



# EAST CAMBRIDGESHIRE DISTRICT COUNCIL

THE GRANGE, NUTHOLT LANE,  
ELY, CAMBRIDGESHIRE CB7 4EE  
Telephone: 01353 665555

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## NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN** that a Meeting of the **EAST CAMBRIDGESHIRE DISTRICT COUNCIL** will be held on **TUESDAY 23 FEBRUARY 2021** commencing at **6.00pm** with up to 15 minutes of Public Question Time, immediately followed by the formal business, and you are summoned to attend for the transaction of the following business.

**PLEASE NOTE:** Due to the introduction of restrictions on gatherings of people by the Government due to the Covid-19 outbreak, this meeting will be conducted remotely facilitated using the Zoom video conferencing system. There will be no access to the meeting at the Council Offices, but there will be Public Question Time at the commencement of the meeting in accordance with the Council's Public Question Time Scheme, as modified for remote meetings. Details of the public viewing arrangements for this meeting are detailed in the Notes box at the end of the Agenda.

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## AGENDA

1. **PUBLIC QUESTION TIME** [oral]  
The meeting will commence with up to 15 minutes Public Question Time  
  
**Please Note:** due to this being a remote meeting, questions from the public should be e-mailed to [tracy.couper@eastcambs.gov.uk](mailto:tracy.couper@eastcambs.gov.uk) by 5pm on Friday 19 February 2021 (see Notes box at the end of the Agenda)
2. **APOLOGIES FOR ABSENCE** [oral]
3. **DECLARATIONS OF INTEREST** [oral]  
To receive declarations of interest from Members for any items on the Agenda in accordance with the Members Code of Conduct
4. **MINUTES – 22 OCTOBER 2020**  
To confirm as a correct record
5. **CHAIRMAN'S ANNOUNCEMENTS** [oral]
6. **TO RECEIVE PETITION(S)** [oral]

## 7. NOTICE OF MOTIONS UNDER PROCEDURE RULE 10 [oral]

### (a) A1123 (and A1421) Re-Classification

This Council unequivocally supports Cambridgeshire County Council in its commitment and ambition to reclassify the A1123 (and A1421) from an “A” to “B” road.

Furthermore, the Council commends the motion proposed by Councillor Bill Hunt and agreed by the County Council on 15 December 2020 but expresses its disappointment that this was not supported by all County Members representing East Cambridgeshire Divisions.

The reclassification of the A1123 (A1421) provides a number of key advantages and opportunities for the East Cambs villages of Haddenham, Stretham, Wicken and Wilburton, specifically:

- following the improvements to the A14, to improve the quality of life for many 1000's of our residents;
- improve air quality and congestion consistent with the Council's Climate Change Strategy;
- reduce the incidence of pedestrian and cycle injury, damage to vehicles and houses caused by the use of A1123 as a strategic route (or locally known as the “A14 bypass”) by vehicles especially HGVs.

The Council requests the Leader of the Council and Chief Executive to forward this motion to the Executive Director for Place and Economy and pledges our support to this important initiative.

Proposer: Councillor Bill Hunt

Seconder: Councillor Dan Schumann

### (b) Brexit

The Council notes, through recent Government statistics and ongoing reports from UK businesses, that new trading conditions following Brexit have made the business models of many existing small to medium sized enterprises (SMEs) either much more difficult, impairing their ability to invest in the UK, or in some cases no longer viable.

The Council further notes that:

- East Cambridgeshire depends for employment, service provision, business rates and the buying power of its population on such enterprises.
- Both the Council's future strategic growth plans (including market town masterplans) and medium to long-term financial plans require a vibrant SME sector.
- Any major downturn in projected growth for businesses in this sector risks undermining some of the assumptions on which financial planning and budgeting are based.

The Council therefore mandates the Section 151 Officer to examine those underlying assumptions that have been made concerning economic conditions, business recovery and Council income streams, that are relevant to medium and long-term financial planning.

All those assumptions related to current and proposed future Council financial plans are to be compared with the emerging realities of Brexit-related impacts to local businesses, investment prospects and wider public finances. Assumptions that no longer apply as expected, together with other financial gaps, are to be identified.

The Section 151 Officer will report to the F&A Committee at its projected May meeting with notification of:

- Changes to risk profiles for council activities, loans, investments and income projections.
- Changes to the risk profile of Trading Company activities.
- Assessments on possible changes needed to Council financial strategy as a result of these developments.

This information is required to ensure that disruption caused by changes to economic activity in the SME sector does not expose the Council's finances to further risk.

Proposed by Cllr Simon Harries  
Seconded by Cllr Lorna Dupre

(c) In support of the Fens Biosphere

This Council is proud to be a partner in Natural Cambridgeshire, the Local Nature Partnership for Cambridgeshire and Peterborough which launched its Doubling Nature vision last year. It recognises that it owns very little land directly and that the vision therefore depends on partnerships and the sharing of that vision with communities, landowners, farmers and developers.

East Cambridgeshire lies within the proposed Fens Biosphere zone, including the core zones of the Ouse Washes, Wicken Fen, and Chippenham Fen.

Biosphere status is awarded by UNESCO to unique and valuable landscapes such as the Fens. Biospheres connect people, economies, and nature to secure a future where all can thrive, meeting the needs of current and future residents and working towards providing secure and happy futures for all. Biospheres will improve the natural environment, using new ideas, science, and technology to explore new ways of living every day in ways that solve global challenges.

Following extraordinary, sustained and coordinated efforts by local and national stakeholder bodies, campaigners, and enthusiastic members of the public, the proposed Fens Biosphere was awarded Candidate Status by UK Man and the Biosphere (UK MAB) on behalf of UNESCO in November 2019, opening the real possibility that the Fens Biosphere could become the UK's eighth UNESCO Biosphere designation—one of 714 in 129 countries, the only lowland Biosphere in the country, and the first Biosphere in the East of England.

In order to gain UNESCO Biosphere designation, the Biosphere initiative must demonstrate the widest level of local support, including that of local authorities. Although several local authorities within the candidate area have voiced support, it is critical that this support is demonstrated through formal endorsement.

This Council therefore:

- recognises the value of the Fens Biosphere and formally supports its request for UNESCO Biosphere designation;
- authorises the Leader to write formally to convey its support;
- authorises the Leader to champion the Fens Biosphere initiative by writing to all relevant local authorities to encourage them to do the same.

Proposed by Cllr Mark Inskip  
Seconded by Cllr Simon Harries

**8. TO ANSWER QUESTIONS FROM MEMBERS [oral]**

**9. RECOMMENDATIONS FROM COMMITTEES AND OTHER MEMBER BODIES**

- Local Council Tax Reduction Scheme & Discretionary Business Rate Reliefs Policy Reviews 2021/22
- Treasury Operations Mid-Year Review
- Annual Treasury Management Strategy, Minimum Revenue Provision (MRP) Policy Statement & Annual Investment Strategy (AIS)

**10. 2021/22 COUNCIL TAX, REVENUE BUDGET AND CAPITAL STRATEGY**

*In accordance with The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, there is a statutory requirement for a recorded vote to be taken on the Budget each year.*

**11. CIL INFRASTRUCTURE LIST AMENDMENT**

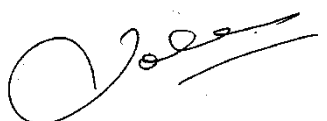
**12. COMMITTEE RE-STRUCTURING – FINANCE & ASSETS COMMITTEE**

**13. PAY POLICY STATEMENT**

**14. CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY UPDATE REPORTS**

- (a) October & November 2020
- (b) December 2020 & January 2021

**15. ACTION TAKEN BY THE CHIEF EXECUTIVE ON THE GROUNDS OF URGENCY – ADDITIONAL RESTRICTIONS GRANTS**



**J Hill**  
**Chief Executive**

To: All Members of the Council

## NOTES:

1. Since the introduction of restrictions on gatherings of people by the Government in March 2020, it has not been possible to hold standard face to face public meetings at the Council Offices. This led to a temporary suspension of meetings. The Coronavirus Act 2020 now has been implemented, however, and in Regulations made under Section 78 it gives local authorities the power to hold meetings without it being necessary for any of the participants or audience to be present together in the same room.

The Council has a scheme to allow Public Question Time at the start of the meeting using the Zoom video conferencing system. If you wish to ask a question or make a statement, please contact Tracy Couper, Democratic Services Officer for full Council [tracy.couper@eastcambs.gov.uk](mailto:tracy.couper@eastcambs.gov.uk) by 5pm on Friday 19 February 2021. If you are not able to access the meeting remotely, or do not wish to speak via a remote link, your question/statement can be read out on your behalf at the Council meeting.

2. A live stream of the meeting will be available on YouTube at [www.eastcambs.gov.uk/meetings/council-23022021](http://www.eastcambs.gov.uk/meetings/council-23022021) for public viewing.
3. Reports are attached for each agenda item unless marked "oral".
4. If required all items on the agenda can be provided in different formats (e.g. 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](mailto:translate@eastcambs.gov.uk)
5. 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)."



EAST  
CAMBRIDGESHIRE  
DISTRICT COUNCIL

## AGENDA ITEM 4

Minutes of the remote Meeting of East Cambridgeshire  
District Council held on Thursday 22 October 2020 at 6.00pm

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### **P R E S E N T**

Councillor Christine Ambrose-Smith	Councillor Bill Hunt
Councillor David Ambrose-Smith	Councillor Mark Inskip
Councillor Sue Austen	Councillor Alec Jones
Councillor Anna Bailey	Councillor Daniel Schumann
Councillor Ian Bovingdon	Councillor Joshua Schumann
Councillor David Brown	Councillor Alan Sharp
Councillor Charlotte Cane	Councillor Amy Starkey
Councillor Victoria Charlesworth	Councillor Lisa Stubbs
Councillor Matthew Downey	Councillor John Trapp
Councillor Lorna Dupré	Councillor Paola Trimarco
Councillor Lavinia Edwards	Councillor Jo Webber
Councillor Lis Every (Chairman)	Councillor Alison Whelan
Councillor Simon Harries	Councillor Christine Whelan
Councillor Julia Huffer	Councillor Gareth Wilson

### 32. **FORMER COUNCILLORS GRAHAM STEWARD AND JOHN WILLSON**

Prior to the formal commencement of the meeting, a minute's silence was observed as a mark of respect following the recent deaths of former District Councillor Graham Steward, Labour Member for Sutton from 1991-2003 and former District Councillor John Willson, Independent Member for Ely West from 1991-1995.

Councillor Dupré gave the following tribute to former Councillor Graham Steward from former Councillor Dil Owen:

'Graham Steward passed away on Saturday 12 September.

He is sadly missed by his many friends and colleagues, and his family - wife Ann, children Jo, Will, Kate, and grandson Toby.

Graham retired early from his role as an advisory headteacher in Inner London in 1987 and moved to Sutton where he enjoyed cattle droving, fishing, gardening, and shooting rabbits and pigeons for his many farmhouse recipes.

Graham joined the Sutton and District Labour Party in the early 90's and became an enthusiastic campaigner, collecting petitions and organising numerous events, often playing his guitar on the streets and markets in the constituency and singing amusing and protest songs that he had honed during his years as a leading member of the Woodcraft Folk.

He successfully contested the District Council seat for Sutton and represented the villages of Sutton and Mepal for almost two terms before retiring in 2001. He was instrumental in forming the first ever formal political grouping on the Council.

His passion for community was energetic and committed, helping many disadvantaged groups and individuals. He was Chair of Mepal Outdoor Centre trustees for many years and was a huge advocate for the youth service and its many clubs as well as instigating a consultation and reporting back to his constituents at nearly every Mepal and Sutton Parish Council meeting.

The community can thank Graham for the establishment of Sutton's Feast Week and subsequently its many successful activities. He was its first Chair and instigator of the Feast in 1999, and all children were in receipt of an etched Millennium glass and candle. It was formally inaugurated in the village on New Year's Eve 1999 with a parade, bonfire, and fireworks. It has, for 20 years, been a great success and village unifier—a wonderful legacy to Sutton.

Graham's love of folk music saw him, along with his wife Ann, form the Red Rose folk group, playing twice a month in both the Chequers in Sutton and the Three Pickerels in Mepal. Many artistes and amateurs attended these sessions which lasted for years and raised thousands of pounds for local charities.

Graham's musical talents took him to many old people's homes, and he entertained groups of learning-disabled children, adults, and those with mental health issues.

A big supporter of the pub as a community hub, he also started folk sessions in many pubs around East and South Cambridgeshire before becoming a founder member of the successful folk and ceilidh band Eel Pie along with his wife Ann, Ray Dron, and the sadly also recently-deceased members John Crowe and Terry Stoodley.

Another of his lifelong passions was tending his extensive garden and growing vegetables.

He died peacefully in his sleep the day after his 83rd birthday, having been cared for at home by his family.

His funeral took place last month but there will be a wider celebration of his life at a time to be determined after Coronavirus restrictions can be safely lifted.

Any donations in Graham's memory can be sent in aid of Sutton's Priors Field Surgery Patient Participation Group Kitchen Garden and Sensory Garden. This village project encapsulates so many of Graham's interests, passions and

values. Based at the allotment site in Sutton, it brings local people together to share the joys of community and gardening.'

The Chairman gave a tribute to former Councillor John Willson, who had been a prominent Ely citizen, being manager of the former city centre Tesco store and Mayor of Ely, as well as giving stalwart service as a District Councillor.

### 33. **PUBLIC QUESTION TIME**

Questions were received from Jethro Gauld, Margherita Cesca Nelder-Haynes and Susan Bussell and read out at the meeting. The questions and responses given by the Leader of the Council, are detailed below:

#### Question 1

*The following question was received from Jethro Gauld and read out at the meeting on his behalf:*

"Declaring a climate emergency last year was an important step for ECDC. Unfortunately, local councils across the UK may unwittingly be contributing to worsening the climate crisis by investing in fossil fuels via local authority pension funds and other investments. Fossil Free UK estimate that UK local authority pension funds currently invest £14bn in funds linked to coal, oil and gas. This is obviously incompatible with solving the climate crisis.

Will the council join other local authorities and large institutions such as The University of Cambridge in making a public statement on the current financial exposure of ECDC to fossil fuels and commit to:

1. Immediately freeze any new investment in publicly-traded fossil fuel companies;
2. Divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds within 5 years.

As public bodies, local councils have a responsibility to work for the public good; publicly divesting from fossil fuels sends a clear message to the markets that we need to leave them in the ground."

#### Question 2

*The following question was received from Margherita Cesca Nelder-Haynes and read out at the meeting on her behalf by Susan Bussell:*

#### **Electric vehicle charging points in East Cambridgeshire District On behalf of East Cambs CAN, Climate Action Network**

The transport secretary has said, "It is vital that electric vehicle drivers feel confident about the availability of charge points near their homes and that charging an electric car is seen as easy as plugging in a smart phone."



Although car sales are down, sales of electric vehicles are surging. Demand for charging points is undoubtedly growing in the district. As part of the Government's £1.5 billion Road to Zero strategy, funding is now available to local authorities for the on street residential charge point scheme. Is the district council taking this opportunity and applying for funds under this scheme?

The district council has recognised the importance of electric charging points in their environment and climate action plan. But will you deliver on this? New residential developments are being constructed without EV charging points on site. Will the Council commit to stop this practise and introduce a new normal as part of their plans to reduce emissions to comply with the Climate Change Act?

### Question 3

*The following question was received from and read out at the meeting by Susan Bussell:*

### **Questions to ask at Council meeting on behalf of Eastcamb's CAN Energy efficiency of homes in the district**

The 2015 Report by the Building Research Establishment - Dwelling Level Housing Stock Modelling and Database -prepared for East Cambridgeshire District Council on housing stock highlighted that the average Energy Efficiency ratings for all private sector dwellings in East Cambridgeshire is 52 falling within band E, which is worse than the average for both England (55) and East of England (55). For owner-occupied housing stock in East Cambridgeshire, the figure is 53 and for the private rented sector it is 50.

This lower energy efficiency results in:-

- higher carbon emissions contributing to climate change and;
- increased fuel poverty amongst low-income families and poorer health.

The highest concentrations of fuel poverty and “excess cold”, in the private sector, were found in the wards of Dullingham Villages, The Swaffhams and Stretham.

1. What has the Council done to reduce carbon emissions from domestic properties and reduce fuel poverty across the whole of the District?
2. Is the Council going to take advantage of the Green Homes Grant – Local Authority Delivery, from Central Government, in order to make homes in the district more energy efficient, reduce fuel poverty amongst low-income families and decrease carbon emissions? I refer councillors to a very helpful and informative recent report titled Hotnumbers prepared on behalf of Carbon Neutral Cambridge. This report provides an overview of home energy upgrade opportunities in the Cambridgeshire and Peterborough combined Authority in order to accelerate the rate of improvement and help optimise the use of the Green Homes Grant scheme in our area. (Report circulated to all Councillors and available on Council website)

3. Lastly how is the Council enforcing the regulations concerning the Minimum Energy Efficiency Standards (MEES) for private rented properties, across the district, since it became a legal requirement for all, non-exempt, private rented properties to be at least an E rating since April 2020? It is noted that the BRE Report of 2015 stated that just under 25%, in East Cambridgeshire, were estimated to have an EPC rating of below an E rating.

*Responses from Leader of the Council, Councillor Anna Bailey:*

### **Question 1**

The Council does not directly invest in any companies involved in fossil fuels.

However, the Council, does clearly have funds in the Cambridgeshire Pensions Fund, which is managed by Cambridgeshire County Council. We have no control therefore on where this money is invested.

Further, the majority of the Council's cash holdings are invested in Money Market Funds (this in line with the Treasury Management Strategy) where again we have no control where the money is ultimately invested.

### **Question 2**

The Council has engaged two companies to carry out a feasibility study regarding the suitability of installing rapid EV charging points in Council owned car parks. One of the companies is also investigating the feasibility of installing 7Kw to allow overnight charging for residents. This is being done as part of the Government's Road to Zero Strategy.

The Council is also working with CPCA and other local Councils to produce a Combined Authority area wide EV Strategy to address the growing demand for electric vehicles and associated infrastructure across the area.

Planning officers encourage the inclusion of EV charging points in new development and in the Fordham Neighbourhood Plan there is a specific policy which allows the planning team to request EV charge points for developments in Fordham.

The Council is currently consulting on its draft Climate Change Supplementary Planning Document which encourages the provision of electric charging infrastructure.

### **Question 3**

The Council provides a Home Energy Conservation (HECA) Act 1995 return every 2 years, the last online submission was provided in 2018. This outlines action taken by the Council to:

- Reduce carbon emissions from domestic properties
- Reduce fuel poverty across the whole district and is outlined below;

- Target hard To Treat (HTT) homes that might be eligible for Energy Company Obligation (ECO funding)
- Organise and advertise advice surgeries (drop in sessions) at various locations around the district.

To ensure households are accessing the best energy deals, targeted promotion of energy options to households will be carried out by working in partnership with other groups and organisations, maximising engagement through established mechanisms and maintaining dialogue with external groups.

Promotion and support in the provision of basic energy efficiency measures will be achieved by utilising a wide range of mechanisms, including, for example, the Council's website, literature, social media, articles in relevant publications, newsletters, attendance at relevant events plus use of frontline staff working within the community as well as through face to face contact with residents.

Promoting energy efficiency measures is proposed for inclusion in strategic planning policy documents and updated as national policy changes. And we work in partnership with Health Agencies to target vulnerable groups living in cold homes.

We will provide information and links via our website on the most up to date information on FITs and RHI, energy efficiency planning guidance, and Action on Energy (Cambridgeshire wide District Council partnership). We continue to work towards seeking external funding sources.

The Council will be working with neighbouring authorities, through the Action on Energy Partnership on a bid submission for the next round of the Local Authority Delivery Grant. The report prepared on behalf of Carbon Neutral Cambridge provides some very useful data and information to assist with the bid.

The enforcement of Minimum Energy Efficiency Standard lies with Cambridgeshire County Council. The County Council has drawn up a delegated authority agreement for consideration by the Council. If agreed, this will then come under the remit of this Council's Environmental Health Domestic team. The role can be combined as part of the standard inspection routine, and to combine both the MEES and HHSRS process to enforce heating standards.

When a routine inspection is undertaken by officers within the Environmental Health department they check the EPC rating of the property. They also assess the property under the 'excess cold' hazard, under the Health and Housing Safety Rating System. Even if the property is above the required EPC rating, officers may find that works need to be carried out by the landlord to improve the insulation of the property and enforcement action may be required. If the EPC is found to be below the required legal rating, this will be referred to the enforcing agency which is currently Trading Standards.

The Council housing team organises Landlord Forums, where advice, support and guidance is provided to landlords.

34. **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

35. **DECLARATIONS OF INTEREST**

Declarations of Interests were made by Councillor Charlotte Cane as follows:

Agenda Item 12: Exempt Minutes 31 July 2020 - Disclosable Pecuniary Interest (DPI) - will leave the meeting at this point and not return.

Agenda Items 6 & 8: Petitions & Questions from Members – whilst these items have matters relating to Mepal Outdoor Centre, will remain for these items as there will be no discussion or decisions on the issue.

36. **MINUTES**

It was resolved:

That the Minutes of the Council meeting held on 16 July 2020 and Extraordinary Council meeting held on 31 July 2020 be confirmed as a correct record and signed by the Chairman, subject to the following amendments:

Minute 23, page 3, second paragraph, final sentence to read:

‘.....conscientious and committed Chief Executive to East Cambridgeshire.’

Minute 27, Corporate Plan – record that Councillor Cane left the meeting for the duration of this item.

37. **CHAIRMAN’S ANNOUNCEMENTS**

The Chairman made the following announcements:

**COVID-19**

The Covid-19 pandemic has caused significant disruption to individual organisations, partnerships and key strategic workstreams nationally, regionally and locally. The pandemic has caused rapid, and in some cases, radical systems change, both positive and negative.

At present East Cambridgeshire is one of the Districts in the country to have the fewest number of COVID-19 positive cases. However, as you all know from this unpredictable virus this can change rapidly and therefore we continue to manage and monitor the situation daily. The Council has now moved from the response to the recovery stage of the epidemic working through an internal officer recovery group led by Jo Brooks, our Operations Director, which has been set up to maintain key

services, continue to help those in need, support our businesses and keep everyone informed.

This group is also part of the wider Local Resilience Forum which has convened a county wide Recovery Co-ordination group. Thus the council works collaboratively with a multitude of organisations and sub-groups which cover different areas of work – all working towards a common goal. We have worked with businesses, community groups, Public health, other statutory bodies and other authorities from parish councils through to central government to help drive an environmentally, socially and economically sustainable recovery for East Cambridgeshire. In addition, a COVID-19 Member Working Party was set up to initially feed into the wider district recovery plan working through a workstream programme alongside and supported by officers. Most of the recommendation from the group are now in place.

A Cambridge and Peterborough Local Outbreak Plan is in place which describes what measures are being adopted to help control and contain Coronavirus and we have written an East Cambs District local outbreak response plan which hopefully we will not need to put into action.

We can be very proud of our officers who have worked extremely hard to support our District both at business and resident level. It is also testament to our residents who are helping to keep the virus to a minimum by following the rules and guidance.

#### GREEN FLAG AWARD

I am sure you are aware that for several years, two of our green parks and open spaces in Ely, the Country Park and Jubilee gardens have been awarded the Green Flag Award and I am delighted to confirm that the team who manage these have been successful again this year.

Many congratulations to the team who manage the spaces and work all year around to gain this prestigious accreditation. Each site is judged on its own merits and suitability to the community it serves by volunteer judges and are deemed to be a welcoming place, well maintained, clean, healthy, safe and secure. Each site also has to be sustainable, supporting conservation and heritage, marketed and managed well having demonstrated community involvement.

Huge credit to the team and our thanks for achieving this for our residents and visitors.

#### BUS SERVICES REVIEW MEMBER SEMINAR

Please can I remind all Members of the Bus Services Review Member Seminar taking place on Thursday 29 October 2020 commencing at 6pm.

### 38. **PETITIONS**

Council received a petition requesting that the Mepal Outdoor Centre remain as a Leisure Centre. The Petition had the title 'Save Mepal Outdoor Centre - Potential for the Future' and stated that it was part of an ongoing community campaign to keep the Centre as a valuable resource for the future health and wellbeing of both the local environment and community.

The Petition Organisers, Colin Stevens and Mercedes Rollason thanked the Council for the opportunity to formally present the petition and spoke in support of the petition, stating that it demonstrated the level of community support for the retention of the Mepal site as a leisure facility. The petition not only included signatures from local people but those in the wider communities abutting the edge of the District. The petition organisers had been told many stories about the facility, but the petition was not just about nostalgia, and there was a real local expectation that the facility would be returned to leisure uses. The petition organisers had been humbled to experience the level of community feeling for the facility. The development of a crematorium would represent a major change of use for the site and it was vital that the voice of the community in favour of leisure usage should be heard. Therefore, it was requested that this be taken into consideration as part of any decision-making by the Council and Finance and Assets Committee and any Planning process.

The Petition Organisers then responded to questions from Members as follows:

In response to a question, the petition organisers expressed the view that they believed that there was enough public interest for a full public consultation exercise.

In response to a question about alternative uses for the site, the petition organisers stated that whilst it was not their role to suggest these, some suggestions had been made to them as part of the gathering of signatures.

A Member followed this up by asking how many concrete expressions of interest had been made. The petition organisers stated that this had not been widely explored, but people wanted a constructive conversation regarding leisure usage.

With regard to questions on sustainable uses for the site, the petition organisers stated that these needed to be related to the long-term future of the site, bearing in mind the projected local population growth and the need to promote the health and well-being of the local community. The 'Save Mepal Outdoor Centre' campaign acknowledged that the Centre could not return to what it had been and needed to reflect the needs of the modern changing population. The demographic was changing, therefore something new needed to be created, rather than the facility being taken away.

A Member referred to the previous detailed discussions and process to find a way forward with regard to leisure usage via the Working Party

which had involved one of the local Sutton Members. Despite this extensive process, the selected operator had withdrawn.

A Member referred to the possibility of getting together groups of voluntary or community organisations to operate individual 'spheres' of leisure activities on the site. The petition organisers expressed the view that adaptable and imaginative solutions were required, as it appeared that the site was too large a venture for a single operator.

The Chairman and Leader of the Council thanked Colin Stevens and Mercedes Rollason for their attendance and presentation of the Petition to the Council.

The Leader of the Council then responded to the Petition as follows:

I want to thank residents for bringing forward this petition, and of course I take note that 468 local people plus a further 183 unidentified local people have signed it. I share with you a strong desire to ensure a sustainable future for the Mepal site. First and foremost it has to be understood that the site is a key biodiversity asset in our District. The site is both beautiful and ecologically important, having matured since the outdoor centre ceased to trade – nature has taken over and wildlife has flourished.

I would like people to understand, therefore, that whatever the future for the site, that future has to protect and respect the wildlife and biodiversity that exists there. You could say that the site is *constrained* by the ecological assets, but I would prefer people to think of this positively as the wonderful asset that it is. And in line with the commitments made in our Environment and Climate Change Strategy, which received unanimous cross party support, we must go further than this - we must not only protect the natural assets but we must work to enhance them. I would also like to remind members of the opposition and our residents that we recently adopted the Natural Environment Supplementary Planning Document which now forms a material part of our planning policy - again this received unanimous cross party support - any development of the site will have to be instructed by what it says.

The Council worked incredibly hard, in good faith, to try to secure continued use of the site for outdoor pursuits. Despite our considerable cross party efforts it just wasn't possible to secure a sustainable community re-use of the site by a third party – organisations just couldn't find a way to make it financially viable. Anyone investing in the site, including the Council, will need to look for a return to pay for the cost of that investment. The outdoor education and leisure sector is now suffering massive financial hardship across the country in the wake of the Covid pandemic; indeed, the outdoor education sites run by the County Council are suffering enormous financial problems along with private sector leisure providers across the country.

The Council needs to secure a use for the site that respects its natural assets and that it can pay for. We do need to take steps to support our Medium Term Financial Strategy – something that this Council has an excellent track

record of doing. We always look for solutions that benefit the community whilst helping to support the cost of frontline services, such as our brilliant housing team who help to ensure people do not become homeless. Looking for a use that will respect the site's ecology and help to generate an income is a reasonable, responsible and positive thing to do. Site use is constrained, for the reasons I have outlined; investigating the possibility of using the site to realise our ambition for a crematorium in our district is a sensible, reasonable and logical thing to do.

What we now have is the opportunity to provide a "green" crematorium, woodland burial facility and pet cemetery, which would fulfil the need for a self-supporting re-use of the site that responds to and respects the site's biodiversity needs and would provide a new facility for local residents that is not currently available in our district. We hope too, that some appropriate recreational use of the site may also be possible - but once again, I must emphasise that this has to be dictated by the biodiversity and ecology needs of the site.

I will set out later, in response to a question from a Member, where we are up to with site investigations and next steps.

### 39. **MOTIONS**

#### (i) Protecting the Public's say in the Planning Process

The following Motion was proposed by Cllr Lorna Dupré and seconded by Cllr Charlotte Cane:

This Council notes:

1. The publication by Government of the White Paper *Planning for the Future* on 6 August 2020, which sets out proposals for changes to the planning process for the future.
2. That the vast majority of planning applications are given the go ahead by local authority planning committees, with permission granted to around nine out of ten applications.
3. That research by the Local Government Association has said that there are existing planning permissions for more than one million homes that have not yet been started.
4. That there is a significant shortage of affordable housing in East Cambridgeshire.

This Council is concerned that the proposals seek to:

1. Reduce or remove the right of residents to object to applications near them.
2. Grant automatic rights for developers to build on land identified as 'for growth'.
3. Remove section 106 payments for infrastructure and their replacement with a national levy.
4. Significantly raise the size of development at which applicants are required to provide affordable housing, from the current ten properties to forty or even fifty.



This Council further notes:

1. The Royal Institute of British Architects called the proposals 'shameful' and said they 'will do almost nothing to guarantee delivery of affordable, well-designed and sustainable homes'. RIBA also said that proposals could lead to the next generation of slum housing.
2. The reforms are opposed by the all-party Local Government Association, currently led by Conservative Councillors.

This Council believes:

1. That existing planning procedures, while not without their flaws, allow for local democratic control over future development, and give local people a say in planning proposals that affect them.
2. That proposals for automatic rights to build in 'growth' areas, and increased permitted development rights, risk unregulated growth and unsustainable communities.
3. That an increase in the threshold for the provision of affordable housing will mean an end to the building of new affordable homes in our rural villages.
4. That local residents must be in the driving seat in shaping the future of their communities, and local determination of the planning framework and planning applications play an important part in this process.

This Council resolves to:

1. Respond to the consultation on the *Planning for the Future* White Paper, and to make representations against the proposals as outlined in this motion.
2. Write to and lobby both of our Members of Parliament, urging them to oppose these proposals and to circulate their replies to members.
3. Highlight its concerns over these proposals to the public and local residents.
4. Instruct officers to bring forward a paper to the Finance & Assets Committee examining the potential for this Council to work with East Cambridgeshire's rural parishes to apply for designation under section 157(1) of the Housing Act 1985, with the consequent power to set its own affordable housing threshold.

Councillor Dupré spoke as proposer of the Motion, highlighting the two aims of the Motion to give a committed and robust response to the Government White Paper and a way forward for more Affordable Housing for Parishes. 1 million homes already had Planning consent but these were not being built due to land-banking and the slow release of sites to keep house prices high. The proposals in the White Paper would limit local say in the Planning process to mere design issues. Local people should be in the driving seat with regard to shaping their communities not in the child seat. The threshold for the provision of affordable housing would be increased from 10 to 40 or 50, so the Government needed to be lobbied on these vital issues regarding the future of the Planning process. The second part of the Motion was to propose a way

forward on affordable housing and give opportunities for the large number of smaller settlements in our District.

The following amendment then was proposed by Councillor Anna Bailey, and seconded by Councillor Joshua Schumann:

Delete: paragraphs 1 (1-4), 2 (1-4), 3 (1-2), 4 (1-4) and 5 (1-3)

Add: 'This Council resolves to' and retain paragraph 5 (4)

So the amendment reads:

This Council resolves to instruct officers to bring forward a paper to the Finance & Assets Committee examining the potential for the Council to work with East Cambridgeshire rural parishes to apply for designation under Section 157(i) of the Housing Act 1985, with the consequent power to set its own affordable housing threshold.

Councillor Bailey spoke in support of the amendment as follows:

'The vast majority of this motion is better served by debate at Item 10 of our Agenda this evening, which is a well written, all-encompassing look at the White Paper proposals.

There is potential merit in item 4 which is about investigating rural designation status for parts of our District. Used in the right way it is an attractive policy with the effects being two-fold. 1) Giving the *opportunity* for the District Council and / or Parishes to implement policy affordable housing at a lower threshold to the national policy. 2) Placing restraint on affordable homes purchased under Right to Buy by restricting the opportunity to purchase and for future purchasers to people that have lived and worked in the Parish for 3 years.

North Kesteven District Council took 21 months to achieve getting the Order into place and the status into effect. However, once the order is in place, there is no change in planning policy, so to then make it actually have an effect on affordable housing trigger points planning policy would need to change either via the Local Plan or through Neighbourhood Plans.

So, members need to understand that this will not help us deal with the 40 to 50 trigger issue, but we have already made representation on that. The ECDC response to the Government's "Changes to the Current Planning System" consultation which ended on 1<sup>st</sup> October reads:

*"ECDC agrees with the principle of trying to support small and medium sized builders, and the proposal may have merit on that basis.*

*However, ECDC is concerned that raising the site threshold to 40/50 dwellings before any affordable housing can be sought from developers, even for a temporary 18 month period, will have significant implications on the Council's ability to deliver affordable housing.*

*As a rural district, many of our homes are delivered on (or proposed on) small sites, of less than 50 dwellings. This is particularly the case for the many smaller settlements in the district (of which there are around 50), the vast majority of which do not have sites of greater than 50 homes. In effect, even if temporary, the ability of smaller settlements to deliver affordable homes will be gone, perhaps for many years to come.”*

It appears, on the face of it, that most areas of our District might qualify for designation, with the exception of Ely, Soham and Littleport and perhaps one or two other places.

But, achieving it could take a considerable amount of time and energy - with quite a high risk that no such national policy even exists by the time it is achieved, depending on the outcome of the White Paper; there is also some risk that ECDC or a PC would not be *allowed* to set a lower threshold by an Inspector / Examiner of our Plans.

But achieving the status would enable Neighbourhood Plans to *attempt* to set a lower trigger point, and it would also bring into effect the Right to Buy restriction which is akin to the £100k homes policy already adopted and in action in our patch and is in line with the kind of thing this administration likes to do!

It is a complicated issue, so further work to understand it should be taken forward by the Finance & Assets Committee and that is the basis of our amendment.’

A number of Members expressed serious concerns with the amendment, stating that it stripped out all that was wrong with the White Paper, which this Council should be making a clear statement about to Central Government. Particular reference was made to Neighbourhood Plans, which had been a huge success and would be very detrimentally affected by the White Paper proposals. Nationally 1,000 had been made and 2,000 were in the process of development, with 7 being completed or planned within this District. Neighbourhood Planning had been embraced by local communities to enable them to have some control over local development. However, the White Paper proposals would provide no motivation for embarking on this rewarding process that could bring communities together. Therefore, this Council needed to clearly object to the Government and the amendment stripped this ability away.

Other Members commented that the Neighbourhood Planning issue was addressed as part of Agenda Item 10 and gave a clear response to Central Government from this Council on the matter.

The seconder of the Motion concurred with the views expressed that the amendment stripped out the main issues and was not supportive of local communities embarking on the Neighbourhood Plan process. This Council needed to give a clear message that they supported Neighbourhood Plans and valued parishes’ input into the Planning consultation process.

Other Members commented that the amendment removed the clarity of the Council's position on the White Paper and would leave confusion in the minds of local people.

The seconder of the amendment commended the Chairman on the opportunity for the Motion to be debated by all Councillors at full Council, rather than being referred to the Finance and Assets Committee, and stated that the final paragraph 4 of the Motion had merit, which was why it had been retained in the amendment. The other issues in the Motion would be dealt with under Agenda Item 10.

The proposer of the Motion stated that she was pleased that the ruling administration was willing to consider the issue of designation but not making representations to Central Government on the other issues would cause public confusion. She was disappointed that local communities would be let down by the stripping out of the key elements of the Motion.

Upon being put to the vote, the amendment was carried by 17 votes in favour to 11 votes against and became the substantive Motion.

With regard to the substantive Motion, the seconder of the original Motion expressed disappointment that only a small element of this now remained, but commented that it was important to secure more affordable housing across the District, particularly in small, rural villages. Therefore, she would support designation and hope that the administration would commit real resources to moving forward on the issue quickly. The proposer of the original Motion also commented that the very small element that remained of the Motion had merit.

Upon being put to the vote, the substantive Motion was carried unanimously.

(ii) Parking Enforcement

The following Motion was proposed by Cllr Anna Bailey and seconded by Cllr Joshua Schumann:

This Council unequivocally endorses the constitutional commitment to free car parking in its off-street town centre car parks. This commitment, together with a proportionate enforcement regime, is even more important now to support town centre businesses to recover from the COVID 19 crisis.

Nevertheless, the Council remains concerned at the growing instances of dangerous and anti-social on street car parking across the District, not limited to, but notably in Ely, Littleport, Bottisham and Soham. The on-street enforcement regime is not fit for purpose.

The decriminalisation of on street car parking does not offer an appropriate solution to a District committed to free car parking and sound financial management. The Council cannot sign up to a scheme which is irreversible, has significant unfunded capital and

revenue commitments and would lead to the introduction of car parking charges in our District.

Therefore, this Council instructs the Director, Operations to engage with the Chief Constable to discuss the provision of a dedicated car parking enforcement resource for the District and/or the effective implementation of CSAS (Community Safety Accreditation Scheme) and furthermore requests that an update is reported to Finance and Assets Committee in January 2021 detailing any legal and financial implications for consideration and decision on how to progress the matter.

Councillor Bailey spoke in support of the Motion as follows:

‘This administration and the Conservative ones before it has always put free car parking in our off street town centre car parks right at the top of our Agenda.

There has never been a more important time to reconfirm our commitment in public this evening as our town centre businesses grapple with the current health crisis. I make that commitment again now - we will not charge for car parking in our town centre car parks – full stop!

However, we know there are car parking issues - beyond our control - causing frustration and inconvenience to our residents, notably with off street parking.

We did all we could - we built our highly successful commuter car parks in Ely to take cars off residents’ streets with support from our local partners.

But we know the problem remains not only in Ely but in towns and villages across the District - inconsiderate and sometimes dangerous parking risking lives and damaging businesses!

I am aware that other Cambridgeshire authorities are pursuing decriminalisation of car parking through Civil Parking Enforcement. I cannot and will not agree to this course of action - it is tantamount to writing a blank cheque on behalf of every single taxpayer in the District and if it doesn’t work there is no going back - it is not reversible!

We must consider a better alternative. We have two potential options which I believe we should explore.

We need to pursue, with the Chief Constable of Cambridgeshire Constabulary and the Police and Crime Commissioner, a policy to fund Police enforcement resource and, or the implementation of the Community Safety Accreditation Scheme with commitment by the Police for co-operation on an effective enforcement response to evidence collected by our officers.

If this motion is carried, and I hope this will be unanimous, we can get a report back to the Finance & Assets Committee early in the New Year.’

Councillor Inskip proposed under Council Procedure Rule 10.4 that the Motion be referred to Finance and Assets Committee for consideration. He explained that the reasons for this was that there were real concerns with regard to the Motion, as Civil Parking Enforcement (CPE) was not being considered by this Council, although other neighbouring Councils, including Fenland, which was similar to East Cambridgeshire, were considering it. There were real problems with parking within the District and the Finance and Assets Committee should not be constrained in the options that it could consider. In response, the Chairman reported that under Procedure Rule 10.4, she considered that it was more convenient to allow the Motion to be dealt with by Council.

A Member stated that it was important to have an opportunity to consider this issue tonight, since Councillors had seen examples of abuses of parking schemes throughout the District. A dedicated resource was required and this was why all Councillors should support the Motion.

Other Members stated that, whilst they supported the principles of the Motion, Finance and Assets Committee was the more appropriate body to consider all of the issues in more detail.

The Liberal Democrat Leader referred to East Cambridgeshire as a 'outlier' with regard to parking enforcement. Currently there was no mechanism to report parking offences within the District due to lack of policing resources. South Cambridgeshire DC also was in a similar position. However, the lack of information on the issues at present was why a decision could not be made tonight. Also, it was her understanding that CSAS did not apply to parking enforcement, so it would not achieve the required objectives. So, whilst she supported taking action on parking enforcement, this might not be the answer.

Other Members concurred with these remarks and expressed serious concerns regarding the level of illegal parking within the District. The current enforcement regime was not fit for purpose, but the recently announced reduction in policing numbers, including PCSOs, would not help to address the problem. This was why a range of options needed to be considered, including CPE. If the Motion was passed tonight, it was important that all options should be considered by Finance and Assets Committee, including CPE.

On the issue of PCSOs, a Member reported that the Police had advised that East Cambridgeshire was to retain its existing 4 PCSOs.

As seconder of the Motion, Councillor Joshua Schumann stated that CPE was a 'blunt instrument' that worked well in high density urban areas, but was not suitable for largely rural areas, as it would not be enforceable. Therefore, the Council needed to engage with its partners

to identify a suitable solution, which is what the Motion called upon us to do.

In summing-up, Councillor Bailey, as proposer of the Motion, stated that she was glad that this District was an 'outlier' in terms of having free parking and she understood that other authorities such as Luton BC had used CSAS effectively. CPE had been considered by this Council in 2018, but had been found to be unviable in rural areas without the introduction of parking charges, due to the requirement for enforcement in all off-street car parks within the District and to fund this from the scheme itself rather than from the Council Tax. In addition, CPE was a 'once and for all' option, with around a 30 month implementation period. So a faster, more effective solution was required.

On being put to the vote, the Motion was declared to be carried unanimously.

*The meeting was adjourned at 8.21pm for a comfort break and re-convened at 8.31pm*

#### 40. **QUESTIONS FROM MEMBERS**

7 Questions from Members were received and responses given as follows:

Question from Councillor Mark Inskip to the Leader of the Council relating to Mepal Outdoor Centre:

##### **'Question to the Leader of the Councillor regarding surveys and assessments commissioned by the Council on the Mepal Outdoor Centre site**

The District Council has commissioned an extensive set of surveys and assessments of the Mepal Outdoor Centre site over the past year. These include a preliminary ecology appraisal, a groundwater risk assessment survey, a topographical survey, numerous daytime winter bird surveys, breeding bird, reptile and botanical surveys.

In her interview with the Ely Standard on the 18 August the Leader of the Council referred to the bio-diversity of the site and "some important wildlife." Presumably this is confirmed by these surveys and assessments. Neither opposition councillors nor members of the public have access to these surveys and assessments and we can therefore only speculate as to the details in these documents.

In response to a Freedom of Information request FOI/EIR 20/21-170 issued last month requesting publication of the document the council argued that "the public interest in maintaining the exemption outweighs the public interest in disclosing the information" until the submission of the planning application.

Given the level of public interest demonstrated by the petition of over 2,300 names presented to the council why is it necessary to continue to keep these documents secret, particularly if there is an intent to publish later this year?

And if there is an intent to publish, as implied in the response to the Freedom of Information request, can she confirm that every document listed in the request will be published in November and on what date in November?’

Response from Leader of the Council, Councillor Anna Bailey:

My starting point is to reiterate that the detail of the preliminary ecological appraisal, the groundwater risk assessment and site investigation survey were reported in some detail to all Members of this Council when Full Council considered the outline business case for the crematorium project. It was also confirmed at the special full Council meeting that the preliminary ecological appraisal needed to be supplemented with a broad range of further ecological survey work so that there was comprehensive detail of all ecological matters across all seasons of the year. This work has been progressed as planned but the fire that took place on the Mepal site has resulted in the last of the survey work having to be rescheduled which has caused delay in being able to report on ecological matters.

We need to consider the ecological assets of the site in the round, and to do that we obviously need to complete all the survey work first. The final survey was completed earlier this week and we will now be putting all of the survey findings into a summary report.

All survey documents will form part of the planning application which is intended to be submitted in November 2020 and will therefore be publicly available.

To reassure East Cambridgeshire residents the Council will of course be seeking their views on the project as part of the planning application. This will include the following information being made available to the public through a dedicated page on the Council's website:

- A planning policy statement to confirm that the project is compliant with the current planning policy of this Council
- Design concept visuals with a landscape plan
- CGI visuals of the proposed development
- Statements on the site survey work and ecology.

There will also be a link from the website to an on-line survey for members of the public to complete and return. This is the best way to directly inform the public about the project and as part of the planning application to get their views on the project. And of course a planning application requires the applicant to fully and accurately report the findings of public consultation.



Question from Councillor Matthew Downey:

"How has this Council marked Black History Month this year? Please supply a list of activities and dates."

Response from Leader of the Council, Councillor Anna Bailey:

Ahead of Black History Month (30<sup>th</sup> September), a member briefing was created and sent to members to inform them about Black History Month, its aims and detail of what the Council is doing during October to promote it and how they can get involved. Cllr Downey was included in that circulation.

Due to the current COVID-19 pandemic our approach has been focused on digital communications, such as our website and social media platforms.

A webpage dedicated to Black History Month was made and is currently still live. The page provides more information about Black History Month, asks people to take part in the Council's Equality, Diversity and Inclusion Policy consultation and promotes events taking place online by Cambridgeshire Libraries. We have also featured this webpage on the council's homepage carousel.

Social media has been regularly taking place throughout the month. This has been a mix of sharing content from the 'Great Black Britons' section of the Black History Month website and providing book recommendations, which feature our own social media graphics and a synopsis of each book.

Similarly, regular promotion of our Equality, Diversity and Inclusion Policy consultation has been taking place.

Question from Councillor John Trapp:

"What progress has been made to date on the promised formal review of the property requirements of Palace Green Homes and East Cambs Community Housing to be completed by the end of December 2020? How is it intended that members of this Council will be engaged in the review and the outcome reported to all members?"

Response from Leader of the Council, Councillor Anna Bailey:

In Dec 2018 it was agreed that an operational review of office accommodation requirements would be carried out and reported to Asset Development Committee by 31 Dec 2020. That review is underway and the findings of the review will be reported to the renamed Finance & Assets Committee at its final meeting this calendar year on 26 November 2020.

Question from Councillor Alec Jones:

How many dwellings in the private rented sector in East Cambridgeshire have a category 1 Housing Health and Safety Rated System (HHSRS) hazards? What percentage of properties in the private rented sector does this equate to? Which wards have the highest concentrations of such properties?

Response from Leader of the Council, Councillor Anna Bailey:

I would just like to say, that with detailed questions of this nature, it would clearly be helpful if Members could provide as much advance notice as possible to help our busy officers respond and to enable Council to be furnished with as complete an answer as possible. I would also remind members that you don't *have* to wait to ask questions at Full Council – you can ask officers for information at any time.

Within the Private sector Housing modelling Report 2015 the following key findings were made.

1,089 (22%) dwellings in the private rented sector have Category 1 Health and Housing Rating System (HHSRS) Hazards. The levels of excess cold hazards are particularly high in East Cambridgeshire. The private rented sector is considerably worse than other tenures for HHSRS Category 1 hazards and fuel poverty.

The report does not provide specific information relating to the highest concentration of Category 1 HHSRS Hazards within wards of private rented properties, however the report does provide information on all tenure (rented and owner occupied) households and are provided as follows.

The highest concentrations of fuel poverty are found in the wards of the Dullingham Villages, The Swaffhams and Stretham, along with Excess Cold hazards.

The highest concentration of all HHSRS hazards are found in the Dullingham Villages, The Swaffhams and Downham Villages.

Enforcement action to remove hazards in all properties, irrespective of tenure, is available to local authorities and this is led by legislation and through our adopted Private Sector Housing Enforcement Policy 2019. The policy identifies that the Council will provide awareness, advice and assistance wherever possible to the public, businesses and organisations to help them meet their legal obligations before embarking on the enforcement route, but that enforcement action will be taken when it is proportionate to do so. Last year we successfully resolved 70 requests for assistance from private sector housing tenants with concerns about their housing conditions or with outstanding repairs.

Addressing hazards in owner occupied properties through enforcement is inherently difficult, but possible. Fuel poverty is being addressed by all the measures highlighted in the previous answer.

The Housing Adaptations and Repairs Policy 2019 allows for energy efficiency measures to be grant aided under the Discretionary Special Purpose Assistance Grant for those eligible to apply.

Question from Councillor Charlotte Cane:

1. How many dwellings in East Cambridgeshire have been granted planning consent by the Local Planning Authority but not completed?
2. How many units of social housing have been completed in East Cambridgeshire in each of the last five years?

Response from Leader of the Council, Councillor Anna Bailey:

As at 1 April 2019, there were 5,720 dwellings with permissions not yet completed.

The Annual Monitoring report is being finalised and is due to be published within the next month which will provide the April 2020 figure.

The number of social housing units that have been completed in East Cambridgeshire in each of the last five years is as follows:

2014/15- 19  
2015/16- 54  
2016/17- 11  
2017/18- 88  
2018/19- 63

Again, the Annual Monitoring report to be published within the next month will provide the 2019/20 figure.

Question from Councillor Lorna Dupré:

- What proposals are being put to the Combined Authority for Market Town Masterplan projects in the towns of Littleport and Soham and the city of Ely? Who has been involved in putting together these proposed projects? Please supply a statement for each of these three settlements showing dates of consultation, which individuals and organisations have been involved, and links to the consultation materials used.
- What response is the Council making to the Government's *Raising accessibility standards for new homes* consultation, and how are members being involved in making that response?

Response from Leader of the Council, Councillor Anna Bailey:

### **Market Town Masterplans – Cllr Lorna Dupre**

The Council will be submitting bids to the Combined Authority in November and January. The details of the January bids are not yet finalised so this update focuses on the bids that we intend to submit in November.

Consultation in the form of meetings and engagement has taken place across all three Market Towns which has enabled the development of the bids so far.

The bids focus on COVID Recovery and Accelerating Growth.

#### **Littleport**

A single bid will be submitted for Littleport for a contribution to the roundabout to accelerate the delivery of a housing and employment site off the A10.

Officers have worked with District, County and Parish Councillors to develop the bid and have also engaged with businesses and developers.

#### **Ely**

There will be multiple submissions in Ely which will require further consultation and engagement if the bids are successful.

Street furniture enhancement - this is being worked up by officers and comprises of street furniture replacements throughout the city centre and out to the riverside.

Steeple Row - officers are working with Ely Perspective to bring this long-standing project to fruition. It is something that I have long supported and been involved in and would be very pleased to see come to fruition.

Ely Town Centre Study - if successful this study will be a useful evidence document that will help shape the future of the city centre for Ely. During the process key stakeholders, City of Ely Council, the Cathedral, Shopkeepers, Ely Markets, and Businesses will be engaged to inform the study.

Connectivity - there will be a bid which seeks to improve the digital connectivity in Ely.

The District Council, City of Ely Council and the Cathedral have long standing ambitions to explore what could be done to connect the Cathedral with the city centre. It is intended that a bid is submitted to the CA for funds to enable the Cathedral to carry out a feasibility study to inform a plan that would enable this to be achieved. If successful, there will be opportunity for all relevant stakeholders to become involved in the feasibility study.

To date Officers have been working with Cllr Every, representatives from businesses, Ely Perspective and CCC Highways.

## **Soham**

Multiple bids will be submitted in Soham.

Business Space project - Officers have been working with Councillors and the Town Council to formulate a bid that seeks to secure business space in Soham.

High Street Enhancements - this is being worked up by officers and comprises street furniture replacements and improvements throughout the town centre.

Digital Connectivity - there will be a bid which seeks to further improve the digital connectivity in Soham.

To date Officers have been working with Soham District Councillors [all Soham invited to initial meeting to discuss], Soham Town Council, County Councillors and CCC Highways.

Officers are still working through the bid submissions and there will be a detailed note provided to all Members prior to the bids being submitted to the Combined Authority.

### **Raising Accessibility Standards – Cllr Lorna Dupre**

The consultation for this closes in December 2020. The Council will be submitting a consultation response. If Members have anything specific to include in the response please contact Richard Kay, Strategic Planning Manager.

Question from Councillor Simon Harries:

- What action does the agreement with the Ministry of Defence for the purchase of the former MOD housing at Princess of Wales Hospital permit the Ministry to take in the event that this Council's Planning Committee refuses planning consent for development in Phase 2 on this site?
- What deadlines does the agreement with the Ministry of Defence for the purchase of the former MOD housing at Princess of Wales Hospital set regarding Phase 2 of the development for (a) submission of a planning application; (b) granting of a planning application; (c) completion of construction on the site?

Response from Leader of the Council, Councillor Anna Bailey:

The deadlines with the MoD for the purchase of the former housing at the Ely site regarding Phase 2 of the development are as follows:

- a. Submission of planning application - 31 July 2020
- b. Planning consent - 31 July 2022
- c. There is no contract deadline relating to completion of construction of the site

41. **RECOMMENDATIONS FROM COMMITTEES AND OTHER MEMBER BODIES**

Council considered a report, V90 previously circulated, detailing recommendations from the Council's Committees as follows:

**1. FINANCE AND ASSETS COMMITTEE – 23 JULY 2020**

Treasury Operations Annual Performance Review

A Member commended Officers on their management of investments and the good return received at this difficult time. But the investment of 28% in ECTC also was highlighted, which was considered by the Member to be too great a commitment and risk in relation to one entity for a Council of our size.

It was resolved:

That the report be approved.

**2. LICENSING COMMITTEE – 9 SEPTEMBER 2020**

Licensing Act 2003 Licensing Authority Statement of Licensing Policy – Five Year Revision

The Senior Licensing Officer was commended on his thorough work.

It was resolved:

- (i) That the draft Statement of Licensing Policy, including the amendments shown as tracked changes in Appendix 2 in their entirety, be approved.
- (ii) That the approved Statement of Licensing Policy be recommended for adoption by full Council to come into effect on 7 January 2021.

**3. FINANCE AND ASSETS COMMITTEE – 24 SEPTEMBER 2020**

Corporate Risk Management – Policy and Update

A number of Members commented that the Risk Management Policy did not properly define the Council's risk appetite or contain adequate ratings and notification mechanisms in relation to higher risks.

It was resolved:

That the updated Risk Management Policy, as set out in Appendix 3 of the submitted report, be approved.

42. **EAST CAMBRIDGESHIRE LOCAL PLAN AND 'PLANNING FOR THE FUTURE' WHITE PAPER**

Council considered a report, V91 previously circulated, updating Members on a wide range of Planning Policy matters, and seeking an agreed way forward on such matters. The Strategic Planning Manager summarised the key areas covered by the report which were:

- Proposed Council response to Planning White Paper
- Progressing any review of the East Cambridgeshire Local Plan
- Issues in relation to Neighbourhood Planning
- An update on progressing Supplementary Planning Documents

Members commended the Strategic Planning Manager on his thorough and comprehensive report on the issues.

The recommendations in paragraph 2.1 of the submitted report were proposed by Councillor Bailey and seconded by Councillor Joshua Schumann.

Councillor Bailey spoke in support of her Motion as follows:

'It is important to consider all elements of the planning policy environment in the round, so I thank Richard Kay for bringing this very well written paper to us which grapples with current planning policy needs as well as potential policy of the future.

There is no doubt that a simpler, quicker and more straight forward planning process would be welcome. However, there are issues with a number of aspects of the proposed reforms for this district that we need to bring to the attention of Government. It does feel to me, that the proposals are more suited to urban areas than rural districts such as our own and the lack of detail in much of the White Paper does make it difficult to understand the real effect of what is proposed.

- I am concerned that the idea of zoning sites for growth may result in bypassing the detailed investigation and understanding of individual site assets and constraints that comes from the existing system and may lead to poor development
- I do have concerns about the changes of timing of community engagement
- I have very real concerns about the possible undermining of our Community led development policy
- I am worried about possible undermining of environmental assessment of sites – I can't see that this will be done prior to areas

being allocated to growth zones, and therefore it is hard to see how or when it will be done at all – I do not believe this is what the Government wants

- The effect on Neighbourhood Plans, which this Council supports, is too unknown and seems likely to be negative
- And I cannot support the idea that costs would automatically be awarded against the Council for failed appeals - this will undermine delivery of a quality built environment
- I am also incredibly disappointed about the silence surrounding the issue of incentives and levers for authorities to force developers to actually build what has been granted permission – something this district has suffered greatly from

The basis of our response is set out at 3.16. This has been written in a very factual, non-political way by Richard, who has a detailed and intimate knowledge of East Cambs' policy and our approach to planning. I really believe we need to send a strong response to Government - that response will be so much stronger if it is cross party and unanimous. I strongly urge members to see if they can agree to the statements made at 3.16. If they believe substantive points are missing, it would be helpful if they could also outline those – I note the Lib Dem amendment which I will speak about later, but am pleased that it appears to indicate support for the approach set out in the paper.

With regard to the East Cambridgeshire Local Plan, the paper is well argued and option 1 is the correct route to shore up protection of our 5 year housing land supply.

Writing to Parish Councils to offer continued support with Neighbourhood Planning and to update them on the planning environment is the right thing to do.

And I hope all members can endorse the straight forward item of the updated work programme for Supplementary Planning documents.

So I do believe that the concerns of other Members in the motion earlier tonight are addressed by the paper and I therefore hope we can show a united front tonight by unanimously agreeing the recommendations.'

The following amendment then was proposed by Councillor Lorna Dupré and seconded by Councillor Charlotte Cane:

#### 2.1 That Council:

- I. Notes the publication of the Planning White Paper, and delegates to Director, Commercial, in consultation with the Leader, to respond to the White Paper in line with the principles set out in the agenda report **with the addition of representations against the proposal to increase**



**thresholds for the provision of affordable housing, and to circulate the response to all members at the same time as it is submitted;**

- II. Undertakes to lobby the two Members of Parliament representing wards in East Cambridgeshire urging them to oppose the proposals as they stand;**
- III. Agrees to commence preparation of a partial update to the 2015 Local Plan (a 'Single Issue Review'), in accordance with the principles set out in the agenda report and to a timetable (the 'Local Development Scheme') as set out at Appendix 1; and
- IV. Endorses the updated work programme for the preparation of Supplementary Planning Documents over the coming 12 months.
- V. Continues to support Parish Councils on planning matters, including those that have identified an interest in progressing Neighbourhood Plans in their area, and further resolves that Officers should write to each Parish Council with a thorough update on planning policy matters, in line with the content of this agenda report, and explain what it means for them at a local parish level.

Speaking in support of her amendment, Councillor Dupré stated that it was not simply about the White Paper. She welcomed the proposed response on design statements and Planning costs. However, the White Paper wrongly blamed Councillors for the problems with the Planning system, not developers. The amendment also was required to address the issues relating to affordable housing and to ensure that the Council's response was circulated to local MPs and they were lobbied to oppose the proposals in the White Paper.

Councillor Bailey spoke on the amendment as follows:

'Cllr Dupre seeks "the addition of representations against the proposal to increase thresholds for the provision of affordable housing."

The White Paper does **not** propose to increase the threshold.

Cllr Dupre is getting confused with a different and already closed consultation, as I set out in my speech on the earlier Liberal Democrat motion.

To confirm, ECDC has already responded to the Government's "Changes to the Current Planning System" consultation which ended on 1<sup>st</sup> October as follows:

*"ECDC agrees with the principle of trying to support small and medium sized builders, and the proposal may have merit on that basis.*

*However, ECDC is concerned that raising the site threshold to 40/50 dwellings before any affordable housing can be sought from developers,*

*even for a temporary 18 month period, will have significant implications on the Council's ability to deliver affordable housing.*

*As a rural district, many of our homes are delivered on (or proposed on) small sites, of less than 50 dwellings. This is particularly the case for the many smaller settlements in the district (of which there are around 50), the vast majority of which do not have sites of greater than 50 homes. In effect, even if temporary, the ability of smaller settlements to deliver affordable homes will be gone, perhaps for many years to come."*

I am very happy to undertake that our two MPs receive a copy of our White Planning paper response to Government as well as our response to the previous consultation that closed on 1<sup>st</sup> October.

I therefore believe that Cllr Dupre's amendment cannot be supported, as it is not formed on correct information, and given that I have undertaken to ensure our MPs are furnished with copies of both of our consultation responses, I do hope that all Members of the Council can support the recommendations as they stand, which will send a united and strong response to Government.'

A number of other Members urged Councillors to support the amendment, as reference to affordable housing thresholds would reinforce the Council's previous representations on the issue. It also seemed reasonable to lobby local MPs on the issues.

The seconder of the original Motion Councillor Joshua Schumann commented that the Council's response would be weakened if we included issues not referred to in the White Paper. In addition, the Liberal Democrat Group were able to submit a response to Central Government in their own right or as individuals, if they felt strongly on the issue.

The seconder of the amendment, Councillor Cane commented that the amendment made the Motion stronger on the issue of affordable housing. It also was important to lobby MPs so that they were aware of this Council's views. She also expressed disappointment that the Council's response to the Government's "Changes to the Current Planning System" consultation relating to affordable housing had not been discussed with Councillors before it was sent. The rest of the original recommendations remained intact in the amendment, as they were 'all good stuff'. Councillor Cane did not believe that it was true that the Planning system was broken, but that developers were not building on the permissions already granted to them. The White Paper threatened to reduce Neighbourhood Plans to local design guides and curtail the valuable input of Parish Councils into the Planning process.

Upon being put to the vote, the amendment was declared to be lost by 11 votes in favour to 17 votes against.

Upon being put to the vote, the Motion was declared to be carried unanimously.

It was resolved:

That Council:

- I. Notes the publication of the Planning White Paper, and delegates to Director, Commercial, in consultation with the Leader, to respond to the White Paper in line with the principles set out in the agenda report.
- II. Agrees to commence preparation of a partial update to the 2015 Local Plan (a 'Single Issue Review'), in accordance with the principles set out in the agenda report and to a timetable (the 'Local Development Scheme') as set out at Appendix 1.
- III. Endorses the updated work programme for the preparation of Supplementary Planning Documents over the coming 12 months.
- IV. Continues to support Parish Councils on planning matters, including those that have identified an interest in progressing Neighbourhood Plans in their area, and further resolves that Officers should write to each Parish Council with a thorough update on Planning policy matters, in line with the content of this agenda report, and explain what it means for them at a local Parish level.

#### 43. **COMBINED AUTHORITY UPDATE REPORT**

Council received a report on the activities of the Combined Authority from the Council's appointees.

With regard to item 3.1 of the CA Board meeting Decision Summary for 5 August 2020, a Member raised a question regarding the reasons for the longer periods of loan extension by the CA for ECTC affordable housing schemes loans compared to other providers, which was responded to by the Leader of the Council, as the Council's representative on the CA Board.

A Member raised a question on item 3 of the CA Audit and Governance Committee Decision Summary for 31 July 2020, asking whether the MHCLG correspondence relating to governance issues could be circulated to all Councillors, together with any subsequent correspondence. Councillor Brown, as the Council's representative on the CA Audit and Governance Committee, agreed to clarify if this was possible and that the governance issues had been resolved.

It was resolved:

That the report on the activities of the Combined Authority from the Council's appointees be noted.

44. **JANIS MURFET**

The Chairman reported that Janis Murfet, who had been a Democratic Services Officer at this Council for the past 23 years, would be retiring on the following day. She stated that Janis had given outstanding service to the Council and would be greatly missed. The Chairman of Planning Committee, Councillor Bill Hunt, gave his special thanks to Janis on behalf of that Committee. The Chairman and Members of the Council expressed their best wishes to Janis for the future.

45. **EXCLUSION OF THE PRESS & PUBLIC**

**It was resolved:**

**That the press and public be excluded during the consideration of the remaining agenda item 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 Category 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended)**

46. **EXEMPT MINUTES – 31 JULY 2020**

*Councillor Cane left the meeting and did not return*

It was resolved:

That the Exempt Minutes of the Extraordinary Council meeting held on 31 July 2020 be confirmed as a correct record and signed by the Chairman.

The meeting concluded at 10.12pm.

Chairman.....

Date            23 February 2021

**SCHEDULE OF ITEMS RECOMMENDED FROM COMMITTEES AND OTHER MEMBER BODIES**

Committee: Council

Date: 23 February 2021

Author: Tracy Couper, Democratic Services Manager

[V131]

<b>Member Body</b>	<b>Report No.</b>
<p><b>1. FINANCE AND ASSETS COMMITTEE – 26 NOVEMBER 2020</b></p> <p>(a) <u>Local Council Tax Reduction Scheme &amp; Discretionary Business Rate Reliefs Policy Reviews 2021/22</u></p> <p>The Committee received a report which reviewed the Council’s Local Council Tax Reduction Support Scheme (LCTRS) and Discretionary Business Rate Reliefs Scheme.</p> <p>Members concurred with the proposal that the current schemes should be retained at present to give consistency in these challenging times. In that context, Members asked if work had been carried out to try to model the impact of an increase in the number of claimants due to Covid-19 on the Council’s finances. The Finance Manager confirmed that in his modelling for the 2021/22 Budget he had accounted for this and that the taxbase for the District actually had dropped as a consequence. The Finance Manager further agreed to provide information to Members of the Committee on the impact of the fluctuating earnings rule when making re-assessments due to change in circumstances.</p> <p>A Member requested that references in the report to customers be amended to refer to residents.</p> <p><b>It was resolved to RECOMMEND TO COUNCIL:</b></p> <p><b>(i) That the LCTRS 8.5% benefit scheme, i.e. the maximum benefit to working age claimants is 91.5%, be retained for 2021/22 financial year.</b></p>	<p><b>Report attached at Appendix A (as amended)</b></p>

<p>(ii) <b>That the Council’s policies with regard to Discretionary Business Rate Reliefs remain unchanged for 2021/22.</b></p> <p>(b) <u>Treasury Operations Mid-Year Review</u></p> <p>The Committee received a report which provided an update on the Council’s 2020/21 Treasury Management Strategy Statement.</p> <p>A Member commented that the report gave an interesting overview of the position in the wider world at present and that some of the assumptions made appeared over-optimistic and might need testing in the light of future developments.</p> <p>In response to a question by a Member, the Finance Manager explained the background to the treatment of the ECTC loan as Capital Expenditure rather than an investment.</p> <p><b>It was resolved to RECOMMEND TO COUNCIL:</b></p> <p><b>That the mid-year review of the Council’s Treasury Management Strategy for 2020/21, as set out in Appendix 1 to the submitted report, be noted.</b></p>	<p><b>Report attached at Appendix B</b></p>
<p>2. <b>FINANCE AND ASSETS COMMITTEE – 25 JANUARY 2021</b></p> <p><u>2021/22 Annual Treasury Management Strategy, Minimum Revenue Provision (MRP) Policy Statement and Annual Investment Strategy (AIS)</u></p> <p>The Committee considered a report, previously circulated, containing the 2021/22 Treasury Management Strategy, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement.</p> <p>Ian Smith, Finance Manager, introduced the report and summarised that the Council would continue to finance Capital Expenditure from internal borrowing and that with reserve levels, and therefore cash balances, relatively high it was forecast that no external borrowing would be needed in the near future. Despite historically low interest rates, every effort would be made to maximise interest receipts while maintaining the security of the capital.</p> <p>Members commended Ian Smith and his team on their work regarding Treasury Management.</p>	<p><b>Report attached at Appendix C</b></p>

A Member drew the Committee's attention to the list of approved countries for investment (Section 5.4, page 35 of Appendix 1), she highlighted the policy of having a sovereign rating of AA- or higher but questioned the poor Human Rights records of some of the countries on the list and asked Members if the Council should be investing in those countries. Some Members agreed that it was important to consider carefully where Council money would be invested and there was general agreement that such a decision could not be rushed as many elements needed to be considered. Officers were asked to prepare a report regarding the Human Rights indicators in order to enable Councillors to make a fully informed decision. In response to a Member's question, Ian Smith clarified that the Council does not currently invest in any of the countries listed, apart from the UK, but approval of this strategy would allow such investments in future.

A Member queried the AA- rating of the UK in the aforementioned list of countries. Ian Smith responded that the list had been supplied by their advisors and he committed to checking it before submission to Full Council.

It was proposed to recommend the report to Full Council subject to the inclusion of a report on the Human Rights status and implications of the listed countries. The proposal was seconded and after voting was carried unanimously.

**It was resolved to RECOMMEND TO COUNCIL:**

**That subject to a report to Council on the Human Rights status and implications of the countries listed in Section 5.4 "Approved Countries for Investments" on page 35 of Appendix 1 to the report, Council approve:**

- **The 2021/22 Treasury Management Strategy**
- **The Annual Investment Strategy**
- **The Minimum Revenue Provision Policy Statement**
- **The Prudential and Treasury Indicators**

***ADDENDUM: Further to the above recommendation, a Briefing Note is attached at Appendix C2 regarding the Human Rights status of the countries listed in Section 5.4 "Approved Countries for Investments" on page 35 of Appendix 1 to the report.***

**LOCAL COUNCIL TAX REDUCTION SCHEME AND BUSINESS RATES  
DISCRETIONARY POLICY REVIEW 2020**

Committee: Finance and Assets Committee

Date: 26<sup>th</sup> November 2020

Author: Finance Manager



1. ISSUE

1.1 Each year the Council is required to review its Local Council Tax Support Reduction Scheme (LCTRS). This report advises of the 2020 annual review and that for Business Rate discretionary reliefs.

2. RECOMMENDATION

2.1 Committee is asked to recommend to Full Council

- That the Council retain the 8.5% benefit scheme, i.e. the maximum benefit to working age claimants is 91.5% for the 2021/22 financial year.
- That Council's policies with regard to discretionary Business Rate reliefs also remain unchanged for 2021/22.

3. BACKGROUND

**Local Council Tax Reduction Scheme**

3.1 Councils are required to consider whether to review their LCTRS schemes annually. Where it is determined to retain the existing scheme for the forthcoming year this must be decided by 11 March.

3.2 Where Councils seek to amend their Scheme, it is necessary to consult preceptors and stakeholders along with a consultation to inform a final scheme design by 28 February.

3.3 We are now in the eighth year of LCTRS; a locally set scheme that replaced the nationally set Council Tax Benefits (CTB) scheme from April 2013.

3.4 In 2013/14 the Council took advantage of a one-off Government grant that compensated in part for the reduction in Government funding for the Working Age scheme that year. This meant that the maximum LCTRS awarded was the 91.5%.

3.5 For 2014/2015 to 2017/18 the Council retained the original scheme, except that allowances and premiums (the amounts of income from state-administered



benefits such as Jobseekers' Allowance) were increased in line with other benefits such as Housing Benefit.

- 3.6 For the 2018/19 scheme the Council consulted on a proposal to harmonise the scheme to Department for Work and Pensions (DWP) welfare reforms introduced for Housing Benefit and LCTRS for Pensioners, and introduced closer links to Universal Credit data share for claims, thereby removing the requirement to make separate claims. This was subsequently approved and introduced.
- 3.7 For 2019/20 the Council kept the same scheme as for 2018/19.
- 3.8 For 2020/21 the Council introduced a fluctuating earnings rule to the treatment of Universal Credit. A weekly tolerance level of £15 (£65 per month) was introduced to reduce the number of monthly reassessments impacting residents every time a revised Universal Credit notification is received.
- 3.9 The current East Cambridgeshire District Council's LCTRS scheme therefore provides a maximum benefit of 91.5% for working age claimants and the scheme also fully protects War Pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage residents back into work whilst setting the amount charged at an affordable and recoverable level during the year.

#### 4. ARGUMENTS / CONCLUSIONS

- 4.1 Whilst it is relatively new, early results demonstrate the fluctuating earnings rule introduced in April 2020 is meeting our modelling forecasts by reducing resident reassessments by a third.
- 4.2 Universal Credit (UC) is designed to be paid monthly, calculated on the resident's circumstances, including Real Time Information (RTI) earnings data from HMRC. Given resident's circumstances, especially earnings, fluctuate, this leads to monthly revised UC awards sent to the Council by the DWP.
- 4.3 Council Tax Support scheme rules had required the Council to revise awards when a resident's UC changes, leading to reassessment of Council Tax Support. In turn this meant residents received a revised Council Tax bill for the balance due for the year and had to amend their payment arrangements, typically direct debit instructions. Increasingly, this became a monthly occurrence for residents.
- 4.4 The introduction of a fluctuating earnings rules this year has been particularly beneficial given the significant increase in COVID-19 workload, peaking at a 500% increase compared to the same point last year, although this is now starting to return to normal levels.
- 4.5 Further, the links we established to UC data share and removing the requirement for residents to make a separate claim application, has been particularly beneficial for residents during the pandemic.

4.6 It is recommended a full review, taking into account COVID-19 learning, is undertaken early next year to develop a range of options for consideration and possible consultation.

4.7 Other options considered but discounted:

Increasing the contribution rate to more than 8.5%; the possible increase in Council Tax collected for the Council is considered to be less than the additional costs of recovery (additional staff, postage and enquires to customer services), including the inability to recover the debt in year by deduction from DWP benefits and therefore this is not recommended.

#### 4.8 **Business Rates**

4.9 Officers have considered if any changes should be made to the Council's policy with regard to Business Rate discretionary reliefs, but at this point, no changes are recommended.

4.10 Members will be aware that Government have provided 100% Business Rate relief for businesses in the retail, hospitality and leisure sectors and non-local authority child care providers during 2020/21. These reliefs have been given using the local authority discretionary relief powers (as defined in section 47 of the Local Government Act 1988 (as amended)).

4.11 It is unknown at this point, if Government will wish to provide a similar support package for 2021/22.

### 5. REASONS FOR RECOMMENDATION

5.1 The changes made to the current scheme have worked well – introducing a tolerance rule for the treatment of UC awards has reduced the number of notifications residents receive to amend their Council Tax payments, providing stability for resident repayments whilst reducing contacts.

5.2 Given the economic impact of COVID-19 on household budgets and rising unemployment, it is not recommended to change the contribution rate this year.

5.3 Maintaining the existing scheme will bring stability to resident's household budgets as they recover or manage the impact of COVID-19.

### 6. FINANCIAL IMPLICATIONS / EQUALITY / CARBON IMPACT ASSESSMENT

6.1 The recommendations in this paper will not have a material impact on the Council Tax and Business Rates collected by the Council, this as the recommendation is to leave both schemes unchanged.

6.2 The existing LCTRS scheme continues the DWP's previous Council Tax Benefit scheme conventions established over many years, regarding protections for vulnerable groups, including children, the disabled and the Armed Forces.

6.3 Equality Impact Assessment (INRA) is not required.

6.4 Carbon Impact Assessment (CIA) is not required.

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
	Room 104 The Grange Ely	Adrian Mills Billing & Benefits Strategic Manager, ARP Tel: 07984 255437 Email: <a href="mailto:Adrian.mills@angliarevenues.gov.uk">Adrian.mills@angliarevenues.gov.uk</a>
		Ian Smith Finance Manager Tel: (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>

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**TREASURY OPERATIONS MID-YEAR REVIEW**

Committee: Finance & Assets Committee

Date: 26<sup>th</sup> November 2020

Author: Finance Manager

[V112]

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1.0 **ISSUE**

- 1.1 To provide Members with an update on the Council's 2020/21 Treasury Management Strategy Statement.

2.0 **RECOMMENDATIONS**

Members are asked to recommend to Full Council that the mid-year review of the Council's Treasury Management Strategy for 2020/21, as set out in Appendix 1, be noted.

3.0 **BACKGROUND**

- 3.1 The Chartered Institute of Public Finance and Accountancy (C.I.P.F.A.) Revised Code of Practice on Treasury Management requires councils to adopt the revised Code and fully comply with its requirements.
- 3.2 This report complies with the requirement for a mid-year review.
- 3.3 The size of the Council's investment portfolio is relatively small meaning that investment decisions are made so liquidity and cash flow requirements are the priority focus, this rather than returns. Despite this position, opportunities for proactive investment decisions are taken where appropriate.
- 3.4 The loan that the Council has made to East Cambs Trading Company (ECTC) is not technically an investment, but is included in this report for completeness. ECTC is paying a commercial rate on its loan from the Council – this to avoid breaking State-Aid rules.
- 3.5 The Council's 2020/21 Treasury Management Strategy and budget detailed an expected return on investments of £50,000, with then a further £167,040 from interest payments on the loan to ECTC.

#### **4.0 INTEREST RECEIPTS**

- 4.1 During 2020/21 the Council has operated within its approved treasury limits and Prudential Indicators, no changes have been made to the counterparty values detailed in the Annual Treasury Management Strategy.
- 4.2 The interest receipts generated on investments to the end of September 2020 were £16,442. This is below that forecast in the budget, but reflects the very low returns on cash investments, especially since the Bank of England reduced the base rate to only 0.1%. The average return on investments on 30<sup>th</sup> September 2020 was 0.04%, this is above the benchmark 7 day LIBID (London Inter-Bank Bid Rate) which was in negative territory at -0.07%
- 4.3 As at 30<sup>th</sup> September 2020, the Council had cash investments of £19.60 million (£12.95 million 2019), with a further £5.07 million (£4.62 million 2019) loan to ECTC, details of these investments are included in Appendix 1.
- 4.4 While the loan to the Company is not specifically an investment, it is generating the Council interest receipts, £117,476 up until 30<sup>th</sup> September 2020. This is significantly above that budget set at the start of the year as the Company has not been able to repay the loan to the timescale reflected in its original business plan during the early part of the year. ECTC has now produced an up-dated business plan to reflect the implications of the Covid-19 pandemic on its cashflows, which will provide the Council with greater interest receipts in this and future years.
- 4.5 In total, the combination of interest receipts on both general investments and the loan to ECTC, are forecast to come in around £43,000 above budget at yearend.
- 4.6 Interest rates on offer to the Council from Money Market Investment Deposit Accounts or fixed term deposits remain extremely low and at times it has been decided to retain money within the Council's Corporate Cash Manager Plus Account with NatWest, rather than invest relatively small amounts overnight as the transaction costs of moving the money would be greater than the interest earned. This approach complies with the Treasury Management Strategy.

#### **5.0 INTEREST PAYMENTS**

- 5.1 The Council has remained external debt free during the first six months of the financial year, and with the healthy cash balance at the end of September, it is expected to remain so for the remainder of the year. It is therefore expected that a saving of £15,000, the full value of the external debt interest budget, will be achieved at yearend.

#### **6.0 CONCLUSIONS**

- 6.1 The Council's Treasury Management Strategy, as approved on 20<sup>th</sup> February 2020, continues to offer the Council the best approach to Treasury Management

and the policies contained within it will continue to be followed for the remainder of the financial year.

## **7.0 FINANCIAL IMPLICATIONS / EQUALITY & CARBON IMPACT ASSESSMENTS**

- 7.1 It is now anticipated that the Treasury Management function will provide a saving of £58,000 when compared to the budgeted amount.
- 7.2 An Equality Impact Assessment is not required.
- 7.3 A Carbon Impact Assessment (CIA) is not required.

## **8.0 APPENDICES**

- 8.1 Appendix 1: Mid-Year Review

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BACKGROUND DOCUMENTS	LOCATION	CONTACT OFFICER
Treasury Management Strategy as approved by Council on 20 <sup>th</sup> February 2020	Room 104 The Grange Ely	Ian Smith (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>
Link Asset Services Revised Interest Rate Forecast		

# Treasury Management Strategy Statement and Annual Investment Strategy

**Mid-Year Review Report 2020/21  
East Cambridgeshire District Council**

# 1. Background

## 1.1 Capital Strategy

In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. As from 2020/21, all local authorities have been required to prepare a Capital Strategy which is to provide the following:

- a high-level 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.

## 1.2 Treasury Management

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising 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 the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses.

Accordingly, treasury management is defined as:

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

# 2. Introduction

This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017). The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the Full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report, (stewardship report), covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Finance and Assets Committee.



This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first half of the 2020/21 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Council's investment portfolio for 2020/21;
- A review of the Council's borrowing strategy for 2020/21;
- A review of compliance with Treasury and Prudential Limits for 2020/21.

## 3. Economics and Interest Rates

### 3.1 Economics update

- As expected, the Bank of England's Monetary Policy Committee kept Bank Rate unchanged on 6<sup>th</sup> August. It also kept unchanged the level of quantitative easing at £745bn. Its forecasts were optimistic in terms of three areas:
  - The fall in **GDP** in the first half of 2020 was revised from 28% to 23% (subsequently revised to -21.8%). This is still one of the largest falls in output of any developed nation. However, it is only to be expected as the UK economy is heavily skewed towards consumer-facing services – an area which was particularly vulnerable to being damaged by lockdown.
  - The peak in the **unemployment rate** was revised down from 9% in Q2 to 7½% by Q4 2020.
  - It forecast that there would be excess demand in the economy by Q3 2022 causing **CPI inflation** to rise above the 2% target in Q3 2022, (based on market interest rate expectations for a further loosening in policy). Nevertheless, even if the Bank were to leave policy unchanged, inflation was still projected to be above 2% in 2023.
- It also squashed any idea of using **negative interest rates**, at least in the next six months or so. It suggested that while negative rates can work in some circumstances, it would be “less effective as a tool to stimulate the economy” at this time when banks are worried about future loan losses. It also has “other instruments available”, including QE and the use of forward guidance.
- The MPC expected the £300bn of **quantitative easing** purchases announced between its March and June meetings to continue until the “turn of the year”. This implies that the pace of purchases will slow further to about £4bn a week, down from £14bn a week at the height of the crisis and £7bn more recently.
- In conclusion, this would indicate that the Bank could now just sit on its hands as the economy was recovering better than expected. However, the MPC acknowledged that the “medium-term projections were a less informative guide than usual” and the minutes had multiple references to **downside risks**, which were judged to persist both in the short and medium term. One has only to look at the way in which second waves of the virus are now impacting many countries including Britain, to see the dangers. However, rather than a national lockdown, as in March, any spikes in virus infections are now likely to be dealt with by localised measures and this should limit the amount of economic damage caused. In addition, Brexit uncertainties ahead of the year-end deadline are likely to be a drag on recovery. The wind down of the initial generous furlough scheme through to the end of October is another development that could cause the Bank to review the need for more support for the economy later in the year. Admittedly, the Chancellor announced in late September a second six month package from 1<sup>st</sup> November of government support for jobs whereby it will pay up to 22% of the costs of retaining an employee working a minimum of one third of their normal hours. There was further help for the self-employed, freelancers and the hospitality industry. However, this is a much less generous scheme than the furlough package and will inevitably mean there will be further job losses from the 11% of the workforce still on furlough in mid-September.
- Overall, **the pace of recovery** is not expected to be in the form of a rapid V shape, but a more elongated and prolonged one after a sharp recovery in June through to August which left the economy 11.7% smaller than in February. The last three months of 2020 are now likely to show no growth as consumers will probably remain cautious in spending and uncertainty over the outcome of the UK/EU trade negotiations concluding at the end of the year will also be a headwind. If the Bank felt it did need to provide further support to recovery, then it is likely that the tool of choice would be more QE.

- There will be some **painful longer term adjustments** as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever. There is also likely to be a reversal of globalisation as this crisis has shown up how vulnerable long-distance supply chains are. On the other hand, digital services is one area that has already seen huge growth.
- One key addition to **the Bank's forward guidance** was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably". That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years' time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate
- The **Financial Policy Committee** (FPC) report on 6<sup>th</sup> August revised down their expected credit losses for the banking sector to "somewhat less than £80bn". It stated that in its assessment "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.
- **US.** The incoming sets of data during the first week of August were almost universally stronger than expected. With the number of new daily coronavirus infections beginning to abate, recovery from its contraction this year of 10.2% should continue over the coming months and employment growth should also pick up again. However, growth will be dampened by continuing outbreaks of the virus in some states leading to fresh localised restrictions. At its end of August meeting, the Fed tweaked **its inflation target** from 2% to maintaining an average of 2% over an unspecified time period i.e. following periods when inflation has been running persistently below 2%, appropriate monetary policy will likely aim to achieve inflation moderately above 2% for some time. This change is aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary "trap" like Japan. It is to be noted that inflation has actually been under-shooting the 2% target significantly for most of the last decade so financial markets took note that higher levels of inflation are likely to be in the pipeline; long term bond yields duly rose after the meeting. The Fed also called on Congress to end its political disagreement over providing more support for the unemployed as there is a limit to what monetary policy can do compared to more directed central government fiscal policy. The FOMC's updated economic and rate projections in mid-September showed that officials expect to leave the fed funds rate at near-zero until at least end-2023 and probably for another year or two beyond that. There is now some expectation that where the Fed has led in changing its inflation target, other major central banks will follow. The increase in tension over the last year between the US and China is likely to lead to a lack of momentum in progressing the initial positive moves to agree a phase one trade deal.
- **EU.** The economy was recovering well towards the end of Q2 after a sharp drop in GDP, (e.g. France 18.9%, Italy 17.6%). However, the second wave of the virus affecting some countries could cause a significant slowdown in the pace of recovery, especially in countries more dependent on tourism. The fiscal support package, eventually agreed by the EU after prolonged disagreement between various countries, is unlikely to provide significant support and quickly enough to make an appreciable difference in weaker countries. The ECB has been struggling to get inflation up to its 2% target and it is therefore expected that it will have to provide more monetary policy support through more quantitative easing purchases of bonds in the absence of sufficient fiscal support.
- **China.** After a concerted effort to get on top of the virus outbreak in Q1, economic recovery was strong in Q2 and has enabled it to recover all of the contraction in Q1. However, this was achieved by major central government funding of yet more infrastructure spending. After years of growth having been focused on this same area, any further spending in this area is likely to lead to increasingly weaker economic returns. This could, therefore, lead to a further misallocation of resources which will weigh on growth in future years.

- **Japan.** There are some concerns that a second wave of the virus is gaining momentum and could dampen economic recovery from its contraction of 8.5% in GDP. It has been struggling to get out of a deflation trap for many years and to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. The resignation of Prime Minister Abe is not expected to result in any significant change in economic policy.
- **World growth.** Latin America and India are currently hotspots for virus infections. World growth will be in recession this year. Inflation is unlikely to be a problem for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.

### 3.2 Interest rate forecasts

The Council's treasury advisor, Link Group, provided the following forecasts on 11<sup>th</sup> August 2020 (PWLB rates are certainty rates, gilt yields plus 180bps):

Link Group Interest Rate View		11.8.20								
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month average earnings	0.05	0.05	0.05	0.05	0.05	-	-	-	-	-
6 month average earnings	0.10	0.10	0.10	0.10	0.10	-	-	-	-	-
12 month average earnings	0.15	0.15	0.15	0.15	0.15	-	-	-	-	-
5yr PWLB Rate	1.90	2.00	2.00	2.00	2.00	2.00	2.10	2.10	2.10	2.10
10yr PWLB Rate	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.30
25yr PWLB Rate	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70	2.70	2.70
50yr PWLB Rate	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.50	2.50

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its meeting on 6<sup>th</sup> August (and the subsequent September meeting), although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected within the forecast horizon ending on 31<sup>st</sup> March 2023 as economic recovery is expected to be only gradual and, therefore, prolonged.

**GILT YIELDS / PWLB RATES.** There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020. In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers. This means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. The consequence of this has been the gradual lowering of the overall level of interest rates and bond yields in financial markets over the last 30 years. Over the year prior to the coronavirus crisis, this has seen many bond yields up to 10 years turn negative in the Eurozone. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors

would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields had therefore already been on a generally falling trend up until the coronavirus crisis hit western economies during March. After gilt yields spiked up during the initial phases of the health crisis in March, we have seen these yields fall sharply to unprecedented lows as major western central banks took rapid action to deal with excessive stress in financial markets, and started massive quantitative easing purchases of government bonds: this also acted to put downward pressure on government bond yields at a time when there has been a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply. At the close of the day on 30<sup>th</sup> September, all gilt yields from 1 to 6 years were in negative territory, while even 25-year yields were at only 0.76% and 50 year at 0.60%.

From the local authority borrowing perspective, HM Treasury imposed **two changes of margins over gilt yields for PWLB rates** in 2019-20 without any prior warning. The first took place on 9<sup>th</sup> October 2019, adding an additional 1% margin over gilts to all PWLB period rates. That increase was then at least partially reversed for some forms of borrowing on 11<sup>th</sup> March 2020, but not for mainstream General Fund capital schemes, at the same time as the Government announced in the Budget a programme of increased infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this was to end on 4<sup>th</sup> June, but that date was subsequently put back to 31<sup>st</sup> July. It is clear HM Treasury will no longer allow local authorities to borrow money from the PWLB to purchase commercial property if the aim is solely to generate an income stream (assets for yield).

Following the changes on 11<sup>th</sup> March 2020 in margins over gilt yields, the current situation is as follows: -

- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
- **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
- **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

It is possible that the non-HRA Certainty Rate will be subject to revision downwards after the conclusion of the PWLB consultation; however, the timing of such a change is currently an unknown, although it would be likely to be within the current financial year.

As the interest forecast table for PWLB certainty rates, (gilts plus 180bps), above shows, there is likely to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020/21.

### **The balance of risks to the UK**

- The overall balance of risks to economic growth in the UK is probably relatively even, but is subject to major uncertainty due to the virus.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, could impact gilt yields, (and so PWLB rates), in the UK.

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

- **UK** - second nationwide wave of virus infections requiring a national lockdown

- **UK / EU trade negotiations** – if it were to cause significant economic disruption and a fresh major downturn in the rate of growth.
- **UK - Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. The ECB has taken monetary policy action to support the bonds of EU states, with the positive impact most likely for “weaker” countries. In addition, the EU recently agreed a €750bn fiscal support package. These actions will help shield weaker economic regions for the next year or so. However, in the case of Italy, the cost of the virus crisis has added to its already huge debt mountain and its slow economic growth will leave it vulnerable to markets returning to taking the view that its level of debt is unsupportable. There remains a sharp divide between northern EU countries favouring low debt to GDP and annual balanced budgets and southern countries who want to see jointly issued Eurobonds to finance economic recovery. This divide could undermine the unity of the EU in time to come.
- Weak capitalisation of some **European banks**, which could be undermined further depending on extent of credit losses resultant of the pandemic.
- **German minority government & general election in 2021**. In the German general election of September 2017, Angela Merkel’s CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. The CDU has done badly in subsequent state elections but the SPD has done particularly badly. Angela Merkel has stepped down from being the CDU party leader but she intends to remain as Chancellor until the general election in 2021. This then leaves a major question mark over who will be the major guiding hand and driver of EU unity when she steps down.
- **Other minority EU governments**. Austria, Sweden, Spain, Portugal, Netherlands, Ireland and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Austria, the Czech Republic, Poland and Hungary** now form a strongly anti-immigration bloc within the EU. There has also been a rise in anti-immigration sentiment in Germany and France.
- **Geopolitical risks**, for example in China, Iran or North Korea, but also in Europe and other Middle Eastern countries, which could lead to increasing safe haven flows.
- **US – the Presidential election in 2020**: this could have repercussions for the US economy and SINO-US trade relations.

#### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **UK** - stronger than currently expected recovery in UK economy.
- **Post-Brexit** – if an agreement was reached that removed the majority of threats of economic disruption between the EU and the UK.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.

## 4. Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement, (TMSS), for 2020/21 was approved by Council on the 20<sup>th</sup> February 2020.

There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already identified or approved.

<b>Prudential Indicator 2020/21</b>	<b>Original £000</b>	<b>Revised Prudential Indicator £000</b>
Authorised Limit for External Debt	10,000	10,000
Operational Boundary	1,000	0
Capital Financing Requirement	11,655	11,178

## 5. The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

### 5.1 Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget.

<b>Capital Expenditure by Service</b>	<b>2020/21 Original Estimate £000</b>	<b>2020/21 Revised Estimate £000</b>
Operational Services	3,430	1,084
Finance & Assets	163	7,949
<b>Total Capital Expenditure</b>	<b>3,593</b>	<b>9,033</b>

The forecast capital spend for the year is significantly higher than forecast in the budget, this is for two main reasons, the amount of capital slippage carried forward from 2019/20 (£3.3 million) and the additional borrowing facility the Council approved for East Cambs Trading Company (£4.9 million). Underspends are now being forecast in relation to Waste vehicles and the depot (cumulatively £2.696 million) which reduces the forecast spend for the year.

### 5.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement

(CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision).

Capital Expenditure	2020/21 Original Estimate £000	2020/21 Revised Estimate £000
<b>Total capital expenditure</b>	<b>3,593</b>	<b>9,033</b>
<b>Financed by:</b>		
Capital receipts	246	646
Capital grants	527	527
Section 106 / CIL	192	1,434
Revenue	0	89
<b>Total financing</b>	<b>965</b>	<b>2,696</b>
<b>Borrowing requirement</b>	<b>2,628</b>	<b>6,337</b>

### 5.3 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying need to incur borrowing for capital purposes. It also shows the expected external debt position over the period, which is termed the Operational Boundary.

#### Prudential Indicator – Capital Financing Requirement

We are on target to achieve the original forecast Capital Financing Requirement.

#### Prudential Indicator – the Operational Boundary for external debt

	2020/21 Original Estimate £000	2020/21 Revised Estimate £000
CFR – brought forward	13,146	11,761
CFR – new borrowing 2020/21	2,628	6,337
CFR – Minimum Revenue Provision	(499)	(420)
Repayment of ECTC Loan	(3,620)	(6,500)
<b>Total CFR</b>	<b>11,655</b>	<b>11,178</b>
<b>Net movement in CFR</b>	<b>-1,491</b>	<b>-583</b>
External Borrowing	1,000	0
Internal Borrowing	10,655	11,178
<b>Total debt (yearend position)</b>	<b>11,655</b>	<b>11,178</b>

### 5.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. **Gross external borrowing** should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and next two financial years. This allows some



flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	<b>2020/21 Original Estimate £000</b>	<b>2020/21 Revised Estimate £000</b>
External Borrowing	1,000	0
Other long term liabilities	0	0
<b>Total debt</b>	1,000	0
<b>CFR (yearend position)</b>	11,655	11,178

A further prudential indicator controls the overall level of borrowing. This is **the Authorised Limit** which represents the limit beyond which external borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum external borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

<b>Authorised limit for external debt</b>	<b>2020/21 Original Indicator £000</b>	<b>2020/21 Revised Indicator £000</b>
External Borrowing	10,000	10,000
Other long term liabilities	0	0
Total	10,000	10,000

## 6. Borrowing

The Council's up-dated capital financing requirement (CFR) predicted for the end of 2020/21 is £11.178 million. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Table 5.4 shows the Council has no external borrowings and is expected to utilise £11.953 million of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require on-going monitoring in the event that any upside risk to gilt yields prevails.

It is anticipated that no external borrowing will be undertaken during this financial year.

### **PWLB maturity certainty rates (gilts plus 180bps) year to date to 30<sup>th</sup> September 2020**

PWLB rates varied within a relatively narrow range between April and July but the longer end of the curve rose during August. This increase came in two periods; the first in the second week of the month was on the back of hopes for fresh US stimulus. This saw investors switch monies out of government bonds and into equities. The second shift higher at the longer end of the curve came in the latter stages of the month as investors reacted to the announcement of the tweak to the Fed's inflation target. Despite moves further out in the yield curve, the short end remained anchored on the basis of no fundamental change to the interest rate outlook.

## 7. Compliance with Treasury and Prudential Limits

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30<sup>th</sup> September 2020, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2020. The Finance Manager reports that no difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

## 8. Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2020/21, which includes the Annual Investment Strategy, was approved by the Council on 20<sup>th</sup> February 2020. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to six months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

As shown by the interest rate forecasts in section 2, it is now impossible to earn the level of interest rates commonly seen in previous decades as all investment rates are barely above zero now that Bank Rate is at 0.10%, while some entities, including more recently the Debt Management Account Deposit Facility (DMADF), are offering negative rates of return in some shorter time periods. Given this risk environment and the fact that increases in Bank Rate are unlikely to occur before the end of the current forecast horizon of 31<sup>st</sup> March 2023, investment returns are expected to remain low.

### Negative investment rates

While the Bank of England has said that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months, some deposit accounts are already offering negative rates for shorter periods. As part of the response to the pandemic and lockdown, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. In addition, the Government has provided large sums of grants to local authorities to help deal with the Covid crisis; this has caused some local authorities to have sudden large increases in investment balances searching for an investment home, some of which was only very short term until those sums were able to be passed on.

As for money market funds (MMFs), yields have continued to drift lower. Some managers have suggested that they might resort to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is a glut of money swilling around at the very short end of the market. This has seen a number of market operators, now including the DMADF, offer nil or negative rates for very short term maturities. This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions.

Inter-local authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home at a time when many local authorities are probably having difficulties over accurately forecasting when disbursements of funds received will occur or when further large receipts will be received from the Government.

### **Creditworthiness**

Although the credit rating agencies changed their outlook on many UK banks from stable to negative outlook during the quarter ended 30<sup>th</sup> June 2020 due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic, the majority of ratings were affirmed due to the continuing strong credit profiles of UK banks. However, during Q1 and Q2 2020, banks made provisions for *expected* credit losses and the rating changes reflected these provisions. As we move into the next quarters ahead, more information will emerge on *actual* levels of credit losses. (Quarterly performance is normally announced in the second half of the month following the end of the quarter.) This has the potential to cause rating agencies to revisit their initial rating adjustments earlier in the current year. These adjustments could be negative or positive, although it should also be borne in mind that UK banks went into this pandemic with strong balance sheets. Indeed, the Financial Policy Committee (FPC) report on 6<sup>th</sup> August revised down their expected credit losses for the banking sector to "somewhat less than £80bn". They stated that in their assessment, "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.

All three rating agencies have reviewed banks around the world with similar results in many countries of most banks being placed on negative watch, but with a small number of actual downgrades.

Link have conducted some stress testing on the Link credit methodology based list of counterparties supplied to clients, to test for the results of a one notch downgrade to all Long Term Ratings from all agencies. Under such a scenario, only Commerzbank, Norddeutsche Landesbank, NatWest Markets Plc (non-ring-fenced entity), Leeds, Skipton and Yorkshire Building Societies moved from Green to No Colour. While there are a further seventeen drops in other entities' suggested durations, in these instances, these entities still remain potentially available for use. (Note that this scenario excludes any additional impact from relative movement in CDS pricing.) *(Alternatively, if you use your own creditworthiness approach, add wording on how you have tested your approach for a similar downgrading.)*

### **Investment Counterparty criteria**

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

### **Investment balances**

The Council had a fluctuating level of funds available for investment purposes during the first half of the year, the amount carried forward from 2019/20 was £10.877 million and this had risen to £19.600 million at 30<sup>th</sup> September 2020. The level of funds available was mainly dependent on the timing of Council Tax and Business Rate receipts, precept payments and the receipt of grants from Government.

## Fund investments

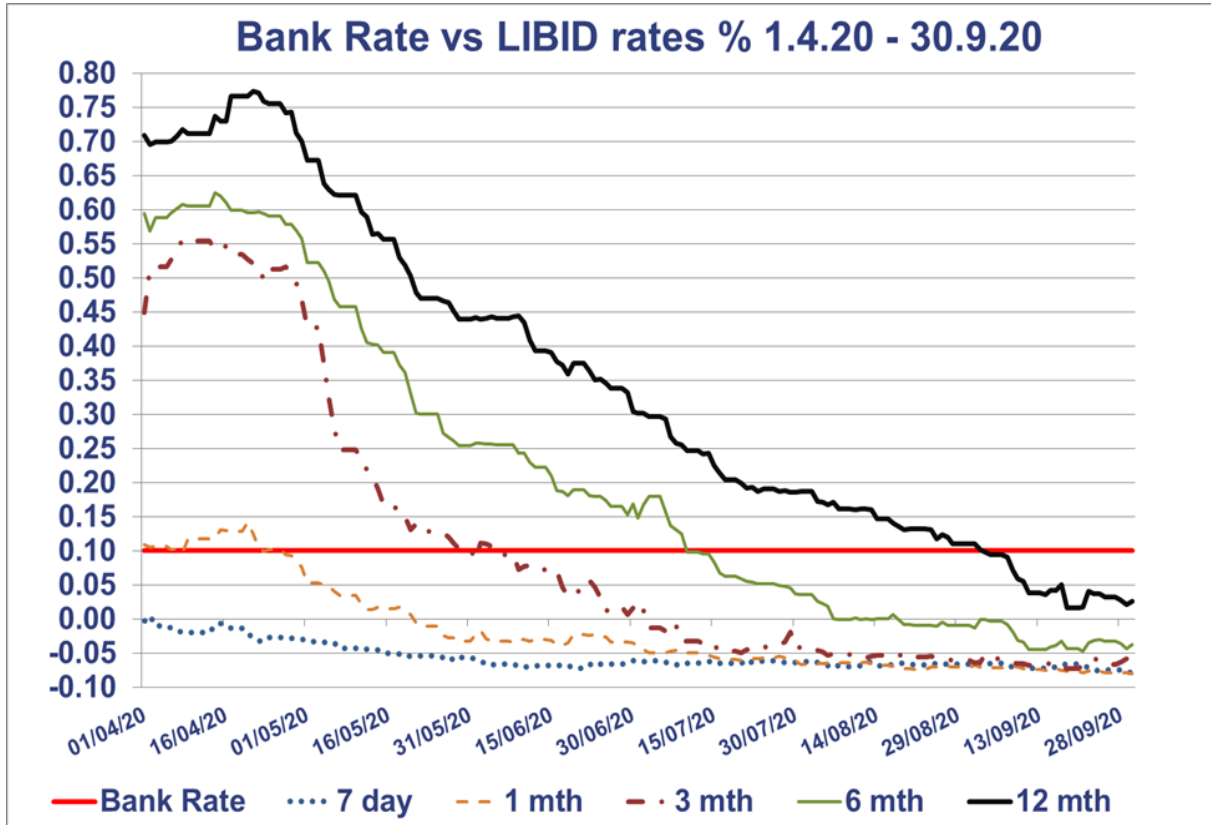
The full list of investments at the 30<sup>th</sup> September 2020 are detailed in the table below.

<b>Borrower</b>	<b>Principle</b>	<b>Interest Rate</b>
MMF BlackRock	£5,000,000	0.04%
MMF Insight	£5,000,000	0.02%
MMF Aberdeen	£5,000,000	0.09%
MMF Goldman Sachs	£2,280,000	0.01%
Leeds City Council	£2,000,000	0.03%
NatWest PLC (RFB)	£320,006	0.01%
<b>Total</b>	<b>£19,600,006</b>	<b>0.04%</b>

The Finance Manager confirms that the approved limits within the Annual Investment Strategy were not breached during the half-year ended 30<sup>th</sup> September 2020.

## APPENDIX 1: Investment Rates

As highlighted earlier in this report, the levels shown below use the traditional market method for calculating LIBID rates – i.e. LIBOR – 0.125%. Given the ultra-low LIBOR levels through the first half of 2020/21 this produces negative rates at the short end of the money market yield curve.



	Bank Rate	7 day	1 mth	3 mth	6 mth	12 mth
High	0.10	0.00	0.14	0.56	0.62	0.77
High Date	01/04/2020	02/04/2020	20/04/2020	08/04/2020	14/04/2020	21/04/2020
Low	0.10	-0.07	-0.07	-0.06	-0.01	0.11
Low Date	01/04/2020	19/06/2020	21/08/2020	28/08/2020	25/08/2020	28/08/2020
Average	0.10	-0.05	-0.01	0.14	0.25	0.41
Spread	0.00	0.08	0.22	0.62	0.63	0.66

**2021/22 ANNUAL TREASURY MANAGEMENT STRATEGY, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY**

Committee: Finance and Assets Committee

Date: 25<sup>th</sup> January 2021

Author: Finance Manager

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**1.0 ISSUE**

1.1 To consider the 2021/22 Treasury Management Strategy, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement.

**2.0 RECOMMENDATIONS**

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

- The 2021/22 Treasury Management Strategy
- The Annual Investment Strategy
- The Minimum Revenue Provision Policy Statement
- The Prudential and Treasury Indicators.

**3.0 BACKGROUND / OPTIONS**

3.1 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.

3.2 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 Finance Manager and Section 151 Officer, 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.

### 3.3 Investment Strategy

The Council continues to hold significant reserves (January 2021) and has been able, up until now, to meet the costs of the loans to East Cambs Trading Company (ECTC), the construction of the Leisure Centre and the purchase of Waste fleet

from internal borrowing against these reserves; therefore without the need for external borrowing. This situation is forecast to continue in 2021/22.

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 continuation of low interest rates means that some smaller short term investment dealings will not return a beneficial return on investment, compared to the transaction cost of moving the cash. Small investments over a short period of time will therefore continue to be reviewed to determine if the investment is cash efficient. Where these circumstances arise, this will result in a higher balance in the Council's NatWest Account than would have historically been the case; however we will ensure that this balance remains within the counterparty limit set in the strategy.

It is expected that ECTC will repay the full cumulative balance of outstanding loans to the Council on 31<sup>st</sup> March 2021. At which point, the Council will make two further loan facilities available to the Company, these up to a cumulative value of £4.9 million. In line with the loan agreements, these new loans are due to be repaid in 2023.

### 3.4 Borrowing Strategy

The Council continues to hold reserves so internal cash balances are being used to fund capital commitments. This situation is expected to continue and while cash balances will reduce in the remainder of this financial year and in future years, it is now forecast that no external borrowing will be required in 2021/22. This situation will be continually monitored as we go into the new financial year.

### 3.5 Counterparty Limits

The Counterparty limits were reviewed in the 2016/17 Treasury Management Strategy and approved by Council. There are no amendments to report.

## 4.0 **APPENDICES**

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



**Background Documents****Location****Contact Officer**

The Prudential Code  
published by CIPFA

Treasury Management  
Practice Schedules

Revenue Budget, Capital  
Programme and Council  
Tax 2021/22 Report (also  
on this agenda)

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# **Treasury Management Strategy Statement**

## **Minimum Revenue Provision Policy Statement and Annual Investment Strategy**

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East Cambridgeshire District Council  
2021/22

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# 1.INTRODUCTION

## 1.1 Background

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

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

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

CIPFA defines treasury management as:

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

This authority has not engaged in any commercial investments and has no non-treasury investments other than the loans to East Cambridgeshire Trading Company.

## 1.2 Reporting requirements

### 1.2.1 Capital Strategy

The CIPFA 2017 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 this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital 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 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.
  
- c. **An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### Scrutiny

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

## 1.3 Treasury Management Strategy for 2021/22

The strategy for 2021/22 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, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

#### **1.4 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

The training needs of treasury management officers are periodically reviewed.

#### **1.5 Treasury management consultants**

The Council uses Link Group, Treasury solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon 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 in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

## 2 THE CAPITAL PRUDENTIAL INDICATORS 2021/22 – 2023/24

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

### 2.1 Capital expenditure

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:

<b>Capital expenditure £000</b>	<b>2019/20 Actual</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
Operational Services	1,054	1,166	3,687	841	841
Finance & Assets	1,310	7,549	140	40	40
<b>Total</b>	<b>2,364</b>	<b>8,715</b>	<b>3,827</b>	<b>881</b>	<b>881</b>

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.

<b>Financing of capital expenditure £000</b>	<b>2019/20 Actual</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
Capital receipts	525	646	266	266	266
Capital grants	526	608	526	526	526
Section 106 & CIL	1,832	1,035	89	89	89
Revenue	13	89	0	0	0
<b>Net financing need for the year</b>	<b>-532</b>	<b>6,337</b>	<b>2,946</b>	<b>0</b>	<b>0</b>

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

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so 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 CFR includes any other long-term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has no such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£000	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
<b>Capital Financing Requirement</b>					
<b>CFR Brought Forward</b>	14,486	11,761	11,178	13,731	9,013
<b>Movement in CFR</b>	<b>-2,725</b>	-583	2,553	-4,718	-1,479
<b>Total CFR</b>	<b>11,761</b>	<b>11,178</b>	<b>13,731</b>	<b>9,013</b>	<b>7,534</b>

<b>Movement in CFR represented by</b>					
Net financing need for the year (above)	-532	6,337	2,946	0	0
Repayment of Loan by ECTC	-1,700	-6,500	0	-4,070	-830
Less MRP and other financing movements	-493	-420	-393	-648	-649
<b>Movement in CFR</b>	<b>2,725</b>	<b>-583</b>	<b>2,553</b>	<b>-4,718</b>	<b>-1,479</b>

### 2.3 Core funds and expected investment balances

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

Year End Resources £000	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Fund balances / reserves	9,625	9,079	7,230	3,719	4,330
Capital receipts	1,385	839	623	408	192
Provisions	1,449	1,449	1,449	1,449	1,449
Section 106 / CIL	5,487	6,052	5,952	5,852	5,752
Working capital*	4,692	4,692	4,692	4,692	4,692
Internal borrowing	-11,761	-11,178	-13,731	-9,013	-7,534
<b>Expected investments</b>	<b>10,877</b>	<b>10,933</b>	<b>6,215</b>	<b>7,107</b>	<b>8,881</b>

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

### 2.4 Minimum revenue provision (MRP) policy statement

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

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

The Council had no outstanding borrowing from before 1 April 2008

From 1 April 2008 for all unsupported borrowing the MRP policy will be **Asset life method** – MRP will be based on the estimated life of the assets, in accordance



with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

Asset lives' used in MRP calculations are:

Waste Fleet	9 years
Leisure Centre	25 years
Depot	25 Years
ECTC Loan	No MRP provision is made on the loans to ECTC as the loans will be repaid by the Company in line with the loan agreements and used to reduce the Council's Capital Financing Requirement at that time.

This option provides for a reduction in the borrowing requirement in line with the asset's expected life.

### 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 31 March 2020 was that the Council had £10.877 million of treasury investments, and had no external borrowing.

Banks	£3.094 million
Local Authorities	£1.000 million
Money Market Funds	£6.783 million

The up-dated position at 31<sup>st</sup> December 2020 was that the Council remained external debt free, with £23.937 million invested as detailed below.

Banks	£7.657 million
Money Market Funds	£16.280 million

This reflects, to some degree, the income / expenditure flows of the Council as a collection authority. Council Tax tends to be collected in the first ten months of the year, but the money we pay out to precepting authorities is more evenly spaced, with one Council Tax collection date and two precept payment dates in the final quarter of the year. This year, however, it also reflects the impact of the Covid-19 pandemic on the Council's finances, with Government paying a number of grants earlier in the year than they would normally have done and also providing the Council with funding in advance to pay out grants to local businesses.

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.

£m	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
<b>External Debt</b>					
Debt at 1 April	0	0	0	0	0
Expected change in Debt	0	0	0	0	0
Actual gross debt at 31 March	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
The Capital Financing Requirement	<b>11,761</b>	<b>11,178</b>	<b>13,731</b>	<b>9,013</b>	<b>7,534</b>
Under / (over) borrowing	<b>11,761</b>	<b>11,178</b>	<b>13,731</b>	<b>9,013</b>	<b>7,534</b>

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 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 Finance Manager reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

### 3.2 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.

<b>Operational boundary £000</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
External Debt	0	0	0	0
Other long term liabilities	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**The authorised limit for external debt.** This is a key prudential indicator and represents a control on the maximum level of 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.

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

<b>Authorised limit £m</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
External Debt	10,000	10,000	10,000	10,000
Other long term liabilities	0	0	0	0
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

### 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 11.8.20. However, following the conclusion of the review of PWLB margins over gilt yields on 25.11.20, all forecasts below have been reduced by 1%. These are forecasts for certainty rates, gilt yields plus 80bps:

Link Group Interest Rate View 9.11.20													
These Link forecasts have been amended for the reduction in PWLB margins by 1.0% from 26.11.20													
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00
10 yr PWLB	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30
25 yr PWLB	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80
50 yr PWLB	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60

Additional notes by Link on this forecast table: -

- Please note that we have made a slight change to our interest rate forecasts table above for forecasts for 3, 6 and 12 months. Traditionally, we have used LIBID forecasts, with the rate calculated using market convention of 1/8th (0.125%) taken off the LIBOR figure. Given that all LIBOR rates up to 6m are currently running below 10bps, using that convention would give negative figures as forecasts for those periods. However, the liquidity premium that is still in evidence at the short end of the curve means that the rates actually being achieved by local authority investors are still modestly in positive territory. While there are differences between counterparty offer rates, our analysis would suggest that an average rate of around 10 bps is achievable for 3 months, 10bps for 6 months and 20 bps for 12 months.
- During 2021, Link will be continuing to look at market developments in this area and will monitor these with a view to communicating with clients when full financial market agreement is reached on how to replace LIBOR. This is likely to be an iteration of the overnight SONIA rate and the use of compounded rates and Overnight Index Swap (OIS) rates for forecasting purposes.
- We will maintain continuity by providing clients with LIBID investment benchmark rates on the current basis.

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its subsequent meetings to 16<sup>th</sup> December, although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected in the near-term as economic recovery is expected to be only gradual and, therefore, prolonged. These forecasts were based on an assumption that a Brexit trade deal would be agreed by 31<sup>st</sup> December 2020: as this has now occurred, these forecasts do not need to be revised.

### **Gilt yields / PWLB rates**

There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was a heightened expectation that the US could have been heading for a recession in 2020. In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers. This means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. The consequence of this has been the gradual lowering of the overall level of interest rates and bond yields in financial markets over the last 30 years. Over the year prior to the coronavirus crisis, this has seen many bond yields up to 10 years turn negative in the Eurozone. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields had therefore already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020. After gilt yields spiked up during the financial crisis in March, we have seen these yields fall sharply to unprecedented lows as investors panicked during March in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks took rapid action to deal with excessive stress in financial markets during March, and started massive quantitative easing purchases of government bonds: this also acted to put downward pressure on government bond yields at a time when there has been a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply. Gilt yields and PWLB rates have been at remarkably low rates so far during 2020/21.

As the interest forecast table for PWLB certainty rates above shows, there is expected to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment, (as shown on 9<sup>th</sup> November when the first results of a successful COVID-19 vaccine trial were announced). Such volatility could occur at any time during the forecast period.

### **Investment and borrowing rates**

- **Investment returns** are likely to remain exceptionally low during 2021/22 with little increase in the following two years.
- **Borrowing interest rates** fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England: indeed, gilt yields up to 6 years were negative during most of the first half of 2020/21. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. The unexpected increase of 100 bps in

PWLB rates on top of the then current margin over gilt yields of 80 bps in October 2019, required an initial major rethink of local authority treasury management strategy and risk management. However, in March 2020, the Government started a consultation process for reviewing the margins over gilt rates for PWLB borrowing for different types of local authority capital expenditure. *(Please note that Link has concerns over this approach, as the fundamental principle of local authority borrowing is that borrowing is a treasury management activity and individual sums that are borrowed are not linked to specific capital projects.)* It also introduced the following rates for borrowing for different types of capital expenditure: -

- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
  - **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
  - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
  - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
- As a consequence of these increases in margins, many local authorities decided to refrain from PWLB borrowing unless it was for HRA or local infrastructure financing, until such time as the review of margins was concluded.
  - On 25<sup>th</sup> November 2020, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme. The new margins over gilt yields are as follows: -
    - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
    - **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
    - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
    - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
    - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
  - **Borrowing for capital expenditure.** As Link's long-term forecast for Bank Rate is 2.00%, and all PWLB rates are under 2.00%, there is now value in borrowing from the PWLB for all types of capital expenditure for all maturity periods, especially as current rates are at historic lows. However, greater value can be obtained in borrowing for shorter maturity periods so the Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable, or for flattening the profile of a heavily unbalanced maturity profile.
  - While this authority will not be able to avoid borrowing to finance new capital expenditure in the longer term, to replace the rundown of reserves, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

### 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 investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2021/22 treasury operations. The Finance Manager 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, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the 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 for both HRA and non-HRA borrowing. 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 – 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).
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time).

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**

	<b>Fixed</b>	<b>Variable</b>
PWLB	●	●
Municipal bond agency	●	●
Local authorities	●	●
Banks	●	●
Pension funds	●	●
Insurance companies	●	●

## 4 ANNUAL INVESTMENT STRATEGY

### 4.1 Investment policy – management of risk

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

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, 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 the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods up to six months with high credit rated financial institutions, as well as wider range fund options.

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

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in appendix 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 not engage in any non-specific investments.
6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
7. **Transaction limits** are set for each type of investment in 4.2.
8. This authority will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
10. This authority has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2020/21 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, [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<sup>st</sup> March 2023.

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

#### **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:

- "watches" and "outlooks" from credit rating agencies;
- CDS spreads that may give early warning of changes in credit ratings;
- 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 not to be used
- No colour not to be used

*\* the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt*

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

All credit ratings will be monitored 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 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 2016/17 Treasury Management Strategy, the same limits will be applied in 2021/22.

- £6 million with counterparties rated 6 months to 1 year (Orange) duration limit
- £5 million with Money Market Funds
- £6 million with counterparties rated up to 6 months (Red) duration limit on the approved weekly list

## Creditworthiness

Although the credit rating agencies changed their outlook on many UK banks from Stable to Negative during the quarter ended 30<sup>th</sup> June 2020 due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic, the majority of ratings were affirmed due to the continuing strong credit profiles of major financial institutions, including UK banks. However, during Q1 and Q2 2020, banks made provisions for *expected* credit losses and the rating changes reflected these provisions. As we move into future quarters, more information will emerge on *actual* levels of credit losses. (Quarterly earnings reports are normally announced in the second half of the month following the end of the quarter.) This has the potential to cause rating agencies to revisit their initial rating adjustments earlier in the current year. These adjustments could be negative or positive, although it should also be borne in mind that banks went into this pandemic with strong balance sheets. This is predominantly a result of regulatory changes imposed on banks following the Great Financial Crisis. Indeed, the Financial Policy Committee (FPC) report on 6<sup>th</sup> August revised down their expected credit losses for the UK banking sector to "somewhat less than £80bn". It stated that in its assessment, "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.

All three rating agencies have reviewed banks around the world with similar results in many countries of most banks being placed on Negative Outlook, but with a small number of actual downgrades.

## CDS prices

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards at the end of March / early April 2020 due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. Nevertheless, prices are still elevated compared to end-February 2020. Pricing is likely to remain volatile as uncertainty continues. 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.

## 4.3 Other limits

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

- a) **Non-specified treasury management investment limit.** The Council has determined that it will limit the maximum total exposure of treasury management investments to non-specified treasury management investments as being 10% of the total treasury management investment portfolio.
- b) **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.
- c) **Other limits.** In addition:

- no more than 30% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

#### 4.4 Investment strategy

**In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

#### Investment returns expectations.

Bank Rate is unlikely to rise from 0.10% for a considerable period. It is very difficult to say when it may start rising so it is best to assume that investment earnings from money market-related instruments will be significantly below 0.50% for the foreseeable future.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows (the long term forecast is for periods over 10 years in the future):

Average earnings in each year	
2020/21	0.10%
2021/22	0.10%
2022/23	0.10%
2023/24	0.10%
2024/25	0.25%
Long term later years	2.00%

- The overall balance of risks to economic growth in the UK is probably now skewed to the upside, but is subject to major uncertainty due to the virus and how quickly successful vaccines may become available and widely administered to the population. It may also be affected by what, if any, deal the UK agrees as part of Brexit.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, or a return of investor confidence in equities, could impact gilt yields, (and so PWLB rates), in the UK.

## Negative investment rates

While the Bank of England said in August / September 2020 that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months, and in November omitted any mention of negative rates in the minutes of the meeting of the Monetary Policy Committee, some deposit accounts are already offering negative rates for shorter periods. As part of the response to the pandemic and lockdown, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. In addition, the Government has provided large sums of grants to local authorities to help deal with the COVID crisis; this has caused some local authorities to have sudden large increases in cash balances searching for an investment home, some of which was only very short term until those sums were able to be passed on.

As for money market funds (MMFs), yields have continued to drift lower. Some managers have already resorted to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is a surfeit of money swilling around at the very short end of the market. This has seen a number of market operators, now including the DMADF, offer nil or negative rates for very short term maturities. This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions for investments at the very short end of the yield curve.

Inter-local authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home at a time when many local authorities are probably having difficulties over accurately forecasting when disbursements of funds received will occur or when further large receipts will be received from the Government.

**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:

<b>Upper limit for principal sums invested for longer than 365 days</b>			
<b>£000</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Principal sums invested for longer than 365 days	2,000	2,000	2,000
Current investments as at 31 <sup>st</sup> December 2020 in excess of 1 year maturing in each year	0	0	0

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

## 4.5 Investment 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 December 2019 our calculated Historic Risk of Default was 0.0% as our cash was in either MMF, a deposit with Lloyds Bank of Scotland and a liquid call account with NatWest. As this situation is not expected to change in 2019/20, 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 – The Council will use the 7-day LIBID compounded rate as an investment benchmark to assess the investment performance of its investment portfolio during 2019/20.

#### **4.6 End of year investment report**

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

## 5 APPENDICES

1. Prudential and treasury indicators
2. Economic background
3. Treasury management practice – 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 2021/22 – 2023/24

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.

%	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Annual Change	+3.724	+0.711	-0.216	+2.088	-0.250

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

While the above table is a statutory requirement for the Strategy document, when considering the increases in the cost of capital as a proportion of the revenue budget, it should be remembered that the majority of these costs has a direct impact of the Council's bottom line budget.

- Borrowing in relation to the Leisure Centre was funded initially from the use of internal reserves, but from 2020/21 from the management fee to be paid to the Council by the operator of the centre (including repaying the amount originally taken from reserve);
- The capital cost of the waste fleet will be charged to East Cambs Street Scene;
- The capital cost of the depot will be mostly be recovered from East Cambs Street Scene by way of an increase in rent;
- The loans to East Cambs Trading Company will generate an income to the Council as interest is being charged on this loan at a commercial rate of 3.5% in 2021/22.



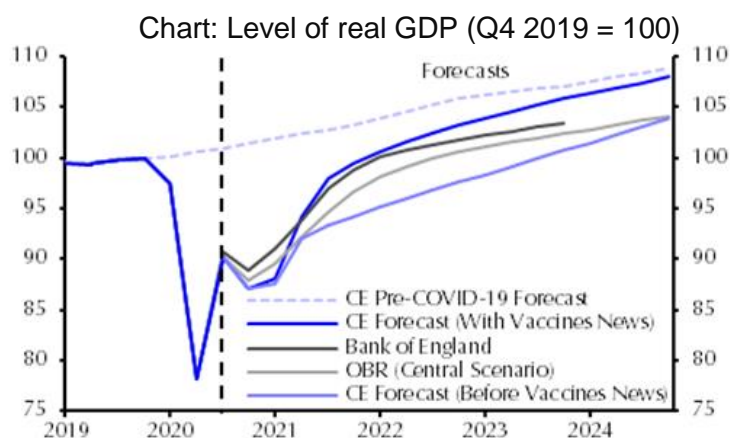
## 5.2 ECONOMIC BACKGROUND

- **UK.** The key quarterly meeting of the Bank of England Monetary Policy Committee kept **Bank Rate** unchanged on 5<sup>th</sup> November 2020. However, it revised its economic forecasts to take account of a second national lockdown from 5<sup>th</sup> November 2020 to 2<sup>nd</sup> December 2020 which is obviously going to put back economic recovery and do further damage to the economy. It therefore decided to do a further tranche of **quantitative easing (QE) of £150bn**, to start in January when the current programme of £300bn of QE, announced in March to June, runs out. It did this so that “announcing further asset purchases now should support the economy and help to ensure the unavoidable near-term slowdown in activity was not amplified by a tightening in monetary conditions that could slow the return of inflation to the target”.
- Its forecasts appeared, at that time, to be rather optimistic in terms of three areas:
  - The economy would recover to reach its pre-pandemic level in Q1 2022
  - The Bank also expected there to be excess demand in the economy by Q4 2022.
  - CPI inflation was therefore projected to be a bit above its 2% target by the start of 2023 and the “inflation risks were judged to be balanced”.
- Significantly, there was no mention of **negative interest rates** in the minutes or Monetary Policy Report, suggesting that the MPC remains some way from being persuaded of the case for such a policy, at least for the next 6 -12 months. However, rather than saying that it “stands ready to adjust monetary policy”, the MPC this time said that it will take “whatever additional action was necessary to achieve its remit”. The latter seems stronger and wider and may indicate the Bank’s willingness to embrace new tools.
- One key addition to **the Bank’s forward guidance in August** was a new phrase in the policy statement, namely that “it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably”. That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years’ time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate. Our Bank Rate forecast currently shows no increase, (or decrease), through to quarter 1 2024 but there could well be no increase during the next five years as it will take some years to eliminate spare capacity in the economy, and therefore for inflationary pressures to rise to cause the MPC concern. **Inflation** is expected to briefly peak at just over 2% towards the end of 2021, but this is a temporary short lived factor and so not a concern.
- However, the minutes did contain several references to **downside risks**. The MPC reiterated that the “recovery would take time, and the risks around the GDP projection were judged to be skewed to the downside”. It also said “the risk of a more persistent period of elevated unemployment remained material”. Downside risks could well include severe restrictions remaining in place in some form during the rest of December and most of January too. **Upside risks** included the early roll out of effective vaccines.
- **COVID-19 vaccines.** We had been waiting expectantly for news that various COVID-19 vaccines would be cleared as being safe and effective for administering to the general public. The Pfizer announcement on 9<sup>th</sup> November was very encouraging as its 90% effectiveness was much higher than the 50-60% rate of

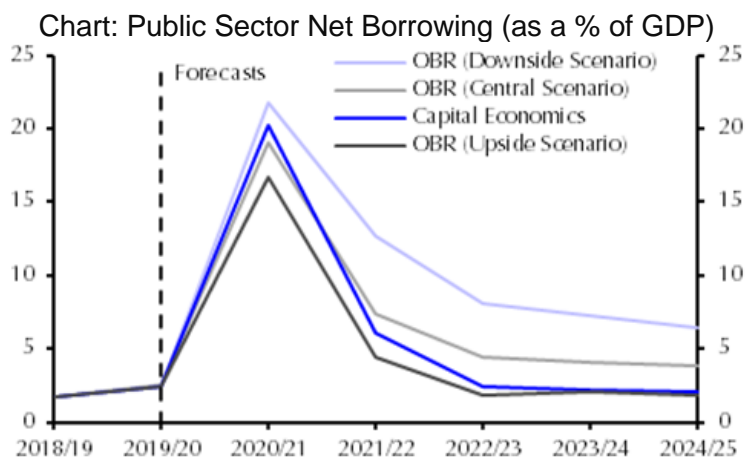
effectiveness of flu vaccines which might otherwise have been expected. However, this vaccine has demanding cold storage requirements of minus 70c that impairs the speed of application to the general population. It has therefore been particularly welcome that the Oxford University/AstraZeneca vaccine has now also been approved which is much cheaper and only requires fridge temperatures for storage. The Government has 60m doses on order and is aiming to vaccinate at a rate of 2m people per week starting in January, though this rate is currently restricted by a bottleneck on vaccine production; (a new UK production facility is due to be completed in June).

- These announcements, plus expected further announcements that other vaccines could be approved soon, have enormously boosted confidence that **life could largely return to normal during the second half of 2021**, with activity in the still-depressed sectors like restaurants, travel and hotels returning to their pre-pandemic levels; this would help to bring the unemployment rate down. With the household saving rate having been exceptionally high since the first lockdown in March, there is plenty of pent-up demand and purchasing power stored up for these services. A comprehensive roll-out of vaccines might take into late 2021 to fully complete; but if these vaccines prove to be highly effective, then there is a possibility that restrictions could start to be eased, beginning possibly in Q2 2021 once vulnerable people and front-line workers have been vaccinated. At that point, there would be less reason to fear that hospitals could become overwhelmed any more. Effective vaccines would radically improve the economic outlook once they have been widely administered; it may allow GDP to rise to its pre-virus level a year earlier than otherwise and mean that the unemployment rate peaks at 7% in 2021 instead of 9%.
- **Public borrowing** was forecast in November by the Office for Budget Responsibility (the OBR) to reach £394bn in the current financial year, the highest ever peace time deficit and equivalent to 19% of GDP. In normal times, such an increase in total gilt issuance would lead to a rise in gilt yields, and so PWLB rates. However, the QE done by the Bank of England has depressed gilt yields to historic low levels, (as has similarly occurred with QE and debt issued in the US, the EU and Japan). This means that new UK debt being issued, and this is being done across the whole yield curve in all maturities, is locking in those historic low levels through until maturity. In addition, the UK has one of the longest average maturities for its entire debt portfolio, of any country in the world. Overall, this means that the total interest bill paid by the Government is manageable despite the huge increase in the total amount of debt. The OBR was also forecasting that the government will still be running a budget deficit of £102bn (3.9% of GDP) by 2025/26. However, initial impressions are that they have taken a pessimistic view of the impact that vaccines could make in the speed of economic recovery.
- Overall, **the pace of recovery** was not expected to be in the form of a rapid V shape, but a more elongated and prolonged one. The initial recovery was sharp after quarter 1 saw growth at -3.0% followed by -18.8% in quarter 2 and then an upswing of +16.0% in quarter 3; this still left the economy 8.6% smaller than in Q4 2019. It is likely that the one month national lockdown that started on 5<sup>th</sup> November, will have caused a further contraction of 8% m/m in November so the economy may have then been 14% below its pre-crisis level.
- **December 2020 / January 2021**. Since then, there has been rapid back-tracking on easing restrictions due to the spread of a new mutation of the virus, and severe restrictions were imposed across all four nations. These restrictions were changed on 5.1.21 to national lockdowns of various initial lengths in each of the four nations

as the NHS was under extreme pressure. It is now likely that wide swathes of the UK will remain under these new restrictions for some months; this means that the near-term outlook for the economy is grim. However, the distribution of vaccines and the expected consequent removal of COVID-19 restrictions, should allow GDP to rebound rapidly in the second half of 2021 so that the economy could climb back to its pre-pandemic peak as soon as late in 2022. Provided that both monetary and fiscal policy are kept loose for a few years yet, then it is still possible that in the second half of this decade, the economy may be no smaller than it would have been if COVID-19 never happened. The significant caveat is if another mutation of COVID-19 appears that defeats the current batch of vaccines. However, now that science and technology have caught up with understanding this virus, new vaccines ought to be able to be developed more quickly to counter such a development and vaccine production facilities are being ramped up around the world.



This recovery of growth which eliminates the effects of the pandemic by about the middle of the decade would have major repercussions for public finances as it would be consistent with the government deficit falling to around 2.5% of GDP without any tax increases. This would be in line with the OBR's most optimistic forecast in the graph below, rather than their current central scenario which predicts a 4% deficit due to assuming much slower growth. However, Capital Economics forecasts assumed that there is a reasonable Brexit deal and also that politicians do not raise taxes or embark on major austerity measures and so, (perverse!), depress economic growth and recovery.

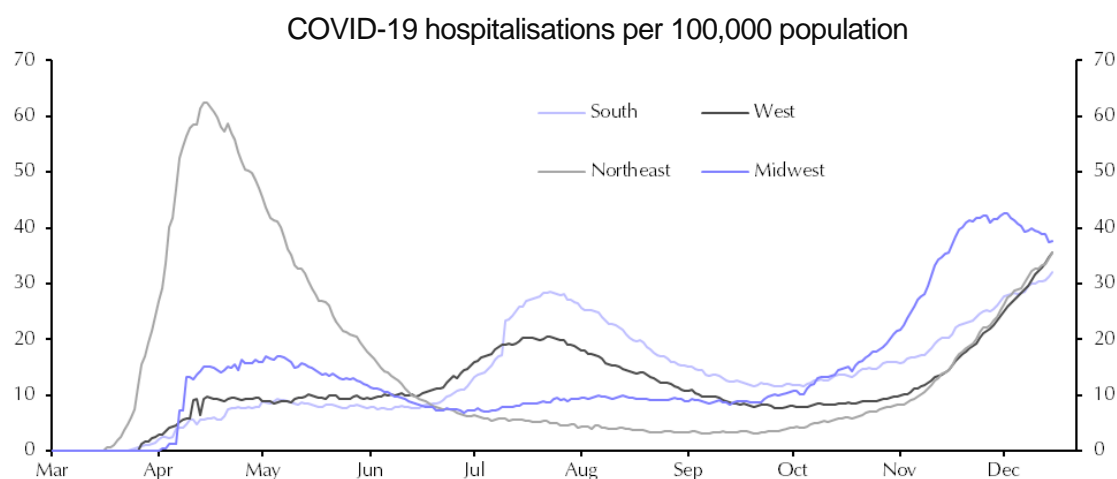


*(if unable to print in colour..... the key describing each line in the above graph is in sequential order from top to bottom in parallel with the lines in the graph.*

- There will still be some **painful longer term adjustments** as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever, even if vaccines are fully successful in overcoming the current virus. There is also likely to be a reversal of globalisation as this crisis has exposed how vulnerable long-distance supply chains are. On the other hand, digital services are one area that has already seen huge growth.
- **Brexit.** While the UK has been gripped by the long running saga of whether or not a deal would be made by 31<sup>st</sup> December 2020, the final agreement on 24<sup>th</sup> December 2020, followed by ratification by Parliament and all 27 EU countries in the following week, has eliminated a significant downside risk for the UK economy. The initial agreement only covers trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. As the forecasts in this report were based on an assumption of a Brexit agreement being reached, there is no need to amend these forecasts.
- **Monetary Policy Committee meeting of 17 December.** All nine Committee members voted to keep interest rates on hold at +0.10% and the Quantitative Easing (QE) target at £895bn. The MPC commented that the successful rollout of vaccines had reduced the downsides risks to the economy that it had highlighted in November. But this was caveated by it saying, “Although all members agreed that this would reduce downside risks, they placed different weights on the degree to which this was also expected to lead to stronger GDP growth in the central case.” So, while the vaccine is a positive development, in the eyes of the MPC at least, the economy is far from out of the woods. As a result of these continued concerns, the MPC voted to extend the availability of the Term Funding Scheme, (cheap borrowing), with additional incentives for small and medium size enterprises for six months from 30<sup>th</sup> April 2021 until 31<sup>st</sup> October 2021. (The MPC had assumed that a Brexit deal would be agreed.)
- **Fiscal policy.** In the same week as the MPC meeting, the Chancellor made a series of announcements to provide further support to the economy: -
  - An extension of the COVID-19 loan schemes from the end of January 2021 to the end of March.
  - The furlough scheme was lengthened from the end of March to the end of April.
  - The Budget on 3<sup>rd</sup> March 2021 will lay out the “next phase of the plan to tackle the virus and protect jobs”. This does not sound like tax rises are imminent, (which could hold back the speed of economic recovery).
- The **Financial Policy Committee** (FPC) report on 6<sup>th</sup> August 2020 revised down their expected credit losses for the banking sector to “somewhat less than £80bn”. It stated that in its assessment, “banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC’s central projection”. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC’s projection, with unemployment rising to above 15%.
- **US.** The result of **the November elections** meant that while the Democrats gained the presidency and a majority in the House of Representatives, it looks as if the Republicans could retain their slim majority in the Senate provided they keep hold

of two key seats in Georgia in elections in early January. If those two seats do swing to the Democrats, they will then control both Houses and President Biden will consequently have a free hand to determine policy and to implement his election manifesto.

- **The economy** had been recovering quite strongly from its contraction in 2020 of 10.2% due to the pandemic with GDP only 3.5% below its pre-pandemic level and the unemployment rate dropping below 7%. However, the rise in new cases during quarter 4, to the highest level since mid-August, suggests that the US could be in the early stages of a fourth wave. While the first wave in March and April was concentrated in the Northeast, and the second wave in the South and West, the third wave in the Midwest looks as if it now abating. However, it also looks as if the virus is rising again in the rest of the country. The latest upturn poses a threat that the recovery in the economy could stall. This is **the single biggest downside risk** to the shorter term outlook – a more widespread and severe wave of infections over the winter months, which is compounded by the impact of the regular flu season and, as a consequence, threatens to overwhelm health care facilities. Under those circumstances, states might feel it necessary to return to more draconian lockdowns.



- The restrictions imposed to control the spread of the virus are once again weighing on the economy with employment growth slowing sharply in November and retail sales dropping back. The economy is set for further weakness in December and into the spring. However, a \$900bn fiscal stimulus deal passed by Congress in late December will limit the downside through measures which included a second round of direct payments to households worth \$600 per person and a three-month extension of enhanced unemployment insurance (including a \$300 weekly top-up payment for all claimants). GDP growth is expected to rebound markedly from the second quarter of 2021 onwards as vaccines are rolled out on a widespread basis and restrictions are loosened.
- After Chair Jerome Powell unveiled the **Fed's adoption of a flexible average inflation target** in his Jackson Hole speech in late August 2020, the mid-September meeting of the Fed agreed by a majority to a toned down version of the new inflation target in his speech - that *"it would likely be appropriate to maintain the current target range until labour market conditions were judged to be consistent with the Committee's assessments of maximum employment and inflation had risen to 2% and was on track to moderately exceed 2% for some*

*time.*" This change was aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary "trap" like Japan. It is to be noted that inflation has actually been under-shooting the 2% target significantly for most of the last decade, (and this year), so financial markets took note that higher levels of inflation are likely to be in the pipeline; long-term bond yields duly rose after the meeting. The FOMC's updated economic and rate projections in mid-September showed that officials expect to leave the fed funds rate at near-zero until at least end-2023 and probably for another year or two beyond that. There is now some expectation that where the Fed has led in changing its inflation target, other major central banks will follow. The increase in tension over the last year between the US and China is likely to lead to a lack of momentum in progressing the initial positive moves to agree a phase one trade deal.

- The Fed's meeting on **5 November** was unremarkable - but at a politically sensitive time around the elections. At its **16 December** meeting the Fed tweaked the guidance for its monthly asset quantitative easing purchases with the new language implying those purchases could continue for longer than previously believed. Nevertheless, with officials still projecting that inflation will only get back to 2.0% in 2023, the vast majority expect the fed funds rate to be still at near-zero until 2024 or later. Furthermore, officials think the balance of risks surrounding that median inflation forecast are firmly skewed to the downside. The key message is still that policy will remain unusually accommodative – with near-zero rates and asset purchases – continuing for several more years. This is likely to result in keeping Treasury yields low – which will also have an influence on gilt yields in this country.
- **EU.** In early December, the figures for Q3 GDP confirmed that the economy staged a rapid rebound from the first lockdowns. This provides grounds for optimism about growth prospects for next year. In Q2, GDP was 15% below its pre-pandemic level. But in Q3 the economy grew by 12.5% q/q leaving GDP down by "only" 4.4%. That was much better than had been expected earlier in the year. However, growth is likely to stagnate during Q4 and in Q1 of 2021, as a second wave of the virus has affected many countries: it is likely to hit hardest those countries more dependent on tourism. The €750bn fiscal support package eventually agreed by the EU after prolonged disagreement between various countries, is unlikely to provide significant support, and quickly enough, to make an appreciable difference in the countries most affected by the first wave.
- With inflation expected to be unlikely to get much above 1% over the next two years, **the ECB** has been struggling to get inflation up to its 2% target. It is currently unlikely that it will cut its central rate even further into negative territory from -0.5%, although the ECB has stated that it retains this as a possible tool to use. The ECB's December meeting added a further €500bn to the PEPP scheme, (purchase of government and other bonds), and extended the duration of the programme to March 2022 and re-investing maturities for an additional year until December 2023. Three additional tranches of TLTRO, (cheap loans to banks), were approved, indicating that support will last beyond the impact of the pandemic, implying indirect yield curve control for government bonds for some time ahead. The Bank's forecast for a return to pre-virus activity levels was pushed back to the end of 2021, but stronger growth is projected in 2022. The total PEPP scheme of €1,850bn of QE which started in March 2020 is providing protection to the sovereign bond yields of weaker countries like Italy. There is therefore unlikely to be a euro crisis while the ECB is able to maintain

this level of support. However, as in the UK and the US, the advent of highly effective vaccines will be a game changer, although growth will struggle before later in quarter 2 of 2021.

- **China.** After a concerted effort to get on top of the virus outbreak in Q1, economic recovery was strong in Q2 and then into Q3 and Q4; this has enabled China to recover all of the contraction in Q1. Policy makers have both quashed the virus and implemented a programme of monetary and fiscal support that has been particularly effective at stimulating short-term growth. At the same time, China's economy has benefited from the shift towards online spending by consumers in developed markets. These factors help to explain its comparative outperformance compared to western economies. However, this was achieved by major central government funding of yet more infrastructure spending. After years of growth having been focused on this same area, any further spending in this area is likely to lead to increasingly weaker economic returns in the longer term. This could, therefore, lead to a further misallocation of resources which will weigh on growth in future years.
- **Japan.** A third round of fiscal stimulus in early December took total fresh fiscal spending this year in response to the virus close to 12% of pre-virus GDP. That's huge by past standards, and one of the largest national fiscal responses. The budget deficit is now likely to reach 16% of GDP this year. Coupled with Japan's relative success in containing the virus without draconian measures so far, and the likelihood of effective vaccines being available in the coming months, the government's latest fiscal effort should help ensure a strong recovery and to get back to pre-virus levels by Q3 2021 – around the same time as the US and much sooner than the Eurozone.
- **World growth.** World growth will have been in recession in 2020. Inflation is unlikely to be a problem for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.
- Until recent years, world growth has been boosted by increasing **globalisation** i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. The Chinese government has targeted achieving major world positions in specific key sectors and products, especially high tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, government directions to other firms, technology theft, restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the US and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a **reversal of world globalisation and a decoupling of western countries** from dependence on China to supply

products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation.

## Summary

**Central banks are, therefore, likely to support growth by maintaining loose monetary policy through keeping rates very low for longer. Governments could also help a quicker recovery by providing more fiscal support for their economies at a time when total debt is affordable due to the very low rates of interest. They will also need to avoid significant increases in taxation or austerity measures that depress demand in their economies.**

**If there is a huge surge in investor confidence as a result of successful vaccines which leads to a major switch out of government bonds into equities, which, in turn, causes government debt yields to rise, then there will be pressure on central banks to actively manage debt yields by further QE purchases of government debt; this would help to suppress the rise in debt yields and so keep the total interest bill on greatly expanded government debt portfolios within manageable parameters. It is also the main alternative to a programme of austerity.**

## INTEREST RATE FORECASTS

**Brexit.** The interest rate forecasts provided by Link in paragraph 3.3 were predicated on an assumption of a reasonable agreement being reached on trade negotiations between the UK and the EU by 31.12.20. There is therefore no need to revise these forecasts now that a trade deal has been agreed. Brexit may reduce the economy's potential growth rate in the long run. However, much of that drag is now likely to be offset by an acceleration of productivity growth triggered by the digital revolution brought about by the COVID crisis.

### The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably now skewed to the upside, but is still subject to some uncertainty due to the virus and the effect of any mutations, and how quick vaccines are in enabling a relaxation of restrictions.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, could impact gilt yields, (and so PWLB rates), in the UK.

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

- **UK government** takes too much action too quickly to raise taxation or introduce austerity measures that depress demand in the economy.
- **UK - Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. The ECB has taken monetary policy action to support the bonds of EU states, with the positive impact



most likely for “weaker” countries. In addition, the EU agreed a €750bn fiscal support package. These actions will help shield weaker economic regions for the next two or three years. However, in the case of Italy, the cost of the virus crisis has added to its already huge debt mountain and its slow economic growth will leave it vulnerable to markets returning to taking the view that its level of debt is unsupportable. There remains a sharp divide between northern EU countries favouring low debt to GDP and annual balanced budgets and southern countries who want to see jointly issued Eurobonds to finance economic recovery. This divide could undermine the unity of the EU in time to come.

- Weak capitalisation of some **European banks**, which could be undermined further depending on extent of credit losses resultant of the pandemic.
- **German minority government & general election in 2021.** In the German general election of September 2017, Angela Merkel’s CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. The CDU has done badly in subsequent state elections but the SPD has done particularly badly. Angela Merkel has stepped down from being the CDU party leader but she will remain as Chancellor until the general election in 2021. This then leaves a major question mark over who will be the major guiding hand and driver of EU unity when she steps down.
- **Other minority EU governments.** Austria, Sweden, Spain, Portugal, Netherlands, Ireland and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Austria, the Czech Republic, Poland and Hungary** now form a strongly anti-immigration bloc within the EU, and they had threatened to derail the 7 year EU budget until a compromise was thrashed out in late 2020. There has also been a rise in anti-immigration sentiment in Germany and France.
- **Geopolitical risks**, for example in China, Iran or North Korea, but also in Europe and other Middle Eastern countries, which could lead to increasing safe haven flows.

#### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **UK** - a significant rise in inflationary pressures e.g. caused by a stronger than currently expected recovery in the UK economy after effective vaccines are administered quickly to the UK population, leading to a rapid resumption of normal life and return to full economic activity across all sectors of the economy.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a rapid series of increases in Bank Rate to stifle inflation.

### 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:** 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 is given as a loan and treated as capital expenditure. It is **not** an investment, although clearly the Council does receive a return on the amount borrowed.

#### 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	** Max % of total investments / £ limit per institution	Max. maturity period
DMADF – UK Government	yellow	£6 million	6 months (max. is set by the DMO*)
UK Government gilts	yellow	£5 million	5 years
UK Government Treasury bills	yellow	£5 million	364 days (max. is set by the DMO*)
Bonds issued by multilateral development banks	yellow	£5 million	5 years
Money Market Funds - CNAV	AAA	£5 million	Liquid
Money Market Funds - LNNAV	AAA	£5 million	Liquid
Money Market Funds - VNAV	AAA	£5 million	Liquid
Local authorities	yellow	£5 million	12 months

Term deposits with banks and building societies	Blue Orange Red Green No Colour	£6 million £6 million £6 million Nil Nil	12 months 12 months 6 months 100 days Not for use
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\* DMO – is the Debt Management Office of H. M. Treasury

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

#### 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, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

##### ***Based on lowest available rating***

###### AAA

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

###### AA+

- Canada
- Finland
- U.S.A.

###### AA

- Abu Dhabi (UAE)
- France

###### AA-

- Belgium
- Hong Kong
- Qatar
- **U.K.**

## **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 body)**

- 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) The Finance Manager and Section 151 Officer (as the person responsibility for treasury scrutiny)**

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

## 5.6 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

### The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers,
- preparation of a capital strategy to include capital expenditure, capital financing, and treasury management,
- ensuring that the capital strategy is sustainable, affordable and prudent in the long term and provides value for money,
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority,
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing,
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources,
- ensuring that an adequate governance process is in place for the approval, monitoring and on-going risk management of all non-financial investments and long term liabilities,
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees,
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority,
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above,
- creation of Treasury Management Practices that specifically deal with how non-treasury investments will be carried out and managed.

## APPENDIX C2

Further to appendix 5.4 of the Treasury Management Strategy reviewed by Finance and Assets Committee on the 25<sup>th</sup> January 2021, an assessment of the Human Rights records of each of the countries recommended for investments has been undertaken.

Information from Freedom House has been used to do this. Freedom House produce an annual list scoring each country on its Human Rights record with the higher score reflecting the more Human Rights. It then states in their opinion if that makes the country “Free”, “Partly Free” or “Not Free”. The below table has been annotated with the score and the status.

### 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, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

#### *Based on lowest available rating*

AAA		
• Australia	97	Free
• Denmark	97	Free
• Germany	94	Free
• Luxembourg	98	Free
• Netherlands	99	Free
• Norway	100	Free
• Singapore	50	Partly Free
• Sweden	100	Free
• Switzerland	96	Free
AA+		
• Canada	98	Free
• Finland	100	Free
• U.S.A.	86	Free
AA		
• Abu Dhabi (UAE)	17	Not Free
• France	90	Free
AA-		
• Belgium	96	Free
• Hong Kong	55	Partly Free
• Qatar	25	Not Free
• U.K.	94	Free

**REVENUE BUDGET, CAPITAL STRATEGY AND COUNCIL TAX 2021/22**

Committee: Full Council

Date: 23<sup>rd</sup> February 2021

Author: Finance Manager

[V132]

1 **ISSUE**

1.1 This report sets out the Council's proposed revenue budget, capital strategy, and the required level of Council Tax in 2021/22. The report assesses the robustness of the budgets, the adequacy of reserves and up-dates the Council's Medium Term Financial Strategy (MTFS).

2 **RECOMMENDATIONS**

2.1 Full Council is asked to approve:

- The formal Council Tax Resolution which calculates the Council Tax requirement as set out in Appendix 1;
- The draft revenue budget for 2021/22 and MTFS for 2022/23 to 2024/25 as set out in Appendices 2(a) and 2(b);
- A Council Tax freeze in 2021/22;
- The Statement of Reserves as set out in Appendix 3;
- The 2021/22 Fees and Charges as set out in Appendix 4;
- The Capital Strategy and financing as set out in Appendix 5.

2.2 To approve the use of the remaining Council Tax Hardship Grant awarded by Government, but not totally allocated during 2020/21, in the manner detailed in paragraphs 11.7 to 11.10 of this report, this to benefit residents claiming Local Council Tax Reduction Support in 2021/22.

2.3 To authorise the Finance Manager, in consultation with the Chairman of the Finance and Assets Committee, to approve any Business Rate reliefs or other changes to Business Rates announced by Government in the national Budget on the 3<sup>rd</sup> March 2021, as detailed in paragraph 6.7.

3 **BACKGROUND / OPTIONS**

3.1 At the Full Council meeting on 20<sup>th</sup> February 2020, members approved a net budget for 2020/21 of £8,925,664 and a frozen Council Tax. The budget had a planned draw of £1,291,541 from the Surplus Savings Reserve. The Medium Term Financial Strategy at that time showed a balanced budget in 2021/22 (using further resources



from the Surplus Savings Reserve), but with then significant budget deficits in 2022/23 and 2023/24.

- 3.2 Since this time, Finance and Assets Committee on the 23<sup>rd</sup> July 2020, approved a further £100,000 draw from the Surplus Savings Reserve in 2020/21, this to fund the Council's Environment and Climate Change Strategy.
- 3.3 The outturn position for 2019/20 was reported to the Finance and Assets Committee on the 23<sup>rd</sup> July 2020. This showed that due to the proactive actions taken by management to reduce the Council's cost base prior to and during 2019/20, the Council underspent in 2019/20 by £1,690,450. This was transferred into the Surplus Savings Reserve.
- 3.4 Management has continued to reduce the Council's cost base during the current financial year. This work has led to further one-off and on-going savings being made; which both contribute to the projected outturn underspend for this financial year and also provide savings throughout the term of the MTFs. The current yearend forecast underspend for 2020/21 is £428,500, this too will be transferred to the Surplus Savings Reserve at yearend and has been reflected in the figures in this report.

#### 4 SPENDING ROUND 2020

- 4.1 Local Government was expecting a major change in the way it is funded by Government in 2021/22. At this time last year we were expecting a:
  - Spending Review, a major review by Government of all of its spending plans, determining the quantum of funding that will be made available to each Department for a number of years.
  - Local Government Funding Review, a review of the relative needs of all local authorities to determine how much of the funding allocated above, would be allocated to each individual authority.
  - Business Rates Retention Scheme revision, which would result in local authorities retaining 75% of Business Rates collected, rather than the current 50%; but at the same time some direct grants paid to councils by Government, such as Revenue Support Grant and Rural Services Delivery Grant were expected to be withdrawn.
- 4.2 This had already been postponed once, it had originally been planned for 2020/21, but on the 25<sup>th</sup> November 2020, Government confirmed that it would be postponed for a second time, announcing instead a further one year Spending Round to cover the 2021/22 financial year. In arriving at this decision Government had considered the impact of the Covid-19 pandemic on the Country and believed that in the short term, that its primary aim should be "to support councils in dealing with the immediate impacts of the pandemic, to promote recovery and renewal at local level". These would now take place in 2021, to be implemented for the 2022/23 financial year.
- 4.3 Instead Government announced it planned to implement a second one-year Spending Round, which would in some cases "roll forward" the current year's

settlement into 2021-22, this to provide certainty and stability into the local government sector.

## 5 LOCAL GOVERNMENT FINANCE SETTLEMENT

- 5.1 The Provisional Local Government Finance Settlement was announced on the 17<sup>th</sup> December 2020, with then the Final Settlement announced on the 4<sup>th</sup> February 2021, before being debated in parliament on the 10<sup>th</sup> February 2021.
- 5.2 The Settlement confirmed the extension to the previous year's funding settlement, rolling over the previous funding schemes either in cash terms or increased in line with Consumer Price Index inflation.
- 5.3 The Revenue Support Grant figure was one of those increased in line with the Consumer Price Index inflation, which has resulted in East Cambs getting a small increase in cash terms. In 2020/21 we received £11,764, which increases to £11,829 for 2021/22.
- 5.4 The Settlement made a further change in the awarding of New Homes Bonus grant. The scheme was extended by a further year, with amounts earned in year 11 of the scheme, between October 2019 and October 2020, attracting one year's worth of reward in 2021/22 only. Prior to 2020/21 awards had been for four years, and this continues for those awarded prior this year, but for 2020/21 and 2021/22 there is only one year of reward. What this therefore means is that we received four years of reward in 2020/21, but this reduces to three years in 2021/22 and one year in 2022/23. The current expectation is that the grant will be discontinued at this time, but, like all other funding sources in local government, this will be wrapped up within the Local Government Funding Review. There is a view that Government remain committed to incentivising housing growth, but the exact form of this is unclear and there appears to be a growing view that New Homes Bonus is not the answer and they would prefer something more "targeted".
- 5.5 That said, due to the continued high level of house building in the District in the past year, our New Homes Bonus grant for 2021/22 is forecast to be £540,959, although this is a decrease of £154,278 when compared to that received in 2020/21.
- 5.6 The Settlement includes details of other specific grants that are being rolled forward, including the Rural Services Delivery grant, an allocation to the most rural authorities, which amounts to £169,586 in 2020/21 (£161,606 was received in 2020/21); Housing Benefit administration grant of £150,090 (a reduction of £16,677 compared to 2020/21) and Council Tax administration grant £66,838 (this is the same as in 2020/21).
- 5.7 The Government also announced a number of new grants for 2021/22, two of which provide specific support to assist councils during the current Covid-19 pandemic. These are a general non-ring fenced grant of £380,516 and a grant specifically to compensate councils for the anticipated reduction in Council Tax as a consequence of more residents being on the Local Council Tax reduction scheme. This amounted to £82,754.

- 5.8 A further new grant for 2021/22 is the Lower Tier grant awarded to all lower tier authorities responsible for homelessness, planning, recycling and refuse collection, and leisure services; East Cambs were awarded £105,054 of this new grant.
- 5.9 The Settlement further identified the local authorities who will have Business Rates Pools during 2021/22, Cambridgeshire was amongst those councils (see paragraph 6.5).
- 5.10 The Settlement makes provision for shire districts to increase Council Tax by up to 2% or £5, whichever is the greater, in 2021/22 without the need for a referendum. To put a value on this, if we were to increase Council Tax by £5 in 2021/22 (this is the higher figure for us), this would generate additional income of £149,650 in that year.
- 5.11 The Business Rate Retention Scheme continues as previously operated, with the Baseline Funding Level left unchanged from 2020/21.
- 5.12 The Business Rate multipliers were also announced in the Settlement, with a decision being made to freeze these at 2020/21 levels. The small business non-domestic multiplier will therefore remain at 49.9 pence and the multiplier for larger businesses (rateable values greater than £51,000) will be 51.2 pence.

## 6 BUSINESS RATES

- 6.1 The NNDR 1 return for 2021/22 was produced by the end of January in line with statutory requirements. Figures from this have been included in the draft budget as presented.
- 6.2 While the Council benefits significantly from the growth in Business Rates since the last Base Reset in 2013, there is always a risk that appeals against Business Rates can be lodged and, if successful, can be backdated for several years. The Council therefore holds a provision for appeals in determining how much of the rates collected should be posted into the budget.
- 6.3 The MTFS assumed that the Collection Fund for Business Rates would be in balance as at 31<sup>st</sup> March 2021, however the completed NNDR1 shows that the Fund will in fact be in deficit at this point. Much of this deficit however relates to reliefs provided to retail, leisure and hospitality venues and nursery (children) establishments by the Government after the budget was set. The Government is covering these reliefs by providing Section 31 Grant to councils. This Section 31 grant, is technically 2020/21 income, but it is proposed that the Council carries forward this grant via the use of a reserve to match against this shortfall in 2021/22.
- 6.4 Even after the impact of the Section 31 Grant is taken into account, the Collection Fund is still forecast to be in deficit at the end of 2020/21 and this needs to be recovered in future years. Historically this would have needed to be funded in 2021/22, but do to Government dispensation to assist councils during these difficult times, on this occasion it is allowed to be recovered over the next three financial years. The impact of this is that this Council will need to meet a deficit of £221,395 in 2021/22.

6.5 East Cambridgeshire applied to be, and was accepted by Government, to be part of a continuing Cambridgeshire Business Rate Pool in 2021/22, alongside a number of other authorities in the County area:

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

(Cambridge City Council and Huntingdonshire District Council are not members of the Pool.)

A review of the scheme was undertaken in the Autumn of 2020, supported by Pixel Financial Management, when it was forecast that the Pool will continue to provide benefit to this authority in 2021/22, despite the potential impact of the Covid-19 pandemic on Business Rates receipts.

6.6 As highlighted elsewhere in this report, forecasts for retained Business Rates beyond 2021/22 are almost impossible at this time, but the figures presented take a prudent view, showing a reduction on those expected in 2021/22. These have also been informed by our external adviser Pixel Financial Management.

6.7 The Government have not yet announced any potential Business Rate reliefs or other changes to Business Rates for 2021/22, these are now expected to be announced in the national Budget on the 3<sup>rd</sup> March 2021. It is recommended that the Finance Manager, in conjunction with the Chair of Finance and Assets Committee, be given delegated responsibility to approve and implement any changes announced as long as these are covered by Government by Section 31 Grant, and so there will be no impact on the overall financial position of the Council. This will allow these to be input in a timely manner thus allowing and reliefs to be reflected on Business Rate bills before these become payable.

## 7 THE 2021/22 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 2021/22 is fully funded; there is a small budget gap in 2022/23 and then significant budget deficits in 2023/24 and subsequent years which need to be addressed.

7.2 The draft budget for 2021/22 is set out in Appendix 2 to this report.

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

- No inflation has been added to staff pay in line with the Government announcement to freeze public sector pay in 2021/22 (it should be noted that Government hasn't actually got the power to do this, it is decided by the National Joint Council, but in previous years when a freeze has been announced, they have followed this guidance);
- Inflation on other expenditure has only been included where there is a contractual inflationary increase for example utilities and insurance. 2% has

been added to the Waste contract with East Cambs Street Scene (ECSS). Other budgets have not been increased by inflation;

- The additional market premium being paid to Amey for the use of the Material Recycling Facility (MRF) has now been moved to ECSS to manage on the Council's behalf;
- Pension Fund revaluations take place every three years, with the last one being on the 31<sup>st</sup> March 2019, no change in rate will therefore be implemented in 2021/22 with the Council's contribution rate remaining at 17.2%, with in addition, the lump sum contribution remaining at £485,000 each year;
- The Housing Benefit budget reflects the latest information from Anglia Revenues Partnership (ARP) this reflects the position at 31<sup>st</sup> December 2020;
- Budgeted income from the commuter car park and the Leisure Centre management fee have both been reduced to reflect the implications of the Covid-19 pandemic on these services;
- The Leisure Centre budget remains in line with the original funding strategy; that it should be revenue cost neutral. The Minimum Revenue Provision (MRP) costs associated with the Leisure Centre project are being fully met in 2021/22 from the management fee to be paid to the Council by the operator. Additional management fee received over that needed to cover the debt and running costs of the Leisure Centre will be put into a "sinking fund" to ensure that money is available for future maintenance and major repairs at the Centre.
- The Council will receive interest receipts from the new loans to East Cambs Trading Company (ECTC), these at an agreed rate of 3.5%;
- The £100,000 built into the 2020/21 budget for the Council's Climate Change Plan has been continued in 2021/22 and future years.

## 8 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 3.
- 8.3 The sole unearmarked reserve is the General Fund. This stands at £1,045,629. There is no statutory minimum level set for a local authority's 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 authority's policy for some time that the level of the unearmarked reserve be set at 10% of the net operating budget, this is a reasonably prudent approach and a higher percentage than many other authorities locally. The proposed net operating budget for 2021/22 is £10,538,947. Using the 10% figure, this would therefore require an unearmarked reserve of £1,053,895. An additional £8,266 will therefore be put into the General Fund, this being a transfer from the Change Management Reserve, rather than a draw from Council Tax.

## 9 FEES AND CHARGES

- 9.1 Officers have reviewed the fees and charges, and details of the proposed charges for 2021/22 are shown at Appendix 4. The proposed budgets include increases as a result of both volume and price.
- 9.2 There have been no new fees or charges introduced for 2021/22.
- 9.3 Where we have control over the fee level, as opposed to where these are negotiated nationally, it is proposed to increase fees and charges by approximately 2%. 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 an income source.

## 10 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 5. The programme is largely a continuation of the previous programme. The total value of the programme in 2021/22 is £3,827,249.
- 10.3 The Council's Treasury Management Strategy is a separate document, which is also on today's Full Council agenda for approval.
- 10.4 With the Council's Waste Service now being provided by East Cambs Street Scene (ECSS), the Council is purchasing waste fleet and hiring this to the Company. The hire charge reflecting the Council's capital costs of doing this, both the MRP and interest costs. Spend in 2021/22 is forecast at £2 million as vehicles previously purchased by the use of the Weekly Collection Grant from Government, reach the end of their useful life and require replacing. It had previously been planned to change these vehicles in 2020/21, but with the Government due to announce its Waste Strategy in Spring 2021, it has been deemed more sensible to wait to ensure that the vehicles purchased meet the new needs prescribed in this strategy. It is also hoped that Government funding may become available at the same time. While these additional costs will be reflected in the charge to ECSS, the Council will need to increase the contract value it pays the Company for providing the service as detailed in paragraph 13.4 to ensure that it can meet these additional costs.

- 10.5 The project to refurbish the depot has been deferred into 2021/22, while further feasibility work takes place and costings of the project reviewed. At this time the budget originally put in for 2018/19 remains in place, but potentially this will need to be adjusted as new information comes to hand.
- 10.6 Two new capital provisions have been built into the 2021/22 programme, these are both for £40,000. The first relates to 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 will be covered by a combination of Section 106 funding and capital receipts.
- 10.7 The other new provision is for the Council's contribution to the A14 up-grade. When the scheme was originally designed, and funding agreed, it was agreed that all councils within Cambridgeshire would contribute to the costs of the project, this contribution is expected to start in 2021/22 and will be funded from CIL contributions.
- 10.8 The other two areas of capital spend in the capital programme are the on-going provision of 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 2021/22 is £772,299, with £526,577 being funded by grant, with the remainder (£245,722) being funded by the Council by the use of previously obtained capital receipts. And 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 commercial rate.
- 10.9 As agreed in the 2017/18 budget, the Council now funds expenditure that would have previously be 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 2021/22 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).
- 10.10 The original loan arrangements with ECTC were that the loans must be repaid within five years (by March 2021) and it was agreed with our External Auditors that the Council would not need to make any annual revenue provision to repay these loans in the short-term, but simply use the Company's repayment to repay the Council's borrowing. These loans will be repaid on 31<sup>st</sup> March 2021 in line with this agreement.
- 10.11 Council has agreed to offer ECTC two new loan facility from the 31<sup>st</sup> March 2021, these up to a cumulative value of £4,900,000 and at an interest rate of 3.5%. As with the previous loans, Council officers will monitor the Company's finances to ensure that these remain robust and that the Company will have finance available in 2023 to repay these loans. As long as this remains the case, in line with the agreement for the original loans, the Council will not be required to set aside annual revenue provisions, however if at any point it is felt that the loan repayment could be in doubt, the Council will be expected to make provision for any expected shortfall in the year that this became known.

10.12 In summary therefore, the Council has limited exposure to the on-going costs of capital expenditure at this time. The costs of the Leisure Centre are being met by the operator through the management fee; the loans to ECTC will be repaid in full in 2023 and in the intervening period a commercial interest rate is being charged, and the costs of the Waste fleet and some of the costs of the depot enhancements will be passed onto ECSS, although the Council's revenue budget has been increased to reflect the replacement of the vehicles reaching the end of their useful life in 2021/22.

## 11 COUNCIL TAX

- 11.1 The MTFS assumed that the Collection Fund for Council Tax would be in balance as at 31<sup>st</sup> March 2021. However, due mainly to the increased number of houses built in the District during 2019/20, which resulted in the Fund being significantly in surplus as at 31<sup>st</sup> March 2020, the Fund is forecast to be in surplus as at 31<sup>st</sup> March 2021. It should be noted that the surplus on the Fund is forecast to reduce during the 2020/21 financial year, mostly as a consequence of the pandemic, but the net position is expected to remain positive. Similar to Business Rates (as previously discussed) new rules for the 2020/21 surplus / deficit agreed by Government to assist councils recover from the pandemic, allow this to be built into the budget over three years, rather than only the one in previous years. The result of this is that this Council will benefit by £30,387 from the forecast surplus on the Fund at the end of 2020/21 in the 2021/22 financial year.
- 11.2 The taxbase for 2021/22 estimated in last year's budget was an equivalent of 30,550.6 Band D properties. However, the real change in housing between October 2019 and October 2020 and an estimation of future movements in 2021/22 means that the current forecast for 2021/22 is 29,930.0 Band D properties. This is lower than the current year, mainly as a consequence of the Covid-19 pandemic, which is forecast to lead to higher unemployment, which in-turn, will result in more residents claiming Local Council Tax Reduction Support. Residents who claim this benefit, can pay a minimum of 8.5% of their Council Tax bill. These reductions in income to be collected are reflected within the taxbase figure resulting in the reduced forecast.
- 11.3 It is proposed that the Council freezes its Council Tax for a Band D property at the current level of £142.14 in 2021/22, based on the Council Tax requirement of £4,254,250 divided by the taxbase of 29,930.0 properties. This decision is made as Council doesn't want to put further pressure of the finances of its residents in these unprecedented times.
- 11.4 The County Council, Fire and Police Authority budgets and precepts were considered by their respective decision making bodies in early February and we were notified of their precept requirements.
- 11.5 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 the financial year 2016-17.



- 11.6 All parish precepts have also been notified to the Council. These are reflected, along with the precepts set out in paragraphs 11.3 and 11.4, in the formal Council Tax Resolution as detailed as Appendix 1.
- 11.7 Members will be aware that early in the 2020/21 financial year Government gave the Council £429,851 of Hardship Grant, to provide additional support to Working Age residents claiming Local Council Tax Reduction Support. The scheme was to cover Working Age residents who claimed the benefit during the year and was to give them up to an additional £150 off their Council Tax bill. At the time, the Council applied the additional reduction to all current Working Age claimants, and in accordance with Government policy held the remainder in reserve for expected future claimants during the year. This has been applied as future claimants emerged, but is not forecast to result in all the whole held-back funding being allocated in year.
- 11.8 It is therefore proposed to carry the unallocated funding forward and use in 2021/22. While the original intention was the money should be used in 2020/21, Government has confirmed that using any unallocated balance in 2021/22 is allowed, on condition that the original policy aims are delivered. The Council's proposal is therefore to use this funding to reduce the Council Tax demand for all Working Age Local Council Tax Reduction Support claimants on the billing day for Council Tax for 2021/22, by a further £13. To be clear this is a one off exercise, with only qualifying residents in receipt of the benefit on this date being eligible, this to protect the Council and ensure that the amount allocated remains within the funding provided by Government.
- 11.9 It is then proposed any remaining balance is put into an exceptional hardship pot for 2021/22 aimed at assisting the same cohort of residents as have been helped in 2020/21.
- 11.10 Members are asked to approve the approach to using the unallocated funding from Government as detailed above.

## 12 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 funding of the Council. The Settlement provides clarity around grant funding for 2021/22, but looking beyond that, there is very limited information to put forward a MTFS based on confident assumptions on future Government funding. The risks from 2022/23 are significant; there is limited information on likely sources of funding and indeed the value of any funding to be received.

- 12.3 The Government has announced that it intends for local authorities to retain 75% of all business rates generated in 2022/23 - but there will continue to be the need to share resources across the Country - and there will also be additional new burdens placed on local authorities, which are unclear at this time.
- 12.4 Possibly the greatest concern for this Council however, is that reports suggest that Government intend to implement a full Business Rate baseline reset in 2022/23. 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 £2.6 million, where we actually budget for £3.7 million of Business Rates because of this growth. If the baseline is fully reset, we will lose all of this growth and won't know what our revised baseline will be until the results of the Local Government Funding Review (as detailed in 4.1) 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.
- 12.5 To mitigate the above risk, the Section 151 Officer will continue to report on a frequent 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 2021/22 are **prudent** and show how these will sustain the functions of the Council in that year.
- 12.7 However, the budget for 2022/23 assumes the remainder of the Surplus Savings Reserve is utilised, 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 be considering 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 2020/21 and 2021/22 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 £4,900,000 loan made available to it, 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.

### 13 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 and 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 2021/22 to 2024/25. As highlighted earlier the Spending Round announced by Government for 2021/22 provides assurance about the grant position for that year and these figures can therefore be considered robust.

13.3 However, it is extremely difficult to develop a robust MTFS to cover the period 2022/23 and beyond while the uncertainties around future funding levels remain. As detailed earlier in this report, the Government is currently undertaking a number of pieces of work which will impact on local government funding moving forward. The Spending Review, will determine the quantum of funding available to local government, while the Local Government Funding Review will determine how much of this funding is allocated to individual authorities. Then further Government intend to change the Business Rate retention scheme in 2022/23 to allow local government to retain 75% of the amount collected, rather than the current 50%. These issues create considerable uncertainty for local authority funding; and is an issue which will require monitoring; this so, the Council can adjust its MTFS as new information becomes available. Up-dates will be provided to the Finance and Assets Committee as further information becomes available.

13.4 The assumptions used in the MTFS include:

- Government funding through Revenue Support Grant and Rural Services Grant end in 2021/22;
- New Homes Bonus (NHB) remains part of the overall funding package from Government for the next two years, before being removed. However, while remaining in the funding package, the benefit of NHB reduces considerably over this period, before being stopped completely in 2023/24 (see paragraph 5.4);
- Inflation on staff pay is included at 2% in all future years
- 2% inflation is added to the Waste contract on an annual basis, however additional budget is provided from 2022/23 when the new recycling vehicles (purchased in 2021/22) will start being charged to ECSS. (This cost increase would have occurred regardless of whom is undertaking the contract at this point);
- The new loans to ECTC are planned to be repaid in 2023, 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, therefore reducing costs, albeit not to the magnitude that income will be lost;
- 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 are shown within the forecasts within this report.

- Further, while ECTC is anticipated to start making profits in the period of the MTFS, it remains unclear how much of this will need to be retained by the Company as working capital, so at this point, no account of this income being paid to the Council as a dividend is assumed in the budget. (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 loans provided at a rate far higher than available from its investments, the recharge of management and support services costs to the Company (forecast to be £85,835 in 2021/22), the hire of the Market Place and part of the depot, as well as Capital Receipts, Section 106 contributions and eventually additional Council Tax receipts from the properties developed.)

13.5 The impact of the above assumptions is attached at Appendix 2. This shows the budget for 2021/22 is fully funded. However, there is a relatively small gap in 2022/23 with then significant budget shortfalls projected in 2023/24 and subsequent years. Clearly many things will change between now and then, so members should not focus on the precise numbers. What is far more important is 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 2022/23 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 increasing need to identify savings in the medium term, to ensure that the Council's budget can be balanced in future years.

2019/20 Budget	
2019/20 – budget year	Balanced
2020/21 – MTFS year 1	Balanced
2021/22 – MTFS year 2	Savings to find £3,181,842
2022/23 – MTFS year 3	Savings to find £4,044,479
2020/21 Budget	
2020/21 – budget year	Balanced
2021/22 – MTFS year 1	Balanced
2022/23 – MTFS year 2	Savings to find £3,266,854
2023/24 – MTFS year 3	Savings to find £4,391,777
2021/22 Budget	
2021/22 – budget year	Balanced
2022/23 – MTFS year 1	Savings to find £53,094
2023/24 – MTFS year 2	Savings to find £4,634,128
2024/25 – MTFS year 3	Savings to find £4,610,717

13.7 Options to resolve the budget shortfalls in future years come from:

- Efficiencies in the cost of service delivery
- Reductions in service levels

- Increased Council Tax
- Increased income from fees and charges
- Increased commercialisation via its trading companies

13.8 While noting the Council's favourable position of having a balanced budget (by use of the Surplus Savings Reserve) for 2021/22, it is strongly recommended that early consideration is made 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 2020/21 and 2021/22 resulting in potential underspends in those years, will provide further funding in the Surplus Savings Reserve to assist in the balancing of future years.

#### 14 ARGUMENTS / CONCLUSIONS

14.1 The proactive actions already taken have led to a balanced budget for 2021/22 (based on known information and the use of the Surplus Savings Reserve). The budget for 2021/22 therefore has minimal risks attached to it, although the Medium Term Financial Strategy and the new funding regime expected to come into place from 2022/23 do contain significant uncertainty and therefore risk. While there is little this Council can do to remove this 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 forecast.

#### 15 FINANCIAL IMPLICATIONS / EQUALITY AND CARBON IMPACT ASSESSMENTS

15.1 The proposed net operating budget of £10,538,947 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 services are being cut in 2021/22 and Council Tax will not be increased.

15.3 A Carbon Impact Assessment (CIA) is also not considered necessary, as there will be no changes to service provision in 2021/22.

#### 16 APPENDICES

- Appendix 1 – Formal Council Tax Resolution
- Appendix 2 - Draft Budget 2021/22 and MTFs
- Appendix 3 - Statement of Reserves
- Appendix 4 - Schedule of Fees and Charges
- Appendix 5 - Capital Programme

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#### Background Documents

#### Location

Room 104  
The Grange  
Ely

#### Contact Officer

Ian Smith  
Finance Manager  
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East Cambridgeshire District Council, hereinafter referred to as “the Council” in this resolution, RESOLVES for the financial year 2021/22 to:

1. Set the Council Tax Requirement for the Council at £6,775,580 calculated as follows:

	£
a) Net expenditure on Council services	4,254,250
b) City, Parish and Town Council precepts	<u>2,521,330</u>
c) Council Tax Requirement	<u><u>6,775,580</u></u>

2. Calculate that the Council Tax requirement for the Council’s own purposes for 2021/22 (excluding Parish precepts) is £4,254,250.
3. Note that, arising from decisions taken by City, Parish and Town Councils by 11th February 2021, the amount of Special Expenses included in the budget requirement set out above is £2,521,330.
4. Note that in accordance with regulations made under section 31(B) of the Local Government Finance Act 1992 as amended by Section 74 of the Localism Act 2011, the Council’s Section 151 Officer has calculated the following amounts:
  - (a) 29,930.0 being the Council Tax Base (in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
  - (b) The sums shown in Schedule A column (2): being the amounts of Council Tax Base for dwellings in those parts of the area set out in column (1) of the schedule to which special expenses relate.
5. Note that Cambridgeshire County Council, the Cambridgeshire and Peterborough Fire Authority and the Police and Crime Commissioner for Cambridgeshire, in accordance with Section 40 of the Local Government Finance Act 1992, have stated the following amounts of precepts issued to the Council.

Band	County Council £	Police Commissioner £	Fire Authority £
A	933.18	165.06	49.02
B	1,088.71	192.57	57.19
C	1,244.24	220.08	65.36
D	1,399.77	247.59	73.53
E	1,710.83	302.61	89.87
F	2,021.89	357.63	106.21
G	2,332.95	412.65	122.55
H	2,799.54	495.18	147.06

6. Set the following amounts in accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011 and The Local Government Finance Act 2012:

	<b>Description</b>	<b>Amount £</b>	<b>Notes</b>
a)	Gross Expenditure	37,431,569	
b)	Gross Income	30,655,989	
c)	Council Tax Requirement	6,775,580	
d)	Basic Amount of Council Tax	226.38	Item (c) divided by tax base
e)	Total of Special Items	2,521,330	Parish Precepts
f)	Basic amount of Council Tax for dwellings in parts of the area to which no special items relate	142.14	Item (c) - (e) divided by tax base
g)	Basic Amount of Council Tax for dwellings in parts of the area to which one or more special items relate	Sums in column (6) of Schedule A	Item (f) plus column 4 of Schedule A (excludes Fire, Police and County Council)
h)	Basic Amount of Council Tax as in (g) for each Council Tax band	Sums shown in Schedule B	(excludes Fire, Police and County Council)

7. *The Referendums Relating to Council Tax Increases (Principles) (England) Report 2021/22* sets out the principles, which the Secretary of State has determined will apply to local authorities in England for 2021/22. The Council is required to determine whether its basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, as amended by section 5 of the Localism Act 2011.

8. This Council hereby determines that its relevant basic amount of Council Tax for 2021/22 is not excessive in accordance with the legislation set out in the preceding paragraph.

9. Set, as a result of items 5 and 6(h) above, the amounts of Council Tax shown in Schedule C, in accordance the Local Government Finance Act 1992, for each of the categories of dwellings shown in the schedule.

EAST CAMBRIDGESHIRE DISTRICT COUNCIL									
COUNCIL TAX FOR BAND D PROPERTIES 2021/22									
PARISH	COUNCIL	PRECEPT	BAND D COUNCIL TAX						
	TAX BASE		Parish	ECDC	Sub-Total	CCC	CFA	PCCforC	Total
	Band D Eq	£	£	£	£	£	(8)	£	£
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Ashley	223.3	18,650.00	83.52	142.14	225.66	1,399.77	73.53	247.59	1,946.55
Bottisham	842.7	48,250.00	57.24	142.14	199.38	1,399.77	73.53	247.59	1,920.27
Brinkley	155.2	9,244.00	59.58	142.14	201.72	1,399.77	73.53	247.59	1,922.61
Burrough Green	158.0	10,190.00	64.53	142.14	206.67	1,399.77	73.53	247.59	1,927.56
Burwell	2,380.5	162,357.00	68.22	142.14	210.36	1,399.77	73.53	247.59	1,931.25
Cheveley	910.4	80,000.00	87.84	142.14	229.98	1,399.77	73.53	247.59	1,950.87
Chippenham	214.4	10,606.00	49.50	142.14	191.64	1,399.77	73.53	247.59	1,912.53
Coveney	159.0	12,094.00	76.05	142.14	218.19	1,399.77	73.53	247.59	1,939.08
Dullingham	328.4	23,649.00	72.00	142.14	214.14	1,399.77	73.53	247.59	1,935.03
Ely, City of	6,988.2	613,419.00	87.75	142.14	229.89	1,399.77	73.53	247.59	1,950.78
Fordham	937.0	41,000.00	43.74	142.14	185.88	1,399.77	73.53	247.59	1,906.77
Haddenham	1,218.8	107,657.00	88.29	142.14	230.43	1,399.77	73.53	247.59	1,951.32
Isleham	813.5	101,939.00	125.28	142.14	267.42	1,399.77	73.53	247.59	1,988.31
Kennett	133.1	9,095.00	68.31	142.14	210.45	1,399.77	73.53	247.59	1,931.34
Kirtling and Upend	174.7	11,539.38	66.06	142.14	208.20	1,399.77	73.53	247.59	1,929.09
Little Downham	911.1	83,000.00	91.08	142.14	233.22	1,399.77	73.53	247.59	1,954.11
Little Thetford	254.2	17,250.00	67.86	142.14	210.00	1,399.77	73.53	247.59	1,930.89
Littleport	2,866.6	214,455.00	74.79	142.14	216.93	1,399.77	73.53	247.59	1,937.82
Lode	359.0	16,500.00	45.99	142.14	188.13	1,399.77	73.53	247.59	1,909.02
Mepal	348.7	37,300.00	107.01	142.14	249.15	1,399.77	73.53	247.59	1,970.04
Reach	134.3	11,552.63	86.04	142.14	228.18	1,399.77	73.53	247.59	1,949.07
Snailwell	78.9	5,677.00	71.91	142.14	214.05	1,399.77	73.53	247.59	1,934.94
Soham	3,701.8	412,000.00	111.33	142.14	253.47	1,399.77	73.53	247.59	1,974.36
Stetchworth	268.0	18,000.00	67.14	142.14	209.28	1,399.77	73.53	247.59	1,930.17
Stretham	670.7	70,000.00	104.40	142.14	246.54	1,399.77	73.53	247.59	1,967.43
Sutton	1,339.8	144,326.00	107.73	142.14	249.87	1,399.77	73.53	247.59	1,970.76
Swaffham Bulbeck	331.0	37,500.00	113.31	142.14	255.45	1,399.77	73.53	247.59	1,976.34
Swaffham Prior	354.0	14,500.00	40.95	142.14	183.09	1,399.77	73.53	247.59	1,903.98
Wentworth	65.7	7,800.00	118.71	142.14	260.85	1,399.77	73.53	247.59	1,981.74
Westley Waterless	62.1	1,000.00	16.11	142.14	158.25	1,399.77	73.53	247.59	1,879.14
Wicken	324.2	29,000.00	89.46	142.14	231.60	1,399.77	73.53	247.59	1,952.49
Wilburton	464.8	54,400.00	117.00	142.14	259.14	1,399.77	73.53	247.59	1,980.03
Witcham	159.7	15,300.00	95.76	142.14	237.90	1,399.77	73.53	247.59	1,958.79
Witchford	836.7	54,580.00	65.25	142.14	207.39	1,399.77	73.53	247.59	1,928.28
Wooditton	761.5	17,500.00	22.95	142.14	165.09	1,399.77	73.53	247.59	1,885.98
Whole Area/Average Tax Charge	29,930.0	2,521,330.01	84.24	142.14	226.38	1,399.77	73.53	247.59	1,947.27



SCHEDULE B TO APPENDIX 1

EAST CAMBRIDGESHIRE DISTRICT COUNCIL								
DISTRICT AND PARISH COUNCIL TAX 2021/22								
(Note: excluding County, Fire and Police)								
PARISH	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Ashley	150.44	175.51	200.59	225.66	275.81	325.95	376.10	451.32
Bottisham	132.92	155.07	177.23	199.38	243.69	287.99	332.30	398.76
Brinkley	134.48	156.89	179.31	201.72	246.55	291.37	336.20	403.44
Burrough Green	137.78	160.74	183.71	206.67	252.60	298.52	344.45	413.34
Burwell	140.24	163.61	186.99	210.36	257.11	303.85	350.60	420.72
Cheveley	153.32	178.87	204.43	229.98	281.09	332.19	383.30	459.96
Chippenham	127.76	149.05	170.35	191.64	234.23	276.81	319.40	383.28
Coveney	145.46	169.70	193.95	218.19	266.68	315.16	363.65	436.38
Dullingham	142.76	166.55	190.35	214.14	261.73	309.31	356.90	428.28
Ely, City of	153.26	178.80	204.35	229.89	280.98	332.06	383.15	459.78
Fordham	123.92	144.57	165.23	185.88	227.19	268.49	309.80	371.76
Haddenham	153.62	179.22	204.83	230.43	281.64	332.84	384.05	460.86
Isleham	178.28	207.99	237.71	267.42	326.85	386.27	445.70	534.84
Kennett	140.30	163.68	187.07	210.45	257.22	303.98	350.75	420.90
Kirtling and Upend	138.80	161.93	185.07	208.20	254.47	300.73	347.00	416.40
Little Downham	155.48	181.39	207.31	233.22	285.05	336.87	388.70	466.44
Little Thetford	140.00	163.33	186.67	210.00	256.67	303.33	350.00	420.00
Littleport	144.62	168.72	192.83	216.93	265.14	313.34	361.55	433.86
Lode	125.42	146.32	167.23	188.13	229.94	271.74	313.55	376.26
Mepal	166.10	193.78	221.47	249.15	304.52	359.88	415.25	498.30
Reach	152.12	177.47	202.83	228.18	278.89	329.59	380.30	456.36
Snailwell	142.70	166.48	190.27	214.05	261.62	309.18	356.75	428.10
Soham	168.98	197.14	225.31	253.47	309.80	366.12	422.45	506.94
Stetchworth	139.52	162.77	186.03	209.28	255.79	302.29	348.80	418.56
Stretham	164.36	191.75	219.15	246.54	301.33	356.11	410.90	493.08
Sutton	166.58	194.34	222.11	249.87	305.40	360.92	416.45	499.74
Swaffham Bulbeck	170.30	198.68	227.07	255.45	312.22	368.98	425.75	510.90
Swaffham Prior	122.06	142.40	162.75	183.09	223.78	264.46	305.15	366.18
Wentworth	173.90	202.88	231.87	260.85	318.82	376.78	434.75	521.70
Westley Waterless	105.50	123.08	140.67	158.25	193.42	228.58	263.75	316.50
Wicken	154.40	180.13	205.87	231.60	283.07	334.53	386.00	463.20
Wilburton	172.76	201.55	230.35	259.14	316.73	374.31	431.90	518.28
Witcham	158.60	185.03	211.47	237.90	290.77	343.63	396.50	475.80
Witchford	138.26	161.30	184.35	207.39	253.48	299.56	345.65	414.78
Woodditton	110.06	128.40	146.75	165.09	201.78	238.46	275.15	330.18
Average Tax Charge	150.92	176.07	201.23	226.38	276.69	326.99	377.30	452.76
Proportion to Band D (Ninths)	6	7	8	9	11	13	15	18

SCHEDULE C TO APPENDIX 1

EAST CAMBRIDGESHIRE DISTRICT COUNCIL								
TOTAL COUNCIL TAX 2021/22								
PARISH	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Ashley	1,297.70	1,513.98	1,730.27	1,946.55	2,379.12	2,811.68	3,244.25	3,893.10
Bottisham	1,280.18	1,493.54	1,706.91	1,920.27	2,347.00	2,773.72	3,200.45	3,840.54
Brinkley	1,281.74	1,495.36	1,708.99	1,922.61	2,349.86	2,777.10	3,204.35	3,845.22
Burrough Green	1,285.04	1,499.21	1,713.39	1,927.56	2,355.91	2,784.25	3,212.60	3,855.12
Burwell	1,287.50	1,502.08	1,716.67	1,931.25	2,360.42	2,789.58	3,218.75	3,862.50
Cheveley	1,300.58	1,517.34	1,734.11	1,950.87	2,384.40	2,817.92	3,251.45	3,901.74
Chippenham	1,275.02	1,487.52	1,700.03	1,912.53	2,337.54	2,762.54	3,187.55	3,825.06
Coveney	1,292.72	1,508.17	1,723.63	1,939.08	2,369.99	2,800.89	3,231.80	3,878.16
Dullingham	1,290.02	1,505.02	1,720.03	1,935.03	2,365.04	2,795.04	3,225.05	3,870.06
Ely, City of	1,300.52	1,517.27	1,734.03	1,950.78	2,384.29	2,817.79	3,251.30	3,901.56
Fordham	1,271.18	1,483.04	1,694.91	1,906.77	2,330.50	2,754.22	3,177.95	3,813.54
Haddenham	1,300.88	1,517.69	1,734.51	1,951.32	2,384.95	2,818.57	3,252.20	3,902.64
Isleham	1,325.54	1,546.46	1,767.39	1,988.31	2,430.16	2,872.00	3,313.85	3,976.62
Kennett	1,287.56	1,502.15	1,716.75	1,931.34	2,360.53	2,789.71	3,218.90	3,862.68
Kirtling and Upend	1,286.06	1,500.40	1,714.75	1,929.09	2,357.78	2,786.46	3,215.15	3,858.18
Little Downham	1,302.74	1,519.86	1,736.99	1,954.11	2,388.36	2,822.60	3,256.85	3,908.22
Little Thetford	1,287.26	1,501.80	1,716.35	1,930.89	2,359.98	2,789.06	3,218.15	3,861.78
Littleport	1,291.88	1,507.19	1,722.51	1,937.82	2,368.45	2,799.07	3,229.70	3,875.64
Lode	1,272.68	1,484.79	1,696.91	1,909.02	2,333.25	2,757.47	3,181.70	3,818.04
Mepal	1,313.36	1,532.25	1,751.15	1,970.04	2,407.83	2,845.61	3,283.40	3,940.08
Reach	1,299.38	1,515.94	1,732.51	1,949.07	2,382.20	2,815.32	3,248.45	3,898.14
Snailwell	1,289.96	1,504.95	1,719.95	1,934.94	2,364.93	2,794.91	3,224.90	3,869.88
Soham	1,316.24	1,535.61	1,754.99	1,974.36	2,413.11	2,851.85	3,290.60	3,948.72
Stetchworth	1,286.78	1,501.24	1,715.71	1,930.17	2,359.10	2,788.02	3,216.95	3,860.34
Stretham	1,311.62	1,530.22	1,748.83	1,967.43	2,404.64	2,841.84	3,279.05	3,934.86
Sutton	1,313.84	1,532.81	1,751.79	1,970.76	2,408.71	2,846.65	3,284.60	3,941.52
Swaffham Bulbeck	1,317.56	1,537.15	1,756.75	1,976.34	2,415.53	2,854.71	3,293.90	3,952.68
Swaffham Prior	1,269.32	1,480.87	1,692.43	1,903.98	2,327.09	2,750.19	3,173.30	3,807.96
Wentworth	1,321.16	1,541.35	1,761.55	1,981.74	2,422.13	2,862.51	3,302.90	3,963.48
Westley Waterless	1,252.76	1,461.55	1,670.35	1,879.14	2,296.73	2,714.31	3,131.90	3,758.28
Wicken	1,301.66	1,518.60	1,735.55	1,952.49	2,386.38	2,820.26	3,254.15	3,904.98
Wilburton	1,320.02	1,540.02	1,760.03	1,980.03	2,420.04	2,860.04	3,300.05	3,960.06
Witcham	1,305.86	1,523.50	1,741.15	1,958.79	2,394.08	2,829.36	3,264.65	3,917.58
Witchford	1,285.52	1,499.77	1,714.03	1,928.28	2,356.79	2,785.29	3,213.80	3,856.56
Wooditton	1,257.32	1,466.87	1,676.43	1,885.98	2,305.09	2,724.19	3,143.30	3,771.96
Average Tax Charge	1,298.18	1,514.54	1,730.91	1,947.27	2,380.00	2,812.72	3,245.45	3,894.54
Proportion to Band D (Ninths)	6	7	8	9	11	13	15	18

**DRAFT BUDGET 2021-22**

	Budget 2020-21 £	Estimate 2021-22 £	Estimate 2022-23 £	Estimate 2023-24 £	Estimate 2024-25 £
Committees:					
Operational Services	5,750,903	<b>5,800,107</b>	6,315,652	6,404,137	6,519,983
Finance & Assets	4,655,272	<b>5,305,810</b>	5,362,589	5,584,511	5,691,568
Net District Spending	10,406,175	<b>11,105,917</b>	11,678,241	11,988,648	12,211,551
New Homes Bonus Grant	-695,237	<b>-540,959</b>	-179,636	0	0
Rural / Lower Tier Services Grant	-161,606	<b>-274,640</b>	0	0	0
Covid-19 Grant	0	<b>-463,270</b>	0	0	0
Internal Drainage Board Levies	501,978	<b>512,018</b>	522,258	532,703	543,357
Contributions to / from Corporate Reserves	265,895	<b>199,881</b>	171,601	146,681	146,681
Net Operating Expenditure	10,317,205	<b>10,538,947</b>	12,192,464	12,668,032	12,901,589
Contribution from Surplus Savings Reserve	-1,391,541	<b>-2,101,779</b>	-3,997,664	0	0
Savings to be identified	0	<b>0</b>	-53,094	-4,634,128	-4,610,717
ECDC Budget Requirement	8,925,664	<b>8,437,168</b>	8,141,706	8,033,904	8,290,872
Parish Council Precepts	2,470,158	<b>2,521,330</b>	2,584,363	2,648,972	2,715,196
<b>DISTRICT BUDGET REQUIREMENT</b>	<b>11,395,822</b>	<b>10,958,498</b>	<b>10,726,069</b>	<b>10,682,876</b>	<b>11,006,068</b>
<u>Financed by:</u>					
Council's share of Collection Funds Surplus	-71,635	<b>191,008</b>	201,376	201,376	0
Revenue Support Grant	-11,764	<b>-11,829</b>	0	0	0
Locally retained Non-Domestic Rates	-3,876,316	<b>-3,687,369</b>	-3,389,158	-3,233,142	-3,238,729
Plus: NNDR from Renewable Energy	-674,728	<b>-674,728</b>	-674,728	-674,728	-674,728
<b>COUNCIL TAX REQUIREMENT</b>	<b>6,761,379</b>	<b>6,775,580</b>	<b>6,863,559</b>	<b>6,976,382</b>	<b>7,092,611</b>

	Estimate 2020-21 £	Estimate 2021-22 £	Estimate 2022-23 £	Estimate 2023-24 £	Estimate 2024-25 £
Unallocated Surplus Savings Reserve					
In hand at 1st April	7,017,799	<b>6,099,443</b>	3,997,664	0	0
Movement in year	-918,356	<b>-2,101,779</b>	-3,997,664	0	0
In hand at 31st March	6,099,443	<b>3,997,664</b>	0	0	0

<b>IMPLIED BAND 'D' COUNCIL TAX</b> (District only i.e. excluding parish levies)					
Demand on Collection Fund as above	6,761,379	<b>6,775,580</b>	6,863,559	6,976,382	7,092,611
Less Parish Precepts as above	2,470,158	<b>2,521,330</b>	2,584,363	2,648,972	2,715,196
	4,291,221	<b>4,254,250</b>	4,279,196	4,327,410	4,377,415
Council Tax Base	30,190.1	<b>29,930.0</b>	30,105.5	30,444.7	30,796.5
District Council Tax - Band D	142.14	<b>142.14</b>	142.14	142.14	142.14

Description	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25
<b>Operational Services Committee</b>					
Building Regulations	27,520	17,696	17,485	17,268	17,048
Civic Amenities	11,428	11,671	11,848	12,028	12,212
Climate Change	100,000	100,000	100,000	100,000	100,000
Community Projects & Grants	221,578	179,585	181,059	182,563	184,097
Community Safety	50,834	57,002	57,823	58,660	59,514
Cons. Area & Listed Buildings	60,578	60,967	61,936	62,924	63,932
Customer Services	465,859	460,037	485,701	495,461	505,416
Dog Warden Scheme	34,512	34,443	34,924	35,415	35,916
Emergency Planning	28,088	28,374	28,665	28,962	29,265
Environmental	90,260	91,486	92,883	94,307	95,760
Environmental Health	407,059	410,201	417,852	425,655	433,615
Homelessness	372,074	343,080	377,997	387,092	396,368
Information Technology	801,156	801,664	846,086	860,795	875,796
Licencing - Env Services	-899	2,499	-5,646	-14,674	-24,666
Marketing & Grants	66,345	70,094	70,441	39,576	39,937
Nuisances	70,970	75,315	76,745	78,203	79,691
Parish Forums	1,500	1,500	1,500	1,500	1,500
Performance Management	10,400	10,400	10,400	10,400	10,400
Pest Control	9,090	9,341	9,519	9,700	9,885
Planning	-16,131	6,808	15,058	23,573	32,360
Public Relations	75,172	75,917	76,669	77,429	78,196
Recycling	952,785	1,006,700	1,362,457	1,393,350	1,419,296
Refuse Collection	1,177,951	1,201,511	1,225,541	1,250,052	1,275,053
Renovation Grants	0	0	0	0	0
Street Cleansing	689,469	703,258	717,323	731,669	746,302
Street Naming & Numbering	7,896	6,841	6,895	6,949	7,005
The Old Gaol House	0	0	0	0	0
Travellers Sites	-20,000	-22,000	-22,000	-22,000	-22,000
Tree Preservation / Landscaping	55,409	55,717	56,491	57,280	58,085
	<b>5,750,903</b>	<b>5,800,107</b>	<b>6,315,652</b>	<b>6,404,137</b>	<b>6,519,983</b>
<b>Finance &amp; Assets Committee</b>					
Asset Management	141,918	141,918	141,918	141,918	141,918
Award Ditches	8,829	9,006	9,186	9,370	9,557
Civic Relations	21,794	22,542	22,837	23,138	23,445
Closed Churchyards	29,086	29,668	30,261	30,866	31,483
Community Transport	15,000	15,000	15,000	15,000	15,000
Corp. Man. Policy Research / Review	170,724	274,503	176,661	178,870	181,132
Council Tax Collection Costs	422,337	423,191	442,046	459,912	473,527
Data Management	99,024	100,992	102,322	103,679	105,063
Economic Development	-13,155	31,649	36,585	41,620	46,753
Finance	335,662	347,842	354,648	361,590	368,669
General Gang	117,565	82,556	83,786	85,041	86,321
Health & Safety (Work)	22,280	22,566	22,857	23,154	23,457
Housing Benefits	373,717	336,367	361,149	384,522	394,331
Housing Strategy	210,597	231,970	239,140	246,452	253,913
Human Resources (including training)	186,883	209,337	201,500	203,707	205,957
Interest & Financial Transactions	-142,347	-31,859	-32,189	68,254	72,109
Internal Audit	70,855	72,822	74,278	75,764	77,280
Land Charges Admin	-59,353	-41,268	-30,743	-32,207	-33,701
Legal Services	221,889	240,531	244,825	249,205	253,672
Leisure Centre	-396,613	-241,113	-241,113	-241,113	-241,113
Local Elections	22,500	22,500	22,500	22,500	22,500
Local Plans	95,000	95,000	95,000	95,000	95,000
Management Team	296,018	393,816	492,777	502,394	512,203
Markets	0	0	0	0	0
Member & Committee Support	498,187	531,290	541,436	551,785	562,340
Misc. Financial Services	831,648	761,012	782,911	782,911	782,911
Miscellaneous Properties	-45,124	-45,157	-45,940	-45,973	-46,006
NNDR Collection Costs	42,040	45,170	49,725	54,097	56,485

Out Of Hours Service	15,000	12,000	12,240	12,485	12,735
Parking of Vehicles	-44,514	61,898	-14,283	-10,286	-6,210
Parks and Open Spaces	261,832	268,562	325,234	332,039	338,980
Payroll	63,485	70,665	71,954	73,268	74,609
Public Conveniences	150,988	154,013	156,631	159,305	162,029
Registration of Electors	53,371	53,371	53,371	53,371	53,371
Reprographics	111,559	116,170	117,379	118,611	119,869
Office Accommodation	355,278	354,203	356,465	362,847	369,360
Sport & Recreation Admin	111,312	133,077	90,235	91,415	92,619
	<b>4,655,272</b>	<b>5,305,810</b>	<b>5,362,589</b>	<b>5,584,511</b>	<b>5,691,568</b>
<b>Total</b>	<b>10,406,175</b>	<b>11,105,917</b>	<b>11,678,241</b>	<b>11,988,648</b>	<b>12,211,551</b>

## Reserve Accounts

Description	2020/21				2021/22			
	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	0	22,500		22,500	22,500	22,500		45,000
Historic Buildings Grants	6,190			6,190	6,190			6,190
Housing Conditions Survey	40,000	5,000		45,000	45,000	5,000		50,000
Building Control	23,155			23,155	23,155			23,155
Change Management	236,744	12,479		249,223	249,223		(8,266)	240,957
Major Project Development	100,000			100,000	100,000			100,000
Surplus Savings Reserve	7,017,799	473,185	(1,391,541)	6,099,443	6,099,443		(2,101,779)	3,997,664
Vehicle Replacements	89,187			89,187	89,187			89,187
New Homes Bonus	44,685		(44,685)	0	0			0
Leisure Centre - sinking fund	(44,685)	44,685		0	0	78,127		78,127
Insurance	16,343			16,343	16,343			16,343
IT	40,000	40,000		80,000	80,000	10,000		90,000
CIL	3,219,091	3,800,000	(2,735,000)	4,284,091	4,284,091	1,200,000	(800,000)	4,684,091
CIL Admin	226,560	190,000	(100,000)	316,560	316,560	70,000	(100,000)	286,560
Care and Repair	45,000			45,000	45,000			45,000
Community Fund Reserves	14,884			14,884	14,884			14,884
Housing	79,547			79,547	79,547			79,547
Affordable Housing	346,150	66,360		412,510	412,510	53,200		465,710
General Fund Balance	1,045,629			1,045,629	1,045,629	8,266		1,053,895
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	4,357	27,634		31,991	31,991	40,762		72,753
Enterprise Zone NNDR	253,577	154,761	(46,428)	361,910	361,910	209,545	(62,864)	508,591
Economic Development	0			0	0			0
Business Rates Retention Pilot	0			0	0			0
Other								
Section 106 Agreements	2,267,451		(500,000)	1,767,451	1,767,451		(500,000)	1,267,451
Internal Borrowing	(11,760,859)	6,919,933	(6,337,077)	(11,178,003)	(11,178,003)	(2,945,950)	392,496	(13,731,457)
<b>Total Reserves</b>	<b>3,350,806</b>	<b>11,756,537</b>	<b>(11,154,731)</b>	<b>3,952,612</b>	<b>3,952,612</b>	<b>(1,248,550)</b>	<b>(3,180,413)</b>	<b>(476,351)</b>

## Reserve Accounts

Description	2022/23				2023/24			
	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	45,000	22,500		67,500	67,500	22,500		90,000
Historic Buildings Grants	6,190			6,190	6,190			6,190
Housing Conditions Survey	50,000	5,000		55,000	55,000	5,000		60,000
Building Control	23,155			23,155	23,155			23,155
Change Management	240,957		(165,351)	75,606	75,606		(47,557)	28,049
Major Project Development	100,000			100,000	100,000			100,000
Surplus Savings Reserve	3,997,664		(3,997,664)	0	0			0
Vehicle Replacements	89,187			89,187	89,187			89,187
New Homes Bonus	0			0	0			0
Leisure Centre - sinking fund	78,127	230,356		308,483	308,483	408,023		716,506
Insurance	16,343			16,343	16,343			16,343
IT	90,000	40,000		130,000	130,000	40,000		170,000
CIL	4,684,091	1,200,000	(800,000)	5,084,091	5,084,091	1,200,000	(800,000)	5,484,091
CIL Admin	286,560	70,000	(100,000)	256,560	256,560	70,000	(100,000)	226,560
Care and Repair	45,000			45,000	45,000			45,000
Community Fund Reserves	14,884			14,884	14,884			14,884
Housing	79,547			79,547	79,547			79,547
Affordable Housing	465,710	24,920		490,630	490,630			490,630
General Fund Balance	1,053,895	165,351		1,219,246	1,219,246	47,557		1,266,803
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	72,753	48,523		121,276	121,276	56,959		178,235
Enterprise Zone NNDR	508,591	209,545	(62,864)	655,273	655,273	209,545	(62,864)	801,954
Economic Development	0			0	0			0
Business Rates Retention Pilot	0			0	0			0
Other								
Section 106 Agreements	1,267,451		(500,000)	767,451	767,451		(500,000)	267,451
Internal Borrowing	(13,731,457)	0	4,718,557	(9,012,900)	(9,012,900)	0	1,478,557	(7,534,343)
<b>Total Reserves</b>	<b>(476,351)</b>	<b>2,016,195</b>	<b>(907,322)</b>	<b>632,523</b>	<b>632,523</b>	<b>2,059,584</b>	<b>(31,863)</b>	<b>2,660,243</b>

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2021-22

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b><u>COMMUNITY SERVICES</u></b>				
<b>BUSINESS PARKING PERMIT SCHEME</b>				
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
<b>CAR PARKING – ANGEL DROVE, ELY</b>				
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
<b>CAR PARKING – THE DOCK, ELY</b>				
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
<b>CAR PARKING – LITTLEPORT STATION</b>				
<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
<b>FIXED PENALTY PARKING FINES</b>				
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
<b>ELY RIVERSIDE</b>				
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)



Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b><u>DEVELOPMENT SERVICES</u></b>				
<b>PLANNING PRE APPLICATION ADVICE</b>				
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	£41.00	£42.00
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	£41.00	£42.00
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 and written advice	SR	Discretionary	£82.00	£84.00
Householder Schemes – Building Control Advice - Written advice only	SR	Discretionary	£22.50	£23.00
Householder Schemes – Building Control Advice - Meeting and written advice	SR	Discretionary	£44.00	£45.00
Householder Schemes – Heritage Advice – Written advice only	SR	Discretionary	£10.50	£10.70
Householder Schemes – Heritage Advice– Meeting only	SR	Discretionary	£10.50	£10.70
Householder Schemes – Heritage Advice– Meeting and written advice	SR	Discretionary	£20.50	£21.00
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	£147.00	£150.00
Small Scale Minor Development – Residential schemes 1-2 dwellings. Other buildings up to 999sqm. Meeting only	SR	Discretionary	£245.00	£250.00
Small Scale Minor Development – Residential schemes 1-2 dwellings. Other buildings up to 999sqm. Meeting and Written Advice	SR	Discretionary	£392.00	£400.00
Small Scale Minor Development – Subsequent Advice on Amended Schemes. Written Advice	SR	Discretionary	£73.50	£75.00
Small Scale Minor Development – Subsequent Advice on Amended Schemes. Meeting only	SR	Discretionary	£122.50	£125.00
Small Scale Minor Development – Subsequent Advice on Amended Schemes. Meeting and Written Advice	SR	Discretionary	£196.00	£200.00
Small Scale Minor Development – Building Control Advice. Written Advice	SR	Discretionary	£56.00	£57.00
Small Scale Minor Development – Building Control Advice. Meeting and Written Advice	SR	Discretionary	£117.00	£120.00
Small Scale Minor Development – Heritage Advice. Written Advice	SR	Discretionary	£31.00	£32.00
Small Scale Minor Development – Heritage Advice. Meeting only	SR	Discretionary	£31.00	£32.00
Small Scale Minor Development – Heritage Advice. Meeting and Written Advice	SR	Discretionary	£61.00	£62.00
Minor Residential Schemes 3-9 dwellings – Written Advice only	SR	Discretionary	£245.00	£250.00
Minor Residential Schemes 3-9 dwellings – Meeting only	SR	Discretionary	£343.00	£350.00
Minor Residential Schemes 3-9 dwellings – Meeting and Written Advice	SR	Discretionary	£588.00	£600.00
Minor Residential Schemes 3-9 dwellings – Subsequent Advice on Amended Schemes - Written Advice only	SR	Discretionary	£122.50	£125.00
Minor Residential Schemes 3-9 dwellings – Subsequent Advice on Amended Schemes - Meeting only	SR	Discretionary	£171.50	£175.00
Minor Residential Schemes 3-9 dwellings – Subsequent Advice on Amended Schemes - Meeting and Written Advice	SR	Discretionary	£294.00	£300.00
Minor Residential Schemes 3-9 dwellings – Building Control Advice - Written Advice only	SR	Discretionary	£102.00	£104.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
Minor Residential Schemes 3-9 dwellings – Building Control Advice - Meeting and Written Advice	SR	Discretionary	£173.50	£177.00
Minor Residential Schemes 3-9 dwellings – Heritage Advice - Written Advice only	SR	Discretionary	£61.00	£62.00
Minor Residential Schemes 3-9 dwellings – Heritage Advice - Meeting only	SR	Discretionary	£61.00	£62.00
Minor Residential Schemes 3-9 dwellings – Heritage Advice - Meeting and Written Advice	SR	Discretionary	£122.50	£125.00
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	£392.00	£400.00
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	£441.00	£450.00
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	£832.50	£850.00
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	£196.00	£200.00
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	£220.50	£225.00
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	£416.00	£424.00
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	£173.50	£177.00
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	£286.00	£292.00
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	£76.50	£78.00
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	£76.50	£78.00
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	£153.00	£156.00
Large Scale Major Development – 41-99 Dwellings - Site are over 0.5ha. 5000sqm plus floor spaces - Meeting Only.	SR	Discretionary	£539.00	£550.00
Large Scale Major Development – 41-99 Dwellings - Site are over 0.5ha. 5000sqm plus floor spaces - Meeting and Written Advice	SR	Discretionary	£1,126.00	£1,150.00
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	£269.00	£274.00
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	£563.00	£575.00
Large Scale Major Residential Development – 41-99 Dwellings - Building Control Advice - Written Advice	SR	Discretionary	£286.00	£292.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
Large Scale Major Residential Development – 41-99 Dwellings - Building Control Advice - Meeting and Written Advice	SR	Discretionary	£403.00	£411.00
Large Scale Major Residential Development – 41-99 Dwellings - Heritage Advice - Meeting Only	SR	Discretionary	£153.00	£156.00
Large Scale Major Residential Development – 41-99 Dwellings - Heritage Advice - Meeting and Written Advice	SR	Discretionary	£153.00	£156.00
Strategic Development – 100 plus dwellings or mixed use development that includes 1000sqm of non-residential floor space. Accompanied site visit.	SR	Discretionary	£1,763.00	£1,798.00
Strategic Development – 100 plus dwellings or mixed use development that includes 1000sqm of non-residential floor space. Advice on Amended Schemes	SR	Discretionary	£881.00	£899.00
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	£351.00	£358.00
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	£153.00	£156.00
High Hedge Complaint	SR	Discretionary	£459.00	£468.00
Admin Charge if we return application because information requested for validation is not provided within timescale - Householder	SR	Discretionary	£25.50	£26.00
Admin Charge if we return application because information requested for validation is not provided within timescale - Minor & Other Applications	SR	Discretionary	£51.00	£52.00
Admin Charge if we return application because information requested for validation is not provided within timescale - Major Applications	SR	Discretionary	£153.00	£156.00
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	£153.00	£156.00
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	£98.00	£100.00
Registration and annual fee to be included on the register under the Self Build and Custom Housing Building Act 2015	OS	Discretionary	£20.00	£20.00
<b>PLANNING APPLICATIONS</b>				
<b>See separate document for scale of fee for planning applications, determinations, certificates of lawful use or development and advertising consents</b>				
<a href="#">Planning Portal Fees Legislation Link</a>				

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b><u>BUILDING REGULATION CHARGES</u></b>				
TABLE 1 – Standard charges for new dwellings and flats up to 300m2 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 <a href="mailto:bcservices@eastcambs.gov.uk">bcservices@eastcambs.gov.uk</a>				
<b>TABLE 1 – NEW DWELLINGS/FLATS &amp; DWELLINGS/FLATS FORMED BY CHANGE OF USE</b>				
(ALL FEE'S INCLUSIVE OF VAT UNLESS OTHERWISE STATED)				
<b>Full Plans Application/Plan Check Fee</b>				
1 Dwelling	SR		£226.00	
2 Dwellings	SR		£314.00	
2+ Dwellings	SR		POA	
<b>Full Plans Application Inspection Fee</b>				
1 Dwelling	SR		£548.00	
2 Dwellings	SR		£873.00	
2+ Dwellings	SR		POA	
<b>Building Notice Application (NO VAT)</b>				
1 Dwelling	OS		£727.00	
2 Dwellings	OS		£1,262.00	
2+ Dwellings	OS		POA	
<b>Regularisation Application (No VAT)</b>				
1 Dwelling	OS		£893.00	
2 Dwellings	OS		£1,262.00	
2+ Dwellings	OS		POA	
<b>Electrical Check &amp; Testing</b>				
1 Dwelling	SR		£893.00	
2 Dwellings	SR		£1,262.00	
2+ Dwellings	SR		POA	
<b>TABLE 2 – DOMESTIC EXTENSIONS AND CONVERSIONS</b>				
(ALL FEE'S INCLUSIVE OF VAT UNLESS OTHERWISE STATED)				
<b>Extension or annex with floor area not exceeding 10m1</b>				
Full Plans Application Plan Check Fee	SR		£189.00	
Full Plans Application Inspection Fee's	SR		£340.00	
Building Notice Application	SR		£609.00	
Regularisation Application No VAT	OS		£623.00	
<b>Extension or annex with floor area not exceeding 10m2 Extension or annex with floor area exceeding 10m2 but not exceeding 40m2</b>				
Full Plans Application Plan Check Fee	SR		£189.00	
Full Plans Application Inspection Fee's	SR		£454.00	
Building Notice Application	SR		£732.00	
Regularisation Application No VAT	OS		£750.00	
<b>Extension or annex with floor area exceeding 40m2 but not exceeding 100m2</b>				

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
Full Plans Application Plan Check Fee	SR		£189.00	
Full Plans Application Inspection Fee's	SR		£596.00	
Building Notice Application	SR		£888.00	
Regularisation Application No VAT	OS		£909.00	
<b>A building or extension comprising solely of a garage, carport or store the total floor area not exceeding 60m2</b>				
Full Plans Application Plan Check Fee	SR		£189.00	
Full Plans Application Inspection Fee's	SR		£284.00	
Building Notice Application	SR		£546.00	
Regularisation Application No VAT	OS		£543.00	
<b>First or second floor loft conversions with a floor area not exceeding 100m2</b>				
Full Plans Application Plan Check Fee	SR		£189.00	
Full Plans Application Inspection Fee's	SR		£355.00	
Building Notice Application	SR		£694.00	
Regularisation Application No VAT	OS		£709.00	
<b>Garage conversion up to 60m2</b>				
Full Plans Application Plan Check Fee	SR		£125.00	
Full Plans Application Inspection Fee's	SR		£291.00	
Building Notice Application	SR		£396.00	
Regularisation Application No VAT	OS		£408.00	
Electrical Check & Testing			£228.00	
conversions only. Where it is intended to carry out other alterations at the same time as the extension, the charges outlined in Table 3				
<b>TABLE 3 – DOMESTIC ALTERATIONS</b> (ALL FEE'S INCLUSIVE OF VAT UNLESS OTHERWISE STATED)				
<b>Renovation of a thermal element</b>				
Full Plans Application Plan Check fee	SR		£143.00	
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£142.00	
Regularisation Application No VAT	OS		£160.00	
<b>Replacement of windows, roof lights, roof windows or external glazed doors</b>				
Full Plans Application Plan Check fee	SR		£113.00	
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£113.00	
Regularisation Application No VAT	OS		£127.00	
<b>Replacement Boiler/New wood burner</b>				
Full Plans Application Plan Check fee	SR		£143.00	
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£143.00	
Regularisation Application No VAT	OS		£160.00	
<b>Renewable Energy systems/installation of wood burner</b>				
Full Plans Application Plan Check fee	SR		£143.00	
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£143.00	
Regularisation Application No VAT	OS		£160.00	
<b>Alterations with a cost up to £5,000</b>				
Full Plans Application Plan Check fee	SR		£254.00	

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£255.00	
Regularisation Application No VAT	OS		£287.00	
<b>Alterations exceeding £5,000 but not exceeding £10,000</b>				
Full Plans Application Plan Check fee	SR		£188.00	
Plan Check fee Full Plans Application	SR		£198.00	
Building Notice Application	SR		£411.00	
Regularisation Application No VAT	OS		£472.00	
<b>Alterations exceeding £10,000 but not exceeding £20,000</b>				
Full Plans Application Plan Check fee	SR		£188.00	
Plan Check fee Full Plans Application	SR		£325.00	
Building Notice Application	SR		£538.00	
Regularisation Application No VAT	OS		£606.00	
<b>Alterations exceeding £20,000 but not exceeding £50,000</b>				
Full Plans Application Plan Check fee	SR		£188.00	
Plan Check fee Full Plans Application	SR		£411.00	
Building Notice Application	SR		£686.00	
Regularisation Application No VAT	OS		£701.00	
<b>Alterations exceeding £50,000 but not exceeding £100,000</b>				
Full Plans Application Plan Check fee	SR		£188.00	
Plan Check fee Full Plans Application	SR		£532.00	
Building Notice Application	SR		£819.00	
Regularisation Application No VAT	OS		£837.00	
<b>Electrical work up to a value of £10,000</b>				
Full Plans Application Plan Check fee	SR		£238.00	
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£238.00	
Regularisation Application No VAT	OS		£303.00	
<b>Drainage works with a cost up to £5,000</b>				
Full Plans Application Plan Check fee	SR		£143.00	
Plan Check fee Full Plans Application	SR		£0.00	
Building Notice Application	SR		£142.00	
Regularisation Application No VAT	OS		£160.00	
<b>Electrical Check &amp; Testing</b>				
			£228.00	
<b>The new Service Lead in Building Control is currently undertaking a full review of charges and will report back his findings in due course, it remains the intention to implement any approved changes by the 1st April 2021</b>				
<b>STREET NAMING &amp; NUMBERING</b>				
Property name additions/amendments/removals	OS	Discretionary	£51.00	£52.00
Naming of new streets	OS	Discretionary	£153.00	£156.00
Numbering of new properties				
1 property	OS	Discretionary	£51.00	£52.00
2 – 5 properties	OS	Discretionary	£76.50	£78.00
6 – 10 properties	OS	Discretionary	£102.00	£104.00
11 – 25 properties	OS	Discretionary	£153.00	£156.00
26 – 50 properties	OS	Discretionary	£255.00	£260.00
51 – 100 properties	OS	Discretionary	£408.00	£416.00
101 + properties	OS	Discretionary	£510.00	£520.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
			Plus £10.50 per property over 101	Plus £10.50 per property over 101
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	£25.50	£26.00
Renumbering of scheme following development replan (after notification of numbering scheme issued)	OS	Discretionary	£102.00 + £10 per property	£102.00 + £10 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	£51.00 per property	£52 per property
1 <sup>st</sup> set of nameplates erected for each new street if one nameplate required	OS	Discretionary	£229.50	£234.00
1 <sup>st</sup> set of nameplates erected for each new street if two nameplates required	OS	Discretionary	£331.50	£338.00
For each additional nameplate that is required to be erected at other junctions and entrances onto the new street	OS	Discretionary	£102.00	£104.00
Challenges/requests/revisions to existing street naming and numbering schemes	OS	Discretionary	Price on Application	Price on Application
<b>E-SPACE BUSINESS CENTRES</b>				
Ely – Annual rental charge per square foot (effective for new leases and on renewals)	SR	Discretionary	£30.00	£31.00
Littleport – Annual rental charge per square foot (effective on new leases and on renewals)	SR	Discretionary	£20.00	£20.50
<b>PHOTOCOPYING CHARGES</b>				
Up to 10 A4 pages	SR	Discretionary	No charge	No charge
11 A4 pages and over	SR	Discretionary	£1.10 plus 10p per copy	£1.20 plus 10p per copy
A3 copies (2xA4)	SR	Discretionary	As above plus 20p per copy	As above plus 20p per copy
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			£10.20	£10.40
<b><u>ENVIRONMENTAL SERVICES</u></b>				
Safer Food Better Business Mentoring Scheme	SR	Discretionary	£51.00 per hour	£50 per hour
Re-rating inspection fee for food business	OS	Discretionary	£133.00	£135.00
<b>HYPNOTISM</b>				
Daily permit to stage a show	OS	Discretionary	£93.00	£93.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>GAMBLING ACT 2005</b>				
<b>Casino Premises Licence - Regional</b>				
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
<b>Casino Premises Licence - Large</b>				
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
<b>Casino Premises Licence - Small</b>				
Maximum non conversion application fee in respect of provisional statement premises	OS	Statutory	£3,000.00	£3,000.00
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
<b>Casino Premises Licence - Converted</b>				
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
<b>Bingo Premises Licence</b>				
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



Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>Adult Gaming Premises Licence</b>				
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
<b>Betting Premises (Track) Licence</b>				
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
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
<b>Family Entertainment Centre Premises Licence</b>				
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
<b>Betting Premises (Other) Licence</b>				
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
<b>Temporary Use Notices</b>				
Temporary Use Notice fee	OS	Statutory	£500.00	£500.00
Replacement of an endorsed copy	OS	Statutory	£25.00	£25.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>All premises licences</b>				
Change of circumstances fee	OS	Statutory	£50.00	£50.00
Fee for a copy licence	OS	Statutory	£25.00	£25.00
<b>GAMBLING ACT 2005 PERMITS</b>				
<b>Family Entertainment Centre Gaming Machine Permit</b>				
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
<b>Club Gaming Permits</b>				
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
<b>Club Machine Permits</b>				
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
<b>Alcohol Licensed Premises – 2 or less machines</b>				
Notification fee	OS	Statutory	£50.00	£50.00
<b>Alcohol Licensed Premises – more than 2 machines</b>				
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
<b>Prize Gaming Permits (pubs)</b>				
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
<b>Registration Of Small Society Lotteries</b>				
Lottery registration	OS	Statutory	£40.00	£40.00
Lottery renewals	OS	Statutory	£20.00	£20.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>HACKNEY CARRIAGE AND PRIVATE HIRE FEES</b>				
<b>New Driver Licence Application for 12 months</b>				
Joint Hackney Carriage <u>and</u> Private Hire (incl. 1st knowledge test)	OS	Discretionary	£217.00	£217.00
Knowledge Test Re-sit	OS	Discretionary	£20.00	£20.00
<b>Renewal of Driver Licence Application for 12 months</b>				
Joint Hackney Carriage <u>and</u> Private Hire	OS	Discretionary	£175.00	£175.00
<b>New Driver Licence Application for 36 months</b>				
Joint Hackney Carriage <u>and</u> Private Hire (incl. 1st knowledge test)	OS	Discretionary	£567.00	£567.00
<b>Renewal of Driver Licence Application for 36 months</b>				
Joint Hackney Carriage <u>and</u> Private Hire	OS	Discretionary	£570.00	£570.00
<b>General driver fees</b>				
Three yearly Criminal Records Bureau disclosure		Discretionary	£49.00	£49.00
DVLA check		Discretionary	£5.00	£5.00
<b>New Vehicle (Plate) Licence Application</b>				
Private Hire Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
Hackney Carriage Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
<b>Renewal Vehicle (Plate) Licence Application</b>				
Private Hire Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
Hackney Carriage Vehicle Licence – 1 year	OS	Discretionary	£250.00	£250.00
<b>Transfer of Vehicle Plate/licence</b>				
Private Hire	OS	Discretionary	£35.00	£35.00
Hackney Carriage	OS	Discretionary	£25.00	£25.00
<b>Variation of Vehicle Plate/licence</b>				
Private Hire	OS	Discretionary	£35.00	£35.00
Hackney Carriage	OS	Discretionary	£25.00	£25.00
<b>Private Hire Operator's Licence</b>				
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
<b>Replacement Items (charge applicable per licence)</b>				
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	£20.00	£20.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
DBS enhanced check (where no DBS update service option available)	OS	Discretionary	£49.00	£49.00
DVLA licence check	OS	Discretionary	£5.00	£5.00
<b>PARK HOMES / CARAVAN SITES / MOBILE HOMES</b>				
<b>Costs of New Applications</b>				
1-5 pitches	OS	Discretionary	£212.00	£216.00
6-10 pitches	OS	Discretionary	£232.00	£237.00
11-20 pitches	OS	Discretionary	£232.00	£237.00
21-50 pitches	OS	Discretionary	£251.00	£256.00
51-100 pitches	OS	Discretionary	£270.50	£276.00
Greater than 100 pitches	OS	Discretionary	£270.50	£276.00
<b>Annual Inspection Fees</b>				
1-5 pitches	OS	Discretionary	Nil	Nil
6-10 pitches	OS	Discretionary	£229.50	£234.00
11-20 pitches	OS	Discretionary	£229.50	£234.00
21-50 pitches	OS	Discretionary	£229.50	£234.00
51-100 pitches	OS	Discretionary	£268.50	£274.00
Greater than 100 pitches	OS	Discretionary	£268.50	£274.00
Cost of Laying Site Rules	OS	Discretionary	£28.00	£28.50
Cost of Variation / Transfer	OS	Discretionary	£102.00	£104.00
<b>ZOO LICENCE</b>				
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
<b>ANIMAL WELFARE LICENCE</b>				
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
<b>DANGEROUS WILD ANIMALS (2 YR LICENCE)</b>				
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
<b>STRAY DOGS</b>				
Stray Dog Collection - per dog	OS	Statutory	£25.00	£25.00
Kennelling Charge per night/or few hours	OS	Discretionary	£16.20	£16.50
Stray dog collection (anytime)	OS	Discretionary	£50.00	£51.00
Transfer to Woodgreen	OS	Discretionary	£40.00	£41.00
Admin Fee	OS	Discretionary	£10.00	£10.20
<b>PRIVATE WATER SUPPLY SAMPLING</b>				
Risk Assessment (each assessment) - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £500.00	Max £500.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
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
Granting an authorisation (each authorisation) - officer hourly rate x time taken up to a maximum fee	OS	Discretionary	Max £100.00	Max £100.00
<b>Analysing a sample</b>				
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
<b>IMMIGRATION HOUSING INSPECTIONS</b>				
Production of housing condition reports	OS	Discretionary	£105.00	£110.00
<b>LICENSING OF HOUSES IN MULTIPLE OCCUPATION</b>				
Mandatory licence for 5 years	OS	Discretionary	£310.00	£320.00
<b>SKIN PIERCING (ACUPUNCTURE, TATTOOING, PERMANENT AND SEMI PERMANENT SKIN COLOURING)</b>				
Premises	OS	Discretionary	£186.00	£190.00
Per Individual	OS	Discretionary	£186.00	£190.00
Amendment of Export health or skin piercing certificate	OS	Discretionary	£10.50	£10.50
<b>SEX ESTABLISHMENTS</b>				
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
<b>TRAVELLER SITE RENTS</b>				
Burwell – Site Rent per week	EX	Discretionary	N/A	N/A
Burwell – Water & Waste Charge per week	EX	Discretionary	N/A	N/A
Earith Bridge – Site Rent per week	EX	Discretionary	£85.00	£85.00
Earith Bridge – Water & Waste Charge per week	EX	Discretionary	£10.00	£10.00
Wentworth – Site Rent per week	EX	Discretionary	£85.00	£85.00
Wentworth – Water & Waste Charge per week	EX	Discretionary	£10.00	£10.00
<b>STREET TRADING</b>				
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
<b>THE POLLUTION PREVENTION &amp; CONTROL ACT 1990 ENVIRONMENTAL PERMITTING REGULATIONS 2010</b>				
See link for nationally set figures <a href="#">Environment Permitting Regulations</a>		Statutory		

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>LICENSING ACT 2003</b>				
<b>Personal Licence</b>				
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
<b>Temporary Event Notices</b>				
Temporary & Late Temporary Event Notices	OS	Statutory	£21.00	£21.00
Theft, loss etc of Temporary Event Notice	OS	Statutory	£10.50	£10.50
<b>Premises Licence</b>				
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
<b>Club Premises</b>				
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
<b>General</b>				
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
<b>New Premises Licence Applications And Variations For Premises And Club Premises Licences</b>				
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
<b>Premises Annual Renewal</b>				
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

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>Additional Fees For Large Venues And Events</b>				
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
<b>SCRAP METAL DEALER LICENCE</b>				
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
<b>WASTE</b>				
<b>Bulky Waste</b>				
Up to three household items	OS	Discretionary	£25.50	£26.00
Fridge or freezer	OS	Discretionary	£25.50	£26.00
Initial cost of bins for new residential properties (this is for each bin provided)	OS	Discretionary	£25.50	£26.00
Annual Garden Waste Wheeled Bin Licence - this is for an additional bin	OS	Discretionary	£49.00	£50.00
Delivery and Administration Charge for additional blue bin (one off charge)	SR	Discretionary	£25.50	£26.00
Fly Tipping Fee	OS	Statutory	£400.00	£400.00
<b>ENVIRONMENTAL PROTECTION ACT PERMIT</b>	OS	Statutory	Variable	Variable
<b>EXPORT CERTIFICATE OF HEALTH</b>	OS	Discretionary	£97.00	£100.00
Amendment of Export Heath Certificate		Discretionary	£10.00	£10.00
<b><u>FACILITIES MANAGEMENT</u></b>				
<b>GARAGE RENTS – ST JOHNS ROAD, ELY</b>				
Monthly charge	SR	Discretionary	29.76 (Including VAT)	29.76 (Including VAT) plus RPI as at 1.1.21

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>LEGAL SERVICES</b>				
LLC1 ONLY	OS	Discretionary	£21.95	£22.40
CON29(R) ONLY	SR	Discretionary	£130.50	£133.10
STANDARD SEARCH - LLC1 AND CON29(R)	SR/OS	Discretionary	£152.50	£155.50
<b>CON29 OPTIONAL ENQUIRIES</b>				
Q4 Road proposal by private bodies	SR	Discretionary	£10.50	£10.70
Q5. Advertisements	SR	Discretionary	£10.50	£10.70
Q6 Completion Notices	SR	Discretionary	£13.70	£14.00
Q7 Parks and Countryside	SR	Discretionary	£10.50	£10.70
Q8 Pipelines	SR	Discretionary	£3.50	£3.60
Q9 Houses in Multiple Occupation	SR	Discretionary	£3.50	£3.60
Q10 Noise Abatement	SR	Discretionary	£3.00	£3.10
Q11 Urban Development Areas	SR	Discretionary	£10.50	£10.70
Q12 Enterprise Zones, Local Development Orders and BIDS	SR	Discretionary	£3.50	£3.60
Q13 Inner Urban Improvement Areas	SR	Discretionary	£3.50	£3.60
Q14 Simplified Planning Zones	SR	Discretionary	£10.50	£10.70
Q15 Land Maintenance Notices	SR	Discretionary	£10.50	£10.70
Q16 Mineral Consultation and Safeguarding Areas	SR	Discretionary	£5.00	£5.10
Q17 Hazardous Substance Consents	SR	Discretionary	£10.50	£10.70
Q18 Environmental and Pollution Notices	SR	Discretionary	£3.50	£3.60
Q19 Food Safety Notices	SR	Discretionary	£7.90	£8.10
Q20 Hedgerow Notices	SR	Discretionary	£3.50	£3.60
Q21 Flood Defence and Land Drainage Consents	SR	Discretionary	£5.20	£5.30
Q22 Common Land and Town or Village Green	SR	Discretionary	£10.20	£10.50
<b>CON29 ENQUIRIES</b>				
1.1a-i Planning and Building Decisions and Pending			Total £9.70	Total £9.90
1.1 j-l Planning and Building Decisions and Pending			Total £4.0	Total £4.10
1.2 Planning designations and proposals			Total £0.90	Total £0.95
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	Total £3.80	Total £3.90
3.2 Other Matters - Is the property included in land required for road works	SR	Discretionary	HIGHWAYS	HIGHWAYS
3.3 Drainage Matters			Total £2.80	Total £2.90
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			Total £6.30	Total £6.40
3.8 Contravention of Building Regulations			Total £2.60	Total £2.70
3.9 Notices, Orders, Direction and Proceedings under			Total £4.70	Total £4.80
3.10 Community Infrastructure Levy (CIL)			Total £7.80	Total £7.90
3.11 Conservation Area			Total £4.0	Total £4.10
3.12 Compulsory Purchase			Total £4.0	Total £4.10
3.13 Contaminated Land			Total £0.90	Total £0.95
3.14 Radon Gas			Total £1.80	Total £1.90
3.15 Assets of Community Value			Total £5.20	Total £5.30



Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>REGISTER OF ELECTORS</b>				
<b>Sale of Copies of Register of Electors</b>				
Data Form per 1000 electors or part of	OS	Statutory	£21.00, plus £1.50	£20.00 plus £1.50
Printed Form per 1000 electors or part of	OS	Statutory	£10.50, plus £5.00	£10.00 plus £5.00
<b>List of Overseas Electors</b>				
Data Form per 1000 electors or part of	OS	Statutory	£21.00 plus £1.50	£20.00 plus £1.50
Printed Form per 1000 electors or part of	OS	Statutory	£10.50 plus £5.00	£10.00 plus £5.00
<b>LEGAL WORK</b>				
<b>Section 106 Agreements &amp; Variations</b>				
<b>Hourly rates ***</b>				
Legal Services Manager/Planning Solicitor	OS	Discretionary	£155.00	£158.00
Legal Assistant	OS	Discretionary	£125.00	£128.00
Senior Legal Assistant	OS	Discretionary	£135.00	£138.00
Land Charges Officer & Paralegal/Paralegal	OS	Discretionary	£51.00	£52.00
Information Officer	OS	Discretionary	£56.00	£57.00
Simple S106 - Standard Charge	OS	Discretionary	£1,100.00	£1,122.00
<b>Easements (e.g. Car parking verges etc)</b>				
Simple	OS	Discretionary	£690.00	£710.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
<b>Conveyancing (e.g. POS, small parcels of land, small leases &amp; Licences, etc)</b>				
Simple	OS	Discretionary	£690.00	£710.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
<b>Release of restrictive covenant</b>				
Simple	OS	Discretionary	£690.00	£710.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
<b>Miscellaneous Deeds</b>				
Simple	OS	Discretionary	£690.00	£710.00
Complex	OS	Discretionary	See hourly rates above***	See hourly rates above***
<b>Prosecutions</b>				
Car Parking	OS	Discretionary	£102 plus Legal Officer presentation time at court and disbursements – i.e. if have to travel to Court	£105 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	£113.00	£115.00
All prosecutions			See hourly rates above***	See hourly rates above***
Miscellaneous removal of charge from property	OS	Discretionary	£113.00	£115.00
<b>Mortgages</b>				
Redemptions	OS	Discretionary	£225.00	£230.00

Description	VAT code	Discretionary or Statutory	Charge for 2020/21	Proposed Charge for 2021/22
<b>Civil Cases</b>	OS	Discretionary	See hourly rates above***	See hourly rates above***

**Capital Programme 2020/21 to 2024/25**

<b>CAPITAL BUDGET</b>	<b>Projected Spend 2020/21 £</b>	<b>Proposed Budget 2021/22 £</b>	<b>Proposed Budget 2022/23 £</b>	<b>Proposed Budget 2023/24 £</b>	<b>Proposed Budget 2024/25 £</b>
<b>Operational Services</b>					
Refuse Vehicles	32,077	<b>2,000,000</b>			
Depot		<b>845,950</b>			
Waste Bins	40,000	<b>40,000</b>	40,000	40,000	40,000
Conservation Area Schemes - 2nd round	27,506				
Mandatory Disabled Facilities Grants (DFG)	873,610	<b>697,299</b>	697,299	697,299	697,299
Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst.	75,000	<b>75,000</b>	75,000	75,000	75,000
Vehicle Etc. Replacements	118,187	<b>29,000</b>	29,000	29,000	29,000
<b>Operational Services Total</b>	<b>1,166,380</b>	<b>3,687,249</b>	<b>841,299</b>	<b>841,299</b>	<b>841,299</b>
<b>Finance and Assets</b>					
Intranet / HR / Payroll System Improvements	15,980				
Riverside Moorings	289,500				
A14 Contribution		<b>40,000</b>	40,000	40,000	40,000
Extension to Ely Country Park	163,200				
East Cambs Trading Company - Loans	7,080,000	<b>100,000</b>			
<b>Finance and Assets Total</b>	<b>7,548,680</b>	<b>140,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>
<b>Capital Programme Total</b>	<b>8,715,060</b>	<b>3,827,249</b>	<b>881,299</b>	<b>881,299</b>	<b>881,299</b>

**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 will need to be purchased in 2021/22 when the vehicles purchased with the Weekly Collection Grant reach the end of their economic life. It had previously been planned to purchase these vehicles in 2020/21, but Government are currently developing their Waste strategy, so purchases have been delayed to ensure that the vehicles purchased address the needs placed upon the Council by this revised strategy.

**Depot**

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

**Waste Bins**

As the number of residential properties within the District increase, the Council is required to purchase additional wheeled bins for these.

**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. Part grant funded from the Better Care Fund. The projected spend in 2020-21 includes an underspend from 2019-20 where work was committed, but not undertaken in year.

**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 CIL contributions.

**Intranet / HR / Payroll System Improvements**

Procurement and up-grade of a new HR and Finance systems and refreshing the intranet.

**Riverside Moorings**

Purchase of Riverside Moorings from the Environment Agency

**A14 Contributions**

When the A14 Improvement project was originally planned, it was agreed that all councils in Cambridgeshire would contribute to the overall costs of the work. This budget reflects East Cambs element of this, which will be funded from CIL contributions.

**Extension to Country Park**

Purchase of land from the Environment Agency

## East Cambs Trading Company - Loan

Loan funding to East Cambs Trading Company(ECTC). ECTC is wholly owned by the Council, and operates as a commercial enterprise, providing more opportunities to compete for contracts. Profits generated will be either returned to the Council, the sole shareholder as dividends, or ploughed back into the company to improve services. This loan is to provide working capital to the Company, as it develops residential housing at sites in Haddenham and the former Military of Defence site in Ely, the Company is expected to repay this loan in full in (or before) 2023.

SOURCES OF FINANCING	Projected 2020/21 £	Budget 2021/22 £	Budget 2022/23 £	Budget 2023/24 £	Budget 2024/25 £
<b>Operational Services</b>					
Revenue Contribution	89,187				
Grants (Disability Facilities Grant)	608,471	526,577	526,577	526,577	526,577
Capital Reserves	340,139	265,722	265,722	265,722	265,722
Section 106 / CIL	871,506	49,000	49,000	49,000	49,000
Borrowing	(742,923)	2,845,950			
<b>Operational Services Total</b>	<b>1,166,380</b>	<b>3,687,249</b>	<b>841,299</b>	<b>841,299</b>	<b>841,299</b>
<b>Finance and Assets</b>					
Capital Reserves	305,480				
Section 106 / CIL	163,200	40,000	40,000	40,000	40,000
Borrowing Company	7,080,000	100,000			
<b>Finance and Assets Total</b>	<b>7,548,680</b>	<b>140,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>
<b>Capital Funding Total</b>	<b>8,715,060</b>	<b>3,827,249</b>	<b>881,299</b>	<b>881,299</b>	<b>881,299</b>

Capital Reserves Forecast	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Balance Brought Forward	1,384,924	839,305	623,583	407,861	192,139
Add receipts from Sales of Assets	100,000	50,000	50,000	50,000	50,000
Less Capital Receipts Applied	(645,619)	(265,722)	(265,722)	(265,722)	(265,722)
<b>Capital Reserves Carried Forward</b>	<b>839,305</b>	<b>623,583</b>	<b>407,861</b>	<b>192,139</b>	<b>(23,583)</b>

Borrowing Forecast	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Balance Brought Forward	11,760,858	11,178,003	13,731,457	9,012,900	7,534,343
Add Borrowing in Year	6,337,077	2,945,950	0	0	0
Repayment from ECTC	(6,500,000)	0	(4,070,000)	(830,000)	0
Less Minimum Revenue Provision (MRP)	(419,932)	(392,496)	(648,557)	(648,557)	(648,557)
<b>Total Borrowing Carried Forward</b>	<b>11,178,003</b>	<b>13,731,457</b>	<b>9,012,900</b>	<b>7,534,343</b>	<b>6,885,786</b>
Internal Borrowing	11,178,003	13,731,457	9,012,900	7,534,343	6,885,786
External Borrowing	0	0	0	0	0

**COMMUNITY INFRASTRUCTURE LEVY: AMENDMENT TO THE COMMUNITY INFRASTRUCTURE LEVY INFRASTRUCTURE LIST**

Committee: Council

Date: 23 February 2021

Author: Infrastructure & Strategy Manager

[V133]

1.0 ISSUE

1.1 To consider the inclusion of a new infrastructure project onto the Council's Community Infrastructure Levy (CIL) Infrastructure List.

2.0 RECOMMENDATION(S)

2.1 Members are requested to approve the draft CIL Infrastructure List as set out in Appendix 1.

3.0 BACKGROUND/OPTIONS

3.1 East Cambridgeshire District Council introduced CIL on 1 February 2013. CIL is a levy that is charged on most new developments in the district. The contributions raised through this levy are used to fund, in whole or in part, the necessary infrastructure required to support growth and development in the district.

3.2 As part of the CIL (Amendment) (England) (No. 2) Regulations 2019 (as amended), the Council is required to produce a list of infrastructure projects that could potentially benefit from CIL funding; this is known as the CIL Infrastructure List.

4.0 ARGUMENTS/CONCLUSIONS

4.1 The Council has received an application for CIL funding from Burwell Parish Council towards improvements to the Gardiner Memorial Hall in Burwell. The Parish Council intends to modernise, extend, and reconfigure the hall to increase facilities, including the creation of a Business Hub equipped with full Audio-Visual installation and to future proof the hall by bringing it up to 21st century environmental standards and reducing its carbon footprint.

4.2 Officers have assessed the application against the criteria (provided at Appendix 2) and it scored 68% (the minimum scoring threshold is 50%). For this reason, it is appropriate for this project to be included on the CIL Infrastructure List.

4.3 Please note that the inclusion of these projects on the CIL Infrastructure List does not signify a commitment for the Council to fund, whether in whole or in

part, the projects. The projects being included on the CIL Infrastructure List merely provide a potential funding source. A stakeholder will need to apply separately for CIL contributions to be released to benefit the project; this decision will be made by the Finance & Assets Committee.

5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT/CARBON IMPACT ASSESSMENT

5.1 There are no financial implications arising from this report.

5.2 Equality Impact Assessment (EIA) not required.

5.3 Carbon Impact Assessment (CIA) not required at this stage. This will need to be completed if an allocation request is made to Finance & Assets Committee.

6.0 APPENDICES

6.1 Appendix 1: Draft CIL Infrastructure List  
Appendix 2: Scoring Criteria

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**Background Documents**

Burwell Parish Council CIL  
Expression of Interest Form  
and supporting evidence.

**Location**

Room 12  
The Grange,  
Ely

**Contact Officer**

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Infrastructure & Strategy  
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**EAST CAMBRIDGESHIRE DISTRICT COUNCIL  
COMMUNITY INFRASTRUCTURE LEVY  
INFRASTRUCTURE LIST**

The East Cambridgeshire District Council Infrastructure List is set out below. This list is in no particular order and no priorities have been identified.

Littleport Schools  
District Leisure Centre  
Soham Railway Station  
Ely Southern Bypass  
Health Facilities Serving North Ely Development  
A142/Witchford Road Roundabout  
Children's Centre Serving North Ely Development  
Ely Country Park Expansion  
Staploe Medical Centre  
Ely Commuter Car Park  
Wicken-Soham-Ely Cycle Path  
Witchford Household Recycling Centre  
Burwell Parish Council Recreation Ground Improvement Project  
Ely Museum Redevelopment  
The Mill Project- Soham  
Sutton GP Surgery Extension  
Stretham GP Surgery  
Soham Village College  
Libraries Serving Kennett Development  
Traffic Calming Serving Kennett Development  
B1056 Crossroads  
Village Green Serving Kennett Development  
Gardiner Memorial Hall Project

February 2021

**CIL Infrastructure List Project Scoring Form**

Question	Criteria	Score
<b>Project Details</b>		
Project name: <b>Gardiner Memorial Hall Project</b>	n/a	n/a
Name of organisation submitting this expression of interest: <b>Burwell Parish Council</b>	n/a	n/a
Brief description of the project, including its purpose, how it will benefit the community and the geographical area it covers.	<p>Score for expected catchment area of impact:</p> <p>Under 500 people = 1 point            501-1,000 people = 2 points            1,001-1,500 people = 3 points            1,501-2,000 people = 4 points            2,500+ = people = 5 points Calculate using CCCRG mid 2012 estimates</p>	<p>Out of 5 = <b>5</b></p> <p>Burwell population 6,320</p>
<b>Evidence of Need</b>		
Please indicate how the evidence of need for this project has been gathered. Include details of any research that you have carried out of strategies/plans which identify this project as a priority	<p>One point awarded for each piece of evidence submitted (max 5 points)</p> <p>plus</p> <p>Score for number of new dwellings identified in draft Local Plan (evidence of growth):</p> <p>1-49 new dwellings = 1 point            50-99 new dwellings = 2 points            100-149 new dwellings = 3 points            150-199 new dwellings = 4 points            200+ new dwellings = 5 points</p>	<p>Out of 10 = <b>9</b></p> <p>Consultation at AGM, consultation with user groups, consultation via Facebook, meeting with District and County Councillors = 4</p> <p>525 new dwellings= 5</p>
What evidence do you have that local people support your project?	<p>One point awarded for each piece of evidence submitted (max 5 points) e.g.:</p> <p>Petitions            outcomes of community consultations or appraisals            outcomes from open days            letters of support from new or existing users,            fundraising initiatives</p>	<p>Out of 5 = <b>5</b></p> <p>letters/emails of support from a number of users and potential users, support via Facebook, WI funding offer</p>



How does the project contribute to the delivery of the District Council's Corporate Plan?	One point awarded per Corporate Plan promise/project  (max 5 points) <b>(x2 extra weighting given)</b>	Out of 10 = <b>4</b>  Cleaner, greener East Cambs and Social and Community
How does the project contribute to the delivery of the objectives and policies of the East Cambridgeshire Local Plan?	1 point awarded per Local Plan objective/policies (max 5 points) <b>(x2 extra weighting given)</b>	Out of 10 = <b>10</b>  5 objectives from page 16 met.
Is this project identified as a priority in the relevant Local Plan Village Vision? (Please give details if the project is identified in more than one Village Vision)	1 point awarded per Village Vision project is identified in (max 5 points) <b>(x2 extra weighting given)</b>	Out of 10 = <b>0</b>  Not referred to in a village vision.
How does the project contribute to the delivery of the objectives and policies of the Cambridgeshire Local Transport Plan (applicable transport projects only)	1 point awarded per Local Transport Plan objective/policies (max 5 points) <b>(x2 extra weighting given)</b>	Out of 10 <b>N/A</b>
How does the project contribute to the delivery of the priorities of the Cambridgeshire Health & Wellbeing Strategy? (applicable to transport projects only)	1 point awarded per priorities of the Cambridgeshire Health & Wellbeing Strategy (max 5 points) <b>(x2 extra weighting given)</b>	Out of 10 <b>N/A</b>
<b>Evidence of stakeholder support</b>		
If the project is highways or education related do you have a letter of support from the relevant CCC department? (must have copy of the letter attached to application form)	n/a	<b>N/A</b>
Please provide details of support for the project from other stakeholders or organisations	One point awarded for evidence of the following (max 5 points)  Parish Council support District Council support County Council support Service provider support Other stakeholder support	Out of 5 - <b>3</b>  Letter from Viva Arts Group Parish Council funding contribution CCC Funding Contribution
<b>Finance and Deliverability</b>		
Total cost of project (must be between £50,000 and £2,000,000)	n/a	n/a

<b>£646,000</b>		
Amount of funding committed to the project by applying organisation (e.g. Parish Councils own CIL funding or precept)	<p>For settlements with a population of less than 3,000 a minimum of 5% of the amount of CIL requested</p> <p>5-10%=1 point 11-15%=2 points 16-20%=3 points 21-25%=4 points 25+=5 points</p> <p>Settlements with a population over 3,000 a minimum of 10% of the amount of CIL requested</p> <p>10-15%=1 point 16-20%=2 points 21-25%=3 points 26-30%=4 points 30+= 5 points</p>	<p>Out of 5 = <b>4</b></p> <p>£175,000 = 27%</p>
Details of other match funding secured or identified (amount and organisation providing funds)	<p>Level of match funding as percentage of amount of CIL requested:</p> <p>Settlements with less than 3,000 population</p> <p>1-5%=1 point 6-10%=2 points 11-15%=3 points 15-20%=4 points 21%+=5 points</p> <p>Settlements with 3,000+ population</p> <p>1-10%=1 point 11-20%=2 points 21-30%=3 points 31-40%=4 points 41%+=5 points</p>	<p>Out of 5 = <b>4</b></p> <p>£131,125 = 39%</p>
Amount of CIL funding requested: <b>£339,875</b>	n/a	n/a
Please indicate the approximate start and finish dates of the project. (must be deliverable within 3-5 years of application)	n/a	n/a

<b>Total Score (out of maximum of 65 for non-transport projects, 85 for transport projects)</b>	<b>Score 44</b>	<b>Score as % 68</b>
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**COMMITTEE RESTRUCTURING**

Committee: Council

Date: 23 February 2021

Author: Chief Executive and Democratic Services Manager

[V134]

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1.0 **ISSUE**

1.1 Restructuring of the Council and its Committees.

2.0 **RECOMMENDATIONS**

2.1 Members are requested to:

- (i) agree the revisions to the terms of reference as summarised in paragraph 4.2 and detailed in Appendix 1 to take effect from the Annual Council meeting;
- (ii) authorise the Monitoring Officer to make the necessary and consequential amendments to the Constitution to implement the Council's resolution;
- (iii) authorise the Democratic Services Manager to consult with the existing Independent Remuneration Panel (IRP) to consider the implications of the new Audit Committee.

3.0 **BACKGROUND/OPTIONS**

3.1 The Council on 21 February 2019 (ref Agenda 12) agreed a revised Committee structure with the establishment of two Policy Committees, specifically Finance and Assets and Operational Services, in addition to Licensing and Planning Committees.

3.2 Concern has been expressed at the length of recent agendas for Finance and Assets Committee and the imbalance between the two Policy Committees.

3.3 There are a number of options for member consideration, specifically:

- a) redistribute responsibilities between existing Policy Committees;
- (b) establish new Policy Committee and/or revise existing sub Committees;
- (c) increase frequency of Finance and Assets Committee;
- (d) reserve further powers to full Council.

The options may not be exclusive.

#### 4.0 PROPOSALS/CONCLUSIONS

4.1 The proposals outlined below reflect consideration of the options detailed in 3.3 and concludes that a mix of options (a), (b) and (d) is the preferred and most effective option.

4.2 Appendix 1 details the preferred option, specifically:

- establish a new Audit Committee with a membership of 5;
- transfer responsibility for the operations of the Revenues and Benefits service through Anglia Revenues Partnership (ARP), the responsibility for the operations of Leisure Services and the making of a final car parking order to Operational Services Committee;
- extend the powers reserved fully to Council to include Corporate Plan, Members Allowance Scheme and Economic Development Strategy.

This establishment of the new Audit Committee will necessitate a review of the Special Responsibility for this member body through the IRP and will be reported to next Council.

#### 5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

5.1 Any change to the current SRA will be determined by Council following the recommendation from the IRP.

#### 6.0 APPENDICES

6.1 Appendix 1 - Proposed revised terms of reference (tracked)

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**Background Documents**

Council – 21 February 2019  
Agenda Item No. 12

**Location**

Room 103  
The Grange  
Ely

**Contact Officer**

John Hill  
Chief Executive  
(01353) 616271  
E-mail: john.hill@eastcambs.gov.uk

**(III) AUDIT COMMITTEE**

**1.0 CONSTITUTION**

1.1 This Committee shall comprise of 5 members of Council who shall be appointed by full Council (from the full membership). Its quorum is 3.

**2.0 OBJECTIVES**

2.1 Oversight and approval of Statement of Accounts, Internal and External Audit, and Risk Management matters (not otherwise the responsibility of the Council or any other Committee).

**3.0 TERMS OF REFERENCE**

3.1 The Committee's terms of reference shall be:-

3.2 To act as the Council's Audit Committee and the discharge of these duties and responsibilities including:-

- consideration of Annual Audit letter to Members, Annual Audit and Inspection Fee Letter and the External Auditor Annual Governance Report, Annual Audit Plan and Code of Audit Practice and Statement of Responsibilities;
- approve the Annual Governance Statement;
- approve the Statement of Accounts;
- approve the Code of Corporate Governance;

3.3 To agree the Internal Audit Terms of Reference and Internal Audit Plan, review and consider the Plan, any Annual Report and/or Opinion.

3.4 To oversee and approve the Code of Corporate Governance. To oversee the Council's Corporate Governance arrangements including Anti-Fraud and Corruption Policy.

3.5 To oversee and monitor the Council's Corporate Risk Register and recommend revisions to the Council's Risk Management Strategy.

3.6 To appoint 'Member Champions' as required.

3.7 To make nominations to any relevant outside bodies for the Audit Committee from the wider membership of the Council for a period of up to 4 years.

**4.0 Delegation to Audit Committee**

4.1 Subject to the provisions of the Council's Constitution, the Committee has delegated authority to act on behalf of the Council in relation to the above, unless

- reserved to Council; or
- delegated to officers under these or the other Committee terms of reference.

**5.0 Delegation to Officers**

5.1 The Finance Manager & S151 Officer is authorised to act in relation to any matter of immediate urgency which must be dealt with before the next meeting of the Committee provided:

- the Chairman or Vice-Chairman of the Committee is consulted prior to the delegated decisions being made;
- Spokespersons of minority groups are notified immediately of any action taken under this delegated power;
- action taken is reported to the next Committee; and
- it excludes any decision, which is by law expressly vested in the Council.

5.2 There shall be delegated to the Finance Manager & S151 Officer the exercise of any power or function of the Council in routine matters related to the implementation of agreed Strategies, Policies and programmes, falling within established policies and procedures and within existing budgets.

For the avoidance of doubt this delegation shall include the power to authorise others to exercise such powers.

This delegation shall not be taken to include any matter reserved to Full Council.

5.3 There are further delegated to the officers indicated below the exercise of any power or function of the Council relating to the matters set out below (whether Policy approval, monitoring or operational matters have been delegated to a Sub-Committee or not) under the Listed Acts or any amendment, modification or re-enactment of those Acts, or Regulations/Orders made under those Acts:

<b>Accounts &amp; Audit Regulations</b> To approve in-year amendments to Audit Plan between Committee meetings after consultation with the Chairman of the Committee	Finance Manager
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**PART 3**

**RESPONSIBILITY FOR FUNCTIONS**

- 1 COUNCIL COMMITTEES AND OTHER MEMBER BODIES OBJECTIVES, TERMS OF REFERENCE AND DELEGATION TO OFFICERS

## A **COUNCIL**

### 1.0 **CONSTITUTION**

1.1 Full Council comprises the 28 members of Council. Its quorum is one quarter of the total members (7) – unless more than a 1/3 of the total membership is disqualified, in which case the quorum is ¼ of those remaining qualified.

### 2.0 **OBJECTIVES**

2.1 To run an efficient and effective Council to deliver best value for our residents.

2.2 To build the foundations for the growth of East Cambridgeshire's economy by supporting job and wealth creation whilst improving the quality of life and the environment.

### 3.0 **TERMS OF REFERENCE**

All the matters requiring Council approval will be reported directly to Council (including consultation documents), therefore only the Council will exercise the following functions:

#### 3.1 **Governance**

- (i) Adopting and changing the Constitution, including the Committee structure;
- (ii) Making appointments to the Council's Committees;
- (iii) Adopting, amending or revoking a Members' Allowances Scheme and determining the schedule of allowances;
- (iv) Revise and approve any Petitions Scheme or policy;
- (v) Changing the name of the area or conferring the title of Honorary Alderman;
- (vi) Making requests to the Local Government Boundary Commission for England or functions relating to passing a resolution to change schemes of Elections;
- (vii) Making an order following a Community Governance Review.

#### 3.2 **Policy**

To approve or adopt key policies and procedures as defined below:

- Council's Corporate Plan including corporate objectives and corporate priorities;
- Development Plan Documents (Local Plan);
- [Economic Development and Jobs Growth Strategies](#)
- Local Development Scheme (LDS);
- Approval of the Council's Corporate Risk Register on an annual basis;
- Annual programme of Service Reviews;
- Making, amending, revoking, retracting or adopting by-laws and promoting or opposing the making of local legislation or personal bills;
- Other key policy documents which the law requires are adopted by full Council that includes:

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Community Infrastructure Levy,  
Environmental Enhancement Schemes,  
Statutory strategies related to Crime and Disorder, Children and Young People and  
Health Improvement.

### 3.3 **Budget (Subject to recommendation from Finance & Assets Committee)**

- (i) Council Tax, Revenue and Capital Budgets;
- (ii) Statement of the robustness of the Budget and the adequacy of Reserves;
- (iii) Annual Treasury Management Strategy and Annual Investment Strategy;
- (iv) Plans or strategy for the control of the local authority's borrowing, investments or capital expenditure or for determining the authority's minimum revenue provisions (to the extent not covered by the Policy Framework).

### 3.4 **Other Matters**

- (i) Confirming the appointment of the Chief Executive/Head of Paid Service (Council may delegate the selection process for this matter to a panel reporting to it);
- (ii) Appointment of the Chief Finance Officer and Monitoring Officer (or other Chief Statutory Officers as defined<sup>[1]</sup>, as may supplement or term replacing the same) on recommendation of the Head of Paid Service or his/her nominee;
- (iii) Senior Officer Pay Policy;
- (iv) Appointing representatives to outside bodies unless the appointment has been delegated by the Council;
- (v) Approving the Statement of Principles under the Licensing Act 2003 and Gambling Act 2005 and any revision, and considering a policy to not permit any further casinos in its area;
- (vi) Approval of Compulsory Purchase action proposed by Committee;
- (vii) Make a neighbourhood plan or neighbourhood development order ('make' meaning adopt to all intents and purposes.

Any other decisions that falls within the terms of reference of a Policy Committee or Sub-Committee on the basis that:

- the Committee resolves to refer this decision to Full Council ("Referred-up") in accordance with Council Procedure Rule 25);
- the decision has been referred by three Members of Council ("Council call-in") in accordance with Council Procedure Rule 26

## 4.0 **Delegation to Officers**

- 4.1 The Chief Executive, or officers comprising Corporate Management Team are authorised to act in relation to any matter of immediate urgency, which must be dealt with before the next meeting of the Council provided:

<sup>[1]</sup> Under the Local Government & Housing Act paragraph (a), (c) or (d) of section 2(6), per Local Government (Standing Order Regulations 1993 No 202 as amended; & 2001 No 3384 as amended

- (a) the Leader of the Council (if any), otherwise Group Leaders, are consulted prior to delegated decisions being made;
- (b) Leaders of Groups and the Chairman of the Council are notified immediately of any action taken under this delegated power; and
- (c) action taken shall as soon as practicable be reported to Council.
- 4.2 There shall be delegated to the Chief Executive, and in his absence to the Directors the exercise of any power or function of the Council in routine matters related to the implementation of agreed strategies and programmes and falling within established policies and procedures and within existing budgets after appropriate consultation with the Leader of the Council (if any) or otherwise with all Group Leaders.  
For the avoidance of doubt this delegation shall include the power to authorise others to exercise such powers.  
This delegation shall not be taken to include any matter reserved by law to the Full Council.
- 4.3 There are further delegated to the officers indicated below the exercise of any power or function of the Council relating to the matters set out below.

<b><u>Appointment of Members to Committees</u></b> To make minor in-year changes in committee memberships within the agreed proportionality at the request of Group Leaders	Democratic Services Manager
<b><u>Civil Emergencies</u></b> <b><u>Enforcement and Other Proceedings</u></b> <b><u>Civic Defence Act 1948</u></b> The function of District Controller	Chief Executive
<b><u>Local Government (Miscellaneous Provisions) Act 1976</u></b> Power to make decisions, spend money and take all actions necessary for the immediate alleviation of hardship or suffering in the event of peacetime emergencies in the District	Chief Executive
<b><u>Court Proceedings</u></b> <b><u>Local Government Act 1972 s.223</u></b> To represent the Council in the Magistrates and County Court, at inquiries etc.	Legal Services Manager to delegate to appropriate local authority officers (including Legal Executives/Trainee Solicitors - & other officers as appropriate (Solicitors and Barristers have automatic authority)
<b><u>Council Meetings</u></b> To determine the annual calendar of meetings.	Democratic Services Manager
<b><u>Legal Proceedings</u></b> To commence legal proceedings (including prosecutions, injunctions and other proceedings) in relation to the Council's functions as set out in statute (subject to being satisfied as to evidence).	Legal Services Manager or Chief Executive
<b><u>Sealing of Documents</u></b> Authorisation to affix the Council's seal to all deeds and agreements under seal made in respect of any	Legal Services Manager or Chief Executive

functions of the Council, its committees, proper officer, etc	
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**B. POLICY COMMITTEES**

(I) OPERATIONAL SERVICES COMMITTEE

(II) FINANCE & ASSETS COMMITTEE

**(I) OPERATIONAL SERVICES COMMITTEE****1.0 CONSTITUTION**

1.1 The Committee shall comprise of 9 members of Council who shall be appointed by full Council (from the full membership). Its quorum is 5.

**2.0 OBJECTIVES**

2.1 To formulate policy, monitor and oversee the Service Delivery Plans for the Council's operational services to achieve the Council's corporate objectives and priorities.

2.2 Oversight and approval of Corporate Performance matters (not otherwise the responsibility of the Council or any other Committee).

2.3 To promote and oversee the Council's commitment to exploring the commercial opportunities in the delivery of its operational services.

2.4 To undertake the Shareholder Committee role and functions for East Cambridgeshire Street Scene (ECSS), including the organisation of an annual All Member Seminar, that are not reserved to full Council in accordance with the Shareholder Agreement of those Trading Companies and the Memorandum of Understanding attached as an Appendix to these Terms of Reference.

**3.0 TERMS OF REFERENCE**

3.1 The Committee's terms of reference shall be:-

3.2 To approve and monitor performance against the Service Delivery Plans for the following service areas:-

- Building Control
- Communities & Partnerships
- Customer Services
- Environmental Services & Licensing
- Housing Services & Community Safety
- ~~Information Technology~~
- [Leisure Services](#)
- ~~Performance Management~~
- Planning (Development Control)
- PR & Communications
- Waste

3.3 To approve key policies and procedures as defined within the specific Service Delivery Plans (as defined in paragraph 3.2) and not reserved for full Council, including:

- environmental and enforcement policies and procedures
- Housing Services (Sub strategies to Housing Strategy including the homelessness Strategy and also operational allocation and lettings matters)
- criteria for housing grant schemes and conservation area/historic buildings grants

- Waste Strategy and policies/procedures related to procurement and variations to contract including monitoring the implementation of DCLG 'Supporting Weekly Collections' grant
- Council's IT/IS Strategy
- Award grants for the following grant schemes i.e. Community Projects, Voluntary Organisations and Service Level Agreements in excess of £5000pa
- Responsibilities under the 2004 Children's Act
- Responsibilities under the Police and Justice Act 2006
- Assets of Community value

- 3.5 To consider proposals for closer partnership working for services as defined in paragraph 3.2.
- 3.6 To appoint 'Member Champions' as required.
- 3.7 Approval of matters detailed above must be within the agreed budget and virement rules for the services defined in paragraph 3.2.
- 3.8 To make nominations to any relevant outside bodies for Operational Services Committee from the wider membership of the Council for a period of up to 4 years.
- 3.9 To receive a case and make a decision on proposals for a Public Space Protection Orders (PSPO) made by Officers and the Constabulary.
- 3.10 To consider and accept or reject expressions of interest under the Community Right to Challenge.
- 3.11 To implement, monitor and review a District-wide Tourism Strategy.

[3.12 To approve final parking orders.](#)

[3.13 To receive the minutes of the ARP Joint Committee and make any appropriate recommendations to Joint Committee or Council.](#)

#### **4. Delegation to Operational Services Committee**

- 4.1 Subject to the provisions of the Council's Constitution, the Committee has delegated authority to act on behalf of the Council in relation to the above, unless
- reserved to Council; or
  - delegated to officers under these or the other Committee terms of reference.

#### **5. Delegation to Officers**

- 5.1 The Chief Executive or Directors or appropriate Service Leads, are authorised to act in relation to any matter of immediate urgency, which must be dealt with before the next meeting of the Committee provided:
- the Chairman or Vice-Chairman of the Committee is consulted prior to the delegated decisions being made;
  - spokespersons of minority groups are notified immediately of any action taken under this delegated power;

- action taken is reported to the next Committee; and
- it excludes any decision, which is by law expressly vested in the Council.

5.2 There shall be delegated to the Chief Executive or Directors, the exercise of any power or function of the Council in routine matters related to the implementation of agreed Strategies, Policies and programmes, falling within established policies and procedures and within existing budgets.

For the avoidance of doubt this delegation shall include the power to authorise others to exercise such powers.

This delegation shall not be taken to include any matter reserved to Full Council.

5.3 There are further delegated to the officers indicated below the exercise of any power or function of the Council relating to the matters set out below (whether Policy approval, monitoring or operational matters have been delegated to a Sub-Committee or not) under the Listed Acts or any amendment, modification or re- enactment of those Acts, or Regulations/Orders made under those Acts:

<b>Building Act 1984</b> ss. 59, 60-64, 65, 76, 95	Environmental Services Manager or Director Operations
<b>Clean Air Act 1993</b>	Environmental Services Manager
<b>Clean Neighbourhoods and Environment Act 2005</b>	Environmental Services Manager or Director Operations
<b>Contaminated Land (England) Regulations 2006</b> (as amended)	Environmental Services Manager or Director Operations
<b>Control of Pollution Act 1974</b>	Environmental Services Manager or Director Operations
<b>Control of Pollution Amendment Act 1989</b>	Director Operations
<b>Criminal Justice and Public Order Act 1994</b>	Director Operations or Director Commercial or Housing & Community Safety Manager
<b>Crime and Disorder Act 1998</b>	Environmental Services Manager or Director Operations
<b>Dogs Act 1871</b>	Environmental Services Manager or Director Operations
<b>Dogs (Fouling of Land) Act 1996</b>	Environmental Services Manager or Director Operations
<b>Environment Act 1995</b>	Environmental Services Manager or Director Operations
<b>Environmental Protection Act 1990 (as amended)</b> and all current Environmental Damage, Permitting and Protection Regulations in force	Environmental Services Manager or Director Operations

<b>European Communities Act 1972</b>	Environmental Services Manager or Director Operations
<b>Factories Act 1961</b>	Environmental Services Manager or Director Operations
<b>Food Act 1984</b>	Environmental Services Manager or Director Operations
<b>Food and Environmental Protection Act 1985</b>	Environmental Services Manager or Director Operations
<b>Food Safety Act 1990</b>	Environmental Services Manager or Director Operations
All current <b>Food Safety and Food Hygiene Regulations</b> in force	Environmental Services Manager or Director Operations
<b>Health and Safety at Work etc Act 1974 and Health and Safety (Enforcing Authority) Regulations 1989</b>	Environmental Services Manager or Director Operations
<b>Health Act 2006</b>	Environmental Services Manager or Director Operations
<b>Service of Fixed Penalty Notices</b>	All qualified Environmental Health Officers and appropriately authorised Enforcement Officers
<b>Reports to Legal Services</b>	All qualified Environmental Health Officers and appropriately authorised Enforcement Officers
<b>Preparation of Reports</b>	All qualified Environmental Health Officers and appropriately authorised Enforcement Officers
<b>Decision to submit a report to Legal Services</b>	Environmental Services Manager
<b>Housing Act 1985 (as amended by Housing Act 1996) Part X</b> Service of notice and action to prevent overcrowding in houses	Environmental Services Manager or Director Operations



<p><b>Housing Act 1985</b> (as amended by the Local Government and Housing Act 1989)</p> <p>After consultation with the Head of Finance and Chief Executive to waive the repayment of repairs grants, in accordance with the criteria laid down by the Council.</p>	Environmental Service Manager or Legal Services Manager
Undertake preliminary action to obtain valuations, identify budget and/or find partnering organisation(s) for the purchase/or compulsory purchase orders [for empty properties] in accordance with Acquisition of Land Act 1981/Housing Act 1985 (as amended) legislative procedure.	Environmental Service Manager or Legal Services Manager
<p><b>Local Government and Housing Act 1989</b> Power to grant and refuse grants</p>	Environmental Service Manager or Finance Manager
<p><b>Local Government and Housing Act 1989</b> Power of entry and penalty for obstruction Section 97</p>	Environmental Service Manager or Legal Services Manager
<p><b>Housing Grants, Construction and Regeneration Act 1996</b> Section 13, 18, 24, 76, 115, 131 Power to grant and refuse applications for grants and discretionary assistance.</p>	Environmental Service Manager or Finance Manager
<p><b>Housing Grants, Construction and Regeneration Act 1996</b> Section 82 Power of Entry.</p>	Environmental Service Manager or Legal Services Manager
<b>Housing Act 2004</b>	Environmental Services Manager or Director Operations
<b>Land Drainage Act 1991</b>	Environmental Services Manager or Director Operations
<b>Litter Act 1983</b>	Environmental Services Manager or Director Operations
<p><b>Local Government (Miscellaneous Provisions) Act 1976</b> ss. 16, 20, 35, 50(4), 53(3), 56(3), 56(4), 58(2), 68</p>	Environmental Services Manager or Director Operations
<b>Local Government (Miscellaneous Provisions) Act 1972</b>	Environmental Services Manager or Director Operations
<b>Mines and Quarries Act 1954</b>	Environmental Services Manager or Director Operations
<b>National Assistance Act 1968 and National Assistance (Amendments) Act 1951</b>	Environmental Services Manager or Director Operations
<b>Noise Act 1996</b>	Environmental Services Manager or Director Operations

<b>Noise and Statutory Nuisance Act 1973 and 1993</b>	Environmental Services Manager or Director Operations
<b>Noise Insulation Regulations 1973</b>	Environmental Services Manager or Director Operations
<b>Office, Shops and Railway Premises Act 1963</b>	Environmental Services Manager or Director Operations
<b>The Pollution, Prevention and Control Act 1999 [or The Environmental Permitting (England and Wales) Regulations 2007]</b>	Environmental Services Manager or Director Operations
<b>Prevention of Damage by Pests Act 1949</b>	Environmental Services Manager or Director Operations
<b>Public Health Acts 1936 and 1961</b>	Environmental Services Manager or Director Operations
<b>Rag, Flock and Other Filling Materials Act 1951</b>	Environmental Services Manager or Director Operations
<b>Refuse Disposal (Amenity) Act 1978</b>	Environmental Services Manager or Director Operations
<b>Sunday Trading Act 1994</b>	Environmental Services Manager or Director Operations
<b>The Products of Animal Origin (Third Country Imports) (England) (Amendments) Regulations 2007</b>	Environmental Services Manager or Director Operations
<b>Trade in Animals &amp; Related Products Regulations 2011</b>	Environmental Services Manager or Director Operations
<b>Public Health (Control of Disease) Act 1984</b>	Environmental Services Manager or Director Operations
<b>Public Health (Control of Disease) Act 1984 and The Health Protection (Coronavirus, Restrictions) (England) Regulations 2020</b> To issue Prohibition Notices and Fixed Penalty Notices under the legislation	Environmental Services Manager or Director Operations
<b>Vehicle (Crime) Act 2001<sup>1</sup></b> (or to the extent that it is relevant, from commencement the Scrap Metal Dealer's Act 2013 – see relevant delegation)	Environmental Services Manager or Director Operations
<b>Waste Minimisation Act 1998</b>	Environmental Services Manager or Director Operations
<b>Water Industry Act 1991</b>	Environmental Services Manager or Director Operations

<sup>1</sup> Scrap Metal Dealer's Act 2013 replaces the system of registration for motor salvage, as from 1 October 2013, although transitional provisions apply – see SI 2013/1966. Amendment Monitoring Officer under Article 11.02 (a).

<p><b>Affordable Housing Grant</b> To act as the Council's Signatory to certified claims to Homes England</p>	Infrastructure and Strategy Manager
<p><b>Housing Act 1996 (as amended by Homelessness Act 2002) Part VII</b> The Council's powers and duties to house homeless people who satisfy criteria laid down in the Act and by the Council</p>	Housing & Community Safety Manager
<p><b>Part VII</b> Review of Decisions to determine requests for reviews from applicants against decisions made under the homelessness provisions</p>	Housing & Community Safety Manager

<p><b>Enterprise &amp; Regulatory Reform Act 2013 Redress Schemes for Lettings Agency Work &amp; Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014</b></p> <p>To ensure persons involved in letting agency work and/or property management work are members of a Government approved property redress scheme</p>	Environmental Services Manager
<p><b>Localism Act 2011</b> <u>Chapter 3 Assets of Community Value</u> Register of Assets of Community Value (to consider applications for nomination)</p> <p><u>Appeals</u></p> <p><u>Compensation</u></p> <p><u>First Tier Tribunal claims</u></p>	<p>Communities &amp; Partnerships Manager, Legal Services Manager &amp; Planning Manager</p> <p>Chief Executive or Directors</p> <p>Finance Manager</p> <p>Legal Services Manager</p>
<p><b>Localism Act 2011 and The Community Right to Challenge (Expression of Interest and Excluded Services) (England) Regulations 2012/1313</b></p> <p>Expressions of interest sections 1-83 To consider on a preliminary basis whether the expression of interest meets the statutory requirements and rejection of those that do not meet those requirements.</p>	Chief Executive and Communities & Partnerships Manager
<p>To prepare asset registers in response to an expression of interest.</p>	Chief Executive or Service Lead
<p><b>Grants</b> Determination of all community grant requests under established grant schemes (No limits on grant amounts)</p>	Communities & Partnerships Manager
<p><b>Contract Issues</b> To compile a list/catalogue of consultants and tenderers as appropriate.</p>	Chief Executive or Legal Services Manager
<p><b>Anti-Social Behaviour Crime and Policing Act 2014</b> Power to grant Injunctions</p>	Director Operations or Housing & Community Safety Manager
<p><u>Power to issue Closure Notices</u> 48 hour Closure Notice 24/48 Closure Notice 24 hour Closure Notice</p>	Chief Executive Director Operations Environmental Services Manager

Power to issue closure Order	Chief Executive or Director Operations or Environmental Services Manager
Power to issue and enforce Community Protection Notice	Environmental Services Manager or Housing & Community Safety Manager
<b>To maintain information security policies/procedures</b>	ICT Manager
<b>Street name and numbering</b>	ICT Manager
<b>Traffic Orders</b> To respond to County Council consultations on proposed traffic orders, in consultation with the local Member(s).	Director Operations or Planning Manager
<b>Footpath Orders</b> To make Footpath Orders where no adverse comments are received from Members and other consultees.	Director Operations or Planning Manager
<b>The Planning (Listed Buildings and Conservation Areas) Act 1990</b> Section 57 To award grants of up to £4,000.	Director Operations or Planning Manager
To approve grant applications where there is a clear urgency for an early decision, subject to consultation with the Chairman of the Committee.	Director Operations or Planning Manager or Infrastructure & Strategy Manager
<b>Town and Country (General Permitted Development) Order 1995</b> Service of Article 4 in emergency, restricting development subject to notification of any such action being made as soon as practicable to a meeting of the Committee.	Director Operations or Planning Manager

**(II) FINANCE AND ASSETS COMMITTEE****1.0 CONSTITUTION**

1.1 This Committee shall comprise of 9 members of Council who shall be appointed by full Council (from the full membership). Its quorum is 5.

**2.0 OBJECTIVES**

2.1 Oversight and approval of Financial, ~~Audit~~, Governance, Corporate Strategy or Plans, Risk Management matters (not otherwise the responsibility of the Council or any other Committee).

2.2 To formulate policy, monitor and oversee the Service Delivery Plans for Corporate and support services to achieve the Council's corporate objectives and priorities.

2.3 Oversight and maximisation of Council's assets:

- to achieve the Council's objectives and corporate priorities;
- to deliver the Council's Medium Term Financial Strategy.

2.4 To promote and oversee the Council's commitment to exploring the commercial opportunities in the delivery of its services and the development and management of its assets.

2.5 To undertake the Shareholder Committee role and functions for East Cambridgeshire Trading Company (ECTC), including the organisation of an annual All Member Seminar, that are not reserved to full Council in accordance with the Shareholder Agreement of those Trading Companies and the Memorandum of Understanding attached as an Appendix to these Terms of Reference.

**3.0 TERMS OF REFERENCE**

3.1 The Committee's terms of reference shall be:-

3.2 To approve and monitor performance against the Service Delivery Plans for the following service areas:-

- Democratic Services
- Economic Development
- Financial Services
- Human Resources (HR)
- Infrastructure & Strategic Housing
- ~~Legal Services~~
- ~~Leisure Services (to Operational Services Committee)~~
- Open Spaces & Facilities
- Reprographics
- Strategic Planning

3.3 To act as the Council's Finance ~~and Audit~~ Committee and the discharge of these duties and responsibilities including:-

- ~~consideration of Annual Audit letter to Members, Annual Audit and Inspection Fee Letter and the External Auditor Annual Governance Report, Annual Audit Plan and Code of Audit Practice and Statement of Responsibilities; (To Audit Committee)~~
  - ~~approve the Annual Governance Statement; (To Audit Committee)~~
  - approve the Medium Term Financial Strategy ~~and Statement of Accounts; (To Audit Committee)~~
  - ~~approval of the Code of Corporate Governance; (To Audit Committee)~~
  - Budget and Annual Treasury Management and Investment Strategy (recommendation to Council).
  - To allocate expenditure of CIL Contributions in accordance with the Community Infrastructure Levy Governance Arrangements.
- 3.4 To undertake quarterly monitoring of revenue and capital expenditure against approved budgets.
- ~~3.5 To agree the Internal Audit Terms of Reference and Internal Audit Plan, review and consider the Plan, any Annual Report and, or Opinion. (To Audit Committee)~~
- 3.56 To investigate financial/budgetary matters pertaining to the Council and make recommendations where appropriate.
- ~~3.7 To oversee and approve the Code of Corporate Governance. To oversee the Council's Corporate Governance arrangements including Anti-Fraud and Corruption Policy. (To Audit Committee)~~
- 3.68 To approve Corporate Policies on enforcement and surveillance and receive any relevant external reports.
- ~~3.9 To oversee the Council's Corporate Risk Register and recommend revisions to the Council's Risk Management Strategy. (To Audit Committee)~~
- 3.749 In respect of Neighbourhood Planning, to receive a report and determine:
- A Neighbourhood Area, where the Neighbourhood Area proposed does not match the parish boundary and objections to the proposed boundary are received
  - if (other than minor non-consequential matters) the examiners recommendations are not accepted in full or if the Council is proposing further modifications (in addition to any modifications recommended by the examiner)
- 3.11 ~~To receive the minutes of the ARP Joint Committee and make any appropriate recommendations to Joint Committee or Council. (to Operational Services Committee)~~
- 3.842 To consider and make recommendations to Council on:
- the Annual Treasury Management Strategy, and Annual Investment Strategy;
  - the Budget;
  - ~~(where appropriate) the Internal Audit Plan to Council; (To Audit Committee)~~

~~the Members' Allowances scheme including the outcome of any Independent Panel reviews. (function of Council)~~

3.943 To approve key policies and procedures as defined within the specific Service Delivery Plans (as defined in paragraph 3.2) and not reserved for full Council, including:

- Councillor conduct including Members Code of Conduct and the establishment of Hearings Sub Committee (if appropriate) to deal with complaints in accordance with procedures

~~Monitoring the Council's corporate objectives and priorities (Function of Council)~~

~~Monitoring the Council's corporate risk register (To Audit Committee)~~

~~Housing Strategy sub strategies including tenancy strategy, also strategic allocation and lettings matters and the Local Investment Plan (LIP) (already a function of Operational Services)~~

- Planning Policy, including:
  - Statement of Community Involvement (SCI)
  - Supplementary Planning Documents

~~Economic Development and Job Growth (to Council)~~

- Matters relating to the implementing of Community Infrastructure Levy
- Freedom of Information Act/Environmental Information Regulation/Data Protection Act
- To approve Policy with respect to all aspects of Human Resources (including Equal Opportunities, pay and grading, Child protection and staff survey)
- Discretionary Rate Relief

~~Approval of final car parking orders (to Operational Services Committee)~~

3.104 To act as the Council's member body in relation to personnel matters including:

- representing the employers side of the Joint Consultative Committee (via two members) and receive the minutes and any recommendation of the JCC, including local Agreements;
- determination of requests for early retirement other than for health reasons;
- acting in accordance with the Council's Disciplinary and Grievance procedure including the establishment of a 3 member Appeals Sub Committee.

3.115 To consider proposals for closer partnership working for services as defined in paragraph 3.2.

3.126 To approve the purchase, disposal and development of the Council's non-operational assets, including land and buildings, and, where appropriate, transfer them to the relevant Local Authority Trading Company (LATC).



- 3.137 To monitor the Council's Asset Development Programme.
- 3.148 To approve and monitor the Council's asset maintenance programme.
- 3.159 To consider the asset development implications of contracts and agreements with third party service providers (prior to their adoption).
- 3.1260 To identify opportunities for maximising asset development through effective partnerships.
- 3.1724 To appoint 'Member Champions' as required.
- 3.1822 To make nominations to any relevant outside bodies for the Finance and Assets Committee from the wider membership of the Council for a period of up to 4 years.

#### **4.0 Delegation to Finance & Assets Committee**

- 4.1 Subject to the provisions of the Council's Constitution, the Committee has delegated authority to act on behalf of the Council in relation to the above, unless
- reserved to Council; or
  - delegated to officers under these or the other Committee terms of reference.

#### **5.0 Delegation to Officers**

- 5.1 The Chief Executive or Director Commercial or appropriate Service Lead, are authorised to act in relation to any matter of immediate urgency which must be dealt with before the next meeting of the Committee provided:
- the Chairman or Vice-Chairman of the Committee is consulted prior to the delegated decisions being made;
  - Spokespersons of minority groups are notified immediately of any action taken under this delegated power;
  - action taken is reported to the next Committee; and
  - it excludes any decision, which is by law expressly vested in the Council.
- 5.2 There shall be delegated to the Chief Executive or Director Commercial the exercise of any power or function of the Council in routine matters related to the implementation of agreed Strategies, Policies and programmes, falling within established policies and procedures and within existing budgets.
- For the avoidance of doubt this delegation shall include the power to authorise others to exercise such powers.
- This delegation shall not be taken to include any matter reserved to Full Council.
- 5.3 There are further delegated to the officers indicated below the exercise of any power or function of the Council relating to the matters set out below (whether Policy approval, monitoring or operational matters have been delegated to a Sub-Committee or not) under the Listed Acts or any amendment, modification or re-enactment of those Acts, or Regulations/Orders made under those Acts:

<b>Health and Safety at Work etc Act 1974</b> Provisions relating to the health and safety at work of Council employees.	Director Commercial or Open Spaces & Facilities Manager
<b>Local Government Act 1972</b> To make appointments below Chief Executive level.	Chief Executive (in consultation with the Human Resources Manager)
To approve payment of additional increments.	Chief Executive or Human Resources Manager
To approve overtime payments to officers graded above Scale 6.	Service Lead (in Consultation with Human Resources)
To permit staff taking approved correspondence courses or attending evening classes to study during working hours.	Human Resources Manager or Service Lead (in Consultation with Human Resources)
To authorise financial assistance to staff undertaking approved courses of study.	Director Commercial or Human Resources Manager
To administer pension matters on behalf of the Council.	Finance Manager or Human Resources Manager
To determine alterations to grades.	Chief Executive or Human Resources Manager
To issue notification as to status under the appropriate pension regulations.	Finance Manager or Human Resources Manager
Classification of posts as "essential" or "casual" users.	Chief Executive or Human Resources Manager
To maintain the register of staff interests and hospitality.	Legal Services Manager
Determination of the Council's establishment within existing budgets.	Chief Executive (Head of Paid Service)

<p><b>Planning Act 2008 &amp; Community Infrastructure Levy Regulations 2010</b></p> <p>To accept a “land payment or”/ note in whole or part payment in kind in settlement of a CIL liability that is due or infrastructure in kind</p>	<p>Chief Executive, Director Commercial</p>
<p><b>To consider a review under Regulation 113</b></p>	<p>Director Commercial</p>
<p><b>To spend Strategic CIL income in accordance with the appropriate allocations</b></p>	<p>Chief Executive, Director Commercial</p>
<p>Business Incentive Grants Scheme – to determine applications within the approved criteria, up to £5,000.</p>	<p>Director Commercial</p>

<p><b>Localism Act 2011</b></p> <p>Assistance to Parish Councils to prepare neighbourhood plans and neighbourhood development orders.</p>	Director Commercial or Strategic Planning Manager
<p><b>Affordable Housing Grant</b></p> <p>To act as the Councils Signatory to certified claims to Homes England</p>	Infrastructure & Strategy Manager
<p><b>Housing Social Grant</b></p> <p>To act as the Council's signatory to certify claims to Homes England for Local Authority Social Housing Grant</p>	Finance Manager
<p><b>The Child Support, Pensions and Social Security Act 2000 and the Discretionary Financial Assistance Regulations 2001</b></p> <p>To hear and determine appeals from applicants for discretionary housing payments.</p>	Finance Manager
<p><b>Council Tax Benefit (General) Regulations 1992</b></p> <p>To determine, award and refuse Council Tax Benefits.</p>	Finance Manager as delegated to the Anglia Revenues and Benefits Partnership
<p><b>Housing Act 1985</b></p> <p>To approve and not refuse, applications for borrowers for housing allowances to vary the terms of repayment of loans by the Council.</p>	Finance Manager or Legal Services Manager
<p>To take appropriate action in cases of default by Council Mortgagors in their repayment, following consultation with the local councillor(s) concerned.</p>	Finance Manager or Legal Services Manager
<p>To consent to a mortgagor effecting a second mortgage.</p>	Finance Manager or Legal Services Manager
<p>Implementation of the higher of the National Standard Rate or Local Average Rate of mortgage interest (NB: House purchase loans advanced prior to October 1980) to review annually in March the interest rate being charged to mortgagors and adjust it to the Standard National Rate.</p>	Finance Manager
<p><b>Local Government Finance Act 1988 – National Non-Domestic Rates (NDR)</b></p> <p>To deal with refunds, part-occupation of hereditaments, mandatory and discretionary rate relief, rebates arrears, including bankruptcies, tenants and lodgers, valuation (including agreements</p>	Finance Manager

and appeals to Valuation Courts), Court proceedings and distress proceedings	
To write-off NNDR not exceeding £10,000	Head of ARP and Strategic Manager (Revenues)
To deal with write-offs exceeding £10,000 but under £20,000, after consultation with the Chairman of the Committee, where recovery is unlikely / uneconomic.	Finance Manager
Section 49 To determine applications for remission of non-domestic rates on hardship grounds.	Finance Manager
To determine applications in respect of partly occupied properties.	Finance Manager
<b>Local Government Finance Act 1992 (as amended) Council Tax</b>  To deal with/authorise issue of completion notices, discounts, recovery and enforcement exemptions, agreement of alternative and voluntary instalment arrangements, determination of joint and several liability, refunds, imposition of penalties, reductions for people with disabilities, second adult rebates, determination of sole or main residence, grant of transitional reductions, write-offs up to £1,000 where recovery is unlikely or uneconomic.	Finance Manager
To take appropriate action on a Referendum on Council Tax in the event of a determination by the Secretary of State.	Finance Manager and Returning Officer
To write-off Council Tax and Housing Benefit Overpayments not exceeding £5,000	Head of ARP and Strategic Manager (Revenues)
To deal with write-offs exceeding £5,000 but under £10,000, after consultation with the Chairman of the Committee, where recovery is unlikely or uneconomic.	Finance Manager
To determine matters where appeals may be made to the Council as billing authority.	Finance Manager
To administer the Collection Fund.	Finance Manager
To agree the settlement of precept payment dates with the Major and Local Precepting Authorities.	Finance Manager
To remit, by way of write-off, any amounts becoming due through the revised policy to remove discretionary Council Tax discount for empty properties, in exceptional circumstances or on hardship grounds,	Finance Manager

after consultation with the Chairman of the Committee.	
To determine the Council Tax Base for the whole and parts of the Council's area for the forthcoming financial year beginning 1 April, with the policy on discounts and premiums to be reviewed by the relevant Committee on at least a three yearly basis.	Finance Manager
<b>Business Rates Retention Scheme</b> To deal with the National Non-Domestic Rates return (NNDR1) by 31 January immediately preceding the financial year to which it relates.	Finance Manager
<b>Localism Act 2011</b> Chapter 7 Recruitment of Independent persons (with final approval reserved to Full Council).	Legal Services Manager or Monitoring Officer
<b>Localism Act 2011</b> <b>District, Town or Parish Councillor complaints</b> To consider and accept/reject complaints relating to a District, Town or Parish Councillor (or co-opted Member) To refer complaint to Town or Parish for consideration and resolution.	Monitoring Officer or Deputy Monitoring Officer
To re-direct complaints that are unrelated to Member Conduct to the appropriate complaints system of the Council/or other authority (including, where relevant, the Police).	Monitoring Officer or Deputy Monitoring Officer
To see to informally resolve a complaint relating to a District, Town or Parish Councillor (or co-opted Member) with a meeting, mediation or training.	Monitoring Officer or Deputy Monitoring Officer
Investigation of complaints against a District, Town or Parish Councillor (or co-opted Member), or appoint internal or external officers or parties to undertake this on their behalf, in accordance with the approved complaints handling procedure having consulted the Independent Person before such a decision is made.	Monitoring Officer or Deputy Monitoring Officer
<b>Local Government Act 1972</b>  Section 111 To effect insurance for all services of the Council and to make arrangements for claims on insurance companies and agree settlements.	Finance Manager
Section 151 To agree terms for the Council's banking arrangements.	Finance Manager
Authority to sign cheques.	Finance Manager

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Section 172 Management of the Council's loan debt and investments.	Finance Manager
Section 215 To accept onto the list closed churchyards.	Legal Services Manager or Open Spaces & Facilities Manager
<b>Housing Benefits</b> To determine and adjudicate in all cases of applications under the Hosing Benefits Scheme, including fixing rent limitations for rent allowances.	Finance Manager
<b>Debts and Financial Claims</b> To institute legal proceedings on behalf of the Council for the recovery of all debts and defence of all claims.	Legal Services Manager
To write off any individual debt which does not exceed £1,000, after consultation with the Legal Services Manager, after ensuring that all action for recovery has been taken.	Finance Manager
To make ex gratia payments to complainants under the Council's complaints scheme or the Ombudsman Scheme.	Chief Executive or Finance Manager
<del>Accounts &amp; Audit Regulations To approve in year amendments to Audit Plan between Committee meetings after consultation with the Chairman of the Committee</del>	<del>Finance Manager (To Audit Committee)</del>
<b>To maintain Freedom of Information Act, Environmental Information Regulation and Data Protection Act Policies</b>	Legal Services Manager
<b>Electoral Matters</b> To act as Returning Officer or Acting Returning Officer, or other role as appropriate.	Chief Executive (or any officer so acting)
To act as Deputy Returning Officer in respect of: - Nominations - Postal Votes - Verification & Count - Accounts	Director Commercial or Electoral Services Team Leader (or any officer appointed by Returning Officer as so acting)
To act as Electoral Registration Officer.	Chief Executive (or any officer so acting)



<p><b>Representation of the People Regulations 1986</b> Section 29 To instigate prosecution proceedings in respect of two-year non-responders as instructed by the Electoral Registration Officer.</p>	<p>Legal Services Manager or Chief Executive</p>
<p><b>Local Government Act 2000</b> Section 92 To make payments where the authority is satisfied that there has been maladministration and that the person concerned has been adversely affected by such maladministration.</p>	<p>Chief Executive</p>
<p><b>Town and Country Planning Act 1990</b> <b>Localism Act 2011</b> <b>Neighbourhood Planning (General) Regulations 2012</b></p> <p><b>Regulation 6 and 7 - Neighbourhood Area Designation:</b></p> <ul style="list-style-type: none"> <li>-Receive and validate application</li> <li>-Advertise application for six weeks</li> <li>-Consider representations and</li> <li>-make a recommendation</li> </ul> <p>Determine applications that</p> <ul style="list-style-type: none"> <li>- match Parish boundary</li> <li>- without objection</li> </ul> <p>Publish decision</p>	<p>Director Commercial Strategic Planning Manager or Strategic Planning Officer</p> <p>Director Commercial</p> <p>Director Commercial Strategic Planning Manager or Strategic Planning Officer</p>
<p><b>Section 3, Schedule 4B of the Localism Act 2011.</b> Advice and assistance to the Parish Council</p>	<p>Director Commercial Strategic Planning Manager or Strategic Planning Officer</p>
<p><b>Regulation 14</b> – Initial Pre-submission six week consultation</p> <p>Supporting the parish council with their six week consultation on their draft Neighbourhood Plan</p> <p>Making any formal representations on the draft Neighbourhood Plan during that six week window</p>	<p>Director Commercial Strategic Planning Manager or Strategic Planning Officer</p>
<p><b>Regulation 16</b> - Submission of Neighbourhood Plan to the Council, and its publication for a further six week consultation</p> <ul style="list-style-type: none"> <li>-Validate the submission documents</li> <li>-Publication and arranging of six week consultation</li> <li>-Making ECDC representations on the Neighbourhood Plan</li> </ul>	<p>Director Commercial Strategic Planning Manager or Strategic Planning Officer</p>

-Collating and summarising the responses received and send to examiner	
<b>Regulation 17 to 19 - examination</b> Appointing an Inspector Arranging examination/hearing Appearing at hearing  Consider the examiners report if the examiners recommendations are accepted in full;  Deciding whether the neighbourhood plan should proceed to a referendum, having taken account of the examiners recommendations Publicising the examiner's report and the decision	Director Commercial Strategic Planning Manager or Strategic Planning Officer  Director Commercial  Director Commercial Strategic Planning Manager or Strategic Planning Officer
<b>Neighbourhood Planning (Referendum) Regulations 2012 – referendum</b>  Arranging, advertising and all other aspects of managing the referendum process  Publicise the results of the referendum	Democratic Services Manager
<b>Regulation 20 – adopting a neighbourhood plan</b>  Publicise decision	Democratic Services Manager
<b>Car Parking</b> The maintenance and running of off-street car parks.	Director Commercial or Open Spaces & Facilities Manager
To institute legal proceedings contravention of off-street car parking orders.	Legal Services Manager

<p><b>Landlord and Tenant Act 1954</b> Service of all notices in connection with renewal of tenancies under the Act.</p>	Legal Services Manager or Finance Manager
<p><b>Land Compensation Act 1973</b> Sections 29, 33 and 37 To approve applications for disturbance payments and removal expenses, and to approve applications for home loss payments.</p>	Chief Executive or Finance Manager
<p><b>Local Government Act 1972</b> Section 111 To arrange negotiations for the acquisition of land which it is anticipated will be required to meet the Council's Forward Capital Programme.</p>	Finance Manager & Legal Services Manager
<p><b>Local Government (Miscellaneous Provisions) Act 1976</b> Section 16 The service of requisitions for information as to the ownership of property.</p>	Legal Services Manager or Environmental Services Manager or Planning Manager or Director Operations
<p><b>Town and Country Planning Act 1990</b> <b>Town and Country Planning (General) Regulations 1976</b> The making of applications for deemed consent for authorised development to be carried out by the Council or in respect of land, which the Council may wish to dispose of with the benefit of planning permission.</p>	Chief Executive or Director Operations
<p><b>Property Issues</b> To approve or refuse requests to dispose of, or lease land identified as suitable for disposal subject to valuation by the District Valuer or any other independent valuer and arrange easements in accordance with the Council's policy and regulation review of landholdings (Safeguard: local members to be consulted).</p>	Chief Executive or Legal Services Manager
<p>To act in the purchase of suitable properties subject to prices being within an appropriate independent valuation, and after consultation with the Chairman of this Committee.</p>	Finance Manager or Legal Services Manager
<p>To sign wayleave agreements affecting property held by the Council.</p>	Legal Services Manager or Finance Manager
<p>To effect the discharge of land charges and releases of covenants in conveyancing of property by the Council or its predecessors (at an independent valuation where appropriate).</p>	Legal Services Manager or Finance Manager

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## CONSTITUTION

To enter into licences and arrange for rents and licence acknowledgement for small parcels of land to be reviewed.	Legal Services Manager or Chief Executive
To take all necessary steps to enter into options on land or property, in consultation with the Chairman or Vice-Chairman of Committee, prior to formal approval by Committee.	Legal Services Manager or Chief Executive
<b>Unauthorised Vehicular Accesses</b> To deal with vehicular accesses throughout the District by way of Licence or a Deed of Grant of Easement, or, if this is not possible, by the siting of bollards to prevent vehicular access.	Legal Services Manager or Finance Manager
<b>Proceedings against Trespass on Council Land</b> To commence court proceedings in any case of trespass on Council-owned property.	Legal Services Manager
<b>Proceedings against tenants and licensees</b> To commence court proceedings against tenants or licensees of the property for non-compliance with conditions of tenancy.	Legal Services Manager

**MEMORANDUM OF UNDERSTANDING****THE SHAREHOLDER INTEREST**

The Shareholder Committee recognises its duty to full Council, as the representative of the sole shareholder, to monitor the performance, resilience and risks of the Council's Trading Companies and make recommendations, where appropriate.

The Shareholder Committee, acting as a "critical friend", wants to work in partnership with the Council's trading companies on a proactive basis to ensure their success, specifically:

- Focus and provide effective feedback on the key strategic risks affecting the effectiveness and efficiency of the Council's trading companies;
- Promote an understanding of the Council's trading companies to the membership of the Council and the wider community;
- Learn the lessons from completed projects and make appropriate recommendations.

The Shareholder Committee recognises that:

- The efficient and effective working of the Council's trading companies are essential to the achievement of the Council's corporate objectives;
- The trading companies are central to the achievement of the Council's medium term financial strategy and its long term financial sustainability and self-sufficiency;
- The operational independence and integrity of the Council's trading companies are essential to their effective working and profitability.

**FINANCE & ASSETS HEARINGS SUB-COMMITTEE****1. Constitution**

- 1.1 The Sub-Committee shall comprise of 7 Members of the Council, who shall be appointed annually by full Council from the full Membership, and up to 2 co-opted non-voting Town or Parish Councillors.
- 1.2 The Sub-Committee and any Panel quorum is 3 Members, with the attendance of the appointed Independent Person. Where the Panel considers a complaint against a Town or Parish Councillor, the Town or Parish co-optee must be in attendance at the Panel Hearing.

**2. Objectives**

- 2.1 To support the Finance & Assets Committee in its duty to promote and maintain high standards of Councillor conduct.

**3. Terms of Reference**

- 3.1 To appoint Hearing Panels for Stage 6 complaints handling comprising 3 elected Members, to consider a complaint against an East Cambridgeshire District, Town or Parish Councillor, where there is an allegation that the Councillor has failed, or may have failed, to comply with their Authority's Code of Conduct **and** the Monitoring Officer, or her Deputy or appointed investigator's report has concluded that there appears to have been a breach of their Authority's Code.
- 3.2 The Panel shall be appointed from the Sub-Committee membership, with an elected Member acting as a reserve Member. Such a Panel can be a combination of any of the Members of the Sub-Committee.
- 3.3 In holding a Stage 6 complaints hearing, the Panel:
  - 3.3.1 Will hold the hearing in public session, unless representations have been received from the complainant and/or the Councillor subject to the complaint, by the Monitoring Officer/Deputy Monitoring Officer not to do so, and there is a legal basis under the Local Government Act 1972 to hold in exempt session.
  - 3.3.2 May, with the consent of both the complainant and the Councillor subject to the complaint, consider this without the attendance of the parties (a "paper" hearing).
  - 3.3.3 May, if it considers it reasonable to do so, proceed with any hearing in the absence of one of the parties.
  - 3.3.4 Must ensure that this is conducted having regard to the hearings procedure and any government guidance, or guidance issued by the Monitoring Officer, Deputy Monitoring Officer or legal advisor.
  - 3.3.5 Must ensure that any Councillor that is subject to the complaint is given the opportunity to attend, and/or submit or present evidence and make representations, either orally or if the member chooses, in writing; and (b) either personally, or by legal representative, or with the Panel's consent, any other representative.

- 3.3.6 May arrange or agree to the attendance of such witnesses, as the Monitoring Officer, Deputy Monitoring Officer or investigator considers appropriate.
- 3.3.7 May adjourn the hearing proceedings at any stage prior to the final determination of the complaint.
- 3.3.8 Will allow the Councillor who is subject to the complaint to call such witnesses in support, subject to the Panel limiting the numbers of witnesses that a person may call, if it considers that the number the person proposes to call is unreasonable.
- 3.3.9 Will seek and take into account the views of the Independent Person at the Panel Hearing *before* making its final determination on the matter.
- 3.3.10 **[in cases where the complaint relates to a Town or Parish Councillor]** Will seek and take into account the views of the Town or Parish co-optee at the Panel Hearing *before* making its final determination on the matter.
- 3.3.11 Will determine whether the Councillor subject to the complaint has breached their Authority's Code of Conduct and provide reasons for any decision.
- 3.4 If the Panel concludes that the Councillor subject to the complaint has breached their Authority's Code of Conduct, the Panel may confirm the following sanctions:
- 3.4.1 No action.
- 3.4.2 That the Councillor be trained.
- 3.4.3 That the Councillor be censured.
- 3.4.4 That a recommendation is made to the District Council's full Council to censure the District Councillor.
- 3.4.5 **[in the case where the complaint relates to a Town or Parish Councillor]** recommend to the Town or Parish Council that the Town or Parish Council censures the Councillor at a Town or Parish meeting.
- 3.5 To assist with good governance, if requested by Finance & Assets Committee.
- 4. Delegation to Officers**
- 4.1 The Monitoring Officer is authorised to act in relation to any matter of immediate urgency, which must be dealt with before the next meeting of the Sub-Committee provided the Chairman or Vice-Chairman of the Sub-Committee is consulted prior to delegated decisions being made.
- 4.2 There shall be delegated to the Monitoring Officer, the exercise of any power or function of the Council in routine matters related to the implementation District, Town and Parish Councillor complaint procedures.
- This delegation shall not be taken to include any matter reserved by law to the Finance & Assets Committee or the Full Council.
- 4.3 There are further delegated to the officers indicated below the exercise of any power or function of the Council set out below:

<b>To make arrangements for a Panel hearing</b> including Members sitting on the Panel, and, where relevant, Town or Parish co-optees attendance	Democratic Services Manager or Democratic Services Officer
<b>To make arrangements for the hearing to be held in exempt session</b> , if representations are received and there is a legal basis for the exempt session under the Local Government Act 1972	Monitoring Officer or Deputy Monitoring Officer or Democratic Services Manager
To agree that a reserve Panel Member may substitute for one of the allotted Members at the hearing	Monitoring Officer or Deputy Monitoring Officer in her absence
To undertake any pre or post hearing preparation for the hearing including (although not limited to) notifying and requiring attendance of the complainant, the Councillor subject to the complaint and any witnesses	Monitoring Officer or Deputy Monitoring Officer
<b>To undertake any post hearings decision</b> training or instruct others (internally or externally) to do so	Monitoring Officer or Deputy Monitoring Officer



**FINANCE & ASSETS HEARINGS SUB-COMMITTEE PANEL**  
**HEARING PROCEDURE**

The Finance & Assets Hearings Sub-Committee Panel (“the Panel”) needs to have an efficient and effective hearing process to deal with any hearings regarding allegations that a Councillor has breached their Authority’s Code of Conduct. This will assist Members of the Panel to deal with all the issues that need to be resolved in a way that is fair to the Councillor that is subject of the allegation. This procedure is intended to encourage a consistent approach and promote and maintain high standards of Councillor conduct.

#### Interpretation

1. “**Complainant**” means the person who referred the formal complaint relating to the Councillor to the Monitoring Officer.

“**Councillor**”, includes a co-opted Councillor, means the Councillor (or former Councillor) of the authority who is the subject of the allegation being considered by the Panel, unless stated otherwise. This may be a Councillor (or former Councillor) of Council or a Town or Parish Council in the area. It also includes the Councillor’s (or former Councillor’s) nominated representative.

“**Independent Person**”, includes the lead or deputy person appointed by the District Authority under s28 Localism Act 2011.

“**Investigator**” means the Monitoring Officer, Deputy Monitoring Officer or any nominated internal or external investigator or their representative(s).

“**Legal Adviser**” means the officer responsible for providing legal advice to the Panel. This may be the Monitoring Officer, another legally qualified officer of the authority, or someone appointed for this purpose from outside the authority.

#### Representation

2. The Councillor may be represented or accompanied during the hearing by a Solicitor, Counsel or, with the permission of the Panel, another person.

#### Legal Advice

3. The Panel may take legal advice from its Legal Adviser at any time during the hearing or while they are considering the outcome. The substance of any legal advice given to the Panel will be shared with the Councillor and the Investigator if they are present.

#### Voting

4. Each Member of the Panel will have one vote, and all matters/issues will be decided by a simple majority of votes cast, with the Chair having a second or casting vote should that be needed. Abstentions will not be permitted.
5. The Independent person shall be consulted before any final determination, but will not be entitled to vote.
6. If the complaint relates to a Town or Parish Councillor, a co-opted Town or Parish representative will attend the hearing and shall be consulted by the Panel before any final determination, but will not be entitled to vote.

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[230221 Committee Restructuring App 1bPart 3 – Responsibility for](#)

7. The Panel's decision will record whether it was unanimous or taken by a majority.

#### Quorum

8. The Proper (Democratic Services) Officer or his/her representative will confirm whether the Committee is quorate. A quorum for the Panel will be three elected Members of the authority. The Independent Person must be in attendance throughout the hearing and, where the matter involves an allegation of misconduct against a Town or Parish Councillor, a co-opted Town or Parish representative must be in attendance throughout the hearing. If the Monitoring Officer or Deputy Monitoring Officer has agreed that the reserve Member may substitute for the named Member on that Panel, then the Panel is then deemed to include that Member as part of the Panel with a right to come to a decision on the complaint and any sanctions.

#### Setting the Scene and Preliminary Procedural Issues

9. The Panel Members may consider the hearing as a "paper" hearing, in the absence of the Complainant or Councillor PROVIDING the Complainant or Councillor has agreed to this<sup>2</sup>. In such situations the Investigator may or may not be in attendance, and any report prepared will be considered, together with any evidence or submissions made by the Complainant or Councillor. The Panel will confirm if they are going to consider this as a paper hearing and the reasons for doing so. If the Panel decides that it cannot proceed without the attendance of the Complainant or Councillor or Investigator, the hearing shall be adjourned to arrange attendance.
10. Where there is a hearing with parties in attendance, the Chairman will formally introduce those present, any apologies will be notified and the Chair of the Panel will explain how the Panel is going to handle the hearing.
11. The Panel will then resolve any issues, which may include (although not be limited to) confirming whether they can proceed in the absence [*which does not fall within the category of paper hearing*] of the Complainant or Councillor, or the absence of a witness who has been asked to attend; reasons for any substitutions; admission of late evidence (witness or documentary); the number of witnesses to be called; and any application for lay representation by the Councillor.
12. After dealing with any preliminary issues, the Panel will then move on to consider whether or not there are any significant disagreements about the facts contained in the Investigator's report.

#### Findings of fact and whether the Councillor fail to follow the Councillor's Authority Code of Conduct:

13. If there is no disagreement about the facts, the Panel can then move on to the next stage of the hearing.
14. If the Councillor disagrees with any relevant fact in the Investigator's report, without having given prior notice of the disagreement, he or she will be required to give good reasons for not mentioning it before the hearing. After considering the Councillor's explanation for not raising the issue at an earlier stage, the Panel may then:-

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<sup>2</sup> As per 3.3.2 of the Finance & Governance Sub-Committee terms of reference.

- a. allow the Councillor to make representations about the issue, and invite the Investigator to respond and call any witnesses, as necessary and such matters shall be taken into account when the Panel reaches its decision on the facts; or
  - b. postpone the hearing to arrange for appropriate witnesses to be present, or for the Investigator to be present if he or she is not already in attendance.
15. Where representations on the facts have been made (and have been disputed by the Councillor), the Panel may ask the Investigator (if present), or legal representative, to start by outlining the relevant facts (that are agreed and what disputed).
  16. If there is a disagreement, the Investigator, if present, will be invited to make any necessary representations to support the relevant findings of fact in the report. This may include representations on behalf of the Complainant where appropriate. Subject to any limitation set by the Panel under paragraph 11, the Investigator may call any relevant witnesses (including the Complainant) to give evidence.
  17. The Panel will give the Councillor an opportunity to challenge any evidence put forward by any witness called by the Investigator (directly or through the Chair). The Panel will also consider any verbal or written representations from the Investigator in relation to the alleged breach of the Code of Conduct.
  18. The Councillor will then be given the opportunity to make representations to support his or her version of the facts and reasons why he or she believes he or she has not, or has failed to follow the Code and (subject to any limitation set by the Panel under paragraph 11) to call any witnesses to give evidence.
  19. At any time, the Panel, Independent Person or Town/ Parish Representative may question any of the people involved (including the Complainant) or any of the witnesses, and may allow the Investigator (and the Complainant through the Chair) to challenge any evidence put forward by any witnesses.
  20. The Investigator and then Councillor will be invited to make any final relevant points on fact or the alleged failure to follow the Code.
  21. The Panel Members, Independent Person, any co-opted Town or Parish representative and Legal Advisor will then retire to another room to consider all the documentary and witness evidence and decide what the relevant facts were, followed by whether the Councillor failed to follow the Code of Conduct and reasons for the decision. The Panel shall seek the views of the Independent Person and co-opted Town or Parish representative present, and take these into account when reaching its decision.
  22. On the Panel's return, the Chair will announce the Panel's decision and reasons for its findings of fact and whether or not the Councillor has failed to follow his or her Authority's Code of Conduct. The decision will note any views expressed by the Independent Person and co-opted Town or Parish representative. *Even in the event that the Panel concludes that there has been no failure to follow the Councillor's Authority Code of Conduct, the Panel may still consider whether it should make any recommendations, which the Panel believes will promote and maintain high standards of conduct amongst Councillors or co-opted Councillors.*

**If the Councillor has not failed to follow the Councillor's Authority Code of Conduct:**

23. If the Panel decides that the Councillor has not failed to follow the Code of Conduct, the Panel will announce its decision and reasons.
24. If relevant, the Panel may make any recommendations to the Council or other relevant authority, with a view to promoting high standards of conduct amongst Councillors or co-opted Councillors.

**If the Councillor has failed to follow the Councillor's Authority Code of Conduct:**

25. If the Panel decides that the Councillor has failed to follow the Code of Conduct, it will consider any verbal or written representations from the Investigator and the Councillor as to:
  - a. whether or not the Panel should impose a sanction; and
  - c. what form any sanction should take.
26. The Panel may question the Investigator and Councillor, and take legal advice, to make sure they have the information they need in order to make an informed decision.
27. The Panel Members, Independent Person, any co-opted Town or Parish representative and Legal Advisor will then retire to another room to consider whether or not to impose a sanction on the Councillor and, if so, what the sanction should be and the reasons for the decision. The Panel shall seek the views of the Independent Person and co-opted Town or Parish representative present, and take these into account when reaching its decision. The Panel may also consider and make general recommendations to the District, Town or Parish Council, which they believe will promote and maintain high standards of conduct by Councillors or co-opted Councillors.

**Sanctions relating to the Councillor:**

28. The Panel may decide to:
  - a. Take no action.
  - b. Recommend that the Councillor undertake training and/ or
  - c. Censure the Councillor, and/or
  - d. Recommend to the District Council that the District Councillor be subject to formal censure at Full Council.
  - e. Recommend to the Town or Parish Council that the Town or Parish Councillor be subject to formal censure at Town or Parish meeting.
29. On its return, the Chair will announce the Panel's decision and reasons.

**The Written Decision**

30. The Panel will announce its decision on breach of the Code and Sanctions on the day as detailed above and will produce a full written decision within 5 working days, which, unless held in exempt session, will be available on the District Council's website within 14 working days, together with any hearing minutes.



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**PAY POLICY STATEMENT 2021/22**

Committee: Full Council

Date: 23 February 2021

Author: Nicole Pema, HR Manager

[V135]

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1.0 **ISSUE**

1.1 To present the Council's Pay Policy Statement 2021/22, a requirement under the Localism Act 2011.

2.0 **RECOMMENDATION**

2.1 It is recommended that Members approve and adopt the 2021/22 Pay Policy Statement.

3.0 **BACKGROUND**

3.1 The Localism Act 2011 requires the Council to prepare a Pay Policy Statement for each financial year. The Statement must be prepared and approved by the end of March each year.

3.2 The Council's Pay Policy Statement for 2021/22 is attached at Appendix 1.

3.3 The statement must include the pay and remuneration for all posts on the Council's establishment designated as 'Chief Officer' in accordance with the Local Government and Housing Act 1989 (see Section 2.4 of the Pay Policy Statement).

3.4 The Pay Policy Statement has to include:

- The level and elements of remuneration for each Chief Officer;
- The remuneration of the lowest paid employee; and
- The relationship between the remuneration of Chief Officers and other Officers.

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

3.6 Following the introduction in November 2020 of regulations to implement the £95k Exit Cap in local government there is currently an interim position in relation to pension and severance arrangements. The new regulations cap the total exit payment that may be made to a departing local government employee to a sum not exceeding £95,000. This sum includes statutory redundancy payments, discretionary payments and any capitalised pension strain payment (payment to the LGPS for early release of pension before normal retirement date). Pension strain payments may be due to be paid in connection with employees aged 55 or over, if they are part of the Local Government Pension Scheme.

3.7 There has also been consultation on proposed changes to the Local Government Pension Scheme (LGPS) and the outcome of the consultation on proposed changes to the LGPS is not known at this time. Provisions within the Exit Cap are now scheduled for Judicial Review in Spring 2021.

3.8 In light of the current position in relation to the £95k Exit Cap regulations and potential changes to the Local Government Pension Scheme (LGPS) it may be necessary to amend the Pay Policy and Pensions Discretions Statements in 2021.

3.9 Within the Treasury directions relating to the Exit Cap regulations there are provisions to apply for a discretionary waiver of the exit cap in exceptional circumstances. Any proposal to apply for a waiver of the current £95k Exit Cap provisions will be reported to Full Council for decision.

#### 4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 The Council's Pay Policy Statement draws together existing policies relating to pay and reward and the financial implications of these policies were taken into account at the time they were established. There are no further financial implications arising from the policy proposals in this report.

4.2 An Equality Impact Assessment (EIA) is not required.

#### 5.0 APPENDICES

5.1 Appendix 1 Draft Pay Policy Statement 2021/22

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Local Government and Housing Act 1989	Room 118	Nicole Pema
The Local Government Transparency Code (Feb 2015)	The Grange Ely	HR Manager (01353) 616325 E-mail: nicole.pema@eastcambbs.gov.uk
Openness and Accountability in Local Pay: Guidance under the Localism Act 2011		

[The Restriction of Public Sector Exit Payments Regulations 2020](#)

[Local government exit pay: a guide for local authorities for the interim period until MHCLG regulations come into force](#)

**EAST CAMBRIDGESHIRE DISTRICT COUNCIL**  
**PAY POLICY STATEMENT 2021-2022**

**a) INTRODUCTION**

- 1.1 The Localism Act 2011 (Sections 38 to 43) requires Local Authorities to produce a Pay Policy Statement for each financial year.
- 1.2 The Act and supporting statutory guidance provides details of matters that must be included in the Pay Policy Statement but also recognises that each Local Authority has the autonomy to determine its own pay structure and pay policies. The Pay Policy Statement must be formally approved by Full Council by the end of March each year (although it can be amended in-year), must be published on the Council's website and must be complied with when setting terms and conditions for Chief Officers as defined in the Act.

**2. SCOPE**

- 2.1 This Pay Policy Statement includes a policy on:
- a) The level and elements of remuneration for each Chief Officer;
  - b) The remuneration of the lowest paid employee;
  - c) The relationship between the remuneration of Chief Officers and other Officers; and
  - d) Other specific aspects of Chief Officer remuneration such as fees, charges and other discretionary payments.
- 2.2 Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements and other discretionary payments.
- 2.3 Under the Local Government and Housing Act 1989, a 'Chief Officer' is defined as:
- The Head of Paid Service, as designated under Section 4(1);
  - The Monitoring Officer, as designated under Section 5(1);
  - A Statutory Chief Officer, as detailed in Section 2(6);
  - A Non-Statutory Chief Officer, as detailed in Section 2(7); and
  - A Deputy Chief Officer, as detailed in section 2(8).
- 2.4 At East Cambridgeshire District Council, this would apply to the following posts:
- Chief Executive
  - Director (Operations)
  - Director (Commercial)
  - Finance Manager (S.151 Officer)
  - Legal Services Manager (Monitoring Officer)



### **3. CHIEF OFFICER SALARIES**

- 3.1 The current salary scales for the staff in 2.4 are as presented in the table below.
- 3.2 Incremental progression through the salary scale will be determined each year as part of the annual appraisal and will be dependent on the individual being awarded a rating of either 'excellent' or 'outstanding' in accordance with the Council's Performance Management Scheme.

POST	SALARY SCALE £'S*				
	MINIMUM			MAXIMUM	
Chief Executive	127,510	130,694	133,882	137,072	140,258
Director (Operations)	82,029	86,130	91,143	94,957	100,258
Director (Commercial)	82,029	86,130	91,143	94,957	100,258
Legal Services Manager (Monitoring Officer)	59,280	62,242	65,865	68,623	72,452
Finance Manager (S151 Officer)	59,280	62,242	65,865	68,623	72,452

\* Figures as at 1<sup>st</sup> April 2020.

- 3.3 The salaries shown include the 2020/21 Pay Award of 2.75% (determined by the National Joint Council for Local Government Services). The salaries will continue to be updated each year in accordance with the agreed NJC pay award.

### **4. REMUNERATION OF EMPLOYEES**

- 4.1 All staff below Chief Officer level are employed on terms and conditions in accordance with the NJC National Agreement on Pay and Conditions of Service (commonly known as the "Green Book"). The Council currently uses a pay spine that commences at Spinal Column Point (SCP) 1 and ends at SCP 50. The pay spine currently in use is divided into 10 pay scales, which contain various incremental points. Scale 1 is the lowest scale and Scale 10 is the highest of these pay scales. Posts are allocated to a scale through the NJC 'Green Book' job evaluation process. The values of the SCPs are increased by the pay award agreed annually by the National Joint Council for Local Government Services.
- 4.2 Incremental progression through the salary scale is determined each year as part of the annual appraisal and will be dependent on the individual being awarded a rating of either 'excellent' or 'outstanding' in accordance with the Council's Performance Management Scheme.
- 4.3 For the purposes of this Pay Statement, "Green Book" employees on Scale 1 are defined as our lowest paid employees as there are no employees of the Council paid

at a SCP that is lower than a point contained in Scale 1. The bottom of Scale 1 is currently SCP 1 and the top is SCP 4. At 1<sup>st</sup> April 2020 (following the implementation of the pay award), the full-time equivalent (FTE) annual values of these two SCPs were £17,842 (SCP 1) and £18,933 (SCP 4).

- 4.4 The Council will continue to meet or exceed the National Living Wage which is currently £8.72 per hour and is set to increase to £8.91 per hour from 1<sup>st</sup> April 2021. The lowest point on the Council's pay scale (SCP 1) currently equates to £9.25 per hour and this will increase with the April 2021 pay award.

## **5. ENGAGEMENT OF WORKERS THROUGH INTERMEDIARIES**

- 5.1 Where individuals are working for the Council through an intermediary such as their own limited company or a consultancy firm, or an employment agency, and are working in the same way as our own employees, the payer will be liable to pay associated income tax and National Insurance Contributions (NICs). Genuinely self-employed workers will not be covered by this requirement (commonly known as IR35) and will continue to make their own assessment and payment arrangements for income tax and NICs.

## **6. TERMS AND CONDITIONS OF EMPLOYMENT**

- 6.1 The terms and conditions of employment for the Chief Executive is in accordance with the Joint Negotiating Committee for Chief Executives, Scheme of Conditions of Service and as varied by local agreement.
- 6.2 The terms and conditions of employment for the other Chief Officers (as detailed at 2.4) is in accordance with the Joint Negotiating Committee for Chief Officers, Scheme of Conditions of Service as varied by local agreement.
- 6.3 The terms and conditions of employment for all other staff are in accordance with the National Joint Council for Local Government Services as varied by local agreement.
- 6.4 The Chief Executive (Head of Paid Service), Legal Services Manager (Monitoring Officer) and Finance Manager (S.151 Officer) occupy statutory positions and specific rules on termination apply (as set out in the respective Scheme of Conditions of Service Handbook).

## **7. REMUNERATION ON APPOINTMENT AND RE-EMPLOYMENT**

- 7.1 Recruitment of Chief Executive and 'Chief Officer' (as defined by the Localism Act) posts are as set out in the Council's Constitution Part 4, Section 7, Officer Employment Procedure Rules.
- 7.2 The starting salary of all newly appointed officers will be in accordance with the principles set out in the Council's Recruitment Policy designed to avoid inequality.

## **8. BONUSES AND OTHER ADDITIONAL PAYMENTS/ALLOWANCES/BENEFITS PAYABLE TO CHIEF OFFICERS**

- 8.1 There are currently no bonus payments in place.
- 8.2 The Chief Executive receives:
- a) An Acting-up Allowance of £2,653 per month in recognition of the additional responsibility he is undertaking as Joint Acting Chief Executive for the Cambridgeshire and Peterborough Combined Authority (CPCA). These costs are being met by the Combined Authority.
  - b) An employer contribution to the provision of a leased car of £9,438 per annum. This scheme is now closed to staff.
  - c) BUPA membership at a cost to the authority of £1,109 per annum. This scheme is now closed to staff.
- 8.3 The Director (Operations) receives:
- a) An Additional Responsibility Allowance of £835 per month in recognition of the additional duties arising from the temporary/part time secondment of the Chief Executive to the Cambridgeshire and Peterborough Combined Authority (CPCA).
  - b) A payment of £3,724 per annum for being an emergency pager holder.
- 8.4 The Director (Commercial) receives:
- a) An Acting-up Allowance of £835 per month in recognition of the additional responsibility she is undertaking as Project Director for the Cambridgeshire and Peterborough Combined Authority. These costs are being met by the Combined Authority.
- 8.5 The other eligible allowances and expenses payable to the posts set out in paragraph 2.4 of this statement are as set out:
- Professional subscriptions
  - Childcare (as per the Council's Childcare policy)
- 8.6 The Council will meet or reimburse authorised travel, accommodation and subsistence expenses for attendance away from the normal place of work on approved Council business. The Council does not regard such expenses as remuneration but as non-pay operational expenses. The same approach applies to legitimate Health and Safety reimbursements.

## **9. PENSION CONTRIBUTIONS**

- 9.1 All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme in accordance with the following table. The employee contribution tables for 2020/21 are shown below.

<b>Contribution table 2020/21</b>			
<b>Band</b>	<b>Actual pensionable pay for an employment</b>	<b>Contribution rate for that employment</b>	
		Main section	50/50 section
<b>1</b>	<b>Up to £14,600</b>	<b>5.5%</b>	<b>2.75%</b>
<b>2</b>	<b>£14,601 to £22,800</b>	<b>5.8%</b>	<b>2.9%</b>
<b>3</b>	<b>£22,801 to £37,100</b>	<b>6.5%</b>	<b>3.25%</b>
<b>4</b>	<b>£37,101 to £46,900</b>	<b>6.8%</b>	<b>3.4%</b>
<b>5</b>	<b>£46,901 to £65,600</b>	<b>8.5%</b>	<b>4.25%</b>
<b>6</b>	<b>£65,601 to £93,000</b>	<b>9.9%</b>	<b>4.95%</b>
<b>7</b>	<b>£93,001 to £109,500</b>	<b>10.5%</b>	<b>5.25%</b>
<b>8</b>	<b>£109,501 to £164,200</b>	<b>11.4%</b>	<b>5.7%</b>
<b>9</b>	<b>£164,201 or more</b>	<b>12.5%</b>	<b>6.25%</b>

9.2 The Council makes employer's contributions into the scheme, which are reviewed by the actuary. The rate with effect from 1<sup>st</sup> April 2021 will remain at 17.2%.

9.3 The Council's discretions on pension enhancements are set out in the Pensions Discretion Statement.

## **10. PAYMENT UPON TERMINATION OF EMPLOYMENT**

10.1 Senior management who cease to hold office or be employed by the Council will receive payments calculated using the same principles as any other employee, based on entitlement within their contract of employment, their general terms and conditions and existing policies (e.g. Redundancy Policy).

10.2 Redundancy payments are calculated in accordance with the statutory scheme based on actual contractual weekly pay.

10.3 An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

10.4 Following the introduction in November 2020 of regulations to implement the £95k Exit Cap provisions in local government and consultation on proposed changes to the Local Government Pension Scheme (LGPS), there is currently an interim position in relation to pension and severance arrangements. As the outcome of the consultation on proposed changes to the LGPS is not known at this time and provisions within the Exit Cap are scheduled for Judicial Review in Spring 2021 this Pay Policy Statement does not include at this time further detailed information on severance payments.

10.5 Any proposal to apply for a waiver of the current £95k Exit Cap provisions will be reported to Full Council for decision.

## **11. RELATIONSHIP BETWEEN HIGHEST AND LOWEST GRADE OF STAFF**

11.1 The lowest paid grade for East Cambridgeshire District Council is Scale 1 of the National pay structure. The pay range for Scale 1 is currently £17,842 - £18,933 per annum. The highest paid post is that of Chief Executive with a pay scale of £127,510 - £140,258 per annum.

11.2 The ratio between the highest grade and lowest grade at the scale minimum pay point is 1:7.1 and at the scale maximum pay point is 1:7.4. Ratios are based on basic salary and do not include other payments.

11.3 The Council does not have a specific policy on pay ratios between the highest and lowest graded posts, but will continue to monitor the ratio each year within the Pay Policy Statement.

## **12. ELECTION FEES**

12.1 The Returning Officer has overall responsibility for the conduct of elections.

12.2 The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council, the role of Returning Officer is one of a personal nature and is separate and distinct from their duties as an employee of the Council.

12.3 Election fees are paid for electoral duties and are separate and additional to basic salary.

12.4 The Chief Executive is the Council's Returning Officer.

12.5 The fees for local elections are set on a countywide basis through the Association of Electoral Administrators, Cambridgeshire Group.

12.6 The fees for all other elections are set by the Electoral Commission.

12.7 Other officers, including some of the posts set out in paragraph 2, may receive additional payments for specific election duties.

12.8 Only fees for District Council elections are met by this Council.

## **13. DISCLOSURE**

13.1 This Pay Policy Statement will be published annually by 31<sup>st</sup> March and made available on the Council's website. The Council already publishes details of all staff paid above £50,000 on the Council's website.

## **14. REVIEW**

14.1 The Pay Policy Statement will be updated annually as required by the Localism Act.



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR

## Cambridgeshire & Peterborough Combined Authority

### Reports from Constituent Council Representatives on the Combined Authority

Audit and Governance Committee  
2nd October 2020  
27th November 2020

Overview and Scrutiny Committee  
26th October 2020  
23rd November 2020

Combined Authority Board  
25th November 2020

The above meetings have taken place in October and November 2020.

#### Audit and Governance Committee – 2nd October and 27th November 2020

The Audit and Governance Committee met on 2nd October and 27th November 2020, the decision summaries are attached as Appendices 1 and 2.

#### Overview and Scrutiny Committee – 26th October and 27th November 2020

The Overview and Scrutiny Committee met on 26th October and 27th November 2020, the decision summaries are attached as Appendices 3 and 4.

#### Combined Authority Board – 25th November and reconvened 27th November 2020

The Combined Authority Board met on 25th and reconvened 27th November 2020, the decision summary is attached as Appendix 5.

The agendas and minutes of the meetings are on the Combined Authority's website – Link in the appendices

## Audit and Governance Committee Decision Summary

Meeting: 2nd October 2020

Agenda/Minutes: [Audit and Governance Committee – 2 October 2020](#)

Chair: John Pye (Chair and Independent Person)

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1	<b>Apologies and Declarations of Interests</b>	There were no apologies. There were no declarations of interest.
2	<b>Chair's Announcements</b>	<ol style="list-style-type: none"> <li>1. The postponed Value for Money Workshop will be held at the conclusion of the next meeting of the Committee.</li> <li>2. Daniel Harris of RSM (UK) the new Internal Auditors was welcomed to his first meeting of the Committee.</li> </ol>
4	<b>Minutes of the Previous Meeting and Action Notes</b>	<ol style="list-style-type: none"> <li>1. The minutes of both the meeting of 31 July 2020 and 24 September 2020 were agreed as accurate records.</li> <li>2. The Monitoring Officer reported it was entirely appropriate for a Company Secretary for a Local Authority Trading Company to also be employed by that Local Authority and stated there was no conflict of interest.</li> <li>3. The Chief Executive updated the Committee on the Lancaster Way audit for which a draft report has just been received. The Combined Authority and</li> </ol>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>Cambridgeshire County Council will be looking at the report and the Committee will receive a report at the next meeting.</p> <p>4. The Chief Executive updated the Committee on meeting with civil servants within the MHCLG. An update will be provided at the January 2021 meeting of the Committee. The Mayor will be attending the next meeting of the Committee. The Scrutiny Officer will contact Committee members for advance questions to be submitted to the Mayor one week in advance of the meeting.</p> <p>5. The Monitoring Officer thanked the Committee for its engagement on the Constitution review. He informed the Committee that the Combined Authority Board had agreed the recommendations of the Committee at its meeting on 30 September. One amendment was moved and agreed with regard to the Officer Employment procedure Rules which enables earlier engagement by the Employment Committee. A letter related to quoracy of Combined Authority Audit &amp; Governance and Overview &amp; Scrutiny Committees is being drafted and will be forwarded to the Chair of this Committee and the Overview &amp; Scrutiny Committee for approval prior to being sent to Whitehall.</p> <p>6. The Work Programme of the Committee will need to reflect the protocols to be developed on the Member/officer relationship; and the appointment to CA Commissions, Working Groups etc.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. A report on Lancaster Way to be presented at the next meeting of the Committee</li> <li>2. Members to be contacted with advance questions for the Mayor of the Combined Authority to be submitted a week in advance of the meeting</li> </ol>



Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<ol style="list-style-type: none"> <li>3. A further update on liaison between the Combined Authority and civil servants at the MHCLG to be provided at the Committee meeting of 29 January 2021</li> <li>4. The letter to Whitehall to be shared with the Chairs of the Audit &amp; Governance Committee and Overview &amp; Scrutiny Committee for input and approval prior to being sent</li> <li>5. The Work Programme for the Committee to include the additional protocols for the Constitution as approved by the Combined Authority Board</li> </ol>
4	<b>Statement of Accounts and External Audit</b>	<ol style="list-style-type: none"> <li>1. The final review period for the statement of accounts commenced on 28 August and concludes on 9 October. To date no direct questions from the public on the accounts have been received into the Combined Authority or by Ernst &amp; Young.</li> <li>2. The final account and External Audit opinion will be presented at the next Committee meeting prior to the final accounts publication deadline of 30 November 2020.</li> </ol> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. The final statement of accounts and External Audit Opinion to be received at the next meeting</li> <li>2. The Chair should be informed of any issues relating to any potential delays (i.e. the Cambridgeshire Pension Fund audit)</li> </ol>
5	<b>Internal Audit</b>	<ol style="list-style-type: none"> <li>1. A final update on Internal Audit for 2019/20 was provided to the Committee. Steve Crabtree was thanked by the Chair for his work over the previous three years.</li> </ol>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<ol style="list-style-type: none"> <li>2. Daniel Harris of RSM (UK) presented the initial draft audit plan for 2020/21 and expressed confidence that a full internal audit plan will be presented at the next meeting.</li> <li>3. A joint internal and external audit Workshop was suggested for April 2020 and this was approved by the Committee.</li> <li>4. The suggested two initial internal audits to be scoped and commenced ahead of the next meeting of the Committee, namely: Risk Management; and Key Financial Controls were agreed by the Committee</li> </ol> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. A full internal audit plan be presented to the Committee on 27 November 2020</li> <li>2. A joint workshop with Ernst &amp; Young be programmed for April 2020</li> <li>3. The Committee to provide any comments on the proposed internal audit plan to the Scrutiny Officer by week ending 9 October</li> <li>4. The Risk Management; and Key Financial Controls audits should commence</li> </ol>
6	<b>Treasury Management Strategy Update</b>	<ol style="list-style-type: none"> <li>1. The report covering the period up to the end of August 2020 was received and noted. The Committee commended the additional detail provided in the report.</li> <li>2. The Committee will receive further updates in January and April 2021.</li> </ol> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. An updated Treasury Management Strategy report to be provided to the Committee in January 2021</li> </ol>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
7	<b>Combined Authority Board Update</b>	<ol style="list-style-type: none"> <li>1. The Chief Executive updated the Committee on future government White Papers which have been delayed due to Covid-19.</li> <li>2. The Chief Executive also updated the Committee on the Constitution Review; the Cambridge Autonomous Metro; Market Town Masterplan bids; and the Business Growth Service.</li> </ol> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. The Chief Executive to respond to the Committee on the criteria for the Market Town strategies and whether the response to Covid-19 relates to the commercial sector response or whether it also includes the community and health responses too</li> <li>2. The Chief Executive to provide the Committee with regular updates on the working relationship between the Combined Authority and Greater Cambridge Partnership as part of the CAB updates. The Chief Executive to inform the Mayor that such an update is required as part of his attendance at the next Committee meeting</li> </ol>
8	<b>Corporate Risk Register</b>	<ol style="list-style-type: none"> <li>1. The risk register was received and noted with the additional Climate Change risk as requested by the Committee.</li> </ol> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. To provide detail to the Committee on how much is being spent on the three officers mitigating on EU exit, factoring in the EU exit grant the Combined Authority receives</li> <li>2. At the next meeting to provide detail on those risks that are not included in the sequential number presentation (i.e. why are these no longer considered to be corporate risks)</li> </ol>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		3. The next report to the Committee to include a description on how the Climate Change risk is being managed
9	Work Programme	1. The work programme was received and noted. <b>RESOLVED:</b> <ol style="list-style-type: none"> <li>1. The item on Lancaster Way be added to the November meeting</li> <li>2. The Mayor is now attending in November 2020 so can be removed from the programme for January 2021</li> <li>3. Programme the additional Constitution protocols into the programme</li> <li>4. Add the Internal and External Audit Workshop to the work programme for the April meeting of the Committee</li> </ol>
10	Date of next meeting	1. Friday, 27 November 2020 from 10.00 a.m. via the Zoom platform. The Value for Money Workshop to follow at the conclusion of the meeting. <b>RESOLVED:</b> <ol style="list-style-type: none"> <li>1. External and Internal Audit colleagues to be invited to attend the Workshop</li> </ol>

## Appendix 2

### Audit and Governance Committee Decision Summary

Meeting: 27th November 2020

Agenda/Minutes: [Audit and Government Committee – 27 November 2020](#)

Chair: John Pye (Chair and Independent Person)

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1	<b>Apologies and Declarations of Interests</b>	There were no apologies. There were no declarations of interest.
2	<b>Mayor for the Combined Authority in attendance</b>	Mayor James Palmer attended to answer questions from the Committee and provided an update on the MCHLG and the Combined Authority activities.
3	<b>Chair's Announcements</b>	<ol style="list-style-type: none"><li>1. Value for Money workshop run by Aileen Murphie from National Audit Office to follow on from the conclusion of the meeting.</li><li>2. The Chair updated the Committee on two recent attempts to defraud the Combined Authority of funds.<ul style="list-style-type: none"><li>- Both attempts were made by fraudsters intercepting e-mails and changing bank details in an attempt for payments to be made to an incorrect bank account.</li><li>- The internal auditors, RSM were made aware of both attempts in accordance with the Combined Authority's anti-fraud policy.</li><li>- RSM are working with 3C, our IT providers to establish the course of events and whether any Combined Authority e-mail account has been compromised.</li><li>- The Combined Authority has not lost any funds as a result of these fraud attempts.</li></ul></li></ol>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<ul style="list-style-type: none"> <li>- RSM will bring forward their proposed audit on IT systems, which was planned to include a review of network and Cyber security.</li> <li>- RSM will bring a report to the January meeting.</li> </ul>
4	<b>Minutes of the Previous Meeting and Action Notes</b>	The Minutes were approved as a correct record and the actions from the previous meeting noted.
5	<b>Lancaster Way</b>	<p>The Committee received the report which provided the Committee with an update on the independent value for money review of the Lancaster Way project, as jointly commissioned by the Combined Authority (CPCA) and Cambridgeshire County Council (CCC).</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1) To note the findings and recommendations of the independent value for money report, as prepared by KPMG.</li> <li>2) To note the joint response from CPCA and Cambridgeshire County Council, and progress made to address the report's recommendations.</li> <li>3) To report the findings and recommendations to the Transport and Infrastructure Committee</li> <li>4) The Committee requested that an update on the progress of the actions against the recommendations in report be brought to the next meeting.</li> </ol>
6	<b>Relationship between Risk and Change Control</b>	1. The Committee received the report which provided the Committee with a proposed Relationship between Risk and Change Control document, which is to enhance the current Risk Management Strategy and establish an early warning notification and change control process.

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>2. The Committee was requested to review the Relationship between Risk and Change Control document and suggest any changes they would like to put forward as a recommendation to the Combined Authority Board.</p> <p><b>RESOLVED:</b></p> <p>Recommend to the Combined Authority the adoption of the proposed Relationship between Risk and Change Control document</p>
7	<b>Corporate Risk Register</b>	<p>The Committee reviewed the Combined Authority Corporate Risk Register.</p> <p><b>RESOLVED:</b></p> <p>The Committee noted that RSM were undertaking an audit of the Risk Management Strategy so some changes on how risk is managed and reported may be coming forth.</p> <p>The Committee were advised that the recent incidents of fraud would be considered and a decision would be taken on whether it needed to be escalated to the corporate risk register.</p>
8	<b>End of Year Financial Statements 2019/20 and External Audit and Opinion</b>	<p>The Committee received the report which asked them to approve:-</p> <ul style="list-style-type: none"> <li>a) the final Statement of Accounts 2019/20</li> <li>b) the Annual Governance Statement 2019/20</li> <li>c) the Management Representation Letter 2019/20</li> <li>d) the External Auditors report 2019/20</li> </ul> <p><b>RESOLVED:</b></p>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<ul style="list-style-type: none"> <li>a) The Committee agreed to approve the final Statement of Accounts 2019/20 received and to delegate to the Chairman to approve further minor changes to the Statement of Accounts if needed before the deadline of 30 November 2020.</li> <li>b) The Committee agreed to approve the Annual Governance Statement 2019/20</li> <li>c) The Committee agreed to approve the Management Representation Letter 2019/20</li> <li>d) The Committee agreed to approve the External Auditors Report 2019/20</li> <li>e) The Committee requested that some clarity around the settlement payment for the interim CFO be provided by the Interim Monitoring Officer</li> </ul>
9	<b>Internal Audit Plan 2020/21</b>	<p>The Committee received the proposed 2020/21 internal audit plan and three-year internal audit strategy.</p> <p><b>RESOLVED:</b></p> <p>The Committee noted the report and requested that the Business Board and the CAM SPV be included within the review of the processes in place for the appointments to Boards and Committees.</p>
10	<b>Adult Education Budget</b>	<p>The Committee received the report which provide an update for the Committee on the Adult Education Budget arrangements for Audit and Assurance.</p> <p><b>RESOLVED:</b></p> <p>The Committee noted the report and requested that a further update be brought to the March meeting.</p>



Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
11	<b>Work Programme for the Audit &amp; Governance Committee</b>	<p>The work programme was received and noted.</p> <p><b>RESOLVED:</b></p> <p>A report with an update on the progress of the actions against the recommendations on Lancaster Way be brought to the next meeting</p> <p>A report on the audit on Cyber Security and IT systems and the attempted fraud to come to the January Committee meeting.</p> <p>A further update on the Adult Education Budget to come to the March committee meeting.</p>
12	<b>Date of next meeting</b>	Friday, 29 January 2021 from 10.00 a.m. via the Zoom platform.

## Appendix 3

### Overview and Scrutiny Committee Decision Summary

Meeting: 26th October 2020

Agenda/Minutes: [Overview and Scrutiny Committee – 26 October 2020](#)

Chair: Cllr Lorna Dupré

Summary of decisions taken at this meeting

<b>Item</b>	<b>Topic</b>	<b>Decision [None of the decisions below are key decisions]</b>
1.	<b>Apologies</b>	Apologies were received from: Cllr David Mason (Fenland District Council) substituted by Cllr Alex Miscandlon, Cllr David Connor (Cambridgeshire County Council)
2.	<b>Declarations of Interest</b>	None
3.	<b>Election of Vice Chair</b>	Due to a member resignation the Committee were required to elect a new Vice Chair. Cllr Ed Murphy was elected to be the Vice Chair for the remainder of the municipal year.
4.	<b>Minutes of the Previous Meeting</b>	<p>The minutes of the last meeting were agreed as an accurate record. The responses from the CA Board to the Committee's questions were reviewed with the following points raised:-</p> <p>1) The Committee discussed the response received about representations the Combined Authority had made to central government on the long-standing issue of quoracy and were concerned that the CA Board were not aware of any representations being made to Government in relation to the quoracy of</p>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>Combined Authority committees as this had been an issue raised on numerous occasions by this committee. The Chair would write to the Board members to express this concern and to ask that any response received from central government in response to the letter recently sent be shared with members.</p> <p>2) The Committee discussed the response to whether there was a commitment for the Business Board to be more transparent and to hold meetings in public session and were concerned over the response received about the CA Business Board and its level of transparency and agreed that Cllr Mike Davey as a member of the Audit and Governance Committee should raise this concern there for that committee to consider.</p> <p>3) The Committee discussed the response to the question raised about the CAM SPV and agreed that a report detailing the powers the committee had to scrutinise the SPV be brought to the November meeting.</p>
5.	<b>Public Questions</b>	There were no public questions received.
6.	<b>The Director of Business and Skills</b>	The Committee received and noted the report and presentation given by the Director for Business and Skills.
7.	<b>Community Land Trusts</b>	The Committee received and noted the presentation from Community Housing Programme Manager.
8.	<b>Digital Connectivity Update</b>	The Committee received and noted the report from the Project Lead for Digital Connectivity Infrastructure
9.	<b>CAM Metro Task and Finish Group Update</b>	The Committee received the report and agreed to appoint the following members to the Task and Finish group:-

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>Cllr Grenville Chamberlain Cllr Mike Davey</p> <p>The Committee AGREED that the task and Finish Group would elect a chair for the group as soon as possible and inform the Committee at their next meeting.</p>
10.	<b>Combined Authority Forward Plan</b>	The CA Forward Plan was noted.
11.	<b>Overview and Scrutiny Committee Work Programme</b>	<p>The Work Programme was noted.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i) To move the Director for Delivery and Strategy to February 2021.</li> <li>ii) To have a report on the CAM SPV Scrutiny options brought to November's meeting.</li> <li>iii) The Bus Review Task and Finish Group should have a meeting prior to their report coming to the Committee in February and that this should align with the report going to the CA Board.</li> </ul>
12.	<b>Date of Next Meeting</b>	Monday, 23 <sup>rd</sup> November 2020 at 11.00 a.m. with a pre-meeting for Members at 10.00 a.m.
The Committee wanted to put on record their sincere thanks to Cllr Kevin Price and his hard work done whilst a member of the Committee and in particular for his work involving the CAM Task and Finish Group.		

## Appendix 4

### Overview and Scrutiny Committee Decision Summary

Meeting: 23rd November 2020

Agenda/Minutes: [Overview and Scrutiny Committee – 23 November 2020](#)

Chair: Cllr Lorna Dupré

Summary of decisions taken at this meeting

Item	Topic	Decision [ <i>None of the decisions below are key decisions</i> ]
1.	<b>Apologies</b>	Apologies were received from: Cllr Patricia Jordan (Huntingdonshire District Council) substituted by Cllr Mike Humphrey.
2.	<b>Declarations of Interest</b>	There were no declarations of interest.
3.	<b>Minutes of the Previous Meeting</b>	The minutes of the last meeting were agreed as an accurate record.
4.	<b>Public Questions</b>	There were no public questions received.
5.	<b>The Chair of the Business Board</b>	Austen Adams was in attendance and updated the Committee on the activity of the Board including Covid recovery projects and funding.  <b>RESOLVED:</b> i) The Chair to contact the Chair of the Business Board about the future relationship between the Business Board and the Overview & Scrutiny Committee.

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
6.	<b>The Combined Authority Budget and Medium Term Financial Plan</b>	<p>This was to be the first of three consecutive visits to the Committee over the course of the budget-setting process and development of the MTFP. This first appearance is related to the process of budget-setting.</p> <p>The Combined Authority Board should approve the budget for consultation purposes at its meeting on 25 November; and it is this budget that will be brought back to the December meeting of the Committee as a consultee in the process. Other consultees include all constituent authorities including the Leaders, Chief Executives and Chief Finance Officers. The draft budget is loaded onto the Combined Authority website with alerts via social media to engage the public in the process. As well as the Overview and Scrutiny Committee all Executive Committees and the Business Board receive the draft budget.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i) The Chief Finance Officer would return to the Committee meetings in December 2020 and January 2021</li> <li>ii)</li> </ul>
7.	<b>Ely Capacity Enhancements</b>	<p>The Committee was informed that the Mayor of the Combined Authority is to meet the Rail Minister shortly and will be discussing rail enhancements in the county. The Combined Authority is lobbying the Department for Transport for greater capacity than what is currently proposed and there is a good opportunity to maximise capacity without the need for separated solutions with rail in the region being critical for integrated transport solutions.</p> <p>The Wisbech rail proposals are dependent upon capacity through the Ely area and that negotiations with the Department for Transport are ongoing and interim solutions are being considered.</p>
8.	<b>Scrutiny of the SPV for the CAM Metro</b>	The report was noted.

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p><b>RESOLVED:</b></p> <p>i) The Chair and Chief Executive of the SPV be invited to attend a meeting of the Committee in late winter/early spring 2021.</p> <p>ii)</p>
9.	<p><b>Combined Authority Board Agenda: Wednesday, 25 November</b></p>	<p>The following questions to the Board were agreed:</p> <ul style="list-style-type: none"> <li>• <b>Item 1.7 Appointment of Chief Executive of ONE CAM Limited</b> Can the process for the level of remuneration to be received by the Chief Executive of One CAM Limited be evidenced and justified?</li> <li>• <b>Item 2.2 Draft 2021-22 Budget and MTFP to 2024-25 for Public Consultation</b> Is there any indication of when we might expect to see the strategy underlying the financial figures extrapolated beyond 2021/22?  The staffing budget shows a 2% pay award and increments for performance related pay. Given the expected announcement of a public sector pay freeze is the CPCA expecting to proceed with this pay award?  There are revenue proposals referencing EU funds up to 2023-24. Are these funds received prior to Brexit and will they be received post-Brexit?</li> <li>• <b>Item 4.1 CAM Special Purpose Vehicle</b> Given the expected announcement of a public sector pay freeze is it appropriate that an annual salary of £40,000 per annum is awarded to non-executive directors? Can the O&amp;S Committee have some background to the process justifying this level of remuneration?  How does the Board justify the level of funding on a project that is currently speculative; and what level of recompense is likely if the project does not happen?</li> </ul>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<ul style="list-style-type: none"> <li> <p data-bbox="902 268 1984 339">• <b>Item 4.6 Devolution Deal, Gainshare Gateway Review and Combined Authority Prospectus</b></p> <p data-bbox="853 343 1794 379">(Appendix 1: 1) Are we realistically still considering doubling GVA?</p> <p data-bbox="853 416 2011 488">(Appendix 1: 4) When will material be placed in the public domain arising from the work of the Public Sector Reform Commission?</p> <p data-bbox="853 525 1995 596">(Appendix 1: 6) How does the Board define world-class connectivity and how will we know something is world-class?</p> <p data-bbox="853 633 1850 670">(Appendix 1: 14) When will the Joint Assets Board will be established?</p> <p data-bbox="853 707 2024 858">(Appendix 1:18) When will the impasse be resolved in terms of holding back £45m of the £100m housing fund? If this is not resolved how will this affect the delivery of the commitment? When will it be made clear whether March 2021 or March 2022 that is the end date for the £100m scheme?</p> <p data-bbox="853 895 2029 967">(Appendix 1: 34) This is not, as yet, implemented; can the O&amp;S Committee have an update please?</p> <p data-bbox="853 1003 1966 1075">(Appendix 1: 35) What are the Combined Authority's expectations for a second Devolution Deal?</p> <p data-bbox="853 1112 1989 1227">(Appendix 1: 39) What is happening on the government's proposals on business rate reform and what are the implications for the Combined Authority of not proceeding?</p> <p data-bbox="853 1264 2018 1335">(Appendix 1: 41) What is happening on the devolution of strategic planning powers to the Mayor and what is the likely impact?</p> </li> </ul>



Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>(Appendix 1: 43) What is happening on forming an Education Committee with the Regional Schools Commissioner and other key education stakeholders and what is the likely impact?</p> <p>(Appendix 1: 46) What is happening on the work with government to explore a more integrated pathway of service delivery for the causes of offending behaviour early to reduce the use of courts and prisons and what is the likely impact?</p> <p>(Appendix 1:53) Could the O&amp;S Committee have an update on the work with local partners to consider how best to establish a sub-national transport body?</p> <p>(Appendix 1:58) Does this commitment now refer to the Government White Paper on Planning for the Future or something entirely different?</p> <p>(Appendix 1: 69) The DfE did not include the Combined Authority in Area Reviews, as the process was considerably advanced by the time the Combined Authority was established in March 2017. The last of the Area Reviews were concluded in August 2017, but this commitment is described as 'Not yet implemented by Government'. Could the O&amp;S Committee have an update on what the Combined Authority expects to happen now?</p> <ul style="list-style-type: none"> <li>• <b>Item 5.1 Local Transport Plan CAM Sub Strategy</b> What does the Board envisage the role of the Greater Cambridge Partnership to be in this as that body is barely mentioned in the report?</li> <li>• <b>Items 6.3 Local Economic Recovery Strategy Update</b> How is the Combined Authority liaising with its constituent authorities and the Greater Cambridge Partnership on Covid recovery?</li> </ul>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		Has the impact of Brexit on future investment funding been considered and, if so, how will funds be delivered to help those impacted by Brexit?
10.	<b>Combined Authority Forward Plan</b>	The CA Forward Plan was noted.
11.	<b>Lead Member Questions to Executive Committees</b>	The responses to the Lead Member questions were noted.
12.	<b>Overview and Scrutiny Committee Work Programme</b>	<p>The Work Programme was noted.</p> <p><b>RESOLVED:</b></p> <p>i) It was <b>agreed</b> that the Chairman and Chief Executive of One CAM Limited be invited to attend a meeting of the Committee in late winter/early spring 2021.</p>
13.	<b>Date of Next Meeting</b>	Monday, 14 December 2020 at 11.00 a.m. with a pre-meeting for Members at 10.00 a.m.

## Appendix 5

# Cambridgeshire & Peterborough Combined Authority Board - Decision Summary

Meeting: 25th November 2020

Agenda/Minutes: [Cambridgeshire and Peterborough Combined Authority Board – 25 November 2020](#)

[Cambridgeshire and Peterborough Combined Authority Board – 27 November 2020](#)

Meeting: Wednesday 25th November 2020. [Meeting adjourned at 2.04pm and reconvened on Friday 27 November 2020 at 8.00am]

### Part 1 - Governance Items

#### 1.1 Announcements, Apologies for Absence and Declarations of Interest

**Apologies were received from Councillor Ryan Fuller and co-opted member Jessica Bawden when the Board met on Wednesday 25 November 2020. Following an adjournment, the meeting was resumed on Friday 27 November and apologies were received from Councillors Ryan Fuller, John Holdich and Bridget Smith and from co-opted members Jessica Bawden and Councillor David Over.**

**A declaration of interest was made by Kim Sawyer, Chief Executive, in relation to Item 4.1: CAM Special Purpose Vehicle Budget Update and Award of the CAM Conceptual Design Contract. Ms Sawyer is an Interim Director of the Board of the CAM Special Purpose Vehicle, but as she was appointed to this position by the Combined Authority Board there was no conflict of interest.**

#### 1.2 Minutes of the Combined Authority Board meeting on 30 September 2020

The minutes of the meeting on 30 September 2020 were approved as an accurate record. A copy will be signed by the Mayor when it is practical to do so.

### 1.3 Petitions

No petitions were received.

### 1.4 Public Questions

No public questions were received.

### 1.5 Forward Plan

It was resolved to approve the Forward Plan.

### 1.6 Combined Authority Board and Committee Appointments: November 2020

It was resolved to:

- a) Note the appointment by Cambridge City Council of Councillor Martin Smart as its substitute member on the Combined Authority Board for the remainder of the municipal year 2020/2021.
- b) Note the appointment by Cambridge City Council of Councillor Mike Davey as one of its members on the Overview and Scrutiny Committee for the remainder of the municipal year 2020/2021.
- c) Note the appointment by Cambridge City Council of Councillor Mike Sargeant as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2020/2021.
- d) Nominate and appoint members and substitute members to the Employment Committee.

### 1.7 Appointment of Chief Executive Officer (ONE CAM LTD)

**This report was withdrawn.**

## Part 2 – Finance

### 2.1 Budget Monitor Report Update: November 2020

It was resolved to note the updated financial position of the Combined Authority for the year.

### 2.2 2021/22 Draft Budget and Medium-Term Financial Plan 2021 To 2025

It was resolved to:

- a) Approve the Draft Budget for 2021/22 and the Medium-Term Financial Plan 2021/22 to 2024/25 for consultation.
- b) Approve the timetable for consultation and those to be consulted.

## Part 3 – Combined Authority Decisions

### 3.1 Allocation of Additional Funds to Highways Agencies

Having consulted the Board, the Mayor resolved to allocate the grants as set out below:

#### Additional Pothole and Challenge Funds

CCC - £10,201,000

PCC - £2,353,000

Total - £12,554,000

#### Additional Home to School and College Transport Funds

CCC - £876,164

PCC - £179,328

Total - £1,055,492

### 3.2 Allocation of Getting Building Fund

It was resolved to note Key Decision 2020/081 made by Mayor James Palmer on 5<sup>th</sup> November 2020 using the General Exception procedure.

By recommendation to the Combined Authority Board

### Part 4 – Transport and Infrastructure Committee recommendations to the Combined Authority Board

#### 4.1 CAM Special Purpose Vehicle – Budget Update and Award of the CAM Conceptual Design Contract

It was resolved to:

- a) In accordance with the shareholder agreement, approve the recommendations of the One CAM Limited Board to:
  - I. agree the appointment of the non-executive directors
  - II. agree the remuneration for the non-executive directors in the sum of £40,000 per annum for each director
  - III. agree the appointment of Jon Alsop as interim Chief Finance Officer for One Cam Ltd
  - IV. agree the amendment to the heads of terms of the shareholder agreement
  - V. ratify the opening of a bank account with Barclays for One Cam Ltd
  
- b) Delegate authority to the CPCA Chief Executive to enter into contracts following compliant procurement processes on behalf of the Combined Authority and later novate to One Cam Ltd as follows:
  - VI. Three contracts to deliver Concept Designs for the CAM in the sum of £200,000 per contract
  - VII. A contract for legal services based on schedule of rates and within the 2020/21 agreed budget.
  - VIII. A contract to MACE based on schedule of rates and within the 2020/21 agreed budget to facilitate the progression of the CAM outline business case

IX. A contract to Jacobs to support key elements of the Delivery Strategy capped at £620,000

#### 4.2 Fenland Stations Regeneration Outline Business Case

It was resolved to:

- (a) Approve the Outline Business Case outcomes
- (b) Approve the start of construction for Manea and March Station works
- (c) Approve the drawdown of £1.2 million from the budget within the Medium-Term Financial Plan.

#### 4.3 Fengate Phase 1 Strategic Outline Business Case

It was resolved to:

- a) Approve the Strategic Outline Business Case;
- b) Approve the commencement of the Full Business Case and detailed design stage;
- c) Approve the drawdown of £270,000 from the budget within the Medium-Term Financial Plan to develop the Full Business Case and detailed design.

#### 4.4 Oxford to Cambridge Arc

It was resolved to note the Oxford to Cambridge Arc report.

#### 4.5 Market Towns Programme Investment Prospectus – Approval of Second Tranche of Project Proposals

It was resolved to:

Approve the second tranche of project proposals received under Market Towns Programme from Fenland and East Cambridgeshire in the sum of £1,426,169 plus an additional £99,900 for the 'unapproved' balance for tranche one.

#### 4.6 Devolution Deal, Gainshare Gateway Review and Combined Authority Prospectus

It was resolved to:

- a) Note that 72% of Devolution Deal Commitments have already been delivered or are in delivery, and agree to take six-monthly progress reports on Devolution Deal delivery in future,
- b) Approve the Locality Complementary Report at Appendix 2,
- c) Approve the Prospectus at Appendix 3.

### Part 5 – Housing and Communities Committee recommendations to the Combined Authority Board

#### 5.1 Local Transport Plan CAM Sub Strategy

It was resolved to:

- a) Note the consultation responses to the Cambridgeshire Autonomous Metro (CAM): Local Transport Plan (LTP) sub-strategy;
- b) Agree the amendments made to the CAM: LTP sub-strategy in light of the consultation responses;
- c) Note that the CAM LTP sub-strategy sets out the vision for CAM, against which, schemes contributing to the CAM will be considered; and
- d) Approve the CAM LTP sub-strategy.



## 5.2 March Area Transport Study

It was resolved to:

Approve the drawdown of £900,000 for construction of the remaining March Area Transport Study Quick Win Schemes

## 5.3 A47 Dualling

It was resolved to:

Note the report and the proposed next steps.

## 5.4 Cambridge South East Transport Better Public Transport and Active Travel Consultation

It was resolved to:

Delegate responsibility to the Director of Delivery and Strategy to respond to the consultation on behalf of the Combined Authority, in consultation with the Chair of the Transport & Infrastructure Committee.

## Part 6 – Skills Committee recommendations to the Combined Authority Board

### 6.1 Local Growth Fund Programme Management November 2020

It was resolved to:

- a) Allocate the remaining £2,043,178 Local Growth Fund into the Growth Grants strand of the new Business Growth Service;
- b) Delegate authority to Director of Business and Skills, in consultation with the Monitoring Officer, Lead Member for Finance and Investment and Section 73 Officer, to approve launching the grant scheme approved by the Business Board to receive the remaining £2,043,178 Local Growth Fund;

- c) Approve the carry forward of £100,000 of the current funding allocation to the Eastern Agri-tech Growth Initiative scheme to enable the close out of the scheme, handling of final claims, a full programme evaluation and report during 2021-22; and
- d) Note the programme updates outlined in the report to the Business Board.

[Meeting adjourned at 2.04pm. The following decisions were made when the meeting reconvened at 8.00am on Friday 27 November 2020]

#### 6.2 Growth Deal Project Proposals November 2020

It was resolved to:

Approve funding for the Cambridge Visitor Welcome project based on the project scoring criteria and external evaluator recommendation.

#### 6.3 Local Economic Recovery Strategy Update

It was resolved to:

- a) Approve the updated version of the Local Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough.
- b) Note that the next Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough Refresh will be brought to the Board in March 2021, rather than January 2021 as previously proposed.

#### 6.4 Business Board Annual Report 2019/20 and Annual Delivery Plan 2020/21

It was resolved to:

Approve the Business Board Annual Report for 2019-20 and Annual Delivery Plan for 2020-21, and for these to be published and formally submitted to the Department for Business, Energy & Industrial Strategy (BEIS).

#### 6.5 iMET Project Local Growth Fund Recovery

It was resolved to:

- a) Approve pursuing clawback of Local Growth Funding (LGF) in relation to the iMET Programme LGF investment, by selling the iMET building on the open market for a cash receipt back into the recycled Local Growth Funding budget, through agreements with Cambridge Regional College and the Landlord Urban and Civic;
- b) Approve the Combined Authority owning and disposing of the iMET building to effect claw-back, if required. It is not the intention of the transaction as currently envisaged that CPCA would take ownership of the iMET Building. If CPCA do take ownership, it would only be for a short period of time before the iMET is transferred to the end purchaser;
- c) Approve a refocussed Grant Funding Agreement between Cambridge Regional College and the Combined Authority and that final sign-off of that agreement, in relation to the iMET equipment being retained and utilised by Cambridge Regional College to continue delivering learner outputs, is delegated to the Director Business and Skills in consultation with the s73 Officer and the Lead Member for Investment and Finance;
- d) Delegate authority to the Director Business and Skills, in consultation with the Section 73 Officer, the Monitoring Officer and the Lead Member for Investment and Finance, to finalise the form and then sign-off the Surrender or Assignment Option Agreement between Cambridge Regional College and the Combined Authority, once full and final agreement with the landlord has been achieved; and
- e) Delegate authority to the Director Business and Skills in consultation with the Section 73 Officer, Monitoring Officer and the Lead Member for Investment and Finance to finalise Heads of Terms

on an agreement with the landlord of the iMET building, which in turn facilitates the final sign-off of the option agreement with Cambridge Regional College.

## 6.6 Kickstart Scheme

It was resolved to:

- a) Approve the Business Growth Service to act as a Gateway Organisation to administer the Kickstart Scheme for the Cambridgeshire and Peterborough area; and
- b) Approve the Business Growth Service as the primary referral partner for any Kickstart requests via the CPCA.



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR

## Cambridgeshire & Peterborough Combined Authority

### Reports from Constituent Council Representatives on the Combined Authority

Audit and Governance Committee  
29th January 2021

Overview and Scrutiny Committee  
14th December 2020  
25th January 2021

Combined Authority Board  
27th January 2021

The above meetings have taken place in December 2020 and January 2021.

#### Audit and Governance Committee – 29th January 2021

The Audit and Governance Committee met on 29th January 2021; the decision summary is attached as Appendix 1.

#### Overview and Scrutiny Committee – 14th December 2020 and 25th January 2021

The Overview and Scrutiny Committee met on 14th December 2020 and 25th January 2021, the decision summaries are attached as Appendices 2 and 3.

#### Combined Authority Board – 27th January 2021

The Combined Authority Board met on 27th January 2021; the decision summary is attached as Appendix 4.

The agendas and minutes of the meetings are on the Combined Authority's website – Link in the appendices

## Audit and Governance Committee Decision Summary

Meeting: 29th January 2021

Agenda/Minutes: [Audit and Governance Committee – 29 January 2021](#)

Chair: John Pye (Chair and Independent Person)

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1	<b>Apologies and Declarations of Interests</b>	Apologies received from Cllr Goldsack. There were no declarations of interest.
2	<b>Chair's Announcements</b>	<p>The Chair made the following announcements:</p> <ol style="list-style-type: none"> <li>1) There would be an extra Audit and Governance Committee meeting held on the 5<sup>th</sup> March to review the Assurance Framework and other additional items. The Assurance Framework will also include information on how the recommendations on Lancaster Way have been implemented.</li> <li>2) Report on Independent Climate Change Commission to come to April meeting to align with timing of the report being published.</li> <li>3) The meeting calendar for the committee had been revised at the request of the Chair and would be circulated to members.</li> </ol>
3	<b>Minutes of the Previous Meeting and Action Notes</b>	The Minutes were approved as a correct record and the actions from the previous meeting noted.

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		A report with proposals for how the committee could consider updates on whistleblowing, fraud, complaints would be brought back to the March meeting.
4	<b>Combined Authority Update</b>	The Committee received a verbal update from the Interim Chief Executive Officer.
5	<b>Internal Audit Update</b>	<p>The Committee received the report from the Internal Auditors which provided an update to the work that RSM have conducted against the internal audit plan for 2020/21 that they presented, and which was agreed at the November Audit and Governance Committee meeting. The paper also provided the conclusions and recommendations of RSM's review of Risk Management.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1) In future only reports that received a less than a reasonable assurance would be reported to the committee in detail.</li> <li>2) That officers include how the Audit Committee will review the governance arrangement of trading companies within the Assurance Framework.</li> <li>3) That when the Risk Register is next taken to the CA Board that officers include that the Audit and Governance Committee have reviewed the Internal Auditors recommendations following their review and note that the recommendations will be progressed by officers.</li> <li>4) Note the report.</li> </ol>

6	<b>Corporate Risk Register</b>	<p>The Committee reviewed the Combined Authority Corporate Risk Register.</p> <p><b>RESOLVED:</b></p> <p>That Committee would withhold comments on the Risk Register and Strategy until officers had progressed the recommendations from the Internal Auditors report.</p>
7	<b>External Audit</b>	<p>The Committee received the report from the External Auditors which provided the committee with the annual audit letter 2019/20.</p> <p><b>RESOLVED:</b></p> <p>The Committee noted the report and annual audit letter 2019/20.</p>
8	<b>Treasury Management</b>	<p>The Committee received the report which outlined the Treasury Management and Capital Strategies for 2021-22 and requested that it note the in-year performance against the adopted 2020-21 prudential and treasury indicators.</p> <p><b>RESOLVED:</b></p> <p>The Committee requested that it review the Capital Strategy at its next meeting in March as due to an administration error the report had not been circulated to members.</p> <p>The Committee requested that in future reports that changes within the strategies be highlighted.</p> <p>The Committee AGREED to note the Treasury Management Strategies.</p>



<p><b>9</b></p>	<p><b>Work Programme for the Audit &amp; Governance Committee</b></p>	<p>The work programme was received and noted.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1) That an extra meeting in March was scheduled and the following items would be added to the work programme for that meeting:             <ol style="list-style-type: none"> <li>i) Proposals for how the committee could consider updates on whistleblowing, fraud, complaints.</li> <li>ii) Capital Strategy</li> </ol> </li> <li>2) That a private meeting with the external and internal auditors be arranged prior to the April 6<sup>th</sup> Committee meeting.</li> </ol>
<p><b>10</b></p>	<p><b>Date of next meeting</b></p>	<p>Friday, 5<sup>th</sup> March 2021 from 10.00 a.m. via the Zoom platform.</p>

## Overview and Scrutiny Committee Decision Summary

Meeting: 14th December 2020

Agenda/Minutes: [Overview and Scrutiny Committee – 14 December 2020](#)

Chair: Cllr Lorna Dupré

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1.	<b>Apologies</b>	Apologies were received from: Cllr Stephen Corney (Huntingdonshire District Council)
2.	<b>Declarations of Interest</b>	There were no declarations of interest.
3.	<b>Minutes of the Previous Meeting</b>	The minutes of the last meeting were agreed as an accurate record.
4.	<b>Public Questions</b>	There were no public questions received.
5.	<b>The Mayor for the Combined Authority</b>	The Mayor for the Combined Authority attended the meeting to answer questions from members in his role as the Mayor and also as the Chair of the Transport and Infrastructure Committee.
6.	<b>The Combined Authority Budget and Medium-Term Financial Plan</b>	This was the second of three consecutive visits to the Committee over the course of the budget-setting process and development of the MTFP. The report set out the proposed Combined Authority draft Budget for 2021/22 and the Medium-Term Financial Plan (MTFP) and Capital Programme for the

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>period 2021/22 to 2024/25, as approved by the Board for consultation purposes on 25th November 2020.</p> <p>The Overview and Scrutiny Committee was specifically designated as a consultee on the Combined Authority's draft budget in the Constitution and the report gave the Committee the chance to query Finance officers regarding the budget and agree if they wished to provide a response to the consultation as a whole Committee.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i) The Committee provided no response to the consultation.</li> <li>ii) The Chief Finance Officer AGREED to have a conversation with the Chair for the Task and Finish Group and that a note would be provided for members.</li> <li>iii) The Chief Finance Officer would return to the Committee meeting in January 2021.</li> </ul>
7.	<b>CAM Metro Task and Finish Group</b>	<p>The Committee received the report from the Chair of the Task and Finish group, Cllr Mike Davey. The interim report updated the Committee on subsequent work that had been undertaken in the six months following the May 2020 report and asked members for comments on the work undertaken and going forward.</p> <p>The Committee Agreed to note the report.</p>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
8.	<b>CPCA Project Register</b>	<p>The Committee received the report from the Programme Manager which provided the Committee with an overview of the Combined Authority projects.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i) The Committee requested that the Monitoring Officer look into how the Committee could receive a more detailed report on the Project Register to enable them to consider which projects to scrutinise.</li> <li>ii) The Committee noted the report.</li> </ul>
9.	<b>Horizon Scanning</b>	The Horizon Scanning report was noted.
10.	<b>Combined Authority Forward Plan</b>	The CA Forward Plan was noted.
11.	<b>Overview and Scrutiny Committee Work Programme</b>	<p>The Work Programme was noted.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i) It was <b>agreed</b> that the Chairman and Chief Executive of One CAM Limited be invited to attend a meeting of the Committee in March.</li> <li>ii) that the Director for Business and Skills include an update on Brexit in his report due to come to the Committee in January</li> </ul>
12.	<b>Date of Next Meeting</b>	Monday, 25 <sup>th</sup> January 2021 at 11.00 a.m. with a pre-meeting for Members at 10.00 a.m.

## Overview and Scrutiny Committee Decision Summary

Meeting: 25th January 2021

Agenda/Minutes: [Overview and Scrutiny Committee – 25 January 2021](#)

Chair: Cllr Lorna Dupré

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1.	<b>Apologies</b>	No apologies were received.
2.	<b>Declarations of Interest</b>	There were no declarations of interest.
3.	<b>Minutes of the Previous Meeting</b>	The minutes of the last meeting were agreed as an accurate record.
4.	<b>Public Questions</b>	There were no public questions received.
5.	<b>The Combined Authority Budget and Medium-Term Financial Plan</b>	<p>The report provided an update on the preparation and approval of the Combined Authority and Mayoral budgets for 2021/22 and of the Medium-Term Financial Plan (MTFP) for the period 2021/22 to 2024/25.</p> <p><b>RESOLVED:</b></p> <p>i) The Committee noted the consultation responses and updates to the Combined Authority's 2021-22 Budget, Medium Term Financial Plan and Capital Programme.</p>

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>ii) The Chief Finance Officer agreed to provide a breakdown on what else would be covered by the Alconbury Weald receipts along with comments on the outcome if the receipts were less than expected.</p>
6.	<b>Director for Housing</b>	The Committee received the report from the Director for Housing which provided an update on the £170 million Affordable Housing Programme being led by the Combined Authority.
7.	<b>Chair of the Housing and Communities Committee</b>	The Chair for the Housing and Communities Committee was in attendance and responded to questions from the members.
8.	<b>Combined Authority Board Agenda: Wednesday 27 January</b>	<p>The following questions to the Board were agreed:</p> <p><u>Item 1.6 Change in Membership - Transport and Infrastructure Committee</u></p> <p>Could the Board provide some clarity around the decision-making structure that will result from the proposals set out to change the remit of Transport and Infrastructure committee?</p> <p><u>Item 1.7 – Appointment of Combined Authority Returning Officer</u></p> <p>The reports suggest an election in May can be run within the budget envelope already envisioned. With the vast majority of local authorities reporting that they will struggle to run an election this year - is the Combined Authority confident that it can run a fair and free election under Covid restrictions and within the budget envelope suggested?</p> <p><u>Item 1.8 – Performance Report</u></p>

Item	Topic	Decision [ <i>None of the decisions below are key decisions</i> ]
		<p>The Combined Authority's flagship £100m Affordable Housing Programme now has a residual RAG status of RED. What plans does the Combined Authority have to address this?</p> <p><u>Item 1.10 – Combined Authority Business Plan and Annual Report 2021-22</u></p> <p>The Business Plan 2021/22 states that 'You will see more active travel, more work towards 'doubling nature' and hammering carbon emissions down to zero.' Can you provide further information and in practical terms about what is meant in practical terms by 'hammering carbon emissions down to zero' especially in regard to the authority's construction and transport projects?</p> <p><u>Item 2.1 Budget Monitor Update Report January 2021</u></p> <ul style="list-style-type: none"> <li>a) The breakdown of the revenue position under the Delivery and Strategy section notes the CAM Outline Business Case budget of £1.425M – could you advise what stage the Outline Business Case is currently at and how much of the current budget has been spent? Could the detail around this be provided to the Overview &amp; Scrutiny Committee?</li> <li>b) The breakdown of the revenue position under the Delivery and Strategy section notes the One CAM Innovation Company has £6.84m allocated with nearly £4M of that already spent. How will the remaining £3M be spent by the end of March?</li> </ul> <p><u>Item 2.3 2021-22 Budget and Medium-Term Financial Plan 2021-2025</u></p>

Item	Topic	Decision [ <i>None of the decisions below are key decisions</i> ]
		<p>Forecast expenditure on the CAM Outline Business Case £5M for 2021/22, and £6.5M in years 2022/23 and 2023/24. Will the Outline Business Case be concluded by the end of 2024?</p> <p>Forecast expenditure on the CAM SPV outlined in Appendix 2c is £2M for 2021/22. What is the spend estimate on the SPV beyond 2021/22 and why is this not included in the forecast?</p> <p><u>Item 2.4 Transport Levy 2021/22</u></p> <p>Does the Transport Levy amount sufficiently reflect the enormity of work that has been done and will continue to be done by the Combined Authority in the future?</p> <p><u>Item 3.1 CAM Update</u></p> <p>Why has the CAM Update item been withdrawn?</p> <p><u>Item 4.3 Greater Cambridge Partnership Consultations - Waterbeach to Cambridge and Eastern Access</u></p> <p>What is the Combined Authority's position on an alternative public transport mode for travel between Waterbeach and Cambridge? This has previously formed part of the Authority's proposals for the CAM; is this still the case?</p> <p><u>Item 6.2 University of Peterborough Phase 2 - Incorporation of PropCo2</u></p> <p>The plans mention car park provision. What weight has been given to the environmental impact of the proposals in terms of land use and carbon emissions?</p>



Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
9.	<b>Combined Authority Forward Plan</b>	The CA Forward Plan was noted.
10.	<b>Lead Member Questions to Executive Committees</b>	The responses to the Lead Member questions were noted.
11.	<b>Overview and Scrutiny Committee Work Programme</b>	<p>The Work Programme was noted.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i) That the Independent Commission on Climate Change come to March's meeting</li> <li>ii) That the Lead member Role for the Business Board come to February's meeting</li> <li>iii) Requested that the University of Peterborough item come to February's meeting</li> <li>iv) That the March meeting be rescheduled to the 22<sup>nd</sup> March to align with the CA Board meeting.</li> <li>v) The Monitoring Officer would provide members with a note of advice on what items it would be appropriate to consider at the April meeting during the purdah period.</li> </ul>
12.	<b>Date of Next Meeting</b>	Monday, 22 February 2021 at 11.00 a.m. with a pre-meeting for Members at 10.00 a.m.

## Cambridgeshire & Peterborough Combined Authority Board - Decision Summary

Meeting: 27th January 2021

Agenda/Minutes: [Cambridgeshire and Peterborough Combined Authority Board – 27 January 2021](#)

Meeting: Wednesday 27th January 2021

### Part 1 - Governance Items

#### 1.1 Announcements, Apologies for Absence and Declarations of Interest

**Apologies for absence were received from Councillor Ryan Fuller, substituted by Councillor Jon Neish, and co-opted member Jessica Bawden, representing Cambridgeshire and Peterborough Clinical Commissioning Group.**

**A declaration of interest was made by Councillor Bridget Smith in relation to Item 4.2: London Luton Airport Arrivals Consultation, in that the proposed change to aircraft stacking arrangements would have a significant impact on the village where she lives.**

#### 1.2 Minutes of the Combined Authority Board meeting on 25th November 2020

**The minutes of the meeting on 25th November 2020 were approved as an accurate record. A copy will be signed by the Mayor when it is practical to do so.**

#### 1.3 Petitions

No petitions were received.

#### 1.4 Public Questions

No public questions were received.

#### 1.5 Forward Plan- 14 January 2021

It was resolved to approve the Forward Plan.

#### 1.6 Change in Membership - Transport and Infrastructure Committee

It was resolved to:

Ratify the appointment of Councillor Mark Howell as the representative of Cambridgeshire County Council on the Transport & Infrastructure Committee in place of Councillor Ian Bates, and the appointment of Councillor Ian Bates as substitute member in the place of Councillor Roger Hickford.

#### 1.7 Appointment of Combined Authority Returning Officer

It was resolved to:

Appoint John Hill, Chief Executive, as the Combined Area Returning Officer for the purposes of Article 6 of the Combined Authorities (Mayoral Elections) Order 2017 for the Mayoral election to be held on 6 May 2021.

#### 1.8 Performance Report

The January 2021 Delivery Dashboard was noted.

## 1.9 Combined Authority Monitoring and Evaluation Framework 2021

It was resolved to adopt the Monitoring and Evaluation Framework for 2021.

## 1.10 Combined Authority Business Plan and Annual Report 2021-22

It was resolved to:

- a) Review the draft 2021/22 Combined Authority Annual Report and Business Plan attached at Appendix 1 and consider any appropriate amendments;
- b) Delegate authority to the Chief Executives to finalise the Annual Report and Business Plan for publication in the light of the views of the Combined Authority Board.

## 1.11 Relationship between Risk and Change Control

It was resolved to:

Approve the adoption of the Relationship between Risk and Change Control document as recommended by the Audit and Governance Committee.

## Part 2 – Finance

### 2.1. Budget Monitor Report: January 2021

It was resolved to:

- a) Note the financial position of the Combined Authority for the year to date.

- b) Approve the movement of £900k from Subject to Approval to Approved budget for the Digital Connectivity Infrastructure Programme
- c) Note the Chief Finance Officer's acceptance of additional funding to support business through the EU exit grant and associated expenditure.
- d) Approve the amendment to the limit on investment balances held with Money Market Funds in the current Treasury Management Strategy.

## 2.2 Mayor's Budget 2021-22

It was resolved to:

Approve the Mayor's draft budget for 2021-22.

## 2.3 2021-22 Budget and Medium-Term Financial Plan 2021-25

It was resolved to:

- a) Approve the revenue budget for 2021/22 and the Medium-Term Financial Plan 2021/22 to 2024/25.
- b) Approve the capital programme 2021/22 to 2024/25

## 2.4 Transport Levy 2021-22

It was resolved to approve the amount and apportionment of the Transport Levy for the 2021-22 financial year as set out below:

Total Levy: £13,039,675

Peterborough City Council: £3,793,659

Cambridgeshire County Council: £9,246,016

## Part 3 – Combined Authority Decisions

### 3.1 CAM Update January 2021

This report was withdrawn.

### 3.2 Market Towns Programme Investment Prospectus - Approval of Third Tranche of Project Proposals

It was resolved to:

Approve project proposals received under Market Towns Programme and in response to town centre Covid-19 recovery received from Fenland, East Cambridgeshire, and Huntingdonshire to the sum of £4,143,079.

### 3.2 Business Growth Service – Growth Company Board

It was resolved to:

- a) Approve the appointment of Barclays Bank as Company Bankers.
- b) Approve amendment of the Accounting Reference Date from 31st August 21 to 31 March 2021.
- c) Approve amendment of the Company's name at Companies House from Peterborough and Cambridgeshire Business Growth Co Ltd to Cambridgeshire and Peterborough Business Growth Co Ltd.
- d) Approve access for staff employed in Growth Co, to the NEST Pension Scheme with a total contribution of 10%, of which there is a 5% minimum employer contribution.

- e) To grant the Monitoring Officer delegated authority, in consultation with the Director of Business and Skills to agree a final Shareholder Agreement in substantively the same form as is set out in Appendix 1 and to execute the agreement and any related deeds of adherence and succession or of amendment and restatement necessary to substitute it for the previous Shareholder Agreement approved by the Combined Authority.

By recommendation to the Combined Authority Board

## Part 4 – Transport and Infrastructure Committee recommendations to the Combined Authority Board

### 4.1 A16 Norwood Improvements

It was resolved to:

Approve the drawdown of £630,000 from the Medium-Term Financial Plan to produce the Outline Business Case. This includes £320,000 carry forward from the current financial year subject to approval budget.

### 4.2 London Luton Airport Air Space (Stack) Consultation

It was resolved to:

Delegate authority to the Director of Delivery and Strategy, in consultation with the Chair of the Transport and Infrastructure Committee, to respond to the consultation on behalf of the Transport and Infrastructure Committee, reflecting the Committee and Board's discussions.

### 4.3 Greater Cambridge Partnership Consultations - Waterbeach to Cambridge and Eastern Access

It was resolved to:

- a) Approve the proposed consultation response commentary in relation to the Greater Cambridge Partnership's Waterbeach to Cambridge proposals, with a recommendation that they are issued on behalf of the Combined Authority;
- b) Approve the proposed consultation response commentary in relation to the Greater Cambridge Partnership's Greater Cambridge Partnership's Eastern Access proposals, with a recommendation that they are issued on behalf of the Combined Authority.

n/a Additional report added to the agenda after publication: Amendment to Terms of Reference – Transport and Infrastructure Committee

It was resolved to:

Authorise the Monitoring Officer to amend Chapter 8 of the Constitution of the Combined Authority Board (Transport and Infrastructure Committee), Section 3, to include: 3.2.13 *Review matters related to the CAM scheme prepared by the Greater Cambridge Partnership and make representations to the GCP Executive Board related to CAM matters.*

## Part 5 – Housing and Communities Committee recommendations to the Combined Authority Board

### 5.1 Community Land Trust Business Case

It was resolved to approve the Community Land Trust Business Case at Appendix 1 of the report.

## Part 6 – Skills Committee recommendations to the Combined Authority Board

### 6.1 Local Growth Fund Programme Management Review January 2021



It was resolved to:

- a) Approve the project change request for Cambridge Medipark Ltd Biomedical Multi-occupancy building project; and
- b) Approve the project change request for the Cambridgeshire Skills March Adult Education Project;
- c) Note the programme updates outlined in the report to the Business Board.

## 6.2: University of Peterborough Phase 2 - Incorporation of PropCo2

It was resolved to:

- a) Delegate authority to the Director of Business and Skills, in consultation with the Lead Member for Economic Growth, the Section 73 Officer and the Monitoring Officer, to develop the necessary legal documentation for the Peterborough R&D Property Company.
- b) Approve the Business Plan for Peterborough R&D Property Company Ltd.
- c) Consent to Peterborough R&D Property Company Ltd entering into the contract with the commercial operation which is successful in the procurement exercise.

## 6.3 University of Peterborough Phase 2 Manufacturing and Materials Research and Development Centre Project

It was resolved to:

- a) Agree to the £1.13m increase in equity investment from the existing project partner into the Peterborough R&D Property Company Ltd.

- b) Subject to the approval of recommendation (a), to note the new revised total project budget of £19.5 million and the revised shareholding split in Peterborough R&D Property Company Ltd, the Joint Venture Company delivering the project.

#### 6.4 Local Enterprise Partnership Partnering Strategy

It was resolved to:

Approve the Partnering Strategies approach between the Business Board and:

- i. The OxCam LEPs;
- ii. NALEP, GLLEP & SEMLEP; and
- iii. The LEP Network.

**ACTION TAKEN BY THE CHIEF EXECUTIVE ON THE GROUNDS OF URGENCY**

Committee: Council

Date: 23 February 2021

Author: John Hill, Chief Executive

[V136]

1.0 **ISSUE**

1.1 To note the action taken by the Chief Executive on the grounds of urgency.

2.0 **RECOMMENDATION**

2.1 That the action taken by the Chief Executive on grounds of urgency be noted.

3.0 **BACKGROUND**

**(a) Additional Restrictions Grant Round 1**

3.1 The Additional Restrictions Grant is a discretionary funding scheme for local authorities to support businesses in their local economies during periods of lockdown relating to the COVID-19 pandemic. This grant is in addition to the Local Restrictions Support Grant funding for businesses with a business rates account that are forced to closed.

3.2 The Council has been awarded £1,796,800. The payment is for the 2020/2021 and 2021/2022 financial years. Once we exit national lockdown, the Council will not receive additional funding if we re-enter national or local restrictions. The eligibility criteria and priority groups are detailed in the scheme which is attached at Appendix 1 for your information.

3.3 The decision on the grounds of urgency enabled the Council to implement the scheme and benefit those eligible businesses as soon as possible. The East Cambridgeshire Additional Restrictions Grant will go live from Wednesday 18 November 2020 and the Council will be required to complete weekly returns to the Department of Business, Energy and Industrial Strategy.

**(b) Additional Restrictions Grant Round 2**

3.4 The Additional Restrictions Grant is a discretionary funding scheme for local authorities to support businesses in their local economies during periods of lockdown relating to the COVID-19 pandemic. This grant is in addition to the Local Restrictions Support Grant funding schemes for businesses.

3.5 The Council has been awarded £1,796,800. The payment is for the 2020/2021 and 2021/2022 financial years. To date, the Council awarded £166,000 of this funding to local businesses.

3.6 The eligibility criteria and priority groups for the Additional Restrictions Grant Round 2 are detailed in the scheme which is attached for your information at Appendix 2.

3.7 The decision on the grounds of urgency will enable the Council to implement the scheme and benefit those eligible businesses as soon as possible. The East Cambridgeshire Additional Restrictions Grant will go live from Wednesday 23 December 2020 and the Council will be required to complete weekly returns to the Department of Business, Energy and Industrial Strategy.

**(c) Tier 2 Local Restrictions Support Grant (Open)**

3.8 Following the introduction of the Tier system of COVID-19 restrictions, Government has introduced further grants for businesses. The Local Restrictions Support Grant (Open) is a discretionary funding scheme for local authorities to support those eligible businesses that are still open but severely impacted by the Tier 2 restrictions.

3.9 The Council has been awarded £188,251 for The Local Restrictions Support Grant (Open). The eligibility criteria and priority groups for this grant are detailed in the scheme which is attached at Appendix 3 for your information.

3.10 The decision on the grounds of urgency will enable the Council to implement the scheme and benefit those eligible businesses as soon as possible. The Local Restrictions Support Grant (Open) will go live from Wednesday 23 December 2020 and the Council will be required to complete weekly returns to the Department of Business, Energy and Industrial Strategy.

3.11 In accordance with Part 3(4) paragraph 4.1, of the Constitution, the Chief Executive consulted the Leader of Council prior to the delegated decisions. The Chairman of Council and the Leaders of the Liberal Democrat and Independent Groups were subsequently notified of the delegated action taken.

3.12 In accordance with paragraph 4.1 of the Constitution, the urgent actions are being reported to Council for information.

**(d) Additional Restrictions Grant – Round 3**

3.13 The Additional Restrictions Grant is a discretionary funding scheme for local authorities to support businesses in their local economies during periods of lockdown relating to the COVID-19 pandemic. This grant is in addition to the Local Restrictions Support Grant funding for businesses with a business rates account that are forced to closed.

3.14 The Council has been awarded £2,594,853. The payment is for the 2020/2021 and 2021/2022 financial years. Once we exit national lockdown the Council will not receive additional funding if we re-enter national or local restrictions.

3.15 The eligibility criteria and priority groups are detailed in the proposed scheme which is attached at Appendix 4 for your information.

3.16 The decision on the grounds of urgency will enable the Council to implement the scheme and benefit those eligible businesses as soon as possible. The East Cambridgeshire Additional Restrictions Grant will go live from Tuesday 16<sup>th</sup> February 2021 and the Council will be required to complete weekly returns to the Department of Business, Energy and Industrial Strategy.

#### 4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 There are no additional financial implications.

4.2 Equality Impact Assessment (INRA) not required for the purposes of this report.

#### 5.0 APPENDICES

Appendix 1 – Additional Restrictions Grant Scheme - November 2020

Appendix 2 – Additional Restrictions Grant Scheme Round 2 - December 2020

Appendix 3 – ECDC Tier 2 Local Restrictions Support Grant (LSRG) Open – December 2020

Appendix 4 - Additional Restrictions Grant Scheme Round 3 – February 2021

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Urgent Action Memos dated: 16 November and 23 December 2020	Room 103 The Grange Ely	John Hill Chief Executive (01353) 665555 <a href="mailto:john.hill@eastcambs.gov.uk">john.hill@eastcambs.gov.uk</a>

## East Cambridgeshire District Council Additional Restrictions Grant Scheme

November 2020

The Additional Restrictions Grant (ARG) is a discretionary funding scheme for local authorities to support businesses in their local economies during periods of lockdown relating to the COVID-19 pandemic. This grant is in addition to the Local Restrictions Support Grant (LRSRG) funding for businesses with a business rates account that are forced to close.

East Cambridgeshire District Council has been awarded £1,796,800 for the ARG scheme. The payment is for the 2020/2021 and 2021/2022 financial years. Once we exit national lockdown the Council will not receive additional funding if we re-enter national or local restrictions.

For the ARG grants in November 2020, the Council will prioritise those businesses the Government have identified for this scheme:

- Those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19. This could include – for example – businesses which supply the retail, hospitality and leisure sectors, or businesses in the events sector.
- Those outside the businesses rates system that are legally forced to close.

### Businesses and venues which must close

**Non-essential retail**, such as clothing and homeware stores, vehicle showrooms (other than for rental), betting shops, tailors, tobacco and vape shops, electronic goods and mobile phone shops, and market stalls selling non-essential goods. These venues can continue to be able to operate click-and-collect (where goods are pre-ordered and collected off the premises) and delivery services.

**Hospitality venues** such as cafes, restaurants, pubs, bars and social clubs; with the exception of providing food and drink for takeaway (before 10pm; and not including alcohol), click-and-collect, drive-through or delivery.

**Accommodation** such as hotels, hostels, guest houses and campsites. Except for specific circumstances, such as where these act as someone's main residence, where the person cannot return home, for homeless people, or where it is essential to stay there for work purposes

**Leisure and sports facilities** such as leisure centres and gyms, swimming pools, tennis and basketball courts, golf courses, fitness and dance studios, climbing walls, archery, driving, and shooting ranges

**Entertainment venues** such as theatres, concert halls, cinemas, museums and galleries, casinos, amusement arcades, bingo halls, bowling alleys, skating rinks, go-karting venues, soft play centres and areas, circuses, fairgrounds, funfairs, zoos and other animal attractions, water parks and theme parks. Indoor attractions at botanical gardens, heritage homes and landmarks must also close, though outdoor grounds of these premises can stay open

**Personal care facilities** such as hair, beauty, tanning and nail salons. Tattoo parlours, spas, massage parlours, body and skin piercing services must also close. It is also prohibited to provide these services in other peoples' homes

**Community centres and halls** must close except for a limited number of exempt activities. Libraries can also remain open to provide access to IT and digital services - for example for people who do not have it at home - and for click-and-collect.

This list is not exhaustive – [you can find a detailed list of the businesses that will need to close on GOV.UK.](#)

## Eligibility

To be eligible for this grant, your business must:

- Operate in East Cambridgeshire.
- Have been open for business as usual before the restrictions came into force on 5<sup>th</sup> November 2020.
- Have relatively high ongoing fixed property related costs. Fixed property costs can include, rent or a mortgage for the business property and other costs, such as fees for the hire of premises. Domestic dwelling costs are not included.
- Have experienced a significant loss of income directly related to the national lockdown restrictions.

## **Businesses will be required to provide evidence of their fixed property costs and loss of income.**

Businesses which supply to industries forced to close (retail, hospitality and leisure or the events industry), must demonstrate in their application that at least 75% of their revenue derives from these customers.

## Ineligible businesses

- Businesses that are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely.
- Businesses that have chosen to close but not been required to.

- Businesses which have already receive grant payments that equal the maximum levels of EU State Aid permitted under the De minimis and the COVID-19 Temporary State Aid Frameworks.
- Businesses that were in administration, are insolvent or where a striking-off notice has been made.

### **Making an Application**

The Council is inviting eligible businesses, within the two priority business categories, to submit an application to the Council. You can either do this online or by requesting an application form by email at [covid19businessgrants@eastcambs.gov.uk](mailto:covid19businessgrants@eastcambs.gov.uk) or by telephone on 01353 665555.

The two priority categories and the grant allocation details are as follows:

<b>Category</b>	<b>Grant amount</b>
Those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19. For example – businesses which supply the retail, hospitality and leisure sectors, or businesses in the events sector.	£2,000
Those businesses that were legally required to close because of lockdown regulations, but do not have a business rates assessment.*	£2,000

\*If your business was legally required to close and you do have a business rates account, you may be eligible for a Local Restrictions Support Grant – <https://www.eastcambs.gov.uk/business/local-restrictions-support-grant>

These grants will be paid as one-off grants to cover the 28 day period from 5 November to 2 December 2020.

**The deadline for applications is 5pm on 2<sup>nd</sup> December 2020.**

After the closing date, if funds remain, the Council will review the scheme and open a further application round.



## **East Cambridgeshire District Council Additional Restrictions Grant Scheme**

### **Round 2 - December 2020**

A second round of the Additional Restrictions Grant (ARG) scheme has been opened to support more business sectors who up until now, have not been eligible for the Local Restrictions Support Grant (LRSG) or the first Additional Restrictions Grant (ARG).

**The grant is to support businesses impacted by the November national lockdown period.**

The Additional Restrictions Grant (ARG) is a discretionary funding scheme for local authorities to support businesses in their local economies during periods of lockdown relating to the COVID-19 pandemic. This grant is in addition to the Local Restrictions Support Grant (LRSG) funding for businesses with a business rates account that are forced to closed.

East Cambridgeshire District Council has been awarded £1,796,800 for the ARG scheme. The payment is for the 2020/2021 and 2021/2022 financial years. Once we exit national lockdown the Council will not receive additional funding if we re-enter national or local restrictions.

#### **Eligible businesses**

- Businesses outside the businesses rates system that were legally forced to close during the November national lockdown.
- Those businesses which were not legally required to close, but were nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19 because they supply the retail, hospitality and leisure sectors, or businesses in the events sector.
- Business run from domestic properties paying council tax in East Cambridgeshire that were legally forced to close during the November national lockdown.
- Business run from domestic properties paying council tax in East Cambridgeshire that were not legally required to close, but were nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19 because they supply the retail, hospitality and leisure sectors, or businesses in the events sector.

#### **Businesses and venues which must close**

**Non-essential retail**, such as clothing and homeware stores, vehicle showrooms (other than for rental), betting shops, tailors, tobacco and vape shops, electronic goods

and mobile phone shops, and market stalls selling non-essential goods. These venues can continue to be able to operate click-and-collect (where goods are pre-ordered and collected off the premises) and delivery services.

**Hospitality venues** such as cafes, restaurants, pubs, bars and social clubs; with the exception of providing food and drink for takeaway (before 10pm; and not including alcohol), click-and-collect, drive-through or delivery.

**Accommodation** such as hotels, hostels, guest houses and campsites. Except for specific circumstances, such as where these act as someone's main residence, where the person cannot return home, for homeless people, or where it is essential to stay there for work purposes

**Leisure and sports facilities** such as leisure centres and gyms, swimming pools, tennis and basketball courts, golf courses, fitness and dance studios, climbing walls, archery, driving, and shooting ranges

**Entertainment venues** such as theatres, concert halls, cinemas, museums and galleries, casinos, amusement arcades, bingo halls, bowling alleys, skating rinks, gokarting venues, soft play centres and areas, circuses, fairgrounds, funfairs, zoos and other animal attractions, water parks and theme parks. Indoor attractions at botanical gardens, heritage homes and landmarks must also close, though outdoor grounds of these premises can stay open

**Personal care facilities** such as hair, beauty, tanning and nail salons. Tattoo parlours, spas, massage parlours, body and skin piercing services must also close. It is also prohibited to provide these services in other peoples' homes

**Community centres and halls** must close except for a limited number of exempt activities. Libraries can also remain open to provide access to IT and digital services - for example for people who do not have it at home - and for click-and-collect.

This list is not exhaustive – [you can find a detailed list of the businesses that will need to close on GOV.UK.](#)

## Eligibility

To be eligible for this grant, your business must:

- Operate in East Cambridgeshire.
- Have been open for business as usual before the restrictions came into force on 5<sup>th</sup> November 2020.
- If operating from a commercial property, have relatively high ongoing fixed property related costs. Fixed property costs can include, rent or a mortgage for the business property and other costs, such as fees for the hire of premises.

- Have experienced a significant loss of income directly related to the national lockdown restrictions.

**Businesses will be required to provide evidence of their fixed property costs, business related costs and loss of income.**

Businesses which supply to industries forced to close (retail, hospitality and leisure or the events industry), must demonstrate in their application that at least 75% of their revenue derives from these customers.

**Ineligible businesses**

- Businesses that are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely.
- Businesses that have chosen to close but not been required to.
- Businesses which have already receive grant payments that equal the maximum levels of EU State Aid permitted under the De minimis and the COVID-19 Temporary State Aid Frameworks.
- Businesses that were in administration, are insolvent or where a striking-off notice has been made.
- Businesses that received an ARG grant in Round 1.

**Making an Application**

The Council is inviting eligible businesses to submit an application to the Council. You can either do this online or by requesting an application form by email at [covid19businessgrants@eastcambs.gov.uk](mailto:covid19businessgrants@eastcambs.gov.uk) or by telephone on 01353 665555.

The priority categories and the grant allocation details are as follows:

<b>Category</b>	<b>Grant amount</b>
Those businesses that were legally required to close because of the November national lockdown regulations, but do not have a business rates assessment.*	£2,000
Those businesses which were not legally required to close during the November national lockdown, but were nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19	£2,000

because they supply the retail, hospitality and leisure sectors, or businesses in the events sector.	
Business run from domestic properties paying council tax in East Cambridgeshire that were legally forced to close during the November national lockdown.	£2,000
Business run from domestic properties paying council tax in East Cambridgeshire that were not legally required to close, but were nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19 because they supply the retail, hospitality and leisure sectors, or businesses in the events sector.	£2,000

\*If your business was legally required to close and you do have a business rates account, you may be eligible for a Local Restrictions Support Grant – <https://www.eastcambs.gov.uk/business/local-restrictions-support-grant>

These grants will be paid as one-off grants to cover the 28 day period from 5 November to 2 December 2020.

**The deadline for applications is 5pm 31<sup>st</sup> January 2021**

After the closing date, if funds remain, the Council will review the scheme and open a further application round.

## **East Cambridgeshire District Council Tier 2 - Local Restrictions Support Grant (LRSG) Open – December 2020**

The government is providing funding to local authorities to support businesses which are not required to close but are severely impacted by the restrictions on socialising under the Tier 2 rules i.e., the restrictions on persons from different households mixing indoors.

The funding provided to each Council has been based on the number of hospitality premises (those serving food and drink), leisure businesses, hotels and bed and breakfast accommodation in their area. The government has asked local authorities to prioritise these types of businesses for the available funds under this scheme.

This grant is designed for those impacted by restrictions, and not by wider challenges in the economy. Applications must be able to demonstrate how the restrictions have impacted their business

If your business is forced to close because of local or national restrictions imposed and is registered to pay business rates, support is available via the Local Restrictions Support Grant (Closed) scheme.

### **Eligible Businesses**

The following types of business are deemed eligible for the LRSG (Open) scheme:

- Properties that are being used for the sale of food and/or drink to visiting members of the public, covering: Restaurants – Takeaways - Sandwich shops – Cafés - Coffee shops – Bars - Pubs
- Cinemas or live music venues (wholly or mainly used for the performance of live music for the purpose of entertaining an audience)
- Assembly or leisure property (Properties that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities), covering: Sports grounds and clubs – Museums and art galleries – Nightclubs – Sport and leisure facilities – Stately homes and historic houses – Theatres – Tourist attractions – Gyms – Wellness centres, spas, massage parlours – Casinos, gambling clubs and bingo halls – Public halls – Clubhouses, clubs and institutions
- Properties where the non-domestic part is being used for the provision of living accommodation as a business, covering: Hotels, Guest and Boarding Houses – Holiday homes – Caravan parks and sites

### **Eligibility**

To be eligible for this grant, your business must:

- Be based in East Cambridgeshire
- Be in the hospitality, hotel, accommodation and leisure sectors

- Have been **open as usual**, and providing in-person services to customers from their business premises, for the period East Cambridgeshire was under Tier 2 restrictions.
- Have been registered for business rates before 1<sup>st</sup> December 2020 or Council Tax if you operate a B&B
- Be severely impacted by the Tier 2 social restrictions and be able to provide proof of loss due to the impact of the Tier 2 restrictions.
- Have been established before the introduction of Tier 2 restrictions

You must notify your local council if your situation changes and you no longer meet the eligibility criteria. For example, you become insolvent.

Businesses with multiple properties, each with a Business Rates liability, will be eligible to apply for a grant for each property. Separate applications will however be required for each business property.

### **Grant Amount**

The level of each grant will be calculated in accordance with the rateable value of the property that is used for the calculation of business rates. For B&B's that do not have a rateable value, payment will be based on the number of employees.

These will be paid as grants to businesses to cover each 14-day period that East Cambridgeshire remains under Tier 2 restrictions.

<b>Rateable Value</b>	<b>14-day payment amount</b>	<b>Employee Numbers for B&amp;B's registered for Council Tax</b>	<b>14-day Payment Amount</b>
<b>£15,000 or less</b>	£467	0-10	£467
<b>£15,001 and less than £51,000</b>	£700	11-25	£700
<b>£51,000 or greater</b>	£1050	26+	£1050

### **Ineligible businesses**

- Businesses that are not subject to restrictions or are not within the business sectors indicated above.
- Businesses established after the 2nd December 2020 restrictions in commenced.
- Businesses which have already received payments that equal the maximum levels of State Aid permitted under the de minimis and the Covid-19 Temporary State Aid Framework.

- Businesses that do not pay Business Rates
- Retail businesses are not eligible for the LRSG (Open) scheme.
- Businesses which are in administration, insolvent, have been or are listed to be dissolved, or where a striking-off notice has been made are not eligible for funding under this scheme.
- Businesses that are legally required to close or have chosen to close due to the Tier 2 restrictions.

### **Making an Application**

The Council is inviting eligible businesses, to submit an application to the Council. You can either do this online or by requesting an application form by email at [covid19businessgrants@eastcambs.gov.uk](mailto:covid19businessgrants@eastcambs.gov.uk) or by telephone on 01353 665555.

## East Cambridgeshire District Council Additional Restrictions Grant Scheme Round 3

26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021

A third round of the Additional Restrictions Grant (ARG) scheme has been opened to support more business sectors who up until now, have not been eligible for the Local Restrictions Support Grant (LRSRG) or the first Additional Restrictions Grant (ARG) rounds.

**The grant is to support businesses impacted by the COVID restrictions from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021.**

The Additional Restrictions Grant (ARG) is a discretionary funding scheme for local authorities to support businesses in their local economies during periods of lockdown relating to the COVID-19 pandemic. This grant is in addition to the Local Restrictions Support Grant (LRSRG) funding for businesses with a business rates account that are forced to closed.

East Cambridgeshire District Council has been awarded £2,594,853 for the ARG scheme. The payment is for the 2020/2021 and 2021/2022 financial years. Once we exit the national lockdown the Council will not receive additional funding if we re-enter national or local restrictions.

### Eligible businesses

This grant scheme is for businesses who experienced a significant loss of income (over 30%) directly related to/as a result of the Tier 4 and National Lockdown restrictions in place from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021 and are either:

- A business that does not have a business rates account which was been legally required to close during the Tier 4 and National Lockdown period from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021.
- A customer facing business (with or without a business rates account), **whose primary activity is provision of in-person services for the sale of goods/services to the public on a face to face basis**, that was allowed to be open during Tier 4 restrictions and lockdown period, but was severely impacted by reductions in footfall or by the wider changes in behaviour of customers as a result of the restrictions put in place to control the spread of COVID-19 from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021.

In order to be eligible for a grant under this scheme, businesses must:

- (for businesses with fixed premises), be operating from a premises or market stall located within the East Cambridgeshire or (for mobile businesses), be based at a home address within East
- Cambridgeshire.
- Have been open for business as usual before the restrictions came into force on 26<sup>th</sup> December 2020.
- Have experienced a significant loss of income (over 30%) directly related to/as a result of the Tier 4 and National Lockdown restrictions.
- Be able to demonstrate that they have had ongoing fixed business costs, for example, rent or other costs that they have had to meet during the period of tier 4 and national restrictions relating to the COVID-19 pandemic, commencing on 26 December 2020.
- Businesses that have not been legally required to close, must have been open and providing services to customers during the Tier 4 and lockdown period.

### Businesses and venues which must close

**Non-essential retail**, such as clothing and homeware stores, vehicle showrooms (other than for rental), betting shops, tailors, tobacco and vape shops, electronic goods and mobile phone shops, and market stalls selling non-essential goods. These venues can continue to be able to operate click-and-collect (where goods are pre-ordered and collected off the premises) and delivery services.



**Hospitality venues** such as cafes, restaurants, pubs, bars and social clubs; with the exception of providing food and drink for takeaway (before 10pm; and not including alcohol), click-and-collect, drive-through or delivery.

**Accommodation** such as hotels, hostels, guest houses and campsites. Except for specific circumstances, such as where these act as someone's main residence, where the person cannot return home, for homeless people, or where it is essential to stay there for work purposes

**Leisure and sports facilities** such as leisure centres and gyms, swimming pools, tennis and basketball courts, golf courses, fitness and dance studios, climbing walls, archery, driving, and shooting ranges

**Entertainment venues** such as theatres, concert halls, cinemas, museums and galleries, casinos, amusement arcades, bingo halls, bowling alleys, skating rinks, gokarting venues, soft play centres and areas, circuses, fairgrounds, funfairs, zoos and other animal attractions, water parks and theme parks. Indoor attractions at botanical gardens, heritage homes and landmarks must also close, though outdoor grounds of these premises can stay open

**Personal care facilities** such as hair, beauty, tanning and nail salons. Tattoo parlours, spas, massage parlours, body and skin piercing services must also close. It is also prohibited to provide these services in other peoples' homes

**Community centres and halls** must close except for a limited number of exempt activities. Libraries can also remain open to provide access to IT and digital services - for example for people who do not have it at home - and for click-and-collect.

This list is not exhaustive – [you can find a detailed list of the businesses that will need to close on GOV.UK.](#)

If your business was legally required to close and you do have a business rates account, you may be eligible for a Local Restrictions Support Grant – <https://www.eastcambs.gov.uk/business/local-restrictions-support-grant>

### Open Businesses

Customer facing businesses, with or without a business rates account, whose primary activity is provision of in-person services for the sale of goods/services to the public on a face to face basis, who have remained open and can demonstrate their business has been severely impacted financially (over 30% loss of income) by the restrictions put in place from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021 to control the spread of COVID-19.

Applicants must be able to demonstrate one or more of the following:

- They are operating in an affected sector (e.g. retail) but able to stay open as an essential business.
- The public are required to enter the business premises to purchase goods/services.
- They are able to demonstrate that trade has dropped due to an inability to deliver consumer services (that cannot be delivered online) to customers due to social distancing requirements and/or restrictions on movement.
- They supply/trade with businesses that were required to close from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021.
- Their supplier/s were legally required to close from 26<sup>th</sup> December 2020 – 15<sup>th</sup> February 2021.

**Businesses will be required to provide evidence of their fixed property costs, business related costs and loss of income.**

## **Ineligible businesses**

The Council recognises that a much wider range of businesses is allowed to be open during Tier 4 and lockdown restrictions (for example, manufacturing, construction, professional services and so on) but these businesses are not eligible for grant support under this scheme.

This is because their main business is not reliant on offering in-person services to customers that are heavily impacted by the COVID-19 restrictions in force.

### **Which businesses are not included in the scheme?**

- Businesses that have chosen to close but not been required to will not be eligible for this grant. This includes business premises which were already closed directly before the restrictions were imposed.
- Businesses that are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely.
- Financial Services (e.g. bank), Medical Services (e.g. vets, dentist), Professional Services (e.g. solicitor), Estate & Letting Agents and Post Office sorting offices are not eligible for grants.
- Businesses whose primary function is not to provide goods/services to members of the public within their premises (e.g. office and manufacturing businesses).
- Businesses that have not been able to demonstrate a significant loss of income (at least 30%) due to Covid-19.
- Land/premises used for storage or for personal use.
- Empty premises.
- Businesses that have exceeded the permitted state aid limit.
- Companies that are in administration, are insolvent or where a striking-off notice has been made.
- Businesses eligible to receive grants under the Local Restrictions Support Grant (closed businesses) scheme cannot claim under this scheme.

## **Making an Application**

The Council is inviting eligible businesses to submit an application to the Council. You can either do this online or by requesting an application form by email at [covid19businessgrants@eastcambs.gov.uk](mailto:covid19businessgrants@eastcambs.gov.uk) or by telephone on 01353 665555.

The priority categories and the grant allocation details are as follows:

<b>Category</b>	<b>Grant amount</b>
<b><u>Closed Businesses</u></b> Businesses that were legally required to close because of the Tier 4 and national lockdown regulations from 26 <sup>th</sup> December 2020 – 15 <sup>th</sup> February 2021 but do not have a business rates account.	<ul style="list-style-type: none"><li>• Business operating from a commercial property - £6,000</li><li>• Business operating from a domestic property - £5,000</li><li>• Community facilities (village hall, church hall, meeting room, scout/guide hut etc) - £5,000</li></ul>
<b><u>Open businesses</u></b> Customer-facing businesses (with or without a business rates account) that were allowed to be open during Tier 4 restrictions and lockdown period, but were severely impacted by reductions in footfall or by the wider changes in behaviour of customers as a result of the	<ul style="list-style-type: none"><li>• All eligible businesses - £4,000</li></ul>

restrictions put in place to control the spread of COVID-19 from 26 <sup>th</sup> December 2020 – 15 <sup>th</sup> February 2021.	
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These grants will be paid as one-off grants to cover the period from 26<sup>th</sup> December 2020 - 15<sup>th</sup> February 2021. If the current lockdown is extended, additional payments will be made on a pro rata basis.

**The closing date for applications is 5pm Friday 19<sup>th</sup> March 2021.**

After the closing date, if funds remain, the Council will review the scheme and open a further application round.

### **State Aid**

There is a requirement for all grants made under this Additional Restrictions Grant scheme be State Aid compliant. Please see **further government guidance on this – link to [https://ec.europa.eu/competition/state\\_aid/what\\_is\\_new/covid\\_19.html](https://ec.europa.eu/competition/state_aid/what_is_new/covid_19.html)**

### **Managing the risk of fraud**

The Council will not accept deliberate manipulation or fraud - and any business caught falsifying their records to gain grant money may face prosecution and any funding issued will be subject to claw back, as may any grants paid in error. All information is subject to internal and external audit checks.

### **Sharing Information**

By applying for an Additional Restrictions Grant all applicants give authority to East Cambridgeshire District Council to share data for efficient system administration and to protect the Public Purse, subject to the GDPR. This will include sharing data with Anglia Revenues Partnership and other Local Authorities.

The Council will be required to share data with Government Departments for monitoring and other reasons. By applying for Additional Restrictions Grant all applicants give authority for this disclosure.

### **Grant income**

Grant income received by a business is taxable, therefore funding paid under the Additional Restrictions Grant scheme will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.