Numbers (Appendix M)

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 2018 all workers aged over 25 are legally entitled to a living wage of £7.83 per hour. This amount is below our current lowest level of pay, however the impacts will be reviewed annually.

The Pay Policy Statement for 2018/19 and is set out at Appendix M for approval.

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/ efficiencies not achieved.	Possible	High	Regular monitoring and reporting take place but the size of the funding cuts increase the likelihood of this risk. Non achievement of savings would require compensating reductions in planned spending within services. A principle is in place to maintain General Reserve at a minimum of 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 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	Possible	Low	Entrepreneurial Board will ensure that the project management framework is effective and that robust business cases are developed prior to approval of projects and that projects are monitored, with issues being raised and escalated at an early stage for consideration.

number of years to realise regardless of the sector.			
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 2018/19 - 2022/23

Cluster	2018/19 Budget £	2019/20 Forecast Budget £	2020/21 Forecast Budget £	2021/22 Forecast Budget £	2022/23 Forecast Budget £
People	4,849,100	4,935,900	4,843,700	4,856,700	4,904,000
Places	493,300	(508,100)	(557,500)	(520,300)	(505,600)
Policy and Resources	5,081,300	5,514,200	5,535,100	5,693,600	5,874,200
Grand Total	10,423,700	9,942,000	9,821,300	10,030,000	10,272,600
Capital Accounting Adjustment	(816,600)	(1,029,500)	(1,178,200)	(1,152,900)	(1,165,500)
Committee Total	9,607,100	8,912,500	8,643,100	8,877,100	9,107,100
Drainage Board Levies	351,500	356,700	362,000	367,400	372,900
Parish Precepts	1,909,249	1,916,000	1,916,000	1,916,000	1,916,000
Interest and Investment Income	(263,300)	(246,500)	(244,400)	(261,400)	(261,400)
Interest Payable	371,800	883,000	1,174,100	1,174,100	1,174,100
Statutory MRP	32,400	17,900	329,200	547,900	547,900
Capital Expenditure Charged Against General Fund	6,024,300	4,102,900	235,300	173,800	1,252,500
Net Operating Expenditure	18,033,049	15,942,500	12,415,300	12,794,900	14,109,100
Capital Grants Applied	555,200	554,000	574,800	605,000	605,000
Transfer to / (from) General Fund	(555,700)	(30,000)	0	0	0
Transfer to / (from) Earmarked Reserves	(2,605,307)	(3,424,400)	38,100	(105,100)	(1,109,300)
Amount to be met from Government Grant or Council Tax	15,427,242	13,042,100	13,028,200	13,294,800	13,604,800
Funding					
Revenue Support Grant	370,700	0	0	0	0
Business Rate Retention Scheme	5,159,100	3,460,600	3,460,600	3,460,600	3,460,600
Collection Fund Surplus - Council Tax	105,010	50,000	50,000	50,000	50,000
Parish Councils Tax Requirement	1,909,249	1,916,000	1,916,000	1,916,000	1,916,000
New Homes Bonus	1,278,400	1,013,500	698,700	490,200	490,200
Other Government Grants	547,500	466,200	62,600	62,600	62,600
Council Tax Requirement	6,057,283	6,269,800	6,489,700	6,716,900	6,951,600

Summary of WLDC Medium Term Financial Plan 2018/19 - 2022/23

Net Revenue Operating Expenditure

	2018/19 Budget £	2019/20 Forecast Budget £	2020/21 Forecast Budget £	2021/22 Forecast Budget £	2022/23 Forecast Budget £
Expenditure	45,890,549	44,784,800	41,418,100	41,656,000	43,068,600
Employees	10,074,300	10,304,100	10,461,500	10,730,500	11,028,500
Interest Payable	371,800	883,000	1,174,100	1,174,100	1,174,100
Other Operating Expenditure-Parish Precepts	1,909,249	1,908,200	1,908,200	1,908,200	1,908,200
Premises	769,600	848,800	1,061,300	1,073,600	1,063,100
Supplies and Services	2,586,800	2,651,100	2,589,600	2,596,600	2,644,000
Third Party Payments	1,528,700	1,460,300	1,384,600	1,384,400	1,391,200
Transfer Payments	21,774,200	21,774,200	21,754,200	21,754,200	21,754,200
Transport	851,600	852,200	849,300	860,600	852,800
Capital Expenditure	6,024,300	4,102,900	235,300	173,800	1,252,500
Income	(28,445,100)	(29,422,000)	(29,914,600)	(30,021,800)	(30,120,200)
Customer and Client Receipts	(4,939,200)	(5,849,600)	(6,228,300)	(6,339,400)	(6,436,800)
Government Grants	(22,618,400)	(22,568,800)	(22,556,800)	(22,536,600)	(22,535,100)
Interest Receivable	(263,300)	(246,500)	(244,400)	(261,400)	(261,400)
Other Grants and Contributions	(624,200)	(757,100)	(885,100)	(884,400)	(886,900)
Transfers To / (From) Reserves	(2,018,207)	(2,328,500)	1,516,900	1,652,800	648,600
Transfers To / (From) Reserves	(2,018,207)	(2,328,500)	1,516,900	1,652,800	648,600
Grand Total	15,427,242	13,034,300	13,020,400	13,287,000	13,597,000
FUNDED BY:					
Revenue Support Grant	370,700	0	0	0	0
Business Rate Retention Scheme	5,159,100	3,460,600	3,460,600	3,460,600	3,460,600
Collection Fund Surplus - Council Tax	105,010	50,000	50,000	50,000	50,000
Parish Council Tax Requirement	1,909,249	1,908,200	1,908,200	1,908,200	1,908,200
New Homes Bonus	1,278,400	1,013,500	698,700	490,200	490,200
Other Government Grants	547,500	466,200	62,600	62,600	62,600
Council Tax Requirement	6,057,283	6,269,800	6,489,700	6,716,900	6,951,600
Grand Total	15,427,242	13,168,300	12,669,800	12,688,500	12,923,200
Balanced Budget/Cumulative Savings Target	0	(134,000)	350,600	598,500	673,800

Forecast Budget - Cluster Analysis

Cluster and Business Unit	Budget 18/19 £	Forecast Budget 19/20 £	Forecast Budget 20/21 £	Forecast Budget 21/22 £	Forecast Budget 22/23 £
People	4,849,100	4,935,900	4,843,700	4,856,700	4,904,000
Building Control	76,100	68,900	63,000	64,800	71,300
Cemeteries and Churchyards	53,300	57,300	53,300	43,300	43,300
Community Action & Community Safety	262,700	269,700	269,200	274,000	278,300
Crematorium	0	70,700	(50,100)	(78,000)	(118,000)
Culture, Heritage & Leisure	16,400	300	300	300	300
Customer Services	512,200	501,900	554,900	537,800	566,900
Emergency Planning	14,600	14,600	14,600	14,600	14,600
Environmental Initiatives	56,900	56,900	56,900	56,900	56,900
Food Safety	143,100	146,400	149,100	151,900	154,700
General Grants etc.	388,300	261,800	208,200	208,200	208,200
Homelessness/ Housing Advice	218,900	217,100	222,600	235,800	230,800
Housing Benefits Admin	340,200	372,400	397,600	421,300	444,700
Housing Benefits Payments	(198,800)	(198,800)	(198,800)	(198,800)	(198,800)
Housing Strategy	203,000	227,300	211,600	215,900	220,400
Land Charges	40,300	44,900	48,300	51,800	54,100
Licences - Community	(15,000)	(10,100)	(500)	(9,800)	(8,400)
Local Tax Collection	261,700	275,100	286,000	297,100	306,300
Parish Lighting	54,800	56,200	57,600	59,100	60,700
Pest and Dog Control	24,100	24,100	24,100	24,100	24,100
Pollution Control	139,800	164,500	167,000	169,600	172,200
Private Sector Housing Renewal	67,200	68,700	79,300	94,500	96,200
Street Cleansing	535,000	555,300	563,500	571,700	580,100
Town Centre Markets	34,400	35,400	36,300	37,200	37,300
Trade Waste	(142,600)	(177,300)	(214,200)	(251,700)	(289,900)
Waste Management	1,762,500	1,832,600	1,843,900	1,865,100	1,897,700
Places	493,300	(508,100)	(557,500)	(520,300)	(505,600)
Admin Buildings	384,300	389,100	395,100	401,200	382,500
Business Improvement & Commercial Development	54,700	14,700	14,800	14,900	15,100
Car Parks	(194,600)	(259,500)	(258,200)	(256,900)	(255,500)
Commercial Properties	(427,800)	(579,200)	(585,000)	(584,000)	(583,000)
Culture, Heritage & Leisure	480,300	305,300	278,900	280,200	281,200
Development Management	(168,800)	(160,300)	(104,800)	(92,300)	(76,600)
Economic Development	327,900	298,800	304,600	310,500	316,600
Environmental Initiatives	3,700	3,700	3,700	3,700	3,700
Neighbourhood Planning & Local Plans	53,200	1,100	1,100	1,100	1,100
Other Council Properties	(12,100)	(12,100)	(12,100)	(12,000)	(12,000)
Parks & Open Spaces	50,100	50,100	50,100	50,100	50,100
Planning Policy - Forward Planning	61,600	64,500	66,800	68,100	69,400
Property Services	(237,800)	(744,000)	(833,600)	(827,100)	(821,700)
Public Conveniences	58,900	59,200	59,500	59,800	60,200
Strategic Manager-Services	18,200	18,400	18,800	19,100	19,400
Tourism	41,500	42,100	42,800	43,300	43,900
Policy and Resources	5,081,300	5,514,200	5,535,100	5,693,600	5,874,200
Business Improvement & Commercial Development	331,700	341,100	286,700	291,900	297,200
Chief Executive	13,000	13,000	13,000	13,000	13,000
Chief Operating Officer	126,900	129,400	131,800	134,400	137,000
Commercial Director	131,500	134,000	136,600	139,200	141,900
Communications	124,300	126,500	130,000	133,000	135,600
Corporate Management - Apprentices	92,200	92,200	92,200	92,200	92,200
Corporate Management - Finance	1,409,200	1,602,000	1,721,800	1,828,800	1,942,200
Debtors	26,600	27,600	28,400	28,800	29,300
Democratic Representation	607,300	629,200	639,100	649,400	658,500
Director of Resources	128,200	130,700	133,100	135,700	138,300
Elections	0	99,000	0	0	0
Financial Services	609,300	635,900	650,200	654,300	668,200
Fraud	6,300	6,300	6,300	6,300	6,300
Health and Safety	61,900	63,600	65,700	67,900	69,000
Human Resources	271,800	275,400	278,600	281,900	285,400
ICT Services	342,600	374,100	375,000	378,300	381,500
Precepts	8,000	8,000	8,000	8,000	8,000
Register of Electors	147,900	150,200	151,700	153,500	155,300
Support Services - Corporate	142,800	149,800	156,300	160,600	164,400
Systems Development	499,800	526,200	530,600	536,400	550,900
Grand Total	10,423,700	9,942,000	9,821,300	10,030,000	10,272,600



Fees, Charges and Concessions

Policy Framework

CONTENTS

		Page No
1.0	<i>Purpose of Fees, Charges and Concessions</i>	1
2.0	Core Principles	1
2.3	Generating Income	2
2.4	Managing Demand for Services	2
2.5	Councils Reputation	2
3.0	Delivering Objectives	2
3.2	Delivering Corporate Objectives	3
4.0	Pricing Strategy	3
4.3	Full Cost Recovery	4
4.4	Different levels of Charge	5
4.4.2	Standard Charge	5
4.4.3	Commercial Charge	5
4.4.4	Concessions to Standard Charge	6
4.4.5	Promotional and Premium Charges	6
4.4.6	Discounts	7
4.5	Compliance	7
4.6	Consistency	7
5.0	Procedures	7
5.1	Frequency of Review of Fees and Charges	7
5.2	Identifying New opportunities for Fees and Charges	8
5.3	Budgeting and Price Setting	9
5.4	Financial Management and Monitoring of Income	10
5.5	Gathering Market Intelligence	10

1.0 Purpose of Fees, Charges and Concessions

- 1.1 Charging for local services makes a significant contribution to Council finances, totalling some £2.9m for 2016/17, 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.
- 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. Delivering objectives

- 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. Pricing strategy.

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 Procedures

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:

$$\frac{\text{(Total cost of providing service)}}{\text{(Number of units of service provided)}} \quad \text{less any subsidy}$$

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.

Policy and Resources Committee

Central & Democratic Services

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

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	£	% Type or £				

Electoral Services (Statutory):

		2017/18	Proposed Increase	2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type or £	£	£	£	
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

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	£	% Type or £				

Main Room Hire:

		2017/18	Proposed Increase	2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type or £	£	£	£	
Chamber (Up to 60 People)	Day Rate (0900 to 1700)	£250.00		£250.00	£50.00	£300.00	S
	1/2 Day	£150.00		£150.00	£30.00	£180.00	S
	Evening Rate (1800 to 2200)	£300.00		£300.00	£60.00	£360.00	S
Trent or Ancholme (Up to 20 People)	Day Rate (0900 to 1700)	£125.00		£125.00	£25.00	£150.00	S
	1/2 Day	£75.00		£75.00	£15.00	£90.00	S
	Evening Rate (1800 to 2200)	£200.00		£200.00	£40.00	£240.00	S
Chamber, Trent & Ancholme (Up to 100 People)	Day Rate (0900 to 1700)	£500.00		£500.00	£100.00	£600.00	S
	1/2 Day	£300.00		£300.00	£60.00	£360.00	S
	Evening Rate (1800 to 2200)	£500.00		£500.00	£100.00	£600.00	S
Additional Day Hours (or part hours)	Per Hour (Max 2 hours)	£30.00		£30.00	£6.00	£36.00	S

Other Room Hire:

		2017/18	Proposed Increase	2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type or £	£	£	£	
Meeting Room (Up to 10 People)	Day Rate (0900 to 1700)	£100.00		£100.00	£20.00	£120.00	S
	1/2 Day	£60.00		£60.00	£12.00	£72.00	S
Meeting Room (Up to 5 People)	Day Rate (0900 to 1700)	£80.00		£80.00	£16.00	£96.00	S
	1/2 Day	£50.00		£50.00	£10.00	£60.00	S
Meeting Room (Up to 3 People)	Day Rate (0900 to 1700)	£60.00		£60.00	£12.00	£72.00	S
	1/2 Day	£35.00		£35.00	£7.00	£42.00	S
Additional Day Hours (or part hours)	Per Hour (Max 2 hours)	£20.00		£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

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	% Type	or £				
£			£	£	£	

Property Name Changes:

Naming or renaming of a registered property	£67.78		£0.22	£68.00	£0.00	£68.00	OS
---	--------	--	-------	--------	-------	--------	----

Policy and Resources Committee

Central & Democratic Services

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	% Type	or £				
£			£	£	£	

Statutory Charges

Public Path Orders, i.e. Diversion Orders	Minimum charge	£525.31		£525.31	£0.00	£525.31	OS
	Maximum charge	£1,574.91		£1,574.91	£0.00	£1,574.91	OS

Plus actual advertisement costs

Access to records under the Data Protection Act		£11.26		£11.26	£0.00	£11.26	OS
Inspection of background papers to committee reports		£6.14		£6.14	£0.00	£6.14	OS

Non - Statutory Charges

Annual subscription for agenda, reports and minutes.	Planning Services	£206.70		£206.70	£41.34	£248.04	S
	Other committees	£62.76		£62.76	£12.55	£75.32	S
Photocopying (where no other charge applies)	Per side of A4(colour)	£0.17		£0.17	£0.03	£0.20	S
	Per side of A4(black/white)	£0.17		£0.17	£0.03	£0.20	S

Policy and Resources Committee

Revenue Services

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	% Type	or £				
£			£	£	£	

Revenues *

Court costs added to Council Tax accounts.		£75.00		£75.00	£0.00	£75.00	OS
Court costs added to NNDR accounts.		£85.00		£85.00	£0.00	£85.00	OS

* Charges agreed with Magistrates

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	£	% Type or £				

Car Parks		2017/18	Proposed Increase	2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type or £	£	£	£	
Gainsborough not including Roseway	0-1 hours	£0.50		£0.00	£0.00	£0.00	S
	1-2 hours	£0.92		£0.92	£0.18	£1.10	S
	2-3 hours	£1.33		£1.33	£0.27	£1.60	S
	3-4 hours	£1.67		£1.67	£0.33	£2.00	S
	4-6 hours	£2.75		£2.75	£0.55	£3.30	S
	6+ hours	£3.25		£3.25	£0.65	£3.90	S
Roseway only	0-1 hours	£0.50	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£0.92	£0.23	£1.15	£0.23	£1.40	S
	2-3 hours	£1.33	£0.33	£1.66	£0.33	£2.00	S
	3-4 hours	£1.67	£0.42	£2.09	£0.42	£2.50	S
	4-6 hours	£2.75	£0.00	£0.00	£0.00	£0.00	S
	6+ hours	£3.25	£0.00	£0.00	£0.00	£0.00	S
Market Rasen	0-1 hours	£0.25		£0.00	£0.00	£0.00	S
	1-2 hours	£0.42		£0.00	£0.00	£0.00	S
	2-3 hours	£0.67		£0.67	£0.13	£0.80	S
	3-4 hours	£0.83		£0.83	£0.17	£1.00	S
	4-6 hours	£1.42		£1.42	£0.28	£1.70	S
	6+ hours	£1.67		£1.67	£0.33	£2.00	S

Annual Season Tickets

Gainsborough only	Mon-Sat	£177.36	£182.64	£360.00	£72.00	£432.00	S
	Mon-Sat (If paid by monthly DD)	£153.36	£146.64	£300.00	£60.00	£360.00	S
	Mon-Fri	£150.86	£139.14	£290.00	£58.00	£348.00	S
	Mon-Fri (If paid by monthly DD)	£124.36	£115.64	£240.00	£48.00	£288.00	S
Market Rasen Only	Mon-Sat	£88.68	£88.68	£88.68	£17.74	£106.42	S
	Mon-Sat (If paid by monthly DD)	£76.68		£76.68	£15.34	£92.02	S
	Mon-Fri	£75.43		£75.43	£15.09	£90.52	S
	Mon-Fri (If paid by monthly DD)	£62.18		£62.18	£12.44	£74.62	S

Penalty Charge Notice

Higher Rate		£70.00		£70.00	£0.00	£70.00	OS
Higher rate discounted if paid within 14 days		£35.00		£35.00	£0.00	£35.00	OS
Lower Rate		£50.00		£50.00	£0.00	£50.00	OS
Lower rate discounted if paid within 14 days		£25.00		£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		2017/18	Proposed Increase	2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type or £	£	£	£	
Allocated stand	Per quarter for first stand	£288.65		£288.65	£0.00	£288.65	X
	Per quarter for second stand	£177.10		£177.10	£0.00	£177.10	X
Registered Casual Users Per Quarter		£54.05		£54.05	£0.00	£54.05	X

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	£	% Type or £				

Gainsborough Market**Tuesday Market****Registered Trader**

1 stall	£16.00		£16.00	£0.00	£16.00	X
2 stalls	£27.00		£27.00	£0.00	£27.00	X
3 stalls	£35.00		£35.00	£0.00	£35.00	X
4 stalls	£43.00		£43.00	£0.00	£43.00	X
5 stalls	£51.00		£51.00	£0.00	£51.00	X

Casual Trader

1 stall	£17.50		£17.50	£0.00	£17.50	X
2 stalls	£35.00		£35.00	£0.00	£35.00	X
3 stalls	£52.50		£52.50	£0.00	£52.50	X
4 stalls	£70.00		£70.00	£0.00	£70.00	X
5 stalls	£87.50		£87.50	£0.00	£87.50	X

Saturday Market**Registered Trader**

1 stall	£10.00		£10.00	£0.00	£10.00	X
2 stalls	£20.00		£20.00	£0.00	£20.00	X
3 stalls	£25.00		£25.00	£0.00	£25.00	X
4 stalls	£30.00		£30.00	£0.00	£30.00	X
5 stalls	£35.00		£35.00	£0.00	£35.00	X

Casual Trader

1 stall	£16.50		£16.50	£0.00	£16.50	X
2 stalls	£33.00		£33.00	£0.00	£33.00	X
3 stalls	£49.50		£49.50	£0.00	£49.50	X
4 stalls	£66.00		£66.00	£0.00	£66.00	X
5 stalls	£82.50		£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

Other Units (Vending Vans, Trailers etc.)**Tuesday Market**

Registered Trader	£23.50		£23.50	£0.00	£23.50	X
Casual Trader	£25.50		£25.50	£0.00	£25.50	X

Saturday Market

Registered Trader	£15.00		£15.00	£0.00	£15.00	X
Casual Trader	£20.00		£20.00	£0.00	£20.00	X

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 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)			£72.00	3.50%			£75.00	£15.00	£90.00	S
Non-residential changes of use including siting of caravans for sites under 1 ha or buildings under 1,000 m ² (gross)			£155.00	3.50%			£161.00	£32.20	£193.20	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)			£271.00	3.50%			£281.00	£56.20	£337.20	S
Development of 1-9 dwellings including changes of use to residential	1st dwelling		£186.00	3.50%			£193.00	£38.60	£231.60	S
	Additional dwellings		£103.00	3.50%			£107.00	£21.40	£128.40	S
Development of 10-49 dwellings including changes of use to residential	10th dwelling		£1,125.00	3.50%			£1,165.00	£233.00	£1,398.00	S
	Additional dwellings		£55.00	3.50%			£57.00	£11.40	£68.40	S
Development of 50 or more dwellings	minimum fee		£3,373.00	3.50%			£3,492.00	£698.40	£4,190.40	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.			£99.00	3.50%			£103.00	£20.60	£123.60	S
Non-residential development up to 499 m ² floor area, or 0.5 ha site area			£136.00	3.50%			£141.00	£28.20	£169.20	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		£205.00	3.50%			£213.00	£42.60	£255.60	S
	Each additional 100 m ² or 0.1 ha		£103.00	3.50%			£107.00	£21.40	£128.40	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		£705.00	3.50%			£730.00	£146.00	£876.00	S
	Each additional 100 m ² or 0.1 ha		£52.00	3.50%			£54.00	£10.80	£64.80	S
Non-residential development of 5,000 m ² or more or 2.1ha or more.										
	Minimum fee		£2,871.00	3.50%			£2,972.00	£594.40	£3,566.40	S
With additional fee subject to negotiation dependant on complexity of proposal. Encouragement to adopt a Planning Performance Agreement.										
Variation or removal of condition.			£72.00	3.50%			£75.00	£15.00	£90.00	S
Advertisements			£72.00	3.50%			£75.00	£15.00	£90.00	S
Non-householder listed building consent			£141.00	3.50%			£146.00	£29.20	£175.20	S
Additional site visit			£123.00	3.50%			£128.00	£25.60	£153.60	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).

		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Decision Notices, Consents, Determinations, Tree Preservation Orders, Enforcement Notices, S106 Agreements.	Per Item (black/white)	£24.00	3.50%		£25.00	£0.00	£25.00	OS
		Plus officer time at cost recovery		Total Cost				
Other copies								
Copy plans - A4	Per side of A4 (black/white)	£0.20	3.50%		£0.21	£0.00	£0.21	OS
Copy plans - A3	Per copy	£0.46	3.50%		£0.48	£0.00	£0.48	OS
Copy plans - A2, A1, A0	Per copy	£5.66	3.50%		£5.86	£0.00	£5.86	OS
Information on planning records	Planning Control	£0.20	3.50%		£0.21	£0.00	£0.21	OS
Requests for Planning Information	Planning - as per above plus officer time per hour	£54.06	3.50%		£55.95	£0.00	£55.95	OS
		Plus officer time at cost recovery						
Information on Building Control Records	Building Control - as per above plus officer time	£51.00	3.50%		£52.79	£0.00	£52.79	OS
		Plus officer time per hour at cost recovery						

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
£	% Type	or £	£	£	£	

Outline Applications								
All types of building per 0.1 ha	Every 0.1 ha where the site does not exceed 2.5 ha	£385.00	20%		£462.00	£0.00	£462.00	OS
	Where the site area exceeds 2.5 ha, £11,432 and an additional £138 for each 0.1 ha in excess of 2.5 hectares, subject to a maximum in total of £150,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Full Applications and Applications for Approval of Reserved Matters following an Outline Permission								
Alterations/extensions to existing dwellings	where the application relates to a single dwelling	£172.00	20%		£206.00	£0.00	£206.00	OS
	where the application relates to 2 or more dwellings	£339.00	20%		£407.00	£0.00	£407.00	OS
Erection of dwelling	where number of dwellings is less than 50. Where the number of dwellings exceeds 50, £22,859 and an additional £138 for each dwelling in excess of 50 subject to a maximum in total of £300,000	£385.00	20%		£462.00	£0.00	£462.00	OS
Other buildings	Less than 40 m ² floor space created	£195.00	20%		£234.00	£0.00	£234.00	OS
	Between 40 and 75 m ² floor space created	£385.00	20%		£462.00	£0.00	£462.00	OS
	Every additional 75 m ² up to 3750 m ²	£385.00	20%		£462.00	£0.00	£462.00	OS
	Over 3750 m ² , £22,859 and an additional £138 for each 75 m ² in excess of 3750 m ² subject to a maximum in total of £300,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Plant or machinery	Where site does not exceed 5 ha; per 0.1 ha	£385.00	20%		£462.00	£0.00	£462.00	OS
	Over 5 ha £22,859 and an additional £138 for each 0.1 ha in excess of 5 ha subject to a maximum in total of £300,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Agricultural Buildings	Less than 465 m ² floor space created	£80.00	20%		£96.00	£0.00	£96.00	OS
	Between 465 > 540 m ²	£385.00	20%		£462.00	£0.00	£462.00	OS
Between 540 > 4215 m ² , £462 for the first 540 m ² then £462 per additional 75 m ²	Between 540 > 4215 m ² , £462 for the first 540 m ² then £462 per additional 75 m ²	£385.00	20%		£462.00	£0.00	£462.00	OS
	Over 4215 m ² , £22,859 and an additional £138 for each 75 m ² in excess of 4215 m ² subject to a maximum in total of £300,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Glasshouses	No more than 465 m ² floor space created	£80.00	20%		£96.00	£0.00	£96.00	OS
	More than 465 m ² floor space created	£2,150.00	20%		£2,580.00	£0.00	£2,580.00	OS

		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Changes of Use								
A building to more than one dwelling	no. of dwellings 50 or less	£385.00	20%		£462.00	£0.00	£462.00	OS
	more than 50 dwellings, £22,859 and an additional £138 for each dwelling in excess of 50 dwellings subject to maximum in total of £300,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Use of land for deposit of refuse or waste materials or deposit of material remaining after mineral extraction. Use of land for storage of minerals in the open	Each 0.1 ha of the site area, where the site does not exceed 15 ha	£195.00	20%		£234.00	£0.00	£234.00	OS
	Where the site exceeds 15 ha £34,934 and an additional £138 for each 0.1 ha in excess of 15ha subject to a maximum in total of £78,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Other material change of use of building or land		£385.00	20%		£462.00	£0.00	£462.00	OS
No Buildings Created								
Ancillary to a dwelling		£172.00	20%		£206.00	£0.00	£206.00	OS
Car parks, service roads, accesses at existing developments		£195.00	20%		£234.00	£0.00	£234.00	OS
Exploratory drilling for oil/gas	Site area not exceeding 7.5 ha (per 0.1 ha)	£385.00	20%	£46.00	£508.00	£0.00	£508.00	OS
	Where the site exceeds 7.5 ha £38,070 and an additional £151 for each 0.1 ha in excess of 7.5 ha subject to a maximum in total of £300,000	£115.00	20%	£13.00	£151.00	£0.00	£151.00	OS
Other Operations - Minerals Working	Site area not exceeding 15 ha (per 0.1 ha)	£195.00	20%		£234.00	£0.00	£234.00	OS
	Where the site exceeds 15 ha £34,934 and an additional £138 for each 0.1 ha in excess of 15 ha subject to a maximum in total of £78,000	£115.00	20%		£138.00	£0.00	£138.00	OS
	In any other case £234 for each 0.1 ha of the site, subject to a maximum of £2,028	£195.00	20%		£234.00	£0.00	£234.00	OS
Advertisements								
Relating to the business on the premises		£110.00	20%		£132.00	£0.00	£132.00	OS
Advance direction signs to a business		£110.00	20%		£132.00	£0.00	£132.00	OS
Other advertisements		£385.00	20%		£462.00	£0.00	£462.00	OS
Prior Notifications and Approvals								
Agriculture, forestry or demolition proposals		£80.00	20%		£96.00	£0.00	£96.00	OS
Telecommunications		£385.00	20%		£462.00	£0.00	£462.00	OS
Proposed change of use to state funded school or registered nursery		£80.00	20%		£96.00	£0.00	£96.00	OS
Proposed change of use of agricultural building to a dwelling house and associated building operations		£172.00	20%		£206.00	£0.00	£206.00	OS
Permitted development rights removed (Article 4)					£96.00	£0.00	£96.00	OS
Other Applications								
Variation or removal of a condition		£195.00	20%		£234.00	£0.00	£234.00	OS
Non-Profit making club, society, organisation or trust, providing sports or recreational facilities		£385.00	20%		£462.00	£0.00	£462.00	OS
Lawful Development Certificates - Existing Development	For 50 or fewer dwellings	£385.00	20%		£462.00	£0.00	£462.00	OS
	For more than 50 dwellings, £22,859 and £138 for each dwelling over 50 up to a total maximum of £300,000	£115.00	20%		£138.00	£0.00	£138.00	OS
Lawful Development Certificates - Proposed Development		Half the equivalent application fee						OS
Request for written confirmation of compliance with conditions	alterations or extensions to existing dwellings	£28.00	20%		£34.00	£0.00	£34.00	OS
Request for written confirmation of compliance with conditions	In all other areas	£97.00	20%		£116.00	£0.00	£116.00	OS
Non-material amendment	Householder application	£28.00	20%		£34.00	£0.00	£34.00	OS
Non-material amendment	In all other areas	£195.00	20%		£234.00	£0.00	£234.00	OS
Permission in Principle	per 0.1 ha				£402.00	£0.00	£402.00	OS

		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 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
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 Domestic 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
Failure to comply with an Industrial and Commercial Waste Receptacles Notice	Fee set by Government - payable within 14 days of issue	£0.00		£100.00	£100.00	£0.00	£100.00	OS
	Fee set by Government - discounted if paid within 10 days	£0.00		£75.00	£75.00	£0.00	£75.00	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
Anti Social Behaviour Crime and Policing Act 2014 - Community Protection Notice	Fee set by Government - payable within 14 days of issue	£75.00		£25.00	£100.00	£0.00	£100.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00		£25.00	£75.00	£0.00	£75.00	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		£25.00	£100.00	£0.00	£100.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00		£25.00	£75.00	£0.00	£75.00	OS
Flytipping	Fee set by Government - payable within 14 days of issue				£400.00	£0.00	£400.00	OS
High Hedge Fee	Fee set locally	£307.20			£307.20	£0.00	£307.20	OS
Fee for abandoned shopping trolleys	Fee set locally (maximum charge)			£100.00	£100.00	£0.00	£100.00	OS
High Hedges Complaints Application		£307.20			£307.20	£0.00	£307.20	OS

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 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-imbursment will be given to those residents qualifying for the concession.

Reclaim of Stray Dogs	Prescribed fee	£25.00			£25.00	£0.00	£25.00	OS
	Collection fee	£75.00		-£33.00	£42.00	£0.00	£42.00	OS
	Plus kennel and vet fees as incurred by the authority.							

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 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							
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							
Hazard Awareness Notice	None					£0.00	£0.00	OS
Improvement Notice	For one hazard	£300.00			£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	£300.00			£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Prohibition Order	For one hazard	£300.00			£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	£300.00			£300.00	£0.00	£300.00	OS
	Per additional hazard	£50.00			£50.00	£0.00	£50.00	OS
Demolition Order	For one hazard	£300.00			£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		£35.00	£100.00	£0.00	£100.00	OS
Mobile Homes Act 2013 – Compliance Notice	Hourly rate of relevant officers with on costs plus work in default costs of works							
Mobile Homes Act 2014 – Emergency Remedial Action Notice	Hourly rate of relevant officers with on costs plus work in default cost of works							
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
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
Housing and Planning Act - Civil Penalties	up to £30,000							

Prosperous Communities Committee

Mobile Homes - HR02

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
£	% Type	or £	£	£	£	

Mobile Homes Act 2013

Annual Fee			£430.00			£430.00	£0.00	£430.00	OS
Plus Fee Per Unit On Site			£1.65			£1.65	£0.00	£1.65	OS
Issue of a New Licence			£300.00			£300.00	£0.00	£300.00	OS
Deposit of Site Rules			£30.00			£30.00	£0.00	£30.00	OS
Transfer and Alteration of a Licence			£100.00			£100.00	£0.00	£100.00	OS

All charges are set by DEFRA

	2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type or £				
Application Fee							
- Standard Process	£1,579.00	4.50%		£1,650.00	£0.00	£1,650.00	OS
- Additional fee for operating without a permit	£1,137.00			£1,137.00	£0.00	£1,137.00	OS
- Reduced fee activities	£148.00	4.50%		£155.00	£0.00	£155.00	OS
- Reduced fee activities: Additional Fee for operating without a permit	£68.00			£68.00	£0.00	£68.00	OS
- Mobile Screening and crushing plant	£1,579.00			£1,579.00	£0.00	£1,579.00	OS
- For the third to seventh applications	£943.00			£943.00	£0.00	£943.00	OS
- For the eighth and subsequent applications	£477.00			£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	4.50%		£772.00	£0.00	£772.00	OS
Medium	£1,111.00	4.50%		£1,161.00	£0.00	£1,161.00	OS
High	£1,672.00	4.50%		£1,747.00	£0.00	£1,747.00	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	4.50%		£79.00	£0.00	£79.00	OS
Medium	£151.00	4.50%		£158.00	£0.00	£158.00	OS
High	£227.00	4.50%		£237.00	£0.00	£237.00	OS
- PVR I & II Combined							
Low	£108.00	4.50%		£113.00	£0.00	£113.00	OS
Medium	£216.00	4.50%		£226.00	£0.00	£226.00	OS
High	£326.00	4.50%		£341.00	£0.00	£341.00	OS
- Vehicle refinishers							
Low	£218.00	4.50%		£228.00	£0.00	£228.00	OS
Medium	£349.00	4.50%		£365.00	£0.00	£365.00	OS
High	£524.00	4.50%		£548.00	£0.00	£548.00	OS
- Odourisation of natural gas							
Low	£76.00			£76.00	£0.00	£76.00	OS
Medium	£151.00			£151.00	£0.00	£151.00	OS
High	£227.00			£227.00	£0.00	£227.00	OS
- Mobile Screening and crushing plant 1st to 2nd Permits							
Low	£618.00		£8.00	£626.00	£0.00	£626.00	OS
Medium	£989.00	4.50%		£1,034.00	£0.00	£1,034.00	OS
High	£1,485.00		£66.00	£1,551.00	£0.00	£1,551.00	OS
- Mobile Screening and crushing plant 3rd to 7th Permits							
Low	£368.00	4.50%		£385.00	£0.00	£385.00	OS
Medium	£590.00	4.50%		£617.00	£0.00	£617.00	OS
High	£884.00	4.50%		£924.00	£0.00	£924.00	OS
- Mobile Screening and crushing plant 8th and Subsequent permits							
Low	£189.00	4.50%		£198.00	£0.00	£198.00	OS
Medium	£302.00		£12.00	£314.00	£0.00	£314.00	OS
High	£453.00	4.50%		£473.00	£0.00	£473.00	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			£162.00	£0.00	£162.00	OS
- Partial transfer	£476.00			£476.00	£0.00	£476.00	OS
- New operator at low risk reduced fee	£75.00			£75.00	£0.00	£75.00	OS
- Reduced fee activities: Partial transfer	£45.00			£45.00	£0.00	£45.00	OS
Substantial Change							
- Standard Process	£1,005.00			£1,005.00	£0.00	£1,005.00	OS
- Standard process where the substantial change results in a new PPC activity	£1,579.00			£1,579.00	£0.00	£1,579.00	OS
- Reduced fee activities	£98.00			£98.00	£0.00	£98.00	OS
Subsistence charges can be paid in four equal instalments at an additional cost of £38 p.a.							

All charges are set by DEFRA		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Permitted	Minimum per request plus cost of materials	£71.54		£0.46	£72.00	£0.00	£72.00	OS
	Thereafter per hour	£42.00		£0.00	£42.00	£0.00	£42.00	OS
Health Certificates		£51.10		£0.90	£52.00	£0.00	£52.00	OS
Food Premises Register	Per page	£3.00		£0.00	£3.00	£0.00	£3.00	OS
SFBB Pack	(including diary)	£10.00		£0.00	£10.00	£0.00	£10.00	OS
Diary Refill		£15.00		£0.00	£15.00	£0.00	£15.00	OS
Updated hygiene score sticker		£15.00		£0.00	£15.00	£0.00	£15.00	OS
Private Water Supply Work	Maximum charges							
	Risk assessment (each assessment)	£500.00		£0.00	£500.00	£0.00	£500.00	OS
	Sampling (each visit)	£100.00		£0.00	£100.00	£0.00	£100.00	OS
	Investigation (each investigation)	£100.00		£0.00	£100.00	£0.00	£100.00	OS
	Granting an authorisation (each authorisation)	£100.00		£0.00	£100.00	£0.00	£100.00	OS
	Analysing a sample:-							
	Taken under regulation 10 (domestic supplies)	£25.00		£0.00	£25.00	£0.00	£25.00	OS
Taken during check monitoring (commercial supplies)	£100.00		£0.00	£100.00	£0.00	£100.00	OS	
Taken during audit monitoring (commercial supplies)	£500.00		£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		£5.00	£130.00	£0.00	£130.00	OS
	Charge for additional hours	£40.00		£2.00	£42.00	£0.00	£42.00	OS
Food Hygiene Rating Scheme	Re-inspections	£160.00		£160.00	£160.00	£0.00	£160.00	OS
Health Act 2006	Smoking in a smoke free place	£50.00		£0.00	£50.00	£0.00	£50.00	OS
	Failure to display no smoking sign	£200.00		£0.00	£200.00	£0.00	£200.00	OS

	2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 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

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 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
Unlicensed 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

		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Taxi Licensing (Including Horse Drawn Omnibus)								
Driver's License Application (3Yr)	New/Renewal	£156.00			£156.00	£0.00	£156.00	OS
Knowledge Test Fee	New or Lapsed Driver Licenses	£28.00			£28.00	£0.00	£28.00	OS
Knowledge Test Fee	Retest	£28.00			£28.00	£0.00	£28.00	OS
DBS Check	On New or Renewal	£44.00			£44.00	£0.00	£44.00	OS
DBS Admin Fee*	On New or Renewal	£10.00			£10.00	£2.00	£12.00	S
	*This fee is controlled by LCC and subject to change							
Vehicle License	New	£249.00			£249.00	£0.00	£249.00	OS
Vehicle License	Renewal	£249.00			£249.00	£0.00	£249.00	OS
Replacement Plate	Plate Only	£27.00			£27.00	£0.00	£27.00	OS
Replacement Plate	Plate and Bracket	£36.00			£36.00	£0.00	£36.00	OS
Private Hire Operators Licence (5Yr)		£210.00			£210.00	£0.00	£210.00	OS
Transfer of Ownership of Taxi/Private Hire Vehicle License		£25.00			£25.00	£0.00	£25.00	OS
Alcohol and Entertainment Licenses		Charges set by Licensing Act 2003						
New Premise Licence								
Category A		£100.00			£100.00	£0.00	£100.00	OS
Category B		£190.00			£190.00	£0.00	£190.00	OS
Category C		£315.00			£315.00	£0.00	£315.00	OS
Category D		£450.00			£450.00	£0.00	£450.00	OS
Category E		£635.00			£635.00	£0.00	£635.00	OS
Large scale application >4999 (minimum fee applies)		£1,000.00			£1,000.00	£0.00	£1,000.00	OS
Variation of Premises Licence		£100 - £635			£100 - £635	£0.00	£100 - £635	OS
Change of DPS or Dissapplication of DPS		£23.00			£23.00	£0.00	£23.00	OS
Annual fee demand								
Category A		£70.00			£70.00	£0.00	£70.00	OS
Category B		£180.00			£180.00	£0.00	£180.00	OS
Category C		£295.00			£295.00	£0.00	£295.00	OS
Category D		£320.00			£320.00	£0.00	£320.00	OS
Category E		£350.00			£350.00	£0.00	£350.00	OS
Large scale annual fee >4999 (minimum fee applies)		£500.00			£500.00	£0.00	£500.00	OS
Minor Variation		£89.00			£89.00	£0.00	£89.00	OS
Provisional Statement		£195.00			£195.00	£0.00	£195.00	OS
Register of Interest		£21.00			£21.00	£0.00	£21.00	OS
Copy of Licence		£10.50			£10.50	£0.00	£10.50	OS
Club Premises Certificate - New		£100 - £635			£100 - £635	£0.00	£100 - £635	OS
Club Premises Certificate - Variation		£100 - £635			£100 - £635	£0.00	£100 - £635	OS
Club Premises Certificate - Minor Variation		£89.00			£89.00	£0.00	£89.00	OS
Personal Licence - New		£37.00			£37.00	£0.00	£37.00	OS
Personal Licence - Change of name /address		£10.50			£10.50	£0.00	£10.50	OS
Personal Licence - Copy of Licence (card part, paper part or both)		£10.50			£10.50	£0.00	£10.50	OS
Transfer of Premises Licence		£23.00			£23.00	£0.00	£23.00	OS
Temporary Event Notice		£21.00			£21.00	£0.00	£21.00	OS
Sex Shop Licences and Sexual Entertainment Venues	Initial application	£1,950.00		-£125.00	£1,825.00	£0.00	£1,825.00	OS
	compliance check	£0.00		£125.00	£125.00	£0.00	£125.00	OS
	Renewal	£1,528.52		-£1,230.52	£298.00	£0.00	£298.00	OS
	compliance check	£0.00		£125.00	£125.00	£0.00	£125.00	OS
	Transfer fee	£395.00			£395.00	£0.00	£395.00	OS

		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Pet Shops	New	£175.00			£175.00	£0.00	£175.00	OS
	Renewal	£175.00			£175.00	£0.00	£175.00	OS
Animal Boarding Establishments (Excludes vet fees payable direct to vet)	Cats or Dogs - New - Admin Fee Only	£79.00			£79.00	£0.00	£79.00	OS
	Cats or Dogs - Renewal	£220.00			£220.00	£0.00	£220.00	OS
	Dual Usage - New - Admin Fee Only	£79.00			£79.00	£0.00	£79.00	OS
	Dual Usage - Renewal	£259.00			£259.00	£0.00	£259.00	OS
	Home Boarding - New	£145.00			£145.00	£0.00	£145.00	OS
	Home Boarding - Renewal	£145.00			£145.00	£0.00	£145.00	OS
Horse Riding Establishment (Excluding vet fees)	Admin Cost - New or Renewal	£79.00			£79.00	£0.00	£79.00	OS
Dog Breeding	New	£79.00			£79.00	£0.00	£79.00	OS
	Renewal	£220.00			£220.00	£0.00	£220.00	OS
Dangerous Wild Animals (Excluding vet fees)	Vets fees plus admin costs of	£140.00			£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			£350.00	£0.00	£350.00	OS
Zoos (Excluding vet fees) - payable at 6 yr intervals	Vets fees plus admin costs of	£499.00			£499.00	£0.00	£499.00	OS
Zoos Annual Inspection	Officer hourly rate	£58.00			£58.00	£0.00	£58.00	OS
Scrap Metal								
New/Renewal Collectors fee - 3 yr	Admin/processing of application	£0.00			£94.00	£0.00	£94.00	OS
	Document inspection - year 1	£0.00			£35.00	£0.00	£35.00	OS
	Document inspection - year 2	£0.00			£35.00	£0.00	£35.00	OS
	Document inspection - year 3	£0.00			£35.00	£0.00	£35.00	OS
Change of details, name / address		£100.00			£100.00	£0.00	£100.00	OS
New/Renewal Site fee - 3 yr	Admin/processing of application + initial inspection	£0.00			£370.00	£0.00	£370.00	OS
	Follow up inspection - year 1	£0.00			£232.00	£0.00	£232.00	OS
	2 x Annual inspection - year 2	£0.00			£464.00	£0.00	£464.00	OS
	Annual inspection - year 3	£0.00			£232.00	£0.00	£232.00	OS
Change of site manager		£70.00			£70.00	£0.00	£70.00	OS
Skin Piercing	Premises registration	£174.00			£174.00	£0.00	£174.00	OS
	Personal registration	£45.00			£45.00	£0.00	£45.00	OS
Street Trading Consents		£170.00			£170.00	£0.00	£170.00	OS
Copy of Any License Not Covered by the Licensing Act 2003 or Gambling Act 2005		£24.00			£24.00	£0.00	£24.00	OS

		2017/18		Proposed Increase		2018/19		VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£		% Type	or £	£	£	£	£	
Access to data	Access to information not held on public registers (includes £5 admin fee)	£19.50		3.50%		£20.20	£0.00	£20.20		OS
	Cancellation Fee	£5.20		3.50%		£5.40	£0.00	£5.40		OS
LLC1:	Any one part of the register	£6.30		3.50%		£6.60	£0.00	£6.60		OS
	Whole of the register	£19.50		3.50%		£20.20	£0.00	£20.20		OS
	Per additional parcel (maximum of £16)	£1.10		3.50%		£1.20	£0.00	£1.20		OS
CON 29R	One parcel	£62.40		3.50%		£64.60	£12.92	£77.52		S
	Each additional parcel	£13.80		3.50%		£14.30	£2.86	£17.16		S
	Lincolnshire County Council Fee *	£21.00				£21.00	£4.20	£25.20		S
CON 29O										
submitted with CON29R or LLC1	Each printed enquiry	£15.40		3.50%		£16.00	£3.20	£19.20		S
submitted on its own	Each printed enquiry	£15.40		3.50%		£16.00	£3.20	£19.20		S
Administration Fee		£11.00		3.50%		£11.40	£2.28	£13.68		S
Additional Enquiries	Per additional enquiry	£26.60		3.50%		£27.60	£5.52	£33.12		S
Filing a definitive certificate of the Lands Tribunal		£2.60		3.50%		£2.70	£0.00	£2.70		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

		2017/18		Proposed Increase		2018/19		VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£		% Type	or £	£	£	£	£	
Garden Waste and Additional Blue Sacks	Per 5 sacks or stickers	£8.18			£0.07	£8.25	£0.00	£8.25		OS
	Postage & packaging of 5 sacks	£2.04			£0.01	£2.05	£0.00	£2.05		OS
	Per 20 Stickers	£0.00			£0.60	£0.60	£0.00	£0.60		OS
Garden Waste Wheeled Bin (Annual charge)	Collection of 1st bin	£0.00			£35.00	£35.00	£0.00	£35.00		OS
Garden Waste Wheeled Bin (Annual charge)	Collection of 2nd and subsequent bins	£30.00			£5.00	£35.00	£0.00	£35.00		OS
Wheeled Bin Replacement (supply & delivery)	Residual, garden waste (each bin)	£33.00				£33.00	£0.00	£33.00		OS
	Blue recycling	£33.00				£33.00	£0.00	£33.00		OS
Wheeled Bins for New Properties (supply & delivery)	Residual, garden waste (each bin)	£33.00				£33.00	£0.00	£33.00		OS
	Blue recycling	£33.00				£33.00	£0.00	£33.00		OS
Bulky Household Waste Collections	Collection articles worth up to 6 points	£30.00				£30.00	£0.00	£30.00		OS
	Additional articles worth 1 point collected at the same time	£4.00				£4.00	£0.00	£4.00		OS
Collection and Disposal of Fridges and Freezers from Commercial Premises		£86.00				£86.00	£0.00	£86.00		OS
Collection of Clinical Waste		£0.00				£0.00	£0.00	£0.00		OS

2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
	£	% Type or £				

Exclusive Rights of Burial in Earthen Graves

Single Grave not exceeding 9' x 4'		£413.00		£162.00	£575.00	£0.00	£575.00	OS
Grave not exceeding 9' x 4' for double/triple interments		£578.00		£227.00	£805.00	£0.00	£805.00	OS
Cremated remains only grave not exceeding 4' 6" x 4'		£248.00		£97.00	£345.00	£0.00	£345.00	OS
Exclusive Right of Burial single (50 years)		£287.50			£287.50	£0.00	£287.50	OS
Exclusive Right of Burial double (50 years)		£402.50			£402.50	£0.00	£402.50	OS
Exclusive Right of Burial triple (50 years)		£450.00			£450.00	£0.00	£450.00	OS
Exclusive Right of Burial double (99 years)		£805.00			£805.00	£0.00	£805.00	OS
Exclusive Right of Burial triple (99 years)		£900.00			£900.00	£0.00	£900.00	OS
Cremated remains only - Exclusive Right of Burial child up to 12 years		£80.00		£20.00	£100.00	£0.00	£100.00	OS
Exhumation								
Body		£500.00			£500.00	£0.00	£500.00	OS
Cremated remains		£250.00			£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	£99.00			£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	£66.00			£66.00	£0.00	£66.00	OS
	For each inscription after the first	£41.00			£41.00	£0.00	£41.00	OS
	Headstone over 3ft but under 4ft	£250.00			£250.00	£0.00	£250.00	OS
	Flat stone (not exceeding 12" x 18")	£102.00			£102.00	£0.00	£102.00	OS
	vase (up to 12" in height) (fixed)	£92.00			£92.00	£0.00	£92.00	OS
	Plaque (not exceeding 12" x 6")(fixed)	£92.00			£92.00	£0.00	£92.00	OS
	Memorial figurine (over 12" but under 24" fixed)	£110.00			£110.00	£0.00	£110.00	OS
Cremation	Headstone up to 18 inches	£115.00			£115.00	£0.00	£115.00	OS
	Headstone 18 inches to 3ft	£138.00			£138.00	£0.00	£138.00	OS
	Flat stone (not exceeding 12" x 12")	£92.00			£92.00	£0.00	£92.00	OS
	small vase (up to 6" in height) (fixed)	£50.00			£50.00	£0.00	£50.00	OS
	Plaque (not exceeding 8" x 4")(fixed)	£50.00			£50.00	£0.00	£50.00	OS
	Memorial figurine (not exceeding 12" fixed)	£92.00			£92.00	£0.00	£92.00	OS

Registration Fees

Per certified copy of a certificate of grant of exclusive right of burial		£66.00			£66.00	£0.00	£66.00	OS
Per certified copy of entry in Register of Burials		£66.00			£66.00	£0.00	£66.00	OS

Copies of Certificates

Permission to plant memorial tree		£75.00			£75.00	£0.00	£75.00	OS
Permission to install memorial seat		£75.00			£75.00	£0.00	£75.00	OS

Burial grounds at Market Rasen & Springthorpe

APPENDIX D

CAPITAL INVESTMENT STRATEGY 2018/19 – 2022/23

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 overarching 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.
- Risks are identified and mitigated where possible
- Directly links to the Treasury Management Strategy ensuring an affordable and sustainable Capital Investment Programme and within the limitations of the Prudential Indicators.
- Informs the Medium Term Financial Plan by identifying the revenue impacts of investment decisions.
- Incorporates an annual review to ensure the programme still meets our priorities.
- Considers innovative solutions to funding.

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, Executive Business Plan, Medium Term Financial Plan and the Asset Management Plan.

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

b) Capital Investment Policy

The Capital Investment Strategy will be underpinned by a 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.
- Ensure evaluation for value for money investments by whole life costing (where applicable) and by having robust Business cases with full financial modelling, and appropriate due diligence in estimates in order to inform the full financial implications
- To develop partnerships, including the pursuit of shared services, joint ventures and community arrangements, where appropriate, to achieve the Council's investment aspirations and value for money.
- Monitoring and evaluation of approved budgets will form part of the quarterly budget monitoring reports.
- Monitoring and evaluation of approved Programmes and projects will form part of Performance Management.

- Encourage community engagement by informing on priorities and consultation on proposals.
- To invest in non-treasury activities to support ongoing sustainability in the delivery of services.
- Regularly review Business Cases as schemes are developed and update financial models to inform future budget impacts.

d) Asset Management Principles

The Asset Management Strategy ensures that;

- corporate policies and responsibilities are defined which relate to property asset management.
- There is a link between property asset management strategies and capital investment plans to the Council's other strategic plans
- assessment of the Council's accommodation needs based on its statutory functions, strategic aims, service delivery priorities and other objectives
- assessment of the extent, type, condition, accessibility and performance of the existing stock to ensure that it is sufficient, suitable and "fit for purpose"
- strategies are developed for improving asset management and determine priorities for future investment in terms of maintenance and capital replacements
- an assessment of capital receipt opportunities is undertaken
- significant factors are identified 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 2018/19 will support the Corporate Plan's 6 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 Plan - incorporates the Financial Strategy, revenue budget financial impacts of capital investment decisions.

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

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

The Commercial Portfolio Strategy – informs how acquisitions will be considered on a risk based approach

The Value for Money Strategy

The Housing Strategy

The Land and Property Investment Strategy

The Asset Management Strategy

These documents are available on our website www.west-lindsey.gov.uk

4. The Capital Investment Strategy Process

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

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

This will include:

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

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

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

The Capital Programme consists of consist of 4 levels of activity;

Pre-Stage 1 – Business Case in preparation

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

The investment and the ongoing revenue implications of each scheme are ascertained from the financial implications and appraisals within the business case. The Capital Investment Value is assessed against the capital definition, and deminimis limits (£10k).

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

5. Governance of the Capital Investment Programme

In accordance with the Constitution and governance arrangements, the Council reviews its capital requirements and determines its Capital Programme within the framework of the MTFP and as part of the annual budget process. Resource constraints mean the Council continually needs to 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 MTFP.

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

The Council will approve in principal the Capital Investment Programme, and will approve the release of funding for replacement and renewal programmes, this is undertaken annually in March as part of the Medium Term Financial Plan.

Corporate Policy and Resources Committee will be responsible for approving release of funding for the Capital Investment Programme and will therefore receive reports for each scheme detailing the business case, cost, proposed funding and revenue implications.

Corporate Policy and Resources Committee will receive quarterly monitoring an update reports which may include details of;

- new capital investment schemes
- slippage in programme delivery
- programmes removed or reduced
- virements between schemes
- revisions in spend profile
- overspending
- capital acquisitions and disposals
- loan advances and outstanding loan balances

Progress on specific programmes will also be monitored in relation to projects through the Performance Monitoring reporting framework.

The Service Leadership Team will receive monthly monitoring reports

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

6. Capital Financing Strategy

The funding of Capital schemes can come from a number of resources, the use of external resources will take precedent ;

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

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

To deliver our strategic objectives, especially in relation to economic and housing growth, regeneration. In addition investment in commercial property is designed 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 borrowing to fund capital projects with the full cost of that borrowing (interest and minimum revenue provision) being funded from Council revenue resources and/or capital receipts. This discretion is subject to complying with the Code's regulatory framework which essentially requires any such borrowing to be prudent, affordable and sustainable. Prudential borrowing provides an option for funding additional capital development however it has to be funded each year from within the revenue budget and by generating additional ongoing income streams from the investment.

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

revenue expenditure levels in the longer term but provide a beneficial economic impact.

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

Where prudential borrowing is utilised to fund Capital Investment, financial implication considerations will be provided including the risks and opportunities of the investment over both the payback period and over the repayment period of any debt taken out.

Revenue Contributions and Earmarked Reserves

Our continued prudent approach is to set aside revenue resources to fund capital replacement programmes and asset management funding, this will continue over the MTFP.

Our estimate of New Homes Bonus will be set aside for the purpose of investment in Growth (economic and housing) and has been included in the MTFP.

We will consider future Earmarking of Reserves for service investment needs, invest to save and invest to earn projects and enhancements to our own property assets, in addition to consideration of revenue contingencies, volatility and budget smoothing.

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

Capital Receipts

Capital receipts generated from the following sources and where appropriate utilised as detailed.

- Loans principal repayments – used to repay prudential borrowing
- Receipts from Asset Disposal (operational property assets or surplus land)
- Commercial Portfolio Properties – repayment of borrowing
- Share of RTB Housing Transfer Agreement
- Insurance settlements – replacement of asset

External Grants and contributions (incl S106 and Community Infrastructure Levy (CiL))

The Council will actively pursue grants and contributions and other innovative solutions to funding of capital investment schemes. This funding will be utilised in the first instance.

Leasing

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

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. Investment in Commercial Properties (Non Treasury Investments)

Any acquisition of Commercial Properties will be in accordance with the Commercial Portfolio Strategy and are being acquired to support delivery of services in a financially sustainable organisation. The MTFP assumes a £20m investment will generate a £600k net contribution to revenue (after the costs of borrowing have been met.)

Appropriate experts will be engaged as required.

All assets will be assessed against 7 criteria and the Director of Resources will have delegated Authority to complete on the acquisition of assets which score 50 or more out of 70. Any asset which falls below this threshold or registers a zero against any criteria may still be considered but specific justification will need to be provided and the decision to proceed taken to the Corporate Policy and Resources Committee for approval.

An annual review will be undertaken of the Commercial Property Portfolio to ascertain whether its fair value is sufficient to provide security against loss against the capital investment, and therefore adequate to meet the cost of outstanding borrowing.

Under the Minimum Revenue Provision (MRP) Policy, there will be no annual MRP charge for borrowing undertaken to finance Commercial Properties.

A Valuation Volatility Earmarked Reserve has been created to mitigate any loss of capital investment upon the sale of an asset, to meet the cost of any shortfall against outstanding debt. A proportion of the annual revenue income generated from the investment will be allocated for risk provision.

A Commercial Contingency revenue budget has been included within the MTFP to mitigate the risk of not achieving the desired level of yield from the Portfolio.

These investment assets are not deemed to be liquid over the short term but are likely to be held for the medium term of 5-10 years.

A number of prudential indicators in relation to these investments are contained within the Treasury Management Strategy and will be monitored throughout the year.

8. Risk

All capital projects have a risk register, with all risks affecting the project considered. A specific risk of capital investment is the impact on the Council's VAT partial exemption (recovery of exempt VAT up to 5% of overall VAT). If exempt VAT exceeds 5% the whole amount is then irrecoverable. Each scheme is therefore assessed for its impact.

9. 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 2018/19 - 2022/23						
Corporate Priority / Scheme	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	TOTAL CAPITAL INVESTMENT
	£	£	£	£	£	£
Open for Business						
Gainsborough Growth Fund	139,000	-	-	-	-	139,000
Food Enterprise Zone infrastructure	1,900,000	-	-	-	-	1,900,000
Commercial Loan - FEZ	-	1,500,000	-	-	-	1,500,000
People First						
Customer First Programme	180,000	50,000	-	-	-	230,000
Disabled Facilities Grant	555,200	554,000	574,770	605,000	605,000	2,893,970
Asset Management						
Capital Enhancements to Council Owned Assets	36,000	75,000	75,000	75,000	75,000	336,000
Carbon Efficiency Programme	225,000					225,000
Caistor Southdale	100,000					100,000
Commercial Investment - Crematorium	2,900,000	2,950,000	-	-	-	5,850,000
Public Sector Hub - Property	500,000	-	-	-	-	500,000
Leisure Facilities	1,397,500	5,800,000	-	-	-	7,197,500
Commercial Investment - Property Portfolio	10,000,000	4,000,000	-	-	-	14,000,000
Car Park Strategy Investment	700,000	-	-	-	-	700,000
Saxilby Industrial Units	-	670,000	-	-	-	670,000
Depots Review	-	4,500,000	-	-	-	4,500,000
Central Lincolnshire Local Plan						
Gainsborough Heritage Regeneration - THI	-	346,245	346,245	346,245	346,245	1,384,980
Gainsborough Heritage Development - THI	65,310	-	-	-	-	65,310
Marina Green Corridor	387,560	427,310	44,550	9,600	-	869,020
Marina	615,000	-	-	-	-	615,000
Shop Fronts	45,000	-	-	-	-	45,000
Gainsborough Regeneration - Dev Partnership	2,450,000	2,450,000	-	-	-	4,900,000
Hemswell Masterplan - Public Realm Improvements	150,000	-	-	-	-	150,000
Market Rasen - 3 year Vision	50,000	150,000	-	-	-	200,000
Viability Funding - The Sun Inn - Capital Grant	700,000	-	-	-	-	700,000
Private Sector Renewal	500,000	500,000	439,900	-	-	1,439,900
Unlocking Housing - Albion Works	580,000	-	-	-	-	580,000
Unlocking Housing - Living over the Shop	150,000	-	-	-	-	150,000
Excellent, VFM Services						
Vehicle Replacement Programme	628,000	382,500	60,000	95,000	902,500	2,068,000
Desktop Refresh	29,000	-	-	-	200,000	229,000
Replacement of Noise Equipment	-	10,000	-	-	-	10,000
Telephony (incl. Contact Centre)	150,000	-	-	-	-	150,000
IT Infrastructure Refresh	120,000	-	-	-	-	120,000
Website Replacement	-	-	-	-	75,000	75,000
Financial Management System	150,000					150,000
Renewal/Replacement of current Revs & Bens system	-	150,000	-	-	-	150,000
Performance Management System	10,000	-	-	-	-	10,000
Project Management Software	-	10,000	-	-	-	10,000
Upgrade to Council Chamber Technology	10,000	-	-	-	-	10,000
Storage Refresh	-	-	80,000	-	-	80,000
Software Licenses on infrastructure	34,000	-	-	-	-	34,000
Total Capital Programme Gross Expenditure	25,456,570	24,525,055	1,620,465	1,130,845	2,203,745	54,936,680
CAPITAL FINANCING						
Grants & Contributions etc	- 3,591,750	- 810,390	- 945,290	- 957,005	- 951,245	- 7,255,680
Revenue Financing	- 6,024,320	- 4,102,905	- 235,275	- 173,840	- 1,252,500	- 11,788,840
Useable Capital Receipts	- 700,000	- 325,000	- 439,900	-	-	- 1,464,900
Prudential Borrowing	- 15,140,500	- 19,286,760	-	-	-	- 34,427,260
Total Capital Programme Funding	-25,456,570	-24,525,055	-1,620,465	-1,130,845	-2,203,745	-54,936,680

Analysis of Capital Financing						
Source	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	TOTAL
	£	£	£	£	£	£
Use of Capital Receipts	- 700,000	- 325,000	- 439,900	-	-	- 1,464,900
Use of Capital grants						
Disabled Facilities Grant	- 555,200	- 554,000	- 574,770	- 605,000	- 605,000	- 2,893,970
HLF	- 49,010	-	- 343,790	- 346,245	- 346,245	- 1,085,290
ERDF	- 232,540	- 256,390	- 26,730	- 5,760	-	- 521,420
GLLEP	- 2,630,000	-	-	-	-	- 2,630,000
LCC	- 125,000	-	-	-	-	- 125,000
	- 3,591,750	- 810,390	- 945,290	- 957,005	- 951,245	- 7,255,680
Use of Earmarked Reserves						
IT Upgrades/Refresh	- 183,000	- 150,000	- 80,000	-	- 200,000	- 613,000
Maintenance of Facilities	- 36,000	- 75,000	- 75,000	- 75,000	- 75,000	- 336,000
Waste Management Fund	- 628,000	- 382,500	- 60,000	- 95,000	- 902,500	- 2,068,000
Property Asset Fund	- 600,000	-	-	-	-	- 600,000
Investment for Growth Fund	- 3,995,320	- 3,425,405	- 20,275	- 3,840	-	- 7,444,840
Business Improvement & Transformation	- 500,000	- 70,000	-	-	- 75,000	- 645,000
Carbon	- 82,000	-	-	-	-	- 82,000
Total Use of Earmarked Reserves	- 6,024,320	- 4,102,905	- 235,275	- 173,840	- 1,252,500	- 11,788,840
General Fund	-	-	-	-	-	-
Prudential Borrowing	- 15,140,500	- 19,286,760	-	-	-	- 34,427,260
Capital Financing Total	- 25,456,570	- 24,525,055	- 1,620,465	- 1,130,845	- 2,203,745	- 54,936,680

APPENDIX F

TREASURY MANAGEMENT STRATEGY (INCLUDING INVESTMENT AND BORROWING STRATEGIES AND MINIMUM REVENUE PROVISION POLICY (MRP))

1. Executive Summary

1.1 The Council is required to approve a Treasury Management Strategy Statement for 2018/19 before 1 April 2018. In accordance with the constitution the Governance and Audit Committee have scrutinised the Council's Treasury Management Strategy and Policies at their meeting in January and have recommended for approval of Council.

1.2 The main elements of the Treasury Management Strategy are;

1.2.1 The Borrowing Strategy (para 3.4)

The key objectives of the Council's Borrowing Strategy are;

- To ensure that future external debt is affordable and sustainable within the long term within the revenue budget constraints.
- to borrow in advance of need to fund Non Treasury Investment (Commercial Properties) to support delivery of core services, through the generation of additional income, 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
- to potentially borrow in advance of need so that external debt (fixed rate funding) is arranged whilst interest rates are lower than they are projected to be over the next few years; and
- all external debt undertaken will be repaid on loan maturities

1.2.2 The Investment Strategy (para 4.4)

The main objective of the strategy is the security, liquidity and finally yield of the investment, in the context of the Councils risk appetite and through the mitigation of risks and in the context of risk appetite.

1.2.3 The Minimum Revenue Provision Policy (MRP) (Appendix A)

The Council will repay an element of borrowing, on a prudent basis, annually in accordance with the MRP Policy as detailed below;

- Asset Life Method – debt repaid over the life of the asset

- Asset Life – Annuity Method – for regeneration schemes or admin projects where revenue benefits are only realised in future years or increase in future years, and will be based on an appropriate rate comparable with PWLB Rates
- Loan Principal repayment will be proxy for MRP for loans funded from borrowing
- Borrowing for Non-Treasury Activity – MRP will be considered on a case by case basis as the intention is that the asset will be sold within the short/medium term and the capital receipt utilised to repay borrowing, therefore MRP relating to these assets will be £0.

Note: To mitigate the risk of loss of the capital receipt not meeting outstanding debt, a Valuation Volatility Reserve has been created to fund any shortfall.

- 1.3 CIPFA has recently revised its “Prudential Code” and Treasury Management Code of Practice, in addition the Ministry of Housing, Communities and Local Government (MHCLG) has issued guidance under S15(1)(a) of the Local Government Act 2003 to which local authorities are required to “have regard” to such guidance.
- 1.4 These documents are particularly focused on ‘non-treasury’ investments, especially the purchase of investment property and commercial activities that aim to generate income, but which may require external borrowing (or the use of cash balances (internal borrowing) to finance such activities.
- 1.5 To provide transparency the Treasury Management Strategy now includes at 4.7 the Non-Treasury Investment Strategy in the context of the Commercial Portfolio Strategy previously approved by Corporate Policy and Resources Committee.
- 1.6 The Treasury Management Strategy including the Borrowing Strategy, Investment Strategy and Minimum Revenue Provision Policy are detailed below;

1 INTRODUCTION

1.1 Background

The Council is required to operate a balanced budget, in that cash raised during the year will meet its cash expenditure. The treasury management function is to ensure that cash flow is adequately planned, ensuring cash is available when needed to meet our liabilities. Any surplus monies are invested in approved high level counterparties, financial instruments or externally managed funds commensurate with the Council's risk appetite. Ensuring security of investment and providing adequate liquidity before considering investment returns.

The second element of the treasury management function is to ensure the ability to fund the Council's capital investment decisions. A 5 year Capital Programme is therefore developed to provide a guide to the Council's borrowing need after taking account of the availability of other sources of funding, i.e. external grant, earmarked reserves, capital receipts, revenue and capital resources. The management of this longer term cash flow involves arranging short and long term borrowing (external borrowing) or may utilise longer term cash flow surpluses in lieu of external borrowing (internal borrowing).

The Council's Corporate Plan identifies the Corporate Objectives of the Council and which then informs capital investment requirements. The 2018/19 to 2022/23 Capital Programme therefore includes significant capital investment which will require resourcing, from revenue, earmarked reserves, capital receipts, grant income, and borrowing.

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as;

“the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks”

The treasury management activity involves substantial sums of money, which it borrows and invests. This exposes the Council to potential large financial risk, which can include the loss of invested funds, or the revenue consequence of changes in interest rates. Therefore the successful identification, control and monitoring of risk are integral to this function and include credit and counterparty risk, liquidity risk, market or interest rate risk, refinancing risk and legal and regulatory risk.

1.2 Reporting requirements

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 and Audit Committee.

1.3 Treasury Management Strategy for 2018/19

The strategy for 2018/19 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the Minimum Revenue Provision (MRP) policy. (included at Appendix A)

Treasury management issues

- the current treasury position;

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

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

1.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. This is mandatory training for the Governance and Audit Committee and is delivered annually. This training was undertaken on 16 January 2018. Further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

1.5 Treasury management consultants

The Council uses Link 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.

2 THE CAPITAL PRUDENTIAL INDICATORS 2018/19 – 2020/21

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.

1.7 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans which are included in the approved Capital Programme and which are the key drivers to treasury management activity. The output of the programme is reflected in the Council's prudential indicators, which are designed to provide Members with an overview and Members are asked to approve the capital expenditure forecasts:

Capital expenditure By Cluster £m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
People	1.808	1.176	4.913	9.096	1.074
Places	0.552	4.188	10.190	11.419	0.466
Policy and Resources	0.131	1.366	0.353	0.010	0.080
Commercial Investment Properties	0.093	6.000	10.000	4.000	0.000
Total	2.584	12.730	25.456	24.525	1.620

Capital expenditure can be financed from a range of external and internal sources. External sources include private sector contributions ie S106 developer agreements, as well as government grants. Internal sources include capital receipts, earmarked reserves, and revenue contributions.

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

Financing of capital expenditure £m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Capital receipts	0.405	0.905	0.700	0.325	0.440
External Grants	0.660	1.729	3.592	0.810	0.945
S106	0.000	0.158	0.000	0.000	0.000
Earmarked Reserves	1.459	2.161	6.024	4.103	0.235
Revenue Resources	0.025	0.002	0.000	0.000	0.000
Borrowing need for the year	0.035	7.775	15.140	19.287	0.000
Total Capital Financing	2.584	12.730	25.456	24.525	1.620

Other long-term liabilities. The above financing need excludes other long term liabilities, such as leasing arrangements which already include borrowing instruments.

The forecast of Revenue and Capital Reserves after taking into account contributions to and from these reserves for both capital and revenue purposes are detailed in the table below:

Year End Resources £m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
General Fund Balance	4.838	2.707	2.352	2.322	2.322
Earmarked Reserves	13.334	12.443	10.326	7.398	7.954
Total Revenue Reserves	18.172	15.150	12.678	9.720	10.276
Capital receipts	2.895	2.434	1.977	1.980	1.868
Capital Grants Unapplied	0.153	0.006	0.006	0.006	0.006
Total Capital Reserves	3.048	2.440	1.983	1.986	1.874
Total Useable Reserves	21.220	17.590	14.661	11.706	12.150

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

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its 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 indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has £0.027m of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Capital Financing Requirement					
Accounting Adj	1.065	1.065	1.065	1.065	1.065
Finance Leases	0.122	0.027	0.000	0.000	0.000
Prudential Borrowing	0.032	7.681	22.756	42.025	41.696
Total CFR	1.219	8.773	23.821	43.090	42.761
Of which: Commercial Portfolio	0	6.000	16.000	20.000	20.000

Movement in CFR represented by					
Net financing need for the year (above)	0.035	7.775	15.141	19.287	0.000
Less MRP and other financing movements	0.223	0.221	0.093	0.018	0.329
Movement in CFR	-0.188	7.554	15.048	19.269	-0.329

Note: the MRP includes finance lease annual principal payments

1. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

a. 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	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
CFR	1.219	8.773	23.821	43.090	42.760
Less Leases	0.122	0.027	0.000	0.000	0.000
Borrowing CFR	1.097	8.746	23.821	43.090	42.760
Less PWLB Borrowing	0.000	7.000	21.297	38.547	38.548
Over(-)/Under Borrowing	1.097	1.746	2.524	4.543	4.212
General Fund Balance	-4.838	-2.707	-2.352	-2.322	-2.322
Earmarked Reserves	-13.334	-12.443	-10.326	-7.398	-7.954
Capital receipts	-2.895	-2.434	-1.977	-1.980	-1.868
Capital Grants Unapplied	-0.153	-0.006	-0.006	-0.006	-0.006
Provisions	-1.000	-1.000	-1.000	-1.000	-1.000
Working capital*	1.301	-0.265	-0.265	-0.265	-0.265
Expected investments (-) /Borrowing	-19.822	-17.109	-13.402	-8.428	-9.203

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

b. Current portfolio position

The Council's treasury portfolio position at 31 March 2017, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), and internal borrowing as a percentage of the CFR.

£m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
External Debt					
Debt at 1 April	0.000	0.000	7.000	21.298	38.548
Expected change in Debt	0.000	7.000	14.298	17.250	0.000
Other long-term liabilities (OLTL)	0.342	0.122	0.027	0.000	0.000
Expected change in OLTL	-0.220	-0.095	-0.027	0.000	0.000
Gross external debt at 31 March	0.122	7.027	21.298	38.548	38.548
Internal Borrowing (at 31 March)	0.032	0.682	1.525	3.562	3.562
The Capital Financing Requirement	1.219	8.773	23.821	43.090	42.761
Internal Borrowing %	2.63	7.77	6.40	8.27	8.33

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 2018/19 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The 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.

3.3 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to be exceeded. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £m	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
External Debt	7.775	22.916	44.202	44.202
Other long term liabilities	0.027	0.000	0.000	0.000
Operational Boundary	7.802	22.916	44.202	44.202

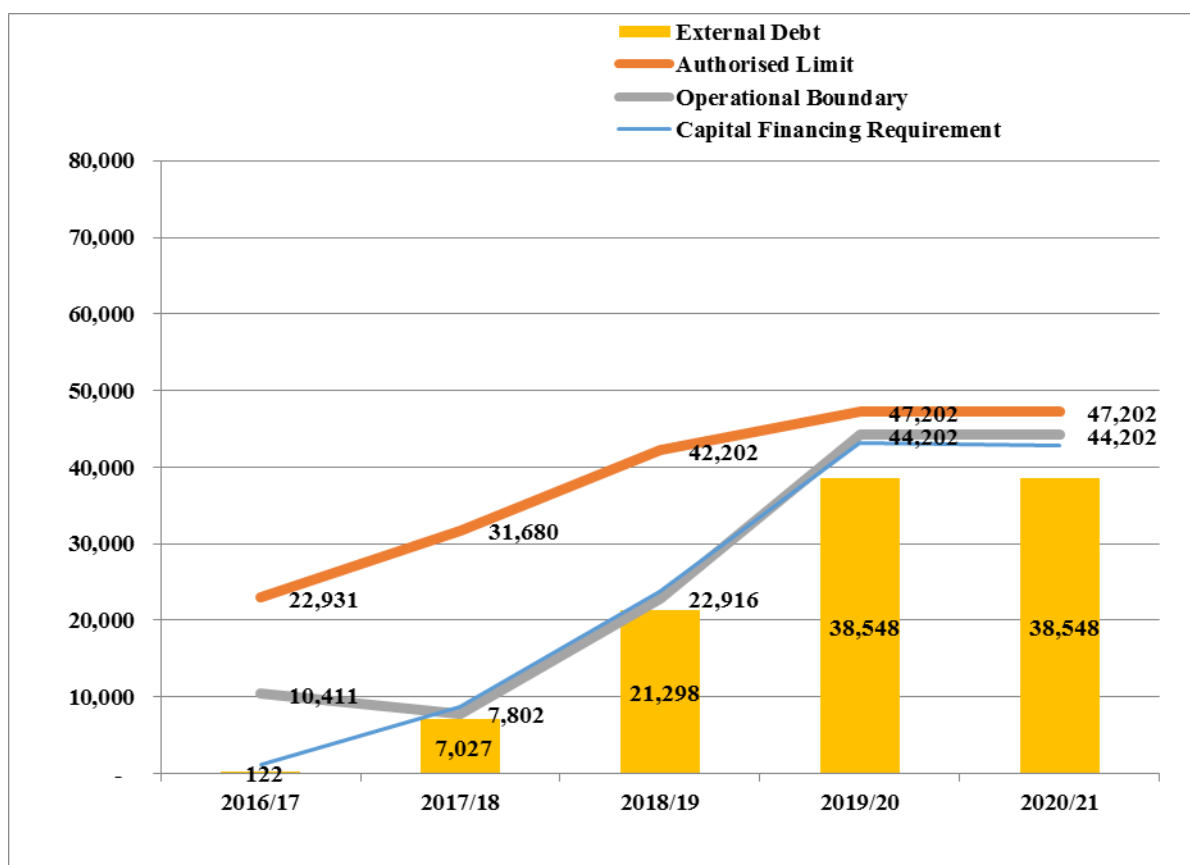
The authorised limit for external debt. A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, 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	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Gross Debt*	31.653	42.202	47.202	47.202
Other long term liabilities	0.027	0.000	0.000	0.000
Authorised Limit	31.680	42.202	47.202	47.202

**Gross debt estimates allow for external borrowing in advance of need for up to a maximum of two years and includes additional headroom of £5m for unexpected cashflow movements.*

The graph below shows our projections of CFR and borrowing;



3.4 Prospects for interest rates

The Council has appointed Link 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.

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank rate	0.50%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.50%
5yr PWLB rate	1.90%	2.00%	2.10%	2.10%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%
10yr PWLB rate	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%
25yr PWLB rate	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB rate	2.60%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%

(A more detailed interest rate forecast and economic commentary are set out in appendices B and C)

As expected, the Monetary Policy Committee (MPC) delivered a 0.25% increase in Bank Rate at its meeting on 2 November. This removed the

emergency cut in August 2016 after the EU referendum. The MPC also gave forward guidance that they expected to increase Bank rate only twice more by 0.25% by 2020 to end at 1.00%. The Link Asset Services forecast as above includes increases in Bank Rate of 0.25% in November 2018, November 2019 and August 2020.

Investment and borrowing rates

- Investment returns are likely to remain low during 2018/19 but to be on a gently rising trend over the next few years.
- Borrowing interest rates increased sharply after the result of the general election in June and then also after the September MPC meeting when financial markets reacted by accelerating their expectations for the timing of Bank Rate increases. Apart from that, there has been little general trend in rates during the current financial year. 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 the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of 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.

3.5 Borrowing strategy

The Borrowing Strategy covers the relevant prudential and treasury indicators, and the current and projected debt positions as detailed above.

The key objectives of the Council's Borrowing Strategy are;

- To ensure that future external debt is affordable and sustainable within the long term within the revenue budget constraints.
- to borrow 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
- to potentially borrow in advance of need so that external debt (fixed rate funding) is arranged whilst interest rates are lower than they are projected to be over the next few years; and
- all external debt undertaken will be repaid on loan maturities

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with external loan debt as cash supporting the Council's

reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2018/19 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.

3.6 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.

Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 75% of the expected increase in borrowing need (CFR) over the three year planning period; and
- The authority would not look to borrow more than 24 months in advance of need.

Non-Treasury investments in the form of acquisitions of Commercial Investment Properties are funded from borrowing and are made to generate a net contribution to revenue to support ongoing delivery of core services.

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

3.7 Municipal Bond Agency

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

4.0 ANNUAL INVESTMENT STRATEGY

4.1 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 achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

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.

4.2 Creditworthiness policy

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

- credit watches and credit outlooks from credit rating agencies;
- 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 Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds 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 Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

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

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Link 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 Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition 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 covering 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 the 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 be prudently 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 Link 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 possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing.

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

- Banks 1 – good credit quality – the Council will only use banks which:
 - i. Are UK banks; and/or
 - ii. Are non-UK and domiciled in a country which has a minimum sovereign Long Term rating of AAAnd have, as a minimum the following Fitch, Moody's and Standard & Poors credit ratings (where rated):
 - i. Short Term – F1
 - ii. Long Term – A
- Banks 2 – Part nationalised UK bank, can be used provided the bank 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 the 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
- Supernational institutions
- Local Authority Property Asset Fund (CCLA)
- Corporate Bond Funds
- Covered Bonds
- Local Authority Bills

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 mths
Gilts/Treasury Bills – where no loss of principal if held to maturity				£5m maximum exposure	5 years

Supranational				£5m per counterparty	1 year
Quality Corporate Bonds Funds				£2m	5 years
Local Authority Property Asset Funds				£4m	5 years
Certificates of Deposit				£2m	5 years
Covered Bonds				£1m	5 years
Local Authority Bills				£2m	1 year
	Fund rating			Money and/or % Limit	Time Limit
Money market funds	AAA			£5m per counterparty	Overnight
Enhanced money market funds	AAA			£5m	5 years

4.3 Country limits

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

In addition

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

4.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). 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 0.50% until quarter 4 2018 and not to rise above 1.25% by quarter 1 2021. Bank Rate forecasts for financial year ends (March) are:

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

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

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

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

The Council is expecting to have an average investment portfolio of £14.714m throughout 2018/19 and expects to receive investment income totalling £0.223m as shown below

Treasury Portfolio	Investment	Average Portfolio £m	Interest Rate %	Interest £'000
Liquidity Investments		6.000	0.40	0.024
Short Term Investments		5.714	0.70	0.040
Long Term Investments		3.000	5.29	0.159
Total Investment Income (2018/19)				0.223

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

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

Maximum principal sums invested > 365 days			
£m	2018/19	2019/20	2020/21
Principal sums invested > 365 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.

4.5 Investment risk benchmarking

1.3 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.

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

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

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

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

Yield - local measures of yield benchmarks are;

- Investments – internal returns above the 7 day 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.

4.6 End of year investment report

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

4.7 Non-Treasury Investments (Commercial Property)

Any investment in Commercial Properties will be in accordance with the Commercial Portfolio Strategy and are being acquired to support delivery of services in a financially sustainable organisation. The MTFP assumes a £20m investment will generate a £600k net contribution to revenue (after the costs of borrowing have been met.)

Appropriate experts will be engaged as required.

All assets will be assessed against 7 criteria and the Director of Resources will have delegated Authority to complete on the acquisition of assets which score 50 or more out of 70. Any asset which falls below this threshold or registers a zero against any criteria may still be considered but specific justification will need to be provided and the decision to proceed taken to the Corporate Policy and Resources Committee for approval.

An annual review will be undertaken of the Commercial Property Portfolio to ascertain whether its fair value is sufficient to provide security against loss

against the capital investment, and therefore adequate to meet the cost of outstanding borrowing.

Under the Minimum Revenue Provision (MRP) Policy, there will be no annual MRP charge for borrowing undertaken to finance Commercial Properties, however this will be reviewed on a case by case basis.

A Valuation Volatility Earmarked Reserve has been created to mitigate any loss of capital investment upon the sale of an asset, to meet the cost of any shortfall against outstanding debt. A proportion of the annual revenue income generated from the investment will be allocated for risk provision.

A Commercial Contingency revenue budget has been included within the MTFP to mitigate the risk of not achieving the desired level of yield from the Portfolio.

These investment assets are not deemed to be liquid over the short term but are likely to be held for the medium term of 5-10 years.

A number of prudential indicators in relation to these investments are contained within the Treasury and Prudential Indicators.

Strategy

Working with the commercial property consultant, Cushman & Wakefield, officers have developed an investment strategy for the Council that aims to balance risk across the portfolio whilst achieving the target returns required.

The strategy includes;

1. To acquire an investment portfolio of circa 8 commercial property assets in lot sizes of £1.0m to £4.0m, targeting an average lot size of circa £2.5m across the portfolio and total investment of £20.0m.
2. Authority to complete on acquisitions should be delegated to the Director of Resources reporting to the Leader of the Council, provided that the purchase is within agreed criteria. All assets will be assessed against these criteria and the Director of Resources will have delegated Authority to complete on the acquisition of assets which score 50 or more out of 70. Any asset which falls below this threshold or registers a zero against any criteria may still be considered but specific justification will need to be provided and the decision to proceed taken to the Corporate Policy and Resources Committee for approval. An example of how this scoring criteria will be applied is provided at Appendix D of the attached report.

3. A combination of reserves and borrowing will be used to fund acquisitions. Business case modelling will be developed using an opportunity cost of capital based on debt funded through Prudential Borrowing. The business case will be made on the basis of borrowing the full amount each time to ensure that resources are able to be recycled.
4. All assets will be acquired against a target hold period of 5 to 10 years with consideration given to asset management to enhance/protect value over the period of ownership (and any additional resource required/expected in this respect) and risks relating to disposal after the proposed hold period. A proportion of the income will be allocated for risk provision. Further returns would depend on investment performance relative to target and might be achieved through release of the risk provision and/or capital returns.
5. The financial position will be thoroughly monitored throughout the hold period and adequate response made to any change in market conditions and portfolio performance. Decisions regarding the funding of acquisitions will be made by the Director of Resources / s.151 officer and will be based on:
 - An analysis of disposal value risk after an assumed hold period
 - The expectation that the asset will generate a capital return that tracks inflation or better with a provision for risk should this not be achieved
6. Access to suitably qualified/experienced resource is essential for successful delivery and management of the risks involved. Resources should be identified and ring-fenced to the activity. The property and asset team is currently being restructured to ensure that sufficient resources available to manage the existing assets and the new additions that would be acquired in line with this strategy.

5 APPENDICES

- A Prudential and treasury indicators and MRP statement
- B Interest rate forecasts
- C Economic background
- D Treasury management practice 1 – credit and counterparty risk management
- E Approved countries for investments
- F Treasury management scheme of delegation
- G The treasury management role of the section 151 officer

ANNEX 1

5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2018/19 – 2020/21 AND MRP STATEMENT

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

5.2 Capital expenditure

Capital expenditure By Cluster £m	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
People	1.808	1.176	4.913	9.096	1.074
Places	0.552	4.188	10.190	11.419	0.466
Policy and Resources	0.131	1.366	0.353	0.010	0.080
Commercial Investment Properties	0.093	6.000	10.000	4.000	0.000
Total	2.584	12.730	25.456	24.525	1.620

5.3 Minimum revenue provision (MRP) policy statement

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

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;

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

- Asset life method** – MRP will be charged, and therefore debt repaid over the expected useful life of the asset financed from borrowing based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);
- Asset life method – Annuity Method**
Under this approach the debt is repaid over the expected useful life of the asset financed from borrowing. For, regeneration schemes or administrative projects, where revenue benefits are only realised in

future years or increase in future years, and will be based on an appropriate rate.

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

- **Borrowing for Non-Treasury Investments**
Where the Council borrows and anticipates a capital receipt will be realised within the short/medium term, ie for the acquisition of Commercial Investment Properties funded from borrowing, where the asset is to be held for a set period, and a capital receipt is expected to be realized at the end of this period, then the requirement to set aside a MRP to repay the debt will be considered on a case by case basis and in such cases, and with the agreement of the Auditor, MRP may not be applied subject to taking into account any risks, project profiles and revenue income streams from the investment.

This is considered a prudent charge as the assets will be held for medium term period and the debt will be repaid upon sale of the asset.

To mitigate the risk of loss of capital upon sale of any Commercial Investment Property, should the capital receipt not meeting outstanding debt, a Valuation Volatility Reserve has been created to fund any shortfall.

- **Finance Leases**
Repayment of principal included in finance lease repayments are applied as MRP.

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

5.4 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:

- a. **Ratio of financing costs to net revenue stream**

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

£m	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Estimate	Estimate	Estimate	Estimate
Net Revenue Expenditure £m	15.403	13.297	15.434	13.042	13.028
Interest Payable	0	0	0.372	0.883	1.174
Interest Receivable (-)	-0.266	-0.172	-0.223	-0.183	-0.158
MRP	0.223	0.126	0.065	0.018	0.329
Total Capital Financing Charges	-0.043	-0.046	0.214	0.718	1.345
% Ratio	-0.28	-0.34	1.39	5.50	10.33

b. Of which: element of Ratio of financing costs to net revenue stream relating to Non-Treasury Investments

£m	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Estimate	Estimate	Estimate	Estimate
Net Revenue Expenditure £m	15.403	13.297	15.434	13.042	13.028
Interest Payable	0	0	0.289	0.496	0.559
Interest Receivable (-)	0	0	0	0	0
MRP	0	0	0	0	0
Total Capital Financing Charges	0	0	0.289	0.496	0.559
% Ratio	0	0	1.87	3.81	4.29

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

Interest receivable excludes interest from loans.

c. Incremental impact of capital investment decisions on council tax

This indicator identifies the revenue costs 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.

Incremental impact of capital investment decisions on the band D council tax

£	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Council tax - band D	-1.31	-1.55	-6.77	-19.96	-18.88

Of which: Incremental impact of Non-Treasury Investments

£	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Council tax - band D	0	-2.73	-9.24	-19.41	-20.33

5.5 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	2018/19	2019/20	2020/21
Interest rate exposures			
	Upper	Upper	Upper
Limits on fixed interest rates:			
• Debt only	100%	100%	100%
• Investments only	75%	75%	75%
Limits on variable interest rates			
• Debt only	25%	25%	20%
• Investments only	100%	100%	100%
Maturity structure of fixed interest rate borrowing 2018/19			
	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 to 20 years	0%	100%	
20 years to 30 years	0%	100%	
30 years to 40 years	0%	100%	
40 years to 50 years	0%	100%	
Maturity structure of variable interest rate borrowing 2018/19			
	Lower	Upper	
Under 12 months	0%	100%	
12 months to 2 years	0%	100%	
2 years to 5 years	0%	0%	
5 years to 10 years	0%	0%	
10 years to 20 years	0%	0%	
20 years to 30 years	0%	0%	
30 years to 40 years	0%	0%	
40 years to 50 years	0%	0%	

ANNEX 2

INTEREST RATE FORECASTS 2017 – 2020

Link Asset Services Interest Rate View														
	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%
3 Month LIBID	0.40%	0.40%	0.40%	0.40%	0.60%	0.60%	0.60%	0.70%	0.90%	0.90%	1.00%	1.20%	1.20%	1.20%
6 Month LIBID	0.50%	0.50%	0.50%	0.60%	0.80%	0.80%	0.80%	0.90%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%
12 Month LIBID	0.70%	0.80%	0.80%	0.90%	1.00%	1.00%	1.10%	1.10%	1.30%	1.30%	1.40%	1.50%	1.50%	1.60%
5yr PWLB Rate	1.50%	1.60%	1.60%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.10%	2.10%	2.20%	2.30%	2.30%
10yr PWLB Rate	2.10%	2.20%	2.30%	2.40%	2.40%	2.50%	2.60%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.50%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%
Bank Rate														
Link Asset Services	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%
Capital Economics	0.50%	0.50%	0.75%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	-	-	-	-	-
5yr PWLB Rate														
Link Asset Services	1.50%	1.60%	1.60%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.10%	2.10%	2.20%	2.30%	2.30%
Capital Economics	1.70%	1.90%	2.30%	2.60%	2.90%	2.90%	2.90%	2.90%	2.90%	-	-	-	-	-
10yr PWLB Rate														
Link Asset Services	2.10%	2.20%	2.30%	2.40%	2.40%	2.50%	2.60%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%
Capital Economics	2.30%	2.60%	2.80%	3.10%	3.30%	3.30%	3.30%	3.30%	3.30%	-	-	-	-	-
25yr PWLB Rate														
Link Asset Services	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%	3.50%	3.50%	3.60%	3.60%
Capital Economics	2.95%	3.15%	3.45%	3.65%	3.90%	3.90%	3.90%	3.90%	3.90%	-	-	-	-	-
50yr PWLB Rate														
Link Asset Services	2.50%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%
Capital Economics	2.80%	3.10%	3.30%	3.60%	3.80%	3.80%	3.80%	3.80%	3.80%	-	-	-	-	-

Please note – The current PWLB rates and forecast shown above have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012

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 more protracted move from bonds to equities after a historic long-term trend, over about the last 25 years, of falling bond yields. The action of central banks since the financial crash of 2008, in implementing substantial Quantitative Easing, added further impetus to this downward trend in bond yields and rising bond prices. Quantitative Easing has also directly led to 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 in November 2016 has called into question whether the previous trend may go into reverse, especially now the Fed. has taken the lead in reversing monetary policy by starting, in October 2017, a policy of not fully reinvesting proceeds from bonds that it holds when they mature.

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 stronger economic growth becomes more firmly established. The Fed. has started raising interest rates and this trend is expected to continue during 2018 and 2019. These increases will 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 are likely to exert some upward pressure on bond yields in the UK and other developed economies. However, 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 towards the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

From time to time, gilt yields – and therefore PWLB rates - can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis and emerging market developments. Such volatility could occur at any time during the forecast period.

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 balance of risks to economic recovery in the UK is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Bank of England monetary policy takes action too quickly over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.
- A resurgence of the Eurozone sovereign debt crisis, possibly Italy, due to its high level of government debt, low rate of economic growth and vulnerable banking system.
- Weak capitalisation of some European banks.
- The result of the October 2017 Austrian general election is likely to result in a strongly anti-immigrant coalition government. In addition, the new Czech prime minister is expected to be Andrej Babis who is strongly against EU migrant quotas and refugee policies. Both developments could provide major impetus to other, particularly former Communist bloc countries, to coalesce to

create a major block to progress on EU integration and centralisation of EU policy. This, in turn, could spill over into impacting the Euro, EU financial policy and financial markets.

- Rising protectionism under President Trump
- A sharp Chinese downturn and its impact on emerging market countries

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

- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.
- The Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of Quantitative Easing, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.

ANNEX 3

ECONOMIC BACKGROUND

GLOBAL OUTLOOK. World growth looks to be on an encouraging trend of stronger performance, rising earnings and falling levels of unemployment. In October, the IMF upgraded its forecast for world growth from 3.2% to 3.6% for 2017 and 3.7% for 2018.

In addition, **inflation prospects are generally muted** and it is particularly notable that **wage inflation** has been subdued despite unemployment falling to historically very low levels in the UK and US. This has led to many comments by economists that there appears to have been a fundamental shift downwards in the Phillips curve (this plots the correlation between levels of unemployment and inflation e.g. if the former is low the latter tends to be high). In turn, this raises the question of what has caused this? The likely answers probably lay in a combination of a shift towards flexible working, self-employment, falling union membership and a consequent reduction in union power and influence in the economy, and increasing globalisation and specialisation of individual countries, which has meant that labour in one country is in competition with labour in other countries which may be offering lower wage rates, increased productivity or a combination of the two. In addition, technology is probably also exerting downward pressure on wage rates and this is likely to grow with an accelerating movement towards automation, robots and artificial intelligence, leading to many repetitive tasks being taken over by machines or computers. Indeed, this is now being labelled as being the start of the **fourth industrial revolution**.

KEY RISKS - central bank monetary policy measures

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as Quantitative Easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that that period of stimulating economic recovery and warding off the threat of deflation is coming towards its close and a new period has already started in the US, and more recently in the UK, on reversing those measures i.e. by raising central rates and (for the US) reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of an on-going reduction in spare capacity in the economy, and of unemployment falling to such low levels that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In

particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this then also encouraged investors into a search for yield and into investing in riskier assets such as equities. This resulted in bond markets and equity market prices both rising to historically high valuation levels simultaneously. This, therefore, makes both asset categories vulnerable to a sharp correction. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery by taking too rapid and too strong action, or, alternatively, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.**

There is also a potential key question over whether economic growth has become too dependent on strong central bank stimulus and whether it will maintain its momentum against a backdrop of rising interest rates and the reversal of QE. In the UK, a key vulnerability is the **low level of productivity growth**, which may be the main driver for increases in wages; and **decreasing consumer disposable income**, which is important in the context of consumer expenditure primarily underpinning UK GDP growth.

A further question that has come to the fore is whether **an inflation target for central banks of 2%**, is now realistic given the shift down in inflation pressures from internally generated inflation, (i.e. wage inflation feeding through into the national economy), given the above mentioned shift down in the Phillips curve.

- Some economists favour a shift to a **lower inflation target of 1%** to emphasise the need to keep the lid on inflation. Alternatively, it is possible that a central bank could simply 'look through' tepid wage inflation, (i.e. ignore the overall 2% inflation target), in order to take action in raising rates sooner than might otherwise be expected.
- However, other economists would argue for a **shift UP in the inflation target to 3%** in order to ensure that central banks place the emphasis on maintaining economic growth through adopting a slower pace of withdrawal of stimulus.
- In addition, there is a strong argument that central banks should **target financial market stability**. As mentioned previously, bond markets and equity markets could be vulnerable to a sharp correction. There has been much commentary, that since 2008, QE has caused massive distortions, imbalances and bubbles in asset prices, both financial and non-financial. Consequently, there are widespread concerns at the potential for such bubbles to be burst by exuberant central bank action. On the other hand, too slow or weak action would allow these imbalances and distortions to continue or to even inflate them further.
- Consumer debt levels are also at historically high levels due to the prolonged period of low cost of borrowing since the financial crash. In turn, this cheap borrowing has meant that **other non-financial asset prices**, particularly house prices, have been driven up to very high

levels, especially compared to income levels. Any sharp downturn in the availability of credit, or increase in the cost of credit, could potentially destabilise the housing market and generate a sharp downturn in house prices. This could then have a destabilising effect on consumer confidence, consumer expenditure and GDP growth. However, no central bank would accept that it ought to have responsibility for specifically targeting house prices.

UK. After the UK surprised on the upside with strong economic growth in 2016, **growth in 2017 has confounded pessimistic forecasts of weak growth by coming in at 1.8%, only marginally down on the 1.9% rate for 2016.** In 2017, quarter 1 came in at only +0.3% (+1.8% y/y), quarter 2 +0.3% (+1.5% y/y), quarter 3 +0.4% (+1.5% y/y) and Q4 was +0.5% (+1.5% y/y). The outstanding performance came from the manufacturing sector which showed a 1.3% increase in Q4 and +3.1% y/y helped by an increase in exports due to the lower value of sterling over the last year and robust economic growth in our main trade partners, the EU and US. It is also notable that there has been a progressive acceleration in total GDP growth during the year which gives ground for optimism looking forward into 2018.

While the Bank of England is expected to give forward guidance to prepare financial markets for gradual changes in policy, the **Monetary Policy Committee, (MPC), meeting of 14 September 2017** managed to shock financial markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate will need to rise soon. The Bank of England Inflation Reports during 2017 have clearly flagged up that it expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. The Bank revised its forecast for the peak to just over 3% at the 14 September meeting. (Inflation actually came in at 3.1% in November so that may prove now to be the peak. Inflation fell to 3.0% in December.) This marginal revision in the Bank's forecast can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment having already fallen to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that **the amount of spare capacity in the economy was significantly diminishing** towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of automation and globalisation. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a *decrease* in such globalisation pressures in the UK, and so this would cause additional inflationary pressure over the next few years.

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

However, some forecasters are flagging up that they expect growth to accelerate significantly towards the end of 2017 and then into 2018. This view is based primarily on the coming fall in inflation, (as the effect of the effective devaluation of sterling after the EU referendum drops out of the CPI statistics), which will bring to an end the negative impact on consumer spending power. In addition, a strong export performance will compensate for weak services sector growth. If this scenario was indeed to materialise, then the MPC would be likely to accelerate its pace of increases in Bank Rate during 2018 and onwards.

It is also worth noting the **contradiction within the Bank of England** between action in 2016 and in 2017 **by two of its committees**. After the shock result of the EU referendum, the **Monetary Policy Committee (MPC)** voted in August 2016 for emergency action to cut Bank Rate from 0.50% to 0.25%, restarting £70bn of QE purchases, and also providing UK banks with £100bn of cheap financing. The aim of this was to lower borrowing costs, stimulate demand for borrowing and thereby increase expenditure and demand in the economy. The MPC felt this was necessary in order to ward off their expectation that there would be a sharp slowdown in economic growth. Instead, the economy grew robustly, although the Governor of the Bank of England strongly maintained that this was *because* the MPC took that action. However, other commentators regard this emergency action by the MPC as being proven by events to be a mistake. Then in 2017, we had the **Financial Policy Committee (FPC)** of the Bank of England taking action in June and September over its concerns that cheap borrowing rates, and easy availability of consumer credit, had resulted in too rapid a rate of growth in consumer borrowing and in the size of total borrowing, especially of unsecured borrowing. It, therefore, took punitive action to clamp down on the ability of the main banks to extend such credit! Indeed, a PWC report in October 2017 warned that credit card, car and personal loans and student debt will hit the equivalent of an average of £12,500 per household by 2020. However, averages belie wide variations in levels of debt with much higher exposure being biased towards younger people, especially the 25 -34 year old band, reflecting their lower levels of real income and asset ownership.

One key area of risk is that consumers may have become used to cheap rates since 2008 for borrowing, especially for mortgages. It is a major concern that **some consumers may have over extended their borrowing** and have become complacent about interest rates going up after Bank Rate had been unchanged at 0.50% since March 2009 until falling further to 0.25% in August 2016. This is why forward guidance from the Bank of England continues to emphasise slow and gradual increases in Bank Rate in the coming years. However, consumer borrowing is a particularly vulnerable area in terms of the Monetary Policy Committee getting the pace and strength of Bank Rate increases right - without causing a sudden shock to consumer demand, confidence and thereby to the pace of economic growth.

Moreover, while there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far

too early to be confident about how the next two to three years will actually pan out.

EZ. Economic growth in the eurozone (EZ), (the UK's biggest trading partner), had been lack lustre for several years after the financial crisis despite the ECB eventually cutting its main rate to -0.4% and embarking on a massive programme of QE. However, growth picked up in 2016 and has now gathered substantial strength and momentum thanks to this stimulus. GDP growth was 0.6% in quarter 1 (2.1% y/y), 0.7% in quarter 2 (2.4% y/y) and +0.6% in quarter 3 (2.6% y/y). However, despite providing massive monetary stimulus, the European Central Bank is still struggling to get inflation up to its 2% target and in December inflation was 1.4%. It is therefore unlikely to start on an upswing in rates until possibly 2019. It has, however, announced that it will slow down its monthly QE purchases of debt from €60bn to €30bn from January 2018 and continue to at least September 2018.

USA. Growth in the American economy was notably erratic and volatile in 2015 and 2016. 2017 started erratically with quarter 1 coming in at an annualised rate of only 1.2%, quarter 2 at 3.1%, quarter 3 3.2% and Q4 2.6%. This gave an overall figure for annual growth in 2017 of 2.6%, an acceleration from 1.5% in 2016. Unemployment in the US has also fallen to the lowest level for seventeen years, reaching 4.1%, while wage inflation pressures, and inflationary pressures in general, have been building. The Fed has started on a gradual upswing in rates with five increases in all and four increases since December 2016; the latest rise was in December 2017 and lifted the central rate to 1.25 – 1.50%. There could then be another four increases in 2018. At its September meeting, the Fed said it would start in October to gradually unwind its \$4.5 trillion balance sheet holdings of bonds and mortgage backed securities by reducing its reinvestment of maturing holdings.

CHINA. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

JAPAN. GDP growth has been gradually improving during 2017 to reach an annual figure of 2.1% in quarter 3. However, it is still struggling to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

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: initial two-year negotiation period on the terms of exit. In her Florence speech in September 2017, the Prime Minister proposed a two year transitional period after March 2019.
- UK continues as a full EU member until March 2019 with access to the single market and tariff free trade between the EU and UK. Different

sectors of the UK economy will leave the single market and tariff free trade at different times during the two year transitional period.

- 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 could also exit without any such agreements in the event of a breakdown of negotiations.
- 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 full 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 requirement of both the Code and investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of the following:

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

The investment policy proposed for the Council is:

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

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

- 1) The UK Government (such as Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
- 2) Supranational bonds of less than one year's duration

- 3) A local authority, parish council or community council
- 4) Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled investment vehicles, such as money market funds, rated AAA by Standard & Poors, Moody's and/or Fitch rating agencies

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

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investment would include any sterling investments with:

	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 investment and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	£5m
B	The Council's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as 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	Enhance 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	£4m

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

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

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

ANNEX 5

APPROVED COUNTRIES FOR INVESTMENTS (As at 22.02.2018)

AAA

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

AA+

- Finland

AA

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

AA-

- Belgium
- Qatar

ANNEX 6

TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

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

(ii) Corporate Policy and Resources Committee

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Governance and Audit Committee

- review and scrutiny of the Treasury Management Strategy, policy and procedures and making recommendations to the full Council.

ANNEX 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 2018/19, an increase above 3% or £5, whichever is the greater, in a district council's council tax would be excessive.
- 2 The Council's basic amount of council tax recommended for 2018/19 is £207.27 (2017/18 £201.24) a 3% increase.

3 Council Tax levels 2018/19

- 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 J.
- 2.2 Taking account of the above council tax requirements the average Council Tax at Band D for 2018/19 will be set as follows:-

	2017/18	2018/19	Variance	
	£	£	£	%
Lincolnshire County Council	1,173.42	1,231.47	58.05	4.9%
Police	205.47	217.44	11.97	5.8%
West Lindsey District Council	201.24	207.27	6.03	3.0%
Direct Parish Precept Charges	64.48	65.33	0.85	1.3%
Total Average Council Tax	1,644.61	1,721.51	76.90	4.7%

- 2.3 Although the increases in Town/Parish Precepts average 1.3% 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 2018/19

- 3.1 It be noted that on 30 November 2018 the Council calculated the Council Tax Base 2018/19.
- a) for the whole Council area as 29,224.12 (28,959.46 2017/18) [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 2018/19 (excluding Parish precepts) is £6,057,283
- 3.3 The following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Act:
- a) £50,153,983 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) £42,187,450 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) £7,966,533 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) £272.60 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) £1,909.249 being the aggregate amount of all special items **(total parish precepts)** referred to in Section 34(1) of the Act (as per the attached Appendix J)
 - f) £207.27 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 2018/19 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	138.18	820.98	144.96	1,104.12
B	161.21	957.81	169.12	1,288.14
C	184.24	1,094.64	193.28	1,472.16
D	207.27	1,231.47	217.44	1,656.18
E	253.33	1,505.13	265.76	2,024.22
F	299.39	1,778.79	314.08	2,392.26
G	345.45	2,052.45	362.40	2,760.30
H	414.54	2,462.94	434.88	3,312.36

- 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 2018/19 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 2018/19 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

4. **Recommendation**

4.1 That the Council approves the recommendations set out above and the levels of Council Tax for the year 2018/19 in respect of each of the areas in the District as set out in the appendices to this report.

APPENDIX H

COUNCIL TAX BASE 2018/19

Parish	2018/19 Tax Base
Aisthorpe	38.44
Bardney - Apley - Stainfield	682.93
Bigby	152.69
Bishop Norton	128.23
Blyborough	32.74
Blyton	369.30
Brampton	30.51
Brattleby	51.60
Broadholme	38.83
Brocklesby	35.45
Brookenby	155.88
Broxholme	31.12
Bullington	11.58
Burton	413.42
Buslingthorpe	20.83
Cabourne	26.44
Caenby	26.90
Caistor	912.74
Cammeringham	48.67
Cherry Willingham	1,326.02
Claxby	69.59
Corringham	165.64
Dunholme	687.25
East Ferry	39.38
East Stockwith	67.57
Faldingworth	178.35
Fenton	135.64
Fillingham	83.60
Fiskerton	365.43
Friesthorpe	10.82
Fulnetby	4.81
Gainsborough	4,488.26
Glenthams	163.76
Glentworth	110.38
Golto	25.00
Grange de Lings	10.43
Grasby	185.66
Grayingham	58.54
Great Limber	79.36
Greetwell	295.85
Hackthorn - Cold Hanworth	82.11
Hardwick	15.66
Harpwell	23.35
Heapham	40.25
Hemswell	114.36

Parish	2018/19 Tax Base
Hemswell Cliff	160.54
Holton Beckering	42.47
Holton le Moor	61.89
Ingham	312.98
Keelby	679.39
Kettlethorpe	163.09
Kexby	117.96
Kirmond le Mire	13.26
Knaith	118.64
Langworth - Barlings - Newball	208.94
Laughton	151.50
Lea	375.55
Legsby	80.13
Linwood	39.38
Lissington	50.66
Market Rasen	1,217.51
Marton - Gate Burton	242.82
Middle Rasen	700.66
Morton	429.20
Nettleham	1,373.08
Nettleton	229.66
Newton-On-Trent	135.61
Normanby-By-Spital	138.23
Normanby le Wold	18.56
North Carlton	77.78
North Kelsey	337.91
North Willingham	48.48
Northorpe	47.82
Osgodby	203.11
Owersby	88.66
Owmbly-By-Spital	106.24
Pilham	27.46
Rand	18.43
Reepham	337.12
Riby	43.89
Riseholme	110.73
Rothwell	65.69
Saxby	16.58
Saxilby - Ingleby	1,340.81
Scampton	349.67
Scothern	330.48
Scotter	1,148.28
Scotton	211.76
Searby cum Owmbly	77.12
Sixhills	14.67

Parish	2018/19 Tax Base
Snarford	17.34
Snelland	32.27
Snitterby	91.69
Somerby	25.53
South Carlton	37.20
South Kelsey	206.58
Spridlington	84.30
Springthorpe	57.12
Stainton le Vale	35.15
Stow	117.92
Sturton-By-Stow	492.01
Sudbrooke	695.23
Swallow	93.84
Swinhope	48.24
Tealby	260.09
Thonock	8.76
Thoresway	36.53
Thorganby	11.49
Thorpe le Fallows	6.11
Toft Newton	126.65
Torksey	279.35
Upton	159.50
Waddingham	202.88
Walesby	106.07
Walkerith	26.50
Welton	1,416.47
West Firsby	11.30
West Rasen	33.44
Wickenby	80.98
Wildsworth	27.39
Willingham	191.10
Willoughton	105.32
Total	29,224.12

DETERMINATION OF COUNCIL TAX WHERE SPECIAL ITEMS APPLY APPENDIX I
PARISH PRECEPTS

PARISH	PARISH PRECEPT	PARISH COUNCIL TAX	DISTRICT COUNCIL TAX	TOTAL
	£	£	£	£
Bardney - Apley - Stainfield	51,586.00	75.54	207.27	282.81
Bigby	6,400.00	41.91	207.27	249.18
Bishop Norton	6,400.00	49.91	207.27	257.18
Blyton	32,400.00	87.73	207.27	295.00
Brattleby	1,900.00	36.82	207.27	244.09
Broadholme	400.00	10.30	207.27	217.57
Brookenby	16,900.00	108.42	207.27	315.69
Burton	4,900.00	11.85	207.27	219.12
Caistor	88,640.00	97.11	207.27	304.38
Cammeringham	900.00	18.49	207.27	225.76
Cherry Willingham	73,900.00	55.73	207.27	263.00
Claxby	5,050.00	72.57	207.27	279.84
Corringham	6,900.00	41.66	207.27	248.93
Dunholme	40,850.00	59.44	207.27	266.71
East Stockwith	4,100.00	60.68	207.27	267.95
Faldingworth	8,400.00	47.10	207.27	254.37
Fenton	5,610.00	41.36	207.27	248.63
Fillingham	3,541.00	42.36	207.27	249.63
Fiskerton	23,400.00	64.03	207.27	271.30
Gainsborough	467,415.00	104.14	207.27	311.41
Glentham	8,500.00	51.91	207.27	259.18
Glentworth	9,175.00	83.12	207.27	290.39
Grasby	6,130.00	33.02	207.27	240.29
Great Limber	8,700.00	109.63	207.27	316.90
Greetwell	5,250.00	17.75	207.27	225.02
Hackthorn - Cold Hanworth	1,850.00	22.53	207.27	229.80
Hemswell	5,900.00	51.59	207.27	258.86
Hemswell Cliff	11,135.00	69.36	207.27	276.63
Ingham	19,646.00	62.77	207.27	270.04
Keelby	19,400.00	28.56	207.27	235.83
Kettlethorpe	8,900.00	54.57	207.27	261.84
Kexby	1,900.00	16.11	207.27	223.38
Knaith	3,150.00	26.55	207.27	233.82
Langworth - Barlings - Newball	21,900.00	104.81	207.27	312.08
Laughton	5,860.00	38.68	207.27	245.95
Lea	15,900.00	42.34	207.27	249.61
Legsby	1,400.00	17.47	207.27	224.74
Market Rasen	114,900.00	94.37	207.27	301.64
Marton - Gate Burton	8,900.00	36.65	207.27	243.92
Middle Rasen	16,900.00	24.12	207.27	231.39
Morton	14,430.00	33.62	207.27	240.89
Nettleham	140,959.00	102.66	207.27	309.93

APPENDIX I

PARISH	PARISH PRECEPT £	PARISH COUNCIL TAX £	DISTRICT COUNCIL TAX £	TOTAL £
Nettleton	11,900.00	51.82	207.27	259.09
Newton-On-Trent	14,176.00	104.54	207.27	311.81
Normanby-By-Spital	2,700.00	19.53	207.27	226.80
North Kelsey	13,900.00	41.14	207.27	248.41
Northorpe	1,650.00	34.50	207.27	241.77
Osgodby	5,250.00	25.85	207.27	233.12
Owersby	1,900.00	21.43	207.27	228.70
Owmbly-By-Spital	3,850.00	36.24	207.27	243.51
Reepham	7,900.00	23.43	207.27	230.70
Riby	150.00	3.42	207.27	210.69
Riseholme	1,900.00	17.16	207.27	224.43
Rothwell	3,700.00	56.33	207.27	263.60
Saxby	150.00	9.05	207.27	216.32
Saxilby - Ingleby	176,951.00	131.97	207.27	339.24
Scampton	7,400.00	21.16	207.27	228.43
Scothern	19,256.00	58.27	207.27	265.54
Scotter	49,400.00	43.02	207.27	250.29
Scotton	6,400.00	30.22	207.27	237.49
Snitterby	2,550.00	27.81	207.27	235.08
South Kelsey	5,993.00	29.01	207.27	236.28
Spridlington	2,900.00	34.40	207.27	241.67
Springthorpe	550.00	9.63	207.27	216.90
Stow	3,900.00	33.07	207.27	240.34
Sturton-By-Stow	26,930.00	54.73	207.27	262.00
Sudbrooke	26,800.00	38.55	207.27	245.82
Swallow	5,400.00	57.54	207.27	264.81
Tealby	9,900.00	38.06	207.27	245.33
Toft Newton	5,400.00	42.64	207.27	249.91
Torksey	12,900.00	46.18	207.27	253.45
Upton	6,900.00	43.26	207.27	250.53
Waddingham	7,900.00	38.94	207.27	246.21
Walesby	2,200.00	20.74	207.27	228.01
Welton	139,866.00	98.74	207.27	306.01
Wickenby	3,150.00	38.90	207.27	246.17
Willingham	9,900.00	51.81	207.27	259.08
Willoughton	7,200.00	68.36	207.27	275.63
TOTAL	1,909,249.00			

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

APPENDIX J

Parish	Disabled Relief	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£	£
Aisthorpe	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Apley	157.12	188.54	219.96	251.39	282.81	345.66	408.50	471.35	565.62	75.54
Bardney	157.12	188.54	219.96	251.39	282.81	345.66	408.50	471.35	565.62	75.54
Barlings	173.38	208.05	242.73	277.40	312.08	381.43	450.78	520.13	624.16	104.81
Bigby	138.43	166.12	193.81	221.49	249.18	304.55	359.93	415.30	498.36	41.91
Bishop Norton	142.88	171.45	200.03	228.60	257.18	314.33	371.48	428.63	514.36	49.91
Blyborough	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Blyton	163.89	196.67	229.44	262.22	295.00	360.56	426.11	491.67	590.00	87.73
Brampton	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Brattleby	135.61	162.73	189.85	216.97	244.09	298.33	352.57	406.82	488.18	36.82
Brocklesby	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Broxholme	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Bullington	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Burton	121.73	146.08	170.43	194.77	219.12	267.81	316.51	365.20	438.24	11.85
Buslingthorpe	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Cabourne	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Caenby	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Caistor	169.10	202.92	236.74	270.56	304.38	372.02	439.66	507.30	608.76	97.11
Cammeringham	125.42	150.51	175.59	200.68	225.76	275.93	326.10	376.27	451.52	18.49
Broadholme	120.87	145.05	169.22	193.40	217.57	265.92	314.27	362.62	435.14	10.30
Brookenby	175.38	210.46	245.54	280.61	315.69	385.84	456.00	526.15	631.38	108.42
Cherry Willingham	146.11	175.33	204.56	233.78	263.00	321.44	379.89	438.33	526.00	55.73
Claxby	155.47	186.56	217.65	248.75	279.84	342.03	404.21	466.40	559.68	72.57
Cold Hanworth	127.67	153.20	178.73	204.27	229.80	280.87	331.93	383.00	459.60	22.53
Corringham	138.29	165.95	193.61	221.27	248.93	304.25	359.57	414.88	497.86	41.66
Dunholme	148.17	177.81	207.44	237.08	266.71	325.98	385.25	444.52	533.42	59.44
East Ferry	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
East Stockwith	148.86	178.63	208.41	238.18	267.95	327.49	387.04	446.58	535.90	60.68
Faldingworth	141.32	169.58	197.84	226.11	254.37	310.90	367.42	423.95	508.74	47.10
Fenton	138.13	165.75	193.38	221.00	248.63	303.88	359.13	414.38	497.26	41.36
Fillingham	138.68	166.42	194.16	221.89	249.63	305.10	360.58	416.05	499.26	42.36
Fiskerton	150.72	180.87	211.01	241.16	271.30	331.59	391.88	452.17	542.60	64.03
Friesthorpe	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Fulnetby	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Gainsborough	173.01	207.61	242.21	276.81	311.41	380.61	449.81	519.02	622.82	104.14
Gate Burton	135.51	162.61	189.72	216.82	243.92	298.12	352.33	406.53	487.84	36.65
Glentham	143.99	172.79	201.58	230.38	259.18	316.78	374.37	431.97	518.36	51.91
Glentworth	161.33	193.59	225.86	258.12	290.39	354.92	419.45	483.98	580.78	83.12
Golto	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Grange de Lings	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Grasby	133.49	160.19	186.89	213.59	240.29	293.69	347.09	400.48	480.58	33.02
Grayingham	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Greetwell	125.01	150.01	175.02	200.02	225.02	275.02	325.03	375.03	450.04	17.75
Great Limber	176.06	211.27	246.48	281.69	316.90	387.32	457.74	528.17	633.80	109.63
Hackthorn	127.67	153.20	178.73	204.27	229.80	280.87	331.93	383.00	459.60	22.53
Hardwick	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Harpwell	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Heapham	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Hemswell	143.81	172.57	201.34	230.10	258.86	316.38	373.91	431.43	517.72	51.59
Holton Beckeringham	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Holton Le Moor	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Ingham	150.02	180.03	210.03	240.04	270.04	330.05	390.06	450.07	540.08	62.77
Hemswell Cliff	153.68	184.42	215.16	245.89	276.63	338.10	399.58	461.05	553.26	69.36
Keelby	131.02	157.22	183.42	209.63	235.83	288.24	340.64	393.05	471.66	28.56
Kettlethorpe	145.47	174.56	203.65	232.75	261.84	320.03	378.21	436.40	523.68	54.57
Kexby	124.10	148.92	173.74	198.56	223.38	273.02	322.66	372.30	446.76	16.11
Kirmond Le Mire	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Knaith	129.90	155.88	181.86	207.84	233.82	285.78	337.74	389.70	467.64	26.55
Laughton	136.64	163.97	191.29	218.62	245.95	300.61	355.26	409.92	491.90	38.68
Lea	138.67	166.41	194.14	221.88	249.61	305.08	360.55	416.02	499.22	42.34
Legsby	124.86	149.83	174.80	199.77	224.74	274.68	324.62	374.57	449.48	17.47
Linwood	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Lissington	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00

APPENDIX J

Parish	Disabled Relief	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£	£
Market Rasen	167.58	201.09	234.61	268.12	301.64	368.67	435.70	502.73	603.28	94.37
Marton	135.51	162.61	189.72	216.82	243.92	298.12	352.33	406.53	487.84	36.65
Middle Rasen	128.55	154.26	179.97	205.68	231.39	282.81	334.23	385.65	462.78	24.12
Morton	133.83	160.59	187.36	214.12	240.89	294.42	347.95	401.48	481.78	33.62
Nettleham	172.18	206.62	241.06	275.49	309.93	378.80	447.68	516.55	619.86	102.66
Nettleton	143.94	172.73	201.51	230.30	259.09	316.67	374.24	431.82	518.18	51.82
Newball	173.38	208.05	242.73	277.40	312.08	381.43	450.78	520.13	624.16	104.81
Newton on Trent	173.23	207.87	242.52	277.16	311.81	381.10	450.39	519.68	623.62	104.54
Normanby By Spital	126.00	151.20	176.40	201.60	226.80	277.20	327.60	378.00	453.60	19.53
Normanby le Wold	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
North Carlton	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
North Kelsey	138.01	165.61	193.21	220.81	248.41	303.61	358.81	414.02	496.82	41.14
North Willingham	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Northorpe	134.32	161.18	188.04	214.91	241.77	295.50	349.22	402.95	483.54	34.50
Osgodby	129.51	155.41	181.32	207.22	233.12	284.92	336.73	388.53	466.24	25.85
Owersby	127.06	152.47	177.88	203.29	228.70	279.52	330.34	381.17	457.40	21.43
Owmbly by Spital	135.28	162.34	189.40	216.45	243.51	297.62	351.74	405.85	487.02	36.24
Pilham	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Rand	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Reepham	128.17	153.80	179.43	205.07	230.70	281.97	333.23	384.50	461.40	23.43
Riby	117.05	140.46	163.87	187.28	210.69	257.51	304.33	351.15	421.38	3.42
Riseholme	124.68	149.62	174.56	199.49	224.43	274.30	324.18	374.05	448.86	17.16
Rothwell	146.44	175.73	205.02	234.31	263.60	322.18	380.76	439.33	527.20	56.33
Saxby	120.18	144.21	168.25	192.28	216.32	264.39	312.46	360.53	432.64	9.05
Saxilby	188.47	226.16	263.85	301.55	339.24	414.63	490.01	565.40	678.48	131.97
Scampton	126.91	152.29	177.67	203.05	228.43	279.19	329.95	380.72	456.86	21.16
Scothern	147.52	177.03	206.53	236.04	265.54	324.55	383.56	442.57	531.08	58.27
Scotter	139.05	166.86	194.67	222.48	250.29	305.91	361.53	417.15	500.58	43.02
Scotton	131.94	158.33	184.71	211.10	237.49	290.27	343.04	395.82	474.98	30.22
Searby Cum Owmbly	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Sixhills	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Snarford	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Snelland	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Snitterby	130.60	156.72	182.84	208.96	235.08	287.32	339.56	391.80	470.16	27.81
South Carlton	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
South Kelsey	131.27	157.52	183.77	210.03	236.28	288.79	341.29	393.80	472.56	29.01
Spridlington	134.26	161.11	187.97	214.82	241.67	295.37	349.08	402.78	483.34	34.40
Springthorpe	120.50	144.60	168.70	192.80	216.90	265.10	313.30	361.50	433.80	9.63
Langworth	173.38	208.05	242.73	277.40	312.08	381.43	450.78	520.13	624.16	104.81
Stainton Le Vale	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Stainfield	157.12	188.54	219.96	251.39	282.81	345.66	408.50	471.35	565.62	75.54
Stow	133.52	160.23	186.93	213.64	240.34	293.75	347.16	400.57	480.68	33.07
Sturton by Stow	145.56	174.67	203.78	232.89	262.00	320.22	378.44	436.67	524.00	54.73
Sudbrooke	136.57	163.88	191.19	218.51	245.82	300.45	355.07	409.70	491.64	38.55
Swallow	147.12	176.54	205.96	235.39	264.81	323.66	382.50	441.35	529.62	57.54
Swinhope	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Tealby	136.29	163.55	190.81	218.07	245.33	299.85	354.37	408.88	490.66	38.06
Thonock	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Thoresway	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Thorganby	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Thorpe Le Fallows	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Toft Newton	138.84	166.61	194.37	222.14	249.91	305.45	360.98	416.52	499.82	42.64
Torksey	140.81	168.97	197.13	225.29	253.45	309.77	366.09	422.42	506.90	46.18
Upton	139.18	167.02	194.86	222.69	250.53	306.20	361.88	417.55	501.06	43.26
Waddingham	136.78	164.14	191.50	218.85	246.21	300.92	355.64	410.35	492.42	38.94
Walesby	126.67	152.01	177.34	202.68	228.01	278.68	329.35	380.02	456.02	20.74
Walkerith	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Welton	170.01	204.01	238.01	272.01	306.01	374.01	442.01	510.02	612.02	98.74
West Firsby	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
West Rasen	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Wickenby	136.76	164.11	191.47	218.82	246.17	300.87	355.58	410.28	492.34	38.90
Wildsworth	115.15	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54	0.00
Willingham	143.93	172.72	201.51	230.29	259.08	316.65	374.23	431.80	518.16	51.81
Willoughton	153.13	183.75	214.38	245.00	275.63	336.88	398.13	459.38	551.26	68.36

OVERALL LEVELS OF COUNCIL TAX

APPENDIX K

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Aisthorpe	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Apley	1,154.48	1,346.89	1,539.31	1,731.72	2,116.55	2,501.37	2,886.20	3,463.44	75.54
Bardney	1,154.48	1,346.89	1,539.31	1,731.72	2,116.55	2,501.37	2,886.20	3,463.44	75.54
Barlings	1,173.99	1,369.66	1,565.32	1,760.99	2,152.32	2,543.65	2,934.98	3,521.98	104.81
Bigby	1,132.06	1,320.74	1,509.41	1,698.09	2,075.44	2,452.80	2,830.15	3,396.18	41.91
Bishop Norton	1,137.39	1,326.96	1,516.52	1,706.09	2,085.22	2,464.35	2,843.48	3,412.18	49.91
Blyborough	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Blyton	1,162.61	1,356.37	1,550.14	1,743.91	2,131.45	2,518.98	2,906.52	3,487.82	87.73
Brampton	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Brattleby	1,128.67	1,316.78	1,504.89	1,693.00	2,069.22	2,445.44	2,821.67	3,386.00	36.82
Broadholme	1,110.99	1,296.15	1,481.32	1,666.48	2,036.81	2,407.14	2,777.47	3,332.96	10.30
Brocklesby	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Brookenby	1,176.40	1,372.47	1,568.53	1,764.60	2,156.73	2,548.87	2,941.00	3,529.20	108.42
Broxholme	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Bullington	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Burton	1,112.02	1,297.36	1,482.69	1,668.03	2,038.70	2,409.38	2,780.05	3,336.06	11.85
Buslingthorpe	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Cabourne	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Caenby	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Caistor	1,168.86	1,363.67	1,558.48	1,753.29	2,142.91	2,532.53	2,922.15	3,506.58	97.11
Chammeringham	1,116.45	1,302.52	1,488.60	1,674.67	2,046.82	2,418.97	2,791.12	3,349.34	18.49
Cherry Willingham	1,141.27	1,331.49	1,521.70	1,711.91	2,092.33	2,472.76	2,853.18	3,423.82	55.73
Claxby	1,152.50	1,344.58	1,536.67	1,728.75	2,112.92	2,497.08	2,881.25	3,457.50	72.57
Cold Hanworth	1,119.14	1,305.66	1,492.19	1,678.71	2,051.76	2,424.80	2,797.85	3,357.42	22.53
Corringham	1,131.89	1,320.54	1,509.19	1,697.84	2,075.14	2,452.44	2,829.73	3,395.68	41.66
Dunholme	1,143.75	1,334.37	1,525.00	1,715.62	2,096.87	2,478.12	2,859.37	3,431.24	59.44
East Ferry	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
East Stockwith	1,144.57	1,335.34	1,526.10	1,716.86	2,098.38	2,479.91	2,861.43	3,433.72	60.68
Faldingworth	1,135.52	1,324.77	1,514.03	1,703.28	2,081.79	2,460.29	2,838.80	3,406.56	47.10
Fenton	1,131.69	1,320.31	1,508.92	1,697.54	2,074.77	2,452.00	2,829.23	3,395.08	41.36
Fillingham	1,132.36	1,321.09	1,509.81	1,698.54	2,075.99	2,453.45	2,830.90	3,397.08	42.36
Fiskerton	1,146.81	1,337.94	1,529.08	1,720.21	2,102.48	2,484.75	2,867.02	3,440.42	64.03
Friesthorpe	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Fulnetby	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Gainsborough	1,173.55	1,369.14	1,564.73	1,760.32	2,151.50	2,542.68	2,933.87	3,520.64	104.14
Gate Burton	1,128.55	1,316.65	1,504.74	1,692.83	2,069.01	2,445.20	2,821.38	3,385.66	36.65
Glentham	1,138.73	1,328.51	1,518.30	1,708.09	2,087.67	2,467.24	2,846.82	3,416.18	51.91
Glentworth	1,159.53	1,352.79	1,546.04	1,739.30	2,125.81	2,512.32	2,898.83	3,478.60	83.12
Golto	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Grange de Lings	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Grasby	1,126.13	1,313.82	1,501.51	1,689.20	2,064.58	2,439.96	2,815.33	3,378.40	33.02
Grayingham	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Great Limber	1,177.21	1,373.41	1,569.61	1,765.81	2,158.21	2,550.61	2,943.02	3,531.62	109.63
Greetwell	1,115.95	1,301.95	1,487.94	1,673.93	2,045.91	2,417.90	2,789.88	3,347.86	17.75
Hackthorn	1,119.14	1,305.66	1,492.19	1,678.71	2,051.76	2,424.80	2,797.85	3,357.42	22.53
Hardwick	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Harpswell	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Heapham	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Hemswell	1,138.51	1,328.27	1,518.02	1,707.77	2,087.27	2,466.78	2,846.28	3,415.54	51.59
Hemswell Cliff	1,150.36	1,342.09	1,533.81	1,725.54	2,108.99	2,492.45	2,875.90	3,451.08	69.36
Holton Beckeringha	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Holton Le Moor	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Ingham	1,145.97	1,336.96	1,527.96	1,718.95	2,100.94	2,482.93	2,864.92	3,437.90	62.77
Keelby	1,123.16	1,310.35	1,497.55	1,684.74	2,059.13	2,433.51	2,807.90	3,369.48	28.56
Kettlethorpe	1,140.50	1,330.58	1,520.67	1,710.75	2,090.92	2,471.08	2,851.25	3,421.50	54.57
Kexby	1,114.86	1,300.67	1,486.48	1,672.29	2,043.91	2,415.53	2,787.15	3,344.58	16.11
Kirmond Le Mire	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Knaith	1,121.82	1,308.79	1,495.76	1,682.73	2,056.67	2,430.61	2,804.55	3,365.46	26.55
Langworth	1,173.99	1,369.66	1,565.32	1,760.99	2,152.32	2,543.65	2,934.98	3,521.98	104.81
Laughton	1,129.91	1,318.22	1,506.54	1,694.86	2,071.50	2,448.13	2,824.77	3,389.72	38.68
Lea	1,132.35	1,321.07	1,509.80	1,698.52	2,075.97	2,453.42	2,830.87	3,397.04	42.34
Legsby	1,115.77	1,301.73	1,487.69	1,673.65	2,045.57	2,417.49	2,789.42	3,347.30	17.47
Linwood	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Lissington	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Market Rasen	1,167.03	1,361.54	1,556.04	1,750.55	2,139.56	2,528.57	2,917.58	3,501.10	94.37
Marton	1,128.55	1,316.65	1,504.74	1,692.83	2,069.01	2,445.20	2,821.38	3,385.66	36.65

OVERALL LEVELS OF COUNCIL TAX

APPENDIX K

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Middle Rasen	1,120.20	1,306.90	1,493.60	1,680.30	2,053.70	2,427.10	2,800.50	3,360.60	24.12
Morton	1,126.53	1,314.29	1,502.04	1,689.80	2,065.31	2,440.82	2,816.33	3,379.60	33.62
Nettleham	1,172.56	1,367.99	1,563.41	1,758.84	2,149.69	2,540.55	2,931.40	3,517.68	102.66
Nettleton	1,138.67	1,328.44	1,518.22	1,708.00	2,087.56	2,467.11	2,846.67	3,416.00	51.82
Newball	1,173.99	1,369.66	1,565.32	1,760.99	2,152.32	2,543.65	2,934.98	3,521.98	104.81
Newton on Trent	1,173.81	1,369.45	1,565.08	1,760.72	2,151.99	2,543.26	2,934.53	3,521.44	104.54
Normanby by Spital	1,117.14	1,303.33	1,489.52	1,675.71	2,048.09	2,420.47	2,792.85	3,351.42	19.53
Normanby Le Wold	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
North Carlton	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
North Kelsey	1,131.55	1,320.14	1,508.73	1,697.32	2,074.50	2,451.68	2,828.87	3,394.64	41.14
North Willingham	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Northorpe	1,127.12	1,314.97	1,502.83	1,690.68	2,066.39	2,442.09	2,817.80	3,381.36	34.50
Osgodby	1,121.35	1,308.25	1,495.14	1,682.03	2,055.81	2,429.60	2,803.38	3,364.06	25.85
Owersby	1,118.41	1,304.81	1,491.21	1,677.61	2,050.41	2,423.21	2,796.02	3,355.22	21.43
Owmbly by Spital	1,128.28	1,316.33	1,504.37	1,692.42	2,068.51	2,444.61	2,820.70	3,384.84	36.24
Pilham	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Rand	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Reepham	1,119.74	1,306.36	1,492.99	1,679.61	2,052.86	2,426.10	2,799.35	3,359.22	23.43
Riby	1,106.40	1,290.80	1,475.20	1,659.60	2,028.40	2,397.20	2,766.00	3,319.20	3.42
Riseholme	1,115.56	1,301.49	1,487.41	1,673.34	2,045.19	2,417.05	2,788.90	3,346.68	17.16
Rothwell	1,141.67	1,331.95	1,522.23	1,712.51	2,093.07	2,473.63	2,854.18	3,425.02	56.33
Saxby	1,110.15	1,295.18	1,480.20	1,665.23	2,035.28	2,405.33	2,775.38	3,330.46	9.05
Saxilby	1,192.10	1,390.78	1,589.47	1,788.15	2,185.52	2,582.88	2,980.25	3,576.30	131.97
Scampton	1,118.23	1,304.60	1,490.97	1,677.34	2,050.08	2,422.82	2,795.57	3,354.68	21.16
Scothern	1,142.97	1,333.46	1,523.96	1,714.45	2,095.44	2,476.43	2,857.42	3,428.90	58.27
Scotter	1,132.80	1,321.60	1,510.40	1,699.20	2,076.80	2,454.40	2,832.00	3,398.40	43.02
Scotton	1,124.27	1,311.64	1,499.02	1,686.40	2,061.16	2,435.91	2,810.67	3,372.80	30.22
Searby Cum Owmbly	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Sixhills	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Snarford	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Snelland	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Snitterby	1,122.66	1,309.77	1,496.88	1,683.99	2,058.21	2,432.43	2,806.65	3,367.98	27.81
Somerby	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
South Carlton	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
South Kelsey	1,123.46	1,310.70	1,497.95	1,685.19	2,059.68	2,434.16	2,808.65	3,370.38	29.01
Spridlington	1,127.05	1,314.90	1,502.74	1,690.58	2,066.26	2,441.95	2,817.63	3,381.16	34.40
Springthorpe	1,110.54	1,295.63	1,480.72	1,665.81	2,035.99	2,406.17	2,776.35	3,331.62	9.63
Stainfield	1,154.48	1,346.89	1,539.31	1,731.72	2,116.55	2,501.37	2,886.20	3,463.44	75.54
Stainton Le Vale	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Stow	1,126.17	1,313.86	1,501.56	1,689.25	2,064.64	2,440.03	2,815.42	3,378.50	33.07
Sturton by Stow	1,140.61	1,330.71	1,520.81	1,710.91	2,091.11	2,471.31	2,851.52	3,421.82	54.73
Sudbrooke	1,129.82	1,318.12	1,506.43	1,694.73	2,071.34	2,447.94	2,824.55	3,389.46	38.55
Swallow	1,142.48	1,332.89	1,523.31	1,713.72	2,094.55	2,475.37	2,856.20	3,427.44	57.54
Swinhope	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Tealby	1,129.49	1,317.74	1,505.99	1,694.24	2,070.74	2,447.24	2,823.73	3,388.48	38.06
Thonock	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Thoresway	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Thorganby	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Thorpe Le Fallows	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Toft Newton	1,132.55	1,321.30	1,510.06	1,698.82	2,076.34	2,453.85	2,831.37	3,397.64	42.64
Torksey	1,134.91	1,324.06	1,513.21	1,702.36	2,080.66	2,458.96	2,837.27	3,404.72	46.18
Upton	1,132.96	1,321.79	1,510.61	1,699.44	2,077.09	2,454.75	2,832.40	3,398.88	43.26
Waddingham	1,130.08	1,318.43	1,506.77	1,695.12	2,071.81	2,448.51	2,825.20	3,390.24	38.94
Walesby	1,117.95	1,304.27	1,490.60	1,676.92	2,049.57	2,422.22	2,794.87	3,353.84	20.74
Walkerith	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Welton	1,169.95	1,364.94	1,559.93	1,754.92	2,144.90	2,534.88	2,924.87	3,509.84	98.74
West Firsby	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
West Rasen	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Wickenby	1,130.05	1,318.40	1,506.74	1,695.08	2,071.76	2,448.45	2,825.13	3,390.16	38.90
Wildsworth	1,104.12	1,288.14	1,472.16	1,656.18	2,024.22	2,392.26	2,760.30	3,312.36	0.00
Willingham	1,138.66	1,328.44	1,518.21	1,707.99	2,087.54	2,467.10	2,846.65	3,415.98	51.81
Willoughton	1,149.69	1,341.31	1,532.92	1,724.54	2,107.77	2,491.00	2,874.23	3,449.08	68.36

Pay Policy Statement 2018/19

Date: December 2017

Reviewed annually

Introduction

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

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

In particular, it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often national and local pressure conflict. The Council's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge, is crucial.

Legislation

Section 38/11 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement 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 and other discretionary payments

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

Senior Officer Pay

In this policy the senior pay group covers posts in the top tier of the organisation and any statutory officers i.e. Chief Finance Officer (Section 151) and Monitoring Officer that are not included in this tier. These include;

The council currently have the following number of posts at the Chief Officer level:-
3 x Executive Directors (one of whom is designated as Chief Finance Officer (S151))
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:-

Salaries in this policy are as at 1 March 2018.

Executive Director of Operations, Executive Director of Resources and Executive Director of Economic and Commercial Growth

The salary for the above three posts have been established as a fixed salary point of £93,240. This is a local grade established following an analysis of the degree of responsibility in the role, benchmarking with other comparators and the ability to recruit and retain exceptional candidates.

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

Monitoring Officer

The salary for this post holder is paid at a spot salary of £65,256 per annum plus an honorarium of £5,000 per annum to reflect the specific statutory responsibilities.

Chief Officer Pay Awards

Pay awards for Chief Officers are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Officers. The council applies the nationally negotiated pay settlement as agreed by JNC for Local Authority Chief Executives and Chief Officers.

Chief Officer Recruitment

Recruitment to the posts of Executive Director is undertaken by a committee of councillors appointed by Council.

The Council's Chief Officer Employment Committee is responsible for, amongst other things, determining the remuneration of the Executive Directors.

Rules governing the recruitment of chief officers are set out in the Council's constitution, Part 5 Rules of Procedure, Officer Employment Procedure Rules.

Returning Officer Fees

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

Lowest Paid Employees

The lowest paid staff within the Council's pay structure are on Band 3. For this reason we have chosen staff employed on Band 3 as our definition of the 'lowest paid' for the purposes of this policy.

Band 3 ranges from £15,613 to £16,123 per annum.

The terms and conditions of employment for Band 3 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as Green Book). These are supplemented by local collective agreements reached with the trade union recognised by the council and by the rules of the council.

All posts except that of the 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 Team is set within a pay band which is made up of spinal points, staff progress through these spinal points with length of service until they reach the top point in their pay band.

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

Pay Supplements

From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where it can be justified in accordance with council policy. The council may use the following:

Market supplements – in order to attract and retain employees with particular experience, skills and capacity, for example when there are skills shortages locally or nationally.

Special payments – where an employee has taken on additional duties and responsibilities for a defined period of time, for example covering a vacancy or taking on a special project.

Apprentices

The council operates an apprenticeship scheme, apprentices are employed with the council as part of a training and development scheme for a minimum of a 12 month period.

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

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

Year	21 and over	18-20	Under 18	Apprentice
April 2018	£7.38	£5.90	£4.20	£3.70

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

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

In the second year of an apprenticeship (if applicable) the salary rate increases in accordance with the persons age at that time.

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 17.1% of pensionable pay, in addition the Council makes lump sum deficit payments to the local government pension fund which equate to approximately 7% of pensionable pay.

Multipliers

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

The highest paid officer of the council is the Executive Directors at £93,240

The ratio between the highest and lowest salary pay point is 1:6.9

The median salary of all the Council staff is £21,962

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

Discretionary Payments

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

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

The Council calculates redundancy payments by reference to an individual's actual week's pay, rather than the statutory maximum, where it is greater than the statutory maximum. This is payable to employees made redundant with 2 or more years local government service.

Severance payments under section 6

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

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

No discretionary additional membership or payment provisions are applied.

Any proposals with a severance package with a total value of over £100,000 will be reported to Full Council for decision.

Re-employment

The Council's recruitment and selection policy recognises the importance of making appointments on merit, and ensuring equality of opportunity. Consequently, as a general principal, individual applicants for employment will be considered in accordance with this policy and will not be denied employment purely on the basis of having previously been employed by the council.

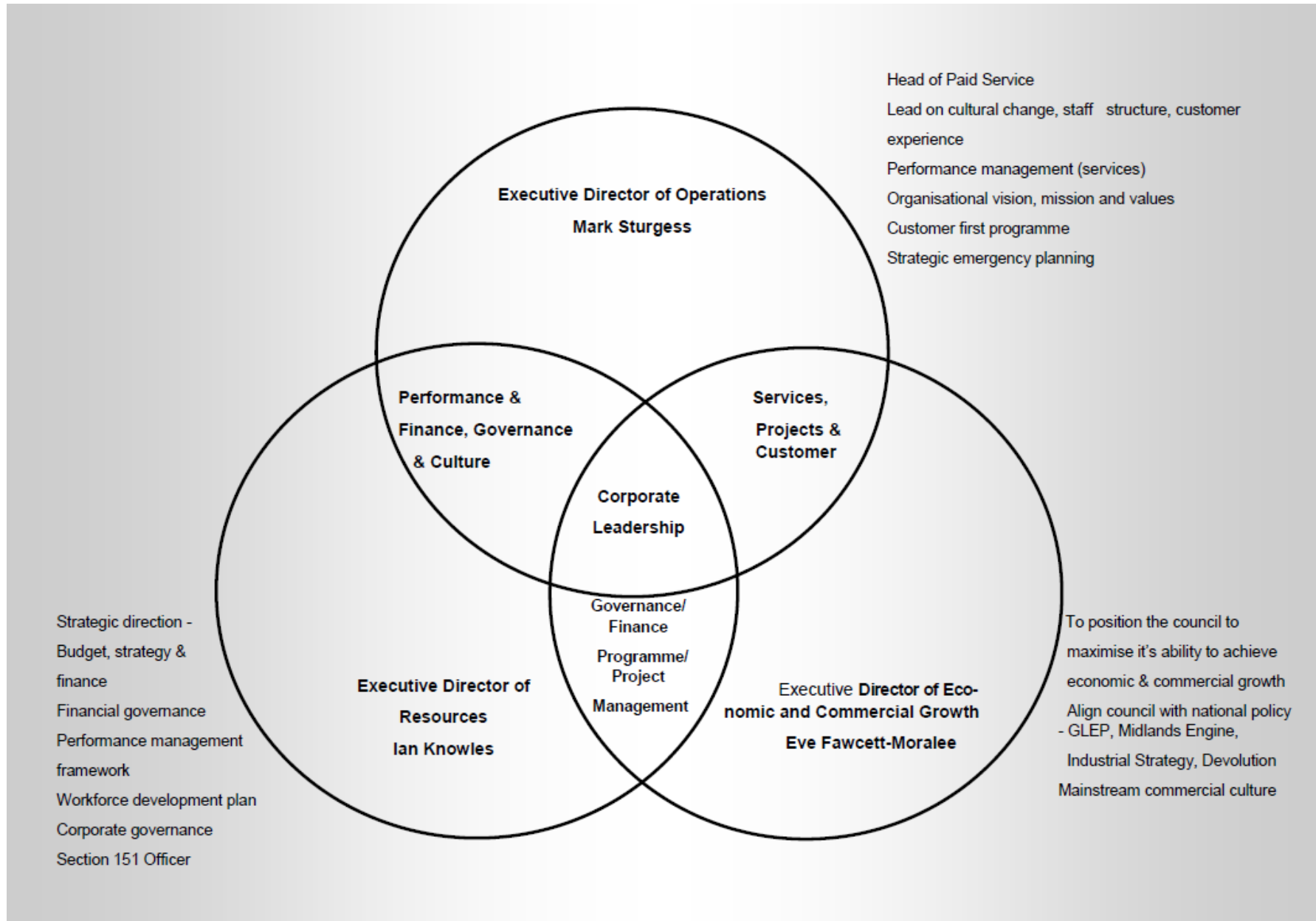
However, an individual in receipt of a severance payment and/or early retirement pension will not normally be immediately re-employed or re-engaged by the Council, either under a contract of employment or a contract for services. It is expected that the Council, when agreeing severance arrangements, will do so in the context of anticipated future requirements and plan its resources accordingly.

It is, however, recognised that in some limited, exceptional circumstances re-employment would be in the council's interests, in which case approval may be given by the relevant director in consultation with the People & OD Manager.

Where an employee retires on the grounds of ill health and later applies for employment this will be considered carefully in the context of the Equality Act and advice from the occupational health advisor.

Disclosure

Upon approval by Full Council this Pay Policy statement will be published on the Council's website.



تامول عمل ا نم دي زم قباصع 72410 676676
За повече информация пръстен 01427 676676
Lisainformatsiooni ring 01427 676676
अधिके जानकारी के लए रगि 01427 676676
További információ gyűrű 01427 676676
Lai iegūtu vairāk informācijas gredzenu 01427 676676
Norėdami gauti daugiau informacijos žiedo 01427 676676
Aby uzyskać więcej informacji na ring 01427 676676
Pentru mai multe informații inel 01427 676676
За више информација назовите 01427 676676
ے ئل کے یٹوگنا 72410 676676 کے تامول عم دی زم

If you would like this in large,
clear print, audio, Braille or in
another language, please
telephone

01427 676676

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

www.west-lindsey.gov.uk





Human Resources Statement 2018/19

Cluster	Budgeted Full Time Equivalents
People	153.29
Places	36.71
Policy and Resources	61.68
	251.68

Committee	Business Unit	Budgeted Full Time Equivalents
Corporate Policy & Resources	Business Improvements	7.50
	Chief Executive	0.00
	Commercial Development	0.20
	Committee Administration	5.30
	Communications	3.30
	Corporate Fraud	0.00
	Corporate Governance-Developmental	8.55
	Corporate Services	0.20
	Corporate Support Services	5.75
	Customer Relations	14.24
	Debtors	0.75
	Director	2.00
	Director of Resources	1.00
	Electoral Registration	2.36
	Financial Services - Accountancy	10.09
	Housing Benefit Administration	16.73
	Human Resources	3.80
	IT & Contracts Team	3.34
	Local Tax Collection	11.99
	Members' Costs	0.50
	Property Services	6.64
Public Conveniences	0.00	
WLDC - Apprentices	5.81	
Corporate Policy & Resources Total		110.05
Prosperous Communities	Building Control - Commercial	0.55
	Building Regulations - Fee Earning	3.85
	Building Regulations - Non-Fee Earning	3.45
	Car Parks	0.19
	CCTV	2.00
	Civil Parking Enforcement	0.17
	Community Action	1.20
	Community Licences	2.30
	Conservation & Listed Buildings	1.65
	Development Control	15.84
	Economic & Tourism	4.81
	Food Safety	3.27
	Health & Safety at Work	1.42
	Housing Advice & Homelessness	6.95
	Housing Renewal Activity	1.86
	Housing Strategy	0.00
	Housing Zone	1.00
	Leisure Centre - Gainsborough	0.80
	Local Land Charges	3.50
	Markets	0.10
	Pollution Reduction	3.55
	Street Cleansing	16.07
	Supplementary Services (Chargeable)	3.18
	Sustainable Development Strategies	0.00
	Tourism Policy; etc	1.00
	Trade Waste	2.03
	Trinity Arts Centre	4.22
	Waste Collection	47.42
	Cemeteries	0.03
	Commercial Trading	0.20
	Housing Standards	3.10
	Enterprising Communities	2.81
Pest & Dog Control	0.03	
Planning Enforcement	2.10	
Waste Vehicles	1.00	
Prosperous Communities Total		141.63
Grand Total		251.68

Benchmarking Report and Spidercharts for West Lindsey

Spidercharts for West Lindsey

Introduction:

Our financial position model, also known as the 'spidergram' model, was first issued in 2013. 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 the report:

This report is split into three sections, each is a suite of themed indicators: Strategic (present and future), Risk and Opportunity. There are two spidergraphs per section, one shows how West Lindsey is ranked within 'All English Authorities' and the second, how West Lindsey is ranked within All local authority districts in East Midlands.

The highest (or best) rank, of 1, on a spiderchart is the inner most point of the graph. The lowest (or worst) rank is 353 for all English authorities, and for All local authority districts in East Midlands the lowest rank will be 36, 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. In the reference section there are tables showing additional comparison data and in the collection library there are links (when viewed in LG Inform) to the data collections used in the report and information on when they were last updated.

Please note that the data for the Whole of Government Accounts normally has a time lag of 18 months, this report uses the most recent available data. The data will automatically update every time there is a data release. If you are interested in viewing a time series for any of the metrics in the report please refer to the standard reports; the standard reports can be accessed when viewing the report in LG Inform by clicking on the metric titles within the tables.

If any values are missing from the database a 'no value' will appear, this is because a figure was not available from published sources. Please contact lginform@local.gov.uk if you have any technical queries regarding the report or the data collections used.

Contents:

- Strategic Indicators: Present and Future
- Risk Indicators
- Opportunity Indicators
- Reference tables
- Collection library

STRATEGIC INDICATORS: PRESENT AND FUTURE

Strategic: All English authorities Rank (353)

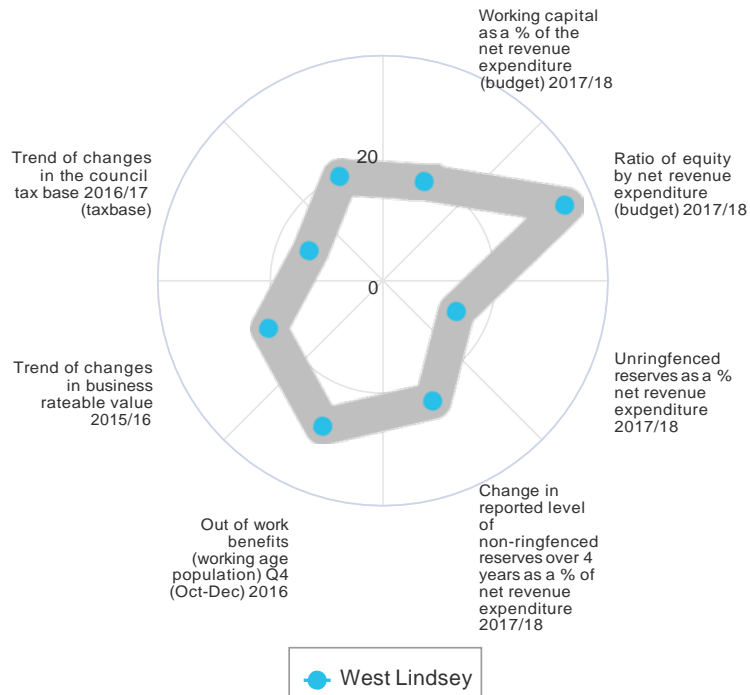


West Lindsey

West Lindsey

Metric type	Period	West Lindsey	
		Rank within All English authorities	%
Working capital as a % of the net revenue expenditure (budget)	2017/18	141	102.36
Ratio of equity by net revenue expenditure (budget)	2017/18	302	0.58
Unringfenced reserves as a % net revenue expenditure	2017/18	103	86.86
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	2017/18	163	9.27
Out of work benefits (working age population)	Q4 (Oct-Dec) 2016	255	8.7
Trend of changes in business rateable value	2015/16	244	135.48
Percentage change in Core Spending Power from current period to period +4	2015/16	268	-10.563
Trend of changes in the council tax base	2016/17 (taxbase)	110	108.53

Strategic: All local authority districts in East Midlands Rank (36)



Strategic: West Lindsey and All local authority districts in East Midlands Rank

Metric type	Period	West Lindsey	
		Rank within All local authority districts in East Midlands	%
Working capital as a % of the net revenue expenditure (budget)	2017/18	19	102.36
Ratio of equity by net revenue expenditure (budget)	2017/18	35	0.58
Unringfenced reserves as a % net revenue expenditure	2017/18	14	86.86
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	2017/18	23	9.27
Out of work benefits (working age population)	Q4 (Oct-Dec) 2016	28	8.7
Trend of changes in business rateable value	2015/16	22	135.48
Percentage change in Core Spending Power from current period to period +4	2015/16	20	-10.563
Trend of changes in the council tax base	2016/17 (taxbase)	14	108.53

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 for West Lindsey is 18,569.00 GBP (000) which equates to 102.36% of the net revenue expenditure (18,140 GBP (000)); in the previous period it was 113.66%.

Authorities with a strongly positive indicator would have less difficulty liquidating sufficient assets to operate in the event of a short term debt problem. 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 10,611.00 GBP (000), which is a ratio of 0.58:1 of the net revenue expenditure (18,140 GBP (000)). The ratio of equity has decreased since the last period when it was 0.65:1.

If an authority has a low level of net assets (equity) this may be because it has a low level of assets, a high level of liabilities or both. 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.

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 15,757 GBP (000), lower than the last period when they were 16,871 GBP (000); currently it is 86.86% of the total net revenue expenditure (18,140 GBP (000)).

Some reserves, of course, are set aside against risks which are difficult to measure. 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.

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 1,682.00 GBP (000) over the last four years (15,757 GBP (000) in the current period minus 14,075 GBP (000) 4 periods earlier), this represents 9.27% of the total net revenue expenditure (18,140 GBP (000)).

If an authority has historically contributed significantly to reserves it is likely the case that the immediate years pose less of a challenge. At the same time any use of reserves or contribution to reserves is likely to be the result of local strategic decisions. 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. 8.7% of working age residents in West Lindsey were receiving out of work benefits in 17/05/2017, 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 here: [The impacts of the welfare reform](#).

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 42 GBP (millions), a change of 135.48% 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 138.71%.

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.

F3: Trend of changes in the council tax base

This is the change in the council taxbase since 2002. Currently the council taxbase is 33,182 dwellings, a change of 108.53% 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 107.97%.

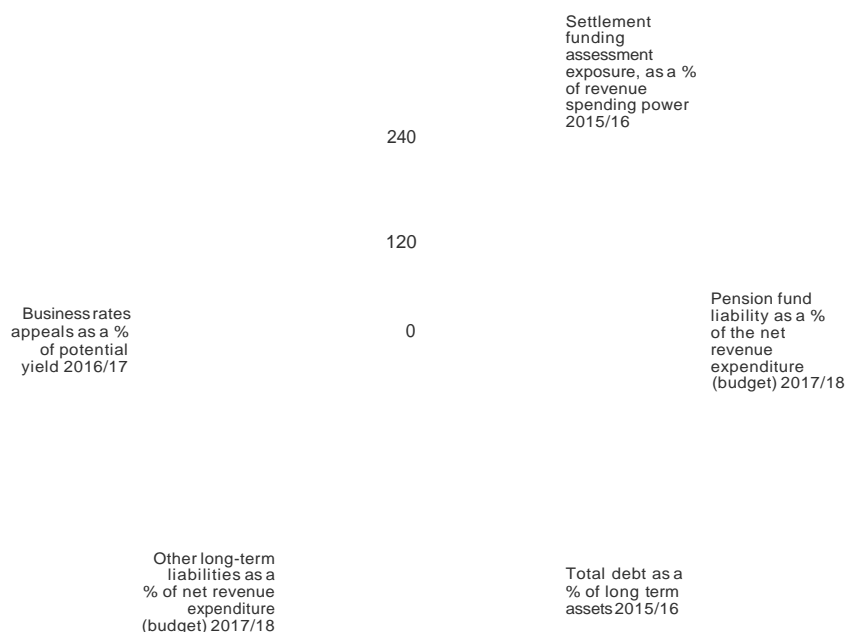
This is a measure of relative economic growth in the recent past and the assumption is that this is a momentum indicator – growth is more likely to continue where it is already taking place. Similar in principle to trend of changes in business rateable value, it is a momentum indicator. It measures relative growth in taxable property. The higher the trend change the higher the rank.

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: 2.952 GBP (millions) in 2019/20; this is a change of -10.563%. 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.

Some authorities will have 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.

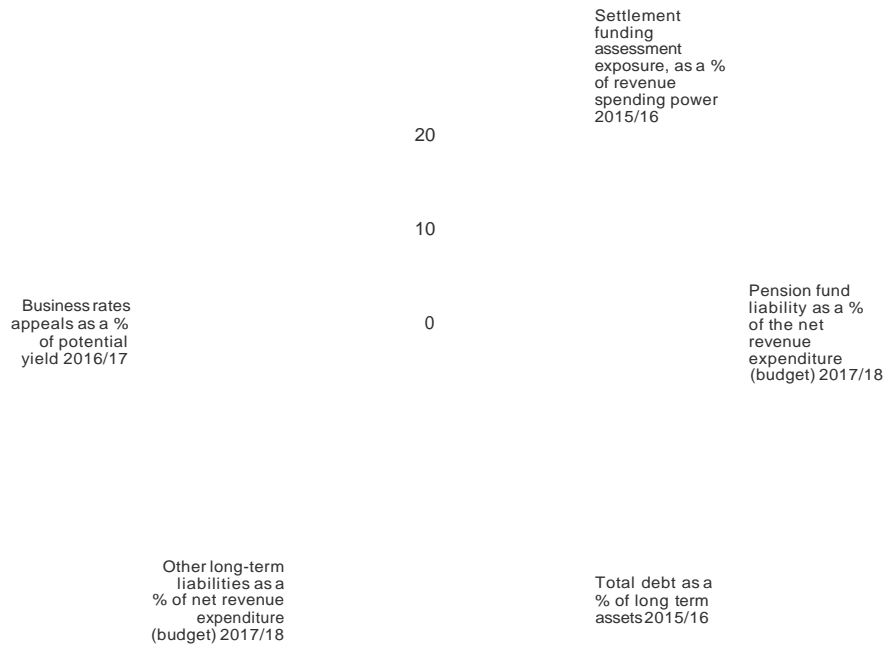
Risk: All English authorities Rank (353)



West Lindsey

Risk: West Lindsey and All English authorities Rank

Metric type	Period	West Lindsey	
		%	Rank within All English authorities
Settlement funding assessment exposure, as a % of revenue spending power	2015/16	39.17	200
Total debt as a % of long term assets	2015/16	-12.66	57
Pension fund liability as a % of the net revenue expenditure (budget)	2017/18	159.18	60
Other long-term liabilities as a % of net revenue expenditure (budget)	2017/18	-9.70	31
Short term liability pressure: Short term liabilities as a % of total liabilities	2015/16	9.29	87
Business rates appeals as a % of potential yield	2016/17	-1.77	160

Risk: All local authority districts in East Midlands Rank (36)

West Lindsey

Risk: West Lindsey and All local authority districts in East Midlands Rank

Metric type	Period	West Lindsey	
		Rank within All local authority districts in East Midlands	%
Settlement funding assessment exposure, as a % of revenue spending power	2015/16	17	39.17
Total debt as a % of long term assets	2015/16	6	-12.66
Pension fund liability as a % of the net revenue expenditure (budget)	2017/18	1	159.18
Other long-term liabilities as a % of net revenue expenditure (budget)	2017/18	5	-9.70
Business rates appeals as a % of potential yield	2016/17	20	-1.77
Short term liability pressure: Short term liabilities as a % of total liabilities	2015/16	17	9.29

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 4.942 GBP (millions) in 11/01/2018 and the revenue spending power was 12.615 GBP (millions), 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 reduce 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 -28,876 GBP (000), 159.18% of the net revenue expenditure (18,140 GBP (000)). This is an improvement the previous period when it was 176.74%.

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. The lower the pension fund liability the higher the rank.

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 - 12.66% of the long term assets, which are 22,677 GBP (000). In the previous period the total debt stood at -20.24% of the long term assets which were 19,434 GBP (000).

Total debt can pose both short term liquidity risk and long term cash pressures, therefore the lower the relative debt the lower the risk to the authority. The lower the total debt, the higher the rank.

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 -1,759.00 GBP (000), that is -9.70% of the total net revenue (18,140 GBP (000)). This is an improvement the previous period when it was -10.77%.

Other long term liabilities also represent future costs of borrowing. They include such elements as PFI liabilities, provisions and receipts in advance. The lower the other long term liabilities the higher the rank. Multiple authorities share the top ranked value of 1.

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 25/04/2017 business rate appeals stood at -303,542 GBP, -1.77% of the potential yield. This is compared to the previous period when it was -227,450 GBP, -1.35% of the potential yield.

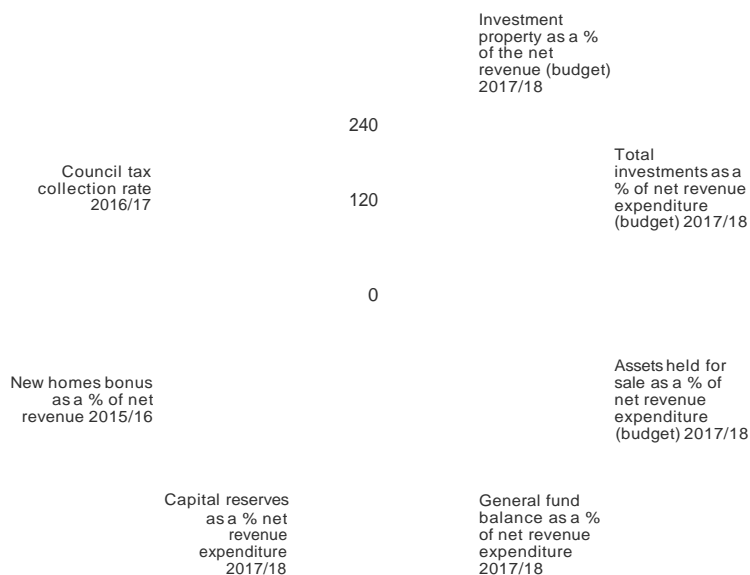
Appeals are a source of council income uncertainty and higher exposure means that councils have to prudently budget for less income, potentially harming services. The lower the rate of business rate appeals, the higher the rank. Multiple authorities share the top ranked value of 1.

R6: Short term liability pressure

Short term liabilities in West Lindsey are -3,136 GBP (000) and long term liabilities are -30,635 GBP (000), total liabilities is the sum of short term and long term liabilities. Short term liabilities stand at 9.29% of the total liabilities. Short term liabilities have decreased since the last period when they were -4,260 GBP (000); total liabilities have decreased since the last period when they were -35,552 GBP (000).

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: All English authorities Rank (353)



West Lindsey

Opportunity: West Lindsey and All English authorities Rank

Metric type	Period	West Lindsey	
		Rank within All English authorities	%
Investment property as a % of the net revenue (budget)	2017/18	289	0.90
Total investments as a % of net revenue expenditure (budget)	2017/18	228	65.39
Assets held for sale as a % of net revenue expenditure (budget)	2017/18	200	0.19
Capital reserves as a % net revenue expenditure	2017/18	186	19.07
General fund balance as a % of net revenue expenditure	2017/18	126	-20.48
Council tax collection rate	2016/17	76	98.48
Percentage of Business rates collected	2016/17	275	97.34
New homes bonus as a % of net revenue	2015/16	80	15.81

Opportunity: All local authority districts in East Midlands Rank (36)

Investment property as a % of the net revenue (budget) 2017/18		
Council tax collection rate 2016/17	20	Total investments as a % of net revenue expenditure (budget) 2017/18
	0	
New homes bonus as a % of net revenue 2015/16		Assets held for sale as a % of net revenue expenditure (budget) 2017/18
Capital reserves as a % net revenue expenditure 2017/18		General fund balance as a % of net revenue expenditure 2017/18

West Lindsey

Opportunity: West Lindsey and All local authority districts in East Midlands Rank

Metric type	Period	West Lindsey	
		Rank within All local authority districts in East Midlands	%
Investment property as a % of the net revenue (budget)	2017/18	30	0.90
Total investments as a % of net revenue expenditure (budget)	2017/18	25	65.39
Assets held for sale as a % of net revenue expenditure (budget)	2017/18	20	0.19
General fund balance as a % of net revenue expenditure	2017/18	19	-20.48
Capital reserves as a % net revenue expenditure	2017/18	25	19.07
New homes bonus as a % of net revenue	2015/16	14	15.81
Council tax collection rate	2016/17	8	98.48
Percentage of Business rates collected	2016/17	34	97.34

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 164 GBP (000), compared to 127 GBP (000) in the previous period. That is 0.90% of the total net revenue in the most recent period (18,140 GBP (000)), and 1.00% 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.

OP2: Total investments

This is the short term investments, long term investments and investment property weighted according to total net revenue expenditure. Total investments have increased in West Lindsey by 28.52% since the last period, and is currently 11,861.00 GBP (000), that is 65.39% of the total net revenue (18,140 GBP (000)).

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. Multiple authorities share the lowest ranked value of 1.

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 35 GBP (000) assets in West Lindsey held for sale, that is 0.19% of the total net revenue (18,140 GBP (000)). In the previous period assets held for sale represented 0.21% 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.

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 -3,715 GBP (000), a decrease since the previous period when it was -4,160 GBP (000). It is currently -20.48% of the total net revenue expenditure (18,140 GBP (000)).

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.

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 -2,893.00 GBP (000); that is 19.07% of the total net revenue expenditure. This is compared to the previous period when it was -2,893.00 GBP (000), 21.18% of the total net revenue expenditure (18,140 GBP (000)).

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.

OP6: New Homes Bonus

New Homes Bonus as a share of total revenue spending power. The New Homes Bonus in West Lindsey was 1.558 GBP (millions) in the previous period, 11.90% of the total net revenue expenditure. Currently New Homes Bonus stands at 1.995 GBP (millions), 15.81% of the total net revenue expenditure (18,140 GBP (000)).

Higher new homes bonus provides a stable source of income for councils and is a signal of a lively house building market. However, this funding stream is government policy, meaning that there is always a risk of it ending. Many authorities 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.

OP7: Council tax collection rate

This is the amount of council tax revenue collected as a share of total collectable council tax. West Lindsey collected 98.48% of the collectable council tax, this is an improvement on the previous period when West Lindsey collected 98.35% 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. A high collection rate of local taxes shows that an authority is close to maximising its income therefore the higher the rank.

OP8: Business rates collection rate

This is the amount of business rates collected as a share of total collectable business rates. West Lindsey collected 97.34% of the collectable business rates, this is worse than the previous period when West Lindsey collected 99.46% 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.

REFERENCE TABLES

The following reference tables show the current value of each metric used against the minimum, average (mean) and maximum for all English authorities and the selected comparison group.

Strategic: West Lindsey and All English authorities

Metric type	Value type	Period	West Lindsey	Minimum for All English authorities	Mean for All English authorities	Maximum for All English authorities
Working capital as a % of the net revenue expenditure (budget)	%	2017/18	102.36	-740.49	98.94	755.12
Ratio of equity by net revenue expenditure (budget)	%	2017/18	0.58	-1.00	6.45	68.67
Unringfenced reserves as a % net revenue expenditure	%	2017/18	86.86	0.00	69.90	510.99
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	%	2017/18	9.27	-259.02	13.55	193.43
Out of work benefits (working age population)	%	Q4 (Oct-Dec) 2016	8.7	1.7	7.5	16.6
Trend of changes in business rateable value	%	2015/16	135.48	90.32	145.00	224.32
Trend of changes in the council tax base	%	2016/17 (taxbase)	108.53	102.96	107.66	135.97
Percentage change in Core Spending Power from current period to period +4	%	2015/16	-10.563	-25.358	-5.910	6.241

Page 178
Strategic: West Lindsey and All local authority districts in East Midlands

Metric type	Value type	Period	West Lindsey	Minimum for All local authority districts in East Midlands	Mean for All local authority districts in East Midlands	Maximum for All local authority districts in East Midlands
Working capital as a % of the net revenue expenditure (budget)	%	2017/18	102.36	-136.70	119.33	358.28
Ratio of equity by net revenue expenditure (budget)	%	2017/18	0.58	-0.56	6.64	24.69
Unringfenced reserves as a % net revenue expenditure	%	2017/18	86.86	29.84	86.89	242.22
Change in reported level of non-ringfenced reserves over 4 years as a % of net revenue expenditure	%	2017/18	9.27	-29.47	24.07	127.45
Out of work benefits (working age population)	%	Q4 (Oct-Dec) 2016	8.7	3.3	7.3	11.7
Trend of changes in business rateable value	%	2015/16	135.48	115.60	141.39	186.67
Trend of changes in the council tax base	%	2016/17 (taxbase)	108.53	102.96	107.41	116.84
Percentage change in Core Spending Power from current period to period +4	%	2015/16	-10.563	-15.157	-10.056	0.077

Page 179
Risk: West Lindsey and All English authorities

Metric type	Value type	Period	West Lindsey	Minimum for All English authorities	Mean for All English authorities	Maximum for All English authorities
Settlement funding assessment exposure, as a % of revenue spending power	%	2015/16	39.17	19.93	38.06	63.47
Pension fund liability as a % of the net revenue expenditure (budget)	%	2017/18	159.18	14.68	282.22	1,171.37
Total debt as a % of long term assets	%	2015/16	-12.66	-115.95	-29.23	-2.75
Other long-term liabilities as a % of net revenue expenditure (budget)	%	2017/18	-9.70	-272.01	-41.06	0.00
Business rates appeals as a % of potential yield	%	2016/17	-1.77	-25.74	-2.29	0.00
Short term liability pressure: Short term liabilities as a % of total liabilities	%	2015/16	9.29	3.89	14.11	64.22

Page 180
Risk: West Lindsey and All local authority districts in East Midlands

Metric type	Value type	Period	West Lindsey	Minimum for All local authority districts in East Midlands	Mean for All local authority districts in East Midlands	Maximum for All local authority districts in East Midlands
Settlement funding assessment exposure, as a % of revenue spending power	%	2015/16	39.17	27.62	40.36	56.96
Pension fund liability as a % of the net revenue expenditure (budget)	%	2017/18	159.18	159.18	351.49	953.08
Total debt as a % of long term assets	%	2015/16	-12.66	-67.79	-34.35	-3.38
Other long-term liabilities as a % of net revenue expenditure (budget)	%	2017/18	-9.70	-172.78	-34.25	-0.74
Business rates appeals as a % of potential yield	%	2016/17	-1.77	-6.62	-1.96	-0.27
Short term liability pressure: Short term liabilities as a % of total liabilities	%	2015/16	9.29	4.24	11.62	28.89

Opportunity: West Lindsey and All English authorities

Metric type	Value type	Period	West Lindsey	Minimum for All English authorities	Mean for All English authorities	Maximum for All English authorities
Investment property as a % of the net revenue (budget)	%	2017/18	0.90	0.00	88.82	1,972.92
Total investments as a % of net revenue expenditure (budget)	%	2017/18	65.39	0.00	201.04	2,362.68
Assets held for sale as a % of net revenue expenditure (budget)	%	2017/18	0.19	0.00	3.26	73.15
General fund balance as a % of net revenue expenditure	%	2017/18	-20.48	-166.90	-22.14	0.00
Capital reserves as a % net revenue expenditure	%	2017/18	19.07	0.00	40.64	498.08
New homes bonus as a % of net revenue	%	2015/16	15.81	0.39	9.13	32.19
Council tax collection rate	%	2016/17	98.48	90.01	97.41	99.61
Percentage of Business rates collected	%	2016/17	97.34	90.16	98.21	99.99

Page 182
Opportunity: West Lindsey and All local authority districts in East Midlands

Metric type	Value type	Period	West Lindsey	Minimum for All local authority districts in East Midlands	Mean for All local authority districts in East Midlands	Maximum for All local authority districts in East Midlands
Investment property as a % of the net revenue (budget)	%	2017/18	0.90	0.00	80.17	609.80
Total investments as a % of net revenue expenditure (budget)	%	2017/18	65.39	1.34	186.22	836.35
Assets held for sale as a % of net revenue expenditure (budget)	%	2017/18	0.19	0.00	2.77	16.98
General fund balance as a % of net revenue expenditure	%	2017/18	-20.48	-100.85	-28.32	-9.40
Capital reserves as a % net revenue expenditure	%	2017/18	19.07	4.54	41.73	197.86
New homes bonus as a % of net revenue	%	2015/16	15.81	4.91	14.18	27.54
Council tax collection rate	%	2016/17	98.48	96.02	97.92	99.18
Percentage of Business rates collected	%	2016/17	97.34	97.00	98.54	99.58

Below are links to the data collections used in the report and when they were last updated:

[Budgeted Revenue Accounts: 2017/18](#)

[Council Tax Collection Rates: 2016/17](#)

[Financial Sustainability Analysis: 2015/16](#)

[Labour Market Statistics: Q4 \(Oct-Dec\) 2016](#)

[Local Government Finance Settlement: 2015/16](#)

[Non Domestic Rates Collected by Local Councils in England: Forecast: 2016/17](#)

[Revenue Outturn Summary: 2016/17](#)

[Valuation Office: Central and Local rating lists: 2015/16](#)

[Whole of Government Accounts: 2015/16](#)

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>]



Committee and Business Unit Budgets 2018/19 – 2022/23

Corporate Policy and Resources Base Budget – Business Unit Analysis

Business Unit	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Admin Buildings	241,100	339,600	345,500	351,500	357,600	338,900
Business Improvement & Commercial Development	382,800	386,400	355,800	287,200	292,500	298,000
Chief Executive	149,300	13,000	13,000	13,000	13,000	13,000
Chief Operating Officer	111,600	126,900	129,400	131,800	134,400	137,000
Commercial Director	111,800	131,500	134,000	136,600	139,200	141,900
Commercial Properties	(1,106,900)	(469,500)	(620,900)	(626,700)	(625,700)	(624,700)
Communications	119,100	124,300	126,500	130,000	133,000	135,600
Corporate Management - Apprentices	57,400	92,200	92,200	92,200	92,200	92,200
Corporate Management - Finance	1,114,799	1,409,200	1,602,000	1,721,800	1,828,800	1,942,200
Crematorium	0	0	(38,100)	(158,900)	(186,800)	(226,800)
Customer Services	510,800	510,700	479,000	506,900	489,800	518,900
Debtors	28,900	26,600	27,600	28,400	28,800	29,300
Democratic Representation	483,500	592,800	614,700	624,600	634,900	644,000
Director of Resources	112,900	128,200	130,700	133,100	135,700	138,300
Elections	0	0	99,000	0	0	0
Emergency Planning	14,600	14,600	14,600	14,600	14,600	14,600
Financial Services	587,400	584,500	605,600	619,900	632,900	646,800
Fraud	23,900	6,300	6,300	6,300	6,300	6,300
Housing Benefits Admin	248,400	340,200	372,400	397,600	421,300	444,700
Housing Benefits Payments	(198,800)	(198,800)	(198,800)	(198,800)	(198,800)	(198,800)
Human Resources	280,900	271,800	275,400	278,600	281,900	285,400
ICT Services	224,100	299,300	303,000	306,200	309,500	312,700
Legal Services	0	0	0	0	0	0
Local Tax Collection	229,500	261,700	275,100	286,000	297,100	306,300
Precepts	8,000	8,000	8,000	8,000	8,000	8,000
Property Services	286,700	(240,700)	(746,900)	(836,500)	(830,000)	(824,600)
Register of Electors	132,400	147,900	150,200	151,700	153,500	155,300
Support Services - Admin	11,100	0	0	0	0	0
Support Services - Corporate	184,600	142,800	149,800	156,300	160,600	164,400
Systems Development	481,500	499,800	526,200	530,600	536,400	550,900
Grand Total	4,831,399	5,549,300	5,231,300	5,092,000	5,260,700	5,449,800

Admin Buildings	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(24,100)	0	0	0	0	0
Total Income	(24,100)	0	0	0	0	0
Expenditure						
Premises	223,400	294,600	300,300	306,200	312,300	293,500
Supplies and Services	41,800	45,000	45,200	45,300	45,300	45,400
Total Expenditure	265,200	339,600	345,500	351,500	357,600	338,900
Net Total	241,100	339,600	345,500	351,500	357,600	338,900

Business Improvement & Commercial Development	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	368,500	374,500	343,900	275,300	280,600	286,100
Supplies and Services	2,800	7,700	7,700	7,700	7,700	7,700
Third Party Payments	8,400	1,400	1,400	1,400	1,400	1,400
Transport	3,100	2,800	2,800	2,800	2,800	2,800
Total Expenditure	382,800	386,400	355,800	287,200	292,500	298,000
Net Total	382,800	386,400	355,800	287,200	292,500	298,000

Chief Executive	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)
Total Income	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)
Expenditure						
Employees	139,200	3,700	3,700	3,700	3,700	3,700
Premises	500	500	500	500	500	500
Supplies and Services	8,800	8,000	8,000	8,000	8,000	8,000
Transport	4,100	4,100	4,100	4,100	4,100	4,100
Total Expenditure	152,600	16,300	16,300	16,300	16,300	16,300
Net Total	149,300	13,000	13,000	13,000	13,000	13,000

Chief Operating Officer	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	107,900	123,100	125,600	128,000	130,600	133,200
Supplies and Services	1,100	1,200	1,200	1,200	1,200	1,200
Transport	2,600	2,600	2,600	2,600	2,600	2,600
Total Expenditure	111,600	126,900	129,400	131,800	134,400	137,000
Net Total	111,600	126,900	129,400	131,800	134,400	137,000

Commercial Director	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	107,700	127,200	129,700	132,300	134,900	137,600
Supplies and Services	1,600	1,700	1,700	1,700	1,700	1,700
Third Party Payments	0	100	100	100	100	100
Transport	2,500	2,500	2,500	2,500	2,500	2,500
Total Expenditure	111,800	131,500	134,000	136,600	139,200	141,900
Net Total	111,800	131,500	134,000	136,600	139,200	141,900

Commercial Properties	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(1,275,500)	(579,900)	(732,200)	(739,000)	(739,000)	(739,000)
Total Income	(1,275,500)	(579,900)	(732,200)	(739,000)	(739,000)	(739,000)
Expenditure						
Premises	136,900	77,900	78,800	79,800	80,800	81,800
Supplies and Services	31,700	32,500	32,500	32,500	32,500	32,500
Total Expenditure	168,600	110,400	111,300	112,300	113,300	114,300
Net Total	(1,106,900)	(469,500)	(620,900)	(626,700)	(625,700)	(624,700)

Communications	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	95,700	116,300	118,500	122,000	125,000	127,600
Supplies and Services	22,200	6,800	6,800	6,800	6,800	6,800
Transport	1,200	1,200	1,200	1,200	1,200	1,200
Total Expenditure	119,100	124,300	126,500	130,000	133,000	135,600
Net Total	119,100	124,300	126,500	130,000	133,000	135,600

Corporate Management - Apprentices	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	57,400	92,200	92,200	92,200	92,200	92,200
Total Expenditure	57,400	92,200	92,200	92,200	92,200	92,200
Net Total	57,400	92,200	92,200	92,200	92,200	92,200

Corporate Management - Finance	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	0	(22,000)	(22,000)	0	0	0
Total Income	0	(22,000)	(22,000)	0	0	0
Expenditure						
Employees	884,200	923,700	1,081,300	1,172,600	1,272,900	1,384,400
Supplies and Services	99,500	101,800	106,300	111,000	115,800	115,800
Third Party Payments	131,099	405,700	436,400	438,200	440,100	442,000
Total Expenditure	1,114,799	1,431,200	1,624,000	1,721,800	1,828,800	1,942,200
Net Total	1,114,799	1,409,200	1,602,000	1,721,800	1,828,800	1,942,200

Crematorium	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	0	0	(108,200)	(442,600)	(482,100)	(525,700)
Total Income	0	0	(108,200)	(442,600)	(482,100)	(525,700)
Expenditure						
Premises	0	0	70,100	283,700	295,300	298,900
Total Expenditure	0	0	70,100	283,700	295,300	298,900
Net Total	0	0	(38,100)	(158,900)	(186,800)	(226,800)

Customer Services	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(10,500)	(10,500)	(10,500)	(10,500)	(10,500)	(10,500)
Other Grants and Contributions	0	(45,700)	(45,700)	(45,700)	(45,700)	(45,700)
Total Income	(10,500)	(56,200)	(56,200)	(56,200)	(56,200)	(56,200)
Expenditure						
Employees	425,600	442,100	430,400	439,200	448,200	457,300
Premises	800	400	400	400	400	400
Supplies and Services	87,100	107,500	87,500	107,500	87,500	107,500
Third Party Payments	4,900	14,200	14,200	13,300	7,200	7,200
Transport	2,900	2,700	2,700	2,700	2,700	2,700
Total Expenditure	521,300	566,900	535,200	563,100	546,000	575,100
Net Total	510,800	510,700	479,000	506,900	489,800	518,900

Debtors	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	17,600	18,800	19,800	20,600	21,000	21,500
Supplies and Services	11,300	7,800	7,800	7,800	7,800	7,800
Total Expenditure	28,900	26,600	27,600	28,400	28,800	29,300
Net Total	28,900	26,600	27,600	28,400	28,800	29,300

Local Tax Collection	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Government Grants	(105,800)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)
Other Grants and Contributions	(180,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)
Total Income	(285,800)	(295,000)	(295,000)	(295,000)	(295,000)	(295,000)
Expenditure						
Employees	344,600	374,600	388,000	398,900	410,000	419,200
Supplies and Services	94,100	100,800	100,800	100,800	100,800	100,800
Third Party Payments	74,300	76,000	76,000	76,000	76,000	76,000
Transfer Payments	0	3,000	3,000	3,000	3,000	3,000
Transport	2,300	2,300	2,300	2,300	2,300	2,300
Total Expenditure	515,300	556,700	570,100	581,000	592,100	601,300
Net Total	229,500	261,700	275,100	286,000	297,100	306,300

Precepts	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Transfer Payments	8,000	8,000	8,000	8,000	8,000	8,000
Total Expenditure	8,000	8,000	8,000	8,000	8,000	8,000
Net Total	8,000	8,000	8,000	8,000	8,000	8,000

Property Services	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(1,600)	(610,700)	(1,129,900)	(1,225,900)	(1,225,900)	(1,225,900)
Total Income	(1,600)	(610,700)	(1,129,900)	(1,225,900)	(1,225,900)	(1,225,900)
Expenditure						
Employees	186,500	252,400	261,600	268,000	274,500	279,900
Premises	8,000	31,000	34,800	34,800	34,800	34,800
Supplies and Services	48,200	40,100	40,100	40,100	40,100	40,100
Third Party Payments	41,100	41,100	41,100	41,100	41,100	41,100
Transport	4,500	5,400	5,400	5,400	5,400	5,400
Total Expenditure	288,300	370,000	383,000	389,400	395,900	401,300
Net Total	286,700	(240,700)	(746,900)	(836,500)	(830,000)	(824,600)

Register of Electors	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(10,000)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)
Total Income	(10,000)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)
Expenditure						
Employees	79,300	82,200	84,500	86,000	87,800	89,600
Supplies and Services	32,200	34,600	34,600	34,600	34,600	34,600
Third Party Payments	30,200	33,900	33,900	33,900	33,900	33,900
Transport	700	700	700	700	700	700
Total Expenditure	142,400	151,400	153,700	155,200	157,000	158,800
Net Total	132,400	147,900	150,200	151,700	153,500	155,300

Support Services - Admin	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(63,500)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
Total Income	(63,500)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
Expenditure						
Employees	3,100	0	0	0	0	0
Supplies and Services	70,600	65,000	65,000	65,000	65,000	65,000
Transport	900	0	0	0	0	0
Total Expenditure	74,600	65,000	65,000	65,000	65,000	65,000
Net Total	11,100	0	0	0	0	0

Support Services - Corporate	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Total Income	0	0	0	0	0	0
Expenditure						
Employees	180,700	139,600	146,600	153,100	157,400	161,200
Supplies and Services	3,200	2,500	2,500	2,500	2,500	2,500
Transport	700	700	700	700	700	700
Total Expenditure	184,600	142,800	149,800	156,300	160,600	164,400
Net Total	184,600	142,800	149,800	156,300	160,600	164,400

Systems Development	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)
Total Income	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)
Expenditure						
Employees	269,000	325,400	347,200	358,600	368,400	378,000
Supplies and Services	232,800	194,700	199,300	192,300	188,300	193,200
Transport	2,000	2,000	2,000	2,000	2,000	2,000
Total Expenditure	503,800	522,100	548,500	552,900	558,700	573,200
Net Total	481,500	499,800	526,200	530,600	536,400	550,900

Prosperous Communities Base Budget – Business Unit Analysis

Business Unit	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Building Control	79,100	76,100	68,900	63,000	64,800	71,300
Car Parks	(186,300)	(198,900)	(263,800)	(262,500)	(261,200)	(259,800)
Cemeteries and Churchyards	46,100	52,300	56,300	52,300	42,300	42,300
Community Action & Community Safety	260,300	237,600	244,600	244,100	248,900	253,200
Culture, Heritage & Leisure	470,600	316,500	101,400	(53,600)	(52,300)	(51,300)
Development Management	(47,100)	(168,800)	(160,300)	(104,800)	(92,300)	(76,600)
Economic Development	471,200	327,900	298,800	304,600	310,500	316,600
Environmental Initiatives	101,400	60,600	60,600	60,600	60,600	60,600
Food Safety	136,100	143,100	146,400	149,100	151,900	154,700
General Grants etc	416,200	388,300	261,800	208,200	208,200	208,200
Health and Safety	71,000	61,900	63,600	65,700	67,900	69,000
Homelessness / Housing Advice	282,000	218,900	217,100	222,600	235,800	230,800
Housing Strategy	117,900	203,000	227,300	211,600	215,900	220,400
Land Charges	11,700	15,500	20,100	23,500	27,000	29,300
Licences - Community	4,300	(15,000)	(10,100)	(500)	(9,800)	(8,400)
Neighbourhood Planning & Local Plans	139,500	53,200	1,100	1,100	1,100	1,100
Other Council Properties	(17,700)	(38,000)	(38,000)	(38,000)	(37,900)	(37,900)
Parish Lighting	53,500	54,800	56,200	57,600	59,100	60,700
Parks & Open Spaces	49,800	49,600	49,600	49,600	49,600	49,600
Pest and Dog Control	22,900	24,100	24,100	24,100	24,100	24,100
Planning Policy - Forward Planning	78,000	61,600	64,500	66,800	68,100	69,400
Pollution Control	115,200	139,800	143,100	145,600	148,200	150,800
Private Sector Housing Renewal	149,800	(488,000)	(485,300)	(495,500)	(510,500)	(508,800)
Property Services	2,900	2,900	2,900	2,900	2,900	2,900
Public Conveniences	52,400	50,200	50,500	50,800	51,100	51,500
Strategic Manager-Services	0	18,200	18,400	18,800	19,100	19,400
Street Cleansing	513,100	535,000	555,300	563,500	571,700	580,100
Tourism	40,900	41,500	42,100	42,800	43,300	43,900
Town Centre Markets	29,900	33,400	34,400	35,300	36,200	37,300
Trade Waste	13,000	(142,600)	(177,300)	(214,200)	(251,700)	(289,900)
Waste Management	1,856,600	1,387,900	1,452,900	1,481,200	1,518,800	1,537,800
Grand Total	5,334,300	3,502,600	3,127,200	2,976,300	3,011,400	3,052,300

Prosperous Communities Base Budget – Business Unit Analysis

Building Control	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(241,100)	(248,000)	(264,300)	(277,800)	(282,600)	(282,600)
Total Income	(241,100)	(248,000)	(264,300)	(277,800)	(282,600)	(282,600)
Expenditure						
Employees	282,400	291,600	298,700	306,300	312,900	319,400
Supplies and Services	20,700	15,400	17,400	17,400	17,400	17,400
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	320,200	324,100	333,200	340,800	347,400	353,900
Net Total	79,100	76,100	68,900	63,000	64,800	71,300

Car Parks	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(272,500)	(320,900)	(382,800)	(382,800)	(382,800)	(382,800)
Total Income	(272,500)	(320,900)	(382,800)	(382,800)	(382,800)	(382,800)
Expenditure						
Employees	19,900	14,400	14,900	15,100	15,300	15,600
Premises	34,900	59,900	60,900	62,000	63,100	64,200
Supplies and Services	3,800	8,800	4,300	4,300	4,300	4,300
Third Party Payments	26,500	37,900	37,900	37,900	37,900	37,900
Transport	1,100	1,000	1,000	1,000	1,000	1,000
Total Expenditure	86,200	122,000	119,000	120,300	121,600	123,000
Net Total	(186,300)	(198,900)	(263,800)	(262,500)	(261,200)	(259,800)

Cemeteries and Churchyards	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(10,100)	(10,100)	(10,100)	(10,100)	(10,100)	(10,100)
Total Income	(10,100)	(10,100)	(10,100)	(10,100)	(10,100)	(10,100)
Expenditure						
Employees	0	1,200	1,200	1,200	1,200	1,200
Premises	55,800	60,800	64,800	60,800	50,800	50,800
Supplies and Services	400	400	400	400	400	400
Total Expenditure	56,200	62,400	66,400	62,400	52,400	52,400
Net Total	46,100	52,300	56,300	52,300	42,300	42,300

Community Action & Community Safety	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(21,200)	(23,700)	(23,700)	(23,700)	(23,700)	(23,700)
Other Grants and Contributions	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Income	(22,200)	(24,700)	(24,700)	(24,700)	(24,700)	(24,700)
Expenditure						
Employees	240,100	213,600	220,600	225,100	229,900	234,200
Premises	200	200	200	200	200	200
Supplies and Services	35,500	36,800	36,800	31,800	31,800	31,800
Transfer Payments	1,500	1,500	1,500	1,500	1,500	1,500
Transport	5,200	10,200	10,200	10,200	10,200	10,200
Total Expenditure	282,500	262,300	269,300	268,800	273,600	277,900
Net Total	260,300	237,600	244,600	244,100	248,900	253,200

Culture, Heritage & Leisure	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(138,100)	(151,900)	(151,900)	(151,900)	(151,900)	(151,900)
Other Grants and Contributions	(11,400)	(17,200)	(151,400)	(282,100)	(277,700)	(280,600)
Total Income	(149,500)	(169,100)	(303,300)	(434,000)	(429,600)	(432,500)
Expenditure						
Employees	131,600	188,900	179,900	173,700	170,100	173,500
Premises	86,700	83,500	56,000	68,500	69,000	69,500
Supplies and Services	118,200	124,600	124,600	124,600	124,600	124,600
Third Party Payments	274,700	81,000	36,600	6,000	6,000	6,000
Transfer Payments	8,000	7,000	7,000	7,000	7,000	7,000
Transport	900	600	600	600	600	600
Total Expenditure	620,100	485,600	404,700	380,400	377,300	381,200
Net Total	470,600	316,500	101,400	(53,600)	(52,300)	(51,300)

Development Management	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(942,700)	(1,188,000)	(1,151,800)	(1,127,200)	(1,129,200)	(1,128,300)
Other Grants and Contributions	0	(10,300)	(9,600)	(9,800)	(10,000)	(10,200)
Total Income	(942,700)	(1,198,300)	(1,161,400)	(1,137,000)	(1,139,200)	(1,138,500)
Expenditure						
Employees	745,500	775,000	746,600	727,700	742,400	757,400
Premises	5,000	5,000	5,000	5,000	5,000	5,000
Supplies and Services	121,100	126,800	126,800	126,800	126,800	126,800
Third Party Payments	10,000	108,900	108,900	158,900	158,900	158,900
Transfer Payments	500	300	300	300	300	300
Transport	13,500	13,500	13,500	13,500	13,500	13,500
Total Expenditure	895,600	1,029,500	1,001,100	1,032,200	1,046,900	1,061,900
Net Total	(47,100)	(168,800)	(160,300)	(104,800)	(92,300)	(76,600)

Economic Development	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(6,800)	(23,500)	(19,300)	(19,300)	(19,300)	(19,300)
Total Income	(6,800)	(23,500)	(19,300)	(19,300)	(19,300)	(19,300)
Expenditure						
Employees	445,600	307,800	289,600	295,400	301,300	307,400
Premises	0	7,900	7,900	7,900	7,900	7,900
Supplies and Services	1,500	5,500	5,400	5,400	5,400	5,400
Third Party Payments	15,000	15,000	0	0	0	0
Transfer Payments	11,900	11,900	11,900	11,900	11,900	11,900
Transport	4,000	3,300	3,300	3,300	3,300	3,300
Total Expenditure	478,000	351,400	318,100	323,900	329,800	335,900
Net Total	471,200	327,900	298,800	304,600	310,500	316,600

Environmental Initiatives	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	38,800	0	0	0	0	0
Supplies and Services	6,200	5,700	5,700	5,700	5,700	5,700
Third Party Payments	37,000	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	0	0	0	0	0
Total Expenditure	101,400	60,600	60,600	60,600	60,600	60,600
Net Total	101,400	60,600	60,600	60,600	60,600	60,600

Food Safety	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(700)	(700)	(700)	(700)	(700)	(700)
Total Income	(700)	(700)	(700)	(700)	(700)	(700)
Expenditure						
Employees	126,600	133,600	136,900	139,600	142,400	145,200
Supplies and Services	1,100	1,100	1,100	1,100	1,100	1,100
Transport	9,100	9,100	9,100	9,100	9,100	9,100
Total Expenditure	136,800	143,800	147,100	149,800	152,600	155,400
Net Total	136,100	143,100	146,400	149,100	151,900	154,700

General Grants etc	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Supplies and Services	133,500	117,600	93,600	60,000	60,000	60,000
Third Party Payments	282,700	250,700	148,200	148,200	148,200	148,200
Transfer Payments	0	20,000	20,000	0	0	0
Total Expenditure	416,200	388,300	261,800	208,200	208,200	208,200
Net Total	416,200	388,300	261,800	208,200	208,200	208,200

Health and Safety	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	69,300	60,200	61,900	64,000	66,200	67,300
Supplies and Services	400	400	400	400	400	400
Transport	1,300	1,300	1,300	1,300	1,300	1,300
Total Expenditure	71,000	61,900	63,600	65,700	67,900	69,000
Net Total	71,000	61,900	63,600	65,700	67,900	69,000

Homelessness / Housing Advice	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(43,900)	(21,900)	(21,900)	(21,900)	(21,900)	(21,900)
Government Grants	0	(124,600)	(88,800)	(89,900)	(82,100)	(92,400)
Total Income	(43,900)	(146,500)	(110,700)	(111,800)	(104,000)	(114,300)
Expenditure						
Employees	249,600	249,600	258,000	264,600	270,000	275,300
Supplies and Services	16,000	16,500	16,500	16,500	16,500	16,500
Third Party Payments	55,600	94,600	48,600	48,600	48,600	48,600
Transport	4,700	4,700	4,700	4,700	4,700	4,700
Total Expenditure	325,900	365,400	327,800	334,400	339,800	345,100
Net Total	282,000	218,900	217,100	222,600	235,800	230,800

Housing Strategy	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	0	(43,200)	(21,000)	(21,000)	(21,000)	(21,000)
Total Income	0	(43,200)	(21,000)	(21,000)	(21,000)	(21,000)
Expenditure						
Employees	108,900	232,700	214,800	219,100	223,400	227,900
Supplies and Services	6,600	7,200	7,200	7,200	7,200	7,200
Third Party Payments	0	0	20,000	0	0	0
Transport	2,400	6,300	6,300	6,300	6,300	6,300
Total Expenditure	117,900	246,200	248,300	232,600	236,900	241,400
Net Total	117,900	203,000	227,300	211,600	215,900	220,400

Land Charges	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(117,400)	(121,500)	(121,500)	(121,500)	(121,500)	(121,500)
Total Income	(117,400)	(121,500)	(121,500)	(121,500)	(121,500)	(121,500)
Expenditure						
Employees	97,900	104,700	109,300	112,700	116,200	118,500
Supplies and Services	3,200	4,600	4,600	4,600	4,600	4,600
Third Party Payments	27,500	27,500	27,500	27,500	27,500	27,500
Transport	500	200	200	200	200	200
Total Expenditure	129,100	137,000	141,600	145,000	148,500	150,800
Net Total	11,700	15,500	20,100	23,500	27,000	29,300

Licences - Community	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(111,800)	(118,500)	(116,100)	(108,100)	(119,200)	(119,600)
Other Grants and Contributions	(1,000)	(3,800)	(3,200)	(300)	(3,800)	(3,200)
Total Income	(112,800)	(122,300)	(119,300)	(108,400)	(123,000)	(122,800)
Expenditure						
Employees	90,000	83,000	85,500	87,100	88,900	90,700
Supplies and Services	24,100	21,300	20,700	17,800	21,300	20,700
Transport	3,000	3,000	3,000	3,000	3,000	3,000
Total Expenditure	117,100	107,300	109,200	107,900	113,200	114,400
Net Total	4,300	(15,000)	(10,100)	(500)	(9,800)	(8,400)

Neighbourhood Planning & Local Plans	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	95,400	53,100	1,000	1,000	1,000	1,000
Supplies and Services	100	100	100	100	100	100
Third Party Payments	44,000	0	0	0	0	0
Total Expenditure	139,500	53,200	1,100	1,100	1,100	1,100
Net Total	139,500	53,200	1,100	1,100	1,100	1,100

Other Council Properties	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(41,300)	(86,400)	(86,400)	(86,400)	(86,400)	(86,400)
Total Income	(41,300)	(86,400)	(86,400)	(86,400)	(86,400)	(86,400)
Expenditure						
Premises	22,500	20,900	20,900	20,900	21,000	21,000
Supplies and Services	1,100	27,500	27,500	27,500	27,500	27,500
Total Expenditure	23,600	48,400	48,400	48,400	48,500	48,500
Net Total	(17,700)	(38,000)	(38,000)	(38,000)	(37,900)	(37,900)

Parish Lighting	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Premises	33,300	34,600	36,000	37,400	38,900	40,500
Transfer Payments	20,200	20,200	20,200	20,200	20,200	20,200
Total Expenditure	53,500	54,800	56,200	57,600	59,100	60,700
Net Total	53,500	54,800	56,200	57,600	59,100	60,700

Parks & Open Spaces	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Premises	33,700	33,500	33,500	33,500	33,500	33,500
Supplies and Services	16,100	16,100	16,100	16,100	16,100	16,100
Total Expenditure	49,800	49,600	49,600	49,600	49,600	49,600
Net Total	49,800	49,600	49,600	49,600	49,600	49,600

Pest and Dog Control	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
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						
Employees	0	1,200	1,200	1,200	1,200	1,200
Supplies and Services	24,900	24,900	24,900	24,900	24,900	24,900
Total Expenditure	24,900	26,100	26,100	26,100	26,100	26,100
Net Total	22,900	24,100	24,100	24,100	24,100	24,100

Planning Policy - Forward Planning	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	74,400	58,700	61,600	63,900	65,200	66,500
Supplies and Services	1,400	800	800	800	800	800
Transport	2,200	2,100	2,100	2,100	2,100	2,100
Total Expenditure	78,000	61,600	64,500	66,800	68,100	69,400
Net Total	78,000	61,600	64,500	66,800	68,100	69,400

Pollution Control	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)
Other Grants and Contributions	(500)	(500)	(500)	(500)	(500)	(500)
Total Income	(5,700)	(5,700)	(5,700)	(5,700)	(5,700)	(5,700)
Expenditure						
Employees	107,000	120,100	123,400	125,900	128,500	131,100
Premises	500	500	500	500	500	500
Supplies and Services	4,300	15,800	15,800	15,800	15,800	15,800
Third Party Payments	3,500	3,500	3,500	3,500	3,500	3,500
Transport	5,600	5,600	5,600	5,600	5,600	5,600
Total Expenditure	120,900	145,500	148,800	151,300	153,900	156,500
Net Total	115,200	139,800	143,100	145,600	148,200	150,800

Private Sector Housing Renewal	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(8,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)
Government Grants	0	(605,000)	(605,000)	(605,000)	(605,000)	(605,000)
Total Income	(8,400)	(611,400)	(611,400)	(611,400)	(611,400)	(611,400)
Expenditure						
Employees	142,000	106,500	109,200	99,000	84,000	85,700
Supplies and Services	9,900	14,500	14,500	14,500	14,500	14,500
Transport	6,300	2,400	2,400	2,400	2,400	2,400
Total Expenditure	158,200	123,400	126,100	115,900	100,900	102,600
Net Total	149,800	(488,000)	(485,300)	(495,500)	(510,500)	(508,800)

Property Services	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
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 Total	2,900	2,900	2,900	2,900	2,900	2,900

Public Conveniences	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Premises	49,800	48,200	48,500	48,800	49,100	49,500
Supplies and Services	2,600	2,000	2,000	2,000	2,000	2,000
Total Expenditure	52,400	50,200	50,500	50,800	51,100	51,500
Net Total	52,400	50,200	50,500	50,800	51,100	51,500

Strategic Manager-Services	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	0	16,000	16,200	16,600	16,900	17,200
Transport	0	2,200	2,200	2,200	2,200	2,200
Total Expenditure	0	18,200	18,400	18,800	19,100	19,400
Net Total	0	18,200	18,400	18,800	19,100	19,400

Street Cleansing	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(32,700)	(31,200)	(31,200)	(31,200)	(31,200)	(31,200)
Other Grants and Contributions	(33,300)	(10,200)	(10,200)	(10,200)	(10,200)	(10,200)
Total Income	(66,000)	(41,400)	(41,400)	(41,400)	(41,400)	(41,400)
Expenditure						
Employees	311,100	391,500	415,200	423,400	431,600	440,000
Premises	2,500	2,400	2,400	2,400	2,400	2,400
Supplies and Services	113,900	31,400	31,400	31,400	31,400	31,400
Transport	151,600	151,100	147,700	147,700	147,700	147,700
Total Expenditure	579,100	576,400	596,700	604,900	613,100	621,500
Net Total	513,100	535,000	555,300	563,500	571,700	580,100

Tourism	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	27,600	28,200	28,800	29,500	30,000	30,600
Supplies and Services	0	2,200	2,200	2,200	2,200	2,200
Transfer Payments	12,000	9,800	9,800	9,800	9,800	9,800
Transport	1,300	1,300	1,300	1,300	1,300	1,300
Total Expenditure	40,900	41,500	42,100	42,800	43,300	43,900
Net Total	40,900	41,500	42,100	42,800	43,300	43,900

Town Centre Markets	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
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	54,500	43,900	44,800	45,600	46,400	47,400
Premises	4,800	4,900	5,000	5,100	5,200	5,300
Supplies and Services	17,700	31,800	31,800	31,800	31,800	31,800
Transport	4,200	4,100	4,100	4,100	4,100	4,100
Total Expenditure	81,200	84,700	85,700	86,600	87,500	88,600
Net Total	29,900	33,400	34,400	35,300	36,200	37,300

Trade Waste	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(100,600)	(323,000)	(375,600)	(428,700)	(482,400)	(536,700)
Total Income	(100,600)	(323,000)	(375,600)	(428,700)	(482,400)	(536,700)
Expenditure						
Employees	40,100	67,600	70,100	71,800	73,300	74,700
Supplies and Services	71,800	105,400	118,000	130,700	143,600	156,600
Transport	1,700	7,400	10,200	12,000	13,800	15,500
Total Expenditure	113,600	180,400	198,300	214,500	230,700	246,800
Net Total	13,000	(142,600)	(177,300)	(214,200)	(251,700)	(289,900)

Waste Management	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £	Base Budget 21/22 £	Base Budget 22/23 £
Income						
Customer and Client Receipts	(141,700)	(689,800)	(684,200)	(684,200)	(684,200)	(684,200)
Total Income	(141,700)	(689,800)	(684,200)	(684,200)	(684,200)	(684,200)
Expenditure						
Employees	1,113,000	1,407,100	1,460,000	1,488,300	1,516,400	1,544,900
Premises	600	0	0	0	0	0
Supplies and Services	326,200	128,900	138,900	138,900	138,900	138,900
Third Party Payments	0	4,000	4,000	4,000	4,000	4,000
Transport	558,500	537,700	534,200	534,200	543,700	534,200
Total Expenditure	1,998,300	2,077,700	2,137,100	2,165,400	2,203,000	2,222,000
Net Total	1,856,600	1,387,900	1,452,900	1,481,200	1,518,800	1,537,800

West Lindsey District Council

If you would like a copy of this information in large, clear print, audio, Braille or in another language, please telephone

01427 676676

Guildhall, Marshall's Yard
Gainsborough, Lincolnshire DN21 2NA
Tel: 01427 676676

www.west-lindsey.gov.uk

