

Council Budget and Council Tax 2017-18 and Medium-Term Financial Strategy 2017-18 to 2020-21

**Members are requested to retain this report for use in
the following meetings:**

Overview and Scrutiny Committee – 1st February 2017

Cabinet – 6th February 2017

Council – 22nd February 2017

**This report is available on the Council's
website: <http://braintree.cmis.uk.com/braintree/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/543/Committee/3/Default.aspx>**

**Nicola Beach
Chief Executive**

Council Budget and Council Tax 2017/18 and Medium-Term Financial Strategy 2017/18 to 2020/21		Agenda No: 9a
Portfolio	Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Cllr. David Bebb	
Report prepared by:	Trevor Wilson, Head of Finance	
Background Papers:	Public Report	
Council Budget and Council Tax 2016/17 and Medium-Term Financial Strategy 2016/17 to 2019/20 report to Cabinet 4 th February 2016 and Full Council 22 nd February 2016	Key Decision: No	
Medium-Term Financial Strategy 2017/18 to 2020/21 Update report to Cabinet 29 th November 2016		
Executive Summary:		
1. Background and Purpose		
1.1	The annual process of reviewing and rolling the strategy forward by one year commenced with a report to Cabinet on 12 th September 2016.	
1.2	On 29 th November 2016, the Cabinet received a report providing details of the progress with the updating of the Financial Profile and the Medium-Term Financial Strategy 2017/18 to 2020/21. This included detail of unavoidable cost pressures and the work on identifying options for revenue savings/additional income to meet the anticipated funding shortfalls over the next four years. The Cabinet agreed that the Revenue Budget and Capital Programme for 2017/18, as presented, constitutes the initial Budget proposals and that views are sought as appropriate.	
1.3	The Council received, on 15 th December 2016, detail of the provisional Local Government Settlement Funding Assessment figures for 2017/18 together with indicative figures for the two following years. In addition, Cabinet Members and Senior Management have reviewed the Council's discretionary fees and charges and the Council's earmarked reserves.	
1.4	This report consolidates all of this information, including final refinements to the assumptions, resulting in: proposed budgets for revenue and capital; the level of council tax (Band D) for 2017/18; and a financial profile and Medium-Term	

2. Government Funding

- 2.1 The Financial Settlement for local government was announced by the Secretary of State for Communities and Local Government on 15th December 2016. The proposed 2017/18 settlement is designed in the context of the overall Spending Review announced in 2015, and confirms the figures made in the offer of a four-year settlement for those authorities publishing an Efficiency Plan.
- 2.2 The Council's Efficiency Plan covering the period 2016/17 to 2019/20 was agreed by Cabinet on 12th September 2016. Confirmation of acceptance of the Efficiency Plan was received from the Minister for Local Government on 16th November 2016.
- 2.3 The Council's provisional allocation of Settlement Funding Assessment (SFA) for 2017/18 is £4,033,678. This represents a reduction of £759,997 or 15.85% compared to the SFA for 2016/17.
- 2.4 Indicative SFA figures for the following two years were also received: £3,633,575 for 2018/19 and £3,189,168 for 2019/20. The reduction in SFA between the current year and 2019/20 is £1.605million or 33.5%.
- 2.5 In addition to publishing SFA allocations the Government provides Core Spending Power figures for each council. Core Spending Power (CSP) for district councils consists of: Settlement Funding Assessment; Council Tax; New Homes Bonus; Rural Services Delivery grant and Transition grant. This Council's CSP is £14.95million for 2017/18 which is £1.04million lower (6.5%) than the figure for 2016/17. The CSP for 2019/20 reduces to £14.252million and represents a reduction of 10.1% over the four-year Spending Review period.
- 2.6 The SFA includes an assessment of the business rates baseline (£3.256million) which the Government expects the Council to retain under the Business Rates Retention scheme. An estimate of the amount of business rates to be retained in 2017/18 is £4.179million: which is net of discounts and exemptions; and an allowance for rateable valuation reductions determined by the Valuation Office following appeal. This is an estimated benefit over the baseline of £923,000.
- 2.7 The Council has agreed to participate with ten other Essex authorities in the Business Rates Pooling arrangement, which it is anticipated will bring additional resources to the County and be shared between the authorities. The decision to join is based on the assessment that estimated business rates income for 2017/18 will exceed the baseline amount. Under the sharing arrangement the Council could receive an additional amount of business rates of approximately £360,000. However the determination and receipt of the actual amount of the share will not be made until 2018/19; i.e. after year-end returns have been collated from each of the authorities in the Essex Pool.
- 2.8 The Council has been allocated Rural Services Delivery Grant of £17,754 and a Transition Grant of £52,661 for 2017/18. Whilst provisional allocations of Rural Services Delivery Grant have been received for 2018/19 and 2019/20 the Transition Grant ceases after 2017/18.

- 2.9 The Government published, on 15th December 2016, its response to the consultation 'New Homes Bonus: Sharpening the Incentive' and has determined that it will implement:
- a move to 5 year payments for both existing and future Bonus allocations in 2017/18 and then to 4 years from 2018/19 (the current scheme provides for 6 year payments); and
 - the introduction of a national baseline of 0.4% for 2017/18 below which allocations will not be made.
- 2.10 Based on the new criteria above, the Council's entitlement for year 7 of the scheme is £328,712 and the total amount receivable in 2017/18 will be £2,129,211.
- 2.11 The response from the Government also indicates that it will revisit the case for withholding New Homes Bonus from 2018/19 from local authorities that are not planning effectively, making positive decisions on planning applications and delivering housing growth. It will also consider withholding payments for homes that are built following an appeal.

3. New Investment and Unavoidable Budget Demands

- 3.1 Three bids are proposed for new Investments:
- Additional resources to support the Economic Growth agenda and capital project delivery. The proposed additional cost is £252,000 per annum (£207,000 for four members of staff and £45,000 for project and feasibility expense budgets). It is proposed that funding is provided from unallocated New Homes Bonus (£144,800) and capital resources (£107,200);
 - Welfare Reforms, increased Homelessness responsibilities, changes to Housing Benefit regulations, lower Benefit Cap, etc. will put pressure on the Housing Services' ability to find accommodation for families and single people, particularly those under 35 years of age. It is proposed to make a provision of £150,000 to be available to meet the cost of actions taken to address these issues as required. As a one-off provision it is proposed that it is met from unallocated balances; and
 - To procure and implement the 'Gov Delivery' digital marketing platform to promote Council services and initiatives, support channel shift and digital transformation. The additional budget requested is £7,000 per annum.
- 3.2 In addition to the new investments above, a budget allocation which is assessed on an annual basis is the sharing of a proportion of the Council's share of the anticipated balance, if a surplus, on the council tax collection fund with town/parish councils. The Council's share of the estimated surplus on the Council Tax Collection Fund is £194,255. The amount that will be paid to Town/Parish Councils in 2017/18 is £34,820, as agreed by Council on 12th December 2016.
- 3.3 Requests for revenue funding to meet unavoidable budget demands total £169,680 in 2017/18, £73,640 in 2018/19 and £120,000 in 2019/20, all of which is requested to be added to the base budget:

Environment and Place

- Waste Management Recycling – the current contract for the sale of mixed dry recyclates was due to terminate on 31st March 2017. The contract has been renegotiated but with the downturn in the recyclates market the

Council will be paying a gate fee from 1st April 2017. A budget growth bid of £70,000 will be required for 2017/18. A further budget increase of £120,000 will be required in 2019/20;

- Increase in budget required to provide a second litter pick and mechanical sweep of the Braintree Bypass on an annual basis, to maintain cleanliness standards. Request for £20,000;
- Public Toilets. Actual cost of maintaining and cleaning the Public Toilets in Braintree and Witham and Cemeteries is higher than the current base budget. Request for £5,000;
- New Bocking Cemetery. Additional cost of maintaining the new Cemetery extension at Bocking that is now coming into use for burials and cremated remains. Request for £5,000;
- Operations Training Budget. Request for £20,000;

Planning and Housing

- Two posts in the Housing Options section are currently funded from an earmarked reserve. The reserve will be fully utilised during 2017/18 and these posts are essential to maintaining the service. Request for £78,320 (£4,680 in 2017/18 and £73,640 in 2018/19); and

Corporate Services and Asset Management

- Apprenticeship Levy – employers with a pay bill in excess of £3million will be subject to this new levy from April 2017. The cost to the Council is estimated to be £45,000 per annum;

4. Financial Assumptions and Budget Changes Previously Agreed

- 4.1 The Financial Profile, agreed in February 2016, included savings planned for 2017/18 to 2019/20. These savings have been reviewed to ensure that they are still deliverable. The outcome is that six of the savings require adjustment reducing the savings to £145,760 in 2017/18, £114,110 in 2018/19 and £82,990 in 2019/20.
- 4.2 Adjustment to the base budget in 2017/18, for planned priority investments and unavoidable budget changes identified in previous years, is a reduction totalling £200,362.
- 4.3 Service managers have reviewed their budgets against monies expended and incomes received during the first half of the current financial year and have used this information to predict the outturn for the year. The outcome of the review is a predicted positive variance for the year of £303,000: this is due to additional income of £169,000 and savings against expenditure budgets of £134,000. For some service areas the changes in the levels of income and expenditure are expected to be ongoing and therefore adjustments are required to the Financial Profile for 2017/18; providing a positive total of £407,000.
- 4.4 Whilst local government pay is negotiated between the Employers Organisation and the trade unions it is considered appropriate to limit the annual increases to 1% for financial planning purposes in accord with the Government's announcement in the July 2015 Budget for public sector pay over the next four years.
- 4.5 The result of the Triennial Review of the Essex Pension Fund, as at 31st March 2016, was received on 30th October 2016. The review determines the pension fund

assets and liabilities applicable for each employer in the fund and sets the deficit contribution and employer contribution rate for the three years 2017/18 to 2019/20.

- 4.6 The review indicates that whilst this Council's part of the Fund continues to be in deficit, i.e. liabilities of £134.084m exceed assets of £119.627m; this has reduced such that the funding level is 89.2%, compared to 82.4% as at the last review conducted as at 31st March 2013.
- 4.7 Although the ongoing employer contribution rate is increasing, from the current level of 14.4% to 16.5%, the deficit on the Council's part of the Fund has been reduced such that the combination of these elements are only marginally higher than that at the previous review in 2013: total contribution rate of 31.4% compared to 31.3%.
- 4.8 The estimated contribution payments to the Pension Fund over the three year period 2017/18 to 2019/20, with the deficit payments being made in a single payment on 1st April as agreed at Council on 12th December 2016, are £5,883,385 in 2017/18 and £1,650,702 in both 2018/19 and 2019/20.
- 4.9 Allowances for inflationary increases have been provided only on specific budget headings e.g. business rates, contracts, energy, fuel, etc. based on the Office of Budget Responsibility's forecast of the Consumer Prices Index for 2017/18 and forecast energy cost increases from Concept Energy Solutions, an energy management and monitoring company engaged by the Council.

5. Cost Reductions and Additional Income

- 5.1 In addition to the ongoing additional income and cost reduction changes which are to be made to the base budget for 2017/18, identified at 4.3 above, the following four new proposals will have a positive impact of £324,520, on the 2017/18 budget:

Environment and Place

- Environmental Services – review of staffing structure, estimated saving of £15,000 is anticipated;
- Fleet Management – new liquid fuels contract has been let resulting in a saving of £15,000 on the current budget;

Corporate Services and Asset Management

- Annual rent receivable, of £139,000, on the former Braintree College property purchased to enable the relocation of the St Lawrence Doctors Surgery; and
- Net rents receivable, totalling £69,520 per annum, from the recently acquired freehold and lease interests in properties at 3/ 4 Century Drive, Freeport Office Village and 15 Springwood Drive.

Finance and Performance

- Investment income – net interest of £86,000 in respect of an additional sum of £2million invested in equity funds in October/November 2016.

6. Fees and Charges

- 6.1 A schedule detailing the proposed levels of discretionary fees and charges for 2017/18 is provided at Appendix A. No change is proposed to car parking charges

and the parking 10p from 3:00pm to 7:00pm initiative is to continue for 2017/18.

- 6.2 Proposed levels of planning pre-application advice fees, land charges, sponsorship charges, Town Hall letting fees and environmental permits for 2017/18 are not available at the current time due to either information required from a third party or due to an ongoing time/activity review. It is proposed that authority is delegated to the appropriate Cabinet Member to determine the level of these fees for 2017/18.
- 6.3 Housing rents for the Council's four properties in Bradford Street, Braintree, are to be reduced by 1%: in line with that prescribed by the Government to Registered Social Landlords. Service charges for these properties are to remain at the current levels.
- 6.4 It is proposed to continue the current arrangement for the appropriate Cabinet Member to have delegated authority to vary some fees and charges to ensure competitiveness of Council services.

7. Business Rates

- 7.1 The Council's Business Rates Taxbase for 2017/18 was calculated as at 17th January 2017 and agreed by the Corporate Director under delegated authority. The estimate is based on the new Rating List incorporating the results of the 2017 Revaluation, published on 30th September by the Valuation Office Agency. The net collectable amount, after mandatory and discretionary reliefs, allowances for losses on collection and rating appeals, is £40,503,049.
- 7.2 The new Rating List for the Braintree district shows a total rateable value of £111.46million, an increase of £5.24million or 4.7% over the current Rating List. As the Revaluation has increased rateable values nationally the Government has reduced the rates multipliers: to 46.6p (from 48.4p in current year) for small businesses and 47.9p (from 49.7p) for other businesses, this is to ensure that the money collectable from business rates does not increase due simply to the Revaluation.
- 7.3 The current temporary increase in Small Business Rates Relief from 50% to 100% has been made permanent by the Government, with effect from 1st April 2017.
- 7.4 The Autumn Statement 2016 confirmed that the Government would be changing an existing rate relief scheme and introducing three new relief schemes. These are as follows:
- Rural Rate Relief – the Government intends to amend the relevant primary legislation to require local authorities to grant 100% mandatory rural rate relief. However, before the requirement to grant mandatory relief comes into force it expects local authorities to use their local discount powers to grant 100% rural rate relief to eligible ratepayers from 1 April 2017;
 - Telecom Fibre Optics - 100% business rates relief for new full-fibre infrastructure for a five year period from 1 April 2017 to support the rollout of new full-fibre broadband infrastructure and future 5G communications to homes and businesses;
 - Local Newspapers - £1,500 business rates discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years

from 1 April 2017; and

- Public Conveniences – extension to existing discretionary relief powers to support publicly owned public toilets from 1 April 2018.

- 7.5 The Government has given an undertaking to reimburse local authorities if they use their discretionary discount powers under Section 47(3) of the Local Government Finance Act to increase Rural Rate Relief to 100% and to introduce the temporary discount for Local Newspapers with effect from 1st April 2017. The Government advises that the necessary legislative changes will be completed for the other two reliefs and therefore no action is required at this time. It is therefore proposed that the change to rural rate relief and the introduction of the Local Papers relief are included in the Council's discretionary rate relief policy.

8. Council Tax

- 8.1 The Council's taxbase for 2017/18, calculated as at 30th November 2016, is 51,547. This was agreed, under delegated authority, by the Corporate Director responsible for Finance. This compares to a taxbase for 2016/17 of 50,667; an increase of 880 or 1.74%.

- 8.2 Since 1st April 2013 the Council has exercised discretionary powers to set the discounts for empty properties and second homes and the premium for long-term empty properties.

The current levels of these discounts are as follows:

- Properties undergoing extensive repair – 0% for twelve months;
- Properties unfurnished – 0% for 6 months;
- Second homes – 0%

The premium on properties which have been unoccupied and substantially unfurnished for two years or more is:

- Set at 50%

It is not proposed to make any changes to these levels for 2017/18.

- 8.3 It is estimated that the balance on the Council Tax Collection Fund available for distribution is a surplus of £1,502,454, of which amount due to this Council is £194,255. It has been agreed that £34,820 of this surplus will be paid to town and parish councils in 2017/18.
- 8.4 Whilst the Funding Settlement Assessment for 2017/18, received on 15th December 2016, was in line with the figures anticipated in the November report it is essential that the Council continues to plan its finances in order to maintain service provision over the medium-term. With the budget shortfall over the next three years and uncertainties over the impact of the impending changes to local government finances in 2020/21, it is proposed that the level of council tax (Band D property) for 2017/18 is set at £169.47; an increase of £4.95 or 3.01%. This equates to a council tax charge, for a Band D property, for the provision of this Council's services of £3.26 per week; an increase of approximately 10p per week over the current year.

9. Financial Profile 2017/18 to 2020/21

- 9.1 The budget proposals as presented in the report result in an addition to balances of

£179,125 in 2017/18. Shortfalls are projected for the three following years of: £330,872, £524,234 and £237,387, respectively.

9.2 The approach to address the anticipated budget shortfall of £1.092million over the next three years is a continuation of the work developed under the Peer Challenge Action Plan to address the issue of the Council being grant free over the medium-term. The plan provides for a focus on:

- Commercialisation and 'Better at Business';
- Grow our economy – increase our share of the business rate pot and secure external funds;
- Finance and Investment Strategy;
- Review contracts and procurement;
- Increase our income;
- Management and Service Reviews; and
- Sharing services or joint work.

10. Pay Policy

10.1 The report includes the Pay Policy Statement for 2017/18 which the Council is required to agree and publish by 31st March 2017. The Policy is designed to give an overview of the Council's framework regarding pay and rewards for staff within the Council. The framework is based on the principle of fairness and that reward should be proportional to the weight of each role and each individual's performance.

11. Balances and Reserves

11.1 Details of the Council's balances, taking account of all of the proposals, are provided and show that the unallocated balance (estimated to be £1.456million at 31st March 2017 and £1.635million at 31st March 2018) is close to the minimum recommended level of £1.5million. This is however for a short period as the balance is being used to finance the pension deficit for three years in a single upfront payment on 1st April 2017. The balance will be reimbursed by £1.411million per annum in 2018/19 and 2019/20. Details of the proposed use and transfers between earmarked reserves and back to the unallocated balance are also provided.

12. Capital Investment

12.1 New Homes Bonus - the Council will receive £2.129million in 2017/18 and will have a cumulative unallocated balance of £2.029million as at 31st March 2018, which is after allowing for the allocations to the District Investment Strategy (£8.5million) and for affordable housing (£0.75million) and for contributions to the costs of the Local Plan, economic development service and project management (£0.667million).

12.2 Proposed capital projects for funding in 2017/18 have a total value of £1,270,200. Anticipated capital requirements for subsequent years are: £1,077,000 for 2018/19, £957,000 for 2019/20 and £956,000 for 2020/21.

12.3 The proposed capital programme can be funded from the estimated capital resource available for 2017/18. In addition the anticipated capital requirements for 2018/19 to 2020/21 can also be funded but this will be dependent on the sale of assets identified producing the anticipated amount of capital receipts.

- 12.4 District Investment Strategy - initial funding of £28million was identified from the following sources: New Homes Bonus received, balances and prudential borrowing. In addition, £3million of the capital receipt expected from the sale of the former Bramston Sports Centre site is to be earmarked for investment for Witham and the Opportunity Purchase Fund, of £0.5million, has now been used to finance the purchase of the head lease at 15 Springwood Drive. Whilst a number of schemes have been approved to be funded from the District Investment Strategy there are also a number which are in the pipeline.
- 12.5 In addition to the capital investments above, the Council is working with three local authorities on the North Essex Garden Communities project. A budget allocation of £250,000 has been agreed by each of the authorities to supplement funding received from the Department of Communities and Local Government toward the costs of developing the project.
- 12.6 The Council has also allocated £130,000 to explore the feasibility and develop a business case regarding the establishment of a Housing Development Company.
- 12.7 Whilst the budget provisions agreed and referred to above are incorporated in the Council's finances covered by this report any future funding requirements of these two projects will be the subject of specific reports to Cabinet and Council as required.

13. Treasury Management

- 13.1 The Council's borrowing and investment requirements for 2017/18 are contained in the Treasury Management Strategy Statement provided in this report.

14. Robustness of the estimates and the adequacy of the proposed financial reserves

- 14.1 Finally, the Corporate Director (Section 151 Officer) provides confirmation of the robustness of the estimates and the adequacy of the proposed financial reserves as presented in this report.

Recommended Decision:

That it be Recommended To Council that the following be approved:

1. The budget variations to the current base budget as detailed in Section 3 of the main report;
2. The additional income and cost reductions as detailed in Section 5 of the main report;
3. The unavoidable revenue budget demands (£169,680) and new investments of £443,820, of which £252,000 to be funded from New Homes Bonus and capital resources; £150,000 from balances and £41,820 from revenue, as detailed in Section 4 of the main report;
4. That £39,652 of the administration subsidy for Universal Credit support be held in an earmarked reserve, to be utilised in respect of the next phase of the roll-out of

- Universal Credit and authorised by the Cabinet Member for Planning and Housing;
5. The package of support to claimants experiencing difficulties through changes in the Local Council Tax Support scheme as detailed in Section 10.7 of the main report;
 6. The Council's discretionary fees and charges for 2017/18 as detailed in Appendix A to the main report;
 7. Delegated authority is given to the appropriate Cabinet Member to determine the level of Trade Waste charges, Planning pre-application fees, Land Charges, sponsorship charges, Town Hall lettings, and Environmental permits for 2017/18;
 8. The Council's housing rents are reduced by 1% for 2017/18, as detailed in Appendix A to the main report;
 9. The surplus of £432,142 on the Business Rates Collection Fund be transferred to the Business Rates Retention Reserve;
 10. That delegated authority is given to the appropriate Cabinet Member to agree variations to Trade Waste, Town Hall Centre, Building Control and Car Parking fees and charges for commercial purposes;
 11. To extend the Council's policy for Discretionary Business Rate Relief (under section 47 of the Local Government Act 1988) to include two schemes as recommended by the Government:
 - Local Newspapers - £1,500 discount for office space occupied by local newspapers for 2 years from 1st April 2017; and
 - Rural Rate Relief – 50% discretionary relief, in addition to the current 50% mandatory relief, to eligible businesses from 1st April 2017.
 12. Discretionary council tax discounts and exemptions for 2017/18 are:
 - Discount applicable to empty dwellings undergoing major repairs is set at 0% for the twelve month period;
 - Discount applicable to vacant dwellings is set at 0% for the six month period;
 - Discount applicable to second homes is set at 0%;
 - Empty Homes Premium charged on dwellings vacant for over two-years be set at 50%;
 13. The Council's Pay Policy for 2017/18 as detailed in Appendix F to the main report;
 14. A transfer of £179,125 to the General Fund unallocated balance in 2017/18;
 15. Transfers between earmarked reserves and back to the unallocated balance in 2016/17 and estimated drawdown from earmarked reserves for 2017/18 as detailed in Appendix G to the main report;

Capital

16. The General Fund Capital bids for 2017/18 listed in Appendix H to the main report;

Treasury Management

17. The Prudential Indicators and limits set out in Appendix J to the main report;
18. The Policy on Minimum Revenue Provision as recommended in Appendix J to the main report;
19. The Treasury Management Strategy, including annual investment strategy, for 2017/18 (Appendix J to the main report);

Council Tax

20. The proposed estimates (producing a budget requirement for council tax purposes of £14,388,817) as detailed in Appendix D and the Council Tax for 2017/18 of

£169.47 for a Band D property, having taking into consideration:

- The consultation feedback, if any, received and reported verbally at the meeting;
- The assessment of risks in the budget assumptions;
- The Equalities Impact Assessments and
- The Section 151 Officer's report on the robustness of the estimates and the adequacy of balances (Appendix L to the main report).

Purpose of Decision:

To determine the budget and council tax level proposals for 2017/18 to be submitted to Full Council for consideration, in accordance with the Budget and Policy Framework Procedure Rules contained in the Constitution.

Any Corporate implications in relation to the following should be explained in detail.

Financial:	<p>The budget proposed for 2017/18 includes: a £4.95 (3.01%) increase in council tax; additional income and cost reductions of £0.877million; additional spend of £191,820 on planned new investment; unavoidable budget demands and reduced subsidies of £731,530; increases in discretionary fees and charges; and the Government's Settlement Funding Assessment confirmed at £4.033million (a reduction of £0.76million over the current year). The overall impact is an addition to balances of £179,125.</p> <p>The financial position forecast for 2018/19 to 2020/21 is savings required of £330,872, £524,234 and £237,387 respectively. The approach to address the anticipated budget shortfall of £1.092million over the next three years is a continuation of the work developed under the Peer Challenge Action Plan to address the issue of the Council being grant free over the medium-term.</p> <p>Capital projects with an estimated value of £1.27million are to be added to the capital programme, to be delivered in 2017/18. The estimated amount of capital resources available over the period 2018/19 to 2020/21 is sufficient to meet anticipated annual requirements averaging £0.997million.</p> <p>Potential funding requirements of the Garden Communities project and the Housing Development Company will be the subject of specific reports to Cabinet and Council as required at the appropriate times.</p>
Legal:	<p><u>Local Government Finance Act 1992 – Section 106</u> Will any members affected by Section 106 please note that any declarations to that effect should be made on the commencement of the meeting or immediately on arrival if this is later.</p> <p><i>Under Section 106 a member who has not paid an amount due in respect of their Council Tax for at least two months after it became payable is precluded from voting on any matters affecting the level of Council Tax or the arrangements for administering the Council Tax. (The member is, however, entitled to speak).</i></p>
Safeguarding:	There are no safeguarding issues raised by this report.
Equalities/Diversity:	As part of the budget decision making process in February 2016 where a phased approach to reducing the Localism Fund and grants to the BDVSA and the CAB over a three

	<p>year period was agreed, it was accepted that the funds may well be used by third parties to assist people with protected characteristic as defined by the Equality Act 2010 which may have an impact on those persons. The impact of any decisions made by funded bodies would be subject to their own assessments of need and their duties under the equality framework.</p> <p>It is considered that none of the people with protected characteristics, under the Equalities Act, will be disproportionately impacted by the proposed increase in council tax in 2017/18. The Council has agreed its Local Council Tax Support scheme for 2017/18 and approved the continuation of the Exceptional Hardship Fund for council taxpayers experiencing exceptional financial hardship.</p>
Customer Impact:	Impact on customers has been considered in relation to the proposals, as appropriate. There are no customer impact issues raised by any of the proposals.
Environment and Climate Change:	There are no environmental and Climate Change issues raised by this report.
Consultation/Community Engagement:	<p>The Cabinet Member for Economic Development wrote to businesses in the Braintree District, on 21st December, to outline the current context of the Council's budget and to share the initial proposals going forward. The letter was sent to 4,000 business contacts.</p> <p>The Overview and Scrutiny Committee considered the budget proposals on 23rd November 2016 and 1st February 2017. The Chairman extended an open invitation for all Members of the Council to attend the meetings.</p>
Risks:	The Council's Medium-Term Financial Strategy is identified as a strategic risk. An extract from the Strategic Risk Register is included at Appendix F to the report, giving the vulnerability and the action plan to mitigate the risk.
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1. Background

- 1.1 The Medium-Term Financial Strategy (MTFS) 2016/17 to 2019/20 was agreed by Full Council on 22nd February 2016.
- 1.2 The annual process of reviewing and rolling the strategy forward by one year commenced with a report to Cabinet on 12th September 2016.
- 1.3 At the meeting the Cabinet agreed:
 - an Efficiency Plan for the Council which was a prerequisite of the Government's offer to local authorities to receive the four-year settlement figures as announced in February 2016;
 - in principle that the Council joins an Essex Pool for non-domestic rates for 2017/18;
 - to continue with the Local Council Tax Support Scheme unchanged for 2017/18, and therefore there would be no requirement for consultation to be undertaken; and
 - the 2017/18 budget process timetable.
- 1.4 On 29th November 2016, the Cabinet received a report providing details of the progress with the updating of the Financial Profile and the Medium-Term Financial Strategy 2017/18 to 2020/21. This included detail of unavoidable cost pressures and the work on identifying options for revenue savings/additional income to meet the anticipated funding shortfalls over the next four years. The Cabinet agreed:
 - To recommend to Council approval of:
 - the Local Council Tax Support Scheme for 2017/18; and
 - the sharing of the surplus on the Council Tax Collection Fund between the town/parish councils and this Council in 2017/18.
 - That:
 - the annual Pension Fund Deficit payments for 2017/18 to 2019/20, due to the Essex Pension Fund, be made in a single payment on 1st April 2017; and
 - the Revenue Budget and Capital Programme for 2017/18, as presented, constitute the initial Budget proposals and that views are sought as appropriate.
- 1.5 Since the agenda for the Cabinet meeting on 29th November 2016 was published:
 - Members of the Cabinet presented and answered questions on the initial revenue budget and capital programme proposals for 2017/18 at the Overview and Scrutiny Committee on 23rd November 2016;
 - The Council received, on 15th December, detail of the provisional Local Government Settlement Funding Assessment figures for 2017/18 together with indicative figures for the two following years; and
 - Cabinet Members and Senior Management have reviewed: the Council's discretionary fees and charges and the Council's earmarked reserves.
- 1.6 This report consolidates all of this information, including final refinements to the assumptions, resulting in: proposed budgets for revenue and capital; the

level of council tax (Band D) for 2017/18; and a financial profile and Medium-Term Financial Strategy for 2017/18 to 2020/21.

2. Government Funding

- 2.1 The Financial Settlement for local government was announced by the Secretary of State for Communities and Local Government on 15th December 2016. The proposed 2017/18 settlement is designed in the context of the overall Spending Review announced in 2015, and confirms the figures made in the offer of a four-year settlement for those authorities publishing an Efficiency Plan. 97% of local authorities, including this Council, accepted the offer. The provisional settlement was subject to statutory consultation which closed on 13th January 2017. The Ministerial announcement on the final Settlement figures for 2017/18 was, however, awaited at the time of writing this report.
- 2.2 The Council's Efficiency Plan covering the period 2016/17 to 2019/20 was agreed by Cabinet on 12th September. Confirmation of acceptance of the Efficiency Plan was received from the Minister for Local Government on 16th November 2016.

2.3 Core Spending Power

- 2.3.1 The Spending Review sets out the expected available revenue for local government spending through to 2019/20, using Office of Budget Responsibility (OBR) estimates. The Government issues this to provide local government with an understanding of the resources available to the whole sector to deliver services during this Parliament.
- 2.3.2 For district councils the Core Spending Power consists of: Settlement Funding Assessment (SFA); Council Tax; New Homes Bonus; Rural Services Delivery grant and Transition grant. The Core Spending Power figures for this Council are provided in the table below:

CORE SPENDING POWER					
	2015/16	2016/17	2017/18	2018/19	2019/20
	£	£	£	£	£
Settlement Funding Assessment*	5,804,726	4,793,675	4,033,678	3,633,575	3,189,168
Council Tax Requirement excluding parish precepts (including base growth and levels increasing by CPI)	7,937,331	8,246,632	8,529,456	8,821,979	9,124,535
Potential additional Council Tax from £5 referendum principle for all Districts	0	89,103	179,993	270,022	359,030
New Homes Bonus +	2,111,997	2,789,490	2,137,156	1,627,806	1,561,861
Rural Services Delivery Grant	4,234	21,988	17,754	13,657	17,754
Transition Grant	0	52,844	52,661	0	0
Core Spending Power	15,858,288	15,993,732	14,950,698	14,367,039	14,252,348
Change over the Spending Review period (£'s)					-1,605,940
Change over the Spending Review period (% change)					-10.1%
<i>Notes: * 2019-20 Settlement Funding Assessment has been modified to include a provisional tariff or top-up adjustment</i>					
<i>+ Illustrative figure for 2018/19 and 2019/20</i>					

- 2.3.3 The Government's assessment of this Council's Core Spending Power for 2017/18 is £14.95million a reduction of £1,043,034 (6.52%) over 2016/17.

2.3.4 The reduction in the Council's Core Spending Power over the four-year Spending Review period is £1,605,940 or 10.1%.

2.3.5 The key features of the inter action between the elements of the Core Spending Power over the four-year Spending Review period is the reductions in the Settlement Funding Assessment (£2.616m) and the New Homes Bonus (£0.55m) are only partially offset by an increase in council tax (£1.546m) which includes an increase in the council taxbase and increases in the level at the maximum permissible of £5 per annum.

2.4 Settlement Funding Assessment

2.4.1 The Settlement Funding Assessment for district councils consists of two elements: Revenue Support Grant and Business Rates Baseline.

2.4.2 The table below shows the breakdown of the provisional SFA for the Council for 2017/18 and indicative figures for 2018/19 and 2019/20, together with the Settlement for 2016/17 for comparison purposes:

	2016/17	2017/18	2018/19	2019/20
Revenue Support Grant	£1,602,495	£777,347	£272,480	Nil
Retained Business Rates - Baseline	£3,191,180	£3,256,331	£3,361,095	£3,480,650
Business Rates tariff adjustment				£-291,482
Total Settlement Funding Assessment	£4,793,675	£4,033,678	£3,633,575	£3,189,168
Percentage reduction year-on-year		15.85%	9.92%	12.23%

2.4.3 The reduction in SFA over the three-year period compared to the current year is £1.605million (or 33.5%).

2.4.4 Homelessness Prevention grant has been rolled into the local government finance settlement since 2013. The Government has however published as part of councils' core spending power the funding allocation of Homelessness Prevention grant for each council. This is to signal the priority the Government attaches to this issue and to encourage local prioritisation. The allocations included within the Council's SFA are: £70,020 for 2017/18; £70,237 for 2018/19 and £70,588 for 2019/20.

2.5 Business Rates Baseline

2.5.1 The Business Rates Baseline is the Government's assessment of a local authority's spending need which is expected to be funded through the business rates retention scheme.

- 2.5.2 The actual amount retained is dependent on actual business rate income collected in the relevant year. An estimate of the business rates to be retained in 2016/17 (revised) and 2017/18 is provided at section 7 below.

2.6 Rural Services Delivery Grant

- 2.6.1 The Rural Services Delivery Grant recognises that there may be additional costs associated with local service delivery in rural areas. Nationally £80.5million was provided in 2016/17 and £65 million in 2017/18, £50 million in 2018/19 and £65 million in 2019/20. This funding is distributed to the top-quartile of authorities ranked by super-sparsity: a proxy for rurality which ranks authorities by the proportion of the population which is scattered widely, using Census data and weighted towards the authorities with the sparsest populations.
- 2.6.2 This Council is to receive £17,754 in 2017/18 and provisional allocations of £13,657 and £17,754 in 2018/19 and 2019/20 respectively.

2.7 Transition Grant

- 2.7.1 The 2016-17 local government finance settlement published a four year offer which allocated Revenue Support Grant by looking at the main resources available to councils, ensuring that councils delivering the same set of services receive the same percentage change in funding for those sets of services. As a result of this change, authorities with relatively more income from council tax and business rates received less revenue support grant than they would have under the previous methodology.
- 2.7.2 For these councils which did not benefit from the new approach, including this Council, and in response to representations received as part of the provisional 2016/17 local government finance settlement, the Government introduced a Transition Grant to compensate them in direct proportion to the difference between the old methodology and new methodology. This grant is payable in 2016/17 and 2017/18 only.
- 2.7.3 The Council received £52,844 in 2016/17 and has been allocated £52,661 for 2017/18.

2.8 New Homes Bonus

- 2.8.1 The Government published, on 15th December 2016, its response to the consultation 'New Homes Bonus: Sharpening the Incentive'.
- 2.8.2 The Government has determined that it will implement:
- a move to 5 year payments for both existing and future Bonus allocations in 2017/18 and then to 4 years from 2018/19 (the current scheme provides for 6 year payments); and
 - the introduction of a national baseline of 0.4% for 2017/18 below which allocations will not be made. This provides a baseline of 241 properties for this Council, on which no New Homes Bonus will be received for 2017/18. The Government will however also retain the option of making

adjustments to the baseline in future years to reflect significant and unexpected housing growth.

2.8.3 The response from the Government also indicates that it will revisit the case for withholding New Homes Bonus from 2018/19 from local authorities that are not planning effectively, making positive decisions on planning applications and delivering housing growth. It will also consider withholding payments for homes that are built following an appeal.

2.8.4 Notification on the Council's entitlement, based on the new criteria above, for year 7 of the scheme is £328,712 and the total amount receivable in 2017/18 of £2,129,211.

2.8.5 Detail of the payments for up to year 7 (2017/18) is provided in the table below. The shaded areas in the table show the periods when payments will not be made as a consequence of the Government reducing the payment period from 6 to 5 and ultimately to 4 years.

New Homes Bonus Summary - 2011/12 to 2017/18											
	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Total £'000
Year 1 (2011/12)	509.0	509.0	509.0	509.0	509.0	509.0					3,054.2
Year 2 (2012/13)		472.6	472.6	472.6	472.6	472.6					2,363.0
Year 3 (2013/14)			606.0	606.0	606.0	606.0	606.0				3,029.8
Year 4 (2014/15)				266.9	266.9	266.9	266.9				1,067.5
Year 5 (2015/16)					247.1	247.1	247.1	247.1			988.6
Year 6 (2016/17)						680.5	680.5	680.5	680.5		2,722.1
Year 7 (2017/18)							328.7	328.7	328.7	328.7	1,314.8
Total receivable in Year	509.0	981.6	1,587.6	1,854.5	2,101.6	2,782.1	2,129.2	1,256.4	1,009.2	328.7	14,540.0
Less: Allocations Agreed : Proposed Allocation	79.0	79.0	66.4	32.3	99.7	95.7	70.0	70.0	70.0	70.0	732.1
							144.8	144.8	144.8	144.8	579.2
Net Resource for Capital	430.0	902.6	1,521.2	1,822.2	2,001.9	2,686.4	1,914.4	1,041.6	794.4	113.9	13,228.7
Allocated to District Investment	430.0	152.6	1,521.2	1,822.2	2,001.9	2,572.1					8,500.0
Allocated for Affordable Homes		750.0									750.0
Resource Available	-	-	-	-	-	114.3	1,914.4	1,041.6	794.4	113.9	3,978.7

2.8.6 The table also shows how the New Homes Bonus has been allocated to-date: funding toward the costs of the Local Plan, economic development and project management and capital funding contributions to the District Investment Strategy and for the provision of affordable homes, together with a proposed allocation for 2017/18 onwards, detail of which is contained in section 4.3 of this report.

2.9 Housing Benefit and Local Council Tax Support Administration Subsidy

- 2.9.1 The other significant funding received from Central Government is administrative subsidy for Local Council Tax Support and Housing Benefit schemes (total of £658,090 will be received in 2016/17).
- 2.9.2 Notification of the administrative subsidy in respect of Housing Benefit, provides an allocation of £419,403 for 2017/18, and was received from the Department for Work and Pensions (DWP) on 21st December 2016. The notification also included two additional allocations for 2017/18 in respect of Universal Credit support, of £62,777, and a new burdens grant of £4,380. The latter provides some financial support for new responsibilities undertaken by councils including new working arrangements in support of the DWP's Single Fraud Investigation Service.
- 2.9.3 On 10th January 2017, notification of the allocation of the Local Council Tax Support administration subsidy was received from the Department for Communities and Local Government (DCLG). The amount allocated for 2017/18 is £164,432.
- 2.9.4 The Financial Profile assumed a reduction to these subsidies of £46,750 in 2017/18. The actual allocations receivable total £650,992 which compares to an anticipated budget of £611,340. It is proposed that the excess subsidy receivable against budget, of £39,652, be held in an earmarked reserve to meet any unbudgeted expenditure that may be required as the next phase of Universal Credit is rolled out in the Braintree district in October 2017.

3 Financial Assumptions Update

3.1 Review of Budget Savings identified in previous years

- 3.1.1 The Financial Profile, agreed in February 2016, included savings planned for 2017/18 to 2019/20. These savings have been reviewed to ensure that they are still deliverable. The outcome is that six of the savings require adjustment:
- A proposal to let part of the office space in Causeway House achieving an estimated rent of £110,000 per annum will not be progressed at the current time. Accommodation requirements will be reviewed again in 2017/18;
 - Installation of solar panels at George Yard Car Park and the additional panels at Witham Leisure Centre were halted earlier in the year following the change to Feed in Tariffs. The proposed replacement of the wind turbine at the Discovery Centre is also not being undertaken. The consequence is that anticipated income of £35,000 will not now be received;
 - Operations – garden waste collection – the suspension of the service for the three month period, December 2016 to February 2017, is subject to review. The estimated saving of £35,000 is to be removed from the base budget in 2017/18 in order that there would be no budgetary impact should the outcome of the review be to continue to collect garden waste during the period for Winter 2017 onwards;

- Human Resources – proposed savings of £6,350 in 2017/18 and £1,750 in 2018/19 are not able to be realised as the on-line professional advice service is still required and funding is required for subscriptions for PILAT (job evaluation system), Vine HR and Workplace Options (employee support);
- Sponsorship programme – the business case for this programme anticipates net additional income of £21,880 (£31,880 in 2017/18 adjusted for the removal of the original provisions of £5,000 expected in 2018/19 and 2019/20); and
- Localism Fund – adjustment required to the timing of the budget reductions across the three years – net impact is nil (additional saving of £6,920 in 2017/18 offset by saving reduction of £3,460 in both 2018/19 and 2019/20).

3.1.2 A summary of the value of the planned savings and the proposed adjustments required is provided in the table below:

	2017/18 £	2018/19 £	2019/20 £
Savings Planned	(293,310)	(124,320)	(91,450)
Less: Proposed Adjustment	147,550	10,210	8,460
Revised Value of Savings	(145,760)	(114,110)	(82,990)

3.2 Review of Priority Investments and Unavoidable budget changes identified in previous years

3.2.1 The Financial Profile includes the consequences for 2017/18 of the planned priority investments and unavoidable budget changes which were identified in previous years.

3.2.2 The two priority investments were both one-off budget requests in 2016/17 and these are therefore being removed from the base budget in 2017/18. The two items are:

- Councillor Grant Scheme – provision of £180,000 to cover grants and administration in 2016/17 and 2017/18; and
- Surplus on Council Tax Collection Fund – allocation of part of the 2015/16 surplus to town and parish councils in the Braintree District of £20,362.

3.2.3 The total value of these budget reductions to be made in 2017/18 is £200,362.

3.2.4 Two unavoidable budget changes were also previously identified for 2017/18 onwards. These were:

- Sale of recyclates – to reduce the current income budget of £515,100 to nil in anticipation of the renewal of the contract wef 1st April 2017; and
- Council Tax Support and Housing Benefit Administrative Subsidies – anticipate a reduction of £46,750 in 2017/18 and of £43,480 in following years.

- 3.2.5 Both of these budget changes are included in the Financial Profile however a further update to the sale of recyclates contract is provided in section 3.3.3 below.

3.3. Financial Performance at half-year and predicted Outturn for 2016/17

- 3.3.1 Service managers have reviewed their budgets against monies expended and incomes received during the first half of the current financial year and have used this information to predict the outturn for the year. The prediction takes account of the delivery of the planned savings and efficiencies, totalling £1.129million, included in the 2016/17 budget.
- 3.3.2 The outcome of the review is a predicted positive variance for the year of £303,000: this is due to additional income of £169,000 and savings against expenditure budgets of £134,000.
- 3.3.3 For some service areas the changes in the levels of income and expenditure are expected to be ongoing and therefore adjustments are required to the Financial Profile for 2017/18; this totals £407,000 and the areas involved are:

Income

Positive changes (£472,000):

- Council Tax sharing agreement – additional income under the agreement with the major preceptors was received in 2015/16 and this is set to continue for the duration of the current agreement i.e. up to 31st March 2018. An extra sum of £100,000 is anticipated for both 2016/17 and 2017/18, however, it is expected that the terms of the agreement will be re-negotiated for 2018/19;
- Investment income – net interest of £86,000 in respect of the additional sum of £2million invested in the equity and property funds, which was not reflected in the 2016/17 budget;
- Housing Benefit Overpayments recovered – the monies recovered over the last few years have exceeded the budget provision and this is expected to continue. Addition of £140,000 per annum;
- Car park income – outturn for 2015/16 was higher than anticipated due primarily to the opening of Easton Road car park in Witham. Increase in budget provision of £70,000 per annum;
- Benefits Administration grant - additional £66,000 allocated toward administration of the Local Council Tax Support scheme, notification of which was not received until after the Council had agreed the budget for 2016/17; and
- Staff purchase of annual leave – introduced for 2016/17 but with no financial provision as demand-led. With income for 2016/17 marginally in excess of £10,000 it is proposed to include a base budget provision of £10,000 for 2017/18.

Negative changes (£90,000):

- Sale of mixed dry recyclates – Following negotiations this contract with Viridor has been extended for five years. The terms of the extension includes the deferral of 50% of the income receivable in 2016/17 to the following two years. The deferred receipts will help smooth the transition to paying a gate fee, which is now the position in the recyclates market. The variance against the income budget in the current year is a reduction of £270,000 (see section 4.2 for change required in 2017/18);
- Sale of glass recyclates – the reduced price receivable is expected to continue with an estimated shortfall against budget of £60,000; and
- Waste Inter-Authority Agreement – Essex County Council has identified and corrected an error in the calculation of sums due to district councils under the agreement. The impact is a reduction of income of £30,000 per annum.

Expenditure

Positive change (£25,000):

- External Audit fees – reduction following the demise of the Audit Commission of £25,000 per annum.

3.4 Provision for Inflation

3.4.1 Pay Award. The Financial Profile provides a pay award of 1% for 2017/18, which was determined as part of a two-year agreement covering 2016/17 and 2017/18. The provision included for 2018/19 to 2020/21 is also included at 1% in recognition of the announcement in the July 2015 Budget that public sector pay would increase by 1% per annum over the four years starting 2016/17. Although local government pay is negotiated between the Employers Organisation and the unions it is considered appropriate to limit the annual increases to 1% for financial planning purposes. Allowances are provided for annual incremental progression for staff who are not at the top of their grade (payment is subject to achievement of satisfactory performance).

3.4.2 The Council will not have any financial consequences with regard to the pay bill for its employees from the increase of the National Living Wage to £7.50 from April 2017. However, a provision has been included under Pay inflation for expected increased costs regarding agency staff.

3.4.3 Members Allowances. Provision has been included for annual increases in line with the pay award for staff.

3.5 Pension Fund Contributions

3.5.1 The result of the Triennial Review of the Essex Pension Fund, as at 31st March 2016, was received on 30th October 2016. The review determines the pension fund assets and liabilities applicable for each employer in the fund and sets the deficit contribution and employer contribution rate for the three years 2017/18 to 2019/20.

3.5.2 The review indicates that whilst this Council's part of the Fund continues to be in deficit, i.e. liabilities of £134.084m exceed assets of £119.627m; this has

reduced such that the funding level is 89.2%, compared to 82.4% as at the last review conducted as at 31st March 2013.

- 3.5.3 The ongoing employer contribution rate is set to rise to 16.5% from the current level of 14.4%. This is due to a number of reasons including the age profile of staff in the pension scheme, mortality assumptions, the Actuary's outlook on investment returns and the change in benefits resulting from the implementation of the Career Average Revalued Earnings (CARE) scheme from 1st April 2013.
- 3.5.4 The Funding Strategy of the Essex Pension Fund endeavours to maintain consistency of overall contributions paid into the fund between triennial reviews. Although the ongoing employer contribution rate is increasing the deficit on the Council's part of the Fund has been reduced such that the combination of these elements are only marginally higher than that at the previous review in 2013: total contribution rate of 31.4% compared to 31.3%.
- 3.5.5 The triennial reviews in 2010 and 2013 determined deficit recovery periods, for this Council's part of the Fund, of 20 years and 14 years, respectively. The current review has determined the recovery period has reduced to 10½ years: a reduction of 3½ years representing an improvement against the anticipated reduction following 3 years of deficit payments.
- 3.5.6 The estimated contribution payments to the Pension Fund over the three year period 2017/18 to 2019/20, with the deficit payments being made in a single payment on 1st April, as agreed at Council on 12th December 2016, are shown in the table below:

	2013 Valuation	2016 Valuation		
	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Ongoing Rate (estimate)	1,370,823	1,650,702	1,650,702	1,650,702
Deficit Payment	1,640,673	4,232,683*		
Total Payment to Fund	3,011,496	5,883,385	1,650,702	1,650,702
Deficit Period	14 years	10½ years		

*Note: * Deficit payments if paid annually on 1st April would total £4,450,525 – paying all on 1st April 2017 results in a saving of £217,842.*

- 3.5.7 The accounting requirement for the one-off payment is that this is accountable in 2017/18; the implication of this is that two thirds of the payment (re 2018/19 and 2019/20) will be funded from an earmarked reserve, created by a transfer from the unallocated balance. The unallocated balance will be repaid from the planned underspend against the deficit budget still provided in the 2018/19 and 2019/20 base budgets.
- 3.5.8 The adjustments shown in the Financial Profile in respect of the pension payments detailed above are £1,040 in 2017/18; £15,870 in 2018/19; £16,580 in 2019/20; and £205,750 in 2020/21. The increase to the budget in 2020/21 provides an estimated deficit payment of £1,600,700; which is the 2019/20 deficit figure plus an annual uplift of 3.9%. The actual deficit payment for

2020/21 will however be determined by the Triennial Review to be undertaken as at 31st March 2019.

3.6 Other Expenditure

- 3.6.1 Allowances for inflationary increases have been provided only on specific budget headings e.g. business rates, contracts, energy, fuel, etc. based on the Office of Budget Responsibility's forecast of the Consumer Prices Index for 2017/18 and forecast energy cost increases from Concept Energy Solutions, an energy management and monitoring company engaged by the Council.

3.7 Fees and Charges

- 3.7.1 The general principle of the Charging Policy for the Council's discretionary fees and charges is that service users should make a direct contribution to the cost of providing services at their point of use.
- 3.7.2 The majority of the discretionary fees and charges have been subject to review by senior management and the responsible Cabinet Members. Whilst most fees and charges are reviewed annually the exception is car park fees and charges which are reviewed on a three-year basis. The next review of car park fees and charges will be in 2017 for 2018/19. There are, therefore, no proposed changes to car parking charges for 2017/18 and includes the continuation of the 10p parking 3:00pm to 7:00pm initiative.
- 3.7.3 A schedule detailing the proposed levels of discretionary fees and charges for 2017/18 is provided at Appendix A.
- 3.7.4 Proposed levels of planning pre-application advice fees, land charges, sponsorship charges, Town Hall letting fees and environmental permits for 2017/18 are not available at the current time due to either information required from a third party or due to an ongoing time/activity review to check and update the cost of providing the service. It is proposed that authority is delegated to the appropriate Cabinet Member to determine the level of these fees for 2017/18.
- 3.7.5 For financial planning purposes a nominal provision, of £10,000 per annum, is included for increases in fees and charges in future years.
- 3.7.6 In order for a number of the Council's services to be competitive, authority has in previous years been granted to the appropriate Cabinet Member to vary certain charges and/or discount rates. The main services which this arrangement applies are Trade Waste, Town Hall lettings, Building Control and Car Parks. It is proposed that this arrangement continues with the appropriate Cabinet Member having delegated authority to agree variations to charges for commercial purposes.

3.8 Rents

- 3.8.1 Housing rents for the Council's four properties in Bradford Street, Braintree, are to be reduced by 1%: in line with that prescribed by the Government to Registered Social Landlords. Service charges for these properties are to

remain at the current levels subject to small variations to ensure the charges can be applied on a daily rate basis. Details of the rents and service charges are shown in Appendix A.

- 3.8.2 Increase in rental income from the Council's commercial and industrial properties is determined by rent reviews as provided within the lease terms.

3.9 Third Party Contributions

- 3.9.1 A significant amount of income is received from Essex County Council under a number of service level agreements and across a number of service areas.

- 3.9.2 The Inter Authority Agreement for Waste Management is the largest at £1.914million (2016/17 budget). Other agreements are for Community Transport (£105,540) and for a council tax sharing arrangement (£356,420).

- 3.9.3 The agreements are for defined periods:

- Inter Authority Agreement, signed in January 2010, is for a period of 25 years;
- Community Transport – the current 1-year agreement terminates on 31st March 2017;
- Council Tax sharing agreement – the existing 3-year agreement between Essex CC and each of the Essex borough/district/city councils commenced on 1st April 2015. The agreement, however, contains a break clause under which Essex CC can give notice by the end of November to terminate the agreement early. The amount anticipated to be received in 2016/17 is £440,140, an increase over budget of £83,720.

- 3.9.4 Essex CC is reviewing the funding of the Community Transport service which will apply from 1st April 2017. Details of the outcome of the review are not expected until February/March 2017.

- 3.9.5 In preparation for the outcome of the review by ECC the Council has engaged a consultancy firm, with expertise in the transport field, to undertake a review of the current Community Transport service, to include options as to how the service could be provided in line with different funding options and the most economical and efficient model of service delivery.

- 3.9.6 For financial planning purposes at this time it is assumed that the funding for 2017/18 will be cash-limited at the 2016/17 level. The findings and options from the Council's review will be considered by Members when ECC has published the outcome of its review and the impact on this Council has been assessed.

4. Unavoidable Budget demands and New Investments

- 4.1 Requests for revenue funding to meet unavoidable budget demands total £169,680 in 2017/18, £73,640 in 2018/19 and £120,000 in 2019/20, all of which is requested to be added to the base budget.

4.2 The seven requests are:

Environment and Place

- Waste Management Recycling – the current contract for the sale of mixed dry recyclates was due to terminate on 31st March 2017. As mentioned at section 3.3.3 above the contract has been renegotiated but with the downturn in the recyclates market the Council will be paying a gate fee from 1st April 2017. A budget growth bid of £70,000 will be required for 2017/18, after allowing for the receipt of the deferred income from the current year. A further budget increase of £120,000 will be required in 2019/20 when the deferred income from the current year will have ceased;
- Increase in budget required to provide a second litter pick and mechanical sweep of the Braintree Bypass on an annual basis, to maintain cleanliness standards. The budget requested will cover the cost of Street Scene staff deployed to carry out the work (night-time operation) and contractors, vehicles etc. who provide the Traffic Management (rolling road blocks, lane closures, signs etc.) in compliance with the New Roads and Street Works Act. Request for £20,000;
- Public Toilets. Actual cost of maintaining and cleaning the Public Toilets in Braintree and Witham and Cemeteries is higher than the current base budget. Request for £5,000;
- New Bocking Cemetery. Additional cost of maintaining the new Cemetery extension at Bocking that is now coming into use for burials and cremated remains. Request for £5,000;
- Operations Training Budget. Existing budget is insufficient to provide an annual programme of staff training (core and essential) across Operations' various services. Request for £20,000;

Planning and Housing

- Two posts in the Housing Options section are currently funded from an earmarked reserve. The reserve will be fully utilised during 2017/18 and these posts are essential to maintaining the service. Request for £78,320 (£4,680 in 2017/18 and £73,640 in 2018/19); and

Corporate Services and Asset Management

- Apprenticeship Levy – employers with a pay bill in excess of £3million will be subject to this new levy from April 2017. The cost to the Council is estimated to be £45,000 per annum;

- 4.3 A budget pressure which is unquantifiable at the present time relates to the income the Council receives from Essex CC for the rental of the top floor of Causeway House. ECC has indicated that it will no longer require all of the area it currently occupies. Discussions are in progress regarding the amount of space to be relinquished and the timescale. The financial impact for the Council will be not receiving rent and service charge income (budget for 2017/18 is £275,940) for the period that the office space is vacant and also the level of the rent and service charge ultimately agreed with a new occupier. The position will be monitored during the year and the financial consequences will be reported in the Quarterly Performance report to Cabinet.

- 4.4 Three bids are proposed for new Investments, of which only one is a request for an addition to the revenue base for ongoing expenditure (£7,000). The other requests are for one-off funding from balances (£150,000) and for ongoing expenditure funded from New Homes Bonus/capital resources (£252,000):

Economic Development

- Additional resources to support the Economic Growth agenda and capital project delivery. The proposed additional cost is £252,000 per annum (£207,000 for four members of staff and £45,000 for project and feasibility expense budgets). It is proposed that funding is provided from unallocated New Homes Bonus (£144,800) and capital resources (£107,200). Whilst the additional resource requirement for project delivery (£142,000) will be determined by the projects, the additional resource for economic development (of £110,000 and funded from New Homes Bonus) would be required for a period of up to 5 years. The proposed staffing arrangements will be subject to the completion of due process under the Council's Change Management Policy;

Planning and Housing

- Welfare Reforms, increased Homelessness responsibilities, changes to Housing Benefit regulations, lower Benefit Cap, etc. will put pressure on the Housing Services' ability to find accommodation for families and single people, particularly those under 35 years of age. It is proposed to make a provision of £150,000 to be available to meet the cost of actions taken to address these issues, as required. As a one-off provision it is proposed that it is met from unallocated balances. Agreement to any actions will be agreed by the Cabinet Member for Planning and Housing; and

Corporate Services and Asset Management

- To procure and implement the 'Gov Delivery' digital marketing platform to promote Council services and initiatives, support channel shift and digital transformation. The Gov Delivery communications platform will help staff create and send alerts, bulletins, newsletters and social media messages all within one system – create once and send via multiple channels. A small saving of £1,100 will be realised from stopping the existing e contact newsletter. The additional budget requested is £7,000 per annum.

- 4.5 In addition to the new investments above, a budget allocation which is assessed on an annual basis is the sharing of a proportion of the Council's share of the anticipated balance, if in surplus, on the council tax collection fund with town/parish councils. The Council's share of the estimated surplus on the Council Tax Collection Fund is £194,255. The amount that will be paid to Town/Parish Councils in 2017/18 is £34,820. This was agreed by Council on 12th December 2016, enabling notification to be provided to the town/parish councils in time for consideration of their 2017/18 finances.

5. Cost Reduction/Additional Income Proposals

- 5.1 In addition to the ongoing additional income and cost reduction changes which are to be made to the base budget for 2017/18, identified at Section 3.3 above, the following four new proposals will have a positive impact, of £324,520, on the 2017/18 budget:

Environment and Place

- Environmental Services – review of staffing structure, estimated saving of £15,000 is anticipated, however, this is currently subject to the completion of due process under the Council's Change Management Policy;
- Fleet Management – new liquid fuels contract has been let resulting in a saving of £15,000 on the current budget;

Corporate Services and Asset Management

- Annual rent receivable, of £139,000, on the former Braintree College property purchased to enable the relocation of the St Lawrence Doctors Surgery; and
- Net rents receivable, totalling £69,520 per annum, from the recently acquired freehold and lease interests in properties at 3/ 4 Century Drive, Freeport Office Village and 15 Springwood Drive.

Finance and Performance

- Investment income – net interest of £86,000 in respect of an additional sum of £2million invested in equity funds in October/November 2016 as agreed by the Strategic Investment Group following discussion with Arlingclose, the Council's Treasury Management advisors. The total amount invested in pooled equity and property funds is £14million; within the current limit for long-term investments of £15million set in the Investment Strategy.

6. Equality Impact Assessment

- 6.1 The Council has a responsibility for ensuring that an equalities impact assessment is undertaken on the proposals, where appropriate, and that these are taken into account in the decision making process.
- 6.2 No Equalities Impact Assessments are required for the proposed budget changes detailed at section 5 above.
- 6.3 For savings planned for 2017/18 and 2018/19 which were agreed by Council in February 2016, Equalities Impact Assessments were prepared and considered in relation to the decision to reduce the grant payable to both the Braintree, Halstead and Witham Citizens Advice Bureau and the Braintree District Voluntary Support Agency.

7. Business Rates Retention Scheme

- 7.1 The Business Rates Retention scheme has been in operation in its current form since April 2013. Under the scheme the Government calculates a baseline amount of business rates which it allows local authorities to retain as

part of the Government's funding for local government. The baseline amount is included within the Settlement Funding Assessment (section 2.4).

- 7.2 The baseline amount for 2017/18 is £3,256,331, an increase of 2% over the figure for 2016/17.
- 7.3 The amount of business rates actually collected in the year will inevitably vary from the baseline: a higher amount collected will increase the amount that the Council is able to retain (although the actual amount of the increase retained will be subject to a levy of 50% payable to the Government or to the Essex Pool if the Council enters into a pooling arrangement: see section 9 below) whilst a lower amount collected will require the Council to meet the shortfall up to a maximum of 7.5% of the baseline amount: any shortfall more than this will be met by the Government (under the safety net arrangements) or from the Essex Pool (if applicable).
- 7.4 An assessment of the business rates collectable and collected up to 31st December 2016 has been undertaken, in order to provide a revised estimate for 2016/17.
- 7.5 The estimate for 2017/18 is based on the new Rating List incorporating the results of the 2017 Revaluation, published on 30th September by the Valuation Office Agency.
- 7.6 The new Rating List for the Braintree district shows a total rateable value of £111.46million, an increase of £5.24million or 4.7% over the current Rating List. As the Revaluation has increased rateable values nationally the Government has reduced the rates multipliers: to 46.6p (from 48.4p in current year) for small businesses and 47.9p (from 49.7p) for other businesses (the standard multiplier), this is to ensure that the money collectable nationally from business rates does not increase due simply to the Revaluation. The rateable value threshold for the standard business rates multiplier will increase from a £18,000 to £51,000 with effect from 1st April 2017.
- 7.7 The Government has issued proposals to address any variations (positive or negative) caused by changes to individual authority's total rateable value. In addition the Government has issued details of transitional arrangements to provide support to small and medium businesses seeing increases and to also allow those small and medium businesses seeing reductions to gain quickly from the revaluation.
- 7.8 The current temporary increase in Small Business Rates Relief (SBRR) from 50% to 100% has been made permanent by the Government, with effect from 1st April 2017. In addition, the £6,000 and £12,000 rateable value thresholds currently applying to SBRR will increase to £12,000 and £15,000 respectively. Therefore, hereditaments with rateable values (RV) of £12,000 or below that meet the eligibility criteria will receive 100% relief and those businesses with rateable values between £12,001 and £14,999 will receive tapered relief. The taper will operate as at present – with 100% relief for eligible hereditaments with an RV of £12,000 or below, decreasing to 0% relief for hereditaments with an RV of £15,000 or above. The Government will compensate local authorities for loss of income through section 31 grants.

- 7.9 The revised estimate for 2016/17 and an estimate for 2017/18 are shown in summary below:

	<i>Revised 2016/17 £</i>	<i>2017/18 £</i>
Business Rates collectable – due to BDC	16,992,381	16,201,220
Renewable Energy – 100% retained by the Council		84,807
Estimated deficit(-)/surplus on business rates collection fund for previous year	-411,135	432,142
Transfer from/to (-) Business Rates Retention Reserve	411,135	-423,142
Retained Business Rates	16,992,381	16,286,027
Tariff payable to Government	-13,013,536	-12,267,608
Levy payable to Essex Pool	-744,647	-764,686
Section 31 grant for Small Business rates Relief scheme extension	763,387	925,255
Estimated value of Retained Business Rates	3,997,584	4,178,988
Business Rates Baseline	3,191,180	3,256,331
Business Rates Growth above Baseline	806,404	922,657

- 7.10 The estimated amount of business rates to be retained in 2016/17 is £3,997,584, an increase of £5,911 against the budgeted figure.
- 7.11 For 2017/18, the estimate is determined on the basis that the level of appeals against the new Rating List will be 4.7% (the level assumed by the Government) and that section 31 grants will be received from the Government to reimburse for the increase from 50% to 100% for the Small Business Rate Relief and the Rural Rate Relief schemes. The estimated amount of business rates retained by the Council will be £4,178,988 i.e. £922,657 more than the Baseline amount.
- 7.12 The estimated Business Rates Retained for 2017/18 is £108,806 higher than the figure in the Medium-Term Financial Strategy agreed by Council in February 2016.
- 7.13 The estimated position on the Business Rates Collection Fund for 2016/17 is a surplus of £432,142. It is proposed that this surplus is transferred to the Business Rates Retention Reserve. This reserve is held to equalise variations on the Business Rates Collection Fund between years.
- 7.14 Estimates of Retained Business Rates for the years 2018/19 to 2020/21 include a 2% uplift each year to reflect an anticipated increase in the Rates multipliers, and a reduction of £291,482 in 2019/20 for the tariff adjustment included in the four-year settlement. It should be noted however that the position for 2020/21 is very difficult to predict as the Government is currently working with Local Government representatives to devise a new scheme whereby Local Government will retain 100% of Business Rates. It is expected

that proposals will be consulted on over the next 18 months and depending on how growth in business rates in prior years is dealt with this could have a large impact on the amount of business rates retained and currently assumed in the financial profile for that year.

- 7.15 A schedule providing details of the revised estimate for 2016/17 and the estimate for 2017/18 is provided at Appendix B.

8. Business Rates Taxbase

- 8.1 The Council's Business Rates Taxbase for 2017/18 was calculated as at 17th January 2017 and agreed by the Corporate Director under delegated authority. The net collectable amount, after mandatory and discretionary reliefs, allowances for losses on collection and rating appeals, is £40,503,049 as shown in Appendix B.
- 8.2 The Autumn Statement 2016 confirmed that the Government would be changing an existing rate relief scheme and introducing three new relief schemes. These are as follows:
- Rural Rate Relief – the Government intends to amend the relevant primary legislation to require local authorities to grant 100% mandatory rural rate relief. However, before the requirement to grant mandatory relief comes into force it expects local authorities to use their local discount powers to grant 100% rural rate relief to eligible ratepayers from 1 April 2017;
 - Telecom Fibre Optics - 100% business rates relief for new full-fibre infrastructure for a five year period from 1 April 2017 to support the rollout of new full-fibre broadband infrastructure and future 5G communications to homes and businesses;
 - Local Newspapers - £1,500 business rates discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017; and
 - Public Conveniences – extension to existing discretionary relief powers to support publicly owned public toilets from 1 April 2018.
- 8.3 Whilst the Government will be introducing the necessary legislative changes to enable local authorities to grant these reliefs there is insufficient time for this to be achieved in respect of two of the reliefs. The Government has therefore given an undertaking to reimburse local authorities if they use their discretionary discount powers under Section 47(3) of the Local Government Finance Act to increase Rural Rate Relief to 100% and to introduce the temporary discount for Local Newspapers with effect from 1st April 2017. The Government advises that the necessary legislative changes will be completed for the other two reliefs and therefore no action is required at this time. It is therefore proposed that the change to rural rate relief and the introduction of the Local Papers relief be included in the Council's discretionary rate relief policy.
- 8.4 Proposed changes to the Council's policy on discretionary business rate relief to charities, Community Amateur Sports Clubs and other not-for-profit organisations, are currently being consulted on with current recipients of the

relief and with a number of bodies which support these organisations. A proposed new policy to commence during 2017/18 will be considered by the Cabinet on 13th March 2017.

9. Business Rates – Essex Region pooling arrangement

- 9.1 The Council has participated in an Essex Business Rates Pool in both 2015/16 and 2016/17. Under this arrangement growth in business rates, above a baseline figure, which would normally be passed to the Government is retained and shared between the authorities in the Essex Pool (this includes Essex County Council and Essex Fire Authority as well as a number of district/borough councils).
- 9.2 Eleven authorities agreed to participate in 2016/17. The final shares for 2016/17 will not be determined until early October 2017. No provision is included in the 2016/17 Budget for this, as the actual shares are dependent on the business rate growth and rates collected in each of the participating districts.
- 9.3 The eleven authorities are:
- | | | |
|-----------------|----------------------|---------------|
| Braintree DC | Epping Forest DC | Rochford DC |
| Brentwood BC | Essex CC | Tendring DC |
| Castle Point DC | Essex Fire Authority | Uttlesford DC |
| Colchester BC | Maldon DC | |
- 9.4 All authorities in the current Pool expressed an interest in continuing the arrangement for 2017/18. On 15th December 2016, the Secretary of State for Communities and Local Government confirmed the designation of the Essex Pool for 2017/18.
- 9.5 The decision to join was based on the assessment that estimated business rates income for 2017/18 will exceed the baseline amount, as outlined at paragraph 7.11 above, and that on the proposed sharing arrangement the Council could receive an additional amount of business rates of approximately £360,000, i.e. a proportion of the estimated levy of £764,686 which will be paid into the Essex Pool.
- 9.6 It is anticipated that the Council will receive approximately £350,000 from the Essex Pool for the current financial year.
- 9.7 The determination and receipt of the actual amount of the shares due from the Pool will be made after the year-end Business Rate returns have been collated from each of the authorities in the Essex Pool. Due to a level of uncertainty regarding the overall performance of the Essex Pool the anticipated shares for both 2016/17 and 2017/18 have not been included in the Finance Profile.

10. Local Council Tax Support Scheme

- 10.1 The Council agreed the details of its Local Council Tax Support Scheme (LCTS) for 2017/18 on 12th December 2016. The scheme forms part of the

Council's policy on reductions to the amount of council tax payable as required under Section 13a of the Local Government Finance Act 1992. Details of the scheme for 2017/18 can be found on the Council's website at: http://www.braintree.gov.uk/info/200302/benefits/367/housing_benefit_and_council_tax_support.

- 10.2 The scheme details are the same as those applying under the current 2016/17 scheme.
- 10.3 The LCTS scheme is accounted for as a discount rather than a benefit: with the Council's council taxbase being reduced by an estimate of the amount of support that will be awarded in the year. For 2017/18 this has been estimated to be £6.9million. The variation between the actual and estimated amount awarded will be reflected in the balance on the Council Tax Collection Fund at the year-end.
- 10.4 Since the introduction of the Local Council Tax Support scheme it has been agreed that an Exceptional Hardship Fund would be provided for short-term assistance to households facing exceptional financial difficulties. The Fund is financed from contributions from the major precepting authorities; in proportion to their council tax precept.
- 10.5 The Council's process for dealing with requests for assistance from the Fund involves a referral to the Citizens Advice Bureau (CAB) for an assessment of the claimant's finances. Detail of the process is contained in the 'Council Tax – Discretionary Reduction in Liability Policy'. The Council currently has a service level agreement with the Citizens Advice Bureau for this money advice service until 31st March 2018.
- 10.6 In addition to the money advice service provided by the CAB the Council has employed an officer to work with claimants who experience difficulty in paying their council tax with the objective of offering support and advice and to ultimately gain an arrangement to pay.
- 10.7 The combination of these approaches has been beneficial to those claimants experiencing exceptional financial hardship and for the Council in maintaining a good collection rate and it is recommended that both of these services together with the Exceptional Hardship Fund are retained for 2017/18. The other three major precepting authorities have already agreed to provide funding contributions for 2017/18. This means that the Council will be responsible for 13% of the costs.
- 10.8 The value of the Exceptional Hardship Fund for 2017/18 will be £13,800: set at 0.2% of the estimated value of council tax support for 2017/18. This provides a consistent approach across all Essex authorities and has been agreed with the major preceptors. If the value of the awards exceeds the budget then the excess is funded solely by this Council.

11. Council Tax – Collection Fund – Surplus/Deficit

- 11.1 The budget setting process includes estimating the amount of council tax expected to be collected. Variation from the estimate results in either a

surplus or deficit in the Collection Fund which must be either returned to or requested from council taxpayers in the following year. The surplus or deficit is allocated between the four major preceptors: Essex County Council, Braintree District Council, Essex Police and Crime Commissioner and Essex Fire Authority.

11.2 It is estimated that the balance on the Collection Fund available for distribution is a surplus of £1,502,454. The surplus will be allocated to:

- Essex County Council – £1,095,210
- Braintree District Council – £194,255
- Essex Police & Crime Commissioner – £147,400
- Essex Fire Authority – £65,589

11.3 The Council's proportion of the council tax surplus, to be returned to council taxpayers in 2017/18 is £194,255. It has been agreed that £34,820 of this surplus will be paid to town and parish councils in 2017/18 (see section 4.5 above). This compares to the surplus returned to council taxpayers of £114,990 in 2016/17 (of which £20,362 was returned via payments to the town and parish councils).

12. Council Taxbase

12.1 The Council's taxbase for 2017/18, calculated as at 30th November 2016, is 51,547. This was agreed, under delegated authority, by the Corporate Director responsible for Finance. This compares to a taxbase for 2016/17 of 50,667; an increase of 880 or 1.74%.

12.2 The council taxbase takes into account estimated allowances for discounts and exemptions; including the local council tax support scheme, single persons discount and for losses on collection.

12.3 Since 1st April 2013 the Council has exercised discretionary powers to set the discounts for empty properties and second homes.

12.4 The current levels of these discounts are as follows:

- Properties undergoing extensive repair – 0% for twelve months;
- Properties unfurnished – 0% for 6 months;
- Second homes – 0%

It is not proposed to make any changes to these levels for 2017/18.

12.5 From 1st April 2016 a premium of 50% was introduced on properties which have been unoccupied and substantially unfurnished for two years or more.

It is not proposed to change the level of this premium for 2017/18.

12.6 The Council also has discretionary power, under section 13A 1c of the Local Government Finance Act 1992, to enable it to reduce council tax liability where statutory discounts, exemptions and reductions do not apply. Current policy is to consider each application on its merit. The cost of an award under the

policy has to be met from the General Fund. No changes or amendments to this policy are proposed.

12.7 It is proposed to maintain the allowance for losses on collection at 1% for 2017/18.

12.8 A summary of the taxbase calculation is provided in the table below:

	Total number of Dwellings	Discounts and exemptions including local council tax support	Equivalent no. of dwellings after discounts, exemptions, etc.	Multiplier	Relevant amount (equivalent amount x multiplier)	Taxbase at assumed collection rate of 99.0%
AR		3	3	5/9	2	2
A	5,923	-2,270	3,653	6/9	2,435	2,411
B	16,557	-4,114	12,443	7/9	9,678	9,581
C	18,676	-2,908	15,768	8/9	14,016	13,876
D	9,261	-898	8,363	9/9	8,363	8,279
E	7,032	-484	6,548	11/9	8,003	7,923
F	4,105	-186	3,919	13/9	5,661	5,604
G	2,207	-105	2,102	15/9	3,503	3,468
H	211	-17	194	18/9	387	383
				Add contributions in Lieu		20
	63,972	-10,979	52,993		52,048	51,547

12.9 With the anticipated housing growth in the District over the coming years it is considered appropriate to increase the council taxbase by 1.5% per annum for 2018/19 onwards. This provides estimated taxbase's of 52,320, 53,105 and 53,902 in 2018/19 to 2020/21 respectively.

13. Council Tax Levels and Referendums

13.1 **Council Tax Referendums.** The Localism Act 2011 gives local communities the power to decide whether to accept an excessive council tax increase. The Secretary of State determines the level of increase above which a proposed increase in council tax must be subject to a referendum. For shire district councils the threshold for 2016/17 was set at the higher of 2% or £5. The Government is keeping this threshold for 2017/18. An increase of £4.95 on this Council's Band D would equate to an increase of 3.01% for 2017/18.

13.2 The Government had been considering introducing the referendum principle to town and parish councils for 2017/18. With the intention that this would only apply to town and parish councils whose Band D is higher than that of the lowest charging district council for 2016/17 (£75.46) and which have a total precept for 2016/17 of at least £500,000. However, after consideration of responses received the Government has decided to defer the setting of referendum limits to parish/town councils but will keep the level of precepts set by parish/town councils under review and may introduce the principles in the future.

13.3 **Council Tax Levels.** The initial budget proposal agreed by Cabinet on 29th November 2016 proposed an increase of 1.97% in the level of council tax for 2017/18 and indicated for financial planning purposes an increase of between 1.95% and 1.98% per annum proposed for 2018/19 onwards.

- 13.4 Whilst the Funding Settlement Assessment for 2017/18, received on 15th December 2016, was in line with the figures anticipated in the November report it is essential that the Council continues to plan its finances in order to maintain service provision over the medium-term. With the budget shortfall over the next three years and uncertainties over the impact of the impending changes to local government finances in 2020/21, it is proposed that the level of council tax (Band D property) for 2017/18 is set at £169.47; an increase of £4.95 or 3.01%. This equates to a council tax charge, for a Band D property, for the provision of this Council's services of £3.26 per week; an increase of approximately 10p per week over the current year.
- 13.5 The table below identifies the estimated budget shortfall to be addressed in 2018/19 to 2020/21. For financial planning purposes an increase in council tax of between 1.95% and 1.98% per annum is assumed for 2018/19 onwards.

Year	Council Tax at Band D	Percentage increase	Estimated budget shortfall to be addressed
2010/11	£162.81	2.5%	
2011/12	£162.81	0%	
2012/13	£162.81	0%	
2013/14	£161.19	-1%	
2014/15	£159.57	-1%	
2015/16	£159.57	0%	
2016/17	£164.52	3.1%	
2017/18	£169.47	3.01%	0*
2018/19	£172.80	1.96%	330,872
2019/20	£176.22	1.98%	524,234
2020/21	£179.73	1.99%	237,387

Note: * An addition to balances, of £179,125, for 2017/18 will result from the proposals in this report

14. Budget Consultation

14.1 Overview and Scrutiny Committee

- 14.1.1 The Overview and Scrutiny Committee, on 23rd November 2016, received a presentation from the Cabinet Members for Finance and Performance and Corporate Services and Asset Management on Council priorities for 2017/18 and the initial budget position. Other Cabinet Members also attended and participated in this first of two opportunities for the Committee to review the budget proposals. In addition all Members were invited to attend and participate in the meeting.
- 14.1.2 Budget Scrutiny will continue at the Overview and Scrutiny Committee meeting scheduled for 1st February 2017 at which this finance report and budget proposals will be considered. The Chairman of Overview and Scrutiny has again invited all Members to attend the meeting. Recommendations and/or comments from that meeting will be circulated at tonight's Cabinet meeting.

14.2 Businesses in the Braintree District

14.2.1 The Cabinet Member for Economic Development wrote to businesses in the Braintree District, on 21st December 2016, to outline the current context of the Council's budget and to share the initial proposals going forward. The letter was sent to 4,000 business contacts. Comments received will be circulated at tonight's Cabinet meeting.

15. Staffing and Pay Policy

15.1 Impact on Staffing Establishment.

15.1.1 The proposed budget for 2017/18 presented in this report provides for:

- funding for two posts in the Housing Options section, currently met from an earmarked reserve, is to be provided within the base budget;
- four additional posts are proposed to support the Economic Growth agenda and capital project delivery; and
- a staffing restructure in the Environmental Services Department, currently subject to consultation, proposes no change in staffing numbers but a net increase of 0.5 full-time equivalent.

15.1.2 The Council's Management of Change process is used for all staff restructuring proposals.

15.2 Pay Policy for 2017/18

15.2.1 Section 38 (1) of the Localism Act 2011 requires the Council to produce a pay policy statement for each financial year.

15.2.2 The Pay Policy statement:

- Must be approved formally by Full Council
- May be amended during the course of the financial year
- Must be published on the Council's website
- The statutory pay policy statement must include the Council's policy on:
 - The level and elements of remuneration for each Chief Officer
 - The remuneration of its lowest-paid employees (together with its definition of 'lowest paid employees' and its reasons for adopting that definition)
 - The relationship between the remuneration of its Chief Officers and other Officers
 - Other specific aspects of Chief Officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments and transparency

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

15.2.4 The Pay Policy Statement 2017/18 has been designed to give an overview of the Council's framework regarding pay and rewards for staff within the Council. The framework is based on the principle of fairness and that reward should be proportional to the weight of each role and each individual's performance.

15.2.5 The information contained within the Pay Policy Statement detailed in Appendix C reflects the Council's current pay position.

16. Financial Profile 2017/18 to 2020/21

16.1 As a result of the proposed revenue budget contained in this report a net total of £179,125 will be added to the unallocated balance in 2017/18.

16.2 An updated Financial Profile for 2017/18 to 2020/21 taking account of the proposed savings and revised assumptions is provided at Appendix D.

16.3 A summary, analysed by business plan, of the controllable budgets for 2017/18 is provided at Appendix E.

16.4 The updated financial profile 2017/18 to 2020/21 shows for:

2018/19 – a shortfall of £330,872;
2019/20 – a shortfall of £524,234 and
2020/21 – a shortfall of £237,387.

16.5 The approach to address the anticipated budget shortfall of £1.092million over the next three years is a continuation of the work developed under the Peer Challenge Action Plan to address the issue of the Council being grant free over the medium-term. The plan provides for a focus on:

- Commercialisation and 'Better at Business';
- Grow our economy – increase our share of the business rate pot and secure external funds;
- Finance and Investment Strategy;
- Review contracts and procurement;
- Increase our income;
- Management and Service Reviews; and
- Sharing services or joint work.

17. Risk Assessment

17.1 Providing projections on the Council's finances into the future is subject to a high degree of uncertainty, which makes it important that an assessment of the risks is undertaken.

17.2 A review of risks on the budget proposals has been undertaken by Management Board. A summary of the risks, controls and mitigation identified is provided at Appendix F.

18. Balances and Reserves

- 18.1 The Unallocated General Fund balance as at 31st March 2016 was £8.421million.

Agreed movements on the balances for 2016/17 are:

	£'000
General Fund	
Planned addition to balances in setting 16/17 Budget	526
Anticipated surplus in 2016/17	303
Transfer to District Investment Strategy	(5,000)
Allocation re Building Control shared service*	0
Transfer to reserve for the funding in advance of the Pension Deficit payments	(2,822)
Transfer from Earmarked reserves (see Appendix G)	28
Estimated Balance as at 31st March 2017	1,456

*Note: * An allocation of £250,000 was approved by Council on 27th June 2016, however, this is no longer required as the three remaining local authorities interested in the shared service determined that the arrangement was not viable.*

- 18.2 The estimated transfer to balances for 2017/18 is £179,125, as shown in Appendix D, which provides an estimated balance of £1.635million as at 31st March 2018. Whilst this is close to the Council's recommended minimum level this is only for a short period as the unallocated balance will be reimbursed by £1,411million in each of 2018/19 and 2019/20 for the funding used on the pension deficit payments made in advance.
- 18.3 Earmarked reserves are established to either meet specific requirements/ purposes in the future or to make provision for issues that are likely to occur but the timing is not predictable. The total amount of money in earmarked reserves as at 31st March 2016 was £14.847million.
- 18.4 A schedule detailing the planned use of the earmarked reserves over the four-year period of the MTFS is provided in Appendix G. The schedule also identifies proposed movements between reserves and a reduction where funds (£28,338) are no longer required and can be transferred back to the unallocated balance. These changes are the result of a review of the earmarked reserves. The schedule classifies the earmarked reserves as either for revenue or capital and by Cabinet Portfolio area.
- 18.5 A summary of movements is provided in the table below:

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Earmarked Reserves - Revenue	7,242	8,558	5,340	5,150	4,906
Additions/Withdrawals	1,316	-3,218	-190	-244	54
Balance at Year End	8,558	5,340	5,150	4,906	4,959
Earmarked Reserves - Capital	7,605	11,879	7,135	6,501	6,425
Additions/Withdrawals	4,274	-4,744	-634	-76	-142
Balance at Year End	11,879	7,135	6,501	6,425	6,283

19. Capital Programme

19.1 Capital Resources 2017/18 to 2020/21

19.1.1 The anticipated resources consist of:

- Share of Right to Buy sales income with Greenfields Community Housing;
- Capital receipts from the sale of assets, including: a proportion of the proceeds from the sale of land assembled east of High Street, Halstead and the sale of the site of the former Bramston Sports Centre, Witham.
- Borrow monies to finance capital projects. If borrowing is to be used then it is important that the capital project is income generating in order to cover the loan repayment costs;
- Share of the VAT Sharing arrangement with Greenfields Community Housing, although this expected to come to an end after 2018/19;
- Capital grant through the Better Care Fund for Disabled Facilities Grants;
- Balance of Growth Area Fund;
- Earmarked reserves; and
- Section 106 contributions – where identified to a specific project which meets the requirements specified in the relevant Section 106 agreement.

19.1.2 In addition to the anticipated resources, identified above, the Council is able to:

- Use unallocated balances, subject to maintaining a minimum level of £1.5million (in accordance with policy);
- Use the balance of unallocated Section 106 monies, of £1.19million, but this is only available for projects that meet the requirements specified in each Section 106 agreement; and
- Use unallocated New Homes Bonus monies.

19.1.3 Following agreement between Greenfields CH and the Council to split the Development element of the Community and Housing Investment Partnership (CHIP) Fund the Council received £2.718m, being 50% of the balance, on 21st December 2016. This resource will be earmarked for affordable housing purposes.

19.2 New Homes Bonus

19.2.1 Detail of the New Homes Bonus receivable is provided at paragraph 2.8 above. This shows that the Council will receive £2.129million in 2017/18 and will have a cumulative unallocated balance of £2.029million, after allowing for the allocations to the District Investment Strategy (£8.5million) and for affordable housing (£0.75million) and for contributions to the costs of the Local Plan, economic development service and project management (£0.667million), as at 31st March 2018.

19.2.2 A key principle in the Council's approach in utilising the New Homes Bonus is to act as a catalyst to attract investment from others in the public and private sectors and to support economic growth.

19.3 Other External Funding Sources

19.3.1 The Council is also working with other public organisations to seek opportunities to provide funding for infrastructure projects which would enable an earlier commencement date on site of some major planned developments in the district.

19.3.2 This is principally with Essex County Council and the South East Local Enterprise Partnership (SELEP) from which the Council will be seeking funding from the Single Local Growth Fund operated by the partnership. The projects being considered are Panfield Lane, Eastlink 120, Braintree Town Centre Regeneration and Witham Enterprise Centre.

19.4 Asset Management Plan

19.4.1 The Council's Asset Management Plan details the objectives for property in the short to medium term as:

- Contribute to the economic and physical regeneration of the District and provide opportunity to increase job prospects and support business.
- Support the delivery of our services and our overall community and corporate objectives;
- Wherever possible be used as a joint resource with our partners to deliver better public services on the most efficient basis possible;
- Be environmentally sustainable and be energy and carbon efficient;
- Be efficient in their running costs;
- Not consume any more capital than is absolutely necessary for the delivery of our objectives and to release capital from the portfolio to support the Council's capital programme; and
- Identify investment opportunities.

19.5 Capital Programme

19.5.1 Details of the proposed capital projects are contained at Appendix H. The total value of the projects in 2017/18 is £1,270,200. There were no bids for funding capital schemes received from Members.

19.5.2 The schedule also includes anticipated requirements for 2018/19 to 2020/21. These total £1,077,000 for 2018/19, £957,000 for 2019/20 and £956,000 for 2020/21.

19.6 Capital Funding Summary

19.6.1 A schedule detailing the capital resources and schemes/provisions already approved together with the recommended schemes/provisions for 2017/18 to 2020/21 is provided at Appendix I.

19.6.2 A summary showing the capital resources and the proposed capital schemes for 2017/18 and the anticipated requirements for 2018/19 onwards is provided below:

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Balance of Resources – Brought Forward	8,937	7,983	7,307	6,956
Resources in year	3,924	1,768	1,418	1,418
Total Resources	12,861	9,751	8,725	8,374
Approved Capital Programme	2,972	1,367	812	812
Approved Provision	636			
Proposed Capital Programme	1,270	1,077	957	956
Balance of Resources for Carry Forward to next year	7,983	7,307	6,956	6,606

19.6.3 The summary shows that the proposed capital programme can be funded from the estimated capital resource available for 2017/18. In addition the anticipated capital requirements for 2018/19 to 2020/21 can also be funded but this will be dependent on the sales of assets identified producing the anticipated amount of capital receipts.

20. District Investment Strategy

20.1 The District Investment Strategy was established recognising that the District needs to prepare for growth by ensuring District infrastructure improvements/facilities are not only delivered for existing residents, but are able to provide for the future growth in the District as well. This investment will not only be focused in the key towns but the rural areas as well. The Council will work in partnership to invest and deliver improvements across the District which will provide:

- Improvements to health provision in the District
- Improvements to our three Town Centres
- Increased opportunities for new businesses and employment
- Improvements to our most congested roads
- Investment opportunities in the District that support growth and provide a return for the District Council.

20.2 To support the District Investment Strategy initial funding of £28million was identified from the following sources: New Homes Bonus received, balances and prudential borrowing. In addition, £3million of the capital receipt expected from the sale of the former Bramston Sports Centre site is to be earmarked for investment for Witham and the Opportunity Purchase Fund, of £0.5million, has now been used to finance the purchase of the head lease at 15 Springwood Drive. Whilst a number of schemes have been approved to be funded from the District Investment Strategy there are also a number which are in the pipeline.

20.3 Committed schemes include:

• Land at Chapel Hill, Braintree (Purchased in 2014/15)	£1.25m
• Town Centre	£11.555m
• Business Broadband	£0.25m
• Springwood Enterprise Units	£0.96m
• Health Centre Braintree	£1.814m
• Investment Property – Freeport Office Village	£0.783m
• Purchase of Head Lease, Springwood	£0.498m
Total	£17.11m

20.4 Pipeline schemes include:

• Witham Enterprise Centre	£4.25m
• A120 Access Improvements	£2.50m
• Employment investments	£3.00m
• Panfield Lane Regeneration	£3.50m
• Witham Investments	£3.00m
Total	£16.25m

21. Long-Term Investments

21.1 As work progresses on the Local Plan for the Braintree District, the Council has been actively looking at opportunities for the delivery of the required housing numbers. In this respect two opportunities are being explored which would have significant impacts, both cost and reward, on the Council's finances over the long-term i.e. thirty years plus.

21.2 Brief details of the two opportunities are provided below. This includes detail of current funding allocations agreed by the Council. Reports will be presented to Members as the projects progress and decisions on next stages are required to be made.

21.3 Garden Communities

21.3.1 The Council is working together with Colchester BC, Tendring DC and Essex CC on the North Essex Garden Communities project. Initial funding of £640,000 was secured from the DCLG with a further supplementary award of £648,000 is anticipated to be received in the current financial year. The project is to establish the feasibility of and funding requirements of delivering three garden communities across North Essex. This programme is subject to the decision making processes of the three district councils within the Local Plan and it should be noted that this report does not indicate any determination of that process.

21.3.2 As the project has progressed a three-year work programme and project budget has been developed which includes the current position on resource requirements and external commissioned support. This identified a need for a contribution of £250,000 from each of the four authorities.

21.3.3 On 12th September 2016, the Cabinet agreed a capital contribution of £250,000 toward the cost of the development of the North Essex Garden Communities project. The funding to come from the New Homes Bonus pot set aside for Project Feasibility and Development.

21.3.4 On 29th November 2016 the Cabinet considered a report which set out the mechanisms that would be needed should the Garden Communities developments be agreed and proposals whereby the Councils could take a much more direct approach to ensuring that the proposed Garden Communities are delivered and that they met the high standards expected of them. Decisions made by the Cabinet, endorsed by the Council on 12th December 2016, were to:

- set up and subscribe to the North Essex Garden Communities Limited;
- the formation of the Colchester Braintree Borders Limited and West of Braintree Limited;
- provide an appropriate proportion of necessary funding to the West of Braintree Limited (by an appropriate combination of loan or equity) subject to a satisfactory business case setting out the full terms of the arrangement, which will need to accord with the approved Business Plans and masterplans for the project and the funding options available at the time any funding is required by the LDV; and
- provide an appropriate proportion of necessary funding to the Colchester Braintree Borders Limited (by an appropriate combination of loan or equity) subject to a satisfactory business case setting out the full terms of the arrangement, which will need to accord with the approved Business Plans and masterplans for the project.

21.3.5 Based on the financial modelling undertaken to date, and assuming the participating local authorities are the only funders, this commitment of the Council would cover a potential peak debt requirement of up to £145million across the two garden communities and overall financing requirement for a period of around 50 years. It will be open for the Council to consider a range of funding sources for its share of the funding commitment, which could include prudential borrowing. This will be subject to a detailed decision of Cabinet and the Council as required at the relevant time.

21.4 Housing Development Company

21.4.1 The Cabinet, at its meeting on 12th September 2016, also approved the resources to develop a full business case relating to the establishment of a Housing Development Company (HDC).

21.4.2 The proposed HDC has the potential to bring forward a robust delivery programme of new homes across the District, to include a range of tenures, such as private sale, affordable rent, private rent, keyworker and starter homes. It would also contribute to wider objectives, including the generation of a financial return, the development of under-utilised Council-owned land and the stimulation of economic growth through the provision of high-quality training and employment opportunities through on-site developments.

21.4.3 The total resource allocated for this project is £130,000: of which £100,000 was agreed from the New Homes Bonus pot set aside for Project Feasibility and Development.

21.4.4 The full business case is scheduled to be reported to Cabinet during the first quarter of 2017/18. The report will provide details of the costs, income and overall return relating to the HDC. A report will also be taken to Council as required for the long-term funding of HDC.

21.4.5 Initial indications suggest that the potential HDC programme would require funding of approximately £25million to £30million, together with the transfer of Council-owned land. It is expected that the business plan will propose that the Council on-lend to the HDC at a market interest rate, generating a return on financing. Consideration will also be given to using the 50% balance of the development element of the CHIP fund, received from Greenfields CH in December 2016, to facilitate the delivery of affordable homes via the HDC.

22. Prudential Indicators and Treasury Management Strategy 2017/18

22.1 Local authorities are required to determine on an annual basis the following:

- Treasury Management Strategy (incorporating an annual investment strategy)
- Prudential Indicators – establish limits and summarise expectations of capital and treasury management related activities.
- Minimum Revenue Provision policy – i.e. set a policy on the methodology for making provision for the repayment of debt.

22.2 Each of these areas is covered in the Treasury Management Strategy Statement (TMSS) which is provided at Appendix J. The Governance Committee considered a draft copy of this TMSS at its meeting on 11th January 2017. A reference from the Governance Committee will be included on this Cabinet meeting agenda.

22.3 The indicators and strategy have been drawn up based on the revenue and capital plans set out within this report for 2017/18 and over the medium term. It is however noted that at this stage the potential financing implications of the proposed North Essex Garden Communities as set out in a report to Full Council on 12th December 2016, have not been reflected in the TMSS. Any future changes required to the TMSS will be based on decisions yet to be taken by Full Council. The same will apply with regard to any potential borrowing requirement should the Council agree to establish a Housing Development Company.

23. Virement Levels and Policy Framework

23.1 The Council's Constitution requires that Members agree annually the Policy Framework and virement levels used for financial control. The Finance Procedure rules, which incorporate the virement levels, were reviewed and adopted by Full Council on 6th December 2010. These limits continue to be appropriate and are detailed at Appendix K.

24. Robustness of the Estimates and the Adequacy of the Proposed Financial Reserves

- 24.1 The Local Government Act 2003 (Part 2, sections 25 and 26) require the Chief Financial Officer (as defined under Section 151 of the Local Government Act 1972) to report on the robustness of the estimates and the adequacy of the proposed financial reserves. Members are required to have regard to the report when making decisions on the budget. The report is detailed at Appendix L.

Council Budget and Council Tax 2017/18 and Medium-Term Financial Strategy 2017/18 to 2020/21

Appendices

- A Schedule of Proposed Fees and Charges for 2017/18
- B Business Rates Retention scheme – Revised 2016/17 Estimate and 2017/18 Estimate
- C Pay Policy Statement 2017/18
- D Revenue Profile 2017/18 to 2020/21
- E 2017/18 Controllable Budget by Business Plan
- F Strategic risk
- G Earmarked Reserves
- H Capital Schemes/Projects
- I Capital Resources
- J Treasury Management Strategy Statement
- K Virement Levels
- L Statement on the Robustness of the Estimates and the Adequacy of the Proposed Financial Reserves

Fees & Charges - Proposed 2017/18

APPENDIX A

Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Asset Management	Legal Fee	Checking legal ownership and drafting the Undertaking	120.00	120.00	150.00	Each	25.0%	
Asset Management	Monitoring of Section 106 Agreements	Monitoring charge for a single clause S.106 agreement.	300.00	300.00	300.00	Each	0.0%	
Asset Management	Monitoring of Section 106 Agreements	Monitoring charge for each additional clause in S.106 agreement.	125.00	125.00	125.00	Each	0.0%	
Community Transport	Dial-A-Ride Scheme	Annual Registration/ Renewal Fee	15.00	15.00	15.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Dial-A-Ride Scheme	Social/Welfare Mileage rate per mile (paid to driver)	0.60	0.60	0.60	per mile	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Casual User Annual Registration fee own driver	20.00	20.00	20.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Casual User Annual Registration fee volunteer driver	20.00	20.00	20.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Casual User Hire Cost - Up to 100 miles (including Diesel) own driver	1.25	1.25	1.25	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Casual User Hire Cost - Up to 100 miles (including Diesel) volunteer driver	1.25	1.25	1.25	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Casual User Minimum Charge for Journeys up to 20 miles (including Diesel) own driver	25.00	25.00	25.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Casual User Minimum Charge for Journeys up to 20 miles (including Diesel) volunteer	25.00	25.00	25.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Cancellation charge of community Transport facilities where less than 5 working days notice given own driver	25.00	25.00	25.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Minibus Hire	Cancellation charge of community Transport facilities where less than 5 working days notice given volunteer	25.00	25.00	25.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Social Car Scheme Registration/ Renewal Fee	15.00	15.00	15.00	Each	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Social/Welfare Mileage rate minimum fare per (paid to driver)	3.00	3.00	3.00	Mile	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Social/Welfare Mileage rate per mile (paid to driver) - outside Braintree	0.60	0.60	0.60	Mile	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Social/Welfare Mileage rate per mile (paid to driver) - within Braintree	0.60	0.60	0.60	Mile	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Social/Welfare Mileage rate per mile (paid to driver) per additional passenger	0.50	0.50	0.50	Journey	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Social/Welfare Mileage rate up to 5 miles (paid to driver)	3.00	3.00	3.00	Journey	0.0%	Subject to review and further report to Members
Community Transport	Social Car Scheme	Non payment of fares	3.00	3.00	3.00	Journey	0.0%	Subject to review and further report to Members

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Corporate	Elections	Public Inspection fees - Election Expenses (per inspection)	5.00	5.00	5.00		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Fixed Sale Charge Electoral Register (Data) (per copy)	20.00	20.00	20.00		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Fixed Sale Charge Electoral Register (Printed) (per copy)	10.00	10.00	10.00		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Variable sale charge Electoral Register (Data) per thousand entries)	1.50	1.50	1.50		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Variable sale charge Electoral Register (Printed) per thousand entries)	5.00	5.00	5.00		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Fixed Sale Charge List of Overseas Electors (Data) (per copy)	20.00	20.00	20.00		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Variable sale charge (per hundred entries) List of Overseas Electors (Data)	1.50	1.50	1.50		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Fixed Sale Charge List of Overseas Electors (Printed) (per copy)	10.00	10.00	10.00		0.0%	Statutory Fee
Corporate	Elections	Public/Commercial Variable sale charge (per hundred entries) List of Overseas Electors (Data)	5.00	5.00	5.00		0.0%	Statutory Fee
Environment	Pest Control	Commercial Visits - Eradication fees (per visit) Wasps & hornets only	90.00	95.00	95.00	Each	0.0%	This should be for wasps only. Rats and mice require 4 visits for successful treatment so a contract would be more cost effective.
Environment	Pest Control	Commercial Visits - Eradication fees (per visit) Wasps & hornets only- each additional nest			24.00	Each		New price structure to clarify additional costs.
Environment	Pest Control	Commercial Visits - Eradication fees (Rodents)			210.00	One course of treatment - 4 visits		New price structure to reflect change in legislation relating to rodenticide usage.
Environment	Pest Control	Commercial Visits - Eradication fees (Rodents) additional visits to existing contract. NOT SINGLE USE			72.00	per visit		New price structure to reflect change in legislation relating to rodenticide usage.
Environment	Pest Control	Commercial - Advisory/call out visit, no treatment	40.00	40.00	45.00	Each	12.5%	Price held for a number of years
Environment	Pest Control	Domestic - Eradication fees (per visit) Fleas & Wasps & Ants	45.00	50.00	50.00	Each	0.0%	
Environment	Pest Control	Domestic - Eradication fees 'Rats & Mice	45.00	50.00	50.00	Each	0.0%	
Environment	Pest Control	Domestic - Advisory/call out visit, no treatment	25.00	25.00	25.00	Each	0.0%	
Environment	Basic food Hygiene course	Public/Commercial Course fees (one day course)	60.00	60.00	60.00	One day course fee	0.0%	
Environment	Export Licences	Commercial - Annual Licence fees	61.00	61.00	63.00	Licence Fee	3.3%	
Environment	House in Multiple Occupation - Licensing (New Application)	Licensing Fee (one off with up to 5 year life)	590.00	605.00	620.00	Licence Fee	2.5%	
Environment	House in Multiple Occupation - Renewal of Licence	Licensing Fee	315.00	323.00	331.00	Licence Fee	2.5%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment	Inspection of Premises for Visa Requirements	Inspection Fee	100.00	100.00	100.00	Per hour	0.0%	
Environment	Additional Operator - Acupuncture/ Tattooing/ Electrolysis/ Ear/Body piercing /Semi Permanent Tattooing	Commercial - Licence fees (per PERSON)	26.00	26.00	26.00	Additional Operator	0.0%	
Environment	Premises + 1 Operator Acupuncture/Tattooing/ Electrolysis/ Ear/ Body piercing/Semi-Permanent Tattooing	Commercial - Licence fees (per PREMISES)	100.00	100.00	100.00	Per Premises	0.0%	
Environment	Water analysis	Risk Assessment	30.00	30.00	30.00	Per hour	0.0%	Up to the maximum £500
Environment	Water analysis	Sampling visit	30.00	30.00	30.00	Per hour	0.0%	Up to the maximum £100
Environment	Water analysis	Investigation	30.00	30.00	30.00	Per hour	0.0%	Up to the maximum £100
Environment	Water analysis	Granting an authorisation	60.00	60.00	60.00	Per hour	0.0%	Up to the maximum £100
Environment	Water analysis	Analysing a sample taken under regulation 10	Actual lab costs up to the maximum £25	Actual lab costs up to the maximum £25	Actual lab costs up to the maximum £25	Each		
Environment	Water analysis	Analysing a sample taken during check monitoring	Actual lab costs up to the maximum £100	Actual lab costs up to the maximum £100	Actual lab costs up to the maximum £100	Each		
Environment	Water analysis	Analysing a sample taken during audit monitoring	Actual lab costs up to the maximum £500	Actual lab costs up to the maximum £500	Actual lab costs up to the maximum £500	Each		
Environment - Env Permits	Contaminated Land Enquiries	Public/Commercial Service charge (per enquiry)	125.00	128.00	131.00	Per Enquiry	2.3%	
Environment - Env Permits	Copy of Contaminated Land Strategy	Commercial Copying charge (per copy)	95.00	95.00	95.00	Per copy	0.0%	
Environment - Emergency Planning, Health & Safety	First Aid at Work	Maximum of 12 per course	141.66	141.66	153.28	per candidate	8.2%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	First Aid at Work Refresher	Maximum of 12 per course	101.07	101.07	112.97	per candidate	11.8%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	Emergency First Aid	Maximum of 12 per course	61.85	61.85	65.22	per candidate	5.4%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	Activity First Aid	Maximum of 12 per course			65.58	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Emergency Paediatric First Aid	Maximum of 12 per course			112.97	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Cardiopulmonary Resuscitation and Automated External Defibrillation	Maximum of 12 per course	54.25	54.25	65.58	per candidate	20.9%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	Basic Life Support and Safe Use of an Automated External Defibrillator	Maximum of 12 per course			48.07	per candidate		New Course
Environment - Emergency Planning, Health & Safety	First Aid Risk Assessment- Principles and Practice	Maximum of 16 per course			74.48	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Immediate Management of Anaphylaxis	Maximum of 12 per course			71.87	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Administration of Oxygen Therapy	Maximum of 12 per course			70.62	per candidate		New Course

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Environment - Emergency Planning, Health & Safety	Annual First Aid Refresher	Maximum of 12 per course			45.67	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Fire Safety Awareness	Maximum of 16 per course			38.39	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Fire safety principles	Maximum of 16 per course	62.08	62.08	53.70	per candidate	-13.5%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	Manual handling safety at work	Maximum of 16 per course	46.97	46.97	53.70	per candidate	14.3%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	Basic Health and Safety in the Workplace	Maximum of 16 per course			38.39	per candidate		New Course
Environment - Emergency Planning, Health & Safety	Health and Safety in the Workplace	Maximum of 16 per course	62.08	62.08	53.70	per candidate	-13.5%	Course fees have been reviewed to remain competitive in the local market
Environment - Emergency Planning, Health & Safety	Basic Fire Marshal - BDC NOT OFQUAL	Maximum of 16 per course			38.39	per candidate		New Course
Environment - Licensing	Licensing - HC & PH	Hackney Carriage or Private Hire Driver - 3 year	263.00	262.00	271.00	Each	3.4%	Increase in costs
Environment - Licensing	Licensing - HC & PH	Hackney Carriage or Private Hire Driver - 2 year			197.00	Each		New fee created to allow 2 year licences in individual circumstances
Environment - Licensing	Licensing - HC & PH	Hackney Carriage or Private Hire Driver - 1 year			123.00	Each		New fee created to allow 1 year licence in individual circumstances
Environment - Licensing	Licensing - HC & PH	Dual Hackney Carriage or Private Hire Driver - 3 year	263.00	262.00	271.00	Each	3.4%	Increase in costs
Environment - Licensing	Licensing - HC & PH	Dual Hackney Carriage or Private Hire Driver - 2 year			197.00	Each		New fee created to allow 2 year licences in individual circumstances
Environment - Licensing	Licensing - HC & PH	Dual Hackney Carriage or Private Hire Driver - 1 year			123.00	Each		New fee created to allow 1 year licence in individual circumstances
Environment - Licensing	Licensing - HC & PH	Hackney Carriage Vehicle - 1 year	336.00	338.00	332.00	Each	-1.8%	Small reduction in costs
Environment - Licensing	Licensing - HC & PH	Private Hire Vehicle - 1 year	279.00	282.00	288.00	Each	2.1%	Increase in costs
Environment - Licensing	Licensing - HC & PH	Drivers CRB Checks	44.00	44.00	44.00	Each	0.0%	Fee set externally
Environment - Licensing	Licensing - HC & PH	Drivers DVLA Checks	7.25	7.25	7.25	Each	0.0%	Fee set externally
Environment - Licensing	Licensing - HC & PH	Private Hire Operator - 5 years	515.00	515.00	479.00	Each	-7.0%	Small reduction in costs.
Environment - Licensing	Licensing - HC & PH	Hackney Carriage Business Transfer	141.00	141.00	146.00	Each	3.5%	Increase in costs
Environment - Licensing	Licensing - HC & PH	Change of Vehicle (inc Plate) not at renewal	81.00	81.00	86.00	Each	6.2%	Increase in costs
Environment - Licensing	Licensing - HC & PH	Knowledge Test	25.00	26.00	26.00	Each	0.0%	
Environment - Licensing	Licensing - Lotteries	Lotteries Initial (for the grant of permit for the remainder of the calendar year)	40.00	40.00	40.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Lotteries	Lotteries (subsequent renewals, due 1 January each year)	20.00	20.00	20.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Street Trading	Street Trading (1 days' trading per week per annum)	108.00	108.00	108.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading (2 days' trading per week per annum)	189.00	189.00	189.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading (3 days' trading per week per annum)	259.00	259.00	259.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading (4 days' trading per week per annum)	324.00	324.00	324.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading (5 days' trading per week per annum)	431.00	431.00	431.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading (6 days' trading per week per annum)	486.00	486.00	486.00	Each	0.0%	

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Environment - Licensing	Licensing - Street Trading	Street Trading (7 days' trading per week per annum)	540.00	540.00	540.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading - 1 Days Trading	22.00	22.00	22.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading Up to 10 traders	43.00	43.00	43.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading Between 11 and 19 traders	59.00	59.00	59.00	Each	0.0%	
Environment - Licensing	Licensing - Street Trading	Street Trading Over 20 traders	75.00	75.00	75.00	Each	0.0%	
Environment - Licensing	Licensing - Licensing Act	Granting or Renewal of a personal licence.	37.00	37.00	37.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Variation Band A	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Variation Band B	190.00	190.00	190.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Variation Band C	315.00	315.00	315.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Variation Band D	450.00	450.00	450.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Variation Band E	635.00	635.00	635.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Minor Variation	89.00	89.00	89.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band A	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Annual Fee Band A	70.00	70.00	70.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band B	190.00	190.00	190.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Annual Fee Band B	180.00	180.00	180.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band C	315.00	315.00	315.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Annual Fee Band C	295.00	295.00	295.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band D	450.00	450.00	450.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band D, if involved exclusively or primarily in business of selling alcohol.	900.00	900.00	900.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Annual Fee Band D	320.00	320.00	320.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band E	635.00	635.00	635.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Applications Band E, if involved exclusively or primarily in business of selling alcohol.	1905.00	1905.00	1905.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Premises Annual Fee Band E	350.00	350.00	350.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Applications Band A	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Annual Fee Band A	70.00	70.00	70.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Applications Band B	190.00	190.00	190.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Annual Fee Band B	180.00	180.00	180.00	Each	0.0%	Statutory Fee

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Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Applications Band C	315.00	315.00	315.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Annual Fee Band C	295.00	295.00	295.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Applications Band D	450.00	450.00	450.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Annual Fee Band D	320.00	320.00	320.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Applications Band E	635.00	635.00	635.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 CLUB Premises Annual Fee Band E	350.00	350.00	350.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Licensing Act 2003 Application to transfer Premises Licence	23.00	23.00	23.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (5,000 to 9,000 people)	1000.00	1000.00	1000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (10,000 to 14,999 Persons)	2000.00	2000.00	2000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (15,000 to 19,999 people)	4000.00	4000.00	4000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (20,000 to 29,999 people)	8000.00	8000.00	8000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (30,000 to 39,999 people)	16000.00	16000.00	16000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for exceptionally large events (40,000 to 49,999 people)	24000.00	24000.00	24000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (50,000 to 59,999 people)	32000.00	32000.00	32000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (60,000 to 69,999 people)	40000.00	40000.00	40000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (70,000 to 79,999 people)	48000.00	48000.00	48000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (80,000 to 89,999 people)	56000.00	56000.00	56000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Fees for Exceptionally large events (90,000 people and over)	64000.00	64000.00	64000.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Granting or Renewal of a Personal Licence (10 years)	37.00	37.00	37.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Temporary event notice.	21.00	21.00	21.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Replacement due to theft, loss etc. of premises licence or summary	10.50	10.50	10.50	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Application for a provisional statement where premises are being built , etc.	195.00	195.00	195.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Duty to notify change of name or address.	10.50	10.50	10.50	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Application to vary licence to specify individual as premises supervisor.	23.00	23.00	23.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Interim Authority notice following death etc. of licence holder	23.00	23.00	23.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Notification of change of name or alteration of rules of club.	10.50	10.50	10.50	Each	0.0%	Statutory Fee

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Environment - Licensing	Licensing - Licensing Act	Notification of change of relevant registered address of a club.	10.50	10.50	10.50	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Licensing Act	Replacement due to theft, loss etc. of a Temporary Event Notice	10.50	10.50	10.50	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Casino	New small casino	5000.00	5000.00	5000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	New large casino	6500.00	6500.00	6500.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Regional casino	10000.00	10000.00	10000.00	Each	0.0%	
Environment - Licensing	Licensing - Bingo	New Bingo clubs	2000.00	2000.00	2000.00	Each	0.0%	
Environment - Licensing	Licensing - Bingo	Bingo clubs	600.00	600.00	600.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	New betting premises licence	1200.00	1200.00	1200.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	Betting premises licence	300.00	300.00	300.00	Each	0.0%	
Environment - Licensing	Licensing - Track	New Tracks	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Track	Tracks	550.00	550.00	550.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	New Family entertainment centre	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	Family entertainment centre	450.00	450.00	450.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	New Adult gaming centre	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	Adult gaming centre	550.00	550.00	550.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Small casino -Application to vary	2500.00	2500.00	2500.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Small casino - Application to Transfer	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Small casino - Application Re-Instatement.	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Small casino - Application Provisional Statement	5000.00	5000.00	5000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Small casino - Application (provisional Statement holders.	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Large casino -Application to vary	3000.00	3000.00	3000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Large casino - Application to Transfer	1500.00	1500.00	1500.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Large casino - Application Re-Instatement.	1500.00	1500.00	1500.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Large casino - Application Provisional Statement - building not built	6500.00	6500.00	6500.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Large casino - Application (provisional Statement holders). Once building completed	3250.00	3250.00	3250.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Regional casino -Application to vary	4125.00	4125.00	4125.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Regional casino - Application to Transfer	4275.00	4275.00	4275.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Regional casino - Application Re-Instatement.	4275.00	4275.00	4275.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Regional casino - Application Provisional Statement	9000.00	9000.00	9000.00	Each	0.0%	
Environment - Licensing	Licensing - Casino	Regional casino - Application (provisional Statement holders).	6000.00	6000.00	6000.00	Each	0.0%	
Environment - Licensing	Licensing - Bingo	Bingo Clubs -Application to vary	800.00	800.00	800.00	Each	0.0%	
Environment - Licensing	Licensing - Bingo	Bingo Clubs - Application to Transfer	500.00	500.00	500.00	Each	0.0%	
Environment - Licensing	Licensing - Bingo	Bingo Clubs - Application Provisional Statement	1500.00	1500.00	1500.00	Each	0.0%	
Environment - Licensing	Licensing - Bingo	Bingo Club - Application Re-Instatement.	500.00	500.00	500.00	Each	0.0%	

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Environment - Licensing	Licensing - Bingo	Bingo Club - Application (provisional Statement holders.	500.00	500.00	500.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	Betting Premises - Application to vary	700.00	700.00	700.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	Betting Premises - Application to Transfer	400.00	400.00	400.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	Betting Premises - Application Re-Instatement.	400.00	400.00	400.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	Betting Premises - Application Provisional Statement	1000.00	1000.00	1000.00	Each	0.0%	
Environment - Licensing	Licensing - Betting Premises	Betting Premises - Application (provisional Statement holders.	400.00	400.00	400.00	Each	0.0%	
Environment - Licensing	Licensing - Tracks	Tracks - Application to vary	800.00	800.00	800.00	Each	0.0%	
Environment - Licensing	Licensing - Tracks	Tracks - Application to Transfer	500.00	500.00	500.00	Each	0.0%	
Environment - Licensing	Licensing - Tracks	Tracks - Application Re-Instatement.	500.00	500.00	500.00	Each	0.0%	
Environment - Licensing	Licensing - Tracks	Tracks - Application Provisional Statement	1500.00	1500.00	1500.00	Each	0.0%	
Environment - Licensing	Licensing - Tracks	Tracks - Application (provisional Statement holders.	500.00	500.00	500.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	Family Entertainment Centres - Application to vary	400.00	400.00	400.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	Family Entertainment Centres - Application to Transfer	250.00	250.00	250.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	Family Entertainment Centres - Application Provisional Statement	750.00	750.00	750.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	Family Entertainment Centres - Application Re-Instatement.	250.00	250.00	250.00	Each	0.0%	
Environment - Licensing	Licensing - Family Entertainment Centres	Family Entertainment Centres - Application (provisional Statement holders.	200.00	200.00	200.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	Adult Gaming Centre - Application to vary	400.00	400.00	400.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	Adult Gaming Centre - Application to Transfer	250.00	250.00	250.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	Adult Gaming Centre - Application Re-Instatement.	250.00	250.00	250.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	Adult Gaming Centres - Application Provisional Statement	750.00	750.00	750.00	Each	0.0%	
Environment - Licensing	Licensing - Adult Gaming Centre	Adult Gaming Centre - Application (provisional Statement holders.	200.00	200.00	200.00	Each	0.0%	
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises automatic notification - Gaming Machine	50.00	50.00	50.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises - Gaming Machine Permit	150.00	150.00	150.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises Existing Operator - Gaming Machine Permit	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises - Vary a Gaming Machine Permit	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises - Transfer a Gaming Machine Permit	25.00	25.00	25.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises - Gaming Machine Permit Annual Fee	50.00	50.00	50.00	Each	0.0%	Statutory Fee

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Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises - Change of Name of a Gaming Machine Permit	25.00	25.00	25.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Licensed Premises	Licensed Premises - A copy of a Gaming Machine Permit	15.00	15.00	15.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit	200.00	200.00	200.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - Existing Operator	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - (Club Premises Certificate Holder)	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - Renewal	200.00	200.00	200.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - Renewal - Existing Operator	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - Annual Fee	50.00	50.00	50.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - Vary permit	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act-Club Gaming & Club Machine permit	Club Gaming & Club Machine Permit - Copy of permit	25.00	25.00	25.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Prize Gaming Permits	Prize Gaming Permits - Grant	300.00	300.00	300.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Prize Gaming Permits	Prize Gaming Permits - Existing Operator	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Prize Gaming Permits	Prize Gaming Permits - Renewal	300.00	300.00	300.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Prize Gaming Permits	Prize Gaming Permits - Change Name	25.00	25.00	25.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Prize Gaming Permits	Prize Gaming Permits - Copy	15.00	15.00	15.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Family Ents Centre Permits	Family Entertainment Centre Gaming Machine Permit -Grant	300.00	300.00	300.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Family Ents Centre Permits	Family Entertainment Centre Gaming Machine Permit -Existing Operator	100.00	100.00	100.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Family Ents Centre Permits	Family Entertainment Centre Gaming Machine Permit -Renewal	300.00	300.00	300.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Family Ents Centre Permits	Family Entertainment Centre Gaming Machine Permit - Change Name	25.00	25.00	25.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act - Family Ents Centre Permits	Family Entertainment Centre Gaming Machine Permit - Copy of Permit	15.00	15.00	15.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Gambling Act	Copy of licence - Gambling Act 2005	15.00	15.00	15.00	Each	0.0%	Statutory Fee
Environment - Licensing	Licensing - Sex Establishment	Sex Establishment - Grant	2140.00	2134.00	1926.00	Each	-9.7%	Reduction in costs
Environment - Licensing	Licensing - Sex Establishment	Sex Establishment - Renewal	803.00	794.00	679.00	Each	-14.5%	Reduction in costs
Environment - Licensing	Licensing - Sex Establishment	Sex Establishment - Transfer	296.00	289.00	299.00	Each	3.5%	Increase in costs
Environment - Licensing	Licensing - Pavement Permit	Pavement permits	265.00	309.00	355.00	Each	14.9%	Increase in costs
Environment - Licensing	Licensing - Scrap Metal Dealers	(Grant Site)	434.00	431.00	466.00	Each	8.1%	Increase in costs
Environment - Licensing	Licensing - Scrap Metal Dealers	(Grant Collectors)	203.00	206.00	278.00	Each	35.0%	Increase in costs
Environment - Licensing	Licensing - Scrap Metal Dealers	(Renewal Site)	325.00	331.00	354.00	Each	6.9%	Increase in costs

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Environment - Licensing	Licensing - Scrap Metal Dealers	(Renewal Collectors)	170.00	173.00	185.00	Each	6.9%	Increase in costs
Environment - Licensing	Licensing - Scrap Metal Dealers	(Variation Site)	94.00	100.00	121.00	Each	21.0%	Increase in costs
Environment - Licensing	Licensing - Scrap Metal Dealers	(Variation Collectors)	94.00	100.00	121.00	Each	21.0%	Increase in costs
Environment	Animal Boarding	Animal Boarding & breeding - Variations to an existing licence	60.00	60.00	79.00	Each variation	31.7%	Comprehensive review of licence fees. Due to large increase in fee to £116, proposed to role in increase over a 3 year period from 17/18 to 19/20. Increase in 17/18 by £19.00.
Environment	Animal Boarding	Commercial User - Annual Licence fees	225.00	225.00	227.00	Licence Fee	0.9%	Comprehensive review of licence fees.
Environment	Breeding of Dogs	Commercial User - Annual Licence fees - Exclusive of vets fee	160.00	160.00	178.00	Licence Fee	11.3%	Comprehensive review of licence fees. No staggered increase.
Environment	Dangerous/Wild animals	Public/Domestic User - Bi-Annual renewal Licence fees - Exclusive of vets fee	200.00	200.00	292.00	Licence Fee	46.0%	Comprehensive review of licence fees. No staggered increase.
Environment	Dangerous/Wild animals	Public/Domestic User -Initial Licence fee- Exclusive of vets fee	370.00	370.00	390.00	Initial Licence Fee	5.4%	Comprehensive review of licence fees.
Environment	Home Boarding	Commercial User - Annual Licence fees	65.00	65.00	87.00	Licence Fee	33.8%	Comprehensive review of licence fees. Due to large increase in fee to £129, proposed to role in increase over a 3 year period from 17/18 to 19/20. Increase in 17/18 by £22.00.
Environment	Pet shop	Commercial User - Annual Licence fees	107.00	107.00	150.00	Licence Fee	40.2%	Comprehensive review of licence fees. Due to large increase in fee to £237, proposed to role in increase over a 3 year period from 17/18 to 19/20. Increase in 17/18 by £43.00.
Environment	Riding establishments	Commercial User - Annual Licence fees - Exclusive of vets fee	110.00	110.00	157.00	Licence Fee	42.7%	Comprehensive review of licence fees. Due to large increase in fee £250, proposed to role in increase over a 3 year period from 17/18 to 19/20. Increase in 17/18 by £47.00.
Environment	Zoo (Grant)	Commercial User - Annual Licence fees - Exclusive of vets fee			628.00	Licence Fee		Comprehensive review of licence fees (New fee)
Environment	Zoo (Renewal)	Commercial User - Annual Licence fees - Exclusive of vets fee			318.00	Licence Fee		Comprehensive review of licence fees (New fee)
Environment	Zoo (Transfer)	Fee to transfer licence			80.00	Each		Comprehensive review of licence fees (New fee)
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	1 Plot - Plan Charge	235.00	242.00	248.00	Each	2.5%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	1 Plot - Inspection Charge	438.00	451.00	462.00	Each	2.4%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	1 Plot - Building Notice charge	706.56	728.00	746.00	Each	2.5%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	1 Plot - Regularisation Charge	740.00	762.00	777.00	Each	2.0%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	2 Plots - Plan Charge	306.00	315.00	323.00	Each	2.5%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	2 Plots - Inspection Charge	714.00	735.00	753.00	Each	2.4%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	2 Plots - Building Notice charge	1071.00	1103.00	1130.00	Each	2.4%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	2 Plots - Regularisation Charge	1122.00	1155.00	1177.00	Each	1.9%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	3 Plots - Plan Charge	390.00	402.00	412.00	Each	2.5%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	3 Plots - Inspection Charge	914.00	941.00	965.00	Each	2.6%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	3 Plots - Building Notice charge	1369.20	1411.00	1445.00	Each	2.4%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	3 Plots - Regularisation Charge	1434.00	1477.00	1505.00	Each	1.9%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	4 Plots - Plan Charge	485.00	500.00	513.00	Each	2.6%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	4 Plots - Inspection Charge	1113.00	1146.00	1175.00	Each	2.5%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	4 Plots - Building Notice charge	1677.50	1729.00	1772.00	Each	2.5%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	4 Plots - Regularisation Charge	1758.00	1811.00	1846.00	Each	1.9%	
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	5 Plots - Plan Charge	561.00	578.00	617.00	Each	6.7%	Increase in charges as a result of a fee review.
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	5 Plots - Inspection Charge	1258.00	1296.00	1341.00	Each	3.5%	Increase in charges as a result of a fee review.
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	5 Plots - Building Notice charge	1909.94	1968.00	2056.00	Each	4.5%	Increase in charges as a result of a fee review.
Environment - Building Control	New Houses or Bungalows not exceeding 300m2 & less than 4 storeys	5 Plots -Regularisation Charge	2000.00	2061.00	2142.00	Each	3.9%	
Environment - Building Control	New Flats -not exceeding 300m2	1 Flat - Inspection Charge	235.00	242.00	248.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	1 Flat - Plan Charge	430.00	443.00	454.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	1 Flat - Building Notice Charge	698.40	719.00	737.00	Each	2.5%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	New Flats -not exceeding 300m2	1 Flat - Regularisation Charge	731.00	753.00	768.00	Each	2.0%	
Environment - Building Control	New Flats -not exceeding 300m2	2 Flats -Inspection Charge	312.60	321.00	329.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	2 Flats - Plan Charge	714.00	735.00	753.00	Each	2.4%	
Environment - Building Control	New Flats -not exceeding 300m2	2 Flats -Building Notice Charge	1080.44	1109.00	1137.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	2 Flats -Regularisation Charge	1131.00	1162.00	1184.00	Each	1.9%	
Environment - Building Control	New Flats -not exceeding 300m2	3 Flats - Inspection Charge	407.00	419.00	429.00	Each	2.4%	
Environment - Building Control	New Flats -not exceeding 300m2	3 Flats - Plan Charge	882.00	908.00	931.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	3 Flats -Building Notice Charge	1353.60	1393.00	1428.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	3 Flats - Regularisation Charge	1417.00	1460.00	1488.00	Each	1.9%	
Environment - Building Control	New Flats -not exceeding 300m2	4 Flats -Inspection Charge	485.00	500.00	513.00	Each	2.6%	
Environment - Building Control	New Flats -not exceeding 300m2	4 Flats -Plan Charge	1040.00	1071.00	1098.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	4 Flats - Building Notice Charge	1600.80	1650.00	1691.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	4 Flats - Regularisation Charge	1677.00	1728.00	1761.00	Each	1.9%	
Environment - Building Control	New Flats -not exceeding 300m2	5 Flats - Inspection Charge	561.00	578.00	592.00	Each	2.4%	
Environment - Building Control	New Flats -not exceeding 300m2	5 Flats - Plan Charge	1180.00	1215.00	1245.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	5 Flats - Building Notice Charge	1827.96	1883.00	1930.00	Each	2.5%	
Environment - Building Control	New Flats -not exceeding 300m2	5 Flats - Regularisation Charge	1915.00	1972.00	2010.00	Each	1.9%	
Environment - Building Control	Conversion to a single dwelling	Plan Charge	189.00	195.00	200.00	Each	2.6%	
Environment - Building Control	Conversion to a single dwelling	Inspection Charge	491.00	506.00	519.00	Each	2.6%	
Environment - Building Control	Conversion to a single dwelling	Building Notice charge	714.00	736.00	754.00	Each	2.4%	
Environment - Building Control	Conversion to a single dwelling	Regularisation Charge	748.00	771.00	785.00	Each	1.8%	
Environment - Building Control	Conversion in to a single Flat	Plan Charge	216.00	222.00	228.00	Each	2.7%	
Environment - Building Control	Conversion in to a single Flat	Inspection Charge	453.00	467.00	479.00	Each	2.6%	
Environment - Building Control	Conversion in to a single Flat	Building Notice charge	702.36	723.00	742.00	Each	2.6%	
Environment - Building Control	Conversion in to a single Flat	Regularisation Charge	735.00	758.00	773.00	Each	2.0%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area not exceeding 40m²	Plan Charge	169.99	175.00	179.00	Each	2.3%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area not exceeding 40m²	Inspection Charge	327.00	337.00	345.00	Each	2.4%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Works to a single dwelling - extension or new build - floor area not exceeding 40m²	Building Notice charge	521.82	538.00	551.00	Each	2.4%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area not exceeding 40m²	Regularisation Charge	546.00	563.00	574.00	Each	2.0%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area exceeding 40m² but not exceeding 100m²	Plan Charge	169.99	175.00	179.00	Each	2.3%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area exceeding 40m² but not exceeding 100m²	Inspection Charge	484.99	500.00	513.00	Each	2.6%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area exceeding 40m² but not exceeding 100m²	Building Notice charge	687.74	709.00	726.00	Each	2.4%	
Environment - Building Control	Works to a single dwelling - extension or new build - floor area exceeding 40m² but not exceeding 100m²	Regularisation Charge	720.00	742.00	756.00	Each	1.9%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area not exceeding 40m2.	Plan Charge	186.00	192.00	197.00	Each	2.6%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area not exceeding 40m2.	Inspection Charge	370.00	381.00	391.00	Each	2.6%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area not exceeding 40m2.	Building Notice charge	583.80	602.00	617.00	Each	2.5%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area not exceeding 40m2.	Regularisation Charge	611.00	630.00	643.00	Each	2.1%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area exceeding 40m2.up to 100m2	Plan Charge	186.00	192.00	197.00	Each	2.6%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area exceeding 40m2.up to 100m2	Inspection Charge	550.80	567.00	581.00	Each	2.5%	
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area exceeding 40m2.up to 100m2	Building Notice charge	773.82	797.00	817.00	Each	2.5%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Separate extension with some part 2 or 3 storeys in height and with a total floor area exceeding 40m2.up to 100m2	Regularisation Charge	810.00	835.00	851.00	Each	1.9%	
Environment - Building Control	A building or extension comprising SOLELY of a garage, carport or store- total floor area not exceeding 100m²	Plan Charge	130.80	135.00	138.00	Each	2.2%	
Environment - Building Control	A building or extension comprising SOLELY of a garage, carport or store- total floor area not exceeding 100m²	Inspection Charge	260.40	268.00	275.00	Each	2.6%	
Environment - Building Control	A building or extension comprising SOLELY of a garage, carport or store- total floor area not exceeding 100m²	Building Notice charge	410.54	423.00	434.00	Each	2.6%	
Environment - Building Control	A building or extension comprising SOLELY of a garage, carport or store- total floor area not exceeding 100m²	Regularisation Charge	430.00	443.00	452.00	Each	2.0%	
Environment - Building Control	Detached non-habitable domestic building with total floor area not exceeding 50m²	Plan Charge	132.00	136.00	139.00	Each	2.2%	
Environment - Building Control	Detached non-habitable domestic building with total floor area not exceeding 50m²	Inspection Charge	303.60	313.00	321.00	Each	2.6%	
Environment - Building Control	Detached non-habitable domestic building with total floor area not exceeding 50m²	Building Notice charge	456.74	471.00	483.00	Each	2.5%	
Environment - Building Control	Detached non-habitable domestic building with total floor area not exceeding 50m²	Regularisation Charge	478.00	494.00	503.00	Each	1.8%	
Environment - Building Control	First floor & second floor loft conversions	Plan Charge	151.99	145.00	173.00	Each	19.3%	Increase in charges as a result of a fee review.
Environment - Building Control	First floor & second floor loft conversions	Inspection Charge	349.20	360.00	394.00	Each	9.4%	Increase in charges as a result of a fee review.
Environment - Building Control	First floor & second floor loft conversions	Building Notice charge	526.04	543.00	595.00	Each	9.6%	Increase in charges as a result of a fee review.
Environment - Building Control	First floor & second floor loft conversions	Regularisation Charge	551.00	569.00	620.00	Each	9.0%	
Environment - Building Control	Other work (e.g. garage conversions)	Plan Charge	75.00	77.00	91.00	Each	18.2%	Increase in charges as a result of a fee review.
Environment - Building Control	Other work (e.g. garage conversions)	Inspection Charge	190.00	196.00	213.00	Each	8.7%	Increase in charges as a result of a fee review.
Environment - Building Control	Other work (e.g. garage conversions)	Building Notice charge	278.24	287.00	320.00	Each	11.5%	Increase in charges as a result of a fee review.
Environment - Building Control	Other work (e.g. garage conversions)	Regularisation Charge	291.00	300.00	333.00	Each	11.0%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Renovation of a thermal element	Plan Charge	102.00	105.00	108.00	Each	2.9%	
Environment - Building Control	Renovation of a thermal element	Inspection Charge	88.00	91.00	93.00	Each	2.2%	
Environment - Building Control	Renovation of a thermal element	Building Notice charge	199.20	206.00	211.00	Each	2.4%	
Environment - Building Control	Renovation of a thermal element	Regularisation Charge	210.00	216.00	220.00	Each	1.9%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors between 1 to 3	Plan Charge	60.00	62.00	64.00	Each	3.2%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors between 1 to 3	Inspection Charge	88.00	91.00	93.00	Each	2.2%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors between 1 to 3	Building Notice charge	155.40	161.00	165.00	Each	2.5%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors between 1 to 3	Regularisation Charge	163.00	168.00	172.00	Each	2.4%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors greater than 3.	Plan Charge	102.00	105.00	108.00	Each	2.9%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors greater than 3.	Inspection Charge	88.00	91.00	93.00	Each	2.2%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors greater than 3.	Building Notice charge	199.20	206.00	211.00	Each	2.4%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors greater than 3.	Regularisation Charge	210.00	216.00	220.00	Each	1.9%	
Environment - Building Control	Cost of works between £0 to £2,000	Plan Charge	172.00	177.00	181.00	Each	2.3%	
Environment - Building Control	Cost of works between £0 to £2,000	Inspection Charge	no charge	no charge	no charge			
Environment - Building Control	Cost of works between £0 to £2,000	Building Notice charge	180.60	186.00	190.00	Each	2.2%	
Environment - Building Control	Cost of works between £0 to £2,000	Regularisation Charge	189.00	195.00	198.00	Each	1.5%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Cost of work exceeding £2,000 & not exceeding £5,000 (Renewable Energy systems - 50% discount applies)	Plan Charge	102.00	105.00	108.00	Each	2.9%	
Environment - Building Control	Cost of work exceeding £2,000 & not exceeding £5,000 (Renewable Energy systems - 50% discount applies)	Inspection Charge	129.60	133.00	136.00	Each	2.3%	
Environment - Building Control	Cost of work exceeding £2,000 & not exceeding £5,000 (Renewable Energy systems - 50% discount applies)	Building Notice charge	242.40	250.00	256.00	Each	2.4%	
Environment - Building Control	Cost of work exceeding £2,000 & not exceeding £5,000 (Renewable Energy systems - 50% discount applies)	Regularisation Charge	254.00	262.00	267.00	Each	1.9%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Plan Charge	124.99	128.00	131.00	Each	2.3%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Inspection Charge	289.99	300.00	308.00	Each	2.7%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Building Notice charge	435.74	449.00	461.00	Each	2.7%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Regularisation Charge	456.00	471.00	480.00	Each	1.9%	
Environment - Building Control	Cost of work exceeding £25,000 & not exceeding £100,000	Plan Charge	192.00	222.00	228.00	Each	2.7%	
Environment - Building Control	Cost of work exceeding £25,000 & not exceeding £100,000	Inspection Charge	358.80	394.00	404.00	Each	2.5%	
Environment - Building Control	Cost of work exceeding £25,000 & not exceeding £100,000	Building Notice charge	578.54	596.00	663.00	Each	11.2%	Increase in charges as a result of a fee review.
Environment - Building Control	Cost of work exceeding £25,000 & not exceeding £100,000	Regularisation Charge	606.00	625.00	691.00	Each	10.6%	
Environment - Building Control	Non Domestic Electrical works - (Where a satisfactory certificate will not be issued by a Part P registered electrician)		235.20	242.00	248.00	Each	2.5%	
Non Domestic work								
Environment - Building Control	Extension or new build Single storey with floor area not exceeding 40m2	Plan Charge	187.00	193.00	198.00	Each	2.6%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Extension or new build Single storey with floor area not exceeding 40m2	Inspection Charge	365.00	376.00	385.00	Each	2.4%	
Environment - Building Control	Extension or new build Single storey with floor area not exceeding 40m2	Regularisation Charge	607.19	625.00	641.00	Each	2.6%	
Environment - Building Control	Extension or new build Single storey with floor area exceeding 40m2 but not exceeding 100m2	Plan Charge	207.00	213.00	218.00	Each	2.3%	
Environment - Building Control	Extension or new build Single storey with floor area exceeding 40m2 but not exceeding 100m2	Inspection Charge	499.00	514.00	527.00	Each	2.5%	
Environment - Building Control	Extension or new build Single storey with floor area exceeding 40m2 but not exceeding 100m2	Regularisation Charge	776.60	800.00	820.00	Each	2.5%	
Environment - Building Control	Extension or new build with some part 2 or 3 storey in height and a total floor area not exceeding 40m2	Plan Charge	196.20	202.00	207.00	Each	2.5%	
Environment - Building Control	Extension or new build with some part 2 or 3 storey in height and a total floor area not exceeding 40m2	Inspection Charge	436.00	449.00	460.00	Each	2.4%	
Environment - Building Control	Extension or new build with some part 2 or 3 storey in height and a total floor area not exceeding 40m2	Regularisation Charge	695.42	716.00	734.00	Each	2.5%	
Environment - Building Control	Extension or new build with some part 2 or 3 storey in height and a total floor area exceeding 40m2 but not exceeding 100m2	Plan Charge	229.00	236.00	242.00	Each	2.5%	
Environment - Building Control	Extension or new build with some part 2 or 3 storey in height and a total floor area exceeding 40m2 but not exceeding 100m2	Inspection Charge	583.00	600.00	615.00	Each	2.5%	
Environment - Building Control	Extension or new build with some part 2 or 3 storey in height and a total floor area exceeding 40m2 but not exceeding 100m2	Regularisation Charge	893.19	920.00	943.00	Each	2.5%	
Environment - Building Control	Alteration where the cost of work not exceeding £5,000	Plan Charge	118.00	121.00	124.00	Each	2.5%	
Environment - Building Control	Alteration where the cost of work not exceeding £5,000	Inspection Charge	127.99	132.00	135.00	Each	2.3%	
Environment - Building Control	Alteration where the cost of work not exceeding £5,000	Regularisation Charge	270.60	278.00	285.00	Each	2.5%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units)	Plan Charge	118.00	121.00	124.00	Each	2.5%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units)	Inspection Charge	127.99	132.00	135.00	Each	2.3%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units)	Regularisation Charge	270.60	278.00	285.00	Each	2.5%	
Environment - Building Control	Renewable Energy systems (not covered by an appropriate competent persons scheme)	Plan Charge	118.00	121.00	124.00	Each	2.5%	
Environment - Building Control	Renewable Energy systems (not covered by an appropriate competent persons scheme)	Inspection Charge	127.99	132.00	135.00	Each	2.3%	
Environment - Building Control	Renewable Energy systems (not covered by an appropriate competent persons scheme)	Regularisation Charge	270.60	278.00	285.00	Each	2.5%	
Environment - Building Control	Installation of new shop front	Plan Charge	118.00	121.00	124.00	Each	2.5%	
Environment - Building Control	Installation of new shop front	Inspection Charge	127.99	132.00	135.00	Each	2.3%	
Environment - Building Control	Installation of new shop front	Regularisation Charge	270.60	278.00	285.00	Each	2.5%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Plan Charge	154.00	159.00	163.00	Each	2.5%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Inspection Charge	220.99	228.00	234.00	Each	2.6%	
Environment - Building Control	Cost of work exceeding £5,000 & not exceeding £25,000	Regularisation Charge	413.00	426.00	437.00	Each	2.6%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units)	Plan Charge	154.00	159.00	163.00	Each	2.5%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units)	Inspection Charge	220.99	228.00	234.00	Each	2.6%	
Environment - Building Control	Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units)	Regularisation Charge	413.00	426.00	437.00	Each	2.6%	
Environment - Building Control	Renovation of thermal elements	Plan Charge	154.00	159.00	163.00	Each	2.5%	
Environment - Building Control	Renovation of thermal elements	Inspection Charge	220.99	228.00	234.00	Each	2.6%	

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Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Environment - Building Control	Renovation of thermal elements	Regularisation Charge	413.00	426.00	437.00	Each	2.6%	
Environment - Building Control	Installation of a Raised Storage Platform within an existing building	Plan Charge	154.00	159.00	163.00	Each	2.5%	
Environment - Building Control	Installation of a Raised Storage Platform within an existing building	Inspection Charge	220.99	228.00	234.00	Each	2.6%	
Environment - Building Control	Installation of a Raised Storage Platform within an existing building	Regularisation Charge	413.00	426.00	437.00	Each	2.6%	
Environment - Building Control	Cost of works exceeding £25,000 & not exceeding £100,000	Plan Charge	222.00	229.00	235.00	Each	2.6%	
Environment - Building Control	Cost of works exceeding £25,000 & not exceeding £100,000	Inspection Charge	409.00	421.00	432.00	Each	2.6%	
Environment - Building Control	Cost of works exceeding £25,000 & not exceeding £100,000	Regularisation Charge	694.00	715.00	733.00	Each	2.5%	
Environment - Building Control	Fit out of building up to 100m2	Plan Charge	222.00	229.00	235.00	Each	2.6%	
Environment - Building Control	Fit out of building up to 100m2	Inspection Charge	409.00	421.00	432.00	Each	2.6%	
Environment - Building Control	Fit out of building up to 100m2	Regularisation Charge	694.00	715.00	733.00	Each	2.5%	
Housing	Rent	Bradford Street (1 bed flat)	76.84	76.07	75.32	Per Week	-1.0%	
Housing	Rent	Bradford Street (Bedsit)	65.13	64.48	63.84	Per Week	-1.0%	
Housing	Service Charges	Furnishings - Bradford Street	2.25	2.25	2.24	Per Week	-0.3%	
Housing	Service Charges	Fuel - Bradford Street	16.87	16.87	16.87	Per Week	0.0%	
Housing	Service Charges	Water - Bradford Street (1 bed flat)	9.89	9.89	9.87	Per Week	-0.2%	
Housing	Service Charges	Water - Bradford Street (Bedsit)	8.87	8.87	8.89	Per Week	0.2%	
Operations	Allotments	Rental of Allotments	0.35	0.40	0.41	M²	2.5%	% increase by Prior Agreement
Operations	Cemeteries	Additional Inscription on memorial	60.50	62.00	63.50	Each	2.4%	
Operations	Cemeteries	Cremated Remains - Planting	66.00	67.50	69.00	Each	2.2%	
Operations	Cemeteries	Child's Grave - Planting	66.00	67.50	69.00	Each	2.2%	
Operations	Cemeteries	Full Grave - Planting	105.00	108.00	110.00	Each	1.9%	
Operations	Cemeteries	Grave Maintenance - Neat & Tidy p.a.	79.00	81.00	83.00	Each	2.5%	
Operations	Cemeteries	Cremated Remains - Two individual remains in one casket	183.00	187.50	192.00	Each	2.4%	
Operations	Cemeteries	Cremated Remains - Two interments in one plot	183.00	187.50	192.00	Each	2.4%	
Operations	Cemeteries	Cremated Remains - Under 16	No charge	No charge	no charge			
Operations	Cemeteries	Cremated Remains - 16 and over	138.50	142.00	145.50	Each	2.5%	
Operations	Cemeteries	Cremated Remains, Childs Memorial, Additional Inscription	55.50	57.00	58.50	Each	2.6%	
Operations	Cemeteries	Exclusive Right of Burial under 16 Grave Space next in rotation	199.00	204.00	209.00	Each	2.5%	
Operations	Cemeteries	Exclusive Right of Burial - under 16 Grave Space selected by customer	259.00	265.48	272.00	Each	2.5%	
Operations	Cemeteries	Exclusive Right of Cremated Remains under 16 Grave Space next in rotation	199.00	204.00	209.00	Each	2.5%	

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Operations	Cemeteries	Exclusive Right of Cremated Remains - under 16 Grave Space selected by customer	259.00	265.48	272.00	Each	2.5%	
Operations	Cemeteries	Exclusive Right of Burial 16 or over - Grave Space next in rotation	718.00	736.00	754.50	Each	2.5%	
Operations	Cemeteries	Exclusive Right of Burial 16 or over - Grave Space selected by customer	931.50	955.00	979.00	Each	2.5%	
Operations	Cemeteries	Transfer of Exclusive Right of Burial certificate		50.00	51.00	Each	2.0%	
Operations	Cemeteries	Exhumation Fee	1259.00	1290.00	1322.00	Each	2.5%	
Operations	Cemeteries	Full Memorial	183.00	188.00	192.00	Each	2.1%	
Operations	Cemeteries	Interment of Cremated Remains with a Full Burial	66.00	68.00	69.00	Each	1.5%	
Operations	Cemeteries	Interments - Single plot	469.50	481.00	493.00	Each	2.5%	
Operations	Cemeteries	Interments - Double plot	609.00	624.00	639.00	Each	2.4%	
Operations	Cemeteries	Interments - Under 16 years of age	No charge	No charge	no charge	Each		
Operations	Cemeteries	All interment fees are charged at double the rate where the deceased is a non-resident of the Braintree District	Double fees apply	Double fees apply	Double fees apply	Each		
Operations	Cemeteries	Lawn Headstone	132.50	136.00	139.00	Each	2.2%	
Operations	Cemeteries	Lawn Section - Planting	80.00	82.00	84.00	Each	2.4%	
Operations	Cemeteries	Transfer of deeds and cancellation of	89.50	92.00	94.00	Each	2.2%	
Operations	Cemeteries	Use of Cemetery Chapel	118.00	121.00	124.00	Each	2.5%	
Operations	Cemeteries	Memorial Bench - installation onto concrete base of customer's own bench	184.00	188.50	193.00	Each	2.4%	
Operations	Cemeteries	Memorial Bench - collection &/or assembly of customers bench if required	52.50	54.00	55.00	Each	1.9%	
Operations	Cemeteries	Family search of burial records	15.00	15.50	16.00	per hour	3.2%	
Operations	Market Charity Stalls - Braintree (On Street)	Hire of Stall - Flat fee for pre-booking Charity	11.00	11.50	12.00	Each	4.3%	
Operations	Market Charity Stalls - Witham (Off Street)	Hire of Stall - Flat fee for pre-booking Charity	11.00	11.50	12.00	Each	4.3%	
Operations	Market stalls - Braintree Saturday	Braintree Pitch Rent - Commercial Hire per foot	1.70	1.75	1.80	Each	2.9%	
Operations	Market stalls - Braintree Wednesday	Braintree Pitch Rent - Commercial Hire per foot	1.95	2.00	2.05	Each	2.5%	
Operations	Market stalls - Witham Saturday	Witham Pitch Rent - Commercial Hire per foot	1.70	1.75	1.80	Each	2.9%	
Operations	Sports Pitch Bookings	Football/Rugby - 7 a side with changing (Marked)	26.00	26.65	27.30	Match	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football/Rugby - 7 a side without changing (Marked)	20.00	20.50	21.00	Match	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football/Rugby junior -without changing	26.00	26.65	27.30	Match	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football/Rugby - without changing	42.00	43.00	44.00	Match	2.3%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football/Rugby junior -with changing	33.50	34.50	35.30	Match	2.3%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football/Rugby -with changing	58.00	59.50	61.00	Match	2.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria

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Operations	Sports Pitch Bookings	Football - 9 a side with changing	30.50	31.50	32.20	Match	2.2%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football - 9 a side without changing	23.50	24.00	24.60	Match	2.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football - 5 a side with changing	20.00	20.50	21.00	Match	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football - 5 a side without changing	15.50	16.00	16.40	Match	2.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Sports Pitch Bookings	Football - training on grass pitch	22.50	23.00	23.50	Match	2.2%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Adult (Peak Period) Half Pitch	17.00	17.50	18.00	Hour	2.9%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Adult (Peak Period) Full Pitch	28.00	28.50	29.20	Hour	2.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Under 18 (Peak Period) Half Pitch	15.50	16.00	16.40	Hour	2.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Under 18 (Peak Period) Full Pitch	22.50	23.00	23.50	Hour	2.2%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Adult (Off-Peak Period) Half Pitch	14.00	14.50	14.80	Hour	2.1%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Adult (Off-Peak Period) Full Pitch	22.50	23.00	23.50	Hour	2.2%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Under 18 (Off-Peak Period) Half Pitch	12.00	12.50	12.80	Hour	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Under 18 (Off-Peak Period) Full Pitch	17.00	17.50	18.00	Hour	2.9%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	MUGA Gt Notley Country Park	Adult Football, Basketball, Netball	11.50	12.00	12.30	Hour	2.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	MUGA Gt Notley Country Park	Adult Tennis	6.00	6.50	6.60	Hour	1.5%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	MUGA Gt Notley Country Park	Under 18 Football, Basketball, Netball	9.50	10.00	10.20	Hour	2.0%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	MUGA Gt Notley Country Park	Under 18 Tennis	4.00	4.20	4.30	Hour	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Floodlight Half Pitch	8.50	9.00	9.20	Hour	2.2%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	AGP Gt Notley Country Park	Floodlight Full Pitch	12.00	12.50	12.80	Hour	2.4%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	MUGA Gt Notley Country Park	Floodlight	5.00	5.50	5.60	Hour	1.8%	Exempt of VAT if block booking of 10 or more sessions and meet certain criteria
Operations	Waste - Domestic	Public/Domestic - Removal Fee Special Collection (between seven and twelve items)	69.50	72.00	74.00	Each	2.8%	
Operations	Waste - Domestic	Public/Domestic - Removal Fee Special Collection (up to six items)	35.00	36.00	37.00	Each	2.8%	
Operations	Waste - Domestic	Public/Domestic - Removal Fee Special Collection (up to six items) for those residents in receipt of a statutory benefit	25.50	26.00	26.75	Each	2.9%	
Operations	Waste - Domestic	Hire of Amenity Vehicle by Parish Councils (up to 2 hours)	195.60	200.40	210.00	Each	4.8%	Proposed increase is higher than inflation to reflect the actual operating cost of providing this service.

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Operations	Waste - Domestic	Hire of Amenity Vehicle by Parish Councils (up to 3 hours)	242.40	248.40	260.00	Each	4.7%	Proposed increase is higher than inflation to reflect the actual operating cost of providing this service.
Operations	Waste - Domestic	Hire of Amenity Vehicle by Parish Councils (up to 4 hours)	285.60	292.80	307.00	Each	4.8%	Proposed increase is higher than inflation to reflect the actual operating cost of providing this service.
Operations	Waste - Domestic	Hire of Amenity Vehicle by Parish Councils (up to 5 hours)	339.60	348.00	365.00	Each	4.9%	Proposed increase is higher than inflation to reflect the actual operating cost of providing this service.
Operations	Waste - Domestic	Purchase of additional 180 litre garden waste bin	25.20	26.40	27.36	Each	3.6%	Actual cost of bin
Operations	Waste - Domestic	Annual fee for emptying additional garden waste bin on scheduled garden waste collection days only.	43.20	44.40	45.50	Year	2.5%	Charge will need to be reduced pro-rata in the event of a winter service suspension. Assuming a 3-month suspension, the charge would be 9/12ths i.e. £34.11 incl. VAT.
Operations	Car Parking On-Street	Residents charge - 1st Season Ticket/Permit	43.00	45.00	48.00	Each	6.7%	Charge imposed by NEPP
Operations	Car Parking On-Street	Residents charge - 2nd Season Ticket/Permit	55.00	60.00	65.00	Each	8.3%	Charge imposed by NEPP
Operations	Car Parking On-Street	Residents charge - 3rd Season Ticket/Permit	Discontinued in 2014	By discretion only on application	By discretion only on application	Each		Charge imposed by NEPP
Operations	Car Parking On-Street	Residents Charge - Block of 10 Season Ticket/Permits	15.00	15.00	15.00	Each	0.0%	Charge imposed by NEPP
Operations	Car Parking On-Street	Visitor Permits - MiPermit (digital system)	10.00	10.00	10.00	Each	0.0%	Charge imposed by NEPP
Operations	Car Parking On-Street	Residents Charge - Loss of Season Ticket/Permit (Free if stolen; requires police incident reference)	15.00	15.00	15.00	Each	0.0%	Charge imposed by NEPP
Operations	Car Parking On-Street	Dispensation/Suspension Permit - First Day	22.00	22.00	22.00	Each	0.0%	Charge imposed by NEPP
Operations	Car Parking On-Street	Dispensation/Suspension other days (up to 7 days)	10.00	10.00	10.00	Each	0.0%	Charge imposed by NEPP
Operations	Car parking On / Off Street	Charge Certificate Higher	105.00	105.00	105.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	Charge Certificate Lower	74.00	74.00	74.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	County Court Debt Registered higher	112.00	112.00	112.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	County Court Debt Registered lower	82.00	82.00	82.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	Instructions to Bailiff Off street Charge plus bailiff fees as incurred	0.73	0.73	0.73	Each	0.0%	Charge imposed by the NEPP and varies depending on original contravention plus bailiff fees - no change
Operations	Car parking On / Off Street	Instructions to Bailiff On street Charge plus bailiff fees as incurred	0.73	0.73	0.73	Each	0.0%	Charge imposed by the NEPP and varies depending on original contravention plus bailiff fees - no change
Operations	Car parking On / Off Street	NTO higher	70.00	70.00	70.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	NTO lower	50.00	50.00	50.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	Penalty Charge Notice - Paid After Fourteen Days higher	70.00	70.00	70.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	Penalty Charge Notice - Paid After Fourteen Days lower	50.00	50.00	50.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking On / Off Street	Penalty Charge Notice - Paid Within Fourteen Days higher	35.00	35.00	35.00	Each	0.0%	Charge imposed by NEPP - no change.

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Operations	Car parking On / Off Street	Penalty Charge Notice - Paid Within Fourteen Days lower	25.00	25.00	25.00	Each	0.0%	Charge imposed by NEPP - no change.
Operations	Car parking Pay & Display - Short Stay	Tariff for 0 up to 1hr	0.90	0.90	0.90	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Short Stay	Tariff for 1hr up to 3hrs	1.80	1.80	1.80	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display Concession	CONCESSION from 3pm to 7pm	0.10	0.10	0.10	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Short Stay	Tariff for 3hrs up to 6hrs	3.00	3.00	3.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Short Stay	Tariff for 6hrs+	5.50	5.50	5.50	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Short Stay	Tariff for Sundays - 7am - 6.59pm	0.50	0.50	0.50	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: White Horse Lane Only	Tariff - Mon-Sat	5.00	5.00	5.00	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: White Horse Lane Only	Tariff - Sunday 7am - 6.59pm	0.50	0.50	0.50	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: Victoria St & Station Approach	Tariff - Mon-Sat	4.00	4.00	4.00	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: Victoria St & Station Approach	Tariff - Sunday - 7am - 6.59pm	0.50	0.50	0.50	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - All Car Parks: OVERNIGHT	Valid from 7pm to 6.59am next day	0.50	0.50	0.50	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Season Tickets (Commuters) for Lockram Lane Car Park	Valid Mon-Fri & Sun. Tariff = Quarterly	110.00	110.00	110.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.

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Operations	Season Tickets (Commuters) for Lockram Lane Car Park	Valid Mon-Fri & Sun. Tariff = Annual	430.00	430.00	430.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Season Tickets (Commuters) for All Other Car Parks	Valid Mon-Sun. Tariff = Quarterly	130.00	130.00	130.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Season Tickets (Commuters) for All Other Car Parks	Valid Mon-Sun. Tariff = Annual	500.00	500.00	500.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Season Tickets - Residents	Valid from 7pm to 6.59am next day, 7 days per week. Tariff = Quarterly	30.00	30.00	30.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Season Tickets - Residents	Valid from 7pm to 6.59am next day, 7 days per week. Tariff = Six Monthly	55.00	55.00	55.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Season Tickets - Residents	Valid from 7pm to 6.59am next day, 7 days per week. Tariff = Annual	100.00	100.00	100.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Open Market Trade Vehicles: Braintree	Valid on Wednesdays and Saturdays - Day Rate	1.50	1.50	1.50	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Open Market Trade Vehicles: Witham	Valid on Saturdays only - Day Rate	1.50	1.50	1.50	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: Easton Road Only	Tariff - Mon-Fri, 4am - 9.30am (Valid until 4am next day)	6.00	6.00	6.00	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: Easton Road Only	Tariff - Mon-Fri, 9.30am - 7.00am (Valid until 4am next day)	3.00	3.00	3.00	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: Easton Road Only	Tariff - Sat-Sun (Valid until 4am next day)	2.00	2.00	2.00	Day Rate	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Car parking Pay & Display - Long Stay: Easton Road Only	Tariff - Evening all days (Valid 7pm-4am next day)	1.00	1.00	1.00	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.
Operations	Over night Parking	Tariff - Evening all days (Valid 7pm-7am next day)	0.50	0.50	0.50	Each	0.0%	Car Park Tariff review to be undertaken in 2017/18 as part of the Off-street Parking review. Any changes will come into effect from 2018/19.

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Operations	Events	Charitable & Fund-raising events for local community groups	50.00	51.25	52.50	each	2.4%	
Operations	Events	All events - site damage deposit or event clean up	300.00	307.50	315.00	each	2.4%	
Operations	Events	Small Fun Fair for young children - setting up	35.00	36.00	37.00	per day	2.8%	
Operations	Events	Small Fun Fair for young children - in operation	103.00	105.50	108.00	per day	2.4%	
Operations	Events	Large Fun Fair for all ages - setting up	103.00	105.50	108.00	per day	2.4%	
Operations	Events	Large Fun Fair for all ages - in operation	308.00	316.00	324.00	per day	2.5%	
Operations	Events	Small Circus - setting up	51.50	53.00	54.00	per day	1.9%	
Operations	Events	Small Circus - in operation	103.00	105.50	108.00	per day	2.4%	
Operations	Events	Large Circus - setting up	103.00	105.50	108.00	per day	2.4%	
Operations	Events	Large Circus - in operation	205.50	210.50	216.00	per day	2.6%	
Operations	Events	Annual licence for Boot Camp/Dog training/Fitness Class or similar activity conducted on public open space	150.00	154.00	158.00	Year	2.6%	
Operations	Temporary Traffic Regulation Order (TTRO) Applications for road closures for events	Administration fee for TTRO Applications			200.00	(per application)		NEW CHARGE: Admin fee for processing TTROs has been discussed with members in the past but not pursued.
Operations	Stray Dogs	Kennelling fees (set by RSPCA)	13.00	13.50	14.00	(per dog) per 24 hrs kennelling	3.7%	
Operations	Stray Dogs	Fee for the collection and transportation of Stray dogs	42.00	43.00	44.00	(per dog)	2.3%	
Operations	Stray Dogs	Combined Fee for 1 day or less	55.00	56.50	58.00	(per dog)	2.7%	
Operations	Stray Dogs	Combined Fee for 2 days	68.00	70.00	72.00	(per dog)	2.9%	
Operations	Stray Dogs	Combined Fee for 3 days	81.00	83.00	85.00	(per dog)	2.4%	
Operations	Stray Dogs	Combined Fee for 4 days	94.00	96.50	99.00	(per dog)	2.6%	
Operations	Stray Dogs	Combined Fee for 5 days	107.00	109.50	112.00	(per dog)	2.3%	
Operations	Stray Dogs	Combined Fee for 6 days	120.00	123.00	126.00	(per dog)	2.4%	
Operations	Stray Dogs	Combined Fee for 7 days	133.00	136.50	140.00	(per dog)	2.6%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 1 day or less	40.00	41.00	42.00	(per dog)	2.4%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 2 days	50.00	51.50	53.00	(per dog)	2.9%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 3 days	60.00	61.50	63.00	(per dog)	2.4%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 4 days	70.00	72.00	74.00	(per dog)	2.8%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 5 days	80.00	82.00	84.00	(per dog)	2.4%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 6 days	90.00	92.50	95.00	(per dog)	2.7%	
Operations	Stray Dogs	Those Owners on Benefit Combined Fee for 7 days	100.00	102.50	105.00	(per dog)	2.4%	
Operations	Stray Dogs	Microchipping	15.00	15.50	16.00	(per dog)	3.2%	
Operations	Street Scene Enforcement	Fixed Penalty Notice for small scale fly tipping incidents - if paid after 10 days			400.00	Per incident		New provision introduced under The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016

Fees & Charges - Proposed 2017/18

APPENDIX A

Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Operations	Street Scene Enforcement	Fixed Penalty Notice for small scale fly tipping incidents - if paid within 10 days			300.00	Per incident		New provision introduced under The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016
Operations	Street Scene Enforcement	Storage & return of abandoned shopping trolleys	100.00	100.00	100.00	Per trolley	0.0%	The service is to be reviewed next year and price renegotiated with supermarkets. (Either supermarket collect or LA can collect and make a charge under statutory legislation ie Non Business for VAT)
Operations	Trade Waste - Residual	Schedule 1 - Existing Customer at 31/03/16		338.00	350.00	240L Bin	3.6%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - Existing Customer at 31/03/16		433.00	448.00	360L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - Existing Customer at 31/03/16		650.00	673.00	770L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - Existing Customer at 31/03/16		847.00	877.00	1100L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - Existing Customer at 31/03/16		1015.00	1051.00	Salvage (2 Cubic Feet)	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - New Customer from 01/04/16		520.00	538.00	360L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - New Customer from 01/04/16		722.00	747.00	770L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 1 - New Customer from 01/04/16		882.00	913.00	1100L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - Existing Customer at 31/03/16		290.00	300.00	240L Bin	3.4%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - Existing Customer at 31/03/16		362.00	375.00	360L Bin	3.6%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - Existing Customer at 31/03/16		497.00	514.00	770L Bin	3.4%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - Existing Customer at 31/03/16		627.00	649.00	1100L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - New Customer from 01/04/16		449.00	465.00	360L Bin	3.6%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - New Customer from 01/04/16		569.00	589.00	770L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Residual	Schedule 2 - New Customer from 01/04/16		662.00	685.00	1100L Bin	3.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - Existing Customer at 31/03/16		380.00	399.00	1100L Bin - Paper	5.0%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - Existing Customer at 31/03/16		225.00	244.00	360L Bin - Mixed	8.4%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - Existing Customer at 31/03/16		548.00	595.00	1100L Bin - Mixed	8.6%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - Existing Customer at 31/03/16		201.00	218.00	360L Bin - Glass	8.5%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - Existing Customer at 31/03/16		451.00	489.00	1100L Bin - Glass	8.4%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - New Customer from 01/04/16		380.00	399.00	1100L Bin - Paper	5.0%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - New Customer from 01/04/16		591.00	641.00	1100L Bin - Mixed	8.5%	A dual pricing arrangement was introduced in 2016/17.

Fees & Charges - Proposed 2017/18

APPENDIX A

Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
Operations	Trade Waste - Recycling	Non School - New Customer from 01/04/16		322.00	349.00	360L Bin - Glass	8.4%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	Non School - New Customer from 01/04/16		523.00	567.00	1100L Bin - Glass	8.4%	A dual pricing arrangement was introduced in 2016/17.
Operations	Trade Waste - Recycling	School		266.00	279.00	1100L Bin - Paper	4.9%	
Operations	Trade Waste - Recycling	School		384.00	417.00	1100L Bin - Mixed	8.6%	
Operations	Trade Waste - Recycling	School		141.00	153.00	360L Bin - Glass	8.5%	
Operations	Trade Waste - Recycling	School		316.00	343.00	1100L Bin - Glass	8.5%	
Operations	Trade Waste - Residual	Sacks		46.00	47.50	Per Roll (20)	3.3%	
Operations	Trade Waste - Recycling	Sacks		40.00	43.50	Per Roll (20)	8.8%	

Fees & Charges - Proposed 2017/18

APPENDIX A

Service	Service Detail	Details of Charge	2015/16 Price incl VAT (£)	2016/17 Price Incl VAT (£)	PROPOSED 2017/18 Price Incl VAT (£)	Unit	% increase 16/17 to 17/18	Notes
PR & Marketing	Advertising Frames - George Yard	Advertisement - Advertisement size A4 per month	3.60	4.80	5.40	Per month	12.5%	The price shown excludes artwork.
PR & Marketing	Advertising Frames - George Yard	Advertisement - Advertisement size A3 per month	6.00	8.40	9.00	Per month	7.1%	The price shown excludes artwork.
PR & Marketing	Advertising Frames - George Yard	Advertisement - Advertisement size A2 per month	12.00	15.60	16.20	Per month	3.8%	The price shown excludes artwork.
PR & Marketing	Advertising Frames - George Yard	Advertisement - Advertisement size A1 per month	16.80	21.60	22.20	Per month	2.8%	The price shown excludes artwork.
PR & Marketing	Advertising Frames - George Yard	Advertisement - Advertisement size A0 per month	21.60	28.80	30.00	Per month	4.2%	The price shown excludes artwork.

APPENDIX B

BUSINESS RATE RETENTION SCHEME

	<u>Outturn</u> <u>NNDR3 13/14</u>	<u>Outturn</u> <u>NNDR3 14/15</u>	<u>Outturn</u> <u>NNDR3 15/16</u>	<u>Budget</u> <u>NNDR1 16/17</u>	<u>Latest</u> <u>2016/17</u>	<u>Forecast</u> <u>2017/18</u>
Gross Yield	46,994,798	48,812,703	51,573,526	50,931,623	49,909,551	51,469,409
<u>Mandatory Reliefs</u>						
Add Yield to fund Small Business Rate Relief	752,338	927,115	1,135,560	1,122,986	1,095,998	902,243
Cost of Small Business Rate Relief (SBRR)	-2,887,596	-3,372,747	-3,468,672	-3,301,000	-3,359,312	-4,228,708
Cost of relief to Charities/CASC/Rurals	-2,673,450	-2,920,918	-2,959,246	-2,994,299	-3,000,249	-3,059,138
Cost of relief partly occupied	-42,539	-113,537	-15,349	-15,000	-29,498	
Cost of relief for empty premises	-1,483,509	-1,616,721	-1,150,886	-1,551,779	-1,454,424	-1,488,468
Total Mandatory Reliefs	-6,334,756	-7,096,807	-6,458,593	-6,739,092	-6,747,486	-7,874,071
<u>Discretionary Reliefs</u>						
Cost of relief to Charities/Non Profit/CASC/Rurals	-241,039	-236,848	-268,372	-288,908	-270,560	-273,400
New empty property relief (New Start)			-21,988	-10,043	-25,941	
Long-term empty property relief (Fresh Start)		-3,183	-48,461	-23,957	-26,194	-3,999
Flooding relief		-51,565				
Localism Act Discounts			-17,255		-14,662	
Retail relief		-459,042	-716,714		-6,051	
Discretionary rural relief (doubling 50% mandatory)						-11,877
Local newspaper offices relief			-9,208	-12,000	-4,122	
Discretionary transitional relief						
Total Discretionary Reliefs	(241,039)	(750,638)	(1,081,999)	(334,908)	(347,529)	(289,276)
Net Rates Payable	40,419,003	40,965,259	44,032,934	43,857,623	42,814,536	43,306,062
Amounts written off	-437,834	-458,474	-203,282		-196,892	
Estimated losses on collection (prov)	17,941	118,960	64,975	-450,000	-253,108	-433,000
Losses on collection	-419,893	-339,513	-138,307	-450,000	-450,000	-433,000
Change in provision for rating appeals	-1,350,000	-2,250,000	-1,141,000	-732,000	388,512	-2,035,000
Collectable Rates	38,649,110	38,375,745	42,753,627	42,675,623	42,753,048	40,838,062
Transitional protection - due to/ -due from	2,639	12,479	-211,214		-77,425	48,819
Amounts disregarded - renewable energy properties						-191,145
Allowance for cost of collection	-186,394	-188,604	-188,104	-194,671	-194,671	-192,687
Non-Domestic Rating Income	38,465,355	38,199,620	42,354,309	42,480,952	42,480,952	40,503,049
Braintree DC Share	15,386,142	15,279,848	16,941,724	16,992,381	16,992,381	16,201,220
Amount retained - renewable energy properties						84,807
Tariff paid to Government	-12,422,011	-12,663,998	-12,905,986	-13,013,536	-13,013,536	-12,267,608
Levy Payment due to Government/ Essex Business Rate Pool	-238,050	-180,797	-939,762	-733,132	-744,647	-764,686
S31 Grants for SBRR and Autumn Statement measures	558,095	888,015	1,075,153	745,960	763,387	925,255
Est. Collection Fund surplus/ -deficit for tax setting		-407,590	325,570	-411,135	-411,135	432,142
Transfer -to/from Business Rate Retention Reserve				411,135	411,135	-432,142
TOTAL GENERAL FUND	3,284,176	2,915,478	4,496,699	3,991,673	3,997,584	4,178,988

PAY POLICY STATEMENT 2017/18

Introduction

This Pay Policy Statement is produced in accordance with Chapter 8 of the Localism Act 2011. The Policy will be considered for approval by a meeting of Braintree District Council on 22nd February, 2017. It is made available on the Council's website together with other separately published data on salary and pensions relating to Directors, Heads of Service and other Senior Managers.

Managing Remuneration

1. Remuneration of Employees

- 1.1 For employees subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services' (commonly known as the 'Green Book'), the Council uses a pay spine that commences at national Spinal Column Point (SCP) 6 and ends at locally agreed SCP 2115 (Senior Management Grade - SMG 2). This pay spine is divided into 8 pay grades. Grade 1A is the lowest and SMG 2 is the highest of these pay grades. Posts are allocated to a pay band through a process of job evaluation using the national scheme.
- 1.2 For the purpose of this Policy Statement, employees on Grade 1A are defined as our lowest-paid employees. This is because no employee of the Council is paid at a SCP that is lower than a point contained in Grade 1A. The bottom of Grade 1A is national SCP 6 and the top is national SCP 9. The Council's lowest paid employees are currently paid at SCP 6. At 1st April 2017, the full-time equivalent (FTE) annual values of SCPs 6 and 9 are £15,111 and £15,477 respectively.
- 1.3 The values of the SCPs in these pay grades are uprated by the pay awards notified from time to time by the National Joint Council for Local Government Services.
- 1.4 The Council also benchmarks and reviews salary profiles within the job market

2. Remuneration of Chief Officers

2.1 Chief Executive

- 2.1.1 The Chief Executive is the Council's Head of Paid Service. As at 1st April 2017, the annual FTE range for the grade of this post is £122,547 - £131,664. There is an option to convert £5,000 p.a. of the salary for the purpose of accessing the Council's lease car scheme. Business mileage is paid at the locally agreed lease car rate, currently 16p per mile.

- 2.1.2 National advice states that a Chief Executive's salary range should not be more than 20X the FTE salary range of a Grade 1 'Green Book' employee. It is the Council's policy that the FTE salary range for the post of Chief Executive will not be greater than the nationally advised level. The Chief Executive's salary is well within this multiple – currently 8.5X.
- 2.1.3 Notwithstanding 2.1.2, the value of the SCPs in the Chief Executive's grade will be uprated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Executives of Local Authorities.
- 2.1.4 The Chief Executive also receives a Returning Officer fee in respect of District Council, County Council, Parliamentary and European elections and for other national and local referenda. The fee for undertaking this role in respect of District and Parish Councillors is calculated by reference to the Scale of Fees and Expenses which is approved by Full Council. In respect of the election of County Councillors, reference is made to the Scale of Fees and Expenses supplied by Essex County Council. Fees for conducting Parliamentary and European elections and national referenda are determined by way of Statutory Instrument.

2.2 Corporate Directors

- 2.2.1 The Corporate Directors report to the Chief Executive. As at 31st March 2016, the annual FTE range for the grade of this post is £94,566 - £103,836. There is an option to convert £4,000 p.a. for the purpose of accessing the Council's lease car scheme. Business mileage is paid at the locally agreed lease car rate, currently 16p per mile.
- 2.2.2 It is the Council's policy that the FTE salary range for the post of Corporate Director will normally be no greater than between 75% and 80% of the FTE salary range of the Chief Executive. The current differential is 78.9% at the top of the grade.
- 2.2.3 Notwithstanding 2.2.2, the value of the point range in the Corporate Director Grade will be uprated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Officers of Local Authorities.
- 2.2.4 The Council's Section 151 Officer is one of the Corporate Directors and receives no additional remuneration for this responsibility.

2.3 Heads of Service and Senior Managers

- 2.3.1 Heads of Service and Senior Managers are not subject to the Conditions of Service determined by the Joint Negotiating Committee for Chief Officers of Local Authorities, as they are 'Green Book' employees.

- 2.3.2 Because they are 'Green Book' employees, our various Head of Service and Senior Manager posts are job evaluated using the national scheme before a pay band is allocated. As at 1st April 2017, Head of Service and Senior Manager posts are on: Grade SMG 3 (SCPs 3105 – 3115, £52,965 - £57,990 p.a. FTE), SMG 4 (SCPs 4001– 4006, £60,495 - £66,510 p.a. FTE) or SMG 5 (SCPs 5001 – 5006, £66,543 - £72,600 p.a. FTE).
- 2.3.3 The Heads of Service and Senior Managers report to a Corporate Director.
- 2.3.4 The values of the SCPs in these pay grades are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services.
- 2.3.5 The Council's Monitoring Officer is one of the Council's Heads of Service and receives an additional remuneration of £2,000.00 p.a. for this responsibility.

3. **General Principles Applying to Remuneration of all Employees**

- 3.1 On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases, when new starters need to move to the area.
- 3.2 Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. In exceptional circumstances (e.g. examination success), individuals will receive accelerated increments. Again, this is subject to the top of their grade not being exceeded.
- 3.3 The minimum point of a pay grade will not be lower than the maximum point of the preceding pay grade.
- 3.4 On ceasing to be employed by the Council, individuals will only receive compensation:
- (a) in circumstances that are relevant (e.g. redundancy) and
 - (b) that is in accordance with our flexible retirement policy. This details how the Council exercises the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
 - (c) that complies with the specific term(s) of a compromise agreement.
- 3.5 Any decision to re-employ an individual, who was previously employed by the Council and, on ceasing to be employed, was in receipt of a severance or redundancy payment, will be made on merit. The Council will not, however, normally engage such an individual under a contract for services.

- 3.6 Any Market Supplement that is paid will be in accordance with the procedure detailed in the Council's Total Reward Policy.
- 3.7 If it is appropriate for an honorarium to be paid, this will be in accordance with the procedure detailed in the Council's Total Reward Policy.
- 3.8 The Council operates a lease car scheme in accordance with the Lease Car Policy.
- 3.10 The Council pays Lease and Casual Car User allowances in appropriate circumstances. These allowances are determined locally.
- 3.11 Any excess travelling allowance that is paid will be in accordance with the procedure detailed in the Council's Total Reward Policy
- 3.12 Subsistence allowances are not paid to any employees of the Council.

4. Transparency

- 4.1 The Council's Annual Statement of Accounts includes a detailed analysis of the pay and pension entitlements for Corporate Directors and Heads of Service. It also includes details of the number of staff earning more than £50,000 p.a. and a summary of the number and value of exit packages in the year, analysed by cost banding.
- 4.2 The Council will continue to publish this information on an annual basis and it is readily available to view on the Council's website www.braintree.gov.uk

5. Review

- 5.1 The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. Our next Statement is scheduled to be for 2018/19 and will be submitted to Full Council for approval by 31st March 2018.
- 5.2 If it should be necessary to amend this 2017/18 Statement during the year that it applies, an appropriate resolution will be made by Full Council.

General Fund Revenue Profile 2016/17 to 2020/21

APPENDIX D

	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Base Budget brought forward from previous year	15,624,426	13,601,192	13,777,550	13,629,238	13,525,014
Inflation:					
Pay - annual award and incremental progression	189,590	236,080	240,020	220,950	200,890
Other Expenditure Inflation	74,910	93,530	118,480	111,990	126,910
Income Inflation	0	0	(10,000)	(10,000)	(10,000)
Pension Fund and National Insurance contribution adjustments	293,420	1,040	15,870	16,580	205,750
New Demands:					
Priority Area Investment, Bids and Unavoidable Budget Changes previously profiled	(24,910)	0	0	0	
One-off Growth Items 2015/16	(2,101,106)	0	0	0	
Allowance for Reduced Income/Increased costs previously profiled	386,640	561,850	43,480	43,480	43,480
Priority Investment - one-off provision previously profiled	200,362	(200,362)			
New Budget Bids		191,820	(184,820)	0	0
New Budget Pressures		169,680	73,640	120,000	0
Reductions:					
Savings/Additional Income agreed previously profiled	(1,129,224)	(293,310)	(124,320)	(91,450)	
Adjustments to Savings/Additional Income agreed previously profiled		147,550	10,210	8,460	0
New Savings/Additional Income		(324,520)	0	0	0
Ongoing net change in income/expenditure identified in 2016/17		(407,000)	0	0	0
Council Tax Freeze Grant 2014/15 and 2015/16	87,084	0			
Additional Savings Required		0	(330,872)	(524,234)	(237,387)
Updated Base Budget	13,601,192	13,777,550	13,629,238	13,525,014	13,854,657
Addition to Balances	526,234	329,125			
Contribution from Balances for one-off New Investment		(150,000)			
Contribution from Earmarked reserves	(411,135)	432,142			
Budget Requirement	13,716,291	14,388,817	13,629,238	13,525,014	13,854,657

General Fund Revenue Profile 2016/17 to 2020/21

APPENDIX D

	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Government Grant - Revenue Support Grant	(1,602,495)	(777,347)	(272,480)	0	0
Retained Business Rates - Baseline amount	(3,191,180)	(3,256,331)	(3,361,095)	(3,480,650)	(3,480,650)
- Growth above baseline	(800,493)	(922,657)	(941,110)	(668,447)	(668,447)
Transition and Rural Services grants and returned funding	(82,533)	(70,415)	(13,657)	(17,754)	(17,754)
Collection Fund Balance - Business Rates (Surplus)/Deficit	411,135	(432,142)			
Collection Fund Balance - Council Tax (Surplus)/Deficit	(114,990)	(194,255)			
BDC Requirement from Council Taxpayers	8,335,735	8,735,670	9,040,896	9,358,163	9,687,806
Tax base (+1.5% for 2018/19 onwards and collection rate of 99%)	50,667	51,547	52,320	53,105	53,902
Council Tax (Band D)	£164.52	£169.47	£172.80	£176.22	£179.73
Council Tax per week	£3.16	£3.26	£3.32	£3.39	£3.46
Percentage Increase	3.10%	3.01%	1.96%	1.98%	1.99%
Increase per week	£0.09	£0.10	£0.06	£0.07	£0.07

GENERAL FUND BUDGETS 2017/18 - BUSINESS PLAN SUMMARY

	Controllable Budgets					
	Base Budget 2016/17 (Updated)	Budget Variations & Requests for Funding	Reductions and Savings	Pay, Pension Fund, Inflation & Recharges	Other Budget Changes	Proposed Controllable Budget 2017/18
	£	£	£	£	£	£
Business Plan						
Asset Management	(1,860,660)	0	(217,110)	11,910	0	(2,065,860)
Business Solutions	1,856,710	0	0	47,470	0	1,904,180
Community Services	561,950	(180,000)	(19,910)	13,880	0	375,920
Corporate Management Plan	1,231,180	0	0	38,880	0	1,270,060
Cultural Services	239,850	0	(4,000)	9,000	0	244,850
Environment	615,330	0	12,500	33,560	0	661,390
Finance	1,493,780	46,750	(403,000)	27,430	0	1,164,960
Governance	994,550	0	0	22,900	0	1,017,450
Housing Services	768,640	154,680	0	20,920	0	944,240
Human Resources	309,820	0	0	9,450	0	319,270
Leisure Services	(53,860)	0	0	6,120	0	(47,740)
Marketing & Communications	419,270	7,000	(41,880)	14,830	0	399,220
Operations	4,084,340	635,100	(2,500)	196,360	0	4,913,300
Sustainable Development	766,440	0	0	96,700	0	863,140
COST OF SERVICES	11,427,340	663,530	(675,900)	549,410	0	11,964,380
Corporate Financing	2,323,852	59,458	(201,380)	(218,760)	0	1,963,170
Corporate Efficiency Provision	(150,000)	0	0	0	0	(150,000)
BASE BUDGET	13,601,192	722,988	(877,280)	330,650	0	13,777,550
Contribution to/(from) Balances	526,234	(150,000)	0	0	(197,109)	179,125
Business Rate Retention - use of Earmarked Reserve	(411,135)	0	0	0	843,277	432,142
BUDGET REQUIREMENT	13,716,291	572,988	(877,280)	330,650	646,168	14,388,817
Revenue Support Grant	(1,602,495)	0	0	0	825,148	(777,347)
Retained Business Rates	(3,991,673)	0	0	0	(187,315)	(4,178,988)
Transition and Rural Services grants and returned funding	(82,533)	0	0	0	12,118	(70,415)
Collection Fund Surplus - Business Rates	411,135	0	0	0	(843,277)	(432,142)
Collection Fund Surplus - Council Tax	(114,990)	0	0	0	(79,265)	(194,255)
AMOUNT TO BE MET FROM COUNCIL TAX PAYERS	8,335,735	572,988	(877,280)	330,650	373,577	8,735,670

Medium-Term Financial Strategy – 1

Risk Rating C2 (C2 January 16)

Management Board Owner – Corporate Director (CF)

Vulnerability	Trigger	Consequence
<p>The Council sets a Medium-Term Financial Strategy (MTFS), covering a four-year period, which is reviewed and updated annually.</p> <p>Assumptions are made about anticipated changes on the revenue account e.g. government grant levels, income levels, inflation, pay awards, council tax collection rates, business rates collection etc. together with planned and anticipated efficiencies, income generation, council tax levels, business rates appeals and the use of balances.</p> <p>Assumptions are also made regarding capital resources with a capital programme being planned and agreed against these resources.</p> <p>The Government offered local authorities a four-year settlement (2016/17 to 2019/20). The Council published an Efficiency Plan in October: this was accepted by Government and enabled the Council to receive the offer. The provisional Settlement Funding Assessment (SFA) allocation to the Council for 2017/18 and provisional allocations for 2017/18 to 2019/20 were received on 15th December 2016. The reduction between 2016/17 and 2019/20 is £1.605m, or 33.5% and includes the Council receiving no Revenue Support Grant after 2018/19.</p> <p>The New Homes Bonus scheme has been changed for 2017/18 which results in local authorities receiving reduced allocations. Whilst not using NHB to support revenue this does mean less money for investment in infrastructure and affordable homes.</p> <p>The Government is proposing that 100% of Business Rates is retained by local government by the end of the current Parliament; a fundamental change to Local Government funding.</p>	<ul style="list-style-type: none"> • Other organisations which provide significant contributions to the Council face their own funding pressures and may require greater reductions than expected. • Circumstances change which render the planned cost reductions/additional income unachievable • Other financial assumptions prove incorrect. Including income budgets not achieved, particularly interest receivable from the £14m invested in equity and property funds. • Adverse economic conditions and market fluctuations cause changes at or before contract renewal. • Capital receipts are not received as planned. • Capital resources insufficient to finance capital programme. • Business rates collected are less than expected due to successful appeals being greater than the provision made. • Business Rates baseline reset, as determined by the Needs Assessment, does not enable the Council to retain business rates growth achieved prior to reset. • Autumn Statement(s) require further savings from local government. 	<ul style="list-style-type: none"> • Priorities and projects are not delivered. • Cuts necessary to services • Rushed decisions to find other savings • Staff unsettled and de-motivated. • Financial savings are not achieved; balances used more than planned. • Assets not fit for purpose • Satisfaction levels with the Council fall

Action/controls already in place	Required management action/control	Responsibility for action	Critical success factors & KPI's	Review frequency	Key dates	Progress to-date
<p>Robust budget review and setting process involving Management Board and Cabinet Members developed over a number of years</p> <p>Unallocated balances significantly exceed minimum level of £1.5m.</p> <p>Regular Budgetary Control and monitoring processes in place.</p> <p>A Financial Strategy Action Plan developed and agreed following Peer Challenge.</p> <p>Council policy to use New Homes Bonus to fund infrastructure projects and affordable homes.</p> <p>Utilised borrowed monies, of £6m, to fund investments (e.g. commercial property and solar panels) to achieve improved rate of return over the medium-term.</p> <p>Efficiency Plan produced and approved by DCLG.</p>	<p>Improve monitoring and forecasting of income.</p> <p>Delivery against the workstreams contained in the Action Plan consisting of:</p> <ul style="list-style-type: none"> Commercialisation and 'Better at Business'; Grow our economy – increase business rate pot and secure external funds; Finance and Investment Strategy; Review contracts and procurement; Increase our income; Management and Service Reviews; and Sharing services or joint work. <p>Monitor financial viability of key contract partners and commercial property tenants.</p> <p>Participate in consultation as proposals for the new 100% Business Rates Retention scheme are published.</p>	Corporate Director (CF)	<p>Cost reductions and increased income delivered on time and as budgeted.</p> <p>Setting a balanced base budget and having plans to meet funding shortfalls in subsequent years of MTFS.</p> <p>Service and performance levels delivered as planned.</p> <p>Collection rates of council tax and business rates achieve planned levels.</p>	Monthly	Feb. 2017 – Full Council sets council tax and budgets for 2017/18	<p>Proposed MTFS provides a balanced base budget for 2017/18 including a 3% increase in council tax up to £169.47 (Band D).</p> <p>For planning purposes an increase in council tax of 2% is included for 2018/19 onwards.</p> <p>Planned approach to addressing the estimated shortfalls in 2018/19 to 2020/21.</p> <p>Investment Strategy reviewed with maximum investment in equity and property funds set at £15m.</p> <p>Strategic Investment Group consisting of 3 Cabinet Members established.</p> <p>An Investment Evaluation Tool developed and operational to assess investment opportunities.</p>

Action/controls already in place	Required management action/control	Responsibility for action	Critical success factors & KPI's	Review frequency	Key dates	Progress to-date
Monitoring of investment counter-parties and returns on investments by Arlingclose, the Council's Treasury Management advisor.			Budget variations reported in timely manner with explanation and action plan, where appropriate			Responded to Government's initial consultations on 100% Business Rates Retention and Fair Funding Review.

Earmarked Reserves 2016/17 to 2020/21
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	2016/17				2017/18		2018/19		2019/20		2020/21	
	Opening Balance 2016/17	Movements in Year 2016/17	Trf between reserves/ back to balances	Proj Closing Balance 2016/17	Movements in Year 2017/18	Proj Closing Balance 2017/18	Movements in Year 2018/19	Proj Closing Balance 2018/19	Movements in Year 2019/20	Proj Closing Balance 2019/20	Movements in Year 2020/21	Proj Closing Balance 2020/21
<u>EARMARKED RESERVES (REVENUE)</u>												
Corporate Strategy & Direction												
Corporate Improvement programme	202,912	-13,090	0	189,822	-3,350	186,472	0	186,472	0	186,472	0	186,472
Member Support & Development	38,563	0	0	38,563	-12,000	26,563	-7,500	19,063	-7,500	11,563	-5,563	6,000
Greater Essex Devolution project	48,481	-38,374	0	10,108	0	10,108	0	10,108	0	10,108	0	10,108
Braintree Town FC relocation	29,438	-1,100	-28,338	0	0	0	0	0	0	0	0	0
Investment Fund (Peer Challenge)	30,000	0	-30,000	0	0	0	0	0	0	0	0	0
	349,394	-52,564	-58,338	238,493	-15,350	223,143	-7,500	215,643	-7,500	208,143	-5,563	202,580
Environment & Place												
Approved Carry Forwards	96,340	-63,908	0	32,432	0	32,432	0	32,432	0	32,432	0	32,432
Green Heart Initiatives	36,272	15,470	0	51,742	0	51,742	0	51,742	0	51,742	0	51,742
Carbon Management	38,712	0	0	38,712	0	38,712	0	38,712	0	38,712	0	38,712
House Survey (Private)	13,013	3,000	0	16,013	3,000	19,013	3,000	22,013	3,000	25,013	3,000	28,013
Unmet Taxi Demand Survey	16,300	1,220	0	17,520	5,000	22,520	5,000	27,520	-3,000	24,520	5,000	29,520
Operations	5,498	0	0	5,498	0	5,498	0	5,498	0	5,498	0	5,498
Recycling Reward Scheme	343,838	-343,838	0	0	0	0	0	0	0	0	0	0
Flooding Relief	76,303	-76,303	0	0	0	0	0	0	0	0	0	0
Commuted Maintenance	381,719	-98,110	0	283,609	-98,110	185,499	-98,110	87,389	-98,110	-10,721	0	-10,721
	1,007,995	-562,470	0	445,525	-90,110	355,415	-90,110	265,305	-98,110	167,195	8,000	175,195
Planning & Housing												
Approved Carry Forwards	291,000	-172,070	0	118,930	-86,860	32,070	-8,670	23,400	0	23,400	0	23,400
Local Plan	405,031	-174,680	0	230,351	-174,600	55,751	-50,005	5,746	0	5,746	0	5,746
Housing Needs Survey	37,982	4,000	0	41,982	4,000	45,982	-26,000	19,982	4,000	23,982	4,000	27,982
Local Council Tax Support	139,825	-1,150	0	138,675	-1,150	137,525	0	137,525	0	137,525	0	137,525
Unilateral Undertakings	283,359	0	0	283,359	0	283,359	0	283,359	0	283,359	0	283,359
Housing Welfare Reforms	150,000	-76,360	0	73,640	-73,640	0	0	0	0	0	0	0
Planning Appeals	300,000	-113,650	0	186,350	-186,350	0	0	0	0	0	0	0
Community Infrastructure Levy	100,000	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000
Homelessness Funds	43,163	0	0	43,163	-3,580	39,583	0	39,583	0	39,583	0	39,583
	1,750,360	-533,910	0	1,216,450	-522,180	694,270	-84,675	609,595	4,000	613,595	4,000	617,595
Economic Development												
Discretionary Business Rate Relief	82,745	0	0	82,745	0	82,745	0	82,745	0	82,745	0	82,745
Portas Pilot Reserve	7,035	-7,035	0	0	0	0	0	0	0	0	0	0
Economic Development and Town Centre Improvements	252,396	-113,000	0	139,396	-10,000	129,396	-10,000	119,396	0	119,396	0	119,396
	342,177	-120,035	0	222,142	-10,000	212,142	-10,000	202,142	0	202,142	0	202,142
Health & Communities												
Mi Community	0	90,000	0	90,000	-90,000	0	0	0	0	0	0	0
Localism Reserve	11,407	0	0	11,407	0	11,407	0	11,407	0	11,407	0	11,407
Public Health Agenda	19,590	0	0	19,590	0	19,590	-1,000	18,590	0	18,590	0	18,590
Community Facilities	5,000	0	-5,000	0	0	0	0	0	0	0	0	0

Earmarked Reserves 2016/17 to 2020/21
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	Opening Balance 2016/17	Movements in Year 2016/17	Trf between reserves/ back to balances	Proj Closing Balance 2016/17	Movements in Year 2017/18	Proj Closing Balance 2017/18	Movements in Year 2018/19	Proj Closing Balance 2018/19	Movements in Year 2019/20	Proj Closing Balance 2019/20	Movements in Year 2020/21	Proj Closing Balance 2020/21
Community Projects	110,394	-29,870	0	80,524	-31,740	48,784	-33,380	15,404	0	15,404	0	15,404
Leisure	629,155	0	0	629,155	0	629,155	0	629,155	0	629,155	0	629,155
	775,547	60,130	-5,000	830,677	-121,740	708,937	-34,380	674,557	0	674,557	0	674,557
Finance & Performance												
Approved Carry Forwards	60,000	-60,000	0	0	0	0	0	0	0	0	0	0
Insurance Fund	53,352	0	0	53,352	0	53,352	0	53,352	0	53,352	0	53,352
Management Training & Org. Development	48,864	-24,458	0	24,406	-4,300	20,106	0	20,106	0	20,106	0	20,106
Treasury Management	415,371	36,200	0	451,571	67,020	518,591	43,920	562,511	20,620	583,131	20,120	603,251
Benefits Overpaid & Adpens	1,010,234	0	0	1,010,234	0	1,010,234	0	1,010,234	0	1,010,234	0	1,010,234
Business Rate Retention Scheme Equalisation	638,670	66,464	0	705,134	432,000	1,137,134	0	1,137,134	0	1,137,134	0	1,137,134
Pension Deficit Equalisation	0	2,821,790	0	2,821,790	-2,821,790	0	0	0	0	0	0	0
Modern Apprenticeships	92,109	-73,800	0	18,309	0	18,309	0	18,309	0	18,309	0	18,309
Marketing & Communications	60,747	-7,390	0	53,357	-8,580	44,777	0	44,777	0	44,777	0	44,777
Partnership & Developer contributions	6,174	0	0	6,174	0	6,174	0	6,174	0	6,174	0	6,174
	2,385,522	2,758,806	0	5,144,328	-2,335,650	2,808,678	43,920	2,852,598	20,620	2,873,218	20,120	2,893,338
Corporate Services & Asset Management												
District Elections	150,763	27,000	0	177,763	27,000	204,763	27,000	231,763	-163,000	68,763	27,000	95,763
Planned Maintenance (Revenue)	68,115	-15,000	5,000	58,115	0	58,115	0	58,115	0	58,115	0	58,115
Procurement Hub	138,656	-37,650	0	101,006	-41,470	59,536	-34,536	25,000	0	25,000	0	25,000
Corporate Technology Requirements	118,356	-60,000	0	58,356	-58,356	0	0	0	0	0	0	0
Approved Carry Forwards	155,300	-90,300	0	65,000	-50,000	15,000	0	15,000	0	15,000	0	15,000
	631,190	-175,950	5,000	460,240	-122,826	337,414	-7,536	329,878	-163,000	166,878	27,000	193,878
TOTAL - EARMARKED RESERVES (REVENUE)	7,242,186	1,374,008	-58,338	8,557,855	-3,217,856	5,339,999	-190,281	5,149,718	-243,990	4,905,728	53,557	4,959,285
<u>EARMARKED RESERVES (CAPITAL)</u>												
Capital Reserve (General)	1,251,655	-30,000	0	1,221,655	-30,000	1,191,655	-30,000	1,161,655	-30,000	1,131,655	-30,000	1,101,655
Capital Reserve (District Investment)	0	2,131,000	7,241,807	9,372,807	-6,818,000	2,554,807	-1,599,000	955,807	-862,190	93,617	0	93,617
Financial systems replacement	79,874	-50,500	0	29,374	0	29,374	0	29,374	0	29,374	0	29,374
Vehicle and Plant replacement	442,897	81,280	0	524,177	25,530	549,707	-210,530	339,177	-143,000	196,177	-196,177	0
Discovery Centre All Weather Pitch	96,740	19,500	0	116,240	19,500	135,740	19,500	155,240	19,500	174,740	-174,740	0
Opportunity Purchase Fund	500,000	-500,000	0	0	0	0	0	0	0	0	0	0
Business Investment Fund	500,000	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000
New Homes Bonus Years 1&2 (Allocated)	2,332,901	-93,517	-2,239,384	0	0	0	0	0	0	0	0	0
New Homes Bonus Years 3-6 (Unallocated)	2,400,350	2,686,424	-4,972,423	114,350	2,059,211	2,173,561	1,186,384	3,359,945	939,239	4,299,184	258,712	4,557,896
TOTAL - EARMARKED RESERVES (CAPITAL)	7,604,416	4,244,187	30,000	11,878,603	-4,743,759	7,134,844	-633,646	6,501,198	-76,451	6,424,747	-142,205	6,282,542

Earmarked Reserves 2016/17 to 2020/21
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	2016/17				2017/18		2018/19		2019/20		2020/21	
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<u>TRANSFERS BETWEEN RESERVES</u>			£									
Investment Fund (Peer Challenge)		Transfer from	-30,000									
Capital Reserve (District Investment)		Transfer to	30,000									
Community Facilities		Transfer from	-5,000									
Planned Maintenance (Revenue)		Transfer to	5,000									
New Homes Bonus Years 1&2 (Allocated)		Transfer from	-2,239,384									
New Homes Bonus Years 3-6 (Unallocated)		Transfer from	-4,972,423									
Capital Reserve (District Investment)		Transfer to	7,211,807									
<u>TRANSFER TO BALANCES</u>												
Braintree Town FC relocation			-28,338									

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APPENDIX H

	Portfolio	Project Description	Project Drivers	Project Achievements	Capital Cost			
					Capital Cost			
					2017/18	2018/19	2019/20	2020/21
1	Corporate Services and Asset Management	Planned Maintenance of Council properties This relates to the annual planned maintenance of those properties where BDC has a repairing obligation. The budget sum is reviewed annually.	This investment is required to ensure that the Council's properties are maintained to a good standard to support service delivery and sustain or improve the physical condition and value of the asset. The condition surveys are reviewed and updated by the 31st August each year and identify the priority planned maintenance works required to be carried out in following financial year.	Of the £170,000 works identified to buildings and property a number are minor repairs and maintenance and therefore revenue in nature, these have a value of £15,900. £30,000 for contingency and consultancy costs. £100,000 Maintenance works to Council roads and car parking areas are: Perry Road, Witham - resurfacing; Mayland Road, Witham - repairs; Witham Road, Black Notley - resurfacing; Blackwater Lane, Witham - road & drainage repairs.	284,100	400,000	400,000	400,000
2	Corporate Services and Asset Management	Computer Equipment - Annual technology replacement programme.	Our hardware and software estate needs to be kept up to date to ensure that it can continue to be supported by our ICT service provider and continues to be fit for purpose.	Hardware and software that meets the needs of users and is up-to-date and secure.	40,000	40,000	40,000	40,000
3	Corporate Services and Asset Management	Telephone Computer System - upgrade system.	Current system is being de-supported.	System that meets current and future organisational needs and can be supported.	70,000			
4	Planning & Housing	Procurement of New Affordable Housing - Local Authority Social Housing Grant. A balance of resources, of £1,088,000, is available for schemes in 2017/18	By working with Registered Social Landlords, we can normally provide a new affordable home for around £25,000 – this varies from site to site and between smaller and larger units. However, we would expect an investment of £500,000 per year to yield around 20 units assuming no other public subsidy is available. Frequently our investment has drawn in additional funding from the HCA and so provided many more units.	New affordable homes in the district.		500,000	500,000	500,000
5	Environment & Place	Recycling Pods - Investment in new recycling bank infrastructure following outcome of Bring Bank Review	Current Bring Banks look tired and do not reflect the positive image and 'forward thinking' approach we need in the District to maintain and improve upon current standards.	The asset of the bring bank 'pods/containers' would allow a flexible approach to the provision of this service with potential modernisation to match the corporate view.	20,000			
6	Environment & Place	Depot Offices, Mess Room and Yard Area Improvement Works - Refurb of Unit 4 (internal) Refurb and redecorating of Retained Area and Welfare Area (Mess Room) Covered storage in Yard	The back office carpet is in a bad state of repair. Such areas are visible to external customers /visitors. Key drivers are to create a welcoming atmosphere to visitors to 'The Sorrell Room' and staff alike. Covered storage in the Yard will protect plant machinery from being exposed to the elements that reduces overall life expectancy.	The replacement carpet will create a pleasant and more professional environment. Redecorating and refurbishing 'The Sorrell Room' will create a professional image to internal and external customers. A display cabinet would also be purchased to showcase awards that 'Operations' have won, creating a sense of pride. The project will achieve a cleaner and suitable working environment.	50,000			

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	Portfolio	Project Description	Project Drivers	Project Achievements	Capital Cost			
					2017/18	2018/19	2019/20	2020/21
7	Environment & Place	Replacement of main diesel tank - decommission existing main diesel tank and purchase/replace.	The main diesel tank in the yard at Operations is approaching the end of the serviceable life and reliability. By allowing for replacement in the future we ensure the operational service is not disrupted and potential ingress issues are addressed at source. The asset will allow for the robust and accurate reporting of fuel used, tighter control regarding ordering process.	Security and accuracy of fuel dispensing.		25,000		
8	Environment & Place	Replacement of red diesel tank - decommission existing red diesel tank & purchase/ install new tank	The red diesel tank in the yard at Operations has exceeded the working life and is required to be decommissioned and replaced to ensure the quality of the fuel.	Security and accuracy of fuel dispensing.	18,000			
9	Environment & Place	Development and Purchase of Trade Waste module in ECHO	The current customer information is stored on a trade waste database. This is controlled centrally by one individual employee of BDC; no one else can support or make changes to the information/layout of the database. There is a clear business weakness and highlights the lack of business continuity. The focus on the trade waste expansion is hinged on the customer relationship model we need to apply and the quality of the information is key to developing the portfolio of customers.	Elimination of long-standing business risk of unsupported Access Database with all Trade Waste information. The new Commercial TW module will be fit for purpose and enable efficient expansion of Trade Waste and other commercial ventures. There will be clearer invoicing/CRM and contact opportunities. Longer term there is a valuable customer portfolio that could be utilised and sold as an asset if the service of trade waste was ever externalised/privatised.	17,000			
10	Environment & Place	Upgrade of car park infrastructure - ticket machines and lighting columns	The car parks in the District are not currently included in refurbishment programmes. To maintain the 'Park Safe' awards and the integrity of the council's reputation investment is required to set the standard of the parking areas in the District. We have been made aware that changes to £1 coins and machine upgrades are required in the car parks we manage and the upgrade of lighting columns to conform to safety standards is also required.	The ability for car park machines to be able to accept the new £1 coins. Upgrading of lighting columns to ensure we remain compliant.		17,000	17,000	16,000
11	Environment & Place	Parks & Open Spaces Infrastructure Works - Installation of fencing, bollards and gates	To protect vulnerable open spaces across the District from unauthorised encampments from Travellers.		60,000	40,000		

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	Portfolio	Project Description	Project Drivers	Project Achievements	Capital Cost			
					2017/18	2018/19	2019/20	2020/21
12	Environment & Place	Play Area Maintenance and Refurbishment - Replacement of existing safety surfacing at several play areas across the District	The existing safety surfaces at some of the sites needs to be replaced before it becomes a health and safety risk to the children and young people using the play areas.	Safety surfacing in these areas will comply with current National Playing Field Association standards and European Standards EN 1176 + EN 1177. The scheme will result in a better play experience for local children & will be measured by the results of our annual independent safety inspection of our play areas.	40,000			
13	Environment & Place	Invest to Save Parks & Open Spaces - Purchase of an industrial Tracked Wood Chipper and three smaller towed wood chippers		To enable wood to be chipped on site thereby reducing the amount of green waste going to Cordons Farm.	35,000			
14	Environment & Place	House Renovation Grants - As a housing authority we have a duty to maintain housing standards for the benefit of those less able to look after their own property.	Providing financial support through a repayable grant scheme to ensure those under financial pressure can afford to adequately heat their homes and when it is impractical to carry out disabled adaptations to a property, offer the occupier a relocation grant to enable them to move to a more suitable (adapted) property.	Health benefits for those living in substandard housing which will be improved through the repayable grant scheme. To provide adequate heating for the most vulnerable, including raising those occupiers out of fuel poverty and improving energy efficiency of the housing stock. Ensuring that occupiers live in the best suitable accommodation that meets their needs.	30,000			
15	Environment & Place	Disabled Facilities Grants - The grant allocation for 2017-18 from the Better Care Fund is assumed to be £730,156, as received in 2016-17. The proposal is for a Capital bid of an additional £250,000 for next year.	The Council has a legal duty to manage and provide disabled facilities grants in accordance with Part 1 of the Housing Grants, Construction and Regeneration Act 1996. The aim of the grant is to provide financial assistance to the applicant in order to provide suitable adaptations to their properties, as far as is practical, to meet their specific needs.	Ensure that there are sufficient funds to cover the increasing demand on the budget and ensure our residents have access to adaptations to their properties	250,000			
16	Environment & Place	Re-decoration Works at George Yard Multi-storey Car Park - Re-decoration of George Yard Multi-Storey Car Park including all walls, columns, stair wells, doors (wood work) and gates.	The general condition of the decor has deteriorated over the past 5 years with the main contributor being water leaking down from the top (open) floor. Sealing works were completed in 2014/15 which now provides an opportunity to undertake redecoration works. Customer feedback (Off-street Parking Review 2013/14) includes comments regarding the need to update the decor (repaint) thereby making the car park 'brighter' and more attractive to use.	The project will provide both aesthetic and minor structural (sealing of hairline cracks in walls) improvement to the fabric of the car park.	55,000	55,000		
17	Health & Communities	Community Transport - Replacement of minibuses in the Community Transport Fleet.	Maintaining the reliability and safety of the service; supporting vulnerable people in our community	Ensuring the fleet is reliable, modern and fit for purpose. Maintaining the service function. Reducing ongoing repair/ maintenance costs.	80,000			

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	Portfolio	Project Description	Project Drivers	Project Achievements	Capital Cost			
					2017/18	2018/19	2019/20	2020/21
18	Health & Communities	Braintree Town Hall Centre Carpet Tile Replacement - To Supply and Fit Axminster carpet to <ul style="list-style-type: none"> • Main Entrance • All Stairs Leading to First Floor • Ground Level Hallway • First Floor Hallway 	Braintree Town Hall centre carpet is due for replacement as the current carpet tiles are now over 20 years old and are showing signs of wear and deterioration. With the expanding business of wedding hire for both Town Hall Weddings and registry office weddings, it is important that a high standard of presentation is maintained. There are also the Health & Safety implications that an old carpet posing poses, such as a trip hazard etc.	The carpet will significantly improve the appearance of the inside of the building thereby potentially generating more income through increased booking and wedding hire.	27,000			
19	Health & Communities	Braintree Town Hall Centre - Toilet Refurbishment	Braintree Town Hall centre male and female toilets are due for refurbishment as we look to expand the business into hosting more wedding ceremonies and after drinks receptions. The project also includes upgraded water boiler as the bathroom sinks cannot maintain temperature to meet legionella Risk assessment recommendations	Improved facilities for customers.	9,800			
20	Health & Communities	Accessible Pool Pods for Braintree Swimming & Fitness and Halstead Leisure Centre -	Witham Leisure Centre has a new state of the art pool pod disability access hoist that allows access into the main pool and learner pool for wheelchair users and those with limited movement. It provides users with unaided access into either of the pool, in a dignified and appropriate manner. Currently Halstead and Braintree pools only have the traditional Oxford Dipper type of hoist which involves lifeguard resource to set up when requested and 2 person assistance to get the users into the hoist and down into the pool.	To provide wheelchair users and those with limited movement unaided access into either of the pools, in a dignified and appropriate manner.	34,300			
21	Health & Communities	Witham Sports Ground ATP Re-Surface - Replacing the current 2G ATP carpet with a like for like surface.	The ATP surface at Witham Sports Ground built in 2006 will be over 10 years old next year and past its expected life span. There have been a number of patch repairs on the carpet over the years. Some of these repairs are now becoming dangerous again especially for Hockey use. The pitch was initially funded by the Football Foundation when built and one of the conditions of this funding was that the Council will replace the surface when it required replacing.	Witham Hockey club who have both thriving adult and Junior sections can continue to host their home match fixtures and weekly training sessions at the current location, and the current adult and junior football clubs using the facility can continue to train.	150,000			
Totals					1,270,200	1,077,000	957,000	956,000

Capital Programme 2016/17 to 2020/21

Update: 6th January 2017

APPENDIX I

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Resources					
Resources Brought Forward	6,718	8,937	7,983	7,307	6,956
Capital Receipts					
Preserved Right to Buys	3,000	1,000	1,000	1,000	1,000
Vat Shelter - sharing arrangement with GCH	350	350	350	-	-
Land East of High St. Halstead		592			
Vicarage Meadow properties recoup past capital expenditure		715			
Bramston SC site (Balance)		674			
Miscellaneous receipts	209				
Repaid Home Renovation Grants	50				
Growth Area Funding	233				
Specified Grant:					
Disabled Facilities Grant	730	418	418	418	418
New Homes Bonus: Housing	94				
Reserves:					
Special Reserve	1,252				
Finance Systems Reserve	10				
Section 106 Agreements applied:	12				
Contributions Applied	105	175			
Revenue Contributions	120				
Internal Borrowing (Refuse Vehicles)	1,543				
Total Resources	14,426	12,861	9,751	8,725	8,374

Capital Programme 2016/17 to 2020/21

Update: 6th January 2017

APPENDIX I

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Expenditure					
Housing Investment					
Disabled Facility Grants	920	418	418	418	418
Social Housing	270	1,088			
Housing renovation grants	70				
General Fund					
Current Programme	3,941	958	555		
17/18 Budget Process - Bids		1,270			
Bids ongoing into future years			177	57	56
Housing - Annual Provision			500	500	500
Council assets maintenance - Annual Provision			400	400	400
Allocations & Provisions					
Growth Area Fund		114			
Community Facility in Halstead		636			
Capital Salaries	288	287	287	287	287
Capital Salaries - Proposed Project Delivery (District Investment Strategy)		107	107	107	107
Programme Total	5,489	4,878	2,444	1,769	1,768
Resources - Carried Forward	8,937	7,983	7,307	6,956	6,606

Treasury Management Strategy Statement 2017/18

1. Introduction

- 1.1. The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year.
- 1.2. The CIPFA *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) requires the Council to ensure that its capital investment plans are affordable, prudent, and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code requires that a number of indicators are approved by the Council and monitored each year.
- 1.3. In addition, the Department for Communities and Local Government (CLG) has previously issued *Guidance on Local Council Investments* that requires the Council to approve an investment strategy before the start of each financial year, and *Guidance on Minimum Revenue Provision* (MRP) which requires the Council to approve an annual MRP statement setting out its policy on the methodologies adopted for making provision for the repayment of debt.
- 1.4. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Codes and the CLG Guidance.
- 1.5. Through its treasury management activities the Council is exposed to a range of financial risks and the successful identification, monitoring and control of these risks are therefore central to the Council's treasury management strategy.
- 1.6. This TMSS is based on plans set out in the Council's *Budget and Council Tax 2017/18 and Medium-Term Financial Strategy 2017/18 to 2020/21*. At this stage the potential financing implications of the proposed North Essex Garden Communities as set out in a report to Full Council on 12 December 2016, have not been reflected in the TMSS. Any future changes required to the TMSS will be based on decisions yet to be taken by Full Council.

2. External Context

- 2.1. **Economic background:** The major external influence on the Council's treasury management strategy for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. Financial markets, wrong-footed by the referendum outcome, have since been weighed down by uncertainty over whether leaving the Union also means leaving the single market. Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over the future economic prospects will therefore remain throughout 2017/18.
- 2.2. The fall and continuing weakness in sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. The Bank of England is forecasting that Consumer Price Inflation will breach its 2% target in 2017, the first time since late 2013, but the Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy.
- 2.3. Initial post-referendum economic data showed that the feared collapse in business and consumer confidence had not immediately led to lower GDP growth. However, the prospect of leaving the single market has dented business confidence and resulted in a delay in new business investment and, unless counteracted by higher public spending or retail sales, will weaken economic growth in 2017/18.
- 2.4. Looking overseas, with the US economy and its labour market showing steady improvement, the market has priced in a high probability of the Federal Reserve increasing interest rates in December 2016. The Eurozone meanwhile has continued to struggle with very low inflation and lack of momentum in growth, and the European Central Bank has left the door open for further quantitative easing.
- 2.5. The impact of political risk on financial markets remains significant over the next year. With challenges such as immigration, the rise of populist, anti-establishment parties and negative interest rates resulting in savers being paid nothing for their frugal efforts or even penalised for them, the outcomes of Italy's referendum on its constitution (December 2016), the French presidential and general elections (April – June 2017) and the German federal elections (August – October 2017) have the potential for upsets.

- 2.6. **Credit outlook:** Markets have expressed concern over the financial viability of a number of European banks recently. Sluggish economies and continuing fines for pre-crisis behaviour have weighed on bank profits, and any future slowdown will exacerbate concerns in this regard.
- 2.7. Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Council despite returns from cash deposits continuing to fall.
- 2.8. **Interest rate forecast:** The Council's treasury adviser, Arlingclose, is forecasting a central case for the UK Bank Rate to remain at 0.25% during 2017/18. The Bank of England has, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further falls in the Bank Rate look less likely. Negative Bank Rate is currently perceived by some policymakers to be counterproductive but, although a low probability, cannot be entirely ruled out in the medium term, particularly if the UK enters recession as a result of concerns over leaving the European Union.
- 2.9. Gilt yields have risen sharply, but remain at low levels. The central forecast by Arlingclose is for yields to decline when the government triggers Article 50. Long-term economic fundamentals remain weak, and the quantitative easing (QE) stimulus provided by central banks globally has only delayed the fallout from the build-up of public and private sector debt. The Bank of England has defended QE as a monetary policy tool, and further QE in support of the UK economy in 2017/18 remains a distinct possibility, to keep long-term interest rates low.
- 2.10. A more detailed economic and interest rate forecast provided by Arlingclose is attached at **Appendix A**.

3. Local Context

- 3.1. At 31 March 2016, the Council had £10.526million of borrowing and other long-term liabilities, and £36.167million of investments (including cash and cash equivalents). This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31-Mar-16 Actual £m	31-Mar-17 Forecast £m	31-Mar-18 Forecast £m	31-Mar-19 Forecast £m	31-Mar-20 Forecast £m	31-Mar-21 Forecast £m
CFR	8.428	9.472	8.738	11.989	19.786	19.172
Less other long-term liabilities *	-4.526	-4.201	-3.861	-2.506	-2.198	-1.979
Borrowing CFR	3.902	5.271	4.877	9.483	17.588	17.193
External borrowing	-6.000	-6.000	-6.000	-10.000	-18.500	-18.500
Borrowing in excess of CFR	-2.098	-0.729	-1.123	-0.517	-0.912	-1.307
Usable reserves	-30.782	-32.035	-25.337	-23.167	-23.593	-22.991
Working capital	-3.287	-3.300	-3.535	-3.853	-4.372	-4.690
Investments	36.167	36.064	29.995	27.537	28.877	28.988

3.2. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.

3.3. The Borrowing CFR reflects the amount of capital expenditure incurred which has not been financed from capital receipts or other resources and, therefore, is an indicator of the level of borrowing required for capital purposes. The table above shows that actual borrowing is greater than the Borrowing CFR; however this difference has reduced over recent years as the Council has implemented a number of “invest to save” property acquisitions and other similar projects which has utilised cash balances held as a result of legacy borrowing.

4. Capital Expenditure and Borrowing Strategy

4.1. The Council's planned capital expenditure and financing plans are set out in the table below with further detail provided in the draft capital programme section of report on the *Council Budget and Council Tax 2017/18 and Medium-Term Financial Strategy 2017/18 to 2020/21*.

Table 2: Capital Expenditure and Financing Plans

	2016/17 Latest £m	2017/18 Forecast £m	2018/19 Forecast £m	2019/20 Forecast £m	2020/21 Forecast £m
Capital Programme	5.489	4.771	2.337	1.662	1.661
District Investment Strategy (DIS):					
Committed schemes	1.986	1.438	5.339	5.816	0.000
Pipeline schemes	1.321	5.410	5.260	4.290	1.250
Sub-total DIS	3.307	6.848	10.599	10.106	1.250
Total Expenditure	8.796	11.619	12.936	11.768	2.911
Funded by:					
Capital Receipts	(2.863)	(3.973)	(4.919)	(1.988)	(2.493)
District Investment Strategy Reserve	(2.659)	(6.648)	(1.599)	(0.862)	0.000
Better Care Funding	(0.730)	(0.418)	(0.418)	(0.418)	(0.418)
Growth Area Funding	(0.178)	(0.405)	0.000	0.000	0.000
Third Party Contributions	(0.117)	(0.175)	0.000	0.000	0.000
New Homes Bonus	(0.078)	0.000	0.000	0.000	0.000
Revenue & Reserves	(0.628)	0.000	0.000	0.000	0.000
Total Finance	(7.253)	(11.619)	(6.936)	(3.268)	(2.911)
Change in CFR	1.543	0.000	6.000	8.500	0.000

4.2. Table 2 shows the Council's capital expenditure plans for the current year and forecasts for the next four years and how this is currently proposed to be financed. Expenditure is analysed between the core capital programme and district investment strategy, the latter being further sub-divided between schemes that have received approval to proceed and those which are pipeline schemes pending further detailed consideration.

4.3. In 2016/17 expenditure is expected to exceed the financing set aside by £1.543million. This reflects a switch in the method of financing the cost of replacement refuse freighters from using finance leases (via the Riverside Truck Rental contract) to internal borrowing i.e. using the Council's cash balances currently held on deposit with banks. This change in financing results in an expected saving of around £50,000 per annum over 7 years. There is also a forecast increase in the CFR of £14.5million over the period 2018/19 and 2019/20, which is a result of the District Investment Strategy (DIS) approved by Cabinet in May 2016. The DIS is aimed at supporting the Council's strategic growth ambitions for the district through a number of infrastructure and economic projects. The DIS was approved on the basis of utilising a mixture of Council funding from balances and New Homes Bonus, as well as new borrowing. Certain projects are also expected to leverage in funding from other partners. The TMSS is drafted on the assumption that changes in CFR as a result of the DIS will be matched by an increase in borrowing; however, the source of this borrowing will be kept under review as opportunity may exist to meet this in the short-term from internal borrowing from cash balances which could be more cost effective than taking on new external debt.

4.4. The following tables set out the Prudential Indicators required to support the Council's view that its current capital expenditure plans are affordable and sustainable in terms of their impact on the revenue account and Council Tax:

Table 3: Ratio of Financing Costs to Net Revenue Stream

	2016/17 Latest	2017/18 Forecast	2018/19 Forecast	2019/20 Forecast	2020/21 Forecast
Ratio	-2.10%	-2.55%	-2.02%	-0.39%	0.44%

4.5. The above ratio identifies the trend in net financing cost (i.e. the cost of borrowing and other long term liabilities, less interest and dividend income from investments) against the Council's budget (or net revenue stream). The estimates of net financing costs include current commitments as well as potential new borrowing associated with the DIS. The table shows that whilst currently investment income more than offsets the cost of borrowing, this position will reduce over the medium term switching to a small net cost by 2020/21. This is based on the assumption that new external borrowing is drawn for the DIS. However, the above table does not take into account the revenue impact that some of the DIS projects will have in terms of generating net rental income to the Council.

4.6. Table 4 shows the incremental impact of potential capital investment on Council Tax. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the budget requirement arising from the proposed capital programme (i.e. the impact of new schemes added to the capital programme including those within the DIS).

Table 4: Incremental Impact of Capital Expenditure Plans on Council Tax

	Proposed Budget 2017/18	Forward Projection 2018/19	Forward Projection 2019/20	Forward Projection 2020/21
Incremental Impact	-£122,000	-£155,000	-£2,000	-£38,000
Band D Equivalent	-£2.39	-£2.99	-£0.03	-£0.71

4.7. The incremental impact on Council Tax takes account of any direct revenue costs that the capital projects might incur along with the opportunity cost of funding i.e. the reduction in interest income that would otherwise be obtained from investment; offset by any savings or additional income that the proposed capital projects are expected to generate.

4.8. The figures in Table 4 show a positive impact from the capital investment plans in terms of impact on council taxpayers. This benefit reduces in 2019/20 before increasing the following year, which recognises that with some of the projects under the DIS

there is likely to be some delay between the need to finance capital expenditure and completion of projects to a point where the Council starts to receive an income stream.

4.9. The Council currently holds £6 million of loans. The balance sheet forecast in Table 1 and capital expenditure plans in Table 2 shows that borrowing is currently projected to increase to £10million by 31 March 2019, increasing to £18.5million thereafter based on the current expectations for the DIS and subject to decisions around the source of borrowing, i.e. internal or external.

4.10. The Council's current borrowing is in the form of two £3 million LOBO (Lender's Option Borrower's Option) type loans where the lender has the option to propose an increase in the interest rate at set intervals that, if exercised, means the Council has the option to either accept the new rate or to repay the loan at no additional cost. The loan agreements provide for these options at six monthly intervals (March and September) providing a potential refinancing risk; however, in the current low interest rate environment it is unlikely that the lender will exercise their option. In certain circumstances the Council may be able to negotiate premature redemption terms with the lender. The Council, in conjunction with Arlingclose continues to keep this option under review but will only proceed where any exit penalty is considered fair value and leads to an overall cost saving or a reduction in risk.

4.11. The Council is required to approve limits on borrowing activity by setting two indicators:

The Authorised Limit – this is the maximum (statutory) level of external borrowing determined by the Council. A total limit of £25 million will apply for 2017/18 and each subsequent year covered by the latest Medium Term Financial Strategy (MTFS), comprising both borrowing and other long-term liabilities.

The Operational Boundary – this is the probable level of external debt during the course of a year. Actual external debt could vary above or below this boundary for short periods; therefore, it is used as a means of monitoring debt to ensure that the authorised limit is not breached. The boundary is set by reference to the estimates of capital expenditure, the Capital Financing Requirement, and cash flow requirements. An overall limit of £11million will apply for 2017/18 and 2018/19, increasing to £21million for 2019/20 and 2020/21.

5. Annual Minimum Revenue Provision Policy 2017/18

- 5.1. Where a local authority has financed capital expenditure by debt, it is required to consider what revenue resources need to be set aside to repay that debt in later years. The amount charged to the revenue budget (and hence against Council Tax) is referred to as Minimum Revenue Provision (or MRP) and it is this requirement that ensures borrowing is affordable and sustainable.
- 5.2. Statutory guidance issued by CLG requires that the Council sets an annual policy with regards to the basis on which MRP is determined. The broad aim of the Guidance is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits (or where borrowing is supported by Government funding, MRP is aligned with the period over which grant will be received). There are different methodologies for calculating MRP depending upon the circumstances and it is for each Council, in conjunction with its external auditor, to determine what MRP is prudent to make. Taking into account the CLG Guidance the following methods of providing MRP are those that will be applied by this Council:

Regulatory method – this applies Regulations to any pre-2008 capital expenditure. As the Council’s CFR on pre-2008 expenditure is negative there is no requirement for MRP to be made on this past expenditure (i.e. effectively the Council has over provided for past debt).

Asset life method – this is for new unsupported borrowing. MRP will be determined by charging the expenditure over the expected useful life of the relevant assets in equal instalments (or where appropriate on an annuity basis calculated using an annual interest rate equivalent to any related loan). MRP on purchases of freehold land will be charged over a maximum of 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over a maximum of 20 years. The Council may calculate MRP on a period shorter than the expected life of an asset where it is acquiring assets on an “invest to save” basis or other investment type arrangement and is seeking a financial return over a defined period.

Lease life method – this is for assets acquired using finance lease arrangements. MRP will match the portion of the annual lease payment used to write-down the lease liability.

Capital loans and advances – where capital loans/ advances are made to other bodies and there remains an expectation that the sums advanced are to be repaid through either a formal loan repayment agreement or a planned future sale of an asset then no MRP will be charged. Such arrangements will be kept under review and MRP may be charged where doubt is raised over repayment of all or part of the sum advanced.

5.3. Based on the Council's latest estimates of its CFR on 31 March 2017, the budget for MRP has been set as follows:

Table 5: Budget for MRP 2017/18

	31-Mar-17 Est. CFR £m	2017/18 Est. MRP £
Capital Expenditure before 01-04-2008	-1.904	-
Unsupported Capital Expenditure after 31-03-2008	6.175	379,340
Finance Leases	3.201	339,680
Loans to Other Bodies	2.000	-
Total	9.472	719,020

6. Investment Strategy

6.1. The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. Over the medium-long-term it can be assumed that provided the Council realises the savings required in its Medium Term Financial Strategy, then revenue income and expenditure will balance each other out. This means that the key drivers of future cash balances are changes in: capital and revenue reserves; working capital (i.e. amounts owed by and to the Council); and unfinanced capital expenditure (i.e. internal borrowing).

6.2. In 2015/16 the average sum invested across the year was £46million and peaked at just over £55million. In the current year the estimated average invested is currently around £53million with a peak of £60million. Looking forward, and based on the projected capital investment plans set out in Table 2 above, it is projected that the average balance for investment purposes will reduce to £45million in 2017/18 and drop in the subsequent three years to around £39million per annum. These balances are based on the assumption that new borrowing is incurred to support the DIS, whereas if internal borrowing is used instead the average

investment balance for the three years commencing 2018/19 will reduce to around £29million, with an estimated closing balance at 31 March 2021 of circa £16million.

6.2. **Objectives:** Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

6.3. **Strategy:** Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council has diversified into more secure and/or higher yielding asset classes a strategy which will be maintained in 2017/18 and into future years.

6.4. **Approved Counterparties:** The Council may invest its surplus funds with any of the counterparty types shown in the table below, subject to the cash limits (per counterparty) and the time limits shown.

Table 6: Approved Investment Counterparties and Limits

Credit Rating	Financial Institutions: Unsecured	Financial Institutions/ Securities: Secured	Government/ Local Authorities	Registered Providers e.g. Housing Associations
UK Govt./ Local Authorities			Unlimited	
A or higher	£3m 13 months	£5m 5 years		£5m 5 years
A-	£3m 6 months	£4m 2 years		
BBB+	£2m 100 days	£3m 6mths		
Unrated Building Societies	£1m 6 months			
MMFs & Pooled Funds	£5m per fund			

This table must be read in conjunction with the notes below

- 6.5. **Credit Rating:** Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.
- 6.6. **Financial Institution Unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
- 6.7. **Financial Institution Secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one financial institution will not exceed the cash limit for secured investments.
- 6.8. **UK Government/ local authorities:** Loans, bonds and bills issued or guaranteed by the UK Government or local authorities. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Deposits will be placed with the Debt Management Office where insufficient other counterparties are available and/ or for short-term cash flow purposes.
- 6.9. **Registered Providers:** Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, retain a high likelihood of receiving government support if needed.
- 6.10. **Money Market Funds (MMF) and Pooled Funds:** Shares in diversified investment vehicles consisting of different investment instruments, including equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Pooled Funds whose value changes with market prices and/or have a notice period will be used for longer investment periods. Because these funds have no

defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

6.11. Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn at short notice will be made with that organisation until the outcome of the review is announced. This policy will not apply to "negative outlooks", which indicate a long-term direction of travel rather than an imminent change of rating.

6.12. Other Information on the Security of Investments: Regard will be given to other available information on the credit quality of organisations in which the Council invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

6.5. Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local Council, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

6.6. **Non-specified Investments:** Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor currently any that are defined as capital expenditure by legislation, such as acquisition of company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are contractually due to mature 12 months or longer from the date of arrangement, or are held with the intention of being held for longer than 12 months; or investments with bodies and schemes not meeting the Council’s definition of high credit quality. Limits on non-specified investments are shown in the table below.

Table 7: Non-Specified Investment Limits

	Cash limit
Total Non-Specified Investments	£25m
Of which investments without credit ratings or rated below the Council’s definition of high credit quality is	£15m

- 6.7. **Investment Limits:** The Council's revenue reserves available to cover investment losses are forecast to average around £16million over the medium-term. On this basis the maximum that will be lent to any one organisation (other than the UK Government or other local authority) in accordance with Table 6 will represent around 30% of these reserves. A group of banks under the same ownership will be treated as a single organisation for the purpose of these limits. In addition to any sums held in accordance with the limits the Council may hold balances with Lloyds Bank Plc (Lloyds) for day-to-day banking activities. These sums will normally be no more than £1.5million, however, for practical purposes sums maybe higher for short periods to meet impending cash flow requirements. Limits also exclude the deposit with Lloyds held as a cash-backed indemnity for the Braintree Local Authority Mortgage Scheme.
- 6.8. **Liquidity Management:** The Council prepares a summarised cash flow forecast linked to its medium term financial strategy to determine the maximum period for which funds can prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to these forecasts. A detailed in-year cash flow statement is maintained to manage short-term liquidity requirements.

7. Treasury Management Indicators

- 7.1. The Council measures and manages its exposures to treasury management risks using the following indicators.
- 7.2. **Interest Rate Exposures:** This indicator is set to control the Council's exposure to interest rate risk and applies for 2017/18 and the subsequent three financial years. In determining the limits the following local circumstances have been taken into account:
- 7.3. The Council's outstanding borrowing is subject to six monthly call options when the interest rate could be varied; consequently this debt is treated as being at variable rate. The interest rate on lease finance and other long-term liabilities is set at the time of entering into the arrangement and therefore these are deemed fixed rate.
- 7.4. Investments are treated as variable where the period to maturity of an investment is up to 364 days, or have no set maturity date e.g. money market funds and pooled funds. Investments with a known maturity date greater than 364 days will be deemed fixed.
- 7.5. The following limits shall apply:

- The upper limit on exposure to fixed interest rates will be 100% for debt, and £10million for investments.
- The upper limit on exposure to variable interest rates will be 80% for debt and 100% for investments.

7.6. Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limit on the long-term principal sum invested to final maturities beyond 364 days, or where the intention is to hold the investment for more than one-year, will be £25m.

8. Other Items

8.1. Policy on Use of Financial Derivatives: Financial derivatives may be embedded into loans and investments entered into by the Council where the objective is either to reduce interest rate risk and/ or to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits).

8.2. The Council does not intend to use standalone financial derivatives (such as swaps, forwards, futures and options) unless it can be clearly demonstrated that their use reduces the overall level of financial risks and only having taken appropriate specialist advice.

8.3. Treasury Management Training: The Corporate Director (Finance) will ensure that all Members with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

8.4. Relevant Members will be involved in strategy and other meetings with the Council's external treasury advisors; and provided with information and guidance as is deemed appropriate by the Corporate Director.

8.5. Senior staff with responsibility for the treasury management function have a professional responsibility to ensure that they are aware of, and apply the Codes and Guidance covering the treasury management function. In addition, all are subject to mandatory continuing professional development requirements.

8.6. The Council's external treasury advisor provides regular training events and workshops covering a variety of treasury management and related matters which officers attend. These events also provide opportunities to network with other local authorities and share best practice.

8.7. Investment Advisers: The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues.

9. Financial Implications

9.1. The budget for investment income in 2017/18 is £773,000 (including £700,000 estimated dividend income to be received from long-term pooled fund investments). The budget for debt interest to be paid in 2017/18 is £282,000, with a further £142,000 estimated interest payable within the annual rental payment made on finance leases.

Appendix A – Arlingclose Economic & Interest Rate Forecast November 2016**Underlying assumptions:**

- The medium term outlook for the UK economy is dominated by the negotiations to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the government is able to secure with the EU and other countries.
- The global environment is also riddled with uncertainty, with repercussions for financial market volatility and long-term interest rates. Donald Trump's victory in the US general election and Brexit are symptomatic of the popular disaffection with globalisation trends. The potential rise in protectionism could dampen global growth prospects and therefore inflation. Financial market volatility will remain the norm for some time.
- However, following significant global fiscal and monetary stimulus, the short term outlook for the global economy is somewhat brighter than earlier in the year. US fiscal stimulus is also a possibility following Trump's victory.
- Recent data present a more positive picture for the post-Referendum UK economy than predicted due to continued strong household spending.
- Over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment.
- The currency-led rise in CPI inflation (currently 1.0% year/year) will continue, breaching the target in 2017, which will act to slow real growth in household spending due to a sharp decline in real wage growth.
- The depreciation in sterling will, however, assist the economy to rebalance away from spending. The negative contribution from net trade to GDP growth is likely to diminish, largely due to weaker domestic demand. Export volumes will increase marginally.
- Given the pressure on household spending and business investment, the rise in inflation is highly unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led CPI spikes to the negative effects of Brexit on economic activity and, ultimately, inflation.

- Bank of England policymakers have, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further monetary loosening looks less likely.

Forecast:

- Globally, the outlook is uncertain and risks remain weighted to the downside. The UK domestic outlook is uncertain, but likely to be weaker in the short term than previously expected.
- The likely path for Bank Rate is weighted to the downside. The Arlingclose central case is for Bank Rate to remain at 0.25%, but there is a 25% possibility of a drop to close to zero, with a very small chance of a reduction below zero.
- Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.12
Arlingclose Central Case	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Downside risk	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
3-month LIBID rate														
Upside risk	0.05	0.05	0.10	0.10	0.10	0.15	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.18
Arlingclose Central Case	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.29
Downside risk	0.20	0.25	0.25	0.25	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.34
1-yr LIBID rate														
Upside risk	0.10	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.23
Arlingclose Central Case	0.60	0.50	0.50	0.50	0.50	0.50	0.50	0.60	0.70	0.85	0.90	0.90	0.90	0.65
Downside risk	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.24
5-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	0.50	0.40	0.35	0.35	0.35	0.40	0.40	0.40	0.45	0.50	0.55	0.60	0.65	0.45
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47

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10-yr gilt yield														
Upside risk	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.15	0.95	0.85	0.85	0.85	0.85	0.85	0.90	0.95	1.00	1.05	1.10	1.15	0.96
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
20-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.70	1.50	1.40	1.40	1.40	1.40	1.40	1.45	1.50	1.55	1.60	1.65	1.70	1.75
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57
50-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.60	1.40	1.30	1.30	1.30	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.60	1.41
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57

Appendix B – Investment & Debt Portfolio Position

	31-Mar-16 Actual Portfolio £'000	30-Nov-16 Actual Portfolio £'000
External Borrowing:		
LOBO Loans from banks	(6,000)	(6,000)
Total External Borrowing	(6,000)	(6,000)
Other Long Term Liabilities:		
Finance Leases	(3,526)	(3,319)
Local Authority - Essex County Council	(1,000)	(1,000)
Total Gross External Debt	(10,526)	(10,319)
Investments:		
<i>Managed in-house</i>		
Impaired Investment	19	14
Short-term investments	12,000	20,000
Cash & cash equivalents	648	690
<i>Managed externally</i>		
Money Market Funds	11,500	14,500
Pooled Equity Funds	10,000	11,000
Property Fund	2,000	3,000
Total Investments	36,167	49,204
Net Investments	25,641	38,885

FINANCIAL LIMITS

The following Authority wide limits were approved by Council on 6th December 2010.

Revenue Virement

The levels of authorisation for budget head revenue virements are:

	Virement to be approved by:				
Financial Limits	Chief Officer (notification to Head of Finance)	Corporate Director (Finance)	Cabinet Portfolio Member	Cabinet	Council
Up to £10,000	Y	Y	Y	Y	Y
£10,001- £25,000		Y	Y	Y	Y
£25,001- £50,000			Y	Y	Y
£50,001- £100,000				Y	Y
Over £100,001					Y

Note: These limits apply to the budget head (this means CIPFA subjective budget group total e.g. employees, supplies and services, etc.), which is being increased.

In addition, virements are subject to the following requirement:-

If more than one virement action is required on a single budget head in a financial year, then the accrued value of such virement action shall be in line with the level of authorisation as detailed above.

The exceptions to the above framework are that:

- a) Virement is not permitted in relation to capital finance charges on service committees or where a proposal would adversely affect the long term revenue commitments of the Council.

- b) The Cabinet approval is not required when the virement is between an income head and an expenditure head which are directly related and is approved by the Corporate Director (Finance).
- c) These virement rules are not applicable between the General and Housing Revenue Funds or between the revenue accounts and the capital programme.

An approved income/expenditure head will be defined each year as part of the budget approval.

Capital Virement

The levels of authorisation for virement of capital programme provision are:

	Virement to be approved by:			
Current Limits	Corporate Director (Finance)	Cabinet Portfolio Member	Cabinet	Council
Up to £50,000	Y	Y	Y	Y
£50,001 to £100,000		Y	Y	Y
£100,001 to £250,000			Y	Y
Over £250,001				Y

Note: The limits apply to the programme head being increased.

Debts and Stock Write-offs

Chief Officers shall submit a request to write off a debt and materials surplus to a department's requirements, subject to the limits and approvals prescribed below. The Corporate Director (Finance) shall issue procedures for the authorisation and recording of the debts to be written off.

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	Write off	to be	approved	by:
Current Limits	Corporate Director (Finance)	Cabinet Portfolio Member	Cabinet	Council
Up to £25,000	Y	Y	Y	Y
£25,001 to £50,000		Y	Y	Y
£50,001 to £100,000			Y	Y
Over £100,001				Y

The exception to the above framework is that:

The Corporate Director (Finance) has delegated authority to write off debts for reason of bankruptcy, insolvency and ceased trading without limit.

Robustness of the Proposed 2017/18 Estimates and Adequacy of the Level of Reserves

1. Introduction

Under Section 25 of the Local Government Act 2003 the Council's Chief Financial Officer is required to report to the Council on:

- The robustness of the estimates made for the purposes of the budget requirement calculations, and
- The adequacy of the proposed financial reserves

The Council must have regard to this report when making decisions on the budget requirement calculations.

In addition, Sections 32 and 43 of the Local Government Finance Act 1992 also require authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the net budget requirement.

2. Robustness of the Proposed Budgets

The proposed budgets have been subjected to detailed review, both at officer and Member level. Allowance has been made for any known additional demands, including provision for a 1% pay award agreed by the Employers Organisation and trade unions as the second year of the two-year settlement from 1st April 2016. In addition, incremental progression has also been provided, where appropriate. Estimates have been made for inflationary factors across the services, including business rates, insurances and interest rates payable and receivable, as detailed in the Medium Term Financial Strategy. Pension liabilities have been updated following receipt of the results of the Triennial Review of the Essex Pension Fund. Where planned savings for 2017/18 and future years had previously been identified these have been reviewed and adjustments made where necessary. Allowance has been made for £55,000 of budget reductions and £676,520 of increased income following the detailed budget review process. Other provisions for increased costs or reduced income have been made where these are considered unavoidable or reflect past experience. Taking all these factors into consideration, together with the level of unallocated reserves, the budgets proposed are considered robust.

However, the preparation of any budget for the future inevitably involves assumptions that may prove to be inaccurate. The potential risks are further detailed in this report when considering the adequacy of reserves.

3. Risk Management

Risk Registers are in operation, providing details of operational and strategic risks identified. For each risk identified there is: an assessment of likelihood of occurrence and impact; control measures in place; control measures proposed with timescale for implementation and accountability.

Strategic Risks have been identified by Management Board and validated by the Cabinet. The risks are reviewed twice per year to ensure that they remain current and that those with a high risk rating are being actively managed.

Identification and management of risks form an integral part of the business planning process with details of operational risks being identified and included in all business plans.

Reports to Committees include, where appropriate, an assessment and consideration of risks involved.

4. Adequacy of Reserves and Balances

Reserves can be held for three main purposes:-

- A working balance to help cushion the impact of uneven cash flow and avoid unnecessary temporary borrowing
- A contingency to cushion the impact of unexpected events or emergencies
- Earmarked reserves to meet known or predicted liabilities

The Medium Term Financial Strategy currently recommends that General Fund unallocated balances should not fall below £1.5million.

The unallocated General Fund balance as at 31st March 2016 was £8.421million. The budget for 2016/17 was based on an addition to balances of £526,000. The current projection of net expenditure in 2016/17 as reported in the Performance Monitor for Quarter 2 shows an expected increase in balances of £303,000. During the year the Council agreed to earmark £5million of the unallocated balance to part fund the District Investment Strategy and also to utilise £2.822million enabling the payment of the pension deficit for the three years, 2017/18 to 2019/20, in a single payment on 1st April 2017. Taking the above into account this will provide an unallocated balance of approximately £1.456million by the end of this year.

The proposed budget for 2017/18 provides for an addition to balances of £179,125, a result of actions that the Council has taken to help address the predicted revenue budget shortfalls over the medium-term.

In order to assess the adequacy of unallocated balances when setting the budget, the Council needs to take account of the strategic, operational and functional risks facing the Council.

There is little guidance on what is considered to be an adequate level of balances, but the Chartered Institute of Public Finance Accountancy (CIPFA) states the following factors should be taken into account, when considering the overall level of reserves.

- Assumptions regarding inflation and interest rates
- Estimates of the level and timing of capital resources
- Treatment of demand led pressures
- Treatment of savings
- Risks inherent in any new partnerships and major capital developments
- Availability of other funds
- Financial standing of the Council (i.e. level of borrowing, debt outstanding)
- Track record in budget management
- Capacity to manage in year budget pressures
- Virement and year end procedures in relation to under and overspends
- The adequacy of insurance arrangements

Comments on each of these are detailed below:

5. Treatment of Inflation and Interest Rates

The budget provides for the pay settlement, of 1% per annum, for 2017/18. Allowances for contractual inflation, business rate increases and inflation on specific budget heads have been made on the basis of consumer price indices increases and, where relevant, the advice of the Council's energy management advisors.

Changes to the levels of some of the Council's discretionary fees and charges are proposed following review. For some services no increase is proposed as the charge levels had been subject to a full review and increases implemented in previous

years. These service areas include car parks and land charges. The level of charges for the community transport service will be considered as part of an overall review of the service which will be reported to Members once the outcome of Essex CC's review of its funding of the service is known. For some services the charge levels are being changed to reflect recovery of the cost of provision and others are to be increased in line with a forecast rate of increase in the Retail Price Index for 2017/18 of 2.5%.

Strategic investments totalling £14 million in a combination of equity and property Pooled Funds is estimated to yield an average return over the long-term of around 5% or £700,000 per annum, albeit returns (as well as market valuations) on these funds are likely to be more volatile over the short-term. The residual balance of cash for investment will comprise capital and revenue reserves earmarked for spending in the short-medium term, and in-year cash flows. Under the current interest rate environment these funds are estimated to yield a return of around 0.5% or £77,500 per annum as these funds will be concentrated in investments of relatively short periods, for example, call accounts, money market funds, and held with own bank. The overall return expected on investments can be volatile due to both changes in financial markets but also variations in the level of cash balances from that anticipated. The Treasury Management earmarked reserve, however, provides a means of managing some of this volatility over the medium-term and retain some budget stability. The estimated balance on the reserve as at 31st March 2017 is £451,571.

6. Estimates of the Level and Timing of Capital Resources

The capital programme anticipates significant capital receipts from the disposal of surplus assets, share of Right to Buy sale income and a share of VAT recovered by Greenfields Community Housing (GCH). Each of these is subject to possible variation to either the estimated amount and/or timing of the receipt. It is anticipated that the VAT sharing arrangement will reduce over the next two years and cease after 2018/19 as GCH anticipates that the relevant works outstanding to its housing stock will have been completed.

A negative variation from or a delay in the estimated sum receivable would not impact on the programme for 2017/18 due to capital receipts in hand and the levels of the Special Capital Reserve. However, a reduction of the estimated receipts, if significant, would have an impact on the resources available for the programme in later years. In this instance, action would involve a review of the future programme and possible alternative funding options.

Significant capital receipts are anticipated from the sales of: land assembled for development to the east of High Street, Halstead and the former Bramston Sports Centre site in 2017/18.

Capital resources also include Central Government grants: Growth Area Fund and New Homes Bonus. There is no issue over the timing of receipt of these grants as the Growth Area Fund has already been received in full and the allocation for 2017/18 of New Homes Bonus is to be paid by regular monthly instalment during the year. The majority of the New Homes Bonus received up to 31st March 2017 has been allocated to part fund the District Investment Strategy with a small element allocated as a contribution toward costs of the local plan, economic development and project management. The Government has made changes to the New Homes Bonus scheme for 2017/18 onwards which will reduce the amount that local authorities will receive. The impact of the change is limited for the Council as its financial plans do not anticipate future receipts of New Homes Bonus.

Capital resources and spend is monitored with reports; monthly to service managers; quarterly to Management Board and the Cabinet; and to the Cabinet Member for Efficiency and Resources, as necessary.

7. Treatment of Demand Led Pressures

Estimates are based on the latest budgetary information available, with changes made to the base estimates carried forward from 2016/17 as appropriate.

Housing Benefit costs represent a significant amount of demand led cost, albeit substantially funded from government subsidy. The costs and anticipated subsidy are monitored closely during the year.

The Local Council Tax Support scheme for 2017/18 was agreed by Full Council on 12th December 2016. No changes were made to the scheme from that operating in 2016/17. The scheme is based on working age claimants paying a minimum amount of council tax of 24%. The amount of support awarded to-date in the current year is approximately £170,000 less than budgeted. This lower level of support awarded, and the changes approved to the scheme have been used in the calculation of the Council Taxbase for 2017/18. The amount of support awarded will be regularly monitored and if the level exceeds estimate then consideration will be given to changing the scheme criteria for 2018/19.

Business rates – the provision made for a reduction in the amount of business rates collectable as a result of successful appeals has been partly utilised as a number of appeals lodged by doctor's surgeries and other medical centres against the Council's Valuation List have been determined in their favour by the Valuation Office Agency (VOA). The provision includes an allowance for refunds of previous years' business rates, as appropriate, as the appeals will be against the 2010 Valuation List. An increase in provision is included in the estimate of business rates for 2017/18 on the basis that appeals already lodged will

carry over into the 2017/18 year before resolution by the VOA and also for anticipated appeals against the new Rating List following the 2017 Revaluation which is effective from 1st April 2017. Information is received from the VOA on a monthly basis of the appeals received, decisions made and appeals outstanding. This information is used in the monitoring of business rates income and ultimately the amount of business rates retained by the Council.

The Council has once again agreed to participate, with ten other Essex authorities, in an Essex Business Rates Pool for 2017/18. This will enable growth in business rates to be retained by the Essex authorities, rather than be paid to the Government. Based on initial estimates the Council's share could be around £360,000, however, as the amount will not be finalised, until after the year-end position for the Pool has been determined, no estimated share has been included in the Financial Profile.

8. Treatment of Planned Efficiency Savings

All posts included in the Council's staffing establishment are budgeted for; however, historically a financial allowance has been made to recognise staff turnover, vacancies and other staffing efficiencies. For 2016/17 the allowance, to be achieved during the course of the year, was reduced to £150,000. This level has been retained for 2017/18 and the position will continue to be closely monitored and reported to Members in the quarterly performance monitor report.

A procurement savings target, to be achieved through rebates received from the use of the Hub's framework agreements, is included within the financial arrangements for the Essex Procurement Hub: which the Council runs on behalf of six Essex district councils. The use of the Hub's frameworks is demand led and whilst the amount of rebates in recent years has exceeded target it is expected that the target will not be achieved in 2016/17. As a means of balancing variations against target over the medium-term and therefore retain budget stability, the amounts achieved in excess of the target in previous years have been held in a Procurement reserve. This will be used to meet the shortfall in 2016/17 and leaves an estimated balance on the reserve as at 31st March 2017 of £101,006.

The MTFS includes for each year a schedule of planned savings and efficiencies. The delivery of the plans is monitored by means of the quarterly performance report to Members.

9. Risks Inherent in Partnership Arrangements, Capital Developments, etc.

The Council entered into a partnership arrangement with Fusion for leisure management in September 2012. The Council is to receive a net income per annum under the leisure management contract. The payment has been averaged across the term of the contract. The Council has funded the investment in the gymnasiums at Braintree Leisure Centre and Braintree Swimming Pool in return for a higher income stream from Fusion. The payments from Fusion are provided in the financial profile.

The Council's partnership with Capita for ICT services ceases on 31st March 2017. The service is to be brought in-house with effect from 1st April 2017. This is planned to be achieved within the current budget provided.

The Council receives significant financial contributions, over £2.0million per annum, from Essex County Council (ECC), mainly in respect of Waste Management but also a council tax sharing arrangement and for the Community Transport service. The current agreements for Community Transport and Council Tax sharing cease on 31st March 2017 and 31st March 2018 respectively. The two councils work closely together and any proposed changes to the level of contributions are normally discussed and agreed in advance.

The Council has agreed an ambitious District Investment Strategy which is to be delivered over the next few years. This includes a redevelopment project in Braintree town centre, property purchase for health centre, land purchase for employment investment, and A120 access improvements. Funding of £28million has been identified, of which £13.5million is backed by cash (New Homes Bonus and unallocated Balance) and £14.5million is to be borrowed.

ECC has indicated that it will no longer require all of the space it currently rents at Causeway House. The Council will seek a new tenant to rent the space as quickly as possible in order to minimise the potential costs associated with any vacant period. No budget provision has been provided for this at this time.

In addition the proposed Capital Programme provides for a number of projects including provision for affordable housing, disabled facility grants, works to a number of council owned properties and land, telephone system upgrade and the replacement of the All Weather pitch at Witham Sports Ground. Financing of these is mainly from capital receipts, as previously discussed.

The Council is currently working on two projects which would have significant cost and reward should either or both be agreed and undertaken:

The first is the Council is working together with Colchester BC, Tendring DC and Essex CC on the North Essex Garden Communities project. On 29th November 2016 the Cabinet considered a report which set out the mechanisms that would be needed should the Garden Communities developments be agreed and proposals whereby the Councils could take a much more direct approach to ensuring that the proposed Garden Communities are delivered and that they met the high standards expected of them. Based on the financial modelling undertaken to date, and assuming the participating local authorities are the only funders, this commitment of the Council would cover a potential peak debt requirement of up to £145million across the two garden communities and overall financing requirement for a period of around 50 years. It will be open for the Council to consider a range of funding sources for its share of the funding commitment, which could include prudential borrowing. This will be subject to a detailed decision of the Council at the relevant time.

The second is the Council has allocated resources to develop a full business case relating to the establishment of a Housing Development Company (HDC). Initial indications suggest that the potential HDC programme would require funding of approximately £25million to £30million, together with the transfer of Council-owned land. It is expected that the business plan will propose that the Council on-lend to the HDC at a market interest rate, generating a return on financing.

The financial implications including borrowing requirements for these projects will be based on decisions yet to be taken by Full Council.

The revenue account takes account of the consequential impact of the use of capital receipts.

10. Availability of Other Funds

In addition to unallocated balances and capital receipts, the Council has a number of earmarked reserves set up for a number of reasons:

- To provide a source of capital funding;
- To manage risks;
- To provide medium term financial stability;
- To provide funds for efficiency reviews and “invest to save” schemes; and

- To fund service improvements without ongoing base budget implications.

Details of the balances and expected movements are shown in Section 18 of the main report.

11. Overall Financial Standing (Borrowing, Debt and Collection Rates)

The Council's external debt consists of two loans totalling £6million at 31st March 2017. The average rate of interest payable on the debt is 4.7% for 2017/18. Variation of the rate of interest rests with the Lender. If the Lender requests an increase in the rate the Council can refuse and repay the loans. The Council can seek to negotiate repayment with the Lender. With interest rates expected to remain low for the foreseeable future it is unlikely that the lender will exercise their option. As such the Council agreed and entered into a variety of investment opportunities to achieve improved returns which will be used to offset the interest payable on the loans. The budgets of the income generated from the investments are shown net of the annual repayment of the principal sum used to finance the schemes.

The amount available for investment fluctuates during the course of the year, such that the Council's average investments are expected to be in excess of £45million during 2017/18; with investments at the beginning and end of the year being around £36million. Current projections show that the level of investments is expected to reduce after March 2017 and March 2018 but then remain fairly consistent thereafter over the medium-term. However, this forecast is subject to a high degree of fluctuation as they depend on a complex mix of revenue and capital cash flows and levels of related balances and reserves. A total of £14 million has been invested in Pooled Funds. The balance of monies available for investment will be placed for relatively short periods in call accounts, money market funds or deposited with Lloyds Bank, the Council's banking services provider.

The Council Taxbase for 2016/17 was calculated with the allowance for variation set at 1.0% which allowed for a number of changes including the Local Council Tax Support scheme, cessation of discounts on empty dwellings and the cessation of the discount for second homes. The estimated balance on the Council Tax Collection Fund as at 31st March 2017 is a positive balance of £1,502,454. This balance is to be returned to council taxpayers in 2017/18. After review it is considered appropriate to maintain the Council Taxbase allowance for 2017/18 at 1%.

The In-Year collection rates of Council Tax and Business Rates are expected to achieve the target for 2016/17 of 98% and 98.5%, respectively. Current year performance of both income sources is monitored and reported to the Cabinet member for Performance and Efficiency on a monthly basis, Cabinet on a quarterly basis in the Performance monitoring report and to each meeting of the Governance Committee.

The collection of ground rents, leases, charges for services and housing benefit overpayments and other debts has improved in recent years as action has been taken to target recovery of longer term debts and prompt attention given to new debt raised. The balance outstanding on housing benefit overpayments has plateaued over the last year. A member of the Recovery team continues to focus on the recovery of this debt type. The level of debts outstanding is reported at each meeting of the Governance Committee.

The Financial Profile includes the provisional allocations of Revenue Support Grant and Business Rates Baseline for the two years, 2018/19 and 2019/20; however, the Government is to introduce a change to the funding arrangements of local government for 2020/21 onwards. This proposes that 100% of business rates will be retained by local government. The details of the new arrangements, how this will be shared and whether new responsibilities are imposed on local authorities, are yet to be agreed and whilst an estimate is provided in the Financial Profile this introduces a higher degree of uncertainty in that year. The position will be kept under review and will be updated as the new arrangements are determined.

12. Track Record in Budget Management

The Council has consistently been commended by the external auditor for its sound financial management. The Annual Audit Letter for 2015/16 from Ernst & Young, the External Auditor, records that unqualified opinions were issued for both the financial statements and the value for money conclusions.

For many years the year-end outturn has been within approved budget levels. Expenditure budgets have generally been on target and whilst in the past some income budgets, particularly those demand led services, have proved difficult to achieve, more recently with the improving economic climate the Council has seen an upturn in a number of its major income streams. However, budgets continue to be closely monitored, with remedial action taken as appropriate, during the year and any ongoing impact, positive or negative, is taken into account when planning for the following year's budgets.

13. Capacity to Manage In-year Budget Pressures

All budgets are profiled across the year and budgetary information is supplied to managers seven working days after the end of the month. Full monitoring reports are produced each quarter with projected outturns. Where necessary the Council has shown in the past that it can apply appropriate controls on discretionary spending where in-year projections have forecast a shortfall to bring about corrective action on the budget.

14. Virement and Year End Procedures in Relation to Under and Overspends

The virement procedure, was reviewed and updated in December 2010, is detailed in the Constitution. A procedure of carrying forward underspends is in place, but only if there is a specific proposal and date for the delayed spend. Other underspends are added to balances. Overspends will be met from balances with reasons for the over spends being reported to the Cabinet. Following the determination of the financial outturn for a year, the current year's budgets are reviewed to assess whether any variances in the previous year's outturn are ongoing and will impact on those budgets. Budget adjustments are also made in year, as necessary, as a result of the quarterly financial monitoring reports.

15. Adequacy of Insurance Arrangements

All major identified risks are covered by insurance and minor risks could be met from the Insurance Fund. The level of cover is reviewed annually.

The Council arranged specific insurance following the housing stock transfer to cover risks associated with property title/ land searches and environmental pollution in relation to the land and property subject to the transfer.