



East Cambridgeshire District Council

Meeting: Finance & Assets Committee

Time: 4:30pm

Date: Thursday 25 January 2024

Venue: Council Chamber, The Grange, Nutholt Lane, Ely, CB7 4EE

Enquiries regarding this agenda: Tracy Couper

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Committee membership

Quorum: 5 members

Conservative members

Cllr Ian Bovingdon (Vice-Chairman)

Cllr Mark Goldsack

Cllr Bill Hunt

Cllr James Lay

Cllr David Miller

Cllr Alan Sharp (Chairman)

Conservative substitutes

Cllr Anna Bailey

Cllr Martin Goodearl

Cllr Julia Huffer

Liberal Democrat members

Cllr Lorna Dupré

Cllr Robert Pitt

Cllr Caroline Shepherd

Cllr John Trapp

Cllr Alison Whelan (Lead Member)

Liberal Democrat substitutes

Cllr Christine Colbert

Cllr Kathrin Holtzmann

Cllr Mark Inskip

Lead Officer: Sally Bonnett, Director Community

AGENDA

- 1. Public question time** **[oral]**
The meeting will commence with up to 15 minutes of public question time.
- 2. Apologies and substitutions** **[oral]**

3. Declarations of Interests

[oral]

To receive declarations of interests from Members for any items on the agenda in accordance with the Members Code of Conduct.

4. Minutes

To confirm as a correct record the minutes of the meeting of the Finance & Assets Committee held on 23 November 2023.

5. Chairman's announcements

6. 2024/25 Annual Treasury Management Strategy MRP & AIS

7. Revenue Budget 2024/25

8. Finance Report

9. Assets Update

10. UK Shared Prosperity and Rural England Prosperity Business Grant Scheme

11. Growth and Infrastructure Fund Scoring Panel recommendations

12. Community Infrastructure Levy (CIL) funding requests

13. Service Delivery Plans 2023/24 – six month update

As this item was deferred from the meeting of the Committee held on 23 November, Members are asked to bring their copies of the SDP update reports (printed separately) from that meeting with them to this meeting. These also have been re-published on the Council's Website.

14. Internal Drainage Boards (IDBs) update

15. Forward Agenda Plan

16. Bereavement Centre Full Business Case

Exclusion of the Public including representatives of the Press

That the Press and Public be excluded during the consideration of the remaining items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items there would be disclosure to them of Exempt information of categories 1, 2, 3 and 4 of Part I Schedule 12A to the Local Government Act 1972 (as amended)

17. Bereavement Centre Full Business Case – Exempt Appendices

18. Riverside Moorings leases

19. Write-off of unrecoverable debts

20. ECTC Board Minutes

To receive the Minutes of the ECTC Board meeting held on 9 November 2023

21. Appointments, Transfers, Resignations

22. Flexible Retirement request

Notes

1. Members of the public are welcome to attend this meeting. If you are visiting The Grange during normal working hours you should report to the main reception desk. If you come to an evening meeting please enter via the door in the glass atrium at the back of the building.

Admittance is on a “first come, first served” basis and public access will be from 30 minutes before the start time of the meeting. Due to room capacity restrictions, members of the public are asked, where possible, to notify Democratic Services (democratic.services@eastcambs.gov.uk or 01353 665555) of their intention to attend a meeting.

The livestream of this meeting will be available on [the committee meeting’s webpage \(https://www.eastcambs.gov.uk/meetings/finance-assets-committee-250124\)](https://www.eastcambs.gov.uk/meetings/finance-assets-committee-250124) Please be aware that all attendees, including those in the public gallery, will be visible on the livestream.

2. Public Questions/Statements are welcomed on any topic related to the Committee’s functions as long as there is no suspicion that it is improper (for example, offensive, slanderous or might lead to disclosures of Exempt or Confidential information). Up to 15 minutes is allocated for this at the start of the meeting.

[Further details about the Public Question Time scheme](http://www.eastcambs.gov.uk/committees/public-question-time-scheme)

(www.eastcambs.gov.uk/committees/public-question-time-scheme).

3. The Council has adopted a ‘Purge on Plastics’ strategy and is working towards the removal of all consumer single-use plastics in our workplace. Therefore, we do not provide disposable cups in our building or at our meetings and would ask members of the public to bring their own drink to the meeting if required.

4. Fire instructions for meetings:

- if the fire alarm sounds, please make your way out of the building by the nearest available exit, which is usually the back staircase or the fire escape in the Chamber and do not attempt to use the lifts
- the fire assembly point is in the front staff car park by the exit barrier
- the building has an auto-call system to the fire services so there is no need for anyone to call the fire services

The Committee Officer will sweep the area to ensure that everyone is out.

5. Reports are attached for each agenda item unless marked “oral”.
6. If required, all items on the agenda can be provided in different formats (such as large type, Braille or audio tape, or translated into other languages), on request, by calling main reception on (01353) 665555 or e-mail: translate@eastcambs.gov.uk
7. If the Committee wishes to exclude the public and press from the meeting, a resolution in the following terms will need to be passed:

“That the press and public be excluded during the consideration of the remaining item no(s). X because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item(s) there would be disclosure to them of exempt information of Category X of Part I Schedule 12A to the Local Government Act 1972 (as amended).”



Minutes of a Meeting of the Finance & Assets Committee
Held at The Grange, Nutholt Lane, Ely, CB7 4EE at 4:30pm on
Thursday 23rd November 2023

Present:

Cllr Ian Bovingdon
Cllr Christine Colbert (substitute for Cllr Caroline Shepherd)
Cllr Lorna Dupré
Cllr Mark Goldsack
Cllr Bill Hunt
Cllr Kathrin Holtzmann (substitute for Cllr Robert Pitt)
Cllr James Lay
Cllr David Miller
Cllr Alan Sharp (Chairman)
Cllr John Trapp
Cllr Alison Whelan

Officers:

Sally Bonnett – Director Community
Maggie Camp – Director Legal Services
Spencer Clark – Open Spaces & Facilities Manager
Jane Webb – Senior Democratic Services Officer
Ian Smith – Director Finance

In attendance:

Paul Remington - ECTC Chairman
John Hill – ECTC Managing Director
Emma Grima – ECTC Property & Commercial Director
Nigel Ankers – ECTC Finance Manager
Dr Jethro Gauld - Chair of East Cambs Climate Action Network

Karen Wright – ICT Manager
Melanie Wright – Communications Officer

46. Public Question Time

The following questions were received from the East Cambs Climate Action Network:

"Firstly, thank you to those involved for the hard work they have put in to developing the Climate and Natural Environment Chapter of the local plan. We do however note some areas which could be improved and urge councillors to consider these for inclusion.

1. On Energy & Water, rather than only providing some of the energy needed on site, we ask councillors to take this opportunity to write into the local plan that all new housing developments generate as much electricity as they are likely to need through energy efficiency and on site or community renewable electricity generation. We are also a water scarce region, should it not be mandatory to include rainwater harvesting for grey water?
2. On biodiversity net gain, will councillors follow South Cambridgeshire district council in specifying 20% biodiversity net gain in their local plan? As outlined in the chapter it would not add additional administrative costs for the council and could be a potential source of revenue.
3. We praise the inclusion of a plan for hedgehogs, but will councillors also ensure that a requirement for Swift Bricks and Sparrow Terraces on all new housing developments be included in the local plan? This is the focus of a national, RSPB backed campaign: <https://hannahbournetaylor.com/the-feather-speech-campaign-for-swifts/> and also has the backing of major housing developer Barratt homes.
4. On embodied carbon: it is now possible to build new houses with net-negative embodied carbon emissions. Will the council commit to investigating how a requirement around embodied carbon could be implemented?
5. While national policy does now make the installation of EV charge points mandatory, we as a group would suggest that the local plan specify that these should be Type 2 EV chargers, not 3-pin plugs as there have been examples of developers cutting corners on this. Also, on EV charging we ask that the council make it easier to get permission for owners in properties without a driveway to install a Gul-E type cable channel across the pavement to increase access to home charging while preventing a trip hazard for pedestrians."

The Chairman responded with the following:

"Thank you for your very helpful and interesting comments and questions.

Your question relates to Item 8 on the agenda, and I'm sure Committee Members will reflect on your suggestions as we debate that item shortly. However, in advance of that debate, I would like to say that the suggestions you set out are precisely the sort of comments we look forward to receiving at the point the document is consulted upon early next year. We are especially looking forward to suggestions from organisations such as EastCambsCAN, so that between us we can refine the chapter to maximise environmental gains, whilst still delivering the homes and jobs we need.

I would, however, like to pick up on your final point, in relation to Electric Vehicle charge points. The Building Regulations (specifically, para 6.2 of Part S of the Building Regulations, which came into force from June 2022), set out detailed technical requirements for new EV charge points. These requirements include: meeting a specific EV British Standard; have a minimum 7kW output; and they must be on a dedicated circuit. What that means in practice, therefore, is that all new homes which started being built after June 2023, must by law meet the new Building Regulation requirements, irrespective of when they were granted

permission. So, I agree with your concern that we don't want sub-standard charge points being installed, but I do think the new Building Regulations provide a high degree of specification which all homes must now meet, and therefore it probably isn't appropriate for a local authority such as East Cambs District Council to specify an alternative EV charging standard through the Planning system. I think that would confuse rather than help.

For all your other suggestions in your question, these are certainly matters up for discussion and investigation.”

The Chairman thanked Dr Jethro Gauld for his questions and stated he looked forward to receiving further contributions once the document was under public consultation.

47. Apologies and substitutions

Apologies for absence were received from Cllrs Robert Pitt and Caroline Shepherd.

Cllr Kathrin Holtzman and Cllr Christine Colbert were attending as substitutes.

48. Declarations of interest

No declarations of interest were made.

49. Minutes

The Committee received the Minutes of the meeting held on 28th September 2023.

It was resolved unanimously:

That the Minutes of the Finance & Assets Committee meeting held on 28th September 2023 be confirmed as a correct record and be signed by the Chairman.

50. Chairman's announcements

The Chairman advised Members that Nigel Ankers, John Hill, Emma Grima and Paul Remington were in attendance at the meeting to answer any questions regarding ECTC Accounts.

The Chairman welcomed Jane Webb, Senior Democratic Services Officer, to her first Finance and Assets Committee meeting.

51. East Cambs Trading Business Plan 2023/24 – Half Year Update

The Committee considered a report, Y95 previously circulated, that detailed the ECTC Business Plan 2023/24 covering the period 1 April 2023 to 30 September 2023.

The ECTC Director Property and Commercial explained that the Half Year Update Report was a requirement of the Shareholder Agreement and dealt with updates on: strategic risk management, progress against the business plan and the financial position.

The following points were highlighted:

- Strategic Risk Management Plan (Pages 3-7) – This was reported to every Board meeting. One risk had since been removed which related to MoD Phase 1 Loan through the CPCA (Cambridgeshire & Peterborough Combined Authority) as this had been repaid on 31 March 2023.
- Commercial Services (Page 8) – Markets had a successful year with a slight variation in the assumed profits for the rest of the year, this related to the engagement of a Health & Safety consultant. Grounds Maintenance had a better-than-expected year, this was due to the volume of tree work that had been secured.
- Property – In May 2023 the Haddenham development was completed, and work had commenced on Eden Square with a completion date of August 2024 (depending on weather).

The ECTC Finance Manager explained that the revenues for 2023/24 would drop to £5.5million. In the previous year, 82 properties had been sold but just ten properties at Ely and two at Haddenham remained this year. This left ECTC with a planned loss of £768k, slightly higher than projected in the Business Plan due to timings.

A question relating to this item had been provided prior to the meeting from a Member and this, along with the answer provided by officers, was set out in Appendix 1 to these minutes.

The Chairman then invited Members to ask questions of the ECTC representatives. In response to a Member's question on the Risk Register, the ECTC Director Property and Commercial explained that it was important to show that the Company were aware of the risks, and that these were being monitored albeit that the score could not be brought down. It was also confirmed that a further breakdown of more detailed figures could be provided on the Financial Benefits to ECDC (Appendix 1 – Page 11) for Members' information.

The ECTC Director Property and Commercial confirmed that it was a historic consent from Council that enabled ECTC to be able to increase its borrowing from the CPCA without authority of the Shareholder.

A Member requested that the Property figures be presented in the same format as Ely Markets/Ground Maintenance, with both approved budget figures and current forecast figures; and it was agreed this would be looked into.

It was resolved unanimously:

That the Half Year Report at Appendix 1 within the Officer's report be noted.

52. Service Delivery Plans 2023/24 – Six Month Update

The Committee considered a report, Y96 previously circulated, detailing an update on the Service Delivery Plans 2023/24.

A Member queried the colour coding contained within the document.

In response to a Member's question, the Director Community explained that the 6 monthly SDP reporting was intended to give Members an mid-year update on performance and officers were required to attend the March meeting when the end of year reports and draft SDPs for the forthcoming year were presented.

A Member asked if the terms 'as required' and 'as identified' in the report could be explained; and it was agreed that a written response would be provided to Members of the Committee following the meeting.

Another Member commented that the targets within the reports, were not all 'SMART' targets and many were unmeasurable, therefore the Member suggested that SMART targets be used in future.

It was commented that training sessions for Councillors were often scheduled for between 6pm and 8pm, which many Members found difficult, due to either small children or commuting and it was therefore asked, as it was not possible to record the sessions, if another option of catching up on these sessions could be made available.

The Chairman suggested that Members needed to understand the colour coding of the documents and be able to ask further questions before noting the documents and proposed that the item be deferred to the January meeting.

The Director Community then explained the colour coding, details of which had been obtained by an officer:

- Red – Sound Financial Management
- Blue – Customers at the Heart of Everything We Do
- Yellow – Safe, Vibrant and Inclusive Communities
- Orange – Excellent Employer
- Green – Clean, Green and Attractive Place

It was resolved unanimously:

That the Services Delivery Plans 2023/24 – Six Month Update Report be deferred to the next meeting.

53. Local Plan Climate and Natural Environment Chapter - Scope

The Committee considered a report, Y97 previously circulated, detailing the skeleton of a new 'climate change and natural recovery' chapter for, ultimately, inclusion within the East Cambridgeshire Local Plan, with a complete draft chapter to be prepared thereafter for consideration by Committee in January

2024. As part of the chapter, Members were asked to consider whether to progress specific early Planning guidance on hedgehog recovery.

The Chairman thanked the Strategic Planning Manager for the work already undertaken on this project.

A number of questions relating to these items had been provided prior to the meeting from Members and these, along with answers provided by officers, were set out in Appendix 1 to these minutes.

A Member commented that East Cambridgeshire District Council could not be the only Council having to produce a skeleton report and therefore enquired as to where the skeleton report originated from; and whether another Council already had produced something similar.

Another Member voiced concern that the Plan did not consider Districts working together, as Councils should aim for a solution for Cambridgeshire, in the interests of consistency.

In response to a question from a Member asking if there was a list of 'extras' that indicated the total cost to developers, compared to previously, the Director Community confirmed that a written response would be provided to Members of the Committee after the meeting.

Another Member asked if there was a mechanism whereby the Council would consider capturing information for further chapters/policies (for example light pollution) and would there be further SPDs on other forms of wildlife. The Director Community stated that the Strategic Planning Manager would reply in writing after the meeting with regard to further chapters and she explained that Hedgehogs had been chosen via a public vote. The Strategic Planning Manager would advise as to the possibility of further SPDs.

A Member commented that this could impact the Local Plan numbers, house prices and delivery and could result in developers attempting to negotiate on affordable housing provision levels. Also, the Plan should consider the whole of Cambridgeshire for core ideas, but there was also a need to include issues specific to the District, as East Cambridgeshire was very different to Cambridge City and other rural areas. The Director Community explained that Members would review the priorities for the Local Plan; this Chapter was early preparation for the new Local Plan.

Another Member commented that, as well as light pollution, radio frequency pollution should also be considered.

The Director Community explained the timescale for this document:

- Draft Chapter – Finance & Assets Committee - January 2024, if approved
- Consultation period
- Draft Chapter revised again
- New Local Plan started once new regulations and guidance received from government

Councillor Sharp proposed and Councillor Lay seconded the recommendations in the Officer's report.

Another Member concurred that other similar policies across the district should be considered.

Members expressed the view that this chapter impacted other policies and it was important to capture different environmental points of view, including light pollution, biodiversity net gain, water crisis issues (flooding/water shortages), solar etc. It was also the overarching framework that determined large aspects of the new future Local Plan; therefore, it would need to be a future-proofed document to ensure it would still be suitable in five or six-years' time.

A Member stated the impact of increased cost of housing by £15k would have an implication on compounding mortgage costs and it would be helpful to track the cost impact of these measures (bio net gain, solar, materials).

The Chairman asked that all Members submit further comments to the Strategic Planning Manager.

It was resolved unanimously:

- i. That approval be given to the skeleton outline for a new Climate Change and Nature Recovery chapter for the Local Plan as set out at Appendix A within the Officer's report, with the intention to agree at the Committee's next meeting on 25 January 2024 a full draft chapter for subsequent public consultation and implementation.
- ii. That Officers bring a draft Hedgehog Recovery Supplementary Planning Document to the next meeting of this Committee.

54. Annual Infrastructure Funding Statement

The Committee considered a report, Y98 previously circulated, relating to community Infrastructure Levy and Section 106 income and expenditure.

A question relating to this item had been provided prior to the meeting, from a Member, and this, along with the answer provided by officers was set out in Appendix 1 to these minutes.

Members requested that the spreadsheets in the report relate to the correct zones to be interpreted correctly.

It was resolved:

That the Annual Infrastructure Funding Statement 2022/23 as detailed in Appendix 1 of the Officer's report, which will be published in December 2023, be noted.

55. Treasury Operations Mid-Year Review 2023-24

The Committee considered a report, Y99 previously circulated, detailing an update on the Council's 2023/24 Treasury Management Strategy.

Cllr Sharp proposed and Cllr Bovington seconded the recommendations in the Officer's report.

It was resolved to RECOMMEND TO FULL COUNCIL:

That the Mid-Year Review of the Council's Treasury Management Strategy for 2023/24 as set out in Appendix 1 of the Officer's report, be noted.

56. Finance Report

The Committee received a report, Y100 previously circulated, containing budget information for services under the Finance & Assets Committee and then, as part of its corporate remit, for the Council as a whole.

A Member asked if £35k of the £900k projected underspend could be used to buy HVO for the refuse vehicles to enable the reduction of carbon emissions by 80% until the end of the year.

It was resolved:

That the following be noted:

- i. That the Finance & Assets Committee had a projected yearend underspend of £910,000 when compared to its approved revenue budget of £5,967,312.
- ii. That overall the Council has a projected yearend underspend of £757,000 when compared to its approved revenue budget of £16,856,960.
- iii. That the overall position for the Council on Capital is a projected outturn of £5,910,615, which is an underspend of £1,890,172 when compared to the revised budget.

57. Assets Update

The Committee considered a report, Y101 previously circulated, detailing an update on Council owned assets.

The Open Spaces and Facilities Manager informed Members that the new tenants were now in occupation at 72/74 Market Street - (Cathedral View Childcare).

A Member queried whether the Council kept a full list of assets within East Cambridgeshire. It was confirmed that the list could be circulated to Members, once updated.

Another Member asked if parking spaces had been allocated to Cathedral View Childcare. It was explained that the advert for tenancy had stated that there would be no parking on site.

Councillor Hunt stated that a tour of ECDC properties had taken place with the Open Spaces and Facilities Manager, and that he met regularly with the Open Spaces Manager in his capacity as Assets Member Champion. After discussions, it was suggested that any potential recommendations that resulted from tours or meetings should be submitted to the Committee.

It was resolved:

- i. That the update on Council owned assets be noted.
- ii. That the expenditure tracking sheet at Appendix 1 of the Officer's Report, be noted.

58. Witchford Parish Council Victoria Green Play Area

The Committee considered a report, Y102 previously circulated, requesting the transfer of a play area and adjacent surfaced ball games area at Victoria Green, Witchford to Witchford Parish Council.

The Director Legal suggested an extra recommendation:

An additional condition is added to the transfer that if the land ceases to be used as a play area/surfaced ball games area, the land is transferred back to the District Council for the sum of £5.00.

Members commended the scheme and asked if a similar offer could be made to other Parish Councils in the District. Members also commented that the added recommendation of the transfer of land back to the Council at the sum of £5 was invaluable, as it secured the asset forever. The Director Legal explained that each application would need to be considered on its own merits.

It was asked if the Council could inform Parish Councils of potential for transfer of recreational areas; and it was agreed that this would be taken away and looked into.

In response to a question as to who owned the land surrounding the recreational area, the Director Legal responded by stating that East Cambridgeshire District Council owned the land and therefore there would be not be problems with access. The public space had been transferred to ECDC from the developer via a Section 106 Agreement.

In response to a Member's comment regarding ensuring that the play space and amenities were accessible to children with disabilities, the Open Spaces and Facilities Manager informed Members that the Council were inclusive and compliant with guidelines and worked closely with manufacturers to ensure that the correct play equipment was purchased.

A Member asked if play areas were listed on the Council's Asset Register. The Director Finance explained that the Council had purchased new Asset Register software and were currently adding assets to the Register, in relation to the value of the asset, it was valued at its current use and therefore play spaces were valued as open spaces, and not as potential building land.

Cllr Hunt proposed, and Cllr Bodington seconded the recommendations within the Officer's report, plus the additional recommendation suggested by the Director Legal regarding the transfer back of land.

It was resolved unanimously:

- i. That Members agree the transfer of the play area and adjacent surfaced ball games area to Witchford Parish Council on the terms set out in paragraph 4.1 of the Officer's report.
- ii. That the Director Legal & Monitoring Officer be authorised to proceed accordingly; and.
- iii. An additional condition is added to the transfer that if the land ceases to be used as a play area/surfaced ball games area, the land is transferred back to the District Council for the sum of £5.00.

59. Forward agenda plan

The Committee received the updated Forward Agenda Plan to November 2024.

Members discussed the possibility of a further meeting/seminar with the Strategic Planning Manager to gather all Members' views and comments on the Climate Change and Nature Recovery Chapter. It was agreed this would be considered.

That the Forward Agenda Plan be noted, and the following items be added:

- Service Delivery Plans – 6 Month Performance Monitoring – 25 January 2024
- Climate Change and Nature Recovery Chapter – 25 January 2024
- Draft Hedgehog Recovery Supplementary Planning Document – 25 January 2024

60. EXCLUSION OF THE PUBLIC INCLUDING REPRESENTATIVES OF THE PRESS

It was resolved unanimously:

That the press and public be excluded during the consideration of the remaining items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item there would be disclosure to them of exempt information of Categories 1, 2 & 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended).

61. ECTC Board Meeting Minutes

The Committee received the Minutes of the ECTC Board Meeting held on 12 September 2023.

It was resolved unanimously:

That the Minutes of the meeting held on 12th September 2023 be noted.

62. ECTC Management Accounts 6 Months to September 2023

The Committee considered a report, X104 previously circulated, containing the ECTC Management Accounts for the 6 months to September 2023. The ECTC Finance Manager introduced the report and gave an overview of its contents.

It was resolved unanimously:

That the ECTC Management Accounts 6 Months to September 2023 be noted.

The meeting concluded at 6:35pm.

Chairman.....

Date.....

**FINANCE & ASSETS COMMITTEE
28 SEPTEMBER 2023
QUESTIONS FROM MEMBERS OF COMMITTEE**

Item 6 – ECTC Business Plan 2023/24 - Half Year Update

Questioner	Question	Response
Cllr A Whelan	Please can we have a detailed breakdown of each aspect of the quoted benefit to the Council of £4,168,581. For example, some comes from land sales, some from Community Infrastructure Levy and so forth.	<p>Property Development Land Receipts- £725,000 S106/CIL- £764,252 Council Tax- £41,007</p> <p>ECDC Charges Interest on the Loan- £1,435,541 Support Services- £531,791 Accommodation- £370,990 Reduction in Parks Management Fee- £300,000</p>

Item 8. Local Plan Climate and Natural Environment Chapter - Scope

Questioner	Question	Response
Cllr A Whelan	Will it be possible to add additional elements to this skeleton plan as it develops, as this is a rapidly changing area, or are the headings and comments already provided fixed once approved at this meeting?	Yes, additional elements can be added as the chapter progresses. As set out in para 4.1 of the agenda report, <i>“today is not for making any final decisions, and there will be opportunities as the chapter progresses to refine what is included, taking account of public comments along the way”</i> .
Cllr A Whelan	Please can a full timetable be provided for the revision of policies listed in Table 2 that we would expect to be considered as part of this plan.	Table 2 provides wider policies typically found in a Local Plan. Those policies, and all other policies in our <i>Local Plan 2015 (as amended 2023)</i> , will be thoroughly reviewed and updated as part of a new Local Plan. Council has not yet committed to that comprehensive review yet, primarily as we continue to wait for the new style planning system to be legislated for by Government. However, we presently expect to be able to commence a new style Local Plan in late 2024, and, once we have started, the very recent Levelling Up and Regeneration Act 2023 mandates that a Local Plan must be completed within 30 months of commencing, with a number of statutory consultation stages in that period. That means a

		new Local Plan for East Cambridgeshire is likely adopted in the first half of 2027.
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Item 9 – Annual Infrastructure Funding Statement

Questioner	Question	Response
Cllr Trapp	<p>In Agenda Item 9 for F&A on page 3 of the Appendix, just below the table, you say ‘. . .the number of affordable housing units provisioned via the spend of CIL money is 0.’</p> <p>Does this mean that CIL money can be used for provisioning affordable housing? In what way – building new houses, or renovation of existing buildings? Are there any constraints?</p>	<p>Government guidance is that CIL cannot be spent on affordable housing. It is unknown why there is a reporting requirement for this.</p> <p>Extract from gov.uk: ... This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant plan (the Development Plan and the London Plan in London). Charging authorities may not use the levy to fund affordable housing..... Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed.</p>

Item 10 - Treasury Operations Mid-Year Review 2023-24

Questioner	Question	Response
Cllr A Whelan	<p>Please provide a breakdown of the reasons for the increase in interest compared to budget? This is unlikely to be solely the impact of increased interest rates. i.e. for 3.9% to 5.19%.</p>	<p>Interest receipts are higher than the prudent estimate built into the budget due to a combination of higher interest rates (as noted in the question) and higher cash balances than forecast.</p>

TITLE: 2024/25 ANNUAL TREASURY MANAGEMENT STRATEGY, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY

Committee: Finance and Assets Committee

Date: 25th January 2024

Author: Director, Finance

Report No: Y114

Contact Officer:

Ian Smith, Director Finance

ian.smith@eastcamb.south.nhs.uk

01353 616470

Room 104, The Grange, Ely

1.0 ISSUE

1.1 To consider the 2024/25 Treasury Management Strategy, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement.

2.0 RECOMMENDATION(S)

2.1 That the Finance and Assets Committee recommends to Full Council to approve:

- The 2024/25 Treasury Management Strategy
- The Annual Investment Strategy
- The Minimum Revenue Provision Policy Statement
- The Prudential and Treasury Indicators.

2.2 Committee approve that the Director, Finance amended the Strategy between Committee and Council to build into it any changes required to reflect the decision made at Committee with regard to the Crematorium project.

3.0 BACKGROUND/OPTIONS

3.1 This Treasury Management Strategy has been drafted excluding any reference to the Crematorium project, while this goes through the Council's decision making process. However, if Committee decide to recommend to Council the progression of the project at this evening's meeting, it is planned to update the Strategy in advance of Council on the 20th February. Paragraph 2.2 requests approval to do this.

3.2 CIPFA Requirements

The Council has adopted the CIPFA (*Chartered Institute of Public Finance and Accountancy*) Code of Practice on Treasury Management and any subsequent revisions.

3.3 The Treasury Management Policy Statement

As per CIPFA's definition, the Council defines its treasury management activities as:

- The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.
- The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

The Council will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
- suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the CIPFA Code, subject only to amendment where necessary to reflect the particular circumstances of this Council. Such amendments will not result in the Council materially deviating from the Code's key principles.

- Full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the financial year (this report), a mid-year review and an annual report after financial close, in the form prescribed in its TMPs.
- The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Finance and Assets Committee, and for the execution and administration of treasury management decisions to the Director, Finance, who will act in accordance with the Council's policy statement and TMPs and as a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- The Council nominates Finance and Assets Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

3.4 Investment Strategy

The Council continues to hold significant reserves (January 2024) and has been able, up until now, to meet the costs of the loans to East Cambs Trading Company (ECTC) and East Cambs CLT, the construction of the Leisure Centre, the purchase of Waste fleet and the major works at the depot from internal borrowing against these reserves; therefore, without the need for external borrowing. This situation is forecast to continue in 2024/25.

The Council continues to hold cash balances in advance of those needed to cover internal borrowing and these will be invested in line with the criteria detailed in the Treasury Management Strategy (appendix 1 to this report).

The Council has currently loaned East Cambs Trading Company £5.0 million, in relation to the loan agreement approved by Council in April 2022, the total value of this loan facility is £7.5 million.

3.5 Borrowing Strategy

The Council continues to hold significant reserves so internal cash balances are being used to fund capital commitments. This situation is expected to continue and while cash balances are expected to reduce in the remainder of this financial year and in future years, it is now forecast that no external borrowing will be required during 2024/25. This situation will be continually monitored as we go into the new financial year.

3.6 Counterparty Limits

The Counterparty limits in the Treasury Management Strategy remain unchanged from 2023/24.

4.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

4.1. There are no additional financial implications arising from this report, other than those detailed above.

4.2. Equality Impact Assessment (EIA) not required.

4.3. Carbon Impact Assessment (CIA) not required.

5.0 APPENDICES

Appendix 1 - Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy

Background Documents:

The Prudential Code published by CIPFA

Treasury Management Practice Schedules

Revenue Budget, Capital Programme and Council Tax 2024/25 Report (also on this agenda)

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual Investment Strategy

East Cambridgeshire District Council
2024/25

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Key Considerations

2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMSS/AIS reports and the risk management framework

CIPFA published the revised Codes on 20th December 2021 and stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Council, therefore, has to have regard to these Codes of Practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

The revised Treasury Management Code required all investments and investment income to be attributed to one of the following three purposes: -

Treasury management

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. A council must not borrow to invest primarily for financial return.

The revised Treasury Management Code requires a council to implement the following: -

1. **Adopt a liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;
2. **Long-term treasury investments**, (including pooled funds), are to be classed as commercial investments unless justified by a cash flow business case;
3. **Pooled funds** are to be included in the indicator for principal sums maturing in years beyond the initial budget year;
4. Amendment to the **knowledge and skills register** for officers and members involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council;
5. **Reporting to members is to be done quarterly**. Specifically, the Chief Finance Officer (CFO) is required to establish procedures to monitor and report

performance against all forward-looking prudential indicators at least quarterly. The CFO is expected to establish a measurement and reporting process that highlights significant actual or forecast deviations from the approved indicators. However, monitoring of prudential indicators, including forecast debt and investments, is not required to be taken to Full Council and should be reported as part of the council's integrated revenue, capital and balance sheet monitoring;

6. **Environmental, social and governance (ESG)** issues to be addressed within a council's treasury management policies and practices (TMP1).

The main requirements of the Prudential Code relating to service and commercial investments are: -

1. The risks associated with service and commercial investments should be proportionate to their financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services;
2. A council must not borrow to invest for the primary purpose of commercial return;
3. It is not prudent for local authorities to make any investment or spending decision that will increase the CFR, and so may lead to new borrowing, unless directly and primarily related to the functions of the council, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose;
4. An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt;
5. A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream;
6. Create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

A Council's Capital Strategy or Annual Investment Strategy should include: -

1. The council's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the council's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence;
2. An assessment of affordability, prudence and proportionality in respect of the council's overall financial capacity (i.e., whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services);
3. Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed;
4. Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments);
5. Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information

contained in them will need to be periodically re-evaluated to inform the council's overall strategy);

6. State compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that an council must not borrow to invest primarily for financial return.

As this TMSS and AIS deals solely with treasury management investments, the categories of service delivery and commercial investments should be addressed as part of the Capital Strategy report.

1.1 Background

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

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

The contribution the treasury management function makes to the Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

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

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

1.2 Reporting Requirements

1.2.1 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Council's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

1.2.2 Treasury Management Reporting

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

- a. **Prudential and treasury indicators and treasury strategy** (this report)
 - The first, and most important report is forward looking and covers: -
 - the capital plans, (including prudential indicators)
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)

- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Council will receive quarterly update reports.

- c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Full Council. This role is undertaken by the Finance and Assets Committee.

Quarterly reports – In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but do require to be adequately scrutinised. This role is undertaken by the Finance and Assets Committee. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

1.3 Treasury Management Strategy for 2024/25

The strategy for 2024/25 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

Treasury management issues

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Council
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- 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, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.4 Training

The CIPFA Treasury Management 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.

Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and Council Members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and Council Members.
- Require treasury management officers and Council Members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Have regular communication with officers and Council Members, encouraging them to highlight training needs on an ongoing basis.”

Following the elections in May 2023, a Treasury Management training session was offered to all Members as part of their induction. This took place on the 5th October 2023 and was hosted by Fifield Training Limited.

The training needs of treasury management officers are periodically reviewed, two of the officers involved attended online Link Treasury Services Limited webinars during 2023, while the Director, Finance attended the Member session on the 5th October.

A formal record of the training received by officers central to the Treasury function will be maintained by the Director, Finance. Similarly, a formal record of the treasury management / capital finance training received by members will also be maintained by the Director, Finance.

1.5 Treasury Management Consultants

The Council uses Link Group, Link Treasury Services Limited 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 the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services 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 2024/25 – 2026/27

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 are prudent, affordable and sustainable.

2.1 Capital Expenditure and Financing

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

Capital expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Operational Services	996	3,775	2,775	912	912
Finance & Assets	7,855	1,063	2,300	0	0
Total	8,851	4,838	5,075	912	912

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 £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital grants	584	1,007	603	603	603
Capital reserves	313	906	209	209	209
Section 106 / CIL	1,018	900	100	100	100
Revenue Reserves	1,065	0	0	0	0
Net financing need for the year	5,871	2,025	4,163	0	0

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

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

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The Council is asked to approve the CFR projections below:

£000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital Financing Requirement					
CFR Brought forward	9,490	10,127	10,833	13,909	6,160
Movement in CFR in year	637	706	3,076	(7,749)	(749)
Total CFR at end of year	10,127	10,833	13,909	6,160	5,411

Movement in CFR represented by					
Net financing need for the year (above)	5,871	2,025	4,162	0	0
Repayment of previous loan to ECTC	(4,900)	(1,000)	(500)	(7,000)	0
Less MRP	(334)	(319)	(586)	(749)	(749)
Movement in CFR	637	706	3,076	(7,749)	(749)

Planned borrowing for capital expenditure purposes conforms to DLUHC requirements for applying for certainty rate borrowing from the PWLB. Borrowing for “projects for yield” schemes automatically disqualify a council from being able to borrow from the PWLB in any year, so this line is required to be nil in all years.

Borrowing £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Service spend	(129)	1,825	1,863	0	0
Housing	6,000	200	2,300	0	0
Projects for yield		0	0	0	0
TOTAL	5,871	2,025	4,163	0	0

2.3 Liability Benchmark

The Council is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Council’s existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement:** this will show the Council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

Liability Benchmark £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt	0	0	0	0	0
Treasury Investments	(29,941)	(25,894)	(19,634)	(24,626)	(23,468)
Net Loan Requirement	(29,941)	(25,894)	(19,634)	(24,626)	(23,468)
Capital Financing Requirement	10,127	10,833	13,909	6,160	5,411
Liquidity Allowance / Buffer	3,000	3,000	3,000	3,000	3,000
Liability Benchmark / Gross Loan Requirement	(26,941)	(20,382)	(11,036)	(11,676)	(13,676)

2.4 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 £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Revenue Reserves	14,862	12,439	9,635	7,432	5,372
S106 / CIL	13,903	13,803	13,703	13,603	13,503
Capital receipts	1,481	988	828	668	509
Provisions	1,050	1,050	1,050	1,050	1,050
Council Tax Surplus	325	0	0	0	0
Total core funds	31,621	28,280	25,096	22,339	20,432
Working Capital*	8,447	8,447	8,447	8,447	8,447
Internal Borrowing	(10,127)	(10,833)	(13,909)	(6,160)	(5,411)
Expected investments	29,941	25,894	19,754	25,040	23,470

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

2.5 Minimum Revenue Provision (MRP) Policy Statement

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).

The Council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The MRP Guidance (2018) gives four ready-made options for calculating MRP, but the Council can use any other reasonable basis that it can justify as prudent.

The MRP policy statement requires Full Council approval in advance of each financial year.

The Council is recommended to approve the following MRP Statement.

From 1 April 2008 for all unsupported borrowing the MRP policy will be **Asset life method (straight line)** – MRP will be based on the estimated life of the assets;

- Waste Fleet purchased prior to 2023/24 9 years
- Waste Fleet purchased in 2023/24 and future years 7 years
- Other Fleet 9 years
- Leisure Centre 25 years
- Depot 25 years
- Waste Bins 25 years

Loans to ECTC and ECCLT - For capital expenditure on loans to third parties where the principal will be repaid at the end of the loan period, this loan repayment will be used to reduce the CFR at the point of repayment and no MRP will be paid against the capital expenditure in the intervening period. This is consistent with the table in 2.2 above.

Capital expenditure incurred during 2023/24 will not be subject to an MRP charge until 2024/25, or in the year after the asset becomes operational.

MRP Overpayments - Under the MRP guidance, any charges made in excess of the statutory MRP can be made, known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

Cumulative VRP overpayments made to the end of 2023/24 are £384,000.

3. BORROWING

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

3.1 Current Portfolio Position

The overall treasury management portfolio as at 31st March 2023 and for the position as at 31st December 2023 are shown below for both borrowing and investments.

TREASURY PORTFOLIO				
	actual 31.3.23	actual 31.3.23	current 31.12.23	current 31.12.23
Treasury Investments	£000	%	£000	%
Banks – main bank account	441	1.5	688	1.9
Bank – call accounts	22,000	73.5	22,000	61.6
Money Market Funds	7,500	25.0	13,050	36.5
Total Treasury Investments	29,941	100	35,738	100
Total External Borrowing	0	0	0	0
Net Treasury Investments / (Borrowing)	29,941	100	35,738	100

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

£000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt					
Debt at 1 April	0	0	0	0	0
Expected change in Debt	0	0	0	0	0
Actual gross debt at 31 March	0	0	0	0	0
The Capital Financing Requirement	10,127	10,833	13,909	6,160	5,411
Under / (over) borrowing	10,127	10,833	13,909	6,160	5,411

Within the range of prudential indicators there are several 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 2024/25 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, Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

3.2 Treasury Indicators: Limits to Borrowing Activity

The Operational Boundary. This is the limit beyond which external debt is not normally expected to exceed. 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 £000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt	0	0	0	0

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

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

Authorised Limit £m	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt	10,000	10,000	10,000	10,000

To note: In normal circumstances a Council's Authorised Limit for external debt is higher than its Capital Financing Requirement, however in our case, I have put this as a lower value on the basis that Borrowing will be from internal sources in the first instance, therefore reducing significantly the need to borrow from external sources.

3.3 Prospects for Interest Rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 08 January 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View 08.01.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

Additional notes by Link on this forecast table: -

- Our central forecast for interest rates was previously updated on 7 November and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25% until at least H2 2024. We expect rate cuts to start when both the CPI inflation and wage/employment data are supportive of such a move, and when there is a likelihood of the overall economy enduring at least a slowdown or mild recession over the coming months (although most recent GDP releases have surprised with their on-going robustness).
- Naturally, timing on this matter will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.
- In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.

PWLB RATES

- The short and medium part of the gilt curve has rallied since the start of November as markets price in a quicker reduction in Bank Rate through 2024 and 2025 than held sway back then. This reflects market confidence in inflation falling back in a similar manner to that already seen in the US and the Euro-zone. At the time of writing there is c70 basis points difference between the 5 and 50 year parts of the curve.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is even.

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

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).

- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.
- **Geopolitical risks**, for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran and North Korea, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- Despite the tightening in Bank Rate to 5.25%, the **Bank of England allows inflationary pressures to remain elevated** for a long period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.
- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, which may prove inflationary, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Projected **gilt issuance, inclusive of natural maturities and QT**, could be too much for the markets to comfortably digest without higher yields compensating.

LINK GROUP FORECASTS

We expect the MPC will keep Bank Rate at 5.25% until the second half of 2024, to combat on-going inflationary and wage pressures, even if they have dampened somewhat of late. We do not think that the MPC will increase Bank Rate above 5.25%.

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation continues to fall through 2024.

Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 08.01.24 p.m.	Target borrowing rate now (end of Q4 2025)	Target borrowing rate previous (end of Q3 2025)
5 years	4.53%	3.70%	3.80%
10 years	4.67%	3.90%	3.80%
25 years	5.19%	4.20%	4.20%
50 years	4.97%	4.00%	4.00%

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now	Previously
2023/24 (residual)	5.30%	5.30%
2024/25	4.55%	4.70%
2025/26	3.10%	3.20%
2026/27	3.00%	3.00%
2027/28	3.25%	3.25%
2028/29	3.25%	3.25%
Years 6 to 10	3.25%	3.25%
Years 10+	3.25%	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

3.4 Borrowing Strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Director, Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
- if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, 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 Finance and Assets Committee at the next available opportunity.

3.5 Policy on Borrowing in Advance of Need

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

3.6 New Financial Institutions as a Source of Borrowing and / or Types of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- UK Municipal Bonds Agency
- UK Infrastructure Bank

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

3.7 Approved Sources of Long and Short-term Borrowing

Balance Sheet	Fixed	Variable
PWLB	●	●
UK Municipal Bond Agency	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Insurance Companies	●	●
UK Infrastructure Bank	●	●
Internal (capital receipts & revenue balances)	●	●

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment Policy – Management of Risk

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase service investments, are covered in the Capital Strategy, (as in the Budget report).

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

- DLUHC's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in

Appendix 5.4 under the categories of 'specified' and 'non-specified' investments.

Specified investments are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.

Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Non-specified and loan investment limits.** The Council has determined that it will set a limit to the maximum exposure of the total treasury management investment portfolio to non-specified treasury management investments of 0%.
6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
7. **Transaction limits** are set for each type of investment in 4.2.
8. This Council will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
10. This Council has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Council in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2023/24 under IFRS 9, this Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23. More recently, a further extension to the over-ride to 31.3.25 has been agreed by Government.

However, this Council will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.

The above criteria are unchanged from last year.

4.2 Creditworthiness Policy

This Council applies the creditworthiness service provided by the Link Group. 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: -

1. "watches" and "outlooks" from credit rating agencies;
2. CDS spreads that may give early warning of changes in credit ratings;
3. sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, and any assigned Watches and Outlooks, in a weighted scoring system which is then combined with an overlay of CDS spreads. The end-product of this 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

The Link 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 uses will be a short-term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Link 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 European Senior Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link. 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, as well as information on any external support for banks to help support its decision-making process.

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 following counterparty limits were agreed in the 2021/22 Treasury Management Strategy and will remain in place during 2024/25.

- £6 million with counterparties rated up to six months (red on the above scale) and above time duration limit on the approved weekly list.
- £5 million with Money Market Funds

Creditworthiness

Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this Council will not set a minimum rating for the UK.

CDS prices

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government in the autumn of 2022, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Council has access to this information via its Link-provided Passport portal.

Limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- Non-specified treasury management investment limit.** The Council has determined that it will not engage in non-specified treasury management investments.
- Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of AA-** from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.4. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Other limits. In addition: -

- no more than 5% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies/institutions;
- sector limits will be monitored regularly for appropriateness.

4.3 Investment Strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate having peaked in the second half of 2023 and possibly reducing as

early as the second half of 2024 so an agile investment strategy would be appropriate to optimise returns.

Accordingly, while a proportion of the cash held is required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

Investment returns expectations.

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to have peaked at 5.25% in Q4 2023.

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: -

Average earnings in each year	
2023/24 (residual)	5.30%
2024/25	4.55%
2025/26	3.10%
2026/27	3.00%
2027/28	3.25%
Years 6 to 10	3.25%
Years 10+	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

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 six months), in order to benefit from the compounding of interest.

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 following treasury indicator and limit: -

Upper limit for principal sums invested for longer than 365 days			
£000	2024/25	2025/26	2026/27
Principal sums invested for longer than 365 days	£2,000	£2,000	£2,000
Current investments as at 31 st December 2023 in excess of 1 year maturing in each year	£0	£0	£0

4.4 Investment Performance / Risk Benchmarking

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

Security - The Council's main priority is the security of its capital, and therefore security risk continues to be its main focus, with the process for securing this detailed in Section 4.1 of this report.

This is measured / benchmarked by the use of a Historic Risk of Default calculation provided to us by Link Asset Services. The calculation is a proxy for the average percentage risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment. At the end of November 2022 our calculated Historic Risk of Default was 0.008% as our cash was in either Money Market Funds, deposits with appropriately rated banks and a liquid call account with NatWest. As this situation is not expected to change in 2023/24, then the risk remains very small.

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

- No Bank overdraft
- Liquid short-term deposits of at least £5 million available with a week's notice.

Yield - local measures of yield benchmarks are

- Investments – internal returns above the 7-day SONIA compounded rate

4.5 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.

5 APPENDICES

1. Prudential and treasury indicators
2. Economic background
3. Treasury management practice 1 – credit and counterparty risk management
4. Approved countries for investments
5. Treasury management scheme of delegation
6. The treasury management role of the Section 151 officer

5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2024/25 – 2026/27

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.

5.1.1 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: -

Ratio of Financing Costs to Net Revenue Stream

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

%	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Annual Charge	(5.92%)	(5.61%)	4.17%	1.00%	1.05%

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

5.2 ECONOMIC BACKGROUND

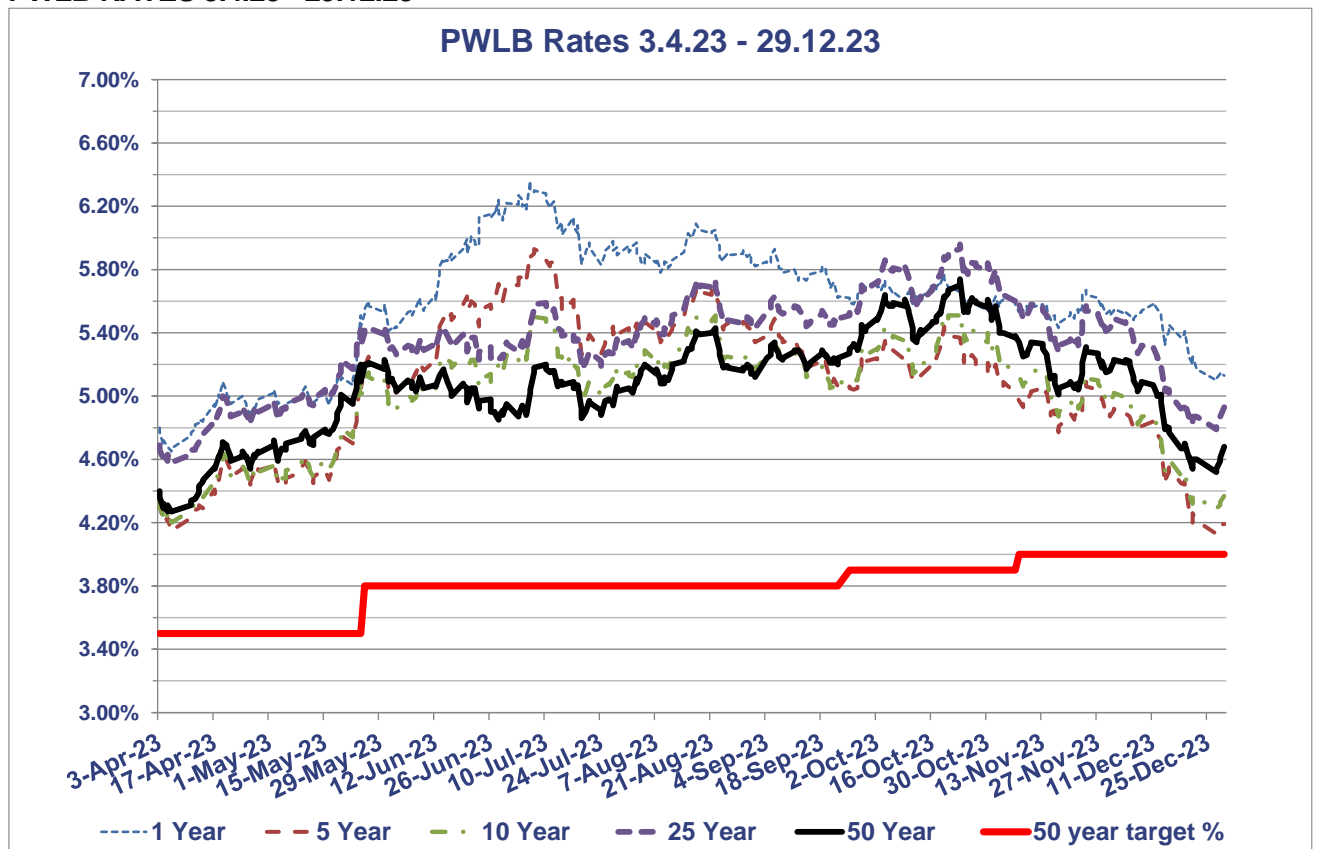
- The third quarter of 2023/24 saw:
 - A 0.3% m/m decline in real GDP in October, potentially partly due to unseasonably wet weather, but also due to the ongoing drag from higher interest rates. Growth for the second quarter, ending 30th September, was revised downwards to -0.1% and growth on an annual basis was also revised downwards, to 0.3%;
 - A sharp fall in wage growth, with the headline 3myy rate declining from 8.0% in September to 7.2% in October, although the ONS “experimental” rate of unemployment has remained low at 4.2%;
 - CPI inflation continuing on its downward trajectory, from 8.7% in April to 4.6% in October, then again to 3.9% in November;
 - Core CPI inflation decreasing from April and May’s 31 years’ high of 7.1% to 5.1% in November, the lowest rate since January 2022;
 - The Bank of England holding Bank Rate at 5.25% in November and December;
 - A steady fall in 10-year gilt yields as investors revised their interest rate expectations lower.
- The revision of GDP data in Q2 to a 0.1% q/q fall may mean the mildest of mild recessions has begun. Indeed, real GDP in October fell 0.3% m/m which does suggest that the economy may stagnate again in Q3. The weakness in October may partly be due to the unseasonably wet weather. That said, as the weakness was broad based it may also be the case that the ongoing drag from higher interest rates is more than offsetting any boost from the rise in real wages.
- However, the rise in the flash composite activity Purchasing Managers Index, from 50.7 in November to 51.7 in December, did increase the chances of the economy avoiding a contraction in Q3. The improvement was entirely driven by the increase in the services activity balance from 50.9 to 52.7. (Scores above 50 point to expansion in the economy, although only tepid in this instance.) The press release noted that this was primarily driven by a revival in consumer demand in the technological and financial services sectors. This chimes with the further improvement in the GfK measure of consumer confidence in December, from -24 to -22. The services PMI is now consistent with non-retail services output growing by 0.5% q/q in Q3, but this is in stark contrast to the manufacturing sector where the output balance slumped from 49.2 to 45.9 and, at face value, the output balance is consistent with a 1.5% q/q fall in manufacturing output in Q3.
- The 0.3% m/m fall in retail sales volumes in October means that after contracting by 1.0% q/q (which was downwardly revised from -0.8% q/q) in Q2, retail activity remained weak at the start of Q3. That suggests higher interest rates are taking a bigger toll on real consumer spending.
- Higher interest rates have filtered through the financial channels and weakened the housing market but, overall, it remains surprisingly resilient with the Halifax house price index recently pointing to a 1.7% year on year increase whilst Nationwide’s December data pointed to a -1.8% year on year decrease. However, the full weakness in real consumer spending and real business investment has yet to come as currently it is estimated that around two thirds to a half of the impact of higher interest rates on household interest payments has yet to be felt.

- Overall, we expect real GDP growth to remain subdued throughout 2024 as the drag from higher interest rates is protracted but a fading of the cost-of-living crisis and interest rate cuts in the second half of 2024 will support a recovery in GDP growth in 2025.
- The labour market remains tight by historical standards, but the sharp fall in wage growth seen in October will reinforce the growing belief in markets that interest rates will be cut mid-2024. Wage growth eased in October much faster than the consensus expected. Total earnings fell by 1.6% m/m, which meant the headline 3myy rate eased from 8.0% in September to 7.2% in October. This news will be welcomed by the Bank of England. Indeed, the timelier three-month annualised rate of average earnings growth fell from +2.4% to -1.2%. Excluding bonuses, it fell from 5.3% to 2.0%. Furthermore, one of the Bank's key barometers of inflation persistence, regular private sector pay growth, dropped from 7.9% 3myy to 7.3%, which leaves it comfortably on track to fall to 7.2% by December, as predicted by the Bank in November.
- The fall in wage growth occurred despite labour demand being stronger in October than expected. The three-month change in employment eased only a touch from +52,000 in September to +50,000 in October. But resilient labour demand was offset by a further 63,000 rise in the supply of workers in the three months to October. That meant labour supply exceeded its pre-pandemic level for the first time, and the unemployment rate remained at 4.2% in October. In the three months to November, the number of job vacancies fell for the 17th month in a row, from around 959,000 in October to around 949,000. That has reduced the vacancy to unemployment ratio as demand for labour eases relative to supply, which may support a further easing in wage growth in the coming months.
- CPI inflation fell from 6.7% in September to 4.6% in October, and then again to 3.9% in November. Both these falls were bigger than expected and there are clear signs of easing in domestic inflationary pressures. The fall in core CPI inflation from 5.7% to 5.1% in November was bigger than expected (consensus forecast 5.6%). That's the lowest rate since January 2022. Some of the decline in core inflation was due to the global influence of core goods inflation, which slowed from 4.3% to 3.3%. But some of it was due to services inflation falling from 6.6% to 6.3%. The Bank views the latter as a key barometer of the persistence of inflation and it came in further below the Bank's forecast of 6.9% in its November Monetary Policy Report. This will give the Bank more confidence that services inflation is now on a firmly downward path.
- The Bank of England sprung no surprises with its December monetary policy committee (MPC) meeting, leaving interest rates at 5.25% for the third time in a row and pushing back against the prospect of near-term interest rate cuts. The Bank continued to sound hawkish, with the MPC maintaining its tightening bias saying that "further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures". And it stuck to the familiar script, saying that policy will be "sufficiently restrictive for sufficiently long" and that "monetary policy is likely to need to be restrictive for an extended period of time". In other words, the message is that the MPC is not yet willing to endorse investors' expectations that rates will be cut as soon as May 2024.
- Looking ahead, our colleagues at Capital Economics forecast that the recent downward trends in CPI and core inflation will stall over the next few months before starting to decline more decisively again in February. That explains why we think the Bank of England won't feel comfortable cutting interest rates until H2 2024.

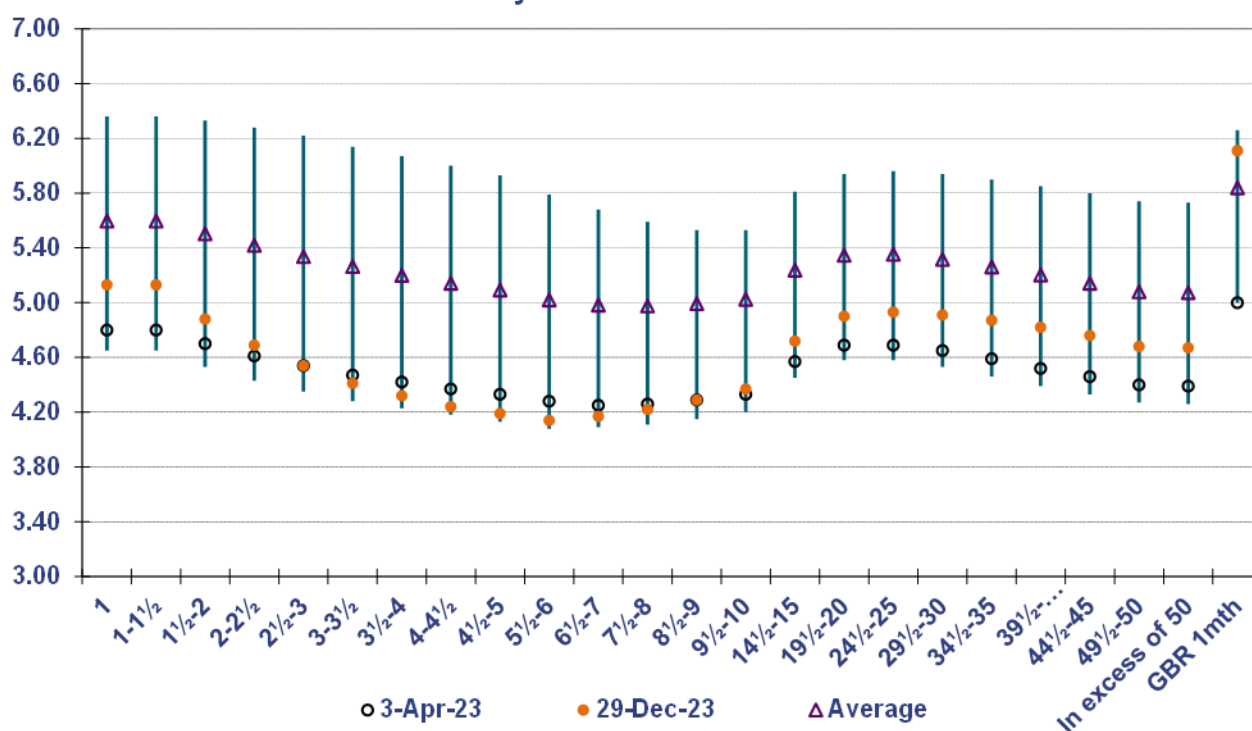
- The fall in UK market interest rate expectations in December has driven most of the decline in 10-year gilt yields, which have fallen in line with 10-year US Treasury and euro-zone yields. 10-year gilt yields have fallen from 4.68% in October 2023 to around 3.70% in early January, with further declines likely if the falling inflation story is maintained.
- Investors' growing expectations that the Fed will cut interest rates soon has led to an improvement in risk sentiment, which has boosted the pound and other risky assets. In addition, the rise in the pound, from \$1.21 in November to \$1.27 now, has also been supported by the recent relative decline in UK wholesale gas prices.
- The further fall in 10-year real gilt yields in December has supported the recent rise in the FTSE 100. That said, the index remains 5% below its record high in February 2023. This modest rise in equities appears to have been mostly driven by strong performances in the industrials and rate-sensitive technology sectors. But UK equities have continued to underperform US and euro-zone equities. The FTSE 100 has risen by 2.2% in December, while the S&P 500 has risen by 3.8%. This is partly due to lower energy prices, which have been a relatively bigger drag on the FTSE 100, due to the index's high concentration of energy companies.

In the chart below, the rise in gilt yields across the curve in the first half of 2023/24, and therein PWLB rates, is clear to see, prior to the end of year rally based on a mix of supportive domestic and international factors.

PWLB RATES 3.4.23 - 29.12.23



PWLB Certainty Rate Variations 3.4.23 to 29.12.23



HIGH/LOW/AVERAGE PWLB RATES FOR 3.4.23 – 29.12.23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.60%	5.09%	5.03%	5.35%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

MPC meetings 2nd November and 14th December 2023

- On 2nd November, the Bank of England's Monetary Policy Committee (MPC) voted to keep Bank Rate on hold at 5.25%, and on 14th December reiterated that view. Both increases reflected a split vote, the latter by 6 votes to 3, with the minority grouping voting for an increase of 0.25% as concerns about "sticky" inflation remained in place.
- Nonetheless, with UK CPI inflation now at 3.9%, and core inflating beginning to moderate (5.1%), markets are voicing a view that rate cuts should begin in Q1 2024/25, some way ahead of the indications from MPC members. Of course, the data will be the ultimate determinant, so upcoming publications of employment, wages and inflation numbers will be of particular importance, and on-going volatility in Bank Rate expectations and the gilt yield curve can be expected.
- In addition, what happens outside of the UK is also critical to movement in gilt yields. The US FOMC has kept short-term rates in the range of 5.25%-5.50%, whilst the ECB has moved its Deposit rate to a probable peak of 4%. Markets currently expect both central banks to start cutting rates in 2024.

5.3 TREASURY MANAGEMENT PRACTICE – CREDIT AND COUNTERPARTY RISK MANAGEMENT

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum ‘high’ quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. The Council will not engage in any non-specific investments.

It should be noted that any funding provided to East Cambridgeshire Trading Company or East Cambs CLT will be given as a capital loan and treated as capital expenditure. These are not investments, as defined in the Strategy document, although clearly the Council does receive a return on the amount loaned.

SPECIFIED INVESTMENTS

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

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

	Minimum credit criteria / colour band	£ limit per institution	Maximum maturity period
DMADF (Debt Management Account Deposit Facility) – UK Government	Yellow	£6 million	6 months (max. is set by the DMO (Debt Management Office of HM Treasury))
UK Gilts	Yellow	£6 million	5 years
Money Market Funds CNAV	AAA	£5 million	Liquid
Money Market Funds LNAV	AAA	£5 million	Liquid
Money Market Funds VNAV	AAA	£5 million	Liquid
Local Authorities	Yellow	£5 million	1 year
Term Deposits with Banks and Building Societies	Purple Blue Orange Red Green No Colour	£6 million £6 million £6 million £6 million Nil Nil	12 months 12 months 12 months 6 months Not for use Not for use

5.4 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

Based on lowest available rating

AAA

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

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)

AA-

- Belgium
- France
- Qatar
- U.K.

5.5 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

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

(ii) Finance and Assets Committee (as the responsible Committee)

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

(iii) Director, Finance (as the person with responsibility for the treasury function)

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

5.6 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The Section 151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers;
- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe;
- ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury investments and is in accordance with the risk appetite of the Authority;
- ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities;
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- ensuring that members are adequately informed and understand the risk exposures taken on by the Authority;
- ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above;
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following: -
 - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
 - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
 - Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;

- Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
- Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

**TITLE: REVENUE BUDGET, CAPITAL STRATEGY AND COUNCIL TAX
2024/25**

Committee: Finance & Assets Committee

Date: 25th January 2024

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Report No: Y115

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1.0 ISSUE

1.1 This report sets out the Council's proposed revenue budget, capital strategy, and the required level of Council Tax in 2024/25. The report assesses the robustness of the budgets, the adequacy of reserves and updates the Council's Medium Term Financial Strategy (MTFS).

2.0 RECOMMENDATIONS

2.1 Committee is asked to recommend to Full Council to approve:

- i) The draft revenue budget for 2024/25 and MTFS for 2025/26 to 2027/28 as set out in Appendix 1
- ii) The Statement of Reserves as set out in Appendix 2
- iii) The Capital Strategy and financing as set out in Appendix 3
- iv) The 2024/25 Fees and Charges as set out in Appendix 4
- v) The extension of the Retail, Hospitality and Leisure 75% Business Rate relief (and potentially other reliefs) (which will be fully funded by the Government through Section 31) as detailed in Sections 6.5 to 6.7 of this report.

2.2 To authorise the Director, Finance, in consultation with the Chairman of Committee to adjust the use of the Surplus Savings Reserve in 2024/25 and future years (as available), to ensure that the net budget and Council Tax as detailed in 2.1 remain unchanged (in the event of changes arising, principally in relation to the decision of Committee to recommend / not recommend the construction of the Crematorium to Full Council, the Final Local Government Settlement and / or the NNDR1 return). These adjustments to be made in advance of the report being presented to Full Council on the 20th February 2024.

3.0 BACKGROUND / OPTIONS

- 3.1 At the Full Council meeting on 21st February 2023, members approved a net budget for 2023/24 of £10,399,934 and a frozen Council Tax. The budget had a planned draw of £1,975,579 from the Surplus Savings Reserve. The Medium Term Financial Strategy at that time showed a balanced budget in 2024/25 (using further resources from the Surplus Savings Reserve and an increase in Council Tax of £5), but with significant budget deficits in 2025/26 and 2026/27.
- 3.2 The outturn position for 2022/23 was initially reported to the Finance and Assets Committee on the 3rd July 2023 with then an update provided as part of the MTFS report on the 28th September 2023. This showed that due to the actions taken by management to reduce the Council's cost base prior to and during 2022/23 and the prudent forecast of Business Rates receipts, the Council underspent in 2022/23 by £1,645,109. This was transferred into the Surplus Savings Reserve.
- 3.3 Management has continued to look for opportunities to reduce the Council's cost base during the current financial year. This work has led to further one-off and ongoing savings being made, which both contribute to the projected outturn for this financial year and also provide savings throughout the term of the MTFS. Although in year, these have been matched to some degree by inflationary increases in excess of those expected when the budget was built, the current year-end forecast for 2023/24, as presented to Finance and Assets Committee on the 25th January 2024, is an underspend of £852,000. This too will be transferred to the Surplus Savings Reserve at year-end and has been reflected in the figures in this report.

4.0 LOCAL GOVERNMENT FINANCE – POLICY STATEMENT

- 4.1 The Local Government Finance Policy Statement was announced on the 5th December 2023. This was the second such Policy Statement, repeating a practice started in 2022.
- 4.2 Local Government has, for a number of years, been expecting a major change in the way it is funded by Government. This change includes two elements:
- Local Government Fair Funding Review, a review of the relative needs of all local authorities to determine how much of the funding allocated to local government by Government should be allocated to each individual authority.
 - At the same time as the Fair Funding Review, a Business Rates base line reset is expected. This would result in all the growth in Business Rates in the District since the last Review (2013) (which we retain 40% of) being put back into the overall pot to be allocated out as part of the Review. This is expected to result in this Council retaining significantly less in Business Rates, as we will lose the benefit of the growth which has taken place.
- 4.3 The Policy Statement makes it clear that no funding reforms or changes in funding distribution will be implemented until at the earliest 2025/26. With 2024/25, to the most part, being a rollover settlement. [It should be noted that the MTFS assumes that the changes will not happen until 2026/27, as with a General Election to happen in 2024, the view is that there will not be enough time for the new Government to implement any change for 2025/26.]

- 4.4 The Policy Statement also made provision for shire districts to increase Council Tax by 2.99% or £5, whichever is the greater, in 2024/25 without the need for a referendum.
- 4.5 The Business Rate multipliers were also announced in the Policy Statement. The Non-Domestic Rating Act 2023 provided ministers with the power to set the small and standard business rate multipliers separately from one another. Until 2023/24, these two multipliers had to be increased (or frozen) by the same percentage, but the Chancellor has decided to use this new power in 2024/25. The small business rate multiplier will be frozen; it will remain at 49.9p. The standard multiplier (payable by businesses with premises valued at more than £51,000) will increase from 51.2p to 54.6p. Compensation in the form of the Section 31 grant, will be provided to councils for the frozen small business multiplier.

5.0 PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT

- 5.1 The Provisional Local Government Finance Settlement was announced on the 18th December 2023.
- 5.2 The Council's Revenue Support Grant was increased by inflation; in 2023/24 we received £102,089, this increasing to £108,851 for 2024/25.
- 5.3 The Provisional Settlement extended the New Homes Bonus grant for a further year, with amounts earned for year fourteen of the scheme, between October 2022 and October 2023, attracting one year's worth of reward in 2024/25, with no legacy payments in future years. This was the same approach as for 2023/24. Due to the continued high level of house building in the District in the past year, our New Homes Bonus grant for 2024/25 will be £1,069,518, which is an increase on the £837,838 received in 2023/24. Government continues to undertake a consultation on the future of New Homes Bonus, so this grant is not confirmed for 2025/26, but a similar value has been built into the Council's budget for that year, as it is thought that Government will continue to provide some incentive for housing growth, and it is considered highly unlikely that it would be removed without some replacement to ensure that overall grant levels remain reasonably consistent.
- 5.4 The Provisional Settlement also included details of other grants, including the Rural Services Delivery grant, an allocation to the most rural authorities, which will be £189,538 in 2024/25 (this is consistent in cash terms with the amount received in 2023/24).
- 5.5 Government also announced the extension of the Services Grant, first awarded in 2022/23. East Cambridgeshire's allocation in 2023/24 was £99,740, reducing to £15,694 in 2024/25.
- 5.6 The Provisional Settlement also continued Government's use of the 3% Funding Guarantee Grant to ensure that every authority has an increase in Core Spending Power of at least 3% before any local decision on Council Tax. The 3% Funding Guarantee will be worth £196,265 to East Cambridgeshire in 2024/25, this is a reduction on the £353,678 received in 2023/24. This is a consequence of the increase in New Homes Bonus, which has the effect of requiring less funding from this pot, to reach the 3% target.

5.7 The Provisional Settlement further identified the local authorities who will have Business Rates Pools during 2024/25, Cambridgeshire was amongst those councils (see paragraph 6.3).

5.8 The Final Settlement is usually announced between Finance and Assets Committee and Full Council, assuming this to be the case this year, the figures for Full Council will be updated to reflect any changes.

6.0 BUSINESS RATES

6.1 The NNDR 1 return for 2023/24 will be produced by the end of January in line with statutory requirements. Figures from this will then be included in the budget as presented to Full Council. For this report, estimated figures as provided by Pixel Financial Management have been used.

6.2 While the Council benefits significantly from the growth in Business Rates since the last Base reset in 2013, there is always the risk that appeals against Business Rates can be lodged and, if successful, can be backdated for several years. The Council does therefore include a provision for appeals in determining how much of the rates collected should be posted into the budget.

6.3 East Cambridgeshire applied to be, and was accepted by Government to be, part of a newly invoked Business Rate Pool in 2024/25, alongside a number of other authorities in Cambridgeshire.

- Cambridgeshire County Council
- Cambridgeshire Fire Authority
- Peterborough City Council
- South Cambridgeshire District Council

(Cambridge City Council, Fenland District Council and Huntingdonshire District Council will not be members of the Pool in 2024/25.)

A review of the scheme was undertaken in the Autumn of 2023, supported by Pixel Financial Management. As a consequence of the modelling undertaken at this time, Fenland District Council withdrew their membership from the previous Pool as this provided a greater benefit to the County area overall. This withdrawal required the original Pool to be disbanded. A new Pool was then created including East Cambridgeshire, thus ensuring that the Council will continue to benefit from being a member in 2024/25.

6.4 As highlighted elsewhere in this report, forecasts for retained Business Rates beyond the Fair Funding Review, now assumed to be in 2026/27, are almost impossible to calculate at this time, but the figures presented take a prudent view, showing a significant reduction on those expected in 2025/26. These figures have been informed by our external adviser Pixel Financial Management.

6.5 In the Autumn Statement, on the 22nd November 2023, the Chancellor announced that the Retail, Hospitality and Leisure (RHL) 75% Business Rate relief would be extended into 2024/25 and that the small business Business Rate multiplier will be frozen for that year.

6.6 The RHL relief requires the Council to use its discretionary powers (Section 47 of the Local Government Act 1988, as amended) to grant these reliefs in line with

the relevant eligibility criteria set out in the guidance. The full cost of granting these reliefs will be compensated to the Council through a Section 31 grant from the Government.

- 6.7 With the National Budget to take place in March 2023, if any further discretionary reliefs to Business Rates are announced, Council is asked to give the Director, Finance approval to implement these, as long as they are fully funded by Government via the Section 31 Grant.

7.0 THE 2023/24 BUDGET

- 7.1 Due to the proactive actions taken by management to reduce costs and generate new sources of funding in recent years, the revenue budget for 2024/25 is fully funded.

- 7.2 The draft budget for 2024/25 is set out in Appendix 1 to this report.

- 7.3 The following key assumptions have been made in preparing the draft budget:

- The April 2024 inflationary pay increase for staff has been assumed at 4%;
- The staff establishment is budgeted in full – i.e. without a turnover allowance;
- Electricity budgets have been reduced and gas budgets frozen, when compared to those in 2023/24, to reflect the stabilisation of the respective markets;
- Where known, inflation on contracts has been included to reflect the expected increase in these during the year. These include insurance and IT licences;
- 16% inflation has been added to the Waste contract for 2024/25. Within this additional budget has been provided to allow the Waste fleet to use HVO fuel, this reducing carbon emissions. In addition to the percentage increase, additional funding is provided for the new recycling vehicles (purchased in 2023/24) which will start being charged to East Cambs Street Scene (ECSS) in 2024/25 and the potential additional costs of Mechanical Recycling Facility (MRF), where the contract is to be renewed in October 2024. (On the MRF, if further information becomes available following the tender exercise this will be reflected in the report to Full Council);
- 7% inflation has been added to the Parks and Gardens contract with East Cambs Trading Company (ECTC);
- Internal Drainage Board Levies have been inflated by 5%;
- Other expenditure budgets have been increased by 2% for inflation;
- Pension Fund revaluations take place every three years, with the most recent one being on 31st March 2022. The Council is therefore aware of its contribution into the Fund for the coming years, its primary rate will be 17.4% for the three years from April 2023, with in addition, the Council's lump sum contribution being £465,000 in 2024/25 (a reduction of £28,000 compared to 2023/24) and £437,000 in 2025/26;
- The Housing Benefit budget reflects the mid-year position for 2023/24: the latest information received from Anglia Revenues Partnership (ARP);
- No adjustments to spend have been made to reflect the anticipated increase in population within the District;
- Budgeted income from the commuter car park and the Leisure Centre management fee both remain reduced when compared to the value in the 2020/21 budget to reflect the on-going implications of the Covid-19 pandemic and subsequent "cost of living crisis" on these services;

- Funding is included in the budget to prepare a new Local Plan during the MTFS period, including £100,000 in 2024/25 and £300,000 in 2025/26;
- £125,000 has been included in the 2024/25 budget (only) for the development of a new website.

8.0 RESERVES

- 8.1 The Council holds reserves, at levels which remain prudent. It is important to review the level of reserves on a regular basis, in particular to ensure that potential liabilities not in the Council's base budget can be funded from earmarked reserves; and that unearmarked reserves are at a sufficient level to cover any unforeseen events.
- 8.2 As part of the process of preparing this budget, officers have reviewed each reserve to ensure its purpose and level is appropriate. A Statement of Reserves is attached at Appendix 2.
- 8.3 The sole unearmarked reserve is the General Fund. This currently stands at £1,237,551. There is no statutory minimum level set for local authority reserves; it is a matter for each local authority's own judgement after taking into consideration the strategic, operational and financial risks it faces. It has been this Council's policy for some time that the level of the unearmarked reserve be set at 10% of the net operating budget (before any movement to the reserve). This is a reasonably prudent approach and a higher percentage than many other authorities locally. The proposed net operating budget (before any movement to reserve) for 2024/25 is £13,638,412. Using the 10% figure, this requires an unearmarked reserve of £1,363,841 an increase of £126,290.

9.0 FEES AND CHARGES

- 9.1 Officers have reviewed the fees and charges, and details of the proposed charges for 2024/25 are shown at Appendix 4. The proposed budgets have been adjusted to reflect the change in price and volumes expected in 2024/25.
- 9.2 There have been no new fees or charges introduced for 2024/25.
- 9.3 Where we have control over the fee level, as opposed to where these are negotiated nationally, and where the fee relates to work undertaken by officers, it is proposed to increase fees and charges by approximately 4%. This approach ensures that the additional cost of providing the service is met by the person / organisation benefiting from the service, rather than the general populous through Council Tax.
- 9.4 As external funding from Government grants continues to reduce, the Council's approach to fees and charges will need to reflect the increasing importance of this as a funding source.

10.0 CAPITAL STRATEGY

- 10.1 The CIPFA revised 2017 Prudential and Treasury Management Codes required, from 2019/20, all local authorities to prepare a capital strategy report, which provides:
- a high level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;

- an overview of how the associated risk is managed;
 - the implications for future financial sustainability.
- 10.2 This Council has no long term capital objectives at this time. The medium term capital programme has been reviewed and is attached at Appendix 3. The programme is largely a continuation of the previous programme. The total value of the programme in 2024/25 is £5,074,965.
- 10.3 The Council's Treasury Management Strategy is a separate document, which is also on today's agenda with a request to ask Council to approve.
- 10.4 With the Council's Waste Service being provided by ECSS, the Council is purchasing waste fleet and hiring this to the Company. The hire charge reflects the Council's capital costs of doing this, both the MRP and interest costs. Spend in 2023/24 is forecast to be £1.912 million as vehicles previously purchased by the use of the Weekly Collection Grant from Government, have now reached and indeed surpassed their useful, economic life and require replacing.
- 10.5 It is proposed to carry the remaining balance of the approved capital allocation into 2024/25 to provide funding if further vehicles are required in that year. This is part of the ongoing review of the service and/or to meet the needs of the Government's new Waste Strategy. At this point, the budget in 2024/25 is funded from internal borrowing,
- 10.6 The precise capital costs needed to implement the Government's Waste Strategy are not known at this point, and indeed may well be significantly in advance of the funding that is being carried forward. However, it is hoped/assumed that Government funding will become available for the implementation of the Strategy, and therefore will not be a cost to the Council. These costs will be included in the MTFS as the position becomes clearer.
- 10.7 Where the additional cost of vehicles purchased in 2023/24 impact the charge to ECSS, the Council has increased the management fee it pays ECSS for providing the service as detailed in paragraph 7.3 to ensure that it can meet these additional costs.
- 10.8 If, as a consequence of the Government's Waste Strategy, the Council decides to move to a three bin solution, then bins will also need to be purchased. A capital provision of £1 million is therefore included for the purchase of these wheeled bins if it is decided to move forward with this option.
- 10.9 Council at its meeting on the 21st April 2022, approved a further loan facility to ECTC of £7.5 million. Much of this has been provided in the current year and previous years, with the current profile assuming that £2,300,000 will be provided in 2024/25. This funding is to ensure that ECTC has the finance available to progress three further building developments, at the former Paradise Pool site and for phase two and three at the former MoD site in North Ely. The Council has security in place with regard to this loan in the form of a debenture which provides it with first ranking security over all unsecured assets of the Company.
- 10.10 There are a number of capital budgets that continue into 2024/25, having been in place in previous years, where there is a commitment to continue spending in each year of the capital programme:

- The purchase of new wheeled bins. As further residential properties are built within the District, these need to be supplied with bins, so the Council needs to have these available. The cost of these, estimated at £40,000 per annum, will be covered by a combination of Section 106 funding from developers and capital receipts.
 - Disabled Facilities, both mandatory and discretionary. The Council receives Government funding (from the Better Care Fund), via the County Council to assist with the funding of this work. The total budget in 2024/25 is £772,299.
 - Vehicle replacement funding for the Parks and Gardens team. These vehicles are purchased by the Council using Section 106 funding, and then hired to ECTC at a rate to cover the notional MRP and interest costs using the same approach as with Waste vehicles.
- 10.11 As agreed in the 2017/18 budget, the Council now funds expenditure that would have previously been funded from external borrowing, on schemes such as the Leisure Centre, Waste fleet and the loan to the ECTC, from internal borrowing. As interest chargeable on external borrowing is higher than interest receipts on investments, this provides a net saving to the Council. The current expectation is that all borrowing in 2024/25 will be funded from internal borrowing, thus preventing any external borrowing costs. More details of the Council's borrowing requirement and investment strategy are detailed in the Treasury Management Strategy (also on the agenda for this meeting).
- 10.12 In summary therefore, the Council has limited exposure to the ongoing costs of capital expenditure at this time. The MRP costs of the Leisure Centre are being met by the operator through the management fee; the loan to ECTC is due to be repaid in full by March 2026 and in the intervening period a commercial interest rate is being charged, and the costs of the Waste fleet will be passed onto ECSS, although the Council's management fee payable to ECSS has been increased in 2024/25 and 2025/26 to reflect the additional MRP payments the Company will be paying on the replacement vehicles.

11.0 COUNCIL TAX

- 11.1 The MTFs assumed that the Collection Fund for Council Tax would be in balance as at 31st March 2024. However, due to the increased number of houses built in the District during 2023/24 and the fact that Council Tax receipts have not been impacted by the cost of living crisis as much as expected, the Fund is now forecast to be in surplus at the end of this financial year. The net position being that the Council will benefit by £153,650 from the Collection Fund surplus in 2024/25.
- 11.2 The taxbase for 2024/25 estimated in last year's budget was an equivalent of 32,513.1 Band D properties. However, the current forecast, including the real change in housing between October 2022 and October 2023, an estimation of future movements in 2024/25 and a small top-slice for non-payment, means that the new forecast for 2024/25 is now 32,972.0 equivalent Band D properties.
- 11.3 As detailed earlier in this report, the Local Government Policy Statement detailed that district councils can increase Council Tax by 2.99% or £5 without the need for a referendum. A 1% increase in Council Tax for this Council would generate

an additional £46,866, whereas a £1 increase would generate a further £32,972. For this Council therefore the £5 figure would be the highest, generating additional income of £164,860 in the year.

- 11.4 This budget is however drafted on the assumption that the Council will freeze Council Tax at £142.14 for the eleventh consecutive year in 2024/25.
- 11.5 The County Council, Fire Authority, Police Authority and Cambridgeshire and Peterborough Combined Authority budgets and precepts will be considered by their respective decision making bodies in early February and we are expecting to be notified of their precept requirements prior to Full Council approving the budget at its February meeting.
- 11.6 It should be noted that the County Council's precept comes in two parts, a general precept and an adult social care precept, this following the Secretary of State's offer to all adult social care authorities (those with functions under Part 1 of the Care Act 2014). The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care. This arrangement has been in place since 2016/17.
- 11.7 Where parish precepts have also been notified to the Council, these are reflected in Appendix 5. Again it is expected that these will all be available prior to this report going to Full Council at the end of February.
- 11.8 Also to note, Council agreed at its meeting on the 19th October 2023, to leave the Authority's Local Council Tax Reduction Scheme unchanged for 2024/25.

12.0 RISK AND SENSITIVITY ANALYSIS

- 12.1 The Local Government Act 2003 places two specific requirements on an authority's Section 151 Officer in determining the Council's budget and Council Tax. Under Section 25, the Section 151 Officer must advise on the **robustness of the estimates** included in the budget. The advice given to the Council on this issue is that the estimates have been produced on a prudent basis, with a strong emphasis on ensuring all cost pressures are included. Budget estimates have been developed with senior officers, with regular updates and discussions with members of Management Team.
- 12.2 The key risks are around Government funding of the Council and inflation. The Settlement provides clarity around grant funding for 2024/25, but looking beyond that, there is very limited information to put forward a MTFS based on confident assumptions on future Government funding.
- 12.3 Possibly the greatest concern for this Council, is the Government's intention to implement a full Business Rate baseline reset at the time of the Fair Funding Review. The current baseline was set in 2013, when all councils were given a share of Business Rates equal to their calculated needs. Since then councils have been allowed to keep a share of their growth, which for us as a district council has been 40%. In broad figures our baseline is £2.66 million, where we actually budget for £5.78 million of Business Rates because of this growth. If the baseline is fully reset, we will lose this growth and won't know what our revised baseline will be until the results of the Local Government Fair Funding Review (as detailed in 4.2) are announced. An allowance has been made in the MTFS for this

probable reduction, but at this point, there is no certainty on what this is likely to be.

- 12.4 Unlike the position for a number of years, inflation and the consequential higher pay rises are, for the second year, having a major impact on the Council's costs. Section 7.3 of this report details the inflation built into the 2024/25 budget, but in addition to this a £100,000 provision of additional unknown inflation has been built into the budget. To put some context to this figure, as detailed earlier, we have budgeted for a 4% increase in staff costs from the 1st April 2024, if pay was to increase by 5% this would cost the Council a further £85,019.
- 12.5 To mitigate the above risks, the Section 151 Officer will continue to report on a regular basis to Management Team and Members as new information becomes available.
- 12.6 The Section 151 Officer is also required to report on the **adequacy of reserves**. The projected level of reserves, specifically the General Fund Reserve and Surplus Savings Reserve, and their use in 2024/25 are **prudent** and show how these will sustain the functions of the Council in that year.
- 12.7 However, the MTFs assumes the remainder of the Surplus Savings Reserve is utilised during 2024/25, 2025/26 and 2026/27, which will reduce the overall level of reserves significantly. Reserves can only be utilised once and while the purpose of the Surplus Savings Reserve is to provide one-off funding to balance the budget in future years, the Council needs to consider all options to reduce the speed that this is being utilised so that it remains available further into the future. The Council has a track record of delivering additional savings and generating extra income in advance of the budget requirement, so work done during 2023/24 and 2024/25 financial years will hopefully lead to a reduced draw from the Surplus Savings Reserve in these and future years through the MTFs period.
- 12.8 Another key risk for the Council is its loan to ECTC. Should ECTC encounter any financial difficulties and be unable to repay the £7,500,000 loan facility, then the Council will need to account for this within its financial statements. In such an event, the Council would need to draw on its reserves to meet such a liability. At this point however, it should be noted there is no indication that this is likely to be the case and indeed not all of the loan facility has, as yet, been drawn down. To limit this risk further and as detailed in 10.7 above, the Council has security in place with regard to this loan in the form of a debenture which provides it with first ranking security over all unsecured assets of the Company.

13.0 MEDIUM TERM FINANCIAL STRATEGY

- 13.1 The Council's Medium Term Financial Strategy is to set a robust financial framework for the Council's plans over the next four years which support the delivery of the Council's priorities within a context of an annual balanced budget. Specifically, the MTFs:
- Looks to the longer term to help plan sustainable services within an uncertain external economic and funding environment;
 - Maximises the Council's financial resilience to manage risk and volatility, including managing adequate reserves;

- Helps ensure that the Council's financial resources are directed to support delivery of the Council's priorities over the medium term.
- 13.2 The MTFS covers the period 2024/25 to 2027/28. As highlighted earlier in the report, the Policy Statement announced by Government for 2024/25 provides assurance about the grant position for the budget year only. The MTFS further assumes that Government funding will remain, for the most part, unchanged in 2025/26 as it will be too soon after the General Election for detailed plans to have been prepared.
- 13.3 However, it is extremely difficult to develop a robust MTFS to cover the period 2026/27 and beyond while the uncertainties around future funding levels from Government remain. As detailed earlier in this report, the Government is currently considering options around the Local Government Fair Funding Review to determine how much of this funding is allocated to individual authorities. This issue creates considerable uncertainty for local authority funding and is an issue which will require monitoring in the coming years, to ensure the Council can adjust its MTFS as new information becomes available. Updates will be provided to the Finance and Assets Committee as and when further information becomes available.
- 13.4 The assumptions used in the MTFS include:
- Government funding through Revenue Support Grant, New Homes Bonus, Rural Services Grant, Services Grant and Funding Guarantee Grant will all end in 2025/26 with the Fair Funding Review being implemented in 2026/27;
 - Inflation on staff pay is included at 4% in 2024/25 and then 2% in all future years;
 - The loans to ECTC are planned to be repaid in 2026, the interest received by the Council on these loans will therefore stop at this point. The loan repayments will be used to reduce / prevent the Council needing to borrow externally and/or to invest in line with the Treasury Management Strategy;
 - Amongst the requirements of the Government's new Waste Strategy is the need for food waste to be collected weekly from all homes from 2026. The revenue cost of this could be around £500,000 with then additional capital costs for the provision of additional vehicles and caddies (see paragraph 10.6). At this stage the assumption is that external funding, either from Government or from producers, will be provided to fund both these revenue and capital costs. At this point no figures are therefore included in the MTFS for this, but updates will be provided as the position becomes clearer;
 - On interest receipts, it is assumed that interest rates will remain at around 5% in 2024/25, but then reducing during the MTFS period to 3% in 2027/28;
 - There remains no assumption in the MTFS for any dividends being received from ECTC. (While noting that no dividends are budgeted for, it should not be forgotten that the Council continues to get significant benefits from ECTC, with interest being paid on the loan provided, the recharge of management and support services costs to the Company (forecast to be £194,735 in 2024/25), the hire of the Market Place and part of the depot, as well as Capital Receipts, Section 106 contributions and additional Council Tax receipts from the properties developed.);

- The budget and MTFs do not include any impacts of the construction or running costs of the proposed new Crematorium at Mepal, the subject of another paper on today's agenda. Clearly if the decision is to go ahead with this project, then adjustments will need to be made, especially within the Treasury Management Strategy and the later years of the MTFs. If the decision of Finance and Assets Committee is to recommend the development of the Crematorium to Full Council, this report (and the Treasury Management Strategy) will be adjusted prior to the Council meeting on the 20th February, to reflect the expectation that the project will be approved;
- The Council has a track record of delivering cost reductions; it is anticipated therefore that a contribution to the budget deficit forecast in future years will be achieved during the term through general efficiencies and income generating opportunities. However, to be prudent, no account of these is shown within the forecasts in this report.

13.5 The impact of the above assumptions is attached at Appendix 1. This shows the budgets for 2024/25 and 2025/26 are fully funded. However, there are significant budget shortfalls projected in 2026/27 and subsequent years. Clearly many things will change between now and then, so Members should not focus on the precise numbers. It is far more important that Members appreciate the direction of funding facing this and many local authorities, and the likely scale. It will be necessary to develop a plan to meet these shortfalls, although the Council does have time (although limited) to put the necessary plans in place. The Council also has access to a reasonable level of reserves, as described in Section 8 of this report.

13.6 While noting the uncertainty that is highlighted in this report about the 2025/26 financial year, it is considered unlikely that the quantum of funding from Government will increase and as such, this Council will need to identify measures to bridge the budget gap. A comparison between this year's MTFs and the past two last years does highlight an increased savings need particularly in year four.

2022/23 Budget	
2022/23 – budget year	Balanced
2023/24 – MTFs year 1	Balanced
2024/25 – MTFs year 2	Savings to find £2,815,916
2025/26 – MTFs year 3	Savings to find £4,021,675
2023/24 Budget	
2023/24 – budget year	Balanced
2024/25 – MTFs year 1	Balanced
2025/26 – MTFs year 2	Savings to find £1,645,402
2026/27 – MTFs year 3	Savings to find £4,797,033
2024/25 Budget	
2024/25 – budget year	Balanced
2025/26 – MTFs year 1	Balanced
2026/27 – MTFs year 2	Savings to find £3,373,097
2027/28 – MTFs year 3	Savings to find £5,805,119

13.7 Options to resolve the budget shortfalls in future years include:

- Efficiencies in the cost of service delivery
- Reductions in service levels
- Increased income from fees and charges
- Increased commercialisation via the trading companies

13.8 While noting the Council's favourable position of having a balanced budget (by use of the Surplus Savings Reserve) for 2024/25 and 2025/26, it is strongly recommended that early consideration is given as to how savings in future years will be achieved. All the bullets above need to be considered, with a quickening of the pace of commercialisation and the review of all income generating opportunities, as these are potentially the areas that could generate the highest returns, while having least impact on the services provided by the Council. However, within the MTFS period, all options will need to be considered and potentially implemented.

13.9 Any savings achieved in 2023/24 and 2024/25 resulting in potential underspends in those years, will allow further funding to be moved into the Surplus Savings Reserve and therefore available to assist in the balancing of the budget in future years.

14.0 ARGUMENTS / CONCLUSION(S)

14.1 The proactive actions already taken have led to balanced budgets for 2024/25 and 2025/26 (based on known information and the use of the Surplus Savings Reserve). The budget for 2024/25 therefore has minimal risk attached to it, although the Medium Term Financial Strategy, especially when the new funding regime comes in, now expected in 2026/27, does contain significant uncertainty and therefore risk. While there is little this Council can do to remove the uncertainty at this point, it does need to look now for opportunities within its own control, which will bridge some part of the funding gap currently being forecast.

15.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

15.1 The proposed net operating budget of £13,764,702 will be financed by Revenue Support Grant, retained Business Rates, Council Tax and a contribution from the Surplus Savings Reserve.

15.2 An Equality Impact Assessment is not considered necessary, as no public facing services are being reduced in 2024/25.

15.3 A Carbon Impact Assessment (CIA) is also not considered necessary, as there will be no changes to service provision in 2024/25.

16.0 APPENDICES

Appendix 1 - Draft Budget 2024/25 and MTFS

Appendix 2 - Statement of Reserves

Appendix 3 - Capital Programme

Appendix 4 - Schedule of Fees and Charges

Appendix 5 – Parish Precepts

Background Documents:

2023/24 Budget to Full Council – 21st February 2023

MTFS up-date report to Finance and Assets Committee – 28th September 2023

DRAFT BUDGET 2024-25

	Budget 2023-24 £	Estimate 2024-25 £	Estimate 2025-26 £	Estimate 2026-27 £	Estimate 2027-28 £
Committees:					
Operational Services	6,904,891	8,252,385	8,379,773	8,584,594	8,773,691
Finance & Assets	6,030,783	5,739,352	6,674,439	7,280,094	7,433,958
Net District Spending	12,935,674	13,991,737	15,054,212	15,864,688	16,207,649
New Homes Bonus Grant	-837,838	-1,069,518	-1,069,518	0	0
Rural Services Grant	-189,538	-189,538	-189,538	-189,538	-189,538
Service Grant / Funding Guarantee	-453,418	-211,959	-211,959	0	0
Internal Drainage Board Levies	632,991	709,491	723,681	738,155	752,918
Contributions to / from Corporate Reserves	575,284	534,489	578,897	676,143	501,272
Net Operating Expenditure	12,663,155	13,764,702	14,885,775	17,089,448	17,272,301
Contribution from Surplus Savings Reserve	-1,975,579	-2,027,187	-2,677,518	-2,726,168	0
Savings to be identified	0	0	0	-3,373,097	-5,805,119
ECDC Budget Requirement	10,687,576	11,737,515	12,208,257	10,990,183	11,467,182
Parish Council Precepts	3,000,653	3,075,669	3,152,561	3,231,375	3,312,159
DISTRICT BUDGET REQUIREMENT	13,688,229	14,813,184	15,360,818	14,221,558	14,779,341
<u>Financed by:</u>					
Council's share of Collection Funds Surplus/De	100,507	-153,650	0	0	0
Revenue Support Grant	-102,089	-108,851	-105,372	-213,238	-180,862
Locally retained Non-Domestic Rates	-5,131,168	-5,777,039	-6,140,039	-4,540,270	-4,766,647
Plus: NNDR from Renewable Energy	-1,011,335	-1,011,335	-1,011,335	-1,011,335	-1,011,335
COUNCIL TAX REQUIREMENT	7,544,144	7,762,309	8,104,072	8,456,715	8,820,497

	Estimate 2023-24 £	Estimate 2024-25 £	Estimate 2025-26 £	Estimate 2026-27 £	Estimate 2026-27 £
Unallocated Surplus Savings Reserve					
In hand at 1st April	8,554,452	7,430,873	5,403,686	2,726,168	0
Movement in year	-1,123,579	-2,027,187	-2,677,518	-2,726,168	0
In hand at 31st March	7,430,873	5,403,686	2,726,168	0	0

IMPLIED BAND 'D' COUNCIL TAX (District only i.e. excluding parish levies)					
Demand on Collection Fund as above	7,544,144	7,762,309	8,104,072	8,456,715	8,820,497
Less Parish Precepts as above	3,000,653	3,075,669	3,152,561	3,231,375	3,312,159
	4,543,491	4,686,640	4,951,511	5,225,340	5,508,338
Council Tax Base	31,964.9	32,972.0	33,651.7	34,345.6	35,053.7
District Council Tax - Band D	142.14	142.14	147.14	152.14	157.14

Description	Budget 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Operational Services					
Building Regulations	36,736	43,806	44,085	44,369	44,659
Climate Change	100,000	100,000	101,520	103,071	104,653
Community Projects & Grants	193,482	200,040	201,923	203,844	205,803
Community Safety	62,133	71,001	71,994	73,007	74,040
Cons. Area & Listed Buildings	69,861	74,073	75,288	76,527	77,791
Customer Services	543,885	690,512	576,401	590,246	602,298
Dog Warden Scheme	43,226	46,469	47,355	48,260	49,181
Emergency Planning	30,024	30,661	30,985	31,316	31,654
Environmental	147,961	162,973	166,071	169,231	172,454
Environmental Health	529,805	563,292	577,340	588,094	599,063
Homelessness	247,158	314,091	281,653	401,446	408,257
Information Technology	1,011,782	1,035,770	1,053,590	1,071,764	1,090,303
Leisure Centre	-301,550	-447,030	-506,347	-552,615	-552,615
Licencing - Env Services	19,067	34,487	37,797	42,550	47,398
Marketing & Grants	42,192	43,469	43,934	44,409	44,893
Nuisances	103,673	114,748	116,945	119,186	121,472
Parish Forums	1,500	1,530	1,530	1,530	1,530
Pest Control	11,033	11,959	12,189	12,424	12,663
Planning	253,594	373,328	340,115	306,851	323,541
Public Relations	109,883	124,199	126,619	129,086	131,604
Recycling	1,276,987	1,847,630	2,097,354	2,131,372	2,166,071
Refuse Collection	1,497,443	1,756,517	1,791,648	1,827,481	1,864,030
Street Cleansing	876,471	1,016,706	1,037,040	1,057,781	1,078,937
Street Naming & Numbering	16,704	19,877	20,123	20,373	20,629
The Old Gaol House	0	0	0	0	0
Travellers Sites	-18,159	22,277	32,621	42,991	53,382
	6,904,891	8,252,385	8,379,773	8,584,594	8,773,691
Finance & Assets					
Asset Management	150,433	203,442	153,442	153,442	153,442
Award Ditches	9,833	10,521	10,731	10,946	11,165
Civic Relations	23,692	24,592	24,919	25,252	25,592
Closed Churchyards	32,391	34,658	35,351	36,058	36,779
Community Transport	15,000	15,000	15,000	15,000	15,000
Corp. Man. Policy Research / Review	383,053	332,935	388,463	444,126	499,925
Council Tax Collection Costs	538,783	575,211	601,425	614,940	627,116
Data Management	110,822	120,138	121,842	123,580	125,353
Depot	-71,008	-74,241	-75,746	-77,282	-78,848
Economic Development	107,877	113,586	120,375	127,299	134,360
Finance	295,597	316,402	322,589	328,901	335,340
General Gang	99,271	104,993	106,512	108,061	109,641
Health & Safety (Work)	26,696	27,390	27,721	28,058	28,402
Housing Benefits	410,147	466,496	486,202	507,202	519,295
Housing Strategy	192,954	197,532	204,151	210,902	217,788
Human Resources (including training)	242,675	278,805	281,703	284,659	287,674
Interest & Financial Transactions	-660,452	-1,311,794	-821,833	-491,317	-338,246
Internal Audit	80,038	82,797	84,853	86,960	89,119
Land Charges Admin	-52,356	-14,506	-15,725	-16,968	-18,236
Legal Services	165,269	170,843	173,809	176,835	179,921
Local Elections	22,500	25,000	25,000	25,000	25,000
Local Plans	145,111	299,250	501,041	502,849	354,675
Management Team	771,860	744,261	758,898	773,827	789,054
Markets	0	0	0	0	0
Member & Committee Support	629,577	641,658	653,670	666,193	680,702
Misc. Financial Services	722,713	607,896	671,129	737,707	706,503
Miscellaneous Properties	-46,649	-52,189	-52,933	-53,692	-54,466
NNDR Collection Costs	47,266	49,141	50,550	53,675	56,864
Out Of Hours Service	14,000	14,560	14,851	15,148	15,451
Parking of Vehicles	76,766	76,117	79,897	83,753	87,686
Parks and Open Spaces	421,060	462,071	474,526	487,229	500,186
Payroll	92,770	97,621	99,434	101,283	103,169
Public Conveniences	185,776	197,865	200,836	203,870	206,961
Registration of Electors	45,091	51,794	51,794	51,794	51,794
Reprographics	156,130	183,677	207,446	210,321	213,254
Office Accommodation	566,749	584,838	593,446	603,228	613,205
Sport & Recreation Admin	79,348	80,992	99,070	121,255	123,338
	6,030,783	5,739,352	6,674,439	7,280,094	7,433,958
Total	12,935,674	13,991,737	15,054,212	15,864,688	16,207,649

Reserve Accounts

Appendix 2

Description	2023/24				2024/25			
	Opening Balance 1	Transfers to Reserve	Contributions from Reserve	Forecast Balance 31	Opening Balance 1	Transfers to Reserve	Contributions from Reserve	Forecast Balance 31
	April £	£	£	March £	April £	£	£	March £
District Elections	161,932		(85,117)	76,815	76,815	25,000		101,815
Historic Buildings Grants	6,190			6,190	6,190			6,190
Housing Conditions Survey	25,000	5,000		30,000	30,000	5,000		35,000
Change Management	231,558		(174,257)	57,301	57,301		(57,301)	0
Major Project Development	100,000		(30,000)	70,000	70,000			70,000
Surplus Savings Reserve	8,554,452	852,000	(1,975,579)	7,430,873	7,430,873		(2,027,187)	5,403,686
Vehicle Replacements	74,240			74,240	74,240			74,240
Sports Facilities Funding Reserve	288,000		(218,600)	69,400	69,400			69,400
IT	160,000	40,000	(100,000)	100,000	100,000	40,000		140,000
CIL Admin	217,069	70,000	(100,000)	187,069	187,069	70,000	(100,000)	157,069
Asset Management	12,679			12,679	12,679			12,679
Care and Repair	45,000			45,000	45,000			45,000
Community Fund Reserves	30,884			30,884	30,884			30,884
Housing	79,547			79,547	79,547			79,547
Affordable Housing	221,800		(7,545)	214,255	214,255			214,255
General Fund Balance	1,063,294	174,257		1,237,551	1,237,551	126,290		1,363,841
Commercial Invest to Save	20,000			20,000	20,000			20,000
CLT Grant Applications	20,000			20,000	20,000			20,000
Travellers' Sites	0	56,959		56,959	56,959	56,959		113,918
Enterprise Zone NNDR	738,418	287,642	(22,341)	1,003,719	1,003,719	287,642	(23,252)	1,268,109
Cambridgeshire Horizons - General	431,119			431,119	431,119			431,119
Growth and Infrastructure Fund	2,307,216		(1,100,000)	1,207,216	1,207,216		(1,207,216)	0
Exceptional Hardship Fund	2,637			2,637	2,637			2,637
Climate Change	70,999			70,999	70,999			70,999
Other								
CIL	10,435,509	2,736,323	(2,400,000)	10,771,832	10,771,832	1,400,000	(1,000,000)	11,171,832
Section 106 Agreements	3,467,395		(500,000)	2,967,395	2,967,395		(500,000)	2,467,395
Internal Borrowing	(10,126,676)	(2,025,308)	1,319,381	(10,832,603)	(10,832,603)	(4,162,666)	1,086,037	(13,909,232)
Total Reserves	18,638,262	2,196,873	(5,394,058)	15,441,077	15,441,077	(2,151,775)	(3,828,919)	9,460,383

Reserve Accounts

Description	2025/26				2026/27			
	Opening Balance 1 April	Transfers to Reserve	Contributions from Reserve	Forecast Balance 31 March	Opening Balance 1 April	Transfers to Reserve	Contributions from Reserve	Forecast Balance 31 March
	£	£	£	£	£	£	£	£
District Elections	101,815	25,000		126,815	126,815	25,000		151,815
Historic Buildings Grants	6,190			6,190	6,190			6,190
Housing Conditions Survey	35,000	5,000		40,000	40,000	5,000		45,000
Change Management	0			0	0			0
Major Project Development	70,000			70,000	70,000			70,000
Surplus Savings Reserve	5,403,686		(2,677,518)	2,726,168	2,726,168		(2,726,168)	0
Vehicle Replacements	74,240			74,240	74,240			74,240
Sports Facilities Funding Reserve	69,400			69,400	69,400			69,400
IT	140,000	40,000		180,000	180,000	40,000		220,000
CIL Admin	157,069	70,000	(100,000)	127,069	127,069	70,000	(100,000)	97,069
Asset Management	12,679			12,679	12,679			12,679
Care and Repair	45,000			45,000	45,000			45,000
Community Fund Reserves	30,884			30,884	30,884			30,884
Housing	79,547			79,547	79,547			79,547
Affordable Housing	214,255			214,255	214,255			214,255
General Fund Balance	1,363,841	113,397		1,477,238	1,477,238	210,643		1,687,881
Commercial Invest to Save	20,000			20,000	20,000			20,000
CLT Grant Applications	20,000			20,000	20,000			20,000
Travellers' Sites	113,918	56,959		170,877	170,877	56,959		227,836
Enterprise Zone NNDR	1,268,109	287,642	(23,717)	1,532,034	1,532,034	287,642	(24,191)	1,795,485
Cambridgeshire Horizons - General	431,119			431,119	431,119			431,119
Growth and Infrastructure Fund	0			0	0			0
Exceptional Hardship Fund	2,637			2,637	2,637			2,637
Climate Change	70,999			70,999	70,999			70,999
Other								
CIL	11,171,832	1,400,000	(1,000,000)	11,571,832	11,571,832	1,400,000	(1,000,000)	11,971,832
Section 106 Agreements	2,467,395		(500,000)	1,967,395	1,967,395		(500,000)	1,467,395
Internal Borrowing	(13,909,232)		7,749,275	(6,159,957)	(6,159,957)	0	749,275	(5,410,682)
Total Reserves	9,460,383	1,997,998	3,448,040	14,906,421	14,906,421	2,095,244	(3,601,084)	13,400,581

Capital Programme 2023/24 to 2027/28

CAPITAL BUDGET	Projected Spend 2023/24 £	Proposed Budget 2024/25 £	Proposed Budget 2025/26 £	Proposed Budget 2026/27 £	Proposed Budget 2027/28 £
Operational Services					
Refuse Vehicles	1,912,334	862,666			
Waste Bins	40,000	1,040,000	40,000	40,000	40,000
Conservation Area Schemes - 2nd round	27,506				
Mandatory Disabled Facilities Grants (DFG)	1,620,307	697,299	697,299	697,299	697,299
Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst.	75,000	75,000	75,000	75,000	75,000
Vehicle Etc. Replacements	100,000	100,000	100,000	100,000	100,000
Operational Services Total	3,775,147	2,774,965	912,299	912,299	912,299
Finance and Assets					
Depot	636,624				
Solar Panels on Council Buildings	150,000				
EC CLT Loan	76,350				
Loan Agreement with ECTC approved in April 2022	200,000	2,300,000	0		
Finance and Assets Total	1,062,974	2,300,000	0	0	0
Capital Programme Total	4,838,121	5,074,965	912,299	912,299	912,299

Refuse Vehicles

The Council purchases and then hires to East Cambs Street Scene refuse vehicles to be used to undertake the refuse contract for the Council. A large number of vehicles were initially planned to be purchased in 2020/21 as the vehicles purchased with the Weekly Collection Grant reach the end of their economic life. However, delays in Government announcing its long term Waste Strategy delayed the purchase of these vehicles, as the Council wanted to ensure that the vehicles can deal with any additional demands put upon it by the Strategy. The majority of the money was spent on purchases in 2023/24, with the remainder being carried forward for potential use in 2024/25 following a service review within ECSS.

Waste Bins

The on-going £40,000 budget is to ensure that as the number of residential homes in the District increases, the Council has new wheeled bins available to deliver to these properties. The larger budget in 2024/25 is a provision to fund the major purchase of wheeled bins if the Council chooses to move away from the use of black sacks. This was originally built into the budget in 2023/24, but was unused and has been carried forward for use in 2024/25.

Conservation Area Schemes

This scheme is for the Steeple Row enhancement, led by Ely Perspective for public realm improvements in the Steeple Row area. The remaining balance is required to provide partnership funding towards a larger Heritage Lottery Scheme currently being worked on by Ely Cathedral for enhancements to the entire cathedral precinct.

Mandatory Disabled Facilities Grants

These grants are provided to enable disabled people, including children, to remain in their own home. Due to an ageing population, the demand for this type of grant is likely to increase and capital funding will need to continue to enable the Council to meet this statutory function. The majority is funded from Government grant from the Better Care Fund.

Empty Properties, Discretionary DFGs, Minor Works & Home Repair Asst.

Grant provided to owner occupiers on an income related benefit to carry out essential repairs and energy efficiency work to their homes, to ensure that they meet the decent homes standard. This grant takes two forms, one, a small non-repayable grant and the other, where more extensive works are needed, a repayable loan.

Vehicle Replacements

Vehicle replacement mostly for the Parks and Gardens Team. This is funded from Section 106 contributions.

Depot

The depot, including the drainage on the site is being improved to provide staff with a safe environment.

Solar Panels on Council Buildings

Installation of solar panelling on a number of Council buildings including E-Space North in Littleport, the Hive and potentially the Grange

Loan to East Cambs CLT

Loan to East Cambs CLT, to provide the funding (alongside Ecology Building Society) for the CLT to purchase fifteen properties on the former Ministry of Defence site in Ely, so these can be offered as affordable, shared ownership properties to local residents. The terms of the loan require it to be repaid in seven years time.

Loan Agreement with ECTC approved in April 2022

At its meeting on the 21st April 2022, the Council approved a new loan facility to ECTC up to a value of £7,500,000 in order to move forward with new projects at the Paradise Pool site and phase two and three at the former Ministry of Defence site. At the end of March 2024, it is expected that ECTC will have drawdown £5.2 million of this facility, allowing them a further £2.3 million in 2024/25.

SOURCES OF FINANCING	Projected 2023/24 £	Budget 2024/25 £	Budget 2025/26 £	Budget 2026/27 £	Budget 2027/28 £
Operational Services					
Revenue Contribution					
Grants (Disability Facilities Grant)	1,006,789	602,678	602,678	602,678	602,678
Capital Reserves	756,024	209,621	209,621	209,621	209,621
Section 106 / CIL	900,000	100,000	100,000	100,000	100,000
Borrowing	1,112,334	1,862,666			
Operational Services Total	3,775,147	2,774,965	912,299	912,299	912,299
Finance and Assets					
Capital Reserves	150,000				
Borrowing	912,974	2,300,000	0	0	0
Finance and Assets Total	1,062,974	2,300,000	0	0	0
Capital Funding Total	4,838,121	5,074,965	912,299	912,299	912,299

Capital Reserves Forecast	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Balance Brought Forward	1,480,802	987,672	828,051	668,430	508,809
Add receipts from Sales of Assets	412,894	50,000	50,000	50,000	50,000
Less Capital Receipts Applied	(906,024)	(209,621)	(209,621)	(209,621)	(209,621)
Capital Reserves Carried Forward	987,672	828,051	668,430	508,809	349,188

Borrowing Forecast	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Balance Brought Forward	10,126,676	10,832,603	13,909,232	6,159,957	5,410,682
Add Borrowing in Year	2,025,308	4,162,666	0	0	0
Repayment from ECTC	(1,000,000)	(500,000)	(7,000,000)	0	0
Less Minimum Revenue Provision (MRP)	(319,381)	(586,037)	(749,275)	(749,275)	(650,161)
Total Borrowing Carried Forward	10,832,603	13,909,232	6,159,957	5,410,682	4,760,521
Internal Borrowing	10,832,603	13,909,232	6,159,957	5,410,682	4,760,521
External Borrowing	0	0	0	0	0

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
<u>COMMUNITY SERVICES</u>				
BUSINESS PARKING PERMIT SCHEME				
First permit	SR	Discretionary	£50.00	£50.00
Second permit	SR	Discretionary	£55.00	£55.00
Third permit	SR	Discretionary	£60.00	£60.00
Fourth permit	SR	Discretionary	£70.00	£70.00
Market Traders	SR	Discretionary	£20.00	£20.00
CAR PARKING – ANGEL DROVE, ELY				
Cost per day (except Saturdays & Bank Holidays)	SR	Discretionary	£3.00	£3.00
Season Ticket – Weekly (6 days)	SR	Discretionary	£12.00	£12.00
Season Ticket – Quarterly	SR	Discretionary	£145.00	£145.00
Season Ticket – Annual	SR	Discretionary	£506.00	£506.00
CAR PARKING – THE DOCK, ELY				
Cost per day (except Saturdays & Bank Holidays)	SR	Discretionary	£3.00	£3.00
Season Ticket – Weekly (6 days)	SR	Discretionary	£12.00	£12.00
Season Ticket – Quarterly	SR	Discretionary	£145.00	£145.00
Season Ticket – Annual	SR	Discretionary	£506.00	£506.00
CAR PARKING – LITTLEPORT STATION				
<u>On-peak</u>				
Daily	SR	Discretionary	£1.80	£1.80
Weekly	SR	Discretionary	£5.70	£5.70
Quarterly	SR	Discretionary	£57.00	£57.00
Annual	SR	Discretionary	£205.00	£205.00
<u>Off-peak</u>				
Daily	SR	Discretionary	£0.50	£0.50
FIXED PENALTY PARKING FINES				
Excess Charge if paid within 14 days	OS	Discretionary	£50.00	£50.00
Excess Charge if paid after 14 days	OS	Discretionary	£60.00	£60.00
ELY RIVERSIDE				
Mooring Overstay Charge Notice - First 48 hours are free, with a charge applying after this period	SR	Discretionary	£100.00 (reduced to £70 if paid within 14 days)	£100.00 (reduced to £70 if paid within 14 days)
<u>DEVELOPMENT SERVICES</u>				
PLANNING PRE APPLICATION ADVICE				
Householder Schemes – Extension or works to a dwelling - General Advice on issues is FREE but comment on a particular scheme would attract a fee - Written advice only	SR	Discretionary	£46.00	£48.00
Householder Schemes – Extension or works to a dwelling - General Advice on issues is FREE but comment on a particular scheme would attract a fee - Meeting Only	SR	Discretionary	£46.00	£48.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Householder Schemes - Extension or works to a dwelling - General Advice on issues is FREE but comment on a particular scheme would attract a fee - Meeting and written advice	SR	Discretionary	£92.00	£96.00
Householder Schemes – Building Control Advice - Written advice only	SR	Discretionary	£25.70	£27.00
Householder Schemes – Building Control Advice - Meeting and written advice	SR	Discretionary	£49.00	£51.00
Householder Schemes – Heritage Advice – Written advice only	SR	Discretionary	£12.00	£12.00
Householder Schemes – Heritage Advice– Meeting only	SR	Discretionary	£12.00	£12.00
Householder Schemes – Heritage Advice– Meeting and written advice	SR	Discretionary	£23.00	£24.00
Householder Schemes – Follow Up Plan Checking	SR	Discretionary	FREE	FREE
Small Scale Minor Development – Residential schemes 1-2 dwellings. Other buildings up to 999sqm. Written Advice	SR	Discretionary	£164.00	£171.00
Small Scale Minor Development – Residential schemes 1-2 dwellings. Other buildings up to 999sqm. Meeting only	SR	Discretionary	£273.00	£284.00
Small Scale Minor Development – Residential schemes 1-2 dwellings. Other buildings up to 999sqm. Meeting and Written Advice	SR	Discretionary	£437.00	£454.00
Small Scale Minor Development – Subsequent Advice on Amended Schemes. Written Advice	SR	Discretionary	£82.00	£85.00
Small Scale Minor Development – Subsequent Advice on Amended Schemes. Meeting only	SR	Discretionary	£136.00	£141.00
Small Scale Minor Development – Subsequent Advice on Amended Schemes. Meeting and Written Advice	SR	Discretionary	£218.00	£227.00
Small Scale Minor Development – Building Control Advice. Written Advice	SR	Discretionary	£62.00	£64.00
Small Scale Minor Development – Building Control Advice. Meeting and Written Advice	SR	Discretionary	£131.00	£136.00
Small Scale Minor Development – Heritage Advice. Written Advice	SR	Discretionary	£35.00	£36.00
Small Scale Minor Development – Heritage Advice. Meeting only	SR	Discretionary	£35.00	£36.00
Small Scale Minor Development – Heritage Advice. Meeting and Written Advice	SR	Discretionary	£67.00	£70.00
Minor Residential Schemes 3-9 dwellings – Written Advice only	SR	Discretionary	£273.00	£284.00
Minor Residential Schemes 3-9 dwellings – Meeting only	SR	Discretionary	£382.00	£397.00
Minor Residential Schemes 3-9 dwellings – Meeting and Written Advice	SR	Discretionary	£655.00	£681.00
Minor Residential Schemes 3-9 dwellings – Subsequent Advice on Amended Schemes - Written Advice only	SR	Discretionary	£136.00	£141.00
Minor Residential Schemes 3-9 dwellings – Subsequent Advice on Amended Schemes - Meeting only	SR	Discretionary	£191.00	£199.00
Minor Residential Schemes 3-9 dwellings – Subsequent Advice on Amended Schemes - Meeting and Written Advice	SR	Discretionary	£327.00	£340.00
Minor Residential Schemes 3-9 dwellings – Building Control Advice - Written Advice only	SR	Discretionary	£113.00	£118.00
Minor Residential Schemes 3-9 dwellings – Building Control Advice - Meeting and Written Advice	SR	Discretionary	£193.00	£201.00
Minor Residential Schemes 3-9 dwellings – Heritage Advice - Written Advice only	SR	Discretionary	£67.00	£70.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Minor Residential Schemes 3-9 dwellings – Heritage Advice - Meeting only	SR	Discretionary	£67.00	£70.00
Minor Residential Schemes 3-9 dwellings – Heritage Advice - Meeting and Written Advice	SR	Discretionary	£136.00	£141.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Unaccompanied site visit – Written advice only	SR	Discretionary	£437.00	£454.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Unaccompanied site visit – Meeting only	SR	Discretionary	£491.00	£511.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm plus floor-space. Unaccompanied site visit – Meeting and Written Advice	SR	Discretionary	£928.00	£965.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Unaccompanied site visit –Advice on Amended Schemes - Written advice only	SR	Discretionary	£218.00	£227.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm plus floor-space. Unaccompanied site visit – Advice on Amended Schemes - Meeting only	SR	Discretionary	£246.00	£256.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Unaccompanied site visit – Advice on Amended Schemes - Meeting and Written advice	SR	Discretionary	£463.00	£482.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Building Control Advice - Written advice only	SR	Discretionary	£193.00	£201.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Building Control Advice - Meeting and Written advice	SR	Discretionary	£319.00	£332.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Heritage Advice - Written advice only	SR	Discretionary	£86.00	£89.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Unaccompanied site visit – Heritage Advice -Meeting only	SR	Discretionary	£86.00	£89.00
Small Scale Major Development – 10 up to 40 dwellings. Site area up to 0.5ha. 1000sqm - 4999sqm floor-space. Heritage Advice - Meeting and Written advice	SR	Discretionary	£170.00	£177.00
Large Scale Major Development – 41-99 Dwellings - Site are over 0.5ha. 5000sqm plus floor spaces - Meeting Only.	SR	Discretionary	£600.00	£624.00
Large Scale Major Development – 41-99 Dwellings - Site are over 0.5ha. 5000sqm plus floor spaces - Meeting and Written Advice	SR	Discretionary	£1,255.00	£1,305.00
Large Scale Major Residential Development – 41-99 Dwellings Site are over 0.5ha. 5000sqm plus floor spaces - Advice on Amended Schemes - Meeting Only	SR	Discretionary	£299.00	£311.00
Large Scale Major Residential Development – 41-99 Dwellings Site are over 0.5ha. 5000sqm plus floor spaces - Advice on Amended Schemes - Meeting and Written Advice	SR	Discretionary	£628.00	£653.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Large Scale Major Residential Development – 41-99 Dwellings - Building Control Advice - Written Advice	SR	Discretionary	£319.00	£332.00
Large Scale Major Residential Development – 41-99 Dwellings - Building Control Advice - Meeting and Written Advice	SR	Discretionary	£448.00	£466.00
Large Scale Major Residential Development – 41-99 Dwellings - Heritage Advice - Meeting Only	SR	Discretionary	£170.00	£177.00
Large Scale Major Residential Development – 41-99 Dwellings - Heritage Advice - Meeting and Written Advice	SR	Discretionary	£170.00	£177.00
Strategic Development – 100 plus dwellings or mixed use development that includes 1000sqm of non-residential floor space. Accompanied site visit.	SR	Discretionary	£1,973.00	£2,052.00
Strategic Development – 100 plus dwellings or mixed use development that includes 1000sqm of non-residential floor space. Advice on Amended Schemes	SR	Discretionary	£981.00	£1,020.00
Strategic Development – 100 plus dwellings or mixed use development that includes 1000sqm of non-residential floor space. Building Control Advice - Meeting and Written Advice	SR	Discretionary	£391.00	£407.00
Strategic Development – 100 plus dwellings or mixed use development that includes 1000sqm of non-residential floor space. Heritage Advice - Meeting and Written Advice	SR	Discretionary	£170.00	£177.00
High Hedge Complaint	SR	Discretionary	£510.00	£530.00
Admin Charge if we return application because information requested for validation is not provided within timescale - Householder	SR	Discretionary	£28.00	£29.00
Admin Charge if we return application because information requested for validation is not provided within timescale - Minor & Other Applications	SR	Discretionary	£57.00	£59.00
Admin Charge if we return application because information requested for validation is not provided within timescale - Major Applications	SR	Discretionary	£170.00	£177.00
Listed Building Advice for alteration or extension to a listed building or development within the curtilage if a listed building - On site Meeting (1 hour) plus written advice	SR	Discretionary	£170.00	£177.00
Listed Building Advice for alteration or extension to a listed building or development within the curtilage if a listed building - Site visit (No written advice)	SR	Discretionary	£109.00	£113.00
Registration and annual fee to be included on the register under the Self Build and Custom Housing Building Act 2015	OS	Discretionary	£23.00	£24.00
PLANNING APPLICATIONS				
See separate document for scale of fee for planning applications, determinations, certificates of lawful use or development and advertising consents				
Planning Portal Fees Legislation Link				

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
BUILDING REGULATION CHARGES				
TABLE 1 – Standard charges for new dwellings and flats up to 300m ² and not more than 3 storeys				
TABLE 2 – Standard domestic charges including extensions and conversions to an existing dwelling				
TABLE 3 – Standard Charges for other work under £100,000 including				
For works over £100,000, please contact Building Control for an individual quote.				
If your building work is defined as requiring an individual determined charge, please contact us on 01353 665555, email us at bcservices@eastcambs.gov.uk				
PLEASE NOTE THAT BUILDING CONTROL FEES FOR 2023-24 WERE APPROVED BY				
(ALL FEES ARE INCLUSIVE OF VAT UNLESS OTHERWISE STATED)				
TABLE 1 – NEW DWELLINGS/FLATS & DWELLINGS/FLATS FORMED BY CHANGE OF USE				
Full Plans Application/Plan Check Fee				
1 Dwelling	SR		£245.70	£255.50
2 Dwellings	SR		POA	POA
2+ Dwellings	SR		POA	POA
Full Plans Application Inspection Fee				
1 Dwelling	SR		£642.60	£668.30
2 Dwellings	SR		POA	POA
2+ Dwellings	SR		POA	POA
Building Notice Application (NO VAT)				
1 Dwelling	OS		£945.00	£982.80
2 Dwellings	OS		POA	POA
2+ Dwellings	OS		POA	POA
Regularisation Application (No VAT)				
1 Dwelling	OS		£992.25	£1,031.95
2 Dwellings	OS		POA	POA
2+ Dwellings	OS		POA	POA
Electrical Check & Testing				
1 Dwelling	SR		POA	POA
2 Dwellings	SR		POA	POA
2+ Dwellings	SR		POA	POA
TABLE 2 – DOMESTIC EXTENSIONS AND CONVERSIONS				
Extension or annex with floor area not exceeding 10m¹				
Full Plans Application Plan Check Fee	SR		£189.00	£196.55
Full Plans Application Inspection Fee's	SR		£378.00	£393.10
Building Notice Application	SR		£604.80	£629.00
Regularisation Application No VAT	OS		£655.20	£681.40

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Extension or annex with floor area exceeding 10m2 but not exceeding 40m2				
Full Plans Application Plan Check Fee	SR		£189.00	£196.55
Full Plans Application Inspection Fee's	SR		£453.60	£471.75
Building Notice Application	SR		£737.10	£766.60
Regularisation Application No VAT	OS		£798.53	£830.45
Extension or annex with floor area exceeding 40m2 but not exceeding 100m2				
Full Plans Application Plan Check Fee	SR		£226.80	£235.85
Full Plans Application Inspection Fee's	SR		£604.80	£627.00
Building Notice Application	SR		£907.20	£943.50
Regularisation Application No VAT	OS		£982.80	£1,022.10
A building or extension comprising solely of a garage, carport or store the total floor area not exceeding 60m2				
Full Plans Application Plan Check Fee	SR		£189.00	£196.55
Full Plans Application Inspection Fee's	SR		£302.40	£314.50
Building Notice Application	SR		£548.10	£570.00
Regularisation Application No VAT	OS		£573.30	£596.25
First or second floor loft conversions with a floor area not exceeding 100m2				
Full Plans Application Plan Check Fee	SR		£207.90	£216.20
Full Plans Application Inspection Fee's	SR		£378.00	£393.10
Building Notice Application	SR		£699.30	£737.25
Regularisation Application No VAT	OS		£757.58	£787.90
Garage conversion up to 60m2				
Full Plans Application Plan Check Fee	SR		£132.30	£137.60
Full Plans Application Inspection Fee's	SR		£302.40	£314.50
Building Notice Application	SR		£453.60	£471.75
Regularisation Application No VAT	OS		£476.28	£495.35
Electrical Check & Testing			POA	POA
conversions only. Where it is intended to carry out other alterations at the same time as the extension, the charges outlined in Table 3				
TABLE 3 – DOMESTIC ALTERATIONS				
Renovation of a thermal element				
Full Plans Application Plan Check fee	SR		£151.20	£157.25
Plan Check fee Full Plans Application	SR		£0.00	£0.00
Building Notice Application	SR		£151.20	£157.25
Regularisation Application No VAT	OS		£163.80	£170.35
Replacement of windows, roof lights, roof windows or external glazed doors				
Full Plans Application Plan Check fee	SR		£132.30	£137.60
Plan Check fee Full Plans Application	SR		£0.00	£0.00
Building Notice Application	SR		£132.30	£137.60
Regularisation Application No VAT	OS		£143.33	£149.05
Replacement Boiler/New wood burner				
Full Plans Application Plan Check fee	SR		£151.20	£157.25
Plan Check fee Full Plans Application	SR		£0.00	£0.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Building Notice Application	SR		£151.20	£157.25
Regularisation Application No VAT	OS		£163.80	£170.35
Renewable Energy systems/installation of wood burner				
Full Plans Application Plan Check fee	SR		£151.20	£157.25
Plan Check fee Full Plans Application	SR		£0.00	£0.00
Building Notice Application	SR		£151.20	£157.25
Regularisation Application No VAT	OS		£163.80	£170.35
Alterations with a cost up to £5,000				
Full Plans Application Plan Check fee	SR		£283.50	£294.85
Plan Check fee Full Plans Application	SR		£0.00	£0.00
Building Notice Application	SR		£283.50	£294.85
Regularisation Application No VAT	OS		£307.13	£319.40
Alterations exceeding £5,000 but not exceeding £10,000				
Full Plans Application Plan Check fee			£189.00	£196.55
Plan Check fee Full Plans Application			£226.80	£235.85
Building Notice Application			£415.80	£432.45
Regularisation Application No VAT			£450.45	£468.45
Alterations exceeding £10,000 but not exceeding £20,000				
Full Plans Application Plan Check fee	SR		£189.00	£196.55
Plan Check fee Full Plans Application	SR		£302.40	£314.50
Building Notice Application	SR		£529.20	£550.35
Regularisation Application No VAT	OS		£573.30	£596.25
Alterations exceeding £20,000 but not exceeding £50,000				
Full Plans Application Plan Check fee	SR		£189.00	£196.55
Plan Check fee Full Plans Application	SR		£415.80	£432.45
Building Notice Application	SR		£680.40	£707.60
Regularisation Application No VAT	OS		£737.10	£766.60
Alterations exceeding £50,000 but not exceeding £100,000				
Full Plans Application Plan Check fee	SR		£226.80	£235.85
Plan Check fee Full Plans Application	SR		£529.20	£550.35
Building Notice Application	SR		£831.60	£864.85
Regularisation Application No VAT	OS		£848.93	£882.90
Electrical work up to a value of £10,000				
Full Plans Application Plan Check fee	SR		£264.60	£275.20
Plan Check fee Full Plans Application	SR		£0.00	£0.00
Building Notice Application	SR		£264.60	£275.20
Regularisation Application No VAT	OS		£286.65	£298.10
Drainage works with a cost up to £5,000				
Full Plans Application Plan Check fee	SR		£151.20	£157.25
Plan Check fee Full Plans Application	SR		£0.00	£0.00
Building Notice Application	SR		£151.20	£157.25
Regularisation Application No VAT	OS		£163.80	£170.35
Electrical Check & Testing				
			POA	POA

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
STREET NAMING & NUMBERING				
Property name additions/amendments/removals	OS	Discretionary	£57.00	£59.30
Naming of new streets	OS	Discretionary	£170.00	£176.80
Numbering of new properties				
1 property	OS	Discretionary	£57.00	£59.30
2 – 5 properties	OS	Discretionary	£86.00	£89.45
6 – 10 properties	OS	Discretionary	£113.00	£117.50
11 – 25 properties	OS	Discretionary	£170.00	£176.80
26 – 50 properties	OS	Discretionary	£284.00	£295.35
51 – 100 properties	OS	Discretionary	£455.00	£473.20
101 + properties	OS	Discretionary	£567.00	£589.70
			Plus £11.25 per property over 101	Plus £11.70 per property over 102
Division of properties – same as numbering of new properties (and based on number of properties created including the original)	OS	Discretionary	See numbering of new properties	See numbering of new properties
Confirmation of address to solicitors / conveyancers / occupiers or owners	OS	Discretionary	£28.00	£29.10
Renumbering of scheme following development replan (after notification of numbering scheme issued)	OS	Discretionary	£109.00 + £11.25 per property	£113.40 + £11.70 per property
Address issued/confirmed when replacement property built (as the original address will have been removed following the demolition as address may be different to original property) reactivation of address	OS	Discretionary	£55.50 per property	£57.70 per property
1 st set of nameplates erected for each new street if one nameplate required	OS	Discretionary	£255.00	£265.20
1 st set of nameplates erected for each new street if two nameplates required	OS	Discretionary	£369.00	£383.75
For each additional nameplate that is required to be erected at other junctions and entrances onto the new street	OS	Discretionary	£113.00	£117.50
Challenges/requests/revisions to existing street naming and numbering schemes	OS	Discretionary		
E-SPACE BUSINESS CENTRES				
Ely – Annual rental charge per square foot (effective for new leases and on renewals)	SR	Discretionary	£34.00	£35.50
Littleport – Annual rental charge per square foot (effective on new leases and on renewals)	SR	Discretionary	£22.50	£22.50
PHOTOCOPYING CHARGES				
Up to 10 A4 pages	SR	Discretionary	No charge	No charge
11 A4 pages and over	SR	Discretionary	£1.30 plus 10p per copy	£1.35 plus 10p per copy
A3 copies (2xA4)	SR	Discretionary	As above plus 20p per copy	As above plus 20p per copy

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
A2 copies (4xA4)	SR	Discretionary	As above plus 40p per copy	As above plus 40p per copy
A1 copies (8xA4)	SR	Discretionary	As above plus 80p per copy	As above plus 80p per copy
Copy of Building Control Completion Certificate			£11.35	£11.80
<u>ENVIRONMENTAL SERVICES</u>				
Safer Food Better Business Mentoring Scheme	SR	Discretionary	£57 per hour	N/A
Safer Food Better Business Packs				
Collected		Discretionary	£15.00	£17.00
Posted		Discretionary	£17.00	£19.00
Safer Food Better Business Packs Diary refill				
Collected		Discretionary	£7.00	£8.00
Posted		Discretionary	£9.00	£10.00
Re-rating inspection fee for food business	OS	Discretionary	£150.00	£156.00
<u>LICENCING</u>				
PLEASE NOTE THAT LICENCING FEES FOR 2023-24 WERE APPROVED BY LICENCING HYPNOTISM				
Daily permit to stage a show	OS	Discretionary	£93.00	£93.00
GAMBLING ACT 2005				
Casino Premises Licence - Regional				
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£8,000.00	£8,000.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£15,000.00	£15,000.00
Annual fee	OS	Statutory	£15,000.00	£15,000.00
Fee for application to vary licence	OS	Statutory	£7,500.00	£7,500.00
Fee for application to transfer licence	OS	Statutory	£6,500.00	£6,500.00
Fee for application for reinstatement of a licence	OS	Statutory	£6,500.00	£6,500.00
Fee for application for provisional statement	OS	Statutory	£15,000.00	£15,000.00
Casino Premises Licence - Large				
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£5,000.00	£5,000.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£10,000.00	£10,000.00
Annual fee	OS	Statutory	£10,000.00	£10,000.00
Fee for application to vary licence	OS	Statutory	£5,000.00	£5,000.00
Fee for application to transfer licence	OS	Statutory	£2,150.00	£2,150.00
Fee for application for reinstatement of a licence	OS	Statutory	£2,150.00	£2,150.00
Fee for application for provisional statement	OS	Statutory	£10,000.00	£10,000.00
Casino Premises Licence - Small				
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£3,000.00	£3,000.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Maximum non conversion application fee in respect of other premises	OS	Statutory	£8,000.00	£8,000.00
Annual fee	OS	Statutory	£5,000.00	£5,000.00
Fee for application to vary licence	OS	Statutory	£4,000.00	£4,000.00
Fee for application to transfer licence	OS	Statutory	£1,800.00	£1,800.00
Fee for application for reinstatement of a licence	OS	Statutory	£1,800.00	£1,800.00
Fee for application for provisional statement	OS	Statutory	£8,000.00	£8,000.00
Casino Premises Licence - Converted				
Maximum conversion application fee for non fast track application	OS	Statutory	£2,000.00	£2,000.00
Annual fee	OS	Statutory	£3,000.00	£3,000.00
Fee for application to vary licence	OS	Statutory	£2,000.00	£2,000.00
Fee for application to transfer licence	OS	Statutory	£1,350.00	£1,350.00
Fee for application for reinstatement of a licence	OS	Statutory	£1,350.00	£1,350.00
Bingo Premises Licence				
Maximum conversion application fee for non fast track application	OS	Statutory	£1,750.00	£1,750.00
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£1,200.00	£1,200.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£3,500.00	£3,500.00
Annual fee	OS	Statutory	£1,000.00	£1,000.00
Fee for application to vary licence	OS	Statutory	£1,750.00	£1,750.00
Fee for application to transfer licence	OS	Statutory	£1,200.00	£1,200.00
Fee for application for reinstatement of a licence	OS	Statutory	£1,200.00	£1,200.00
Fee for application for provisional statement	OS	Statutory	£3,500.00	£3,500.00
Adult Gaming Premises Licence				
Maximum conversion application fee for non fast track application	OS	Statutory	£1,000.00	£1,000.00
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£1,200.00	£1,200.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£2,000.00	£2,000.00
Annual fee	OS	Statutory	£1,000.00	£1,000.00
Fee for application to vary licence	OS	Statutory	£1,000.00	£1,000.00
Fee for application to transfer licence	OS	Statutory	£1,200.00	£1,200.00
Fee for application for reinstatement of a licence	OS	Statutory	£1,200.00	£1,200.00
Fee for application for provisional statement	OS	Statutory	£2,000.00	£2,000.00
Betting Premises (Track) Licence				
Maximum conversion application fee for non fast track application	OS	Statutory	£1,250.00	£1,250.00
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£950.00	£950.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£2,500.00	£2,500.00
Annual fee	OS	Statutory	£1,000.00	£1,000.00
Fee for application to vary licence	OS	Statutory	£1,250.00	£1,250.00
Fee for application to transfer licence	OS	Statutory	£950.00	£950.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Fee for application for reinstatement of a licence	OS	Statutory	£950.00	£950.00
Fee for application for provisional statement	OS	Statutory	£2,500.00	£2,500.00
Family Entertainment Centre Premises Licence				
Maximum conversion application fee for non fast track application	OS	Statutory	£1,000.00	£1,000.00
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£950.00	£950.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£2,000.00	£2,000.00
Annual fee	OS	Statutory	£750.00	£750.00
Fee for application to vary licence	OS	Statutory	£1,000.00	£1,000.00
Fee for application to transfer licence	OS	Statutory	£950.00	£950.00
Fee for application for reinstatement of a licence	OS	Statutory	£950.00	£950.00
Fee for application for provisional statement	OS	Statutory	£2,000.00	£2,000.00
Betting Premises (Other) Licence				
Maximum conversion application fee for non fast track application	OS	Statutory	£1,500.00	£1,500.00
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£1,200.00	£1,200.00
Maximum non conversion application fee in respect of other premises	OS	Statutory	£3,000.00	£3,000.00
Annual fee	OS	Statutory	£600.00	£600.00
Fee for application to vary licence	OS	Statutory	£1,500.00	£1,500.00
Fee for application to transfer licence	OS	Statutory	£1,200.00	£1,200.00
Fee for application for reinstatement of a licence	OS	Statutory	£1,200.00	£1,200.00
Fee for application for provisional statement	OS	Statutory	£3,000.00	£3,000.00
Temporary Use Notices				
Temporary Use Notice fee	OS	Statutory	£500.00	£500.00
Replacement of an endorsed copy	OS	Statutory	£25.00	£25.00
All premises licences				
Change of circumstances fee	OS	Statutory	£50.00	£50.00
Fee for a copy licence	OS	Statutory	£25.00	£25.00
GAMBLING ACT 2005 PERMITS				
Family Entertainment Centre Gaming Machine Permit				
Application fee	OS	Statutory	£300.00	£300.00
Renewal	OS	Statutory	£300.00	£300.00
Change of name	OS	Statutory	£25.00	£25.00
Copy of permit	OS	Statutory	£15.00	£15.00
Club Gaming Permits				
Application fee - holder of club premises certificate or holder of existing Pt 2 or 3 registration under Gaming Act 1968	OS	Statutory	£100.00	£100.00
Application fee – non club premises certificate holder	OS	Statutory	£200.00	£200.00
Renewal after 10 years	OS	Statutory	£200.00	£200.00
Copy of permit	OS	Statutory	£15.00	£15.00
Variation	OS	Statutory	£100.00	£100.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Club Machine Permits				
Application fee - holder of club premises certificate or holder of existing Pt 2 or 3 registration under Gaming Act 1968	OS	Statutory	£100.00	£100.00
Application fee – non club premises certificate holder	OS	Statutory	£200.00	£200.00
Renewal after 10 years	OS	Statutory	£200.00	£200.00
Copy of permit	OS	Statutory	£15.00	£15.00
Variation	OS	Statutory	£100.00	£100.00
Alcohol Licensed Premises – 2 or less machines				
Notification fee	OS	Statutory	£50.00	£50.00
Alcohol Licensed Premises – more than 2 machines				
Application fee	OS	Statutory	£150.00	£150.00
Annual fee	OS	Statutory	£50.00	£50.00
Change of name	OS	Statutory	£25.00	£25.00
Copy of permit	OS	Statutory	£15.00	£15.00
Variation	OS	Statutory	£100.00	£100.00
Transfer	OS	Statutory	£25.00	£25.00
Prize Gaming Permits (pubs)				
Application fee	OS	Statutory	£300.00	£300.00
Renewal	OS	Statutory	£300.00	£300.00
Change of name	OS	Statutory	£25.00	£25.00
Copy of permit	OS	Statutory	£15.00	£15.00
Registration Of Small Society Lotteries				
Lottery registration	OS	Statutory	£40.00	£40.00
Lottery renewals	OS	Statutory	£20.00	£20.00
HACKNEY CARRIAGE AND PRIVATE HIRE FEES				
New Driver Licence Application for 12 months				
Joint Hackney Carriage <u>and</u> Private Hire (incl. 1st knowledge test)	OS	Discretionary	£229.00	£229.00
Knowledge Test Re-sit	OS	Discretionary	£32.00	£32.00
Renewal of Driver Licence Application for 12 months				
Joint Hackney Carriage <u>and</u> Private Hire	OS	Discretionary	£175.00	£175.00
New Driver Licence Application for 36 months				
Joint Hackney Carriage <u>and</u> Private Hire (incl. 1st knowledge test)	OS	Discretionary	£579.00	£579.00
Renewal of Driver Licence Application for 36 months				
Joint Hackney Carriage <u>and</u> Private Hire	OS	Discretionary	£525.00	£525.00
Conversion of Private Hire to Joint Private Hire/Hackney Carriage Driver Licence				
Conversion Fee	OS	Discretionary		£30.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
General driver fees				
Three yearly Criminal Records Bureau disclosure		Discretionary	N/A	N/A
DVLA check		Discretionary	£5.00	£5.00
New Vehicle (Plate) Licence Application				
Private Hire Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
Hackney Carriage Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
Renewal Vehicle (Plate) Licence Application				
Private Hire Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
Hackney Carriage Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
Transfer of Vehicle Plate/licence				
Private Hire	OS	Discretionary	£35.00	£35.00
Hackney Carriage	OS	Discretionary	£25.00	£25.00
Variation of Vehicle Plate/licence				
Private Hire	OS	Discretionary	£35.00	£35.00
Hackney Carriage	OS	Discretionary	£35.00	£35.00
Private Hire Operator's Licence				
New & Renewal - 1 year - Single vehicle	OS	Discretionary	£126.00	£126.00
New & Renewal - 1 year - 2 to 5 vehicles	OS	Discretionary	£156.00	£156.00
New & Renewal - 1 year - 6 to 10 vehicles	OS	Discretionary	£186.00	£186.00
New & Renewal - 1 year - 11 + vehicles	OS	Discretionary	£216.00	£216.00
New & Renewal - 5 year - Single vehicle	OS	Discretionary	£627.00	£627.00
New & Renewal - 5 year - 2 to 5 vehicles	OS	Discretionary	£737.00	£737.00
New & Renewal - 5 year - 6 to 10 vehicles	OS	Discretionary	£847.00	£847.00
New & Renewal - 5 year - 11 + vehicles	OS	Discretionary	£957.00	£957.00
Replacement Items (charge applicable per licence)				
Joint P/H & H/C Licence	OS	Discretionary	£10.50	£10.50
P/H or H/C Vehicle Licence	OS	Discretionary	£10.50	£10.50
Private Hire Operator Licence	OS	Discretionary	£10.50	£10.50
Joint P/H and H/C Driver Badge/ID	OS	Discretionary	£10.50	£10.50
P/H or H/C Vehicle Plate	OS	Discretionary	£20.00	£20.00
Joint P/H and H/C Driver change of address	OS	Discretionary	£10.50	£10.50
P/H and H/C Vehicle change of address	OS	Discretionary	£10.50	£10.50
Theft, loss etc of a licence	OS	Discretionary	£10.50	£10.50
Replacement door sticker	OS	Discretionary	£6.00	£6.00
DBS update service check	OS	Discretionary	£5.00	£5.00
Knowledge test re-sit fee	OS	Discretionary	£32.00	£32.00
DBS enhanced check (where no DBS update service option available)	OS	Discretionary	N/A	£51.80
DVLA licence check	OS	Discretionary	£5.00	£5.00
PARK HOMES / CARAVAN SITES / MOBILE HOMES				
Costs of New Applications				
1-5 pitches	OS	Discretionary	£235.00	£244.50
6-10 pitches	OS	Discretionary	£259.00	£269.50
11-20 pitches	OS	Discretionary	£259.00	£269.50
21-50 pitches	OS	Discretionary	£279.27	£290.50
51-100 pitches	OS	Discretionary	£301.21	£313.25
Greater than 100 pitches	OS	Discretionary	£301.21	£313.25

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Annual Inspection Fees				
1-5 pitches	OS	Discretionary	nil	nil
6-10 pitches	OS	Discretionary	£255.41	£265.75
11-20 pitches	OS	Discretionary	£255.41	£265.75
21-50 pitches	OS	Discretionary	£255.41	£265.75
51-100 pitches	OS	Discretionary	£299.07	£311.00
Greater than 100 pitches	OS	Discretionary	£299.07	£311.00
Cost of Laying Site Rules	OS	Discretionary	£31.03	£32.25
Cost of Variation / Transfer	OS	Discretionary	£113.42	£118.00
Fit and Proper Person	OS	Discretionary	£246.17	£256.00
ZOO LICENCE				
New establishment (excl. VET fees)	OS	Discretionary	£2,415.00	£2,415.00
Renewal (excl. VET fees)	OS	Discretionary	£2,070.00	£2,070.00
Theft, loss etc of a licence	OS	Discretionary	£10.50	£10.50
Change of name on licence	OS	Discretionary	£10.50	£10.50
Change of licence details	OS	Discretionary	£10.50	£10.50
ANIMAL WELFARE LICENCE				
Animal Welfare Licence - New and renewal applications	OS	Discretionary	£290.00 - £2,490	£290.00 - £2,490
Re-rating inspection fee	OS	Discretionary	£72.00 - £168.00	£72.00 - £168.00
Variation requiring inspection	OS	Discretionary	£72.00 - £168.00	£72.00 - £168.00
Copy licence, change of details not requiring inspection	OS	Discretionary	£10.50	£10.50
DANGEROUS WILD ANIMALS (2 YR LICENCE)				
New establishment (excl. VET fees)	OS	Discretionary	£648.00	£648.00
Renewal applications (excl. VET fees)	OS	Discretionary	£648.00	£648.00
Theft, loss etc of a licence	OS	Discretionary	£10.50	£10.50
Change of name on licence	OS	Discretionary	£10.50	£10.50
Change of licence details	OS	Discretionary	£10.50	£10.50
STRAY DOGS				
Stray Dog Collection - per dog	OS	Statutory	£25.00	£25.00
Kennelling Charge per night/or few hours	OS	Discretionary	£18.00	£18.75
Stray dog collection (anytime)	OS	Discretionary	£56.00	£58.25
Transfer to Woodgreen	OS	Discretionary	£45.00	£46.75
Admin Fee	OS	Discretionary	£11.00	£11.50
PRIVATE WATER SUPPLY SAMPLING				
Risk Assessment (each assessment) - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £500.00	Max £500.00
Sampling (each visit) - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £100.00	Max £100.00
Investigation (each investigation) - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £100.00	Max £100.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Granting an authorisation (each authorisation) - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £100.00	Max £100.00
Analysing a sample				
Taken under Regulation 10 - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £25.00	Max £25.00
Taken during check monitoring - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £100.00	Max £100.00
Taken during audit monitoring - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £500.00	Max £500.00
IMMIGRATION HOUSING INSPECTIONS				
Production of housing condition reports	OS	Discretionary	£123.00	£128.00
LICENSING OF HOUSES IN MULTIPLE OCCUPATION				
Mandatory licence for 5 years	OS	Discretionary	£353.00	£367.00
SKIN PIERCING (ACUPUNCTURE, TATTOOING, PERMANENT AND SEMI PERMANENT SKIN COLOURING)				
Premises	OS	Discretionary	£190.00	£190.00
Per Individual	OS	Discretionary	£190.00	£190.00
Amendment of Export health or skin piercing certificate	OS	Discretionary	£11.00	£11.00
SEX ESTABLISHMENTS				
Application	OS	Discretionary	£3,761.00	£3,761.00
Renewal	OS	Discretionary	£1,880.50	£1,880.50
Variation	OS	Discretionary	£1,880.50	£1,880.50
Transfer	OS	Discretionary	£1,880.50	£1,880.50
Theft, loss etc of a licence	OS	Discretionary	£10.50	£10.50
TRAVELLER SITE RENTS				
Earith Bridge – Site Rent per week	EX	Discretionary	£91.00	£91.00
Earith Bridge – Water & Waste Charge per week	EX	Discretionary	£11.00	£11.00
Wentworth – Site Rent per week	EX	Discretionary	£91.00	£91.00
Wentworth – Water & Waste Charge per week	EX	Discretionary	£11.00	£11.00
STREET TRADING				
Street Trading - Consent - Annual	OS	Discretionary	£520.00 - £1,040.00	£520.00 - £1,040.00
Street Trading-- Consent - Daily Permit	OS	Discretionary	£15.00 - £30.00	£15.00 - £30.00
Street Trading - Consent - Transfer	OS	Discretionary	£48.00	£48.00
Street Trading Consent - Event	OS	Discretionary	£20.00 - £500.00	£20.00 - £500.00
THE POLLUTION PREVENTION & CONTROL ACT 1990 ENVIRONMENTAL PERMITTING REGULATIONS 2010				
See link for nationally set figures Environment Permitting Regulations		Statutory		
LICENSING ACT 2003				
Personal Licence				
Application for a grant of a personal licence	OS	Statutory	£37.00	£37.00
Theft, loss etc of a personal licence	OS	Statutory	£10.50	£10.50

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Temporary Event Notices				
Temporary & Late Temporary Event Notices	OS	Statutory	£21.00	£21.00
Theft, loss etc of Temporary Event Notice	OS	Statutory	£10.50	£10.50
Premises Licence				
Application for transfer of a premises licence	OS	Statutory	£23.00	£23.00
Theft, loss etc of premises licence	OS	Statutory	£10.50	£10.50
Loss of premises summary	OS	Statutory	£10.50	£10.50
Application to vary licence to specify individual as designated premises supervisor (DPS)	OS	Statutory	£23.00	£23.00
Application to dis-apply designated premises supervisor (DPS) on community premises	OS	Statutory	£23.00	£23.00
Club Premises				
Change of relevant registered address of club	OS	Statutory	£10.50	£10.50
Notification of change of name or alteration of club rules	OS	Statutory	£10.50	£10.50
Theft, loss etc of club certificate	OS	Statutory	£10.50	£10.50
General				
Minor variation to a premises licence or club premises certificate	OS	Statutory	£89.00	£89.00
Notification of change of name or address	OS	Statutory	£10.50	£10.50
Duty to notify change of name or address	OS	Statutory	£10.50	£10.50
Application fee for a provisional statement where premises being built	OS	Statutory	£315.00	£315.00
Interim authority notice following death etc of licence holder	OS	Statutory	£23.00	£23.00
Right of freeholder etc to be notified of licensing matters	OS	Statutory	£21.00	£21.00
New Premises Licence Applications And Variations For Premises And Club Premises Licences				
Band A	OS	Statutory	£100.00	£100.00
Band B	OS	Statutory	£190.00	£190.00
Band C	OS	Statutory	£315.00	£315.00
Band D	OS	Statutory	£450.00	£450.00
Band D when primary business Alcohol Sales x 2	OS	Statutory	£900.00	£900.00
Band E	OS	Statutory	£635.00	£635.00
Band E when primary business Alcohol Sales x 3	OS	Statutory	£1,905.00	£1,905.00
Premises Annual Renewal				
Band A	OS	Statutory	£70.00	£70.00
Band B	OS	Statutory	£180.00	£180.00
Band C	OS	Statutory	£295.00	£295.00
Band D	OS	Statutory	£320.00	£320.00
Band D when primary business Alcohol Sales x 2	OS	Statutory	£640.00	£640.00
Band E	OS	Statutory	£350.00	£350.00
Band E when primary business Alcohol Sales x 3	OS	Statutory	£1,050.00	£1,050.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Additional Fees For Large Venues And Events				
Number in attendance at any one time				
5,000 – 9,999	OS	Statutory	£1,000.00	£1,000.00
10,000 – 14,999	OS	Statutory	£2,000.00	£2,000.00
15,000 – 19,999	OS	Statutory	£4,000.00	£4,000.00
20,000 – 29,999	OS	Statutory	£8,000.00	£8,000.00
30,000 – 39,999	OS	Statutory	£16,000.00	£16,000.00
40,000 – 49,999	OS	Statutory	£24,000.00	£24,000.00
50,000 – 59,999	OS	Statutory	£32,000.00	£32,000.00
60,000 – 69,999	OS	Statutory	£40,000.00	£40,000.00
70,000 – 79,999	OS	Statutory	£48,000.00	£48,000.00
80,000 – 89,999	OS	Statutory	£56,000.00	£56,000.00
90,000 and over	OS	Statutory	£64,000.00	£64,000.00
SCRAP METAL DEALER LICENCE				
Initial Site Licence Fee	OS	Discretionary	£732.00	£732.00
Site Licence Renewal	OS	Discretionary	£600.00	£600.00
Initial Collectors Licence Fee	OS	Discretionary	£560.00	£560.00
Collectors Licence renewal.	OS	Discretionary	£450.00	£450.00
Variation for both licences.	OS	Discretionary	£120.00	£120.00
Theft, loss etc of a licence	OS	Discretionary	£10.50	£10.50
WASTE				
Bulky Waste				
Up to three household items	OS	Discretionary	£28.50	£30.25
Fridge or freezer	OS	Discretionary	£28.50	£30.25
Initial cost of bins for new residential properties (this is for each bin provided)	OS	Discretionary	£28.50	£30.25
Annual Garden Waste Wheeled Bin Licence - this is for an additional bin	OS	Discretionary	£53.50	£56.75
Delivery and Administration Charge for additional blue bin (one off charge)	SR	Discretionary	£28.50	£30.25
Fly Tipping Fee	OS	Statutory	£400.00	£400.00
Fixed Penalty Notices				
Dog Fouling			£80.00	£80.00
Littering			£150.00	£65 - £500
Graffiti			£150.00	£65 - £500
Fly Posting			£150.00	£65 - £500
Alarm Noise			£80.00	£80.00
Nuisance Parking			£100.00	£100.00
Abandoning a vehicle			£200.00	£200.00
Unauthorised distribution of free literature on designated land			£150.00	£150.00
Waste Duty of Care				
FPN for breach by house holder			£200.00	£120 - £600
FPN for breach by business			£300.00	£300.00
Illegal waste deposit				£120 - £1000
Waste carriers licence requirements - FPN for breach			£300.00	

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Housing Enforcement Civil Penalties - adopted by members as a result of the Public Sector Housing Enforcement Policy				
Specified offences under the Housing Act 2004		Statutory		Up to £30,000 (Sliding Scale)
Smoke and Carbon Monoxide Alarm (England) Regs 2015		Statutory		£500.00
1 st offence		Statutory		£1,000.00
2nd offence		Statutory		£5,000.00
Additional offences		Statutory		
Electrical Safety Standards in the Private Rented Sector(England) Regs 2020		Statutory		Up to £30,000 (Sliding Scale)
Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regs 2007		Statutory		£200.00
Minimum Energy Efficiency (Private Rented Property) (England and Wales) Regs 2015		Statutory		Up to £5000
Redress Scheme for Letting Agency Work and Property Management Work Requirement to Belong to a Scheme (England) Order 2014		Statutory		Up to £5000
ENVIRONMENTAL PROTECTION ACT PERMIT	OS	Statutory		
EXPORT CERTIFICATE OF HEALTH	OS	Discretionary	£105.00	£110.00
Amendment of Export Heath Certificate		Discretionary	£11.00	£11.00
<u>FACILITIES MANAGEMENT</u>				
GARAGE RENTS – ST JOHNS ROAD, ELY				
Monthly charge	SR	Discretionary	32.20 (Including VAT) plus RPI as at 1.1.23	36.89 (Including VAT) plus RPI as at 1.1.24
<u>LEGAL SERVICES</u>				
LLC1 ONLY	OS	Discretionary		
CON29(R) ONLY	SR	Discretionary	£145.25	£151.10
STANDARD SEARCH - LLC1 AND CON29(R)	SR/OS	Discretionary	£145.25	£151.10
CON29 OPTIONAL ENQUIRIES				
Q4 Road proposal by private bodies	SR	Discretionary		
Q5. Advertisements	SR	Discretionary	£11.66	£12.13
Q6 Completion Notices	SR	Discretionary	£15.30	£15.91
Q7 Parks and Countryside	SR	Discretionary	£11.66	£12.13
Q8 Pipelines	SR	Discretionary	£3.96	£4.12
Q9 Houses in Multiple Occupation	SR	Discretionary	£3.96	£4.12
Q10 Noise Abatement	SR	Discretionary	£3.42	£3.56

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
Q11 Urban Development Areas	SR	Discretionary	£11.66	£12.13
Q12 Enterprise Zones, Local Development Orders and BIDS	SR	Discretionary	£3.96	£4.12
Q13 Inner Urban Improvement Areas	SR	Discretionary	£3.96	£4.12
Q14 Simplified Planning Zones	SR	Discretionary	£11.66	£12.13
Q15 Land Maintenance Notices	SR	Discretionary	£11.66	£12.13
Q16 Mineral Consultation and Safeguarding Areas	SR	Discretionary	£5.56	£5.78
Q17 Hazardous Substance Consents	SR	Discretionary	£11.66	£12.13
Q18 Environmental and Pollution Notices	SR	Discretionary	£3.96	£4.12
Q19 Food Safety Notices	SR	Discretionary	£8.88	£9.24
Q20 Hedgerow Notices	SR	Discretionary	£3.96	£4.12
Q21 Flood Defence and Land Drainage Consents	SR	Discretionary	£5.78	£6.01
Q22 Common Land and Town or Village Green	SR	Discretionary	£11.45	£11.91
Additional Enquiries				
Additional Parcels of land	SR	Discretionary	£15.73	£16.36
Q24 Typed Enquiries	SR	Discretionary	£7.86	£8.18
CON29 ENQUIRIES				
1.1a-i Planning and Building Decisions and Pending			£10.81	£11.24
1.1 j-l Planning and Building Decisions and Pending			£4.60	£4.79
1.2 Planning designations and proposals			£1.07	£1.11
2.1 to 2.5 Roadways and footpaths			HIGHWAYS	HIGHWAYS
3.1 Other Matters - Is the property included in land required for public purposes	SR	Discretionary	£4.28	£4.45
3.2 Other Matters - Is the property included in land required for road works	SR	Discretionary	HIGHWAYS	HIGHWAYS
3.3 Drainage Matters			£3.21	£3.34
3.4 Nearby Road Schemes			HIGHWAYS	HIGHWAYS
3.5 Nearby Railway Schemes			HIGHWAYS	HIGHWAYS
3.6 Traffic Schemes			HIGHWAYS	HIGHWAYS
3.7 Outstanding Notices (a) (b) (c) (d) & (f) only			£6.96	£7.23
3.8 Contravention of Building Regulations			£3.00	£3.12
3.9 Notices, Orders, Direction and Proceedings under			£5.14	£5.34
3.10 Community Infrastructure Levy (CIL)			£8.56	£8.90
3.11 Conservation Area			£4.49	£4.67
3.12 Compulsory Purchase			£4.49	£4.67
3.13 Contaminated Land			£1.07	£1.11
3.14 Radon Gas			£2.14	£2.23
3.15 Assets of Community Value			£5.78	£6.01
REGISTER OF ELECTORS				
Sale of Copies of Register of Electors				
Data Form per 1000 electors or part of	OS	Statutory	£20.00 plus £1.50	£20.00 plus £1.50
Printed Form per 1000 electors or part of	OS	Statutory	£10.00 plus £5.00	£10.00 plus £5.00
List of Overseas Electors				
Data Form per 1000 electors or part of	OS	Statutory	£20.00 plus £1.50	£20.00 plus £1.50
Printed Form per 1000 electors or part of	OS	Statutory	£10.00 plus £5.00	£10.00 plus £5.00

EAST CAMBRIDGESHIRE DISTRICT COUNCIL

FEES AND CHARGES SCHEDULE 2024/25

Description	VAT	Discretionary or	Charge for 2023/24	Proposed Charge
LEGAL WORK				
Section 106 Agreements & Variations				
Hourly rates ***				
Director Legal Services	OS	Discretionary	£172.00	£178.88
Legal Assistant	OS	Discretionary	£140.00	£146.00
Senior Legal Assistant	OS	Discretionary	£151.00	£157.00
Land Charges Officer & Paralegal/Paralegal	OS	Discretionary	£57.00	£59.00
Information Officer	OS	Discretionary	£62.00	£64.50
Simple S106 - Standard Charge	OS	Discretionary	£1,225.00	£1,274.00
Easements (e.g. Car parking verges etc)				
Simple	OS	Discretionary	£770.00	£800.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
Conveyancing (e.g. POS, small parcels of land, small leases & Licences, etc)				
Simple	OS	Discretionary	£770.00	£800.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
Release of restrictive covenant				
Simple	OS	Discretionary	£770.00	£800.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
Miscellaneous Deeds				
Simple	OS	Discretionary	£770.00	£800.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
Prosecutions				
Car Parking	OS	Discretionary	£115 plus Legal Officer presentation time at court and disbursements – i.e. if have to travel to Court	£120 plus Legal Officer presentation time at court and disbursements – i.e. if have to travel to Court
Licence - Garage at St John's Road	OS	Discretionary	£125.00	£130.00
All prosecutions			See hourly rates above***	See hourly rates above***
Miscellaneous removal of charge from property	OS	Discretionary	£125.00	£130.00
Mortgages				
Redemptions	OS	Discretionary	£251.00	£261.00
Civil Cases	OS	Discretionary	See hourly rates above***	See hourly rates above***

Appendix 5

PARISH	COUNCIL TAX BASE Band D Eq Revised Band D for C/Tax discount scheme	2024-25	Band D
		PRECEPT £	Rate £
Ashley	240.0	20,060.00	83.61
Bottisham	881.4	69,976.00	79.47
Brinkley	152.6	9,706.00	63.63
Burrough Green	150.1	13,466.44	89.73
Burwell	2,504.3	233,250.00	93.15
Cheveley	951.6	80,000.00	84.15
Chippenham	226.5	15,400.00	68.04
Coveney	194.7		0.00
Dullingham	349.9	27,637.40	79.02
Ely, City of	7,601.2	678,600.00	89.28
Fordham	1,287.4	96,432.00	74.97
Haddenham	1,359.2	136,641.00	100.62
Isleham	988.1		0.00
Kennett	139.7	9,095.00	65.16
Kirtling and Upend	198.0	12,104.80	61.20
Little Downham	990.4		0.00
Little Thetford	286.6	22,238.00	77.67
Littleport	3,164.5	380,142.00	120.15
Lode	371.6	22,642.00	61.02
Mepal	397.7	54,400.00	136.80
Reach	146.9	14,700.00	100.08
Snailwell	86.5	10,436.00	120.69
Soham	3,945.6	441,334.00	111.87
Stetchworth	283.2	19,294.57	68.22
Stretham	743.5	87,680.96	117.99
Sutton	1,450.3	188,960.00	130.32
Swaffham Bulbeck	356.5	37,500.00	105.21
Swaffham Prior	376.8		0.00
Wentworth	68.9	10,180.95	147.78
Westley Waterless	81.8		0.00
Wicken	366.0	32,500.00	88.83
Wilburton	519.6	65,070.00	125.28
Witcham	186.0		0.00
Witchford	1,115.7	68,696.00	61.65
Wooditton	809.2	17,500.00	21.69
Whole Area/Average Tax Charge	32,972.0	2,875,643.12	

TITLE: FINANCE REPORT

Committee: Finance & Assets Committee

Date: 25th January 2024

Author: Director, Finance

Report No: Y116

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1.0 ISSUE

1.1 This report provides Members with budget monitoring information for services under the Finance & Assets Committee and then, as part of its corporate remit, for the Council as a whole.

2.0 RECOMMENDATION(S)

2.1 Members are requested to note:

- this Committee has a projected yearend underspend of £1,187,500 when compared to its approved revenue budget of £6,030,783.
- that overall the Council has a projected yearend underspend of £ 852,000 when compared to its approved revenue budget of £16,856,960.
- that the overall position for the Council on Capital is a projected outturn of £4,838,121, which is an underspend of £1,862,666 when compared to the revised budget.

3.0 BUDGET MONITORING

3.1 Under Financial Regulations, each policy committee is required to consider projections of financial performance against both its revenue and capital budget on a quarterly basis, with this Committee further considering the overall Council position.

3.2 This is the third report for the 2023/24 financial year and details actual expenditure incurred and income received as at 31st December 2023 and projections as to the yearend position at this time.

Revenue

3.3 Appendix 1 details the overall revenue position for both this Committee and the Council overall. In appendix 1 the budgets under the stewardship of this

Committee are shown in detail, with then, the position for the Operational Services Committee and the funding lines shown in summary.

3.4 The detailed revenue position for the Operational Services Committee is shown in appendix 2. There are five forecast yearend variances being reported at this time, with the net position being that the Committee is forecast to come in £547,000 overspent at yearend when compared to its net budget. The main factor leading to this is a £500,000 overspend on Planning where income levels are significantly lower than the level anticipated when the budget was built. Further details are included in the Budget Monitoring Report to be presented to Operational Services Committee on the 31st January 2024.

3.5 With regard to the Finance & Assets Committee, the significant variances of actual spend compared to profiled budgeted spend at the end of December 2023, where no variance is forecast for yearend, are detailed below:

Service	Variance £	Explanation
Asset Management	(£25,645)	This additional income relates to an easement granted for a property in Soham.
Cost of other Elections	(£37,337)	Rollover of income from external elections in previous years, will be refunded or put in reserve during 2023/24.
Local Plans	(£73,315)	Income from DLUHC in relation to Neighbourhood Plans was rolled forward and will be spent in 2023/24.
Parks & Gardens	£52,337	Expenditure will be funded from Section 106 grant at the end of the year.
Registration of Electors	(£36,939)	Rollover of grant income from 2022/23 will be used to fund work in the current year.

3.6 Explanations for the forecast yearend variances reported for this Committee are detailed in the table below:

Service	Variance £	Explanation
Corporate Management	(£50,000)	The 2022/23 external Audit is now expected to be less substantive than in previous years, therefore we expect the cost charged to be reduced.
Crematorium	£7,500	Expenditure has been incurred in this financial year moving the project forward to final business case

Economic Development	(£88,000)	Occupancy rates at the e-Space Centres in the first three quarters of the year were in advance of the level projected in the budget.
General Gang	(£30,000)	This results from a staff vacancy in the first nine months of the year.
Housing Benefits	(£5,000)	Because of timing issues, the 2023/24 budget for housing benefits reflects 2022/23 expenditure. 2023/24 spend information has now been calculated and the updated figures used to determine the forecast yearend position.
Housing Strategic	(£150,000)	This reflects staff savings in the first nine months of the year
HR	(£10,000)	The majority of the in-house training costs have been covered by other sources of funding, therefore there is an underspend on the budget.
Interest & Financial Transactions	(£800,000)	The Council is benefiting from improved interest rates on its treasury investments leading to higher receipts than budgeted.
Land Charges Admin	£25,000	The loss of income for LLC1 searches and a reduction in local Land Search fees overall has results in reduced income this year.
Legal	(£46,000)	Vacancies in the Legal Team have resulted in a saving on salaries this year.
Member & Committee Support	(£60,000)	This reflects vacancies within the department during the first nine months of the year.
Miscellaneous Properties	£28,000	Additional costs have been incurred and a reduction in rental income received while properties in Market Street were unoccupied.
Office Accommodation	(£29,000)	Business Rate relief has been received for the Grange resulting in this underspend.

Parking of Vehicles	£20,000	Car parking income collected is slowly getting back towards pre-covid levels but is still lower than had been forecast for the year to date.
Public Conveniences	£15,000	A requirement for increased standards of cleanliness since Covid have meant we have had to clean the toilets more frequently.
Reprographics	(£15,000)	Income has increased over the first nine months of the year.
Internal Drainage Board	(£61,500)	Additional Government support grant has been provided in 2023/24.
Business Rates	(£150,000)	We have two new solar farms in the district. The District Council retains 100% of Business Rates on Renewable Energy facilities resulting in this income being in advance of budget.

Capital

- 3.7 The Council's revised capital budget stands at £7,800,787; including £1,237,281 of slippage brought forward from 2022/23 and a reduction of £5,793 on Disability Facilities grant spend, where the capital element of the grant received from the County Council is lower than predicted in the budget.
- 3.8 The outturn position is forecast to be £4,838,121, an underspend of £1,862,666. The current forecast underspend relates to three projects:
- The purchase of Waste vehicles where the price agreed for the ten refuse collection vehicles is lower than that originally expected. See report to Operational Services Committee on the 27th March 2023. While this underspend is reported at this point, there remains the potential that some of it may be utilised following a review of small fleet requirements within ECSS.
 - The contingency budget set up for the purchase of new Waste bins, will not now be spent in 2023/24.
 - ECTC have provided a revised cashflow forecast which details that they will only be requiring to borrow £200,000 in this financial year as opposed to the revised budget of £1.3m.

4.0 TREASURY MANAGEMENT

- 4.1 Under revised Treasury Management requirements, as detailed in the CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021, councils are now required to report their treasury

management activity on a quarterly basis. While the Strategy, mid-year review and Yearend reports still need to go to Full Council, the reports at the end of quarter one and three only need to go to Committee. These reports are therefore included as part of this Finance Report at the end of these quarters.

- 4.2 The full treasury management up-date report is included as appendix 5, which details that the Council had cash holdings of £35,738,031 at the end of December 2023 and had received interest income during the first three quarters of £1,210,028. This being in excess of that forecast in the budget, due mainly to interest rates rising further than forecast when the budget was prepared. As detailed above the current forecast is for interest receipts to be £800,000 above budget at yearend.
- 4.3 To note, the economic up-date in the report reflects the position at the end of 31 December 2023.

5.0 ARGUMENTS/CONCLUSION(S)

- 5.1 The projected net revenue expenditure for the Council is forecast to be a £852,000 underspend compared to the Council's approved budget. This will be moved to the Surplus Savings Reserve at yearend.

6.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 6.1 There is a revenue underspend compared to this Council's approved budget, therefore all things being equal, this will be transferred to the Surplus Savings Reserve at year-end.
- 6.2 Equality Impact Assessment (EIA) is not required.
- 6.3 Carbon Impact Assessment (CIA) is not required.

7.0 APPENDICES

Appendix 1 – Summary Budget Monitoring Report – 31st December 2023

Appendix 2 – Operational Services Budget Monitoring Report – 31st December 2023

Appendix 3 – Capital Budget Monitoring Report – 31st December 2023

Appendix 4 – Reserve Balances – 31st December 2023

Appendix 5 – Treasury Management update – 31st December 2023

Background Documents:

Council Budget approved by Full Council on the 21st February 2023

FINANCE & ASSETS COMMITTEE BUDGET MONITORING REPORT - 31st December 2023

Revenue	Total Budget 2023-24	Profiled Budget to 31 December 2023	Actual to 31 December 2023	Variance	Forecast Outturn	Variance between Total Budget & Projected Outturn	Variance between Total Budget & Projected Outturn Sept 2023
	£	£	£	£	£	£	£
Asset Management	150,433	--	(25,645)	(25,645)	150,433		
Award Ditches	9,833	7,375	9,128	1,753	9,833		
Civic Relations	23,692	17,773	12,929	(4,844)	23,692		
Closed Churchyards	32,391	24,293	26,103	1,810	32,391		
Community Safety	--	--	--	--	--		
Community Transport	15,000	--	--	--	15,000		
Corporate Management	383,053	249,008	(139,139)	(388,147)	333,053	(50,000)	
Cost of Other Elections	--	--	(37,337)	(37,337)	--		
Council Tax Accounting	538,783	399,946	389,546	(10,400)	538,783		
Crematorium		--	7,210	7,210	7,500	7,500	
Data Management	110,822	83,119	92,257	9,138	110,822		
Depot Services	(71,008)	78,939	78,939	--	(71,008)		
Economic Development	107,877	85,358	216,459	131,101	19,877	(88,000)	(50,000)
Financial Services	295,597	207,851	204,931	(2,923)	295,597		
General Gang	99,271	74,755	34,647	(40,108)	69,271	(30,000)	(22,000)
Health & Safety (Work)	26,696	--	8,047	8,047	26,696		
Housing Benefits	410,147	290,681	416,562	125,881	405,147	(5,000)	(30,000)
Housing Strategic	192,954	247,207	164,141	(83,066)	42,954	(150,000)	(90,000)
Human Resources	242,675	211,851	181,869	(29,982)	232,675	(10,000)	
Interest & Financial Transactions	(660,452)	(422,776)	(1,086,647)	(663,871)	(1,460,452)	(800,000)	(700,000)
Internal Audit	80,038	60,029	55,408	(4,621)	80,038		
Land Charges Admin	(52,356)	(38,642)	(83,000)	(44,358)	(27,356)	25,000	
Legal	165,269	123,952	90,774	(33,178)	119,269	(46,000)	(25,000)
Local Elections	22,500	98,713	97,161	(1,552)	22,500		
Local Plans	145,111	71,333	(1,982)	(73,315)	145,111		
Management Team	771,860	576,685	585,955	9,270	771,860		
Member & Committee Support	629,577	472,093	415,256	(56,837)	569,577	(60,000)	(35,000)
Miscellaneous Properties	(46,649)	(34,987)	(10,188)	24,799	(18,649)	28,000	
Miscellaneous Finance	722,713	547,623	456,652	(90,971)	722,713		
Museums - Old Gaol House	--	--	(1,302)	(1,302)	--		
NNDR Collection Costs	47,266	109,056	104,328	(4,728)	47,266		
Office Accommodation	566,749	485,218	512,701	27,483	537,749	(29,000)	(35,000)
Oliver Cromwell House	--	--	--	--	--		
Out Of Hours call out Service	14,000	10,500	7,363	(3,137)	14,000		
Parking Of Vehicles	76,766	92,895	122,351	29,456	96,766	20,000	20,000
Parks And Gardens Team	357,589	486,573	538,910	52,337	357,589		
Payroll	92,770	77,026	83,935	6,909	92,770		
Public Conveniences	185,776	138,901	157,447	18,546	200,776	15,000	
Refuse Collection	--	16,576	16,576	--	--		
Registration of Electors	45,091	35,286	(1,653)	(36,939)	45,091		
Reprographics	156,130	122,559	97,282	(25,277)	141,130	(15,000)	(8,000)
Sport & Recreation	79,348	40,116	32,269	(7,847)	79,348		
Trees Preservation	63,471	47,603	100,394	52,791	63,471		
Additional Staff Costs			--	--	--		65,000
Finance & Assets Committee Total	6,030,783	5,094,491	3,930,637	(1,163,854)	4,843,283	(1,187,500)	(910,000)
Operational Services Committee	6,904,891	5,326,897	1,522,279	(3,804,618)	7,451,891	547,000	407,000
Other Spend							
Parish Precepts	3,000,653	4,500,980	3,000,653	(1,500,327)	3,000,653	--	--
Internal Drainage Boards	632,991	632,991	571,546	(61,445)	571,491	(61,500)	(104,000)
Movement in Corporate Reserves	287,642	143,821	--	(143,821)	287,642		
Revenue Budget Total	16,856,960	15,699,180	9,025,115	(6,674,065)	16,154,960	(702,000)	(607,000)
Funding							
Council Tax	(7,580,954)	(3,790,477)	--	3,790,477	(7,580,954)	--	--
Revenue Support Grant	(102,089)	(76,567)	(77,588)	(1,021)	(102,089)	--	--
Business Rates	(5,717,544)	(2,858,772)	--	2,858,772	(5,867,544)	(150,000)	(150,000)
Other Government Grants (NHB / RSG etc.)	(1,480,794)	(1,110,596)	(1,253,030)	(142,434)	(1,480,794)	--	--
Budgeted draw from Surplus Savings Reserve	(1,975,579)	--	--	--	(1,975,579)	--	--
	(16,856,960)	(7,836,412)	(1,330,618)	6,505,794	(17,006,960)	(150,000)	(150,000)
Revenue Total	--	7,862,768	7,694,497	(168,271)	(852,000)	(852,000)	(757,000)

CAPITAL BUDGET MONITORING 2023/24

Capital	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Actual at 31st December 2023 £	Forecast Outturn £	Variance between Revised Budget & Forecast £
OPERATIONAL SERVICES							
Conservation Area Schemes - 2nd round		27,506		27,506		27,506	0
Refuse & Cleansing Vehicles	2,775,000			2,775,000	1,931,148	1,912,334	(862,666)
Waste - Wheelied Bins	1,040,000			1,040,000	33,558	40,000	(1,000,000)
Mandatory Disabled Facilities Grants	697,299	928,801	(5,793)	1,620,307	456,149	1,620,307	0
Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst.	75,000			75,000	54,212	75,000	0
Vehicle Etc. Replacements	100,000			100,000	70,006	100,000	0
Leisure Centre				0	(18,038)	0	0
Operational Services Total	4,687,299	956,307	(5,793)	5,637,813	2,527,035	3,775,147	(1,862,666)
FINANCE & ASSETS							
Solar Panels on Council Buildings	100,000	50,000		150,000	49,900	150,000	0
Depot		636,624		636,624	229,003	636,624	0
A14 Contribution	82,000	(82,000)		0		0	0
Loan to EC CLT		76,350		76,350		76,350	0
New Loan Agreement with ECTC	1,700,000	(400,000)		1,300,000		200,000	(1,100,000)
Finance & Assets Total	1,882,000	280,974	0	2,162,974	278,903	1,062,974	0
Total	6,569,299	1,237,281	(5,793)	7,800,787	2,805,938	4,838,121	(1,862,666)

SOURCES OF FINANCING	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Variations £	Forecast Outturn £
Operational Services						
Grants / Contributions (DFG)	608,471	404,111	(5,793)	1,006,789		1,006,789
Capital Receipts	203,828	552,196		756,024	0	756,024
Borrowing	3,775,000	0		3,775,000	(2,662,666)	1,112,334
Section 106 / CIL	100,000	0		100,000	800,000	900,000
Operational Services Total	4,687,299	956,307	(5,793)	5,637,813	(1,862,666)	3,775,147
Finance & Assets						
Revenue Contributions	42,000	(42,000)		0		0
Capital Receipts	100,000	50,000		150,000		150,000
Section 106 / CIL	40,000	(40,000)		0		0
Borrowing	1,700,000	312,974	0	2,012,974	(1,100,000)	912,974
Finance & Assets Total	1,882,000	280,974	0	2,162,974	(1,100,000)	1,062,974
Capital Funding Total	6,569,299	1,237,281	(5,793)	7,800,787	(2,962,666)	4,838,121

Capital Resources Forecast	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Variations £	Outturn £
Balance Brought Forward	1,396,717	84,085		1,480,802		1,480,802
Add receipts from Sales of Assets	50,000			50,000	362,894	412,894
Less Capital Receipts Applied	(303,828)	(602,196)		(906,024)	0	(906,024)
Capital Reserves Carried Forward	1,142,889	(518,111)	0	624,778	362,894	987,672

Borrowing	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Variations £	Outturn £
Balance Brought Forward	10,012,611	114,065		10,126,676		10,126,676
Less MRP Applied	(327,765)			(327,765)	8,384	(319,381)
Repayment from ECTC				0	(1,000,000)	(1,000,000)
Add additional Borrowing Applied	5,475,000	312,974	0	5,787,974	(3,762,666)	2,025,308
Borrowing Carried Forward	15,159,846	427,039	0	15,586,885	(4,754,282)	10,832,603

Reserve Accounts

Description	2023/24			
	Opening Balance 1 April £	Transfers to Reserve £	Contributions from Reserve £	Forecast Balance 31 March £
District Elections	161,932		(85,117)	76,815
Historic Buildings Grants	6,190			6,190
Housing Conditions Survey	25,000	5,000		30,000
Change Management	231,558		(174,257)	57,301
Major Project Development	100,000		(30,000)	70,000
Surplus Savings Reserve	8,554,452	852,000	(1,975,579)	7,430,873
Vehicle Replacements	74,240			74,240
Sports Facilities Funding Reserve	288,000		(218,600)	69,400
IT	160,000	40,000	(100,000)	100,000
CIL Admin	217,069	70,000	(100,000)	187,069
Asset Management	12,679			12,679
Care and Repair	45,000			45,000
Community Fund Reserves	30,884			30,884
Housing	79,547			79,547
Affordable Housing	221,800		(7,545)	214,255
General Fund Balance	1,063,294	174,257		1,237,551
Commercial Invest to Save	20,000			20,000
CLT Grant Applications	20,000			20,000
Travellers' Sites	0	56,959		56,959
Enterprise Zone NNDR	738,418	287,642	(22,341)	1,003,719
Cambridgeshire Horizons - General	431,119			431,119
Growth and Infrastructure Fund	2,307,216		(1,100,000)	1,207,216
Exceptional Hardship Fund	2,637			2,637
Climate Change	70,999			70,999
Other				
CIL	10,435,509	2,736,323	(2,400,000)	10,771,832
Section 106 Agreements	3,467,395		(500,000)	2,967,395
Internal Borrowing	(10,126,676)	(2,025,308)	1,319,381	(10,832,603)
Total Reserves	18,638,263	2,196,873	(5,394,058)	15,441,078

TITLE: ASSETS UPDATE
Committee: Finance & Assets
Date: 25 January 2024
Author: Open Spaces & Facilities Manager
Report No: Y117

Contact Officer:
Spencer Clark, Open Spaces & Facilities Manager
Spencer.clark@eastcambs.gov.uk, 01354 665555

1.0 ISSUE

1.1. To receive an update on Council owned assets.

2.0 RECOMMENDATION(S)

- 2.1. Members are requested to:
- i) Note the update on Council owned assets, and
 - ii) Note the expenditure tracking sheet at Appendix 1.

3.0 BACKGROUND

- 3.1. On 30 March 2023 Finance & Assets Committee received a report detailing Council owned assets which provided a summary of each asset. This report provides an update to assets contained within that report.
- 3.2. The Asset Management budget expenditure tracking sheet at Appendix 1 identifies areas of planned spend and provides an update on actual spend to date. Members will continue to receive the expenditure tracking sheet as part of the Asset Update.

4.0 COUNCIL ASSETS UPDATE

- 4.1. Depot Improvement Project- The internal works are due to complete at the end of January 2024. A review of the works that need to be carried out externally are underway.
- 4.2. 72 and 74 Market Street, Ely- Works to the roof and garden (mostly paid for by the tenant) are now complete and the premises are now occupied.
- 4.3. St Marys Car Park- Works have been completed to repair the gullies in the car park. As previously advised, further work needed to be done to repair the collapsed drains. Additionally, the Council took the opportunity to make improvements to the disabled access of the footway. These works have resulted in a higher cost than originally intended (£32,900 as opposed to £7,500).
- 4.4. Soham Changing Pod (Changing Places Facility)- Ground works commenced on Monday 8 January 2024, and it is anticipated that the works will complete by 19

January 2024. The grant provider will need to 'sign off' the facility prior to it becoming operational.

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1. Financial information is provided in Appendix 1.
- 5.2. Equality Impact Assessment (EIA) not required.
- 5.3. Carbon Impact Assessment (CIA) not required.

6.0 APPENDICES

Appendix 1- Asset Spend Tracker

Background Documents:

Finance & Assets Committee- 30 March 2023- Assets Update and Assets Management Plan

Asset Management Budget

APPENDIX 1

Asset	Budgeted Expenditure	Nature of Work	Actual Expenditure	Notes
Public Car Parks				
	4,000.00	White Lining after resurfacing	54,750.00	Works completed
	42,500.00	Forehill Car Park surface repairs		
	1,500.00	St Marys wall repair	8,540.00	Completed
	7,500.00	St Marys renewal / repair of aco drains	32,900.00	Completed
	15,000.00	Replacement Drainage Gullies Newnham Street		Not commenced
Total Public Car Parks	70,500.00		96,190.00	
Closed Churchyards				
	£4,000.00	Burwell Church Lower section Limewash		Not commenced
	500.00	Burwell Wall repair - missing clunch	135.00	Completed
	42,000.00	Cheveley Closed Churchyard wall repairs b/fwd		In Progress
		Littleport Church - repair damaged wall & lamp column	948.28	Completed
		Swaffham Prior replacement post and rail fencing	3,867.60	Completed
Total Closed Churchyards	46,000.00		4,950.88	
Littleport Depot				
	295,500.00	Depot Improvement Plan		Ongoing
Total Littleport Depot	295,500.00		0.00	
Play Areas				
		Country Park New Flag Pole	1,840.00	Completed
Total Play Areas	0.00		1,840.00	
Public Conveniences				
	6,000.00	Annual Deep Cleaning of all Public Toilets	4,768.00	Completed
	5,000.00	Refurbishment as identified		Not commenced
Total Public Conveniences	11,000.00		4,768.00	
Public Footpaths/Open Spaces				
	10,000.00	Streetlight stability testing		Not commenced
Total Public Footpaths/Open Space	10,000.00		0.00	
The Grange				
	1,500.00	Gutter clearing	3,545.00	Completed
		Exit Barrier works - replacement motor	3,068.78	Completed
		Leaking roof repairs	7,693.61	Completed
Total The Grange	1,500.00		14,307.39	
Travellers Sites				
Total Travellers Site	0.00			
Unit 6 St Thomas Place				

Asset Management Budget

Total Unit 6 St Thomas Place	0.00		0.00	
Unit 8 St Thomas Place				
Total Unit 8 St Thomas Place	0.00		0.00	
70 Market Street, Ely				
	7,000.00	Installtion of secondary double glazing		Quotations being sought
Total 70 Market Street, Ely	7,000.00		0.00	
72 Market Street, Ely				
	9,000.00	Installation of secondary double glazing		Quotations being sought
	5,000.00	Decoration and minor alterations if required for new tenant	4,500.00	Complete
Total 72 Market Street, Ely	14,000.00		4,500.00	
74 Market Street, Ely				
	8,500.00	Installation of secondary double glazing		Quotations being sought
	10,000.00	Decoration and repairs to external windows	5,285.49	Completed
Total 74 Market Street, Ely (Registry Office)	18,500.00		5,285.49	

Asset Management Budget

Cemetery Lodge				
	12,505.00	External decoration (+Scaffold Hire)	12,505.00	Completed
	5,000.00	Minor roof repairs	1,785.00	Completed
Total Cemetery Lodge	17,505.00		14,290.00	
Ely Museum				
	1,000	Annual Gutter Cleaning	733.75	Completed
	200.00	EPC		Completed
Total Ely Museum	1,200.00		733.75	
St Johns Road Garages				
	10,000.00	Replacement garage door programme ongoing		Currently under review
		Clearance of drainage gullies	1,107.00	Completed
Total St Johns Road Garages	10,000.00		1,107.00	
The Old Barn, Littleport				
	200.00	EPC		
Total The Old Barn, Littleport	200.00		0.00	
Mepal Outdoor Centre				
	11,471.40	Site security cameras		Paid Monthly installments
Total Mepal Outdoor Centre	11,471.40		0.00	
Other				
	11,000.00	The Sluice refurbishment	13,568.05	Completed
		White lining of Riverside edge	600.00	Completed
		Riverside Emergency brickworks	3,434.20	Completed
Total Other	11,000.00		17,602.25	
Periodic Inspections, Surveys, Valuations & Misc. Projects				
Total Misc. Projects	0.00		0.00	
Valuation of Assets (end of year financial accounts)				
Total Valuation of Assets	0.00		0.00	

Total Budgeted Expenditure	525,376.40	Spend to Date	165,574.76
Asset Management Budget	170,194.00		
Depot Reserve	295,000.00		

TITLE: UK Shared Prosperity and Rural England Prosperity Business Grant Scheme

Committee: Finance & Assets Committee

Date: 25 January 2024

Author: Economic Development Manager

Report No: Y118

Contact Officer: Martin Smith

Economic Development Manager

Martin.smith@eastcambs.gov.uk 01353 616267, Room No. 12 The Grange, Ely

1.0 ISSUE

1.1. To approve the Councils proposed UK Shared Prosperity and Rural England Prosperity Business Grant Scheme as set out in Appendix 1.

2.0 RECOMMENDATION(S)

Members are requested to:

2.1. Approve the proposed grant funding arrangements for the scheme as detailed in Appendix 1

2.2. Agree the fund will open on Monday 1 April 2024 and close no later than Friday 27 September 2024 at 23:59hrs.

2.3. Agree that if the fund is fully utilised before the close date, the Council reserves the right to close the fund to pending or new applications.

3.0 BACKGROUND/OPTIONS

3.1. The Cambridge & Peterborough Combined Authority (CPCA) has allocated two funding streams to the Council:

- £208,000 allocated for revenue expenditure through the UK Shared Prosperity Fund (UKSPF).
- £102,511 allocated for capital expenditure through the Rural England Prosperity Fund (REPF).

3.2. The Rural England Prosperity Fund builds upon, and is complementary to, the UK Shared Prosperity Fund, which allows ECDC to utilise either or combine both, to offer grant funding to support businesses.

3.3. The scheme will support business growth across the district particularly prioritising applications that create new jobs and are innovative.

4.0 ARGUMENTS/CONCLUSION(S)

- 4.1. The scheme delivery model complies with funding requirements detailed in the UKSPF prospectus guidance set out by the Department for Levelling Up, Housing & Communities (DLUCH) and REPF prospectus guidance set out by Department for Environment Food & Rural Affairs (Defra).
- 4.2. The proposed grant scheme will support local businesses who are looking to scale and grow within the district with capital and/or revenue grants. The scheme will target businesses from start up to a maximum turnover (2022) of £10million.
- 4.3. The scheme aligns with the Councils service offer for businesses, as part of the Economic Development Service Delivery plan 2023/2024.

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1. There are no additional financial implications arising from this report.
- 5.2. Equality Impact Assessment (EIA) not required.
- 5.3. Carbon Impact Assessment (CIA) Will be completed by individual applicants and assessed as part of the funding application process.

6.0 APPENDICES

Appendix 1: UK Shared Prosperity and Rural England Prosperity Business Grant Scheme.

Background Documents:

None

East Cambridgeshire District Council

UK Shared Prosperity and Rural England Prosperity Business Grant Funding

1. Guidance & Introduction

This guidance sets out the criteria East Cambridgeshire Council (ECDC) will apply to applications for the award of the UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF). Funding available is £102.5k capital and £208k revenue respectively. The funding is allocated for the supporting local business investment priority within the district.

The programme is open to any existing SME business with a turnover of under £10million located in the East Cambridgeshire district.

Applicant businesses should have in place a strong business plan that:

- Demonstrates plans to grow the business.
- How funding will be used to support this growth.
- Where applicable how funding will support job creation including apprenticeships.
- How the funding will support the business to respond to market changes
- A clear delivery plan for the project that funding is supporting.
- How the funding will be of benefit to the wider local economy e.g. supply chains.

2. Businesses who are not eligible

The following businesses are ineligible:

- Businesses not based in East Cambridgeshire
- Businesses that have an annual turnover of £10million.
- Business that has received grant payments that equal the maximum permitted levels of UK Subsidy Control. (All applicants will be required to complete a Minimum Financial Assistance (MFA) declaration as part of their application).
- Businesses that are in administration, insolvent or when a striking off notice has been made.
- Intermediaries or agents acting on behalf of other businesses.
- Businesses that only exist to operate investment funding and other types of finance.
- Charities (unless applying through a trading arm that meets the above requirements).

3. Eligible Activities

To be considered eligible, **all** projects will be required to deliver at least one or more of the following outcomes:

- Create or safeguard jobs.
- Utilise new technologies or processes within the business.
- Bring new products to market.
- Demonstrate improvement in business productivity.

In addition, the following criteria apply to expenditure:

Eligible capital spends:

- Purchase of machines and associated tooling.
- Purchase of equipment that enhances productivity including technology and IT equipment (this includes associated software).
- Renovation/repurpose of buildings and building of new premises (NB planning consent must be in place at the time of the funding application).

Eligible revenue spends:

- Website redevelopment.
- Training.
- Marketing and promotional campaigns.
- Research.

What the programme cannot support:

- Payment of expenditure prior to the funding agreement date.
- Paying off debts or refinancing.
- Direct staff costs – salaries, travel, or subsistence.
- General business overheads and costs (i.e. rent and rates, utilities).
- The cost of any statutory, legislative obligations or other duties or requirements associated with the business).
- Non-bespoke business software.

4. Grant Funding Levels and Intervention Rates.

The total funding available is **£310,511**. This is split between £208,000 UKSPF and £102,511 REPF.

The minimum award available to any successful applicant is £5,000 and the maximum award is £30,000. Access to grant funding for those businesses who are approved will be up to a maximum of 80% of total the total project cost as part of the Full Application process, applicants will need to demonstrate that all project funding is in place.

5. Procurement of Equipment & Services.

Grants must be claimed within the agreed timetable outlined in the Grant Funding Offer. No commitment can be made by a grant applicant to a supplier of goods or services before a formal offer of funding has been agreed and confirmed in writing. Funding cannot be awarded for retrospective payments.

All grant payments are made as reimbursements to the applicant subject to the satisfactory provision of proof of expenditure as outlined in the grant funding agreement.

Net costs (excluding VAT) must be used when calculating the project value and submitted as such in the Funding Application form. Gross costs (including VAT) will

be permissible where a business is for whatever reason unable to reclaim VAT, (i.e. not VAT registered).

It is expected that applicants will provide three written comparable quotes for items of expenditure. It will be expected that the cheapest quotation will be selected as the preferred supplier. If the preferred supplier is not the cheapest quote a rationale must be provided with the Funding Application. Any expenditure incurred before the receipt of the formal offer letter is entirely at the applicant's own risk and is deemed ineligible expenditure for grant assistance.

6. Application process.

All capital and revenue grants will require an Expression of Interest (EOI) to be completed.

EOI's will be assessed for completeness and eligibility by the Economic Development team. The EOI will include a supporting statement (maximum 250 words) explaining why the applicant should receive the grant. The EOI will be scored against a standard scoring framework. If an EOI meets the minimum threshold the applicant will be invited to submit a Funding Application form.

Should an applicant be deemed ineligible for funding, they will be notified by email. The decision will be final.

Advice and guidance will be provided by the Economic Development team to applicants in completing their Funding Applications. Any enquiries regarding guidance should be directed to: kieran.carr@eastcambs.gov.uk

Funding Applications and any supporting information will be reviewed for completeness by the Economic Development team. Points for clarification will be made by email to the applicant and responses noted and included as part of the Funding Application.

Applicants will be informed within six weeks of receipt of their Funding Application as to whether they have been successful, and the value of the grant awarded. A formal Grant Funding Agreement will be issued and must be signed and returned by the applicant before any expenditure on the project detailed in the Funding Application can be committed or incurred.

The decision is considered final.

The Grant Funding Agreement will specify monitoring and reporting requirements specific to the outputs and outcomes of the successful project. This will include where appropriate evidence of:

- New jobs created.
- Jobs that have been safeguard or sustained.
- New products or techniques implemented.
- Demonstrate improvement in business productivity.

All successful applicants will be required to provide a project completion report as specified in the grant funding agreement.

An **Applicant Journey** diagram is detailed below.

7. Fixed & Major Assets

Where a funded project involves the purchase of a major fixed asset, the beneficiary must maintain an asset register. The asset register can be specific to the project or be included in a corporate asset register. The beneficiary will need to consult with the council regarding the disposal of any said asset within three years of the grant award. A fixed asset will be considered as £2,000 or more for equipment (excluding IT), machinery or £1,000 for IT equipment.

8. Advice on Taxation

Grant income received by a business is taxable therefore funding paid under this grant scheme will be subject to tax where applicable to the business.

9. UK Subsidy Control

As per 3, to be eligible for a grant, all applicant businesses must demonstrate that they meet the UK Subsidy Allowance rules by completing the MFA declaration – grants can only be awarded to compliant businesses.

It is a requirement of UK Subsidy Allowance rules that a grant may only be awarded when it produces an incentive effect. The grant is considered to have an **incentive effect** if it enables the beneficiary to carry out activities or projects which would not have been carried out in the absence of the grant aid. Grant funding may only be awarded if it has an incentive effect. It shall be considered to have an incentive effect if, before work on the project has begun, the intermediary, (East Cambridgeshire District Council), has verified that documentation prepared by the applicant establishes one or more of the following criteria:

- A material increase in the size of the project due to the aid.
- A material increase in the scope of the project due to the aid.
- A material increase in the total amount spent by the beneficiary on the project due to the aid.
- A material increase in the speed of completion of the project concerned; or that the project would not have been carried out in East Cambridgeshire in the absence of the aid.
- The applicant must also be able to demonstrate additionality convincingly, confirming that without grant assistance the project would not be undertaken or, with reference to the scale, timing, or location -any payment to an applicant will impact the applicant's project such that one or more of the following will apply:
 - A material increase in the size of the project/activity due to the provision of State Funds.
 - A material increase in the scope of the project/activity due to the provision of State Funds.
 - A material increase in the total amount spent by the beneficiary on the project/activity due to the provision of State Funds or a material increase in the speed of completion of the project/activity concerned.

- With regards to regional aid, that the project would not have been carried out as such in the location concerned in the absence of the State Funds.

More information on UK Subsidy Control can be found [here](#).

10. Fraud

As part of the application process, due diligence checks will be carried out for all applicants. These will include credit checks, bankruptcy, county court judgements and director disqualifications.

Any business caught falsifying their records to gain grant payments may face prosecution and any funding issued will be subject to claw back, as may any grants paid in error. Applicant businesses will be expected to complete a declaration that confirms the applicant has:

- Read and understood all documents about this scheme, including all information about eligibility.
- Provided true, accurate and complete information to support the application.
- Understood that, by giving wrong or incomplete information, which is known to be misleading, the applicant may be committing a criminal offence and could face prosecution.
- Understood that ECDC will investigate all applications where they suspect fraud, will check all the information the applicant provides and may ask for further details if necessary and they agreed to repay any money that they receive to which they are not entitled.
- ECDC may utilise due due-diligence tools such as the Government's Grant Management and Counter Fraud digital assurance tool, Spotlight, to check pre pre-payment and post post-payment compliance.
- Businesses must inform ECDC of any changes in circumstances that might affect eligibility for grant payment(s). Failure to do this could lead to grant claw back.
- Provided accurate details regarding previous grant funding received in regard to subsidy control legislation.

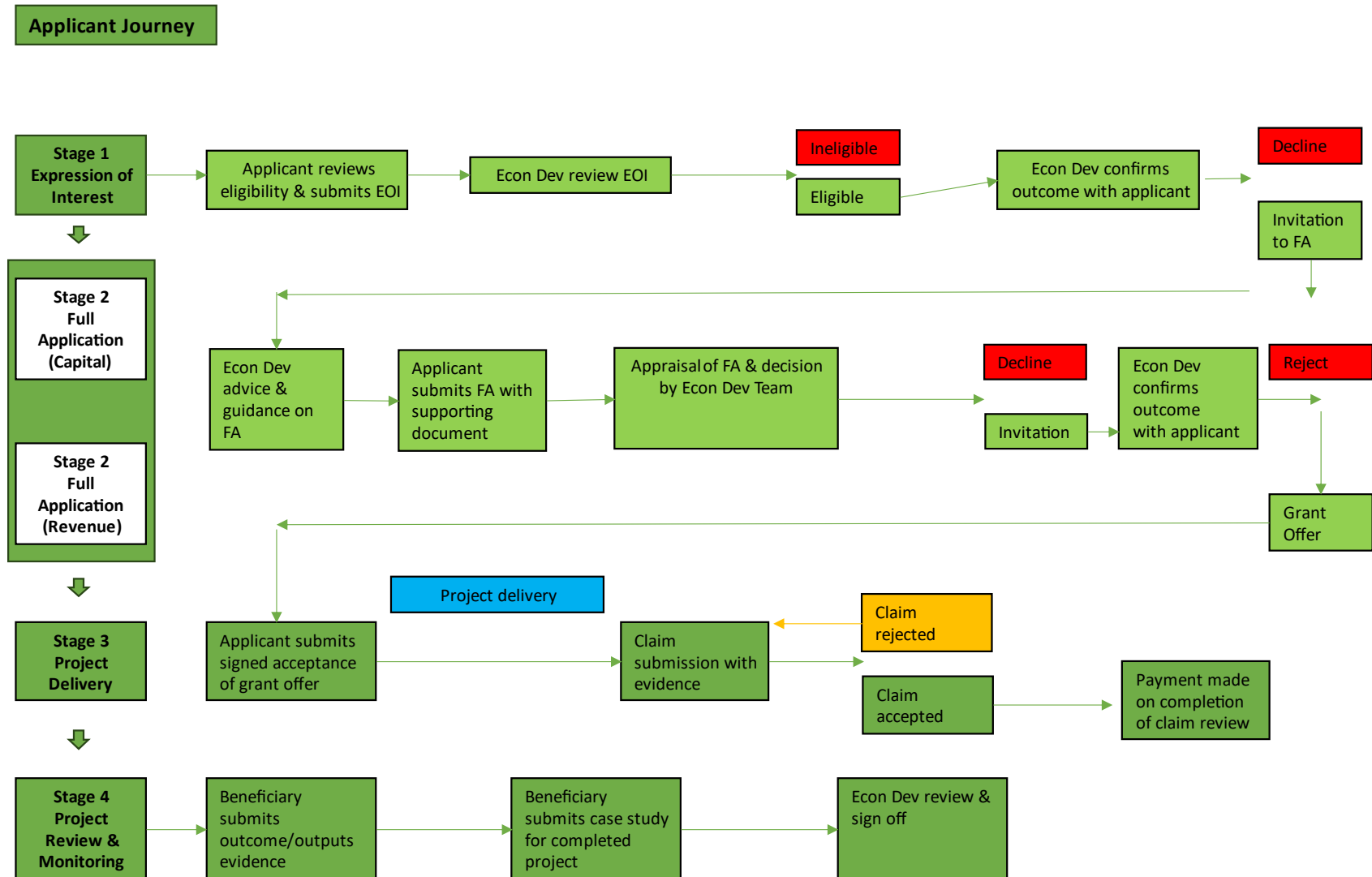
East Cambridgeshire District Council will reserve the right to visit any business that has been awarded a grant to ensure it has been used for the purpose it was intended as stated in the FA form and check records to show costs that have been incurred in line with the grant funding agreement.

12 Publicity

Decisions relating to the allocation of funding will be published on the East Cambridgeshire District Council website.

In promoting the project successful applicants should acknowledge the award of the grant via the East Cambridgeshire District Council. Additional guidance will be provided to successful applicants on branding and publicity for UK Government levelling up funds as part of the Grant Funding Agreement.

Appendix 1



TITLE: GROWTH AND INFRASTRUCTURE FUND SCORING PANEL RECOMMENDATIONS

Committee: Finance & Assets Committee

Date: 25 January 2024

Author: Director Community

Report No: Y119

Contact Officer:

Sally Bonnett, Director Community

Sally.bonnett@eastcambs.gov.uk, 01353 616451, Room No. 105, The Grange, Ely

1.0 ISSUE

1.1. To consider the recommendations from the Growth and Infrastructure Fund Scoring Panel.

2.0 RECOMMENDATION(S)

2.1. Members are requested to:

- i) Increase the Growth and Infrastructure Funds from the allocated £707,182.62 to up to £1,138,066.
- ii) Approve the funding of the following projects:
 - a) £700,000 to Stretham and Wilburton Community Land Trust, The Link project
 - b) £423,107.60 to Witchford Parish Council, Ely Road Cycleway project
 - c) £14,958.40 to Wilburton Parish Council, Wilburton Recreation project
- iii) Delegate authority to the Director Community, in consultation with the Chair of Finance & Assets Committee, to complete funding agreements for the funding and projects identified in 2.1ii) a-c) which will contain the conditions set out in 4.4 of this report.

3.0 BACKGROUND/OPTIONS

3.1. The Growth and Infrastructure Fund Scoring Panel was established by Finance & Assets Committee on 28 September 2023 to score applications for the Growth and Infrastructure Fund against the criteria approved by the parent Committee and to make recommendations for approval of grant funding back to the meeting on the Committee on 25 January 2024.

3.2. The Panel met via Teams on 4 January 2024, a summary of this meeting can be found at Appendix 1.

4.0 ARGUMENTS/CONCLUSION(S)

- 4.1. Seven applications were received. Two did not meet the Cambridgeshire Horizons Objectives. The five eligible applications were scored by the Panel using the criteria approved by this Committee.
- 4.2. A summary of each application, details of the score awarded by the Panel and the amount of Growth and Infrastructure funding requested can be found at Appendix 2.
- 4.3. The Panel noted that there was insufficient funding available to meet all the funding requests and recommend that the funding be allocated to those projects that scored the highest as far as the budget will permit. However, if all the remaining Cambridgeshire Horizons money held by the Council was allocated to the Growth and Infrastructure fund more projects could benefit.
- 4.4. The Panel therefore recommended that Finance and Assets Committee be requested to increase the Growth and Infrastructure Fund budget to utilise the remaining Cambridgeshire Horizons money to enable funding of the Stretham and Wilburton Community Land Trust and Witchford Parish Council projects and the remaining funding to be allocated to the Wilburton Parish Council project as set out in 2.1ii) a-c), subject to the following conditions for the payment of any funding awarded:

Evidence being provided that:

- All necessary permissions are in place
- Match funding is secured
- Funding is only utilised for Capital elements
- Payment be made on receipt of invoices

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1. There is sufficient Cambridgeshire Horizons money remaining to allow for the proposed increase in funding.
- 5.2. Equality Impact Assessment (EIA) not required.
- 5.3. Carbon Impact Assessment (CIA). Directly, the provision of funding would have no direct carbon implications on ECDC operations.

6.0 APPENDICES

Appendix 1 – Report of the Growth and Infrastructure Fund Scoring Panel

Appendix 2 - Growth and Infrastructure Fund Application Summaries and Scores

Background Documents:

Minutes of the Finance & Assets Committee meeting held on 28 September 2023

REPORT OF GROWTH AND INFRASTRUCTURE FUND SCORING PANEL

The Growth and Infrastructure Fund Scoring Panel was reconvened by Finance & Assets Committee on 28 September 2023 to score applications for the unspent Growth and Infrastructure Funding against the criteria approved by the parent Committee and to make recommendations for approval of grant funding back to the meeting of the Committee on 25 January 2024.

The Panel met via Teams on 4 January 2024, when there were:

PRESENT

Cllr Alan Sharp (Chair)
Cllr Anna Bailey
Cllr Lorna Dupré
Cllr Martin Goodearl
Cllr Julia Huffer
Cllr John Trapp
Cllr Christine Whelan

OFFICERS

Sally Bonnett – Director Community (Lead Officer)
Tracy Couper – Democratic Services Manager
Jane Webb – Senior Democratic Services Officer

DECLARATIONS OF INTEREST

No declarations of interest were received, but the Director Community reminded Members that Ward Members would not score applications relating to their District Ward and adjustments would be made to the total scoring to reflect any excluded Members. This would apply in the case of Cllr Trapp for the Lode application.

1. Growth & Infrastructure Fund Terms of Reference and Scoring Criteria

The Panel Members noted the Terms of Reference, Eligibility and Scoring Criteria.

The Director Community reminded Members that the criteria met the Cambridgeshire Horizons objectives for use of the funding and had been approved by F&A Committee as follows:

- Evidence that the project is necessary to support local growth
- The community benefits provided by the project
- Evidence of local resident and stakeholder involvement in and support for the project
- Alignment with the Council's infrastructure priorities
- Commitment to Net Zero Carbon and a green approach, demonstrating the

- highest possible quality standards in terms of design, materials, workmanship
- Deliverability
- The level of match funding that the project has secured

The Director Community explained that the process had been modelled upon the Local Highways Improvement (LHI) funding process used by the County Council.

Scoring of the applications would take place using the scoring spreadsheet circulated to Members of the Panel, which listed all of the 7 criteria. Members could score 0-5 points for each of the criteria. Individual Members would list their scores for each application and then the Director Community would add the scores together to produce a total score and ranking for each application.

The Director Community reported that a total of £1.13M was available to fund projects, if F&A Committee was requested to use all of the remaining allocation from Cambridgeshire Horizons.

Members then considered what to do in the event that the funding was over-subscribed and agreed that they should mirror the County LHI funding process and rank the applications from highest to lowest scoring projects allocating the funding until it ran out. This would help to ensure the deliverability of the higher-ranking projects.

2. Scoring of Applications

Members considered the 5 eligible applications for funding as follows:

- Lode PC - installation of solar panels on roof, low maintenance triple glazed windows, and LED lighting
- Soham Town Rangers Football Club – phase 2 of Community Club refurbishment comprising full heating system and electrical upgrade, refurbishment of upstairs office to create community space and remote worker offices
- Stretham and Wilburton CLT – creation of ‘The Link’ a new wellbeing community hub comprising GP premises, café and central services, 4 work units for meetings rooms and to support complementary medicine
- Wilburton PC – Multi Activity Games Area (MUGA) and tennis court
- Witchford PC – widen existing path to create cycleway from Witchford to A142 Lancaster Way Roundabout

The Director Community stated that a further 2 applications had failed to meet the gateway criteria.

The Director Community gave a summary of all of the applications and how they met the scoring criteria and questions/comments were raised by Members of the Panel as follows:

Lode PC – Councillor Dupré queried the definition of the phase ‘necessary’ to support local growth and how this may differ from simply being regarded a beneficial for a local community. The Director Community explained that this criterion placed an emphasis on how growth actually would be supported by the project and the 0-5 scoring gave a mechanism to rate this. Members queried the number of solar panels to be installed on the roof and whether this was likely to exceed the 14 maximum before being categorised as a ‘micro-user’. It was highlighted that 3 quotations from suppliers already had been obtained, so it was likely that this issue had been considered.

Soham Town Rangers – Members noted that a grant of £50,000 under the previous funding round had been granted to phase one of the project but works had yet to commence. This raised concerns with regard to deliverability.

Stretham & Wilburton CLT – Members noted the extensive letters of support for the new project. A CIL application also was to be submitted to F&A Committee on 25 January concurrent with this application and £340K of match funding had been committed by the Parish Council.

Wilburton PC – in response to a question by a Member, the Director Community confirmed that the Planning application was being progressed.

Witchford PC – Members noted that deliverability was dependent upon County Highways but a feasibility study had been completed by them and a significant contingency had been included for the project. Members commented on the considerable environmental benefits of encouraging cycling and walking from the village of Witchford which was close to Ely.

Members then were requested to put their scores onto the spreadsheet provided and E-mail them to the Director Community, who would calculate an overall score per application and a priority ranking. An adjournment would take place to enable her to do this. Members then would reconvene to make a final recommendation to F&A Committee based upon the outcome from the spreadsheet.

Members submitted their scoring spreadsheets to the Director Community and the meeting was adjourned at 18.58pm to enable her to undertake the total scoring and priority ranking for the 5 projects.

On reconvening at 19:40pm, The Director Community gave the outcome of the scoring/ranking spreadsheet for the 5 applications:

Stretham & Wilburton CLT
Witchford PC
Wilburton PC
Lode PC
Soham Town Rangers

Based upon the Local Highways Improvement (LHI) funding process, this would mean that the two highest projects, Stretham & Wilburton CLT and Witchford PC could be fully-funded and the remaining funding allocated to the Wilburton PC project. Therefore,

IT WAS RECOMMENDED:

That Finance and Assets Committee be requested to allocate all of the remaining allocation from Cambridgeshire Horizons amounting to £1.13M to Growth & Infrastructure Fund projects and grants be awarded as follows:

Stretham & Wilburton CLT - £700,000
Witchford PC - £423,107.60
Wilburton PC - £14,958.40

APPENDIX 2

Applicant organisation	Project summary	Total score	Amount of funding requested (£)	Funding cumulative total (£)
Stretham and Wilburton Community Land Trust	Creation of 'The Link' a new wellbeing community hub comprising GP premises, café and central services, 4 work units for meetings rooms and to support complementary medicine	164	700,000	700,000
Witchford Parish Council	Widen existing path to create cycleway from Witchford to A142 Lancaster Way Roundabout	145	423,107.60	1,123,107.60
Wilburton Parish Council	Multi Activity Games Area (MUGA) and tennis court	131	181,228.50	Award the remaining 14,958.40 of £1,138,066 total budget
Lode Parish Council	Installation of solar panels on roof, low maintenance triple glazed windows, and LED lighting	117.8	40,974.87	
Soham Town Rangers Football Club	phase 2 of Community Club refurbishment comprising full heating system and electrical upgrade, refurbishment of upstairs office to create community space and remote worker offices	108	157,500	

TITLE: COMMUNITY INFRASTRUCTURE FUNDING REQUESTS

Committee: Finance & Assets Committee

Date: 25 January 2024

Author: Director Community

Report No: Y120

Contact Officer:

Sally Bonnett, Director Community

Sally.bonnett@eastcambs.gov.uk, 01353 616451, Room No. 105, The Grange, Ely

1.0 ISSUE

1.1. To consider the allocation of up to £510,000 to the Stretham and Wilburton Community Land Trust The Link project and up to £125,000 to the Soham Village College (Staploe Education Trust) Soham Village College 3G Pitch project.

2.0 RECOMMENDATION(S)

2.1. Members are requested to approve:

- a) The allocation of up to £510,000 to the Stretham and Wilburton Community Land Trust The Link project.
- b) The allocation of up to £125,000 to the Soham Village College (Staploe Education Trust) Soham Village College 3G Pitch project, subject to the Football Foundation awarding the project the remaining funding required by July 2024.

3.0 BACKGROUND

3.1. East Cambridgeshire District Council introduced CIL on 1st February 2013. The contributions raised through this levy are used to fund, in whole or in part, the necessary infrastructure to support growth and development in the district.

3.2. In order for infrastructure to benefit from CIL funding it must be included on the Councils Community Infrastructure Levy Infrastructure List. 'District Wide Community Facilities' was added to the List at the Full Council Meeting held on 21 October 2021.

3.3. Stretham and Wilburton Community Land Trust (CLT) is requesting a CIL funding contribution of £510,000 towards the creation of 'The Link', a new wellbeing community hub comprising GP premises, café and central services, 4 work units for meetings rooms and to support complementary medicine.

3.4. The CLT has secured £340,000 of the total project cost of £1,550,000 and has submitted a Growth and Infrastructure Fund application for £700,000 which is being considered at this meeting. The application included a letter of support from Stretham Parish Council. Subject to planning permission being granted, work is expected to start May 2024 and be completed by August 2025.

- 3.5. Soham Village College (Staploe Education Trust) is requesting to build a new full size 3G artificial turf pitch for use by the College during weekdays and the ability for the local community to hire the pitch in the evenings and weekends.
- 3.6. Soham Village College (Staploe Education Trust) has to date secured £165,000 of the total project cost of £820,000. Soham Village College (Staploe Education Trust) intend applying to the Football Foundation for the remaining funding required, but for them to do this, the Football Foundation require all partnership funding to be in place.
- 3.7. As the Council has the same requirement for CIL applications, to enable the project to progress, it is recommended that the allocation of CIL funding is conditional upon Soham Village College (Staploe Education Trust) securing the remaining match funding required from the Football Foundation in July 2024, when the funding decisions are announced.

4.0 ARGUMENTS/CONCLUSIONS

- 4.1. The projects will each deliver a new community facility and therefore included on the Councils CIL Infrastructure List and as such is capable of benefiting from CIL funding.
- 4.2. Both projects contribute to the delivery of the District Council's Corporate Plan under the 'Sustainable Communities' heading.
- 4.3. There are sufficient funds in the CIL account to meet these requests and as such, for the reasons set out above, Members are recommended to approve both funding allocations.

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1. The amount of CIL funding requested is available from CIL receipts.
- 5.2. Equality Impact Assessment (EIA) not required.
- 5.3. Carbon Impact Assessment (CIA). Directly, the provision of funding (or not) would have no direct carbon implications on ECDC operations. A CIA has been completed for each project. In summary, the CIA's concluded as follows:
- 5.4. The Link is designed from the start to have a long life, be as sustainable as possible and have a low carbon impact - both during construction and in operation - while providing an excellent facility to users. The provision of EV chargers for the local community will assist with the move to EVs over the coming years
- 5.5. The proposal will largely be carbon neutral when in **operation**, with some increase in electricity through lighting, possibly offset through less energy use in buildings (as bookings transfer more to outdoors than indoors). There may be some local reduction in travel, with local residents accessing the pitch in Soham, rather than travelling to other towns, but this is not quantified or known. However, the proposal will have a significant embodied carbon negative impact at the **construction** stage, through the construction of an artificial pitch (materials, lighting columns, foundations, transportation of materials etc). There will also be a high negative biodiversity impact unless biodiversity improvements can be agreed for the loss of

the grassed area. Overall, therefore, the proposal will have a negative impact in terms of carbon emissions and (unless offset) biodiversity loss. These impacts will need weighing against the wider benefits of the proposal.

6.0 APPENDICES

None

Background Documents:

ECDC CIL Infrastructure List – October 2021.

TITLE: SERVICE DELIVERY PLANS 2023/24 – SIX MONTH UPDATE

Committee: Finance & Assets Committee

Date: 25 January 2024

Author: Director Community

Report No: Y121

Contact Officer: Sally Bonnett, Director Community

Sally.bonnett@eastcambs.gov.uk, 01353 616451, Room No. 105, The Grange, Ely

1.0 ISSUE

1.1. To receive an update on the Service Delivery Plans 2023/24.

2.0 RECOMMENDATION(S)

2.1. Members are requested to note this update report.

3.0 BACKGROUND/OPTIONS

3.1. The Service Delivery Plans for 2023/24 were approved by Finance & Assets Committee on 30 March 2023 (agenda item 7) for the following services:

- Democratic Services
- Economic Development
- Financial Services
- Human Resources
- Infrastructure & Strategic Housing
- Legal Services
- Open spaces & Facilities
- Reprographics
- Strategic Planning

4.0 ARGUMENTS/CONCLUSION(S)

4.1. Service Manager Updates.

4.1.1 Democratic Services

The Democratic Services Manager is reporting that all targets are on track.

4.1.2 Economic Development

The Economic Development Manager is reporting that all targets are on track.

4.1.3 Financial Services

The Director Finance is reporting that all targets are on track.

4.1.4 Human Resources

The Human Resources Manager is reporting the following target variance:

Target	Status
Maintain the low level of short-term sickness absence e.g., number of days lost per full-time equivalent employee (FTE) at 3.4 days per FTE.	At the 6-month review period, the short-term sickness absence is at 2.18 data lost per FTE. The target for the year is 3.4 days per FTE, therefore it seems likely that if sickness absence continues at the current rate, or increases, then we will not meet this target at the end of the year.

All other targets are on track.

4.1.5 Infrastructure & Strategic Housing

The Director Community is reporting the following target variance:

Target	Status
CIL and S106 – monitor development to ensure timely collection of developer contributions, both available and projected to assist the Council to meet its Corporate Priorities.	2.7% (2) of CIL payments are outstanding. The total value is £31,095.89. The CIL Officer is following the procedure set out in the Regulations to recover the outstanding payments.

All other targets are on track.

4.1.6 Legal Services

The Director Legal is reporting the following target variances:

Target	Status
Ensure the recover of outstanding debts owed to the Council.	Due to staff shortages caused by a gap in recruitment, sundry debt recovery has fallen behind. We have now successfully recruited, and work is taking place to improve the recovery process.
Deliver an effective, accurate and transparent FOI/EIR service	The variance is due to late responses received by the Information Officer to FOI/EIR requests.
Deliver a comprehensive Data Protection request service ensuring full legal compliance and accurate responses	Two late responses were received from 3 rd parties.
Proactively assist all services across the Council with issues related to legal requirements	The variance is due to waiting for responses from 3 rd parties.

All other targets are on track.

4.1.7 **Open Space & Facilities**

The Open Spaces & Facilities Manager is reporting that all targets are on track.

4.1.8 **Reprographics**

The Reprographics Manager is reporting that all targets are on track.

4.1.8 **Strategic Planning**

The Strategic Planning Manager is reporting that all targets are on track.

5.0 **FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT**

5.1. There are no additional financial implications arising from this report.

5.2. Equality Impact Assessment (EIA) not required.

5.3. Carbon Impact Assessment (CIA) not required.

6.0 **APPENDICES (printed separately to report to 23/11/23 F&A Committee)**

Appendix 1 – Half Year Report 2023/24:

- i. Democratic Services
- ii. Economic Development
- iii. Financial Services
- iv. Human Resources
- v. Infrastructure & Strategic Housing
- vi. Legal Services
- vii. Open spaces & Facilities
- viii. Reprographics
- ix. Strategic Planning

Background Documents:

Service Delivery Plans 2023/24

TITLE: Internal Drainage Boards Update

Committee: Finance & Assets Committee

Date: 25 January 2024

Author: Senior Democratic Services Officer

Report No: Y122

Contact Officer: Jane Webb, Senior Democratic Services Officer
Jane.webb@eastcambs.gov.uk, The Grange, Ely

1.0 ISSUES

1.1. To appoint a representative to the vacant position on Waterbeach Level Internal Drainage Board.

2.0 RECOMMENDATION(S)

2.1. That the appointment of former Councillor David Chaplin to the Waterbeach Level Internal Drainage Board be approved.

3.0 BACKGROUND/OPTIONS

3.1. Internal Drainage Boards (IDBs) are public bodies that manage water levels in areas where there is a special need for drainage. They reduce flood risk to people and property, and they manage water level for agricultural and environmental needs. IDBs are funded by a combination of drainage rates levied on the owners of farmland, and special levies on District and Unitary Councils. The number of District Council representatives is determined by the IDBs in relation to the percentage of the Board's income that is paid by the Council.

3.2. The previously agreed process for appointing ECDC representatives to Internal Drainage Boards is:

1. Nominations should be invited from the Members of Council
2. If vacancies cannot all be filled from within the District Council, then:
 - a. former District Councillors who are willing to continue in their IDB role could be nominated as a layperson; and
 - b. the relevant Parish Council(s) should be invited to submit nominations.
3. If there are more nominations than vacancies, then consideration should be given to the candidates' prior knowledge and experience of both the geographical area and the issues relevant to IDBs. In all cases, the final decision on each appointment rests with the Finance & Assets Committee.

3.3. At the Finance & Assets Committee meeting on 3rd July 2023 Council Members were appointed to the Outside Bodies within the committee's remit, including the IDBs. Several IDB vacancies remained and therefore, in accordance with the previously agreed process, Officers were instructed both to invite former District Councillors to continue in their roles and to request nominations from all affected Parish Councils.

- 3.4. At the Finance & Assets Committee meeting on 28th September 2023, it was reported that no nominations had been received to date for the vacancy on Waterbeach Level IDB. In the absence of any nominations, David Chaplin had been contacted to see if he would like to be considered to continue in the position he has held since 2015. Any other responses received after publication of this paper will be reported orally at the meeting. This IDB covers land in two District Wards: Stretham, Soham South.
- 3.5. A response was received from David Chaplin on the 18th December 2023 confirming that he would like to be considered to continue in his position on Waterbeach Level Internal Drainage Board which he has held since 2015.

4.0 ARGUMENTS/CONCLUSIONS

Uncontested IDB

- 4.1. Former councillor David Chaplin accepted the invitation to remain on the Waterbeach Level on 18th December 2023.

Summary of IDB appointments

- 4.2. The current situation and the recommended actions regarding IDB appointments are summarised in the table below. Should any District Councillors seek to be appointed to any of the vacancies, then the appointment process (section 3.2) requires them to be appointed in preference to any individuals listed in the table.

Internal Drainage Board (total no. of representatives required)	Appointments made at 3rd July/28th September 2023 Finance & Assets Committee meeting	Vacancies
Burnt Fen (2)	Derrick Beckett	1 vacancy
Cawdle Fen (7)	Cllrs Colbert, Holtzmann, Shepherd, and C Whelan Rupert Moss-Eccardt, and Rebecca Denness	1 vacancy
Haddenham Level (2)	Cllr Wilson and Steve Cheetham	All vacancies filled
Littleport & Downham (6)	Cllrs Ambrose Smith, Dupré, Goodearl, and Miller Andrew Butcher and Mark Taylor	All vacancies filled
Middle Fen & Mere (5)	Cllrs Bovingdon, Goldsack, Horgan and Vellacott Alec Jones	All vacancies filled

Internal Drainage Board (total no. of representatives required)	Appointments made at 3rd July/28th September 2023 Finance & Assets Committee meeting	Vacancies
Padnal & Waterden (7)	Cllr A Whelan Lis Every and Clive Webber	4 vacancies remain
Swaffham (4)	Cllrs Brown, Edwards, Sharp and Trapp	All vacancies filled
Waterbeach Level (1)	Former councillor David Chaplin has since accepted the Council's invitation to be re-appointed	If accepted, all vacancies filled

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1. There are no additional financial implications arising from this report.
- 5.2. Equality Impact Assessment (EIA) not required.
- 5.3. Carbon Impact Assessment (CIA) not required

6.0 APPENDICES

None.

Background Documents:

[Finance & Assets Committee, 3 July 2023](#), Agenda Item 10, Representatives on Outside Bodies report Y19 and Minute 16

[Finance & Assets Committee 28.09.23](#), Agenda Item 9, Outside Bodies Update report Y51 and Minute 33

[Representatives on Outside Bodies Booklet 2023/24](#)

Finance & Assets Committee Annual Agenda Plan

Thursday 25 January 2024 4:30pm

Report deadline: 4pm Thursday 11 January 2024

Agenda despatch: Monday 15 January 2024

Agenda Item	Report Author
Chairman's Announcements	Chairman
Actions taken by the Chief Executive on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer
Write-off of unrecoverable debt (if any)	Director Finance and S151 Officer
Assets Update	Open Spaces and Facilities Manager
Appointments, Transfers, Resignations [EXEMPT]	HR Manager
2024/25 Annual Treasury Management Strategy MRP & AIS	Director Finance and S151 Officer
Finance Report	Director Finance and S151 Officer
Revenue Budget 2024/25	Director Finance and S151 Officer
ECTC Board Meeting Minutes 9 Nov 2023 [EXEMPT]	Democratic Services Officer
Bus, Cycle, Walk WP notes (if any)	Democratic Services Officer
Crematorium Full Business Case [EXEMPT]	Director Operations
Growth and Infrastructure Fund Scoring Panel Recommendations	Director Community
Service Delivery Plans – 6 Month Performance Monitoring	Director Community
UK Shared Prosperity and Rural England Prosperity Business Grant Scheme	Economic Development Manager
Community Infrastructure Levy (CIL) Funding Stretham	Director Community
IDBs Update	Senior Democratic Services Officer
Riverside Moorings Leases [EXEMPT]	Director Legal

Agenda Item 15 [Y123]

Lead officer: Sally Bonnett, Director Community

Democratic Services Officer: Tracy Couper

Thursday 28 March 2024 4:30pm

Report deadline: 4pm Thursday 14 March 2024

Agenda despatch: Monday 18 March 2024

Agenda Item	Report Author
Chairman's Announcements	Chairman
Actions taken by the Chief Executive on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer
Write off of unrecoverable debt (if any)	Director Finance and S151 Officer
Assets Update	Open Spaces and Facilities Manager
ECTC Board Meeting Minutes 5 Dec & 8 Feb 2024 [EXEMPT]	Democratic Services Officer
Asset Management Plan 2024/25	Open Spaces and Facilities Manager
Service Delivery Plans 2024/25	Service Leads
ECTC Annual Business Plan 2024/25	ECTC Finance Manager
ECTC Management Accounts Oct-Dec 2023	ECTC Finance Manager
Bus, Cycle, Walk WP notes (if any)	Democratic Services Officer
Annual Review of RIPA policies	Director Legal
Draft Climate Change and Nature Recovery Chapter	Strategic Planning Manager
Draft Hedgehog Recovery Supplementary Planning Document	Strategic Planning Manager
Whistle Blowing Policy	Director Legal

Thursday 27 June 2024 4:30pm

Report deadline: To be confirmed.

Agenda despatch: To be confirmed.

Agenda Item	Report Author
Chairman's Announcements	Chairman
Actions taken by the Chief Executive on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer
Write off of unrecoverable debt (if any)	Director Finance and S151 Officer
Assets Update	Open Spaces & Facilities Manager
Bus, Cycle, Walk WP notes (if any)	Democratic Services Officer
ECTC Board Meeting Minutes 7 Mar 2024 [EXEMPT]	Democratic Services Officer
Appointments, Transfers, Resignations [EXEMPT]	HR Manager
ECTC Management Accounts (Jan-March 2024) [EXEMPT]	ECTC Finance Manager
Annual Reports of Representatives on Outside Bodies	Democratic Services Officer
Financial Outturn Report 2023/24	Director Finance and S151 Officer
Treasury Operations Annual Performance Review	Director Finance and S151 Officer
Health and Safety Annual Report	Health & Safety Manager

Thursday 26 September 2024 4:30pm

Report deadline: To be confirmed.

Agenda despatch: To be confirmed.

Agenda Item	Report Author
Chairman's Announcements	Chairman
Actions taken by the Chief Executive on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer
Write off of unrecoverable debt (if any)	Director Finance and S151 Officer
Assets Update	Open Spaces & Facilities Manager
Bus, Cycle, Walk WP notes (if any)	Democratic Services Officer
ECTC Board Meeting Minutes [EXEMPT] (if any)	Democratic Services Officer
ECTC Annual Accounts	ECTC Finance Manager
Local Council Tax Reduction Scheme Policy Review	Director Finance and S151 Officer
MTFS Update	Director Finance and S151 Officer
Gender Pay Report	HR Manager
ECTC Management Accounts (Apr-July 2024) [EXEMPT]	ECTC Finance Manager

Thursday 28 November 2024 4:30pm

Report deadline: To be confirmed.

Agenda despatch: To be confirmed.

Thursday 30 January 2025 4:30pm

Report deadline: To be confirmed.

Agenda despatch: To be confirmed.

Agenda Item	Report Author	Agenda Item	Report Author
Chairman's Announcements	Chairman	Chairman's Announcements	Chairman
Actions taken by the Chief Executive on the grounds of urgency (if any)	Democratic Services Officer	Actions taken by the Chief Executive on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer	Forward Agenda Plan	Democratic Services Officer
Write off of unrecoverable debt (if any)	Director Finance and S151 Office	Write off of unrecoverable debt (if any)	Director Finance and S151 Officer
Assets Update	Open Spaces and Facilities Manager	Assets Update	Open Spaces & Facilities Manager
Treasury Management Update	Director Finance and S151 Office	Appointments, Transfers, Resignations [EXEMPT]	HR Manager
Bus, Cycle, Walk WP notes (if any)	Democratic Services Officer	2025/26 Annual Treasury Management Strategy MRP & AIS	Director Finance and S151 Officer
Annual Infrastructure Funding Statement	Director Community		
Finance Report	Director Finance and S151 Office		
ECTC Management Accounts (July-Sept 2024) [EXEMPT]	ECTC Finance Manager		
ECTC Half Yearly Report	Director Commercial		
Service Delivery Plans – 6 Month Performance Monitoring	Service Leads		

TITLE: Bereavement Centre Full Business Case

Committee: Finance and Assets

Date: 25 January 2024

Author: Director Operations

Report No: Y124

Contact Officer: Isabel Edgar Director Operations
Isabel.edgar@estcambbs.gov.uk, 01353 616301, The Grange, Ely

1.0 ISSUE

- 1.1. To consider the Full Business Case (FBC) for the proposed development of a Bereavement Centre, consisting of a crematorium and modular functions room, with associated natural burial and pet cemetery facilities at the Council owned Mepal site, Ireton's Way.

2.0 RECOMMENDATION(S)

- 2.1. Members are requested to recommend to Full Council to:
 - i. Approve the full business case as detailed in appendices 1-4.
 - ii. Approve a Community Infrastructure Levy (CIL) allocation **up to** £9.06m for the capital build.
 - iii. Authorise the Director Finance to secure alternative funding where CIL is not available, in consultation with the Chair of Finance and Assets Committee (as detailed in section 5)
 - iv. Secure provision of a partner to manage fishing rights on the site as set out in section 4.4.
 - v. Approve the future operating model of the Bereavement Centre as set out in section 4.8.

3.0 BACKGROUND/OPTIONS

- 3.1. The crematorium project was initiated to investigate the best value for money option for meeting the future demand for cremations and other bereavement services in East Cambridgeshire and as a new substantial income stream to support the Council's Medium Term Financial Strategy (MTFS).
- 3.2. An Outline Business Case (OBC) was approved by full Council on 31 July 2020. The OBC set out; Alignment to the Councils strategy; A needs analysis and competition appraisal; Planning appraisal of the preferred site (former outdoor pursuits centre at Mepal); Site surveys and investigations; Development of a financial model for the project; and detailed research of the projected operating costs.

3.3. **Components of the Bereavement Centre:** On 26 October 2022 planning approval was granted for the development of a crematorium and natural burial facility on the Mepal site based on the following components.

- Porte-cochere drop-off area with a colonnade.
- An entrance lobby with an adjacent Welcome/Waiting Area (with toilets).
- Vestry and bearers' room.
- 100 to 125 seat chapel with views out to the landscape setting of the site.
- Small 6 to 12 seat side chapel for smaller ceremonies (including natural burials) with views out to the landscape setting of the site.
- An electric cremator powered largely by Solar PV on site.
- Covered cloistered area with adjacent flower garden as the main point of egress for attendees.
- A crematory, mortuary, ashes store/cremulator and an external storage compound.
- Staffing and administration facilities with rooms for families and funeral directors.
- A room for the Book of Remembrance.
- Minimum of 80+ parking spaces for crematorium visitors, with separate staff parking.
- Natural burial area, using the natural landscape of the site.
- Modular functions building to support the natural burial area.
- Landscaping to protect and then enhance the biodiversity of the site as an important natural resource in the District in accordance with the Council's Climate Change Strategy.

3.4. A Full Business Case (FBC) (Appendix 1) has now been developed that has fundamentally reviewed the viability of the project to test and establish:

- i. The income assumptions and the core service elements that contribute to the financial model.
- ii. A reappraisal of construction costs since the development of the OBC
- iii. Further benchmarking of revenue costs of directly comparable projects

4.0 ARGUMENTS/CONCLUSION(S)

4.1. **Strategic Alignment:** The FBC evidences that the project will deliver against strategic objectives of the Council by:

- i. Providing better value and easier access to cremations and burial services for residents in East Cambridgeshire.
- ii. The provision of the Bereavement Centre on the Mepal site will significantly contribute to the Council's wider regeneration and employment generation objective by incrementally creating 6.5 jobs and by ensuring a sustainable end use of an effectively 'brown field' site.
- iii. Secure and enhance the biodiversity on site, while still allowing for passive recreational use of the site, such as fishing, controlled dog walking and bird watching for the wider community.

- iv. The project through its design and inclusion of an electric cremator largely powered by renewable energy will fit with the Council's vision 2035 target to deliver net zero carbon emissions and protect a key biodiversity and environmental asset in the District.
 - v. From year two of operation, it has been evidenced that the project could begin to make a significant contribution to support the Council's MTFS.
- 4.2. **Meeting the Basic Feasibility Test:** Based on the competition appraisal undertaken the projected optimum market (993 potential cremations) does further evidence that a crematorium on the Mepal site would meet the Federation of Burial and Cremation Authorities (FBCA) feasibility test for the development of a new crematorium, as set out below. The FBCA feasibility test assumes that all development costs have to be funded solely from the operation of the crematorium:
- i. Broadly speaking, crematoria (one chapel of rest facility) undertaking 1,000 or more cremations per annum are most likely to be financially viable.
 - ii. Local authorities with populations of approximately 120,000 or more would be able to provide and manage a crematorium with a reasonable expectation of operating on a sound financial basis after the initial years of capital repayment and associated loan charges.
- 4.3. The proposal to fund the project from CIL (to negate borrowing costs) enables the crematorium to reach sustainability based on only 535 cremations per annum, far outperforming the FBCA feasibility test. The financial modelling assumes increasing numbers over the first 10 years up to 700 cremations.
- 4.4. **Competition Appraisal and Projected Local Need for the Project:** Within 30 minutes travel time of the Mepal site it has been quantified that there is a potential market of 993 cremations per annum based on a population of 195,390 people, 1,807 deaths per annum and 1,355 cremations per annum.
- 4.5. Following competition appraisal and an analysis of usage of the current and planned crematoria and the impact of the crematorium on the Mepal site it is projected that circa 800 cremations is a prudent and achievable market capture per year.
- 4.6. **Impact on Existing Crematoria:** The following key findings can be drawn regarding the impact of the existing and planned in scope crematoria:
- i. The EDCD crematorium undertaking 700 cremations per annum would represent around 70% of the factored annual capacity.
 - ii. With the Crematorium, based in March, currently undertaking 1,100 cremations per annum the projected impact based on the needs analysis and competition appraisal in Appendix 1 Section 4 is that this facility would be the most impacted following the opening and establishment of the crematorium on the Mepal site.
 - iii. The projected impact will be far less for the Huntingdon Town Council (HTC) crematorium, and this can be mitigated by close working between the publicly owned crematoria to mitigate unnecessary competition and to better manage the peak operating months.

- iv. There will be no significant impact on the Cambridge and West Suffolk crematoria and the planned crematorium on the Mepal site will help manage the peak demand periods by offering slots at desirable times when they are not currently available elsewhere.
- 4.7. **Survey of Funeral Directors:** The key finding from the qualitative survey was that 73% of responding Funeral Directors stated they would consider using alternative facilities if they became available.
- 4.8. **Conclusion of the Ecological Appraisal:** With targeted recommendations to enhance biodiversity, the sensitive development of the site will increase its' ecological value and provide net gains to biodiversity in accordance with Section 15 of National Planning Policy Framework (NPPF) (DfCLG 2018) and Policy ENV 7: Biodiversity & Geology of East Cambridgeshire Local Plan, along with the relevant wildlife legislation.
- 4.9. The ecologists who undertook the survey work and the Wildlife Trust confirmed that extended use of the site for outdoor recreational pursuit activities would no longer be appropriate and would be detrimental to the biodiversity of the site.
- 4.10. Through sensitive management of the site, passive recreational activities such as fishing and bird watching on the northern edge would be suitable, as well as controlled dog walking. This would enable the site to continue to be used recreationally without impacting on the ecological value of the site.
- 4.11. These recreational activities would need to be sensitively managed so that they did not negatively impact the biodiversity on the site. Several fishing clubs have already approached the Council to request fishing rights. However, selecting the party to manage fishing rights on the site should be done through an open expressions of interest process. And a key determinant in selecting a partner would be their proven ability/experience of managing fishing rights on other sites to protect the ecology of the site.
- 4.12. **Planning Policy:** The planning consent that the project has secured has evidenced that the proposed crematorium has been accepted as a community facility for the purposes of the local plan and national planning policy, in accordance with the current planning designation of the site. The principle of development of the crematorium is established via planning policies COM3, COM4 and EMP4 (to a lesser degree).
- 4.13. **Application of CIL:** In July 2020 Council approved the inclusion of the project on the CIL infrastructure list. As the Bereavement Centre is community infrastructure, it is recommended that the Council use CIL to fund the entire capital costs of the build. This will de-risk the project for the Council and ensure that the future operation and income generation is not fettered by significant borrowing costs.
- 4.14. In October 2021 Council approved arrangements on how CIL income is allocated. This determines how CIL income is attributed to projects or themes. The application of up to £9.06m from the CIL 'Other pot' will not impact on any already committed CIL projects and does not change the future apportionment of CIL collection to key thematic and strategic priorities such as: health facilities, district wide community facilities, and water and flood management.

- 4.15. **Future Operating Model:** There are 3 options for the Operating Model of the Bereavement Centre: i) Council operated ii) contracted out and operated by a third party iii) operated by a Council owned company (e.g ECSS). All options carry variations of risk, control and flexibility, financial benefits, and operating complexity.
- 4.16. Following the review of the financial model and the impact of VAT on the facility, the proposed operating model is that the Council runs the Bereavement Centre 'in house' as:
- i. It provides for the best VAT recovery model and therefore increases the revenue return.
 - ii. It maintains maximum flexibility in terms of service offer and fee setting.
 - iii. It is a proven model for Local Authority's to own and operate crematorium and burial services.
 - iv. It reduces governance complexity.
 - v. Directly offsets costs in other service areas.
 - vi. Secures all surplus revenue within the Council

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1. Central to the FBC has been an investment appraisal for the project. As set out in appendix 1 section 5 the new financial model has been fundamentally reviewed to ensure the operation of the crematorium is financially sustainable and an on-going contributor to revenue generation for the Council. The financial model assumes:
- i. Fees and charges are set slightly below direct market competition, however, increase by RPI over the operating life in line with fees and charges in the marketplace. Only evidenced and quantifiable income lines are included in the baseline income assumptions.
 - ii. The maximum market capture after 4 years is 70%
 - iii. A construction cost contingency of 10% is included.
- 5.2. The total requirement from CIL for the project is £9.06m. The proposed allocation of **up to** £9.06m CIL funds and other Council funds removes the requirement for the Council to borrow money. The application of CIL de-risks the project at the outset and therefore the financial model demonstrates that the project moves into surplus in year two of the operation.
- 5.3. Between years 2 - 10 of operating the Bereavement Centre the average net revenue return to the Council is circa £332k. Year one of operation will lead to a deficit of £117k. This is because the number of cremations and burials has been reduced by around 35% while the business builds and establishes market position.
- 5.4. The current secured funds in the CIL 'other pot' stands at £7.83m and projected CIL income into the 'other pot' up to November 2024 is £9.3m

- 5.5. The likely build rate for the Bereavement Centre is around 18 months. Therefore, the CIL 'other pot' will continue to replenish and can be applied to the project as appropriate.
- 5.6. If the CIL 'other pot' does not reach the required level of funding (at any point in the build) or where an item cannot be allocated to CIL, then the shortfall will be funded from borrowing (expected to be internal borrowing). Appendix 4 provides an example of the different levels of CIL applied to the project and the impact this has on the financial model and the net revenue return to the Council.
- 5.7. The detailed financial projections for the project including all the income streams are contained in Appendix 1 section 6. These detailed financial projections highlight the following:
- iv. The financial projections are prudent, and the project is not predicated on achieving ambitious levels of income.
 - v. The importance of the income streams from natural burials and memorialisation and other crematorium income to support the viability of the project.
 - vi. The operating costs have been rigorously researched to ensure robustness and comparable to other Crematorium/Burial operations.
- 5.8. Although not built into the financial model a further saving will be made by not having to provide additional security measures on site of £11,400 per annum.
- 5.9. **Equality Impact Assessment** - Central to the development of the project has been the principle that all communities and neighbourhoods within the District should have equal access to services. And that potential disadvantage and social exclusion should be proactively addressed.
- 5.10. The location of the proposed Bereavement Centre will to a greater degree challenge the current "market share" of the dominant private sector in the north of the District, which is keeping charges high against the public sector provider in the south of Cambridgeshire. Consequently a new facility at Mepal will offer fundamentally better value for money in the marketplace for residents in the centre and north of the district, a well as provide a value for money alternative for residents within the south of the district should they wish to use services within East Cambridgeshire.
- 5.11. The Bereavement Centre is a multi-faith and non-faith facility that can provide an appropriate suite of services for wide community use, including burials, cremations, witnessed cremations, direct cremations, ash scattering and memorialisation.
- 5.12. **Carbon Impact Assessment** – The carbon impact assessment has shown that overall, this proposal will have a negative impact on carbon emissions arising as a consequence of (a) the embodied carbon arising at the construction stage, (b) car travel to the site and (c) (at least in the short term) the on-going operation of the building. These impacts would occur with the majority of new build projects.
- 5.13. However, such emissions have been minimised through renewable energy generation, efficient building design, provision of EV charging, and where possible reuse of existing ground works from the previous building/parking.

- 5.14. In addition, as the cremator is being run on an all-electric (rather than gas) basis it means the building is capable of easy adaptation to net zero operation once the UK national grid is decarbonised, and any negative effects from travelling to the site will also be reduced once the majority of cars are electric based. Theoretically, once operating, and under a decarbonised national grid scenario, the site could become a negative net emitter (i.e. it captures more carbon than it emits) as a consequence of careful management of the site, including tree planting and sensitive management of the natural environment.
- 5.15. Negative aspects could be minimised further by reviewing the building materials used on site and using lower embodied carbon content, where practical to do so. This will be considered as part of the detailed design phase of the project.

6.0 APPENDICES

All appendices are EXEMPT:

- Appendix 1 - Full Business Case including financial appraisal
- Appendix 2 - Design Concept Crematorium outline design
- Appendix 3 - Needs analysis and Competition
- Appendix 4 – Application of CIL modelling appraisal

Background Documents:

Crematorium Outline Business Case 31 July 2020 (EXEMPT)
Planning Application and Permission Information August 2021