



# Agenda

## Ordinary Council

Wednesday, 24 February 2021 at 7.00 pm  
Remote Meeting Via Microsoft Teams

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### Membership (Quorum – 10)

Cllrs Ms Sanders (Deputy Mayor), Aspinell, Barrett, Dr Barrett, Bridge, Chilvers, Clarke, J Cloke, S Cloke, Mrs Davies, Mrs Fulcher, Fryd, Haigh, Hirst, Mrs Hones, Hossack, Jakobsson, Keeble, Kendall, Laplain, Lewis, McCheyne, McLaren, Mrs McKinlay, Morrissey, Mynott, Naylor, Nolan, Parker, Mrs Pearson, Poppy, Mrs Pound, Reed, Tanner, Tierney and Tumbridge

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### Agenda

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#### Live broadcast

[Live broadcast to start at 7pm and available for repeat viewing](#)

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- |    |   |           |         |
|----|---|-----------|---------|
| 1. | <b>To appoint a Member to preside at the meeting if the Mayor nor the Deputy Mayor are present and able to preside</b>  |           |         |
| 2. | <b>Apologies for Absence</b>  |           |         |
| 3. | <b>Declarations of Interest</b>   |           |         |
| 4. | <b>Budget 2021/22 and Council Tax 2021/22</b>   | All Wards | 5 - 210 |
| 5. | <b>Urgent Business</b><br>An item of business may only be considered where the Chair is of the opinion that, by reason of special circumstances, which shall be specified in the Minutes, the item should be considered as a matter of urgency. |           |         |

A handwritten signature in black ink, appearing to read 'Jonathan Stephenson', with a long horizontal line extending to the right.

Jonathan Stephenson  
Chief Executive

Town Hall  
Brentwood, Essex  
09.02.2021

## Information for Members

Please note the changes in blue apply to remote meetings

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### Introduction

The Government has enacted The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 no 392 (the Regulations) which came into force on the 4 April 2020 and will remain in force until the 7 May 2021.

The Council will hold Committee meetings remotely and enable the public to participate by streaming those meetings that are open to the public.

Only those Committee meetings where the public have a right to speak will the facility be available to enable them to participate where the technology is not available for them to exercise this right then their participation will be by written communication read out at the remote meeting.

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### Substitutes

The names of substitutes shall be announced at the start of the meeting by the Chair and the substitution shall cease at the end of the meeting.

Where substitution is permitted, substitutes for quasi judicial/regulatory committees must be drawn from Members who have received training in quasi- judicial/regulatory decision making. If a casual vacancy occurs on a quasi judicial/regulatory committee it will not be filled until the nominated member has been trained.

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### Rights to Attend and Speak

Any member may remotely attend any Committee to which these rules apply.

Any Members may attend any Committee to which these procedure rules apply.

A Member who is not a member of the Committee may speak at the meeting. The Member may speak at the Chair's discretion, it being the expectation that a Member will be allowed to speak on a ward matter.

Members requiring further information, or with specific questions, are asked to raise these with the appropriate officer at least two working days before the meeting.

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### Point of Order/ Personal explanation/ Point of Information

#### Point of Order


A member may raise a point of order at any time. The Mayor will hear them immediately. A point of order may only relate to an alleged breach of these Procedure Rules or the law. The Member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Mayor on the point of order will be final.

#### Personal Explanation


A member may make a personal explanation at any time. A personal explanation must relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate, or outside of the meeting. The ruling of the Mayor on the admissibility of a personal explanation will be final.

#### Point of Information or clarification

A point of information or clarification must relate to the matter being debated. If a Member wishes to raise a point of information, he/she must first seek the permission of the Mayor. The Member must specify the nature of the information he/she wishes to provide and its importance to the current debate, If the Mayor gives his/her permission, the Member will give the additional information succinctly. Points of Information or clarification should be used in exceptional circumstances and should not be used to interrupt other speakers or to make a further speech when he/she has already spoken during the debate. The ruling of the Mayor on the admissibility of a point of information or clarification will be final.

 **Access to Information and Meetings**

You have the right to **remotely** attend all meetings of the Council and Committees. You also have the right to see the agenda, which will be published no later than 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at [www.brentwood.gov.uk](http://www.brentwood.gov.uk).

 **Guidelines on filming, photography, recording and use of social media at council and committee meetings**

**The Council will be holding remote Committee meetings and will make these accessible to the public remotely by being recorded and streamed. Whilst the Regulations apply the following paragraphs will not apply to the meetings of the Council.**


The council welcomes the filming, photography, recording and use of social media at council and committee meetings as a means of reporting on its proceedings because it helps to make the council more transparent and accountable to its local communities.

Where members of the public use a laptop, tablet device, smart phone or similar devices to make recordings, these devices must be set to 'silent' mode to avoid interrupting proceedings of the council or committee.

If you wish to record the proceedings of a meeting and have any special requirements or are intending to bring in large equipment then please contact the Communications Team before the meeting.

The use of flash photography or additional lighting may be allowed provided it has been discussed prior to the meeting and agreement reached to ensure that it will not disrupt proceedings.

The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of these activities, in their opinion, are disrupting proceedings at the meeting.

 **Private Session**

Occasionally meetings will need to discuss some of its business in private. This can only happen on a limited range of issues, which are set by law. When a Committee does so, you will be asked to leave the meeting.

**The Chair or Clerk to the Committee will disconnect all persons who should leave the meeting prior to continuing there will be a short break to ensure that this has happened.**

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  **Access**

**The Council will provide remote access for public participation by the meeting be accessible.**

There is wheelchair access to the meeting venue from the Main Entrance. If you do wish to attend this meeting, please contact the clerk should you have specific accessibility needs. There is an induction loop in the meeting room.

 **Evacuation Procedures**

**This procedure does not apply whilst using remote meetings**

Evacuate the building using the nearest available exit and congregate at the assembly point in the Car Park.

# Agenda Item 4

<b>Committee(s):</b> Ordinary Council	<b>Date:</b> 24 <sup>th</sup> February 2021
<b>Subject:</b> Budget 2021/22 and Council Tax 2021/22	<b>Wards Affected:</b> All
<b>Report of:</b> Jacqueline Van Mellaerts, Corporate Director of Finance & Resources	<b>Public</b>
<b>Report Author/s:</b> Name: Phoebe Barnes Corporate Finance Manager Telephone: 01277 312500 E-mail: phoebe.barnes@brentwood.gov.uk  Name: Jacqueline Van Mellaerts Corporate Director of Finance & Resources Telephone: 01277 312500 E-mail: Jacqueline.vanmellaerts@brentwood.gov.uk	<b>For Decision</b>

## Summary

This report sets out all the relevant information needed by the Council to set the budget for the Borough.

The budget was considered by the Policy, Resources & Economic Development Committee on 3<sup>rd</sup> February 2021 and has been recommended to Ordinary Council for consideration and approval.

The fundamental principles of the Council's MTFs are to:

- (i) Maintain a sustainable financial position against a background of unprecedented financial uncertainty and reduced government funding, including the delivery of efficiency targets.
- (ii) Support the vision of our Borough through appropriate identification of resources required to deliver the key priorities outlined in the Corporate Strategy.
- (iii) Maximise opportunities and mitigate risks associated with the fundamental change to the way in which local government is financed.

This report considers:

- (i) The General Fund budget proposals for 2021/22 to 2023/24.
- (ii) The Council Tax Requirement for 2021/22
- (iii) The Housing Revenue Account (HRA) budget proposals for 2021/22 onwards.

- (iv) The Capital and Investment Strategy for 2021/22 including the Councils capital Programme 2021/22 to 2023/24
- (v) Fees & Charges
- (vi) Pay Policy Statement
- (vii) Section 151 Officers Assurance Statement.
- (viii) Council Tax Resolution 2021-22

The figures presented summarise the detailed service budgets, together with known adjustments including the impact of the central government grant funding.

The key elements of the proposed budget are:

#### General Fund

- 1) To reduce the previously forecasted General Fund budget gap of £1m to 2022/23 and increase working balances to sustainable levels above the minimum level of reserves.
- 2) 0% increase in Council Tax for 2021/22 for Brentwood Council services.
- 3) Increasing Earmarked Reserves to set aside appropriate balances to mitigate future financial risk.
- 4) Future uncertainty of Local Government Financing.

#### Housing Revenue Account

- 1) For 2021/22 a budget that delivers a small surplus of £434k.
- 2) Increase in rents of CPI plus 1% per annum; equating to 1.5%.
- 3) Continued investment in the delivery of Decent Homes and Development of Housing within the Borough.
- 4) Significant investment in the Strategic Housing Delivery Program ensuring the 30 year business plan is sustainable.

#### Capital

- 1) Total capital investment of £8.5 million in 2021/22
- 2) Subsequent investment of £2.4 million pa from 2022 to 2024.

### Recommendation(s)

**Members are asked to**

- R1. Approve the General Fund Budget and Medium-Term Financial Strategy as set out in Appendix A.**
- R2. Approve that there is no increase to Council Tax for 2021/22 and that the charge for Band D property remains at £193.63. The complete Council Tax Bandings (Brentwood Council Only) are included in Appendix A (Table 9), Page 24 of the Appendix.**
- R3. Approve the HRA budget 2021/22 including the 30-year HRA Business Plan within Appendix B (Table 6 and Table 11), Page 14 and Page 23 of Appendix B.**
- R4. Approve an increase to rents for 2021/22 by CPI plus 1%, a total of 1.5%.**
- R5. Approve the Capital and Investment Strategy in Appendix C including the Capital Programme (Table 4 & 5) pages, 16&17 of Appendix C.**
- R6. Approve the Fees & Charges Schedule in Appendix D.**
- R7. Approve the Pay Policy Statement in Appendix E.**
- R8. To note and approve the Section 151 Officers Assurance Statement in Appendix F.**
- R9. The formal resolutions to set the Council Tax level for 2021/22 be made as set out in Appendix H (page 4 to 8) are approved.**
- R10. Delegated authority is given to the Section 151 Officer to set the overall Council tax level for 2021/22 should there be any changes that effect Table 2, 3, 6 & Table 7 in Appendix H, once all formal precept demands have been received from all authorities.**

## Main Report

### **Introduction and Background**

1. Appendix A sets out the full detail on all relevant considerations in setting the budget and Council Tax for 2021/22. Key issues have been summarised in this report by way of background.

### Financial Implication of the Pandemic

2. During the past year, the COVID pandemic has had a significant financial impact on the council in its role as community leader.
3. This has included the direct costs of managing COVID 19 activities, supporting businesses and protecting the vulnerable. This is in respect of a wide range of areas, particularly building and co-ordination of the community and business support response, payment of grants and business reliefs, supporting testing and vaccinations, and encouraging the adoption of the Government's COVID 19 guidelines.
4. In accordance with COVID restrictions, the council has suspended a number of revenue generating services mainly including leisure facilities. It has also experienced material contraction in other income streams as the community has adapted to new working practices and lockdown restrictions e.g. parking, trade waste, building control.
5. The estimated impact on the council of additional expenditure and reduced income in 2020/21 is approx. £3.4 million. To offset this, the Government has provided a total of £0.982million in grants. In addition, an income compensation scheme for lost sales and fees and charges has been put in place, which is anticipated to compensate the council for around £0.900 million in lost income.
6. Looking forward into 2021/22 and the future, there is optimism the situation will improve with the continued roll out of the vaccination programme, however, there remains significant uncertainty and ongoing financial risk.
7. The council will continue to support its residents and businesses through these challenging times, particularly the vulnerable and those in need of significant intervention to ensure they are protected. Alongside this the council is working with communities to support the pandemic recovery.
8. As part of the draft financial settlement the council has been awarded £0.309 million in additional COVID support and the Government has announced the



continuation of the income compensation scheme into the first quarter of 2021/22. The income loss is estimated to be in the region of £0.25 million.

9. In addition to this grant funding, the council is anticipating to provide a specific COVID Earmarked Reserve of £0.400 million from the 2020/21 outturn. This will be available to support other costs and income shortfalls that arise.
10. The impact of the pandemic can obviously not be accurately assessed and is dependent on many factors outside the control of the council. This will be monitored on an ongoing basis and resources may need to be re-prioritised from other service areas or additional support appropriated from reserves. Central Government has also stated it will keep the level of local authority support under review.
11. The budget has been based on the delivery of normal operations. It is unlikely that normal operations will resume fully for a considerable period of time to come. The financial pressures arising from this situation will be managed within the grants and contingencies mentioned above. Should these prove not to be sufficient it may be necessary to reprioritise the use of resources during the year.

### Government Funding

12. The financial pressures that face Local Government are well known. Despite these pressures however, the Council remains committed to both the maintenance of service delivery and continuing to improve community outcomes that enhance the quality of life for the residents of Brentwood.
13. The financial position and the Council's total Government funding is detailed within Appendix A for the General Fund, which continues to reflect the ongoing reductions and uncertainty in government support.
  - The Settlement is for a 1-year period only, leaving uncertainty around the Council's funding from 2021/22.
  - The Government's calculation on core spending power assumes councils will increase council tax by 2%. Borough Authorities are allowed to apply the higher of the referendum limit (of 2%) or £5.
  - New Homes Bonus in year allocations will have no legacy payments paid in future years, a review of this system of central allocation has been announced by Government.

## Council Tax

14. This committee is to recommend to Council to freeze the Council Tax for 2021/22 per band D property at 2020/21 levels. The Band D charge will remain at £193.63 per annum. The government has assumed in its forecast of Local Authority spending power that Council Tax will increase by 2%.
15. All precept demands have been received from the 9 parishes within the borough. Police, Fire and Crime Commissioner for Essex approved their precept on 4<sup>th</sup> February. However the Council is awaiting formal written precept notification. At the time of writing this report Essex Council and Essex PFCC Fire and Rescue Authority have not yet formally agreed their level of precept. It is therefore intended to give delegated authority to the Section 151 officer to amend the Council Tax levels set in Appendix H, should there be any changes to the precepting authorities precepts once all formal precept notifications have been received.

## General Fund

16. The continued significant reduction in Government Funding and the pressures of COVID-19 means that 2020/21 is forecasted to be in a deficit position. However, through proposed savings and Investment Targets, the Council is expected to balance its 2021/22 budget and increase surpluses to strengthen the working balance position for future years. This is outlined below in Table 1.

Table 1 – General Fund Revenue projected Working balances.

	<b>2019/20 Actual £'000</b>	<b>2020/21 Forecast £'000</b>	<b>2021/22 Budget £'000</b>	<b>2022/23 Budget £'000</b>	<b>2023/24 Budget £'000</b>
<b>Total General Fund Net Expenditure</b>	8,670	11,043	8,570	8,118	7,700
<b>Total Funding</b>	(8,670)	(10,682)	(8,810)	(8,322)	(7,846)
<b>Deficit/(Surplus)</b>	<b>0</b>	<b>361</b>	<b>(240)</b>	<b>(204)</b>	<b>(146)</b>
<b>Working Balance b/fwd</b>	<b>3,117</b>	<b>3,117</b>	<b>2,756</b>	<b>2,996</b>	<b>3,200</b>
<b>(Deficit)/Surplus</b>	0	(361)	240	204	146
<b>Working Balance c/fwd</b>	<b>3,117</b>	<b>2,756</b>	<b>2,996</b>	<b>3,200</b>	<b>3,346</b>

17. However, there is a requirement that the Council needs to continue delivering budget reductions and income generation in order to deliver a sustainable medium-term financial position.

### Investments and Saving Targets

18. In delivering the proposed budget for 2021/22 and financial forecasts, there are a number of specific strands of work that are planned to ensure the Council's resources and the services it delivers alongside the strategic view of the Council are directed in delivering and achieving the Council's Corporate Strategy. These are summarised in Appendix A (Page 14) and Appendix C.

19. As well as delivering investment, the Council has also allocated saving targets to be delivered on in order to achieve the current balance budget for 2021/22 and working balance surpluses. These are detailed with Appendix A.

### Reserves

20. Appendix A (Page 16) summarises the overall level of General Fund Reserves and reflects the realignment of reserves to meet current and anticipated investment requirements.

### Housing Revenue Account

21. Appendix B sets out the full detail on all the relevant considerations in respect of setting the HRA budget for 2021/22

22. The budget has been prepared on the basis of current levels of service of delivery but taking account of any known priorities and relevant legislation.

23. The HRA capital programme has been prepared by taking account of current known knowledge of stock condition and the asset management priorities arisen.

### Capital and Investment Strategy

24. As well as detailing the Council's capital programme this strategy (Appendix C) sets out the capital and investment arrangements for 2021/22. This strategy includes the Council's treasury management which relates to the Council's borrowing and investment activities and the effective management of these.

25. This strategy details the levels and boundaries officers must work within in delivering effective financial management of investing and borrowing for Council finances.

26. The full capital programme and detail schemes are also outlined in Appendix C.

### Fees & Charges

27. Proposed Fees and Charges have been taken to the appropriate Council Committee during the financial year 2020/21. The agreed fees and charges for 2021/22 have been collated together to form Brentwood Borough Councils Fees and Charges Schedule attached as Appendix D.

### Pay Policy

28. Section 38(1) of the Localism Act 2011 and supplementary guidance issued in February 2013 requires Local Authorities to produce a Pay Policy Statement for each financial year, which must be approved formally at Ordinary Council by the 31 March each year and must be published on the Council's website. It may be amended during the course of the financial year by further reference to Ordinary Council. The committee is asked to consider the Pay Policy Statement (Appendix E) and endorse it for Ordinary Council approval.

### **Issue, Options and Analysis of Options**

29. The Council is free to set its own Council Tax requirement, within the resources available. The Council must have regard to the robustness of the budget calculations, identified risks and the financial climate. Details on Council Tax Setting are set out in Appendix A.

30. A local referendum Members should note that excessive council tax increase will be subject to a local referendum. Any referendum would have to take place no later than the first Thursday in May. The cost of conducting the referendum and rebilling would both fall on the Council. The government has determined that for 2021/22 an increase of 2% or £5 which is higher would be excessive and require a positive vote in a referendum.

31. Each year's council Tax level forms the base for measuring future increases against any government referendum criteria. A risk of setting Council Tax too low is that it limits the level of the referendum threshold in the future years too as there is cumulative effect and the Councils ability to sustain service levels in

the future become affected. The Section 151 Assurance Statement in Appendix F addresses the robustness of the budget calculations and the adequacy of reserves.

### **Reasons for Recommendation**

32. Effective financial management underpins all of the priorities for the Council and will enable the Council to operate within a sustainable budget environment.
33. The Council is required to approve the Budget as part of the Budget and Policy Framework

### **References to Corporate Strategy**

34. The Budget is linked to achieving the current priorities in the Corporate Strategy.

### **Implications**

#### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director of Finance & Resources**

**Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk**

35. The financial implications are set out within the report and the Appendices accompanying the reports.

#### **Legal Implications**

**Name & Title: Amanda Julian Corporate Director (Law and Governance) and Monitoring Officer**

**Tel & Email: 01277 312500/amanda.julian@brentwood.gov.uk**

36. The Council is obliged by Section 151 of the Local Government Act 1972 to make proper arrangements for the management of its financial affairs. It is consistent with sound financial management and the Council's obligation under Section 151 of the Local Government Act 1972 for the Council to adopt and monitor a medium-term financial strategy. The medium-term financial strategy informs the budget process and may be viewed as a related function.
37. The report provides information about risks associated with the medium-term financial strategy and the budget. This is consistent with the Council's obligation to make proper arrangements for the management of its financial affairs. It is also consistent with the Council's obligation under the Accounts and Audit (England) Regulations 2011 to have a sound system of internal control which

facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

### **Economic Implications**

**Name/Title: Phil Drane, Corporate Director of Planning and Economy**

**Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk**

38. There are specific parts of the budget in place to enable the Council to facilitate local economic growth within the service area Economic Development. This is in line with the Council's Corporate Strategy, Brentwood 2025, which includes objectives to grow the economy. More generally, and in terms of other parts of the budget, it is important that the Council maintains a robust and resilient budget for the responsible upkeep of public services, which in turn can help contribute to a healthy borough economy.

### **Background Papers**

39. None

### **Appendices to this report**

Appendix A: General Fund Budget 2021/22

Appendix B: Housing Revenue Account Budget & 30-year Business Plan 2021/22

Appendix C: Capital and Investment Strategy 2021/22

Appendix D: Fees & Charges Schedule

Appendix E: Pay Policy Statement

Appendix F: Section 151 Officers Assurance Statement

Appendix G: Corporate Strategy Budget Summary

Appendix H: Council Tax Resolution 2021/22



**BRENTWOOD  
BOROUGH COUNCIL**

Brentwood Borough Council  
General Fund Budget  
2021/22

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# Medium Term Financial Strategy 2021/22

## Introduction

The Corporate Strategy (Brentwood 2025 Where everyone matters) requires that the Council is committed to seeking innovative financial solutions that will allow the Council to deliver a prosperous borough to its residents, businesses and visitors.

In this context the Medium-Term Financial Strategy (MTFS) seeks to:

- Maintain a sustainable financial position against a background of unprecedented financial uncertainty and reduced government funding, including the delivery of efficiency targets.
- Support the vision of our Borough through appropriate identification of resources required to deliver the key priorities outlined in the Corporate Strategy.
- Maximise opportunities and mitigate risks associated with the fundamental change to the way in which local government is financed.

This section sets out the key considerations for the MTFS together with the budget position through to 2023/24. The forecasts should be treated with caution because:

- 1) The settlement for 2021/22 is for one year only;
- 2) A formal review of the New Homes Bonus scheme was scheduled for Spring 2020 but has been postponed due to the pandemic. The budget and financial forecast assume continuation of the current scheme.
- 3) In April, the Secretary of State announced that the increased share of business rates locally (from 50% to 75%) would not now be introduced in 2021/22. No alternative date was indicated and no further information has been provided at this stage. The structure of the 75% proposals is still at an early development stage only.
- 4) The announcement postponed the Fair Funding Review to a date unknown. Baseline funding, i.e. the shares of funding for local government between tiers and between individual authorities, is assumed therefore to remain in real terms at the levels set in 2013/14.
- 5) The baseline for business rates retention was due to be reset for all authorities in 2020/21. In November, the Spending Review confirmed that this is to be deferred. The draft budget and financial forecast therefore assumes a continuation of the present baselines and full retention of local shares of growth, but there is still no certainty for any year beyond 2021/22.
- 6) The business rate multiplier would be frozen in 2021/22. It is unlikely that any other significant changes will take place until 2022/23 or later.
- 7) In response to Covid-19, the existing scheme of retail discounts was considerably expanded, removing rate liability altogether for the whole of 2020/21 for most retail, hospitality and leisure businesses, for nursery schools and for certain other ratepayers. All these concessions, including most non-Covid-19 reliefs, are due to expire in March 2021 and have been forecasted on that basis.

- 8) In July 2020, the Government announced that the 2017 Rating List will be revalued with effect from April 2023 based on a formal review of market conditions (rent levels, etc.) prevailing in April 2021, assuming a recovery by then from the influence of Covid-19. No allowance has been made in the forecast for any change in local business rates income from 2023/24.
- 9) There is continued uncertainty over the financial impact of the pandemic on the council. The budget has been prepared on the basis of normal business and issues will therefore be dealt with as they arise during the year.

Taking the above into consideration, the assumptions used to forecast future income and expenditure are prudent and realistic.

The continued significant reduction in Government Funding and the pressures of COVID-19 means that 2020/21 is forecasted to be in a deficit position in 2020/21. However through proposed savings and Investment Targets, the MTFs is expected to balance its 2021/22 budget and increase surpluses to strengthen the working balance position for future years. This is outlined below.

Table 1 – General Fund Summary

	2019/20 Actual £'000	2020/21 Forecast £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000
<b>Total General Fund Net Expenditure</b>	<b>8,670</b>	<b>11,043</b>	<b>8,570</b>	<b>8,118</b>	<b>7,700</b>
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## Outturn 2020/21

The Medium Term Financial Forecast reflects the latest outturn projections regarding the delivery of the 2020/21 budget.

The outturn for 2020/21 is dominated by the impact of the pandemic on the council's financial position. The estimated impact on the council of additional expenditure and reduced income in 2020/21 is approx. £3.4 million. To offset this, the Government has provided a total of £0.982 million in grants. In addition, an income compensation scheme for lost sales and fees and charges has been put in place, which is anticipated to compensate the council for around £0.9 million in lost income.

Overall, within expenditure there is a significant underspend within the establishment, this is offset with the increased costs of project management support required. The decision to not take out planned long term borrowing at PWLB rates, has created a saving within the Council's expenditure, due to the surplus cash within local government. However, this is a short-term fix and the borrowing requirement is still required therefore the financial impact has been delayed into future financial years. Due to these underspends the Council is expecting to breakeven for 2020/21.

However, the Council is expecting to contribute towards earmarked reserves to mitigate future financial risks of the pandemic for 2021/22 and any pressures that may arise in conjunction with providing leisure facilities at the Brentwood Centre.

Taking all this together means that the council is currently forecasting a deficit of £361k in 2020/21.

## Medium Term Financial Strategy Assumptions

The key elements of the forecast are explained in detail as follows:

- Revenue Budget on page 11
- Capital and Investment Strategy (Separate Appendix)

The following key areas support delivery of the MTFs and have been considered during the development of the budget:

- Fees and Charges
- Value for Money
- Inward Economic Development
- Leisure Strategy
- Digital Strategy
- Asset Management
- Seven Arches Investment Limited business plan
- Other Regeneration Developments

The Council continues to transform the way that it delivers services for the foreseeable future to ensure financial sustainability and the identification of resources for investment in key priority areas identified in the Corporate Strategy, which are:

- Growing our Economy  
A thriving borough that welcomes a wealth of business and culture
- Protecting our Environment  
Developing a clean and green environment for everyone to enjoy.
- Developing our Communities  
Safe and strong communities where the residents live happy, healthy and independent lives.
- Improving Housing  
Access to a range of decent homes that meet local needs.
- Delivering an Efficient and Effective Council  
An ambitious and innovative council that delivers quality services

The Council is continuing to develop its MTFs to deliver the Corporate Strategy outcomes while maintaining working balances and mitigating risk. This will be addressed primarily through:

- 1) Generating income through regeneration activity and redevelopment within the borough.
- 2) The ongoing review and redesign of services which includes an organisational review of the establishment.
- 3) A focus on supporting inward economic investment.
- 4) Continuously Reviewing fees and charges to ensure full cost recovery, where this is not possible reviewing how the associated services are delivered to reduce costs or accepting a discounted charge in return for an appropriate community benefit.
- 5) Progressing the Leisure Strategy to improve the offer of facilities in the borough generating income and efficiencies.
- 6) Optimising the Council's use of technology to enable new ways of working and improving service quality for our residents.
- 7) Ensuring the Council's assets are used efficiently and effectively
- 8) Creating Green Initiatives internally and throughout the borough.

The MTFs includes allocations for savings to be delivered through process reviews as well as making allowances for business case development and delivery.

The Section 151 Officer has made a statutory assessment of the adequacy of reserves taking into consideration the risk and uncertainties facing the Council included in a separate statement.

This includes an assessment of the risks posed by the Council's increasingly ambitious investment approach to meeting resident needs and financial imperatives. Given potential volatility in the Council's income and the inherent risks and uncertainties in the assumptions used to prepare the MTFs, it is necessary to ensure that reserves and contingencies are maintained at adequate levels throughout the forecast period (Reserves section and The Section 151 Officers Assurance Statement)

### 3 Year Medium Term Financial Strategy

A 3-year forecast for the General Fund is set out below. It can be seen that the 2021/22 budget is balanced and surpluses arise to replenish the General Fund working balance as well as future years which could rise to £3.3m by 2023/24, whilst also contributing to earmark reserves to mitigate future financial risk.

Forecasts beyond 2021/22 should be treated with caution due to the extreme uncertainty over the funding position from that year onwards.

The base assumptions used to arrive at this conclusion are shown below and correlate with the table.

- 1) **Rebasing** - Services have had their expenditure rebased in line with current costs of service.
- 2) **Realigning** - Services budgets have been realigned to ensure the base budget correctly reflects the current service provision.
- 3) **Inflation** - 1.9% has been applied to contractual obligations.
- 4) **Establishment** - There is a pay award assumption of 2% per annum; plus incremental drift. Pay Award will be deferred until later in the year to review NJC outcome.
- 5) **Income** - increases, associated with increasing fees & charges by 2% and revisiting demand, ensuring cost recovery basis
- 6) **Funding** - Funding adjustments considering the Provisional Local government Finance Settlement.
- 7) **Growth** - required to budgets as per budget bids being submitted by budget managers and agreed by Senior Leadership Team.
- 8) **Recharges to the HRA** - are revisited on an annual basis and the allocation is revised on the proposed budget.
- 9) **Reserves** – Contributions to/from Earmarked Reserves
- 10) **Non Service** – Predominantly Capital Financing, Interest on borrowing for funding the capital program are reviewed annually and updated on revised business and project plans. Minimum Revenue Provision is recalculated based on the policy as set out within the Capital and Investment Strategy.

Anyone of these assumptions are an estimate at a point in time. Assumptions provide a basis on which to plan in a very uncertain funding climate. Currently the Council is in a situation where it is difficult to predict with certainty on the government's policy on Fair Funding Review, the financial implications of COVID-19 or any other factors that may affect funding.

Table 2 - Summary of changes to the Base Budget

	2021/22 £'000	2022/23 £'000	2023/24 £'000
<b>Funding Gap b/wd</b>	<b>361</b>	<b>723</b>	<b>723</b>
<b>Add:</b>			
Rebasing (1)	(223)	(238)	(305)
Realigning (2)	808	830	846
Inflation (3)	43	55	105
Establishment (4)	152	6	283
Increase in Income (5)	(1,118)	(1,803)	(2,038)
Funding Adjustments (6)	(86)	432	910
Growth (7)	238	208	208
Recharges to HRA (9)	(237)	(261)	(287)
Reserves	2,716	1,797	1,518
Non Service	(2,894)	(1,953)	(2,109)
<b>Total</b>	<b>(240)</b>	<b>(204)</b>	<b>(146)</b>
Revised Working Balance b/wd	2,756	2,996	3,200
(Deficit)/Surplus	240	204	146
Revised Working Balance c/wd	2,996	3,200	3,346

## Government Funding

### Provisional Local Government Finance Announcement

The Provisional Local Government Finance Settlement for 2021/22 was announced on 17 December 2020.

The 2021/22 local government finance settlement is for one year only. It is based on the Spending Round 2020 funding levels, with individual authority allocations based upon Spending Review 2015 and subsequent funding announcements.

Key headlines from the settlement are outlined below:

- **Council Tax** - The provisional settlement confirmed districts/boroughs will be allowed to apply the higher of the referendum limit of 2% or £5.
- **New Homes Bonus** - The 2021/22 new Homes Bonus allocations have been announced. These will be paid with the legacy payments due from previous years (2018/19 to 2019/20). As like last year there will be no legacy payments for the 2021/22 in year allocations. The deadweight of 0.4% was maintained.
- **Top Up/Tariff Adjustments (Negative RSG)** - As in previous years, the government has decided to eliminate negative RSG amounts, this is to be funded through its share of business rates.
- **Business Rate Retention** - The three elements of the Business Rates Retention system (Baseline Need, NNDR Baseline and Tariff / Top Up amounts) have been frozen, as announced at the Spending Round 2020.
- **Lower Tier Service Grant** – A new unringfenced lower tier services grant of £111m has been established. Brentwood's allocation is £71k.
- **COVID-19 Funding** - £2.2bn of funding was announced to support local government in 2021/22. Brentwood's allocation was £309k.
- **Local Government Funding reform** – Fair funding review has been postponed to a date yet unknown.

### New Homes Bonus Grant

The New Homes Bonus was introduced from 2011/12 as a financial incentive and reward for housing growth. The grant is based on a national average Council Tax value of additional homes including any properties brought back into use. There is also an additional premium for affordable homes. The Bonus Grant was intended to be payable for 6 years.

The grant for 2019/20 onwards is based upon 4 years and the scheme will now also only reward growth in homes above 0.4% per annum.

For 2021/22, the Council is due to receive £0.529m in New Homes Bonus Grant. 2021/22 In year allocation will not have future years legacy payments. The profile of the Grant payments

is outlined below. The government has restated its intention to review and reform the scheme but no details have yet been provided. It is considered prudent, therefore, not to forecast any further income arising from this scheme until the position is clear.

Table 3 – New Homes Bonus Grant

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	Est £'000	Est £'000	Est £'000
Yr 1	255	255	255	255	255	255							
Yr 2		214	214	214	214	214							
Yr 3			330	330	330	330	330						
Yr 4				416	416	416	416						
Yr 5					241	241	241	241					
Yr 6						167	167	167	167				
Yr 7							1*	1	1	1			
Yr 8								1	1	1	1		
Yr 9									509	509	509	509	
Yr 10										177			
Yr 11											19		
<b>TOTAL</b>	<b>255</b>	<b>469</b>	<b>799</b>	<b>1,215</b>	<b>1,456</b>	<b>1,623</b>	<b>1,155</b>	<b>410</b>	<b>678</b>	<b>688</b>	<b>529</b>	<b>509</b>	<b>0</b>

\* This figure has been reduced as a result of the top slicing decision announced in December 2016, to fund social care authorities

The New Homes Bonus Grant remains a flexible, non-ringfenced fund for Local Authorities to spend as they deem appropriate. This could include:

- Re-investing in housing or infrastructure.
- Support for local services or facilities.
- General financial support to hold down Council Tax levels.

Since its introduction in 2011/12, the Council has used the New Homes Bonus Grant to support the General Fund Budget. For 2021/22, the Council will continue to treat the grant funding as general financial support.



## Business Rates Retention

The Business Rates retention figure represents the Council's share (40%) of the total amount collected from local businesses, less a tariff payment to central government. The estimated amount for 2021/22 and future year is outlined below.

Table 4 – Business Rates Retention

	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000
Business Rates Retention	1,800	1,634	1,535	1,535

These amounts include a provision for losses resulting from any successful appeals by rate payers against the rateable value of their properties. Appeals are dealt with by the Valuation Office Agency and their success or failure is beyond the Council's control.

The pressure currently facing the Council and Business Rates Retention is due to a recent trend of offices being converted to flats as well as primary employers leaving the Brentwood area. which has resulted in a loss of business rates yield.

The Council is part of the Essex wide Pool for Business Rates, the pool consists of eleven Essex local authorities including Essex County Council, Essex Fire Authority and nine Borough and District Councils, including Brentwood, as well as one unitary. By pooling, any levy payments that would have been made to Central Government in relation to Business Rates, growth can be saved and distributed to the members of the pool. No additional income has been budgeted for 2021/22 due to the uncertainty of the pool position, and any surplus/deficits are monitored in year.

## Total Government Funding

A table summarising the Medium-Term Financial Strategy's Total Government funding arising from the Local Government Finance Settlement since 2017/18 and Business Rates is shown below.

Table 5 - Summary of Government Funding

	2017/18 Actual £'000	2018/19 Actual £'000	2019/20 Actual £'000	2020/21 Forecast £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Revenue Support Grant	233	Nil	Nil	Nil	Nil	Nil	Nil
Tariff-Top Up Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil
News Homes Bonus	1,155	410	678	688	529	509	Nil
Lower Tier Service Grant	Nil	Nil	Nil	Nil	71	Nil	Nil
Covid-19 Funding	Nil	Nil	Nil	982	309	Nil	Nil
<b>Total</b>	<b>1,388</b>	<b>410</b>	<b>678</b>	<b>1,670</b>	<b>909</b>	<b>509</b>	<b>Nil</b>
Business Rates Retention	1,798	2,220	1,800	1,800	1,634	1,535	1,535
Business Rates Levy Account	Nil	Nil	25	Nil	Nil	Nil	Nil
<b>Total</b>	<b>3,186</b>	<b>2,630</b>	<b>2,503</b>	<b>3,470</b>	<b>2,543</b>	<b>2,044</b>	<b>1,535</b>

Since 2017/18 to 2023/24 Government Funding without including Business Rates Retention shows a reduction of £1.388m, highlighting the continuous financial pressures the Council has been facing.

## General Fund Revenue Budget

The summary revenue budget and forecast for the budget is outlined below

Table 6 – General Fund Revenue Budget

	2020/21 Forecast £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Growing Our Economy	1,318	1,180	1,208	1,236
Protecting Our Environment	2,521	1,522	1,552	1,625
Developing Our Communities	1,097	1,019	1,028	1,053
Improving Housing (GF)	68	(612)	(1,139)	(1,185)
Delivering an Effective and Efficient Council	5,643	4,885	4,815	4,749
<b>Total Corporate Priorities</b>	<b>10,647</b>	<b>7,994</b>	<b>7,463</b>	<b>7,478</b>
Total Non-Service Expenditure	18	(2,127)	(1,130)	(1,284)
<b>Total Cost of Services</b>	<b>10,665</b>	<b>5,867</b>	<b>6,333</b>	<b>6,194</b>
Transfer to/(from) Reserves	378	2,703	1,785	1,506
<b><u>Total Spending Requirement</u></b>	<b><u>11,043</u></b>	<b><u>8,570</u></b>	<b><u>8,118</u></b>	<b><u>7,700</u></b>
<b><u>Funding</u></b>				
New Homes Bonus	(688)	(529)	(509)	0
Business Rates Retention	(1,800)	(1,634)	(1,535)	(1,535)
Other Non-Specific Grants	(1,882)	(379)	0	0
Collection Fund Deficit	72	170	192	192
Council Tax Requirement - 0% Increase	(6,384)	(6,438)	(6,470)	(6,503)
<b><u>Total Funding</u></b>	<b><u>(10,682)</u></b>	<b><u>(8,810)</u></b>	<b><u>(8,322)</u></b>	<b><u>(7,846)</u></b>
<b>Total Deficit/(Surplus)</b>	<b>361</b>	<b>(240)</b>	<b>(204)</b>	<b>(146)</b>
General Fund working balance Brought Forward	3,117	2,756	2,996	3,200
<b>Total (Deficit)/Surplus</b>	<b>(361)</b>	<b>240</b>	<b>204</b>	<b>146</b>
General Fund working balance Carried Forward	2,756	2,996	3,200	3,346

## Saving Targets within the Revenue Budget

Taking into account known pressures and reduced income that the council continues to face, the Council recognises that further Initiatives are required in order to bring the future Reserves above the minimum level to continue to keep the Council sustainable.

Included in Table are the current saving targets built within budget for 2021/22 and future years.

Table 7 - Proposed Saving Targets

Proposed Saving Targets	2021/22 £'000	2022/23 £'000	2023/24 £'000
Corporate Vacancy Factor/Organisation Review*	(426)	(435)	(445)
Capitalisation Staff Costs *	(50)	(50)	(50)
Digital Efficiencies*	(20)	(20)	(20)
Waste Service Review*	(180)	(180)	(180)
<b>Total Efficiency Targets</b>	<b>(676)</b>	<b>(685)</b>	<b>(695)</b>
Leisure Strategy Income*	Nil	(150)	(300)
Investment Income*	(1,660)	(1,660)	(1,660)
<b>Total Income Generation Targets</b>	<b>(1,660)</b>	<b>(1,810)</b>	<b>(1,960)</b>
Strategic Employment Acquisition	(1,351)	(968)	(951)
Housing Delivery Model	(759)	(1,293)	(1,240)
<b>Total Asset Delivery</b>	<b>(2,110)</b>	<b>(2,261)</b>	<b>(2,191)</b>
<b>Total Saving Targets</b>	<b>(4,446)</b>	<b>(4,756)</b>	<b>(4,846)</b>

\*Previously in part incorporated within the 2021/22 base budget

Summary of these savings targets are detailed below:

**Corporate Vacancy Factor/Organisation Review** – to align budgets and encourage managers to deliver a natural saving when recruiting new members of staff. Delay in recruitment processes so that it is not detrimental to the service can achieve a saving on the establishment as the role is in post for a full year. Undertake an organisational review on the establishment to ensure the resources best meet the organisation requirements to deliver the Corporate Strategy whilst making pay scales competitive within the County.

**Capitalisation of Staff Costs** – Correct time recording can allow staff members costs to be capitalised if their time is spent on a specific capital project.

**Digital Efficiencies** – Services to continue to maintain reviewing their ways of working and how this affects the digital and ICT usage. Through effective management changes in ways of working can reduce costs associated with ICT usage.

**Waste Service Review** – Maintain efficiencies to the change in dry goods recycling, moving from the non-environmental friendly orange sacks to Hessian bags and splitting the dry goods between tins and plastic and paper and card.

**Leisure Strategy Income** – Leisure Strategy Investments included in the Capital Programme, propose to seek future revenue savings, on the development of King Georges Pavilion, creation on a Football Hub and the refurbishment and competitive leasing of the Community Halls. This income has been deferred slightly due to delays following the pandemic.

**Investment Income** – The Council continues to achieve a significant revenue stream for the Council's General Fund, but at the same time securing economic development and housing objectives of the Council. The Council loans £60 million to Seven Arches Investment Ltd as well as potentially lending up to £60 million to the Joint Venture Brentwood Development Partnership. The Council lends at market rates around 4% but borrow these funds at a lower rate (currently assumed at 1.6%) achieving a return on lending of 2.4%.

**Strategic Employment Acquisition** – The Council intends to purchase strategic sites within the borough for redevelopment and maintain employment.

**Housing Delivery Model** – To assist the Council to meet its housing delivery needs whilst making a long term income stream.

All Services will need to continue to drive through efficiencies and continually review their working practices and operations to deliver efficiency and effectiveness as part of the Council's Corporate Strategy.

## Reserves

### Background

Section 5 of the Council's Financial Regulations sets out the arrangements for managing and establishing reserves. Section 32 of the Local Government Finance Act 1992 requires local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating their Council Tax Requirement.

The Section 151 Officer is responsible for providing advice so that decisions taken on reserves represent proper stewardship of public funds. Reserves should be set at a level at least sufficient to meet any unexpected increase in expenditure or shortfall in income in the ensuing year that cannot be met from within the approved budget. Any decision that fails to take into account this advice may require a report to be made to the Council under Section 114 of the Local Government Finance Act 1988

Local Government Act 2003 includes a duty on the Section 151 Officer to report, at the time the Council Tax is set, on the robustness of the budget calculations as well as the adequacy of the Council's reserves and other matters (included in Section 151 Officer's Assurance Statement)

The Act also provides an enabling power for the Secretary of State to specify a statutory minimum level of reserves (Section 26 of the 2003 Act). The level of reserves is also a factor the External Auditor will consider in appraising the Council's financial standing. In providing advice to the Council on the level of reserves, the Section 151 Officer has also had regard to professional guidance provided by CIPFA

These safeguards are further reinforced through detailed scrutiny by our External Auditors, which includes a methodology to assess the financial performance and standing of the authority

When reviewing Medium Term Financial Strategy and preparing annual budgets, Members should consider the establishment and maintenance of reserves. These may be held for two main purposes:

- As a working balance (or unallocated reserve) to help cushion the impact of unexpected budgetary pressures.
- As a means of building up funds to meet known or predicted requirements and again to prevent significant fluctuations in net budget cost between years (earmarked reserves).

## General Fund Reserves

General Fund reserves consist of several earmarked reserves, together with an unallocated general reserve (General fund Working Balance).

All reserves and balances form part of the General Fund but the Housing Revenue Account balance is specifically 'ring fenced' for use in connection with that account

In addition to the cash-backed reserves described above, local authorities maintain several other reserves in the Balance Sheet. Some are required for statutory reasons and other reserves are required to comply with proper accounting practice. In either case these balances are not available for investment

## General Fund Working Balance

When determining the budget position for 2021/22 Members have to make a balanced judgement as to the level of unallocated reserves to set for general purposes at March 2021 when considering the medium-term position. They should consider the Council's overall financial strategy for the year and the implications for the forward financial position. This is important given the uncertainties surrounding future years' expenditure and income levels, inflation, interest rates, legislative changes, partnership schemes, other external factors, level of Government grant and areas of identified risk

As part of the budget approved in March 2020, a minimum General Fund Working Balance of was agreed. In accordance with best practice, an annual risk assessment is undertaken to check the level required for 2021/22. This assessment has been assessed alongside the Council's strategic Risk register. Calculations show that the assessed level should be at £2.5million.

Although this report on adequacy of reserves is specific to 2021/22, the Council should bear in mind that adequacy should also be judged against longer-term plans.

The Council is currently predicting the continuation of significant financial pressures every year due to the decrease in Government Funding. Whilst it is not permissible or feasible for the Council to rely on the use of reserves on an ongoing basis to balance its budget, it may apply reserves as part of a short-term strategy to manage, for example, a period of transition during which efficiency savings or income generation ideas are identified to provide a longer-term solution. Until the budgets for each year are balanced it is prudent for the Council to maintain a level of reserves in excess of the minimum recommended level. This is the approach that the Council is taking.

In addition to the General Fund Working Balance, the Council keeps several Earmarked Reserves on the Balance Sheet. These Reserves are required in order to comply with proper accounting practice, whilst others have been created to earmark resources for known or predicted liabilities

## Earmarked Reserves

The reserves are grouped into 4 types of reserves

- **Mitigation** – Earmarked specifically to mitigate financial risks to the Council.
- **Service** – Monies set aside for services from existing budgets to be used on specific investment Initiatives or projects.
- **Trading** – Trading Accounts are held so that over a period of three financial years the account should balance to zero. Any surplus is considered when setting future years fees and charges.
- **Specific** – Monies that the Council has received that have specific restrictions on how the money can be used.

### Mitigation Reserves

- a) **COVID-19** – To support the Council with the uncertainty of the pandemic recovery.
- b) **Funding Volatility** - Fund to mitigate the uncertainty and financial risks regarding the Government Funding
- c) **Housing Benefit Subsidy** - To support the funding of subsidy claims and the implementation of Universal Credit.
- d) **Insurance and Risk Management** – To support and mitigate high risks identified through the risk register.
- e) **Financing Volatility** – mitigate future financial risk following strategic acquisitions and SAIL investments.
- f) **In Borough Regeneration** – Specifically set aside to mitigate future financing risk on redevelopment of Town Centre project.

### Service Reserves

- g) **Asset Management** – Support Asset management team for reactive compliance works.
- h) **Brentwood Centre** – Set aside to support the management of the Brentwood centre
- i) **Economic Development** – To be drawn down in delivering the corporate strategy aim of growing the economy.
- j) **Electoral Registration** – fund to be utilised for any unexpected upcoming elections
- k) **Environmental Initiatives** – specifically set aside to support the green agenda for the Council. Funds will only be draw down once business cases are presented and approved.
- l) **High Street Fund** – Held to invest in improving the high streets, generating, and retaining economic growth.
- m) **Legal Resource** – To support legal services with unexpected case work.
- n) **Local Election** – Carry forward 2020/21 budget as local elections were postponed.
- o) **Planning Enforcement** – To aid in supporting the planning enforcement work across the borough.



- p) **Service Investment and Initiatives Reserve** – to support the Council in mitigating one off costs against the agreed budget for any identified service investment or initiatives in year.

#### Specific Reserves

- q) **Community Rights** – Government grant provided to assist in the implementation of the Localism act.
- r) **COVID-19 Support Grants** – Grants received to support COVID-19 resources.
- s) **European Union Exit** - Funds set aside for the necessary preparations required of the Council when the UK exits the EU. Due to the uncertainty around the impact of leaving the EU the funds have been set aside to support any financial pressures the Council may face when leaving.
- t) **Health & Wellbeing** – Available for projects determined by the Brentwood health & Wellbeing board
- u) **Neighbourhood Plan** – A carry forward of government grants to be used in the connection with Doddinghurst and West Horndon neighbourhood plans.
- v) **Preventing Homelessness** – to aid in meeting the requirements of homelessness and any legislative changes
- w) **Section 106** – For contributing to costs for public open space improvements; maintaining grounds from previous S106 receipts.
- x) **Waste Management** – aiding and developing waste management in the borough.

Table 8 - General Fund Earmarked Reserve Forecast Balances

Reserve	Opening Balance 2019/20	Forecast Balance 20/21	Balance 21/22	Balance 22/23	Balance 23/24
COVID-19 Volatility	0	400	709	709	709
Housing Benefit Subsidy	150	150	150	150	150
Insurance and Risk Management	25	25	25	25	25
In Borough Regeneration	0	0	1,022	1,900	3,018
Financing Volatility	0	0	1,500	2,500	2,900
Funding Volatility	1,345	1,231	1,231	1,231	1,231
<b>Total Mitigation Reserves</b>	<b>1,520</b>	<b>1,806</b>	<b>4,637</b>	<b>6,515</b>	<b>8,033</b>
Asset Management	165	165	165	165	165
Brentwood Centre	0	200	200	200	200
Brentwood Community Fund	2	0	0	0	0
Community Alarms	112	0	0	0	0
Economic Development	300	300	270	270	270
Electoral Registration	43	43	43	43	43
Environmental Initiatives	100	92	44	0	0
High Street Fund	200	200	200	200	200
ICT Investment	100	0	0	0	0
Legal Resource	0	100	100	100	100
Local Election	0	70	0	0	0
Planning Enforcement	200	200	200	200	200
Service Investment and Initiatives	200	194	194	194	194
<b>Total Service Reserves</b>	<b>1,422</b>	<b>1,564</b>	<b>1,416</b>	<b>1,372</b>	<b>1,372</b>
Community Rights Grants	38	38	38	38	38
Covid-19 Support Grants	29	131	131	131	131
European Union Exit	153	53	53	53	53
Dunton Hills Development	15	0	0	0	0
Health and Wellbeing	61	61	61	61	61
Neighbourhood Plan	26	26	26	26	26
Planning Delivery Grant	53	0	0	0	0
Play Area Grant	12	0	0	0	0
Preventing Homelessness	119	101	64	28	28
S106 Receipts	361	349	337	325	313
Waste Management	595	275	275	275	275
<b>Total Specific Reserves</b>	<b>1,462</b>	<b>1,034</b>	<b>985</b>	<b>937</b>	<b>925</b>
<b>Total General Fund Earmarked Reserves</b>	<b>4,404</b>	<b>4,404</b>	<b>7,039</b>	<b>8,824</b>	<b>10,330</b>

## Council Tax Base

## **Council Tax Base calculation**

Under section 33 of the Local Government Finance Act 1992 (as amended) and supporting Regulations, the Council must make an annual calculation of its tax base. The tax base is the total number of properties on which Council Tax will be charged expressed as a Band D equivalent, after allowing for discounts, exemptions and losses on collection. The method of calculation is prescribed in the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012

The tax base is used in the calculation of the Council Tax Requirement, to produce the standard amount of Council Tax for a Band D property, in relation to both the Borough and the major precepting authorities.

As in previous years, the calculation of the tax base has been amended to take account of the Local Council Tax Support (LCTS) Scheme. The replacement of Council Tax Benefit with LCTS effectively reduces the tax base as LCTS is provided as a discount against the Council Tax liability rather than a rebate which was previously repaid to the Council via Government Subsidy.

The impact of LCTS, has, in part, been offset by the approved changes to the discounts and exemptions awarded to empty homes. The resultant tax base for 2021/22 is 33,250.30. This compares to a figure of 32,968 for 2020/21. An assumed growth of 0.5% has been included within the Medium Term Financial Strategy for future years.

The calculation of the Council Tax Base for a given year includes an assumption of the percentage of amounts due which are actually collected. The forecast collection rate has been assumed as 98.5% and has been incorporated within the Medium-Term Financial Strategy calculations.

## **Council Tax Technical Changes**

No changes from last year have been proposed.

## **Council Tax Reduction Scheme**

The arrangements provide for a banded scheme that is easier for customers to apply for and simpler for officers to administer. The basis of the reduction scheme is a calculation based on household income compared with household size, up to a maximum of 100%. The application process is through a simple intelligent online form which, once completed, will make it clear to the customer where they fall within the scheme.

The main elements of the scheme are:

- Entitlement is based on a banded table which compares household income and the members of a household
- Depending on the level of their net income and the household band they fall into,

- working-age customers will receive a percentage reduction of either 100%, 75%, 50%, or 25% and if the customer or their partner are disabled or they have disabled dependent child resident
- Singles or Couples with more than 2 children will be restricted to a Council Tax Reduction as if having 2 children
- Residents with over £6,000 in savings are unable to claim
- Pension age customers remain protected

At Ordinary Council on 20<sup>th</sup> January, members approved in addition, the scheme for 2021/22, will contain the following additional elements

- Where an apprentice earns more than £195.01 but less than £300 per week and they are the only other adult in a property, they can be disregarded for Council Tax purposes for the term of their apprenticeship – this is to support single parents and school leavers into employment

## Council Tax

### Council Tax Requirement

The Council must set its revenue budget and Council Tax Requirement on or before 11 March of the preceding year in accordance with a statutory formula set by Government as described below:

- The amount calculated by the authority under Section 31A of the Local Government Finance Act 1992 as its Council Tax Requirement for the year (this is the net spending on services adjusted for any movements in reserves and transfers to or from the Collection Fund in recognition of a surplus or deficit on that Fund, and includes town, parish and village council precepts);

divided by:

- The amount of the Borough's Council Tax Base calculated in accordance with the 1992 Act and relevant statutory instruments. The tax base for 2021/22 is 33,250.30 which assumes a 98.5% collection rate (inclusive of sums outstanding from prior years).

This will produce the Basic Amount of Council Tax for the year, which is the combined Borough and Parish Council Tax level at Band D.

The Council must then determine whether its 'relevant' Basic Amount of Council Tax, i.e. adjusted to exclude the element relating to, Parish precepts, is 'excessive'. The Secretary of State has indicated that, for 2021/22 for District/Borough councils, any increase of 2% or £5 (whichever is the greater) more than the equivalent figure for 2020/21 would be considered excessive.

If the Council determines that its proposed relevant Basic Amount of Council Tax is excessive, then it must also make substitute calculations that produce an amount which is not excessive and put both amounts to a local referendum. More information on this option is given below.

The council tax level consists principally of the Collection Fund precepts of the major preceptors and Brentwood Borough Council. This is the basic amount required by each authority to provide its budgeted level of service after allowing for government grant, use of reserves and that authority's share of any surplus or deficit on the Collection Fund. In addition to the precepts of the principal authorities, there will be further precepts for the 9 parishes within the Borough of Brentwood.

The estimated balance on the Collection Fund at 31 March 2021 is required to be considered in the calculation of the Council Tax level for 2021/22. The calculation of the balance must be notified no later than 31 January to the major precepting authorities, who are each responsible for their share of any balance. Further information is given in the Collection Fund Section of this report.

## Precepts and Council Tax Levels

The Council is required by law to approve a council tax requirement for the Council's services and to set the council tax to be levied in the Borough, after taking account of the following preceptors:

- Essex County Council - issues the largest precept on Brentwood's collection fund which means they receive around 70% of Council Tax (before local precepts). The County Council is scheduled to meet on 11 February 2021 to agree its precept.
- The Police, Fire and Crime Commissioner for Essex - is an independent body and is responsible for setting its own budget. The Police and Crime Panel will meet in January 2021 (date to be confirmed) to agree its precept. The precept in respect of the fire service is also due in January 2021 (date to be confirmed).
- Local Parish, Town and Village Councils. - are separate and autonomous bodies within the Borough that approve their own spending and precept levels for each financial year. The precept for each parish, town and village council has to be included as part of the Borough Council's net overall Council Tax requirement. They are added to the statutory calculation as an average for the Borough as a whole but are levied only in the areas of the Borough affected, according to their precept requirements. Where a precept demand has not been received by the date of the council tax setting meeting an anticipated amount is used as permitted by legislation.

Below, is the projected Council Tax element retained by the Council per banding of property, which has been set at a 0% increase from 2020/21. These exclude any other precepts and parish precepts.

Table 9 – Proposed Brentwood Borough Council Bandings 21/22

Band D Brentwood	A	B	C	D	E	F	G	H
2021/22	129.09	150.60	172.12	193.63	236.66	279.69	322.72	387.26

The table below compares Parish, Town and Village Council precepts for 2021/22 with 2020/21. This table will be updated for Full Council when all Parish Precepts have been received.

Table 10 – Comparison of Parish Precepts

Parish	Tax Base for Area Band D equivalent	Precept	Precept	Change
		2020/21 £	2021/22 £	%
Blackmore	1,505.30	86,330.00	97,421.00	12.85%
Doddinghurst	1,198.90	75,175.00	76,014.00	1.12%
Herongate	1,053.90	48,000.00	48,000.00	0.00%
Ingatestone and Fryerning	2,381.80	173,839.00	173,839.00	0.00%
Kelvedon	1,070.40	77,365.00	90,023.00	16.36%
Mountnessing	590.50	38,060.00	40,000.00	5.10%
Navestock	245.30	22,000.00	22,000.00	0.00%
Stondon Massey	340.60	22,852.50	23,995.00	5.00%
West Horndon	683.10	32,500.00	32,500.00	0.00%
<b>Total</b>	<b>9,069.80</b>	<b>576,121.50</b>	<b>603,792.00</b>	<b>4.80%</b>

The table below sets out all the Band D calculations across the major and local preceptors and shows the percentage change compared with 2020/21. This table will be updated for Full Council when all Parish Precepts have been received.

Table 11 – Proposed Band D Calculations

Parish	Band D	Band D	Change	Change
	2020/21	2021/22	£	%
	£	£		
Brentwood Council Only	193.63	193.63	0	0.00
Essex County Council	1,321.11	1,340.91	19.8	1.50
Police, Fire and Crime Commissioner for Essex	198.63	208.53	9.9	4.98
Essex PFCC Fire and Rescue Authority	73.89	73.89	0	0.00
Blackmore	57.75	64.72	6.97	12.07
Doddinghurst	62.45	63.4	0.95	1.52
Herongate	45.21	45.55	0.34	0.75
Ingatestone and Fryerning	73.2	72.99	-0.21	-0.29
Kelvedon	72.33	84.1	11.77	16.27
Mountnessing	65.02	67.74	2.72	4.18
Navestock	90.35	89.69	-0.66	-0.73
Stondon Massey	69.27	70.45	1.18	1.70
West Horndon	48.98	47.58	-1.40	-2.86



## Collection Fund

### Background

The Collection Fund is the account into which all council tax and business rate income is paid before being distributed to precepting authorities and central government. It is managed by this Council as the billing authority.

Within the Collection Fund, the accounts for council tax and business rates are separated.

### Distribution of Collection Fund Balances

Council Tax and Business Rate income for any particular year is distributed over a three year cycle based on information known at the time of calculating the Council Tax Requirement.

A surplus on the Collection Fund arises when actual income collected is greater than the original estimate; conversely when, actual income is lower than estimated a deficit on the Collection Fund occurs. This surplus or deficit is distributed at a later stage with the difference between the original estimate and the revised estimate normally being accounted for in the following year and the difference between the revised estimate and the actual outturn being accounted for in the year after that. However, due to the impact of Covid-19 in 2020/21, the regulations have been amended to allow the spreading of the 2020/21 deficit over the following three years.

### Council Tax

It is estimated that by 31 March 2021, the balance on the Collection Fund (including that attributable to preceptors) for Council Tax will be a surplus of £0.146 million. Of this, £0.138m relates to the remaining deficit for 2019/20 to be distributed in 2021/22. Although the Council has seen a decline in collection during 2020/21 plus an increase in Council Tax Relief claimants as a direct result of Covid-19; there is estimated surplus balance of £0.285m for 2020/21.

Since the total Council Tax receipts collected have exceeded our forecast there is additional income. This has to be shared amongst all precepting authorities in accordance with their original precept value (for Brentwood Borough Council that equates to about 11.6%). This amount must then be included within the budget for 2021/22 to reduce our Council Tax Requirement for that year, the breakdown to the precepting authorities are shown below.

Table 12 - Estimated Collection Fund Surplus Distribution

Authority	Amount £
Brentwood Borough Council	(17,101)
Essex County Council	107,020)
Police and Crime Commissioner	(16,090)
Essex Fire Authority	(5,986)
Total (Surplus)/Deficit	(146,197)

### Business Rates

It is estimated that by 31 March 2021, the balance on the Collection Fund (including that attributable to preceptors and Government) for Business Rates will be a deficit of £13.8m. Of this, £0.901m relates to the remaining deficit for 2019/20 to be distributed in 2021/22. Of the £12.9m deficit for 20/21, £11.48m is due to the Government’s expanded relief scheme announced in April 2020 to assist the leisure, hospitality, and retail industry impacted by Covid-19. Compensation for these expanded reliefs has been paid to Billing Authorities in 2020/21. Therefore, this part of the deficit will be distributed in 2021/22 and will be offset by the compensation received, which will also be distributed to preceptors in 2021/22. The remaining deficit of £1.44m for 2020/21, referred to as the “exceptional balance”, is largely a result of the decline in collection rate due to Covid-19 as well as the emerging trend of offices being converted into residential developments. This will be spread in three equal instalments over the following three years commencing 2021/22.

On 25 November, the Government announced that 75% of irrecoverable losses would be compensated through additional funding although the mechanism for this is yet to be announced.

Table 13 - Estimated Business Rates Collection Fund Deficit Distribution

Authority	Prior year deficit 2019/20 £	Expanded BR reliefs 2020/21 £	Exceptional balance 2020/21 £	Sub total £	Less spreading of exceptional balance £	Amount £
Brentwood Borough Council	360,330	4,590,627	574,700	5,525,657	(383,133)	5,142,524
Essex County Council	81,074	1,032,891	129,307	1,243,272	(86,205)	1,157,067
Essex Fire Authority	9,008	114,766	14,367	138,141	(9,578)	128,563
Central Government	450,413	5,738,284	718,375	6,907,072	(478,916)	6,428,156
<b>Total Deficit</b>	<b>900,825</b>	<b>11,476,568</b>	<b>1,436,749</b>	<b>13,814,142</b>	<b>(957,832)</b>	<b>12,856,310</b>

### Business Rates Retention Scheme

Brentwood is the billing authority for business rates in the Borough. The Collection Fund passes 50% (the central share) to the Government with the other 50% (the local share) being retained locally. This means that the risks affecting collection rates, rateable value adjustments and appeals, new premises, demolitions, discounts and reliefs, and rewards are borne by the Borough (40%), Essex County Council (9%), Fire service (1%) and the Government (50%). The police service is not part of the rates retention scheme. Any year-end surpluses and deficits on this part of the Fund will be accounted for and adjusted in the following year in proportion to the Central and Local Shares.

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**BRENTWOOD  
BOROUGH COUNCIL**

Brentwood Borough Council  
Housing Revenue Account  
Budget and 30 Year Business  
Plan  
2021/22

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# Housing Revenue Account (HRA) Budget 2021/22

## Introduction

The HRA is the budget operated by the Council which contains the income and expenditure of services connected with the Council's Housing Landlord role.

The main source of income into the HRA is the rental income from the properties let by the Council. These rents are calculated by reference to a Government formula which provides a target rent for the Council's properties to charge.

Since April 2012 the HRA has been operating in a system known as Self Financing for local authorities with social housing.

Self-Financing changed the way the Council's housing stock is funded. In principle, it gives more local accountability and responsibility for the operation of the Council's housing stock. The key elements of Self Financing are:

- The Government calculated a level of debt based on a 30-year assessment on expenditure, which was transferred to the authority to compensate the Government for the end of the subsidy scheme. For Brentwood, this was assessed at approximately £64.4million. The Council has borrowed from PWLB to fund this level of debt
- Councils have full responsibility for the maintenance and development of the housing stock and also the servicing of the debt.
- A sum for depreciation of the stock is required to be included in the accounts.

The method of setting rents is guided by Government guidelines. From 2020/21 the Government proposed that rents would increase by CPI + 1% for the next 5 years until 2024/25. This proposal offers stability and certainty to the HRA to fund investment in existing stock and well as building more homes for the future.

This document looks to provide information on the draft HRA budget for 2021/22 and forward financial forecast through to 2023/24 together with the Housing Capital Programme. It also provides an update on the 30-year business plan.

Table 1 - Outturn 2020/21

	2019/20 Outturn £'000	2020/21 Budgeted Outturn £'000	2020/21 Forecast Outturn £'000	Variance £'000
Deficit/(Surplus)	830	(87)	(62)	25
Working Balance bfwd	1,901	1,071	1,071	0
Working Balance cfwd	1,071	1,158	1,133	25

The HRA has significant pressure on its repairs and maintenance program of works. This is predominantly around delivering and supporting the remedies required for compliance works. To support the delivery of compliance on the housing stock, the contribution to capital has been decreased to offset the pressure.

Due to interest rates on borrowing being significantly low, it is financially favourable to borrow to fund the capital program rather than utilise revenue to fund the capital program. Increasing Earmarked Reserves and Working balances is an aspiration in order to support the HRA in delivering it's program of works whilst mitigating any in year pressures identified from any uncertainty of the financial impact of the current pandemic.



The Government announced that from 2020/21 rents can revert to the previous policy and be increased by CPI (at September of the previous year) plus 1%. This allows for a more optimistic forecast of the resources available to the HRA and continues the ability to reduce the level of debt (see below). CPI at September 2020 was 0.5% thus allowing for a 1.5% increase in rents from April 2021. The Bank of England’s CPI target for future years is 2%, thus, for the remaining years of the forecast period rents are modelled on this assumption of CPI averaging 2%.

The assumptions, therefore, on rent are:

- that all rents from 2021/22 are increased by CPI plus 1% (1.5%)
- that all rents from 2022/23 continue to increase by the CPI plus 1% though, below are the assumptions included in the 30 year business plan

2021/22	2022/23	2023/24	2024/25	2025/26 onwards
1.5%	2.8%	3.0%	3.3%	2.0%

- that all social housing rents have the formula rent applied when new tenancies begin.

The above assumptions have all been built into the budget forecasts and the 30 year financial forecast.

### Social Rents

The tables below set out the current overall average rent of secure tenancies (excluding Shared Ownership and Affordable Rents), with the 1.5% increase applied from April 2021, and provides some examples of rent levels for properties of different sizes.

The average rent increase applied to HRA properties is CPI plus 1%. CPI at September 2020 was 0.5%. This results in an average weekly rent of £93.13 and an average weekly increase of £1.38.

Table 2 – Flats Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties
0	68.67	1.02	75
1	80.70	1.19	511
2	88.16	1.30	489
3	98.05	1.45	56
<b>Total</b>	<b>83.90</b>	<b>1.24</b>	<b>1,131</b>

Table 2a – Houses Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties
0	74.79	1.11	35
1	88.73	1.31	240
2	101.55	1.50	382
3	112.68	1.67	612
4	134.28	1.99	15
<b>Total</b>	<b>102.41</b>	<b>1.51</b>	<b>1,284</b>

#### Shared Ownership Rents

The tables below set out the current overall average rent for Shared Ownership properties, with the 1.5% increase applied from April 2021, and provides some examples of rent levels for properties of different sizes.

The average rent increase applied to Shared ownership properties is 0.5% CPI plus 1%. CPI as at September 2020 was 0.5%. Therefore, the average weekly increase is £0.63 and average weekly rent is £42.61.

Table 2b – Shared Ownership Flats Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties*
1	38.14	0.57	6.00
2	46.69	0.69	3.00
<b>Total</b>	<b>42.42</b>	<b>0.63</b>	<b>9.00</b>

Table 2c – Shared Ownership Houses Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties*
1	38.57	0.57	4.00
2	47.04	0.70	1.00
<b>Total</b>	<b>42.80</b>	<b>0.64</b>	<b>5.00</b>

\* The Council share in the 14 Shared Ownership properties is 48%

## Affordable Rents

The tables below set out the current overall average rent for properties with Affordable Rents, with the 1.5% increase applied from April 2021, and provides some examples of rent levels for properties of different sizes.

The average rent increase applied to affordable rents is 1.5%. This results in an average weekly rent of £179.31 and an average weekly increase of £2.65.

Table 2d – Affordable Rents Flats

No of Bedrooms	Average Rent £	Average increase £	No of Properties
1	120.24	1.78	3
2	161.11	2.38	9
3	224.84	3.32	2
<b>Total</b>	<b>168.73</b>	<b>2.49</b>	<b>14</b>

Table 2e – Affordable Rents Houses

No of Bedrooms	Average Rent £	Average increase £	No of Properties
1	151.01	2.23	4
2	181.16	2.68	8
3	211.29	3.12	15
4	216.08	3.19	2
<b>Total</b>	<b>189.88</b>	<b>2.81</b>	<b>29</b>

## Applying Formula Rent to new Tenancies.

Since 2001, rents for properties let at '**social rent**' (which constitute a majority of rented social housing properties) have been set based on a formula set by government. This creates a 'formula rent' for each property, which is calculated based on the relative value of the property, relative local income levels, and the size of the property. An aim of this formula-based approach is to ensure that similar rents are charged for similar social rent properties.

The formula is as follows:

70% of the national average rent x relative county earning x the bedroom weight

**plus**

30% of the national average rent x relative property value

Relative County Earnings means the average manual earning for the county in which the property is located at 1999 levels for Essex this is £325.90. Relative Property Value means the individual's property value divided by the national average (£49,750) as at January 1999 values. The national average rent is £54.62.

Bedroom weight to be used in the formula are presented below

Table 3 – Bedroom Weightings

Number of bedrooms	Bedroom weight
0 (i.e bedsits)	0.80
1	0.90
2	1.00
3	1.10
4	1.20
5	1.30
6 or more	1.40

Putting the relevant information into the above formula will give the formula rent for 2000-01 for the property. This rent must be then updated for each year using the relevant uplift factor as detailed in the table below

Table 4 – Rental Uplift

Year	Inflation	Additional Uplift	Total Uplift
2001-02	3.3%	1.0%	4.3%
2002-03	1.7%	0.5%	2.2%
2003-04	1.7%	0.5%	2.2%
2004-05	2.8%	0.5%	3.3%
2005-06	3.1%	0.5%	3.6%
2006-07	2.7%	0.5%	3.2%
2007-08	3.6%	0.5%	4.1%
2008-09	3.9%	0.5%	4.4%
2009-10	5.0%	0.5%	5.5%
2010-11	-1.4%	0.5%	-0.9%
2011-12	4.6%	0.5%	5.1%
2012-13	5.6%	0.5%	6.1%
2013-14	2.6%	0.5%	3.1%
2014-15	3.2%	0.5%	3.7%
2015-16	1.2%	1%	2.2%
2016-17	N/A	N/A	-1.0%
2017-18	N/A	N/A	-1.0%
2018-19	N/A	N/A	-1.0%
2019-20	N/A	N/A	-1.0%
2020-21	1.7%	1.0%	2.7%
2021-22	0.5%	1.0%	1.5%

Formula rent is subject to a rent cap. The rent caps apply as a maximum ceiling on the formula rent and depend on the size of the property (the number of bedrooms it contains). Where the formula rent would be higher than the rent cap for a size of property, the rent cap must be used instead.

Registered providers must not allow rents to rise above the rent cap level for the size of property concerned.

From 2021-22 onwards, the rent caps will increase by CPI (at September of the previous year) + 1.5 percentage points annually. The rent caps for 2021/22 are as follows.

Table 5 – Rent Caps

Number of bedrooms	Rent Cap
1 and bedsits	£148.87
2	£157.62
3	£166.38
4	£175.13
5	£183.89
6 or more	£192.63

Where a property whose rent has been subject to the rent cap comes up for re-let (and formula rent remains above the rent cap), the new rent may be set at up to the rent cap level – which will have been increasing by CPI + 1.5 percentage points, rather than CPI + 1 percentage point.

The government's policy recognises that registered providers should have some discretion over the rent set for individual properties, to take account of local factors and concerns, in consultation with tenants.

As a result, the policy contains flexibility for registered providers to set rents at up to 5% above formula rent and 10% for supported housing. If applying this flexibility, providers should ensure that there is a clear rationale for doing so which considers local circumstances and affordability.

## Service Charges

### Tenant Service Charges

Historically, the Council has increased tenant service charges through a 'rolling reconciliation'. The 'rolling reconciliation', compares the previous year's actual to the budgeted figure. The under/over recovery is then passed onto the tenant in the following year. This is however, capped at CPI + 1%. This ensures service charges are cost recovered fairly.

The proposed rent increases do not include service charges – specific additional charges for tenants primarily of flat blocks, relating to the provision of specific services, such as heating, communal lighting and caretaking.

Registered providers are expected to set reasonable and transparent service charges which reflect the service being provided to tenants. Tenants should be supplied with clear information on how service charges are set. In the case of social rent properties, providers are expected to identify service charges separately from the rent charge.

Service charges are not governed by the same factors as rent. However, registered providers should endeavour to keep increases for service charges within the limit on rent changes, of CPI + 1 percentage point, to help keep charges affordable.

Where new or extended services are introduced, and an additional charge may need to be made, registered providers should consult with tenants.

### Leaseholder Service Charges

These are levied by the Council, to recover the costs the Council incurs in providing services to a dwelling. The way in which the service charge is organised is set out in the leaseholder's lease or tenancy agreement and therefore they will be calculated accordingly.

### Fees and Charges

On the 23 September 2015 the Environment and Housing Committee approved the new recharge policy. Previously recharges for Housing services have only been recovered on an ad hoc basis. This has led to the council subsidising some of the costs, which is ultimately passed on to the Council.

In addition to reviewing discretionary services, Officers have also reviewed the services the Council pays for, which are deemed rechargeable, but the Council is currently subsidising. It is hoped that the introduction of the re-charging policy, for these services will encourage tenants to be more aware and also more responsible for their property and actions within their property.

Prices have been calculated with the following price mechanism:

- 2018/19 – Cost price less 20%
- 2019/20 – Cost price less 15%
- 2020/21 – Cost price less 10%
- 2021/22 – Cost price less 5%
- 2022/23 – Cost price

Each year the percentage deducted will decrease by 5% until the full cost price is recovered. This is to ensure that the council gets to a position where it is at cost recovery without hiking prices significantly in one year that would be deemed unaffordable to the tenant.

The schedule of the fees and charges were agreed at the Environment, Enforcement & Housing Committee on 8<sup>th</sup> December 2020. These are within Appendix D.



## Housing Revenue Account Budget 2021/22

The policy used in setting the budget is driven from the Council's Corporate Strategy which sets the following priorities:

### Improving housing

- Providing decent, safe, and affordable homes for local people
- Supporting tenants through a high quality well managed service
- Support responsible development in the borough.

The budget includes specific investment in respect of the following:

- £3.01m in delivering repairs and maintenance under the Axis contract.
- £120k available to assist in the developments of support regarding developing housing in the borough.
- £30k growth to invest in RentSense, software aimed at reducing arrears and increasing collection rates, creating substantial efficiencies, and mitigating and managing the impact of the Welfare Reform.
- Contribution of £2.94m to the major Repairs Reserve to fund the Decent Home Capital Programme

The table on the next page sets out the HRA budget for 2021/22 and the forecast for the following 2 years.

## Housing Revenue Account Budget 2021/22

Table 6 – HRA Budget 2021/22

	2021/22 £'000	2022/23 £'000	2023/24 £'000
Repairs & Maintenance	3,008	3,013	2,919
General Management	2,827	2,811	2,827
Special Services Management	1,084	1,098	1,112
Rents Rates Taxes & Other Charges	134	136	138
Bad Debt Provision	60	60	60
Depreciation (major repairs reserve)	2,941	2,941	2,941
Corporate & Democratic Core	376	380	383
Settlement Debt Repayment	5,000	0	0
<b>Total Expenditure</b>	<b>15,430</b>	<b>10,439</b>	<b>10,380</b>
Dwelling Rent	(12,197)	(12,661)	(13,101)
Non-Dwelling Rent	(347)	(353)	(358)
Charges for Services & Facilities	(836)	(848)	(861)
Contributions to Expenditure	(73)	(73)	(73)
<b>Total Income</b>	<b>(13,453)</b>	<b>(13,935)</b>	<b>(14,393)</b>
<b>Net Cost of Services</b>	<b>1,977</b>	<b>(3,496)</b>	<b>(4,013)</b>
Interest Payable	2,000	2,026	2,186
Pension Contributions	180	185	185
Investment Income	(50)	(59)	(72)
Debt Settlement	(5,000)	0	0
Voluntary MRP Contribution	250	500	500
<b>Total Non-Service Expenditure</b>	<b>(2,620)</b>	<b>2,652</b>	<b>2,799</b>
Appropriations	209	826	1,187
<b>Deficit/(Surplus)</b>	<b>(434)</b>	<b>(18)</b>	<b>(27)</b>
Working Balance bfwd	1,133	1,567	1,585
Working Balance cfwd	1,567	1,585	1,612

## HRA Reserves

The HRA working balance must continue to be managed so that it provides the flexibility to manage unexpected demands and pressures without destabilising the Council’s overall financial position. The level of the Working Balance should provide a reasonable allowance for unquantifiable risks or one-off exceptional items of expenditure that are not covered within existing budgets. The Working Balance can also be used to act as a source of pump priming investment and/or to deliver “invest to save” projects.

General guidance and practice amongst other authorities varies. Options include a percentage of total income, and a set value per Council Dwelling. However, individual risk assessments undertaken at a local level are considered best practice.

The Working Balance can be used to correct inflation assumptions, increase capital spend, repay debt early or to fund new HRA capital projects.

The following table sets out the estimated reserve levels over the period 2021/22 to 2023/24:

Table 7 – HRA Working Balance

	2021/22 £'000	2022/23 £'000	2023/24 £'000
Closing Balance	1,567	1,585	1,612

The Section 151 has taken account the level of risk when advising on the level of balances that should be retained in the HRA.

## Earmark Reserves

In addition to the HRA Working Balance, the Council keeps HRA Earmarked Reserves on the Balance Sheet. These Reserves are as follows:

- Council Dwellings & Affordable Housing Investment Fund – this reserve receives a contribution from the HRA (as outlined in the Business Plan), to support future investment in the Council’s housing stock and aiding in delivering the Affordable Housing Program. The anticipated balance in this reserve as at 31 March 2021 is a £2.4 million.
- One assumption of this reserve is that it can also contribute to additional voluntary MRP contributions to repay debt off within the HRA that is taken out over the life of the business plan.

## HRA Capital Programme

It is essential to ensure that the stock is maintained at a proper standard and to meet the other demands and commitments of the capital programme. The capital programme is a key input into the 30-year business plan, and both are reviewed annually. Modelling the resources available in the 30-year HRA financial forecast demonstrates that the demands of the current and proposed programme can be fully met throughout the 30-year planning period.

## Housing Development Programme

On 2 April 2012, Ministers confirmed delivering new homes would be through Local Authorities retaining receipts from right to buys (RTB), to spend in their area.

Brentwood entered into an agreement with the Secretary of State for Communities and Local Government to retain the additional RTB receipts on 26<sup>th</sup> June 2012.

The key principles of the agreement are as follows:

- The Secretary of State agrees to allow the authority to retain additional RTB receipts to fund the provision of replacement stock.
- The Secretary of State will allow the authority three years (from commencement of agreement) to invest the receipts before asking for the money to be returned if they have not been invested.
- The agreement does not require a local authority to complete the building of a home within 3 years.
- The agreement requires an authority to have incurred expenditure that is no more than 30% of the total spends on replacement stock.
- Replacement could be one of 3 ways – newly built Council homes, acquiring houses on the open market or provision of grants to Housing Associations to build new homes.
- Brentwood Council agrees to return any unused receipts to the Secretary of State with Interest.

To date the Council has provided 43 number of properties let at Affordable Rent. 7 of these properties have been developed and 36 have been acquired off the open market.

The Council is currently developing a pipeline of new affordable homes through the development and regeneration of various Housing Revenue Account (HRA) owned sites. As a reminder, this Strategic Housing Delivery Programme (SHDP) is currently made up of two elements, 1) the regeneration of Brookfield Close, Hutton resulting in a planned 61 zero carbon homes and 2) the development of a range of smaller HRA sites to deliver new homes. All of these new homes will contribute to, and be managed within, the Council's HRA.

A review of the HRA Business Plan, and its assumptions and capacity to deliver a sustainable programme of new homes has continued into a further phase and now incorporates the costs and returns from the viability assessments the revised plan assumes the pursuing of a 7-year programme funding new homes to a total cost of £60m of that period. This is captured within the 30-year Business Plan.

The the individual sites and the sites identified are combined into an overall programme. It should be noted that the numbers for the total programme, as for the individual schemes, are very much indicative at this stage. There is still considerable work to do to establish a fully costed deliverable programme. Therefore, as the SHDP develops the HRA Business Plan will be refined and updated to ensure the HRA can afford to deliver all sites and the time period of delivering these sites in line with affordability and financial capacity.

Below detail the proposed amounts to be spent on Affordable Housing in the Borough. Since June 2012 to March 2020 the Council has committed £10.315 million on providing Affordable Housing.

Table 8 - Strategic Housing Delivery Program

Year	Programme Amount £'000
2021/22	7,642
2022/23	8,727
2023/24	10,727
<b>Total</b>	<b>27,096</b>

Only 30% of the programme total can be funded from right to buy receipts if there is retained right to buy receipts available.

The Business Plan assumes use of the following, for funding the Strategic Housing Development Program:

- Capital Receipts
- Contribution from Council Dwelling Earmark Reserve
- Capital Grants (Homes England Funding)
- Section 106 funds applicable

- Borrowing from the Public Works Loan Board (PWLB)

The need to borrow is reviewed on an annual basis along with the 30-year business plan.

#### HRA Capital Programme Forecast

Combining The Strategic Housing Development Programme alongside the planned Decent Works, the capital programme budget and funding of these workstreams are detailed below.

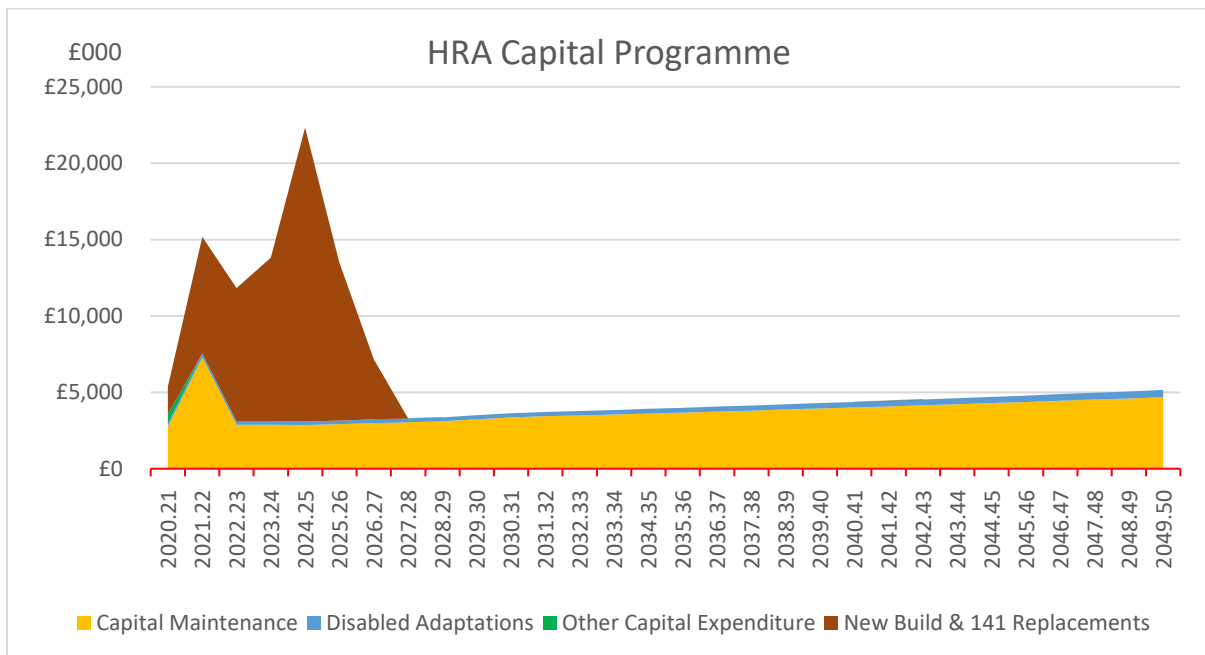
The HRA capital programme is aligned to achieve the following headlines in the Councils Corporate Strategy:

- Providing decent, safe and affordable homes
- Supporting responsible development in the borough
- Undertaking refurbishment of existing council housing.

Table 9 – HRA Capital Programme

	2021/22 £'000	2022/23 £'000	2023/24 £'000
HRA Decent Works Programme	7,528	3,090	3,090
Housing Development Programme	7,642	8,727	10,727
<b>Total</b>	<b>15,170</b>	<b>11,817</b>	<b>13,817</b>
Funded by			
HRA Capital Receipts	(1,947)	(200)	(200)
Major Repairs Contribution	(7,528)	(3,090)	(3,090)
Borrowing	(5,695)	(8,527)	(10,527)
<b>Total</b>	<b>(15,170)</b>	<b>(11,817)</b>	<b>(13,817)</b>

The graph below demonstrates the Capital programme profiled over a 30 year period, taking account the assumption that £60million will be invested over a 7 year period for New Builds within the Borough



## Treasury Management Strategy (HRA)

The current total HRA borrowing is £59.166 million for the self-financing Settlement.

Previously the borrowing was capped by the Government at £72.587 million, this cap has now been removed.

At present, £24.749 million has been assumed for the HRA capital programme. The interest costs on this borrowing consume a significant proportion of the HRA's resources and the management of these is, therefore, critical to the HRA budget.

As the development programme for housing within the borough advances, the borrowing needs will need to be addressed and factored into the financial viability of the scheme developments and the impact on HRA resources.

### Self-Financing Settlement

On 28 March 2012 the Council borrowed £64.166 million from PWLB (Public Works Loan Board) in order for the HRA to become Self Financing as the subsidy system was being demolished. The Council profiled this borrowing over 6 loans ranging from lengths of 5 years to 30 years.

The table below shows the profiles of the loans that the Council holds regarding the Self-Financing Debt

Table 10 – HRA Loan Pool

Loan Amount	Number of Years Held	Date Repayable	Interest %
5,000,000	10	28/03/2022	2.4
10,000,000	15	28/03/2027	3.01
15,000,000	20	28/03/2032	3.3
15,000,000	25	28/03/2037	3.44
14,166,000	30	28/03/2042	3.5

The HRA Business Plan from 2012/13 had been setting aside monies from surplus cash, to repay the loans. As at 31 March 2020 the amount set aside is £1.6 million. The Council repaid £5 million on 28/03/2017, leaving the total loans outstanding at a value of £59.166 million.

The next loan is rescheduled to be paid 28/03/2022 and will require refinancing of £3.150million as it is expected that the HRA will make a voluntary contribution to repay debt of £250k.



The Business Plan assumes that HRA, will continue to set aside some money as long as it is affordable to the HRA. From 2021/22 it is expected the HRA can set aside funds to repay the remaining loans.

## 30 Year Business Plan

As with the budget and capital programme the 30-year financial forecast is reviewed annually and amended where appropriate and this is set out below.

Following the priorities set out above means the capital required on the stock is funded throughout the term of the 30 years.

The Business Plan demonstrates that the HRA is sustainable over a 30-year term, including the capital programme and debt repayment can commence from the financial year 2021/22.

When budget proposals are made to the Council, the Section 151 Officer will take these issues into consideration in their advice on the level of balances that should be retained within the HRA.

Table 11 – HRA 30-year Business Plan

HRA Business Planning Model										
Description	1 2020.21	2 2021.22	3 2022.23	4 2023.24	5 2024.25	6-10 2025.30	11-15 2030.35	16-20 2035.40	21-25 2040.45	26-30 2045.50
<b>Income</b>										
Gross Rental Income	(12,068)	(12,347)	(12,816)	(13,257)	(14,368)	(81,648)	(90,779)	(99,298)	(108,495)	(118,429)
Void Losses	96	150	155	155	168	955	1,061	1,161	1,269	1,385
Tenanted Service Charges	(844)	(909)	(921)	(934)	(955)	(5,069)	(5,597)	(6,180)	(6,823)	(7,533)
Non-Dwelling Income	(326)	(347)	(353)	(358)	(370)	(2,022)	(2,344)	(2,717)	(3,150)	(3,651)
<b>Total income</b>	<b>(13,142)</b>	<b>(13,453)</b>	<b>(13,935)</b>	<b>(14,393)</b>	<b>(15,525)</b>	<b>(87,785)</b>	<b>(97,659)</b>	<b>(107,034)</b>	<b>(117,199)</b>	<b>(128,229)</b>
<b>Expenditure</b>										
General Management	2,648	2,827	2,811	2,827	2,936	15,734	17,377	19,186	21,183	23,387
Special Management	1,053	1,084	1,098	1,112	1,138	6,038	6,667	7,361	8,127	8,973
Other Management	733	690	701	706	722	3,835	4,234	4,675	5,161	5,698
Bad Debt Provision	90	60	60	60	65	370	411	449	491	536
Responsive & Cyclical Repairs	3,203	3,008	3,013	2,919	3,152	16,796	18,282	19,888	21,633	23,529
<b>Total expenditure</b>	<b>7,727</b>	<b>7,670</b>	<b>7,683</b>	<b>7,624</b>	<b>8,012</b>	<b>42,773</b>	<b>46,971</b>	<b>51,559</b>	<b>56,595</b>	<b>62,123</b>
<b>Capital financing costs</b>										
Interest paid on debt	1,941	2,000	2,017	2,179	2,467	12,041	9,492	6,395	2,253	366
Interest paid on 141 receipts	0	0	9	6	13	234	0	0	0	0
Interest Received	(58)	(50)	(59)	(72)	(69)	(158)	(341)	(701)	(1,181)	(2,808)
Depreciation	2,970	2,941	2,941	2,941	3,055	16,896	18,454	20,059	21,797	23,680
<b>Capital financing costs</b>	<b>4,853</b>	<b>4,890</b>	<b>4,908</b>	<b>5,055</b>	<b>5,466</b>	<b>29,013</b>	<b>27,606</b>	<b>25,753</b>	<b>22,869</b>	<b>21,238</b>
<b>Appropriations</b>										
Revenue provision (HRA CFR)	0	250	500	500	2,093	16,014	22,993	29,629	24,220	0
RCCO	500	0	0	0	0	0	0	0	391	1,193
Other appropriations	0	209	826	1,187	0	0	0	0	0	0
<b>Appropriations</b>	<b>500</b>	<b>459</b>	<b>1,326</b>	<b>1,687</b>	<b>2,093</b>	<b>16,014</b>	<b>22,993</b>	<b>29,629</b>	<b>24,611</b>	<b>1,193</b>
<b>Net income/ (expenditure)</b>	<b>(62)</b>	<b>(434)</b>	<b>(18)</b>	<b>(27)</b>	<b>47</b>	<b>15</b>	<b>(89)</b>	<b>(93)</b>	<b>(13,124)</b>	<b>(43,674)</b>
<b>HRA Balance</b>										
Opening Balance	1,071	1,138	1,572	1,591	1,618	1,571	1,587	1,498	1,405	(11,719)
Generated in year	(62)	(434)	(18)	(27)	47	15	(89)	(93)	(13,124)	(43,674)
<b>Closing Balance</b>	<b>1,138</b>	<b>1,572</b>	<b>1,591</b>	<b>1,618</b>	<b>1,571</b>	<b>1,587</b>	<b>1,498</b>	<b>1,405</b>	<b>(11,719)</b>	<b>(55,393)</b>

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**BRENTWOOD  
BOROUGH COUNCIL**

Brentwood Borough Council  
Capital and Investment  
Strategy  
2021/22

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## Introduction

The Council is required by Regulation to have regard to the Prudential Code published by the Chartered Institute of Public Finance and Accountancy (CIPFA) when carrying out its duties under Part 1 of the Local Government Act 2003. Following consultation during 2017, CIPFA published a revised Prudential Code (2017 Edition) and Treasury Management Code of Practice (2017 Edition) in January 2018. One of the main aspects of this revised Code is to bring together elements of capital expenditure with the treasury management strategy, into a single Capital and Investment Strategy for approval by Full Council. This strategy document, therefore, sets out the capital, investment and treasury management strategy for 2021/22 and includes a capital programme and prudential indicators for the forecast period of 2021/22 to 2023/24.

In addition to these revised regulations, the Ministry for Housing, Communities and Local Government (MHCLG) has issued a revised Prudential Framework, the regulations under which the Council is able to borrow and invest surplus cash flows, and revised Statutory Guidance on the Minimum Revenue Provision (MRP).

This strategy document includes all of the information necessary to meet the requirements of these revised guidance documents including the revisions to statutory investment and MRP guidance.

Any changes to statutory guidance may, therefore, require a subsequent change to this strategy, which will be reported at the earliest opportunity. Any such revisions will need the approval of Council.

The delegated obligations for the Section 151 Officer in relation to the capital programme and for treasury management activities are set out in the Financial Regulations respectively.

### What is Capital Expenditure?

Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing fixed asset that is needed to provide services. Fixed assets are tangible or intangible assets that yield benefits to the Council generally for a period of more than one year. This contrasts with revenue expenditure which is spending on the day to day running costs of services.

The Local Government Act 2003 extends the definition for the purpose of capital expenditure to allow expenditure on computer software and on the making of loans or grants for capital expenditure by another body to be treated as capital expenditure of the local authority. These Statutory Regulations have been absorbed into CIPFA's Accounting Code for Local Government Accounting (the Code) and where appropriate form the basis of statutory overrides to International Financial Reporting Standards used within company accounts. For this reason, as well as the Capital Programme produced and approved as part of the annual Budget Setting report, there will also be other activities that are required to be accounted for as Capital Expenditure in addition to the annual programme.

The capital programme is the Councils plan of capital works for future years, including details on the funding of the schemes. Included are the projects such as the purchase of land and buildings, the construction of new buildings, design fees and the acquisition of vehicles and major items of equipment. Also included in the program could be service and commercial investments.

### Treasury Management Function

The proposed Treasury Management arrangements are in accordance with both statutory requirements, non-statutory guidance published by Government and best practice as identified by CIPFA.

All decisions on overall Treasury Management (TM) strategy and the setting of annual TM Strategies are determined by Ordinary Council. The same process will apply to changes to the relevant policy or strategy during the course of a year. Thus, all matters relating to borrowing, investments and debt repayment are determined by Ordinary Council.

The objective of the strategy is to establish a framework under which officers can carry out treasury activities. The control framework is established initially by what is permitted within the approved strategy, but further levels of control exist within the operational aspects of the activities. This means that just because something is permitted by the strategy, it does not necessarily follow that the activity will take place. The Section 151 Officer has the responsibility for this day to day decision making with the primary objective of acting in the best interest of the Council's finances at all times.

Treasury Management investment activity covers those investments which arise from the organisation's cash flows and debt management activity, and ultimately represent balances which need to be invested until the cash is required for use in the course of business.

For Treasury Management investments the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Strategy.

The CIPFA Treasury Management Code recognises that organisations may make investments for policy reasons outside of normal treasury management activity. These may include commercial investments.

### Investments

The Local Government Act 2003 gives a local authority power to invest "for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs."

There is no provision in the Act for the Secretary of State to regulate the way in which an authority exercises its investment powers. It does however require authorities to "have regard" to such *guidance as the Secretary of State may issue* and to such *guidance issued by others as he may specify*. For this purpose, the Secretary of State



has formally endorsed CIPFA's TM Code of Practice and has supplemented the Code with additional guidance. Local authorities are therefore required by statute to have regard to both sets of guidance in their investment activities.

The Section 151 will ensure that the Council has the appropriate legal powers to undertake such investments.

The Section 151 will ensure the proportionality of all investments so that the Council does not undertake a level of investing which exposes it to an excessive level of risk compared to its financial resources.

### Knowledge and expertise

Capital accounting and treasury activities are technical areas of local authority accounting and are covered by specific regulations that are over and above regular accounting functions. In respect of commercial investment, the knowledge and expertise required is specific to asset management within a commercial environment.

To ensure that the Council is able to manage these activities appropriately and make informed recommendations, specialist consultants are engaged.

In relation to asset acquisitions either directly by the Council or by under the wholly owned company Seven Arches Investment Ltd (SAIL), property management and investment consultants are used to undertake the initial assessment of potential sites for purchase and to evaluate the proposed purchase.

For other treasury and investment activities, the Council engages with treasury consultants, who provide general economic data as well as interest and investment rate forecasts and other market data.

## The Capital Programme Budget Setting Process

For any particular budget setting year, the process starts in July of the preceding year. Budget Managers must complete a Growth Bid template to be submitted to Finance by September/October. In the period between August and November, Budget Challenge sessions are held with the Chief Executive, Strategic Director and S151 to discuss budgets and potential growth bids with the Budget Manager. However, during 2020/21 the usual process has been somewhat delayed due to the COVID-19 pandemic, the Council will endeavour to follow guidelines as set out within this document for 2021/22

### How Budget Managers should identify need for Capital Expenditure/Investment.

The need for a capital scheme may be identified by a Service through one or more of the following processes.

- Services annually prepare plans ensuring that their objectives meet the overall aims and objectives of the Council paying careful consideration to the Council's Corporate Strategy. These plans must identify any capital investment needed to meet future service demands. This should be the main method of identifying and planning for service's capital requirements;
- The *Corporate Asset Management Strategy* is currently being revised to highlight deficiencies in the condition, suitability and sufficiency of the Council's existing building stock and identify future areas of need;
- Reviews and external Inspections may also identify areas that need capital investment;
- The need to respond to Government initiatives and new laws and regulations;
- The need to generate a revenue income to contribute to the funding of services.

These plans and review outcomes must be considered by Budget Managers who then must identify their key capital priorities for the relevant service planning period.

### Deciding on Capital Growth to submit

When identifying capital needs the Budget Manager along with their Link Accountant, should consider the proposals against the following criteria:

Prudence:

- Recognition of the ability to prioritise and refocus following transformation work;
- Recognition of the capacity in the organisation to deliver such a programme;
- Recognition of the knowledge and skills available and whether these are commensurate with the appetite for risk;
- Recognition of the future vision of the authority;
- The approach to commercial activities including ensuring effective due diligence, expert advice and scrutiny, defining the risk appetite and considerations of proportionality in respect of overall resources;

- The approach to treasury management and the management of risk as set out in the Treasury Management Strategy.

#### Affordability:

- Revenue impact of the proposals on the Medium-Term Financial Strategy;
- The borrowing position of the Council, projections of external debt and the use of internal borrowing to support capital expenditure;
- The authorised limit and operational boundary for the following year;
- Whether schemes are profiled to the appropriate financial year.

#### Sustainability:

- A long-term view of capital expenditure plans, where long term is defined by the financing strategy of and risks faced with reference to the life of the project/assets;
- Provision for the repayment of debt over the life of the underlying debt as set out in the Minimum Revenue Provision policy;
- An overview of asset management planning including maintenance requirements and planned disposals.

#### Growth bid Appraisals

As part of the process of producing a list of potential schemes for the capital programme budget managers should complete option appraisals to determine the most cost effective and best service delivery options.

By submitting the project, the budget manager is agreeing to fund all operational and running costs of the scheme and to find any necessary capital resources to fund the scheme or make the Council aware of the full requirement of the use of corporate resources.

Projects are assessed through financial modelling as though they were funded by borrowing and are required to provide a positive Net Present Value by the modelling of the project cash flows, including the financing costs, to ensure that income or cost savings are greater than sums expended.

Some projects may require a feasibility study. As part of any feasibility study an assessment of the maintenance costs per annum averaged over the whole life of the asset should be calculated.

All projects, especially major, complex and strategic projects, as part of setting the capital programme for new schemes and additions, should follow the *Corporate Project Management Process*.

#### Submission of Bids

All bids are produced in line with the appropriate timetable with consideration for the financial information contained within the bid.

Budget Managers must have a clear understanding of the service requirement and the budget consequences, both revenue and capital, of completing the capital program.

Bids must be submitted in September/October in order to be considered as part of the budget setting process.

Possible sources of funding can then be considered for each of the proposed capital schemes. Each project will be considered in terms of revenue funding to cover the operational running costs of the asset and any borrowing repayment costs, and also how the asset will be funded in terms of capital expenditure.

The proportionality of the proposals as a whole will then be considered in respect of overall resources and longer-term sustainability and risk. The Section 151 will take an overall view on the prudence, affordability and sustainability of the overall borrowing level if all bids are accepted.

Once the Section 151 has taken a view of the prudence of the overall borrowing level, growth bids are presented to the Senior Leadership Team to be considered from a corporate strategy perspective.

### Prioritisation of Bids

A formalised corporate approach allows the Council to:

- Identifying essential capital investment in the short term
- Identifying projects through approved strategies such as *Leisure Strategy* and *Play Area Strategy*, ensuring strategies line up against the capital program.
- Utilise feasibility studies where needed, to ensure the right capital funds are being requested.
- Ability to enter projects in a managed way through the annual budget cycle and when the capital program is reviewed at mid-year.
- The Council is mindful of the current program and the capacity available to deliver new projects and the relevant financing of the new bids.

This corporate approach results in a list of capital project proposals to be considered as part of that year's budget approval process and a 'waiting list' of other capital project proposals that may be put forward for consideration later in the year or as part of the following year's budget approval process.

### Member Approval

Large schemes are reported to individual committees before final submission is made to Policy, Projects and Resource Committee. The Business Plan of these schemes are reported to members before they approve and allow the drawdown of budgets for the scheme in question.

Bids that are successful are then incorporated into the Capital Program as part of the Budget Report, that is presented to Policy, Resources and Economic Development Committee who refer the program to Ordinary Council for approval.

Members approve the overall borrowing levels at the Ordinary Council budget meeting each year as part of the Treasury Management Strategy. Any external borrowing then becomes an operational decision for the Section 151 who will decide based on current financial position whether to borrowing internally or enter into external borrowing.

Once the Council has approved the capital programme, then expenditure can be committed against these approved schemes subject to the normal contract and procurement procedure rules and the terms and conditions of funding, if applicable.

Following approval by Council the capital programme expenditure is then monitored on a monthly basis.

#### Monitoring the Capital Programme.

Once the detailed program has been approved at Ordinary Council, the financial spend is monitored on a monthly basis. The monitoring cycle is summarised below

1. At the end of the financial month, Capital Budget monitoring cycle is opened in Collaborative Planning, the Council's monitoring system.
2. Budget mangers project the progress of each capital project and update the system with their current estimates.
3. Link Accountants review the updates and make any necessary challenges or amendments with discussion with the Budget Manager.
4. Senior Leadership Team review the information to ensure the projects are on target at quarterly Budget Challenge sessions.
5. Members review overall delivery as part of Budget update reports taken to Policy, Resources and Economic Development Committee.

#### Housing Revenue Account (HRA) Capital Programme

The Council awarded a new 10-year Repairs & Maintenance Contract that commenced in June 2019.

The new contractor has been carrying out stock condition surveys on the Councils housing properties, this information will then inform a 30-year Asset Management Strategy which will be a key input into the HRA's 30-year business plan.

Once the *HRA Asset Management Strategy* is developed this will aid in delivering a program that will improve or maintain stock to the agreed standard but will also help identify how to improve and maintain the overall estates and environment. The programme will be linked to the revenue repairs budget and in particular the planned maintenance programme to ensure that the overall programme of works is aligned and prioritised taking into account the overall capital and revenue resources available.

In addition to *HRA Asset Management Strategy*, the Council is currently developing an *Strategic Housing Development Strategy*. This is to address the acquisition and development

of new dwellings in the borough, utilising the retained right to buy receipts from right to buy sales of Council dwellings.

The major source of funding for the HRA Capital programme is the depreciation charge to the HRA which is charged to the Major Repairs Reserve and drawn down from here to finance the HRA Decent home Program. However, the HRA can also make contributions of revenue to capital expenditure. The HRA revenue budget identifies the proposed level of depreciation as well as the proposed level of revenue contribution for the Capital programme.

### **Funding the Capital Program**

How the Council funds its capital expenditure and investment.

#### **Capital Receipts**

A capital receipt is an amount of money exceeding £10,000 which is received from the sale of an asset. They cannot be spent on revenue items.

Surplus and poor performing assets are reviewed with re-investment in higher performing assets and the Council's focus on investment and regeneration will ensure maximum return from council assets. The general policy is that any capital receipts are then pooled and used to finance future capital expenditure and investment according to priorities.

#### **Section 106 – Planning obligations**

When the Council adopts land for open space or play area the developer pays a commuted sum under a 'section 106 agreement'. This is held on the balance sheet and the interest earned offsets the future maintenance costs of the recreation asset. The Council also seeks to secure the provision of infrastructure and facilities to mitigate the effects of development under section 106.

#### **External Grants and Contributions**

Through partnership working, supportive funding and innovation, the Council will seek to attract investment into the Borough. We seek to maximise external funding to support our programme. This tends to be for specific purposes. Working with public and private sector partners we are able to make better use of Council money.

#### **Revenue contributions**

The Council is able to contribute revenue to the Capital if it chooses to do so. The Council's budget and MTFs sets out allocation of reserve balances and this Council's approach to managing working balances.

#### **Balances and Reserves**

The Council continues to hold specific reserves, these reserves are mostly earmarked for specific projects, limiting funding for new initiatives.

#### **Prudential/Unsupported Borrowing**

Local Authorities can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. The borrowing costs are not supported by the Government so

services need to ensure they can fund the repayment costs. This borrowing may also be referred to as Prudential Borrowing.

Capital projects that cannot be funded from any other source can be funded from Prudential Borrowing. The Council must be able to afford the borrowing repayment and interest charges on the loan from existing revenue budgets or the Council must see this as their key priority for the budget process and to be factored into the Medium-Term Financial Strategy accordingly.

The Section 151 will make an assessment of the overall prudence, affordability and sustainability of the total borrowing requested. The impact of this borrowing will be reported in the Treasury Management Strategy alongside the Prudential Indicators required by CIPFA's Prudential Code for Capital Finance.

The view of the Section 151 will be fed into the corporate bidding process so that, should the borrowing levels be unaffordable or not prudent, then the schemes will be prioritised against the available funding from borrowing using the corporate plan.

The Section 151 will also determine whether the borrowing should be from internal resources or whether to enter into external borrowing.

#### Leasing

The Section 151 may enter into finance leasing agreements to fund capital expenditure on behalf of services. However, a full option appraisal and comparison of other funding sources must be made and the Section 151 must be certain that leasing provides the best value for money method of funding the scheme.

Under the Prudential Code finance leasing agreements are counted against the overall borrowing levels when looking at the prudence of the authority's borrowing.

#### Invest to Save Schemes

Occasionally projects arise for which services require assistance with meeting the set-up costs of projects which may bring long term service delivery improvements and/or cost savings.

The initial set up costs may be of a revenue or capital nature. Assistance for these schemes must be considered on an, individual basis by the Senior Leadership Team and then reported to Policy, Resources & Economic Development Committee with consideration to the Council's overall priorities and resources. For 'invest to save' schemes assistance may be given for initial set up costs, but it is expected that in the longer term these schemes will produce savings and/or additional income that will as a minimum fund any additional operational or borrowing costs. If the additional savings/income does not cover the additional costs incurred, then the service will be required to fund the gap from their existing budgets (i.e. they will underwrite the savings/income).

## Capital Programme 2020/21

The table below highlights the current forecast for 2020/21 Capital Projects and the proposed slippage to be agreed as part of 2020/21 outturn report, that will be submitted to Policies, Resource and Economic Development Committee June 2021.

These capital schemes have been aligned with the Corporate Strategy headings. The schemes within each strategy theme are set to achieve the following:

### Protecting our Environment

- Reducing pressure on environmentally sensitive areas and infrastructure.
- Investing in an electric fleet or alternative fuel powered vehicles to reduce the impact on the environment.
- Improving and enhancing the Councils Waste management services.

### Developing Our Communities

- Investing in community facilities to support the growing population.
- Enhancing and developing sustainable leisure facilities.
- Protecting residents and property through enforcement initiatives and crime prevention initiatives.

### Improving Housing

- Undertaking refurbishment of existing council housing.
- Increasing the delivery of housing to meet local needs.
- Using brownfield sites efficiently to provide affordable homes and relive pressure on the green belt.

### Delivering an efficient and effective Council

- Using Council building's efficiently and to good effect.
- Continuing to deliver service improvement
- Invest further in technology to improve the customer journey when accessing Council services.
- Invest in acquiring strategic in borough assets to promote employment and regeneration.



Table 1 - Capital Programme 2020/21 – Estimated Outturn

	2020/21 Current Budget £'000	2020/21 Estimated Outturn £'000	Variance £'000
<b><u>Protecting Our Environment</u></b>			
Vehicle Fleet Management	1,600	1,254	(346)
Cemetery Infrastructure	70	20	(50)
Open Space Site Security	25	25	0
Car Parking Improvements	323	2	(321)
<b>Total Protecting Our Environment</b>	<b>2,018</b>	<b>1,301</b>	<b>(717)</b>
<b><u>Developing Our Communities</u></b>			
Play Area Refurbishment	467	143	(324)
King George's Pavilion Redevelopment	7,734	708	(7,026)
Football Hub Development	1,456	0	(1,456)
Brentwood Leisure Trust Enhancements	0	244	244
Brentwood Leisure Centre Enhancements	500	500	0
Community Halls Enhancements	539	439	(100)
Equipment Purchase	25	0	(25)
CCTV Upgrades	10	10	0
<b>Total Developing Our Communities</b>	<b>10,731</b>	<b>2,044</b>	<b>(8,687)</b>
<b><u>Improving Housing</u></b>			
Home Repair Assistance Grants	5	0	(5)
Disabled Facilities Grant	250	210	(40)
HRA Decent Home Programme	8,469	3,560	(4,909)
Affordable Housing Development	4,641	1,803	(2,838)
<b>Total Improving Housing</b>	<b>13,365</b>	<b>5,573</b>	<b>(7,792)</b>
<b><u>Delivering an Effective and Efficient Council</u></b>			
Asset Management Strategy	100	80	(20)
Asset Improvements	200	0	(200)
ICT Strategy	60	57	(3)
ICT End User	65	69	4
ICT Software Licences	38	38	0
SAIL Loans	27,500	27,500	0
Strategic Employment Acquisition*	0	62,500	62,500
In-Borough Regeneration Project	27,300	27,300	0
<b>Total Delivering an Effective &amp; Efficient Council</b>	<b>55,263</b>	<b>117,544</b>	<b>62,281</b>
<b>Total Capital Programme</b>	<b>81,377</b>	<b>126,462</b>	<b>45,085</b>

\*It should be noted that the estimated outturn has been included to ensure future years prudential indicators are appropriate. No formal decision has been made to include within the capital programme.

Table 2 - Funding the 2020/21 Capital Programme

The following table identifies how the 2020/21 Capital Programme will be funded.

	2020/21 Current Budget	2020/21 Estimated Outturn	Variance
	£'000	£'000	£'000
Grants & Contribution	(825)	(250)	575
Capital Receipts	(200)	(200)	0
Borrowing	(66,517)	(120,648)	(54,131)
<b>Total General Fund Capital Funding</b>	<b>(67,542)</b>	<b>(121,098)</b>	<b>(80,856)</b>
HRA Capital Receipts	(923)	(541)	382
Major Repairs Reserve	(7,769)	(3,561)	4,208
Revenue Contribution from HRA	(1,200)	(500)	700
HRA Borrowing	(3,943)	(762)	3,181
<b>Total HRA Capital Funding</b>	<b>(13,835)</b>	<b>(5,364)</b>	<b>8,471</b>
<b>Total Capital Funding</b>	<b>(81,377)</b>	<b>(126,462)</b>	<b>(45,085)</b>

## Slippage Proposals

Slippage is proposed when capital schemes are not completed within the specified financial year but are still ongoing. Reasons for slippage could be delay to works starting, delay to contracts being agreed, projects being effected by resources and weather, projects requiring re-profiling are some examples. Not all underspends on schemes need to be brought forward, only those for schemes that are commitment. Proposed Slippage from 2020/21 is as follows

Table 3 – Proposed Capital Slippage

Capital Scheme	Amount £'000
Car Parking Improvements	322
King George's Pavilion Redevelopment	7,026
Football Hub Development	1,456
Community Halls Enhancements	100
Vehicle Management	346
Play Area Refurbishments	324
<b>Total General Fund Slippage Proposals</b>	<b>9,574</b>
Affordable Housing Development	2,838
<b>Total HRA Slippage Proposals</b>	<b>2,838</b>
<b>Total Slippage Proposals</b>	<b>12,412</b>
Funded By:	
Borrowing	(9,574)
<b>Total General Fund Funding</b>	<b>(9,574)</b>
HRA Capital Receipts	(851)
Borrowing	(1,987)
<b>Total HRA Funding</b>	<b>(2,828)</b>
<b>Total Funding of Slippage Proposals</b>	<b>(12,412)</b>

These will be finalised and approved as part of 2020/21 outturn, which will be reported to Policy Resources & Economic Development Committee.

## Capital Programme 2021/22

The table below details the capital programme budget for 2021/22 and the forecast for the next two years. Each scheme is aligned with the Corporate Strategy as detailed on page 13 of this document, and the proposed budget is set to deliver against each Corporate Strategy theme.

Table 4 - Capital Programme 2021/22 and forecasts for 2022/23 & 2023/24

	2021/22 £'000	2022/23 £'000	2023/24 £'000
<b><u>Protecting Our Environment</u></b>			
Vehicle Fleet Management	1,198	300	500
Open Spaces Infrastructure	100	220	220
Low Emissions Infrastructure	138	0	0
Car Parking Improvements	20	20	20
<b>Total Protecting Our Environment</b>	<b>1,456</b>	<b>540</b>	<b>740</b>
<b><u>Developing Our Communities</u></b>			
Play Area Refurbishment	825	350	175
King George's Pavilion Redevelopment	100	0	0
<b>Total Developing Our Communities</b>	<b>925</b>	<b>350</b>	<b>175</b>
<b><u>Improving Housing</u></b>			
Home Repair Assistance Grant	5	5	5
Disabled Facilities Grant	250	250	250
HRA Decent Home Programme	7,528	3,090	3,090
Strategic Housing Delivery Programme	4,804	8,727	10,727
<b>Total Improving Housing</b>	<b>12,587</b>	<b>12,072</b>	<b>14,072</b>
<b><u>Delivering an Effective and Efficient Council</u></b>			
Asset Management Strategy	600	200	200
Asset Development	400	1,000	1,000
ICT Strategy	100	100	100
ICT Hardware	25	10	10
Software Infrastructure	80	0	0
Strategic Property Acquisitions	4,650	0	0
<b>Total Delivering an Effective and Efficient Council</b>	<b>5,855</b>	<b>1,310</b>	<b>1,310</b>
<b>Total Capital Programme</b>	<b>20,823</b>	<b>14,272</b>	<b>16,297</b>

Table 5 - Funding the Capital Programme

	2021/22	2022/23	2023/24
	£'000	£'000	£'000
Total General Capital Programme	8,491	2,455	2,480
Total HRA Capital Programme	12,332	11,817	13,817
<b>Total Capital Programme</b>	<b>20,823</b>	<b>14,272</b>	<b>16,297</b>
Funded By:			
General Fund Capital Receipts	(200)	(200)	(200)
Government Grants	(250)	(250)	(250)
Borrowing	(8,041)	(2,005)	(2,030)
<b>Total General Fund Capital Funding</b>	<b>(8,491)</b>	<b>(2,455)</b>	<b>(2,480)</b>
HRA Capital Receipts	(1,096)	(200)	(200)
Major Repairs Reserve	(7,528)	(3,090)	(3,090)
HRA Borrowing	(3,708)	(8,527)	(10,527)
<b>Total HRA Capital Funding</b>	<b>(12,332)</b>	<b>(11,817)</b>	<b>(13,817)</b>
<b>Total Capital Funding</b>	<b>(20,823)</b>	<b>(14,272)</b>	<b>(16,297)</b>

## Capital Schemes 2021/22

A high-level summary is provided for each capital scheme that has been budgeted for in 2021/22 under each Corporate Strategy heading.

### Protecting our Environment

**Vehicle Fleet Management**, replacing existing fleet predominantly for waste services. Current fleet are aged and need replacing to reduce revenue burden of repairs and maintenance.

**Open Spaces Infrastructure**, additional funds that support workstreams on, improving the car parks at King Georges, improving the disabled access at the golf course, installing electric vehicle charging points and solar lighting for wayfinding and installing a Changing Places facility to serve the play area and Splash Pad.

**Low Emissions Infrastructure**, To support the county with their active travel plans.

**Car Parking Improvement** ensuring general enhancements are performed in a timely manner on Council car parks.

### Developing Our Communities

**Play Area Refurbishment**, continued support in achieving the play area strategy.

**King George's Pavilion Redevelopment** additional support in contributing to the project ensuring the Council can meet its plans for the leisure strategy.

### Improving Housing

**Home Repair Assistance Grants** awarded for small home repairs through public applications.

**Disabled Facilities Grant** received from central government for the Council to pay for essential housing adaptations to help disabled people stay in their own home, subject to applications and criteria.

**HRA Decent Home Programme** is planned works and major repairs works on the current stock in the HRA to ensure they meet decent home standards for living.

**Strategic Housing Delivery Programme:** The regeneration of Brookfield Close, Hutton resulting in a planned 61 zero carbon homes and the development of a range of smaller HRA sites to deliver new homes.

## Delivering an Efficient and Effective council

**Asset Management Strategy** funds to enhance Council owned assets through planned maintenance.

**Asset Development** Works that are required to develop existing owned assets, which will be reviewed by a business case.

**ICT Strategy** for the development of ICT in the Council to produce synergies and efficiencies and support services and ICT enhancements required.

**ICT Hardware** rolling program of replacing ICT hardware as it comes to the end of its useful life.

**Software Infrastructure** Enhance Council software

**Strategic Property Acquisitions** To ensure the Council has enough funding to purchase strategic assets for the benefit of the borough.

## Risk, Procurement and Value for Money in the Capital Strategy

Risk is the threat that an event or action will adversely affect the Council's ability to achieve its objectives and to execute its strategies successfully.

Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of managing/mitigating them and/or responding to them. It is a means of minimising the costs and disruption to the organisation caused by undesired events and of ensuring that staff understand and appreciate the element of risk in all their activities.

The aim is to reduce the frequency of adverse risk events occurring (where possible), minimise the severity of their consequences if they do occur, or to consider whether risk can be transferred to other parties.

To manage risk effectively, the risks associated with each capital project need to be systematically identified, analysed, influenced and monitored.

It is important to identify the appetite for risk by each scheme and for the capital programme as a whole, especially when investing in capital assets held primarily for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle of control of risk and optimising returns consistent with the level of risk applies.

The Council is faced with diminishing capital finance and reduced access to grants and external funding which means the Council will need to monitor spend against available funds carefully to ensure that it does not spend or commit in advance of receiving funding.

The Capital Financing Requirement (CFR) will need to be monitored carefully. Risk is therefore addressed throughout this strategy by setting out clearly how projects will be appraised, approved, monitored and reported on.

The strategy is closely aligned to the Treasury Management Strategy which contains key performance indicators.

Capital projects will be managed through the council's budgeting system. All risks that may affect a project are considered. These can include political, economic, legal, technological, environmental and reputational as well as financial. Large projects will use appropriate project management tools in accordance with the size of the project.

A specific risk as a VAT registered body is the recovery of exempt VAT only up to a value of 5% of all the VAT it incurs. This is known as the de-minimis limit. Monitoring and control of exempt input tax is essential for the council as where exempt input tax exceeds the 5% limit the whole amount is irrecoverable and will represent an additional cost to the council. Each capital investment will be closely reviewed to assess its VAT implications.

Procurement



The purchase of capital assets should be conducted in accordance with the Procurement Strategy, ensuring value for money, legality and sustainability at all times. Contract standing orders and rules governing the disposal or write offs of assets are contained in the Constitution.

The Capital Programme and business cases associated with the development of the individual schemes should take in consideration the Council’s Procurement strategy, Standing Orders for Contracts (as part of the Council’s Constitution) and Financial Regulations.

The decision on which procurement route to take is governed by the following thresholds, contained within Standing Orders:

Overall value	Procedure
Under £10,000	One quotation required, obtaining best value for money
£10,000 to £50,000	At least three quotations required; quotation exercise to be conducted by the Procurement Officers on Delta E-Sourcing website, and advertised on the Council’s website for at least two weeks
£50,000 to EU threshold*	Full tender exercise conducted by Procurement Officers on Delta E-Sourcing website and advertised on the Councils website for at least two weeks
Over EU threshold*	Full tender exercise conducted on Delta E-Sourcing website by the procurement Officers, in accordance with the Official Journal of the European union rules and advertised on the Council’s website for at least two weeks.

It should be noted that the thresholds contained within the standing orders will be amended in the constitution to reflect the new rules following the end of the transition period on 31<sup>st</sup> December 20220 to leave the EU. The changes will reflect the find a tender scheme which is our equivalent of the OJEU process.

### Other options

Many collaborative organisations let framework agreements which public sector organisations can use.

A framework is an agreement between one or more authorities and one or more contractors which establishes the terms governing any call-off contracts that are let during a set period. It is not in itself a contractual agreement to supply, but is an enabling agreement providing agreed specifications, delivery terms, prices, and terms and conditions of contract.

Framework agreements have been tendered in a way compliant with Public Contracts Regulations 2015 and because of this the Council can use these instead of a full, open tender exercise.

Once a framework agreement is in place, individual purchase orders can be placed against it under the agreed terms and conditions. The orders, once placed, are contracts under the Framework.

There are rules about how you can use a framework agreement, and these will vary dependent on the individual terms of each framework agreement. The Procurement Officer will be able to advise as to the availability of any framework agreements.

Standing Orders state that waivers from procurement rules are allowed only under certain circumstances:

- The subject matter of the contract can only be supplied by one specialist supplier;
- There is an unforeseen emergency involving immediate risk to persons, property or serious disruption to Council services;
- The contract is an extension to an existing contract and a change of supplier would cause technical difficulties, diseconomies of scale or significant disruption to Council services;
- The purchase involves collaborative procurement arrangements with another local authority or government department;
- There is any other compelling or practical reason that a competitive exercise should not be run.

If a waiver is appropriate for a particular procurement, officers must obtain a Waiver Form from the Procurement Team, complete and sign it and return it to the Procurement Team, who will check its validity and obtain a signature from either the Section 151 Officer, the Chief Executive or the Monitoring Officer.

A waiver cannot be granted if the value of the required procurement is above the current EU threshold

Where capital spend involves a specific procurement process which differs from the standard process, we will adopt the principal that by approving the capital project we are also approving the specific procurement process.

Value for Money

The Council recognises that effective procurement lies at the heart of delivering value for money and is essential if the Council is to obtain real improvements to quality and service costs. The Council seeks to achieve value for money by applying rigorous procurement standards in the selection of suppliers and contractors to ensure efficiency, economy and effectiveness is received throughout the life of a contract. The significant resources applied to capital expenditure require the adopted principles of value for money to be at the heart of our capital strategy. Specifically, we will seek to strengthen the outcome indicators as part of post project reviews.

Brentwood Borough Council's Procurement Ethics Code is based on the principles of maintaining honesty, fairness and transparency and forms part of the Standing Orders for Contracts.

All Officers of Brentwood Borough Council are required to uphold this code and to seek commitment to it by all those with whom they engage in their professional practice.

Officers are expected to encourage their suppliers to adopt an ethical purchasing policy based on the principles of this code and to raise any matter of concern relating to business ethics at an appropriate level.

## Other Capital Expenditure

Part of the reason for the changes in the revised CIPFA regulations is to ensure that the Council provides clarity over 'other' investments that might otherwise not be captured in either the Treasury management or Investment Strategies. This type of investment could include, for example, the purchase of Investment Properties (held on a commercial basis to generate income or for capital appreciation purposes), or the issue of loans or other financial support to third parties, including wholly owned companies.

The income generated from such investments will help the Council to achieve a balanced budget in future years and will provide income for reinvesting in Council services, thereby supporting the maintenance and development of the Council's services.

Unlike the Council Investments which focuses on the prudent investment of surplus cash flows, by following the factors of Security, Liquidity and Yield in that order, investment in commercial operations, by their nature, need a different objective.

Whilst seeking to maintain the level of investment, the focus is on Yield (the level of financial return) and the investments are not likely to be liquid (the speed at which the investment can be converted into cash).

The investments in the Council's wholly owned company Seven Arches Investment Limited (SAIL) are not regarded in the regulations as being part of the Council's treasury activities and are therefore accounted for as capital expenditure as a loan to SAIL. They are facilitated by a Facilities Agreement between the two parties. This expenditure is funded from borrowing, the cost of servicing debts falls on the General Fund and will be included in the budgets to be approved by Ordinary Council in each financial year of the life of the loan.

It is essential that, at the very least, 'other' investments need to provide an income to the General Fund which is sufficient to cover these costs, but preferably to also create a surplus that can be used to support the provision of services. However, in complying with the regulations, it is necessary to recognise the risks and in particular that the income generated by these schemes may not be sufficient to cover the costs incurred.

The Council uses a number of mechanisms to reduce these risks, including the following:

a) Project cost modelling – in this exercise, the income and expenditure cash flows for the life of the project are modelled. These are based on a number of assumptions which may include the borrowing rate, term of the borrowing and rate of inflation. These costs are then converted into a 'present value' (taking out the impact of inflation and the opportunity cost of income that could be generated if the funds had simply been invested for a return), using an appropriate discount rate, the effect being as though all of the costs and income generated by the project occurred on day 1. Other investment appraisal techniques are also used including:

- Payback
- Internal rate of return

b) Use of specialist advisors – as part of these activities, the Council employs the use of specialist advisors, who know and understand the market in which the activities operate and provide the Council with appropriate advice and data on which to base many of the assumptions used within the modelling.

c) The activities undertaken by SAIL - This area is subject to a strategic framework in which to operate. Their *Commercial Property Investment Strategy* that clearly sets out the parameters around which investments that will be reviewed and considered by SAIL’s board. This strategy is approved alongside the Business Plan on an annual basis by the board and presented annually to the shareholders. Policy, Resources and Economic Committee is the nominated committee to represent the Council as shareholder. All purchase decisions under the strategy are subject to the approval of the Directors. Policy, Economic and Resources Committee has delegated authority to approve any required funding should this be requested by SAIL and included within the capital programme.

d) Use of earmarked reserves – these activities are rarely consistent in terms of costs and income and while these are modelled as accurately as possible, there will be fluctuations that are unknown at the outset. One of the methods that will be used by the Section 151 Officer to protect the Council from these fluctuations is the use of Earmarked Reserves. In this instance any surpluses above projections, may be transferred into a reserve to offset any future deficits that may be experienced. In this way, the Section 151 Officer can take a view annually of the extent to which surpluses generated can be used to fund services whilst being mindful of the risk to future budget setting of any negative events in any of these more commercial areas.

The following estimates have been included in the budget setting process for 2021/22 and the forecast period:

- a) Historic lending to Seven Arches Investments Ltd, the Council’s wholly-owned subsidiary
- b) rental income from the former HRA shops that now sit within the general fund

A summary of these estimates is included below.

Table 6 – Commercial Income Estimates

Policy Initiatives	2021/22	2022/23	2023/24
	£'000	£'000	£'000
Long-term lending to subsidiary	1,660	1,660	1,660
Rental Income from Shops	184	184	184

To the extent that these income streams are not realised, the Section 151 Officer will need to find additional savings elsewhere in the General Fund budget or use Reserve balances to maintain service levels.

The long-term lending to the Council’s subsidiary was executed prior to November 2020. The capital expenditure plans for 2021/22 to 2023/24 do not include any further lending to the subsidiary, not any associated borrowing by the Council.

To provide a sense of scale of the extent which the Council is relying on these activities to fund services, the following percentages compare the total budget requirement of each financial year to the projected income.

Table 7 – Analysis of Commercial Income to the General Fund

Policy Initiatives	2021/22 £'000	2022/23 £'000	2023/24 £'000
Total Net Budget Requirement	8,570	8,118	7,700
Net Long-term lending to subsidiary	1,660	1,660	1,660
Net return from shops	184	184	184
% of Investment Income to Net budget	21.5%	22.7%	23.9%

Table 7a – Analysis of Commercial Income compared to overall Income

Policy Initiatives	2021/22 £'000	2022/23 £'000	2023/24 £'000
Total Budgeted Income	40,399	40,822	40,766
Net Long-term lending to subsidiary	1,660	1,660	1,660
Net return from shops	184	184	184
% of Investment Income to Net budget	4.6%	4.5%	4.5%

It is important that these activities are proportional to the overall finances available to the council, to avoid over-reliance on their performance. This approach gives a measure of this reliance in any given financial year, which therefore allows for any fluctuations in levels of income and expenditure to be managed.

It can be seen from the table that less than 24% of the Councils net budget requirement is being financed through these income streams, however compared to the total budgeted income is initially 4.6%. The minimum level reserve balance has been amended accordingly to take this proportionality into account.

The Section 151 Officer is required to consider the point at which the resources of the council are over relying on investment activities to balance the budget. These activities should be regarded as supporting the council in managing shortfalls in its finances, rather than a main source of funding, so that ongoing risks, inherent in all these arrangements, can be adequately managed. Proportionality must also be viewed in context to the wider risk mitigation measures in place.

The Council continues to explore alternative ways and models of generating and delivering initiatives that will deliver the Corporate Strategy as well as retaining an income return on its assets. (which is not primarily for yield). These initiative projects could be, economic

regeneration projects, acquiring strategic sites that secures employment within the borough, or seeking out a private sector partner to secure residential acquisitions. As new opportunities come forward, they will be assessed in relation to the most appropriate delivery model and, where appropriate, will be delivered within SAIL or a new subsidiary company set up, if this is deemed to be the best vehicle, or when statutory regulations require the Council to do so.

There may also be occasions when assets are moved within the group, but these transactions will generally be at arm's length and at a market value, ensuring that, where schemes are developed through one of the ventures, they are free to act in a commercial manner in their operations in developing and delivering those schemes.

It should be noted that taking on the additional borrowing associated with these activities is not without risk and the management of this is detailed in subsequent sections of this strategy. All of the borrowing currently undertaken for capital investment purposes is asset backed, i.e. the Council has the ownership of an asset that could be sold if required, with the value sufficient to repay the debt incurred in purchasing it. The Council therefore does not consider that there is a significant risk of the loans being deemed to be impaired in the foreseeable future. In future years, if the loan is deemed to be impaired, the authority will make provision to cover any expected loss by way of minimum revenue provision contribution (see Minimum Revenue Provision section, page 46)

## Treasury Management

Treasury management is a key element of the Council's overall financial management arrangements. It relates to the Council's borrowing and investment activities and the effective management of the associated risks. These activities are strictly regulated by statutory requirements and professional codes of practice, which require authorities to set local parameters for their Officers to work within. This Council has adopted the CIPFA Code of Practice on Treasury Management in the Public Services and, as required by the Code, has an approved Treasury Management Policy Statement and associated Practice Statements.

Under these arrangements, Council approves an annual strategy for the expected treasury management activity in the forthcoming financial year. A further report is made after the year-end on the actual activity for the year and a mid-year report will also be made comparing performance with the approved strategy.

This section summarises the current position about the Council's Treasury Management arrangements and proposes a strategy for 2021/22.

### Capital Expenditure and Financing

The main driver of the Council's treasury activity is its capital expenditure plans. The following table summarises the Council's capital expenditure programme for 2021/22 to 2023/24, and the 2019/20 actuals and 2020/21 forecast outturn. The figures for 2021/22 incorporate the slippage proposals reported on page 16.

Table 8 – Capital Expenditure

	2019/20 Actual £000	2020/21 Estimated outturn £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
General Fund	24,880	121,098	18,066	2,455	2,480
HRA	5,317	5,364	15,170	11,817	13,817
<b>Total</b>	<b>30,197</b>	<b>126,462</b>	<b>33,236</b>	<b>14,272</b>	<b>16,297</b>

The following table summarises how the capital programme will be financed:



Table 9 – Financing of Capital Expenditure

	2019/20 Actual £000	2020/21 Estimated outturn £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Capital receipts	(1,517)	(741)	(2,147)	(400)	(400)
Capital grants & contributions	(352)	(250)	(250)	(250)	(250)
Revenue contributions	(1,473)	(500)	0	0	0
Major repairs reserve	(927)	(3,561)	(7,528)	(3,090)	(3,090)
<b>Sub total</b>	<b>(4,269)</b>	<b>(5,052)</b>	<b>(9,925)</b>	<b>(3,740)</b>	<b>(3,740)</b>
Borrowing	(25,928)	(121,410)	(23,311)	(10,532)	(12,557)
<b>Total</b>	<b>(30,197)</b>	<b>(126,462)</b>	<b>(33,236)</b>	<b>(14,272)</b>	<b>(16,297)</b>

### Capital Financing Requirement

The main purpose of borrowing and other forms of credit (such as finance leasing) is to meet a shortfall in capital resources available to finance capital expenditure. In practice however there is such a great variety of revenue and capital cash flowing in and out of the Council's bank account at any time that it is difficult to determine from an examination of cash transactions just what the underlying debt requirement is.

The statutory measure for this is the Capital Financing Requirement (CFR), as defined in the Prudential Code. By ignoring capital expenditure financed from capital cash resources (e.g. capital receipts, grants and contributions, or from revenue or other reserves), it represents the true capital shortfall at any time. Then, by plotting estimated movements in capital expenditure and resources through the capital programme it is possible to estimate the underlying debt requirement. In practice, the Council might not actually incur borrowing in line with the CFR if, for example, it has surplus funds invested externally that could be called back, but the starting point for developing a strategy for borrowing is the CFR. The forecasts for 2021/22 to 2023/24 are as follows:

Table 10 – Capital Financing Requirement

	2019/20 Actual £000	2020/21 Estimated outturn £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
<b>Capital Financing Requirement</b>					
General Fund	56,409	176,791	193,108	193,479	193,779
HRA	62,829	63,591	69,286	77,813	88,340
<b>Total CFR</b>	<b>119,238</b>	<b>240,382</b>	<b>262,394</b>	<b>271,292</b>	<b>282,119</b>

<b>Movement in CFR represented by:</b>	2020/21 Estimated outturn	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Net financing need for the year	121,409	23,311	10,532	12,557
Minimum & Voluntary Revenue Provision	(265)	(1,299)	(1,634)	(1,730)
<b>Movement in CFR</b>	<b>121,144</b>	<b>22,012</b>	<b>8,898</b>	<b>10,827</b>

#### Gross Debt and the Capital Financing Requirement

The Council should ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes. The following table shows that the level of gross borrowing is expected to be below the CFR, which demonstrates compliance with the requirement of this indicator.

Table 11 – Comparison of total debt to Capital Financing Requirement

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Borrowing	96,351	213,847	237,559	248,087	256,140
<b>Total debt</b>	<b>96,351</b>	<b>213,847</b>	<b>237,559</b>	<b>248,087</b>	<b>256,140</b>
<b>Capital financing requirement</b>	<b>119,238</b>	<b>240,382</b>	<b>262,394</b>	<b>271,292</b>	<b>282,119</b>
Under borrowing	(22,887)	(26,535)	(24,835)	(23,205)	(25,979)

## Borrowing Strategy

The Council's level of external borrowing has increased significantly over last three years, and this is forecast to continue over the next three years, as shown in the above table. This has been driven by the growth of the Council's historic commercial lending, the potential acquisition of in-borough properties for regeneration purposes and the Town Hall project.

The Council has met its most of its borrowing requirements over the last three years by short-term borrowing from other local authorities. This has been a cost effect approach as short-term borrowing rates have been significantly lower than long term rates from the Public Works Loans Board (PWLB). The Council has benefited from this approach during 2020/21 in particular, as interest rates have been at unprecedented low levels.

Short-term borrowing, however, is not a sustainable approach over the long term. It exposes the Council to the risk of not being able to refinance maturing borrowings in future years at low interest rates if there is a scarcity of liquidity, resulting in the borrowings being refinanced at high interest rates. A prudent approach over the long term is to maintain a prudent balance of borrowing long-term and short-term, at fixed interest rates. Long term borrowing addresses the above risks and aids medium term financial planning by providing certainty around interest costs, whilst maintaining some short-term borrowing enables the Council to take advantage of lower interest rates. During 2020/21 £27m of maturing short-term borrowings were replaced with long term borrowings form PWLB.

### PWLB Consultation Exercise

The PWLB has traditionally been the default source for local authorities of long-term borrowing. In recent years, a minority of local authorities have been using the PWLB lending facility excessively to acquire investment properties primarily for yield. The government regard this as an inappropriate use of PWLB funds.

In response to this trend, the government increased PWLB rates by 1% in October 2019. This reduced the PWLB's attractiveness as a source of long-term borrowing and prompted the emergence of market lenders as an alternative to PWLB.

In November 2020 as part of the spending review, HM Treasury announced the outcome of a consultation exercise into future lending terms. With effect from 26th November 2020, a local authority will not be eligible to borrow from the PWLB if its planned capital spending for the next three years contains any purchase of investment property primarily for yield. The acquisition of properties for regeneration purposes has been highlighted in the consultation as an appropriate use of PWLB funds. These new measures are not retrospective and, therefore, the council could refinance all internal borrowing (the difference between actual debt and the capital financing requirement) which existed on 25 November with PWLB borrowing at the revised rates. The council is also permitted to refinance maturing loans with new PWLB borrowing, even in years where debt for yield activities have taken place. In addition, it should be noted that the consultation was explicit that property investments were not intended to be prohibited.

HM Treasury also removed the 1% increase on its lending rates that was imposed in October 2019, making PWLB an attractive source of long-term borrowing again.

The Council's programme therefore assumes that no investment property purchases primarily for yield will be pursued in any financial year during this budget forecast period. Any future acquisitions the Council may purchase will be primarily for regeneration, employment and housing purposes as deemed acceptable by HM Treasury. The Council will adhere to and comply with the revised guidance to ensure accessibility to PWLB funding.

### Borrowing during 2021/22

For planning purposes, the Council's budget for 2021/22 has been prepared on the assumption that all new borrowing and refinancing of existing borrowing will be long-term, from PWLB.

Officers will regularly monitor the economic environment and during the year and will make prudent decisions regarding borrowings as these arise.

If short-term rates remain low, the Council will consider continuing to borrow short-term for periods up to one year to maximise the benefit of low interest rates. If there are indications that interest rates are likely to increase, the Council will switch to long-term borrowing.

Interest rate movement needs to be closely monitored, due to current PWLB rates being exceptionally low for long term borrowing and the MTFs assuming interest rates of 1.6% for a 50 year period. Any borrowing above this rate would cause a pressure on the MTFs.

The proposed borrowing approach will apply for new borrowings and the refinancing of maturing borrowings.

The default source of long-term borrowing will be the PWLB, but if corporate lenders provide competitively priced alternatives to the PWLB, the Council will consider these.

If it is deemed to be cost-effective in the longer term, the Council will consider borrowing additional sums during 2021/22 in anticipation of the funds being required later in the year, even if this will incur a short-term cost of carrying the debt.

If necessary, the Council will take out short-term loans to cover any unplanned cash flow shortages.

### Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- Public Works Loan Board and any successor body
- any other UK local authority or other public sector body
- any UK bank or building society
- capital market bond investors

## HRA and General Fund ‘Pools’

HRA and General Fund debt is managed separately in two pools. The following principles are adhered to:

- There must be no detriment to the General Fund in this approach.
- Any allocation of debt should be broadly equitable between the HRA and the GF.
- Future charges to the HRA in relation to borrowing are not influenced by GF decisions, giving a greater degree of independence, certainty and control.
- Cash resources (reserves and other cash backed balances e.g. provisions) which allow borrowing to be below the capital financing requirement are separated between the HRA and General Fund.

Where relevant the figures that follow are split between HRA and GF. It should, however, be noted that all debt is secured on all the revenues of the Council and that the Section 151 Officer retains responsibility for the overall TM strategy.

### Projected Portfolio Position

The projected position for the Council’s debt and investments is set out in the table below.

Table 12 – Council’s Debt and Investments

	1 April 2021 £000	31 March 2022 £000
Borrowing		
- PWLB	206,166	232,882
- Other Local Authorities	7,500	4,500
- Transferred Debt	181	177
<b>Total Borrowing</b>	<b>213,847</b>	<b>237,559</b>
Investments	0	0
<b>Net Borrowing</b>	<b>213,847</b>	<b>237,559</b>

### Interest rate forecasts

The following table, provided by the Council’s treasury advisors, shows bank rate and PWLB interest rate forecasts up to March 2023:

Table 13 – Interest Rates Forecast

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
PWLB Rates										
- 5 years	0.80%	0.80%	0.80%	0.80%	0.80%	0.90%	0.90%	0.90%	0.90%	0.90%
- 10 years	1.10%	1.10%	1.10%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
- 25 years	1.50%	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.70%
- 50 years	1.30%	1.30%	1.40%	1.40%	1.40%	1.40%	1.50%	1.50%	1.50%	1.50%

No increase in Bank Rate is expected in the near-term as economic recovery from the coronavirus pandemic is expected to be only gradual and, therefore, prolonged. Some forecasters had suggested that a cut of the bank rate into negative territory could happen. The Bank of England has made clear its view, however, that such a move would be damaging and that more quantitative easing is the favoured tool if further action becomes necessary.

There is also expected to be little upward movement in PWLB rates over the next two years as it will take economies, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period, and could provide opportunities to lock into longer-term borrowing at favourable rates of interest.

#### Debt Limits

Local borrowing limits are set as part of the Council’s consideration of its annual Prudential Indicators. The limits projected by the Council up to 2023/24 are shown in the following tables:

Table 14 - Operational Boundary For External Debt

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Borrowing	120,283	235,000	245,000	255,000	265,000
<b>Total</b>	<b>120,283</b>	<b>235,000</b>	<b>245,000</b>	<b>255,000</b>	<b>265,000</b>

This is the borrowing limit above which borrowing would not normally be expected to rise. It will not normally be a matter of concern if the Operational Boundary is breached temporarily due to variations in cash flow. However, a sustained or regular trend above the Operational Boundary would require investigation and appropriate action.

#### Authorised Limit For External Debt

The Authorised Limit is the limit placed by the Council on the absolute level of its gross debt. The Local Government Act 2003 stipulates that it must not be breached at any time. The indicator is split between limits for external borrowing and for other long-term liabilities,

Table 15 – Total Authorised Limit for External Debt

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Borrowing	120,283	244,500	290,000	300,000	310,000
Other long-term liabilities	3,000	3,000	3,000	3,000	3,000
<b>Total</b>	<b>123,283</b>	<b>247,500</b>	<b>293,000</b>	<b>303,000</b>	<b>313,000</b>

As the two Debt Limits are set locally, the Council may review and amend either or both of them during the course of the year by formal resolution.

### Debt Rescheduling

This is the practice of repaying debt of one maturity early in order to borrow for a different maturity period. The purpose might be to reflect changes in borrowing needs or to take advantage of changes in interest rates. The lender will usually offer a discount, or require payment of a premium, depending on the difference between the rate of interest on the existing loan and that offered in the markets or by the PWLB for the remaining term of that loan.

The question of whether the Council will pursue any debt rescheduling will always have to take into account the net revenue effects of the premium/ discount against the costs/savings to be made in the average rate of interest payable on the new loans.

The PWLB terms on which premature repayment can be made are generally unattractive. Rescheduling should only be considered where the economics can be justified over the term of the original or replacement loan. Another important consideration is the respective financial implications for the General Fund and Housing Revenue Account.

Decisions on rescheduling will be made by the Section 151 Officer or under delegated arrangements. It is not envisaged that any debt rescheduling will take place during 2021/22.

## Treasury Indicators

### Upper Limits on Fixed and Variable Interest Rate Exposure

This indicator is intended to set upper limits to the Council's exposure to the effects of changes in interest rates in 2021/22 and for the following two financial years.

The Council's policy is just to borrow at fixed rates of interest and therefore by default the upper limit for fixed rate exposure is 100%. An upper limit on variable interest rate exposure is not required.

### Maturity Structure of Borrowing

The following indicators are designed to limit the Council's exposure to sums falling due for replacement at about the same time. Long-term fixed loans could be running at historical rates significantly different from the market rate at the time of repayment, with consequences for the revenue account.

The limits refer separately to the maximum and minimum proportions of the borrowing portfolio that may mature in each given time period. They have been maintained at the same levels as 2020/21 as no change is deemed to be necessary. The minimum amounts have been set at 0% since, in the long term, one of the objectives of the HRA business plan is to repay the debt in full. The maximum limits have been kept at their limits to provide flexibility in decision making over appropriate maturity periods for new debt.

Table 16 - Maturity Structure of Borrowing

	Proportion of Borrowing	
	Lower Limit	Upper Limit
Under 12 months	0%	50%
12 months and within 24 months	0%	50%
24 month and 5 years	0%	50%
5 year and within 10 years	0%	50%
10 years and above	0%	100%



## Investment Strategy

Section 12 of the Local Government Act 2003 gives a general power to local authorities to invest, “(a) for any purpose relevant to its functions under any enactment or (b) for the purposes of the prudent management of its financial affairs.”

The Investment Strategy applies only to the temporary external investment of surplus funds under Section 12(b). It does not apply to loans or investments the Council may make under any other enactment, e.g. financial assistance on economic development, house renovation or well-being grounds. The strategy has been prepared having regard to statutory guidance given by the Secretary of State and to CIPFA’s Treasury Management Code of Practice.

The general objective is to invest surplus funds prudently. Accordingly, priority is given to (1) security, (2) liquidity and (3) yield, in that order. The highest rate of return is sought only after security and liquidity requirements are satisfied.

The Council’s investment strategy has regard to the MHCLG Guidance on Local Government Investments, the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 and the CIPFA Treasury Management Guidance Notes 2018. The primary investment priorities of the Council are:

- a) the security of its capital
- b) liquidity of its portfolio, i.e. keeping funds readily available for expenditure when needed.

### Durational limits

To determine the duration of investments with bank and building societies, the Council will use the creditworthiness service provided by Link Asset Services. This service employs a modelling approach utilising credit ratings from the three main credit rating agencies, Fitch, Moody’s and Standard & Poor, supplemented by other information. The Council will follow these recommended durations, up to a maximum duration of one year. The Link Asset Services model does not apply to local authorities, with which the maximum duration for investments will also be one year.

### Specified and non-specified investments

Specified investments are high security, high liquidity investments in sterling with high credit quality and a maturity of no more than one year. All of the instruments identified in the table on the next page meet the definition of specified instruments.

Non-specified investments are any other type of investments; in addition, any investment with a duration of over one year is classified as a non-specified investment. The Council will not use non-specified investments during 2021/22.

## Credit rating

Banks and some of the larger building societies are given credit rating by the three main credit rating agencies, Fitch, Moodys and Standard & Poor (S&P). Ratings are split between short term and long term. The Council's proposed minimum acceptable credit ratings for 2020/21 are as follows:

<b>Agency</b>	<b>Short term</b>	<b>Long term</b>
Fitch	F1	A-
Moody	P1	A3
S&P	A1	A-

### Credit Rating Definitions

#### Long-term Issuer Default rating

This rating measures the ability of a financial institution to meet all of its most senior financial obligations on a timely basis over the term of the obligation. It is therefore effectively a benchmark for rating institutions' probability of default.

- For Fitch ratings: the top end of the scale is AAA (the lowest expectation of credit risk) and ranges down to D (where the institution is in default and the potential for recovery of funds is minimal).
- For Moody's ratings: the top end of the scale is Aaa (highest quality with minimal credit risk) and the lowest related class is C (where the institution is in default and the potential recovery is minimal).
- For Standard & Poor's ratings: the top end is AAA (the lowest expectation of credit risk) and the lowest class is D (where the institution is in payment default).

#### Short-term Issuer Default rating

This rating is based on the liquidity profile of the institution and relates to its ongoing capacity to meet financial obligations within a relatively short time horizon (normally less than 13 months).

- For Fitch ratings: the scale ranges from F1 (highest) to D (actual or imminent payment default)
- For Moody's ratings: the scale is from P-1 (highest, where the institution has the superior ability to repay short-term obligations) to P-3 (the lower end of ability to repay short-term obligations).
- For Standard & Poor's ratings: the scale is A-1 (highest) to D (imminent default in payment)

## Individual (Fitch), Strength (Moody's)

These ratings are assigned only to banks and assess how a bank would be viewed if it were entirely independent. Link have advised that this "standalone" rating be removed as the exclusion of sovereign status from the institutions has adversely affected the rating but does not represent any intrinsic change.

- Fitch ratings: The principal factors assessed are balance sheet integrity and profitability. The range is from A (a very strong bank) to F (bank has defaulted or would have defaulted without external support).
- Moody's ratings: range from A (strong intrinsic financial strength) to E- (in serious difficulty).
- Standard and Poor's have no ratings criteria for this. Link will continue to publish these ratings, it is however intended to use the results of these to inform investment decisions, rather than dictate them.

## Investment instruments and limits

The Council will continue its approach of investing the majority of its funds in parcels of £1-£2m with other local authorities and UK banks and building societies. The table below details the Councils proposed Investment Instruments it will look to utilise.

Table 17 - Proposed Investment Instruments

Instrument	Minimum short term credit rating	Minimum long term credit rating	Maximum value of investment	Maximum duration of investment
Term Deposits with UK Local Authorities	N/a	N/a	£5m per local authority	1 year
Term deposits or notice accounts with UK banks	Fitch F1 Moody's P-1 S&P A-1	Fitch A- Moody's A3 S&P A-	£5m per bank	1 year
Term deposits with banks part nationalised by the UK Government	Minimum credit ratings not required as long as these banks continue to be part nationalised		£5m per bank	1 year
Term deposits with UK Building Societies	Fitch F1 Moody's P-1 S&P A-1	Fitch A- Moody's A3 S&P A-	£5m per Building Society	1 year
Debt Management Account Deposit Facility (DMADF)	N/a	N/a	Unlimited	6 months (DMADF imposed time limit)
Ultra-Short/Short Dated Bond Funds	Selection process	Selection process		
Treasury Bills issued by the UK Government	N/a	N/a	Unlimited	1 year
Money Market Funds CNAV	N/a	AAA	£5m per fund	Liquid
Money Market Funds LVNAV	N/a	AAA	£5m per fund	Liquid
Money Market Funds VNAV	N/a	AAA	£5m per fund	Liquid
Certificates of Deposit issued by UK institutions	Fitch F1 Moody's P-1 S&P A-1	Fitch A- Moody's A3 S&P A-	£5m per institution	1 year

The monetary limits included in the investment strategy does not apply to balances on our suite of current accounts provided by Lloyds Bank plc. As a result, we may operate from time to time with monies held with Lloyds Bank marginally above the investment limits shown because of these current account balances. The Council endeavours to keep balances of no more than £2m on its current accounts.

#### Ultra-Short/Short-Dated Bond Funds

These are pooled investment vehicles where risk is diversified because of the spread of investments. They are a potential new investment instrument for the Council, and a selection process will be undertaken to ensure that the most suitable fund is chosen, if officers consider that it is worthwhile pursuing them.

#### Investment returns expectations

The Bank Rate is unlikely to rise from 0.10% for a considerable period. It is very difficult to say then it may start rising again, and it is therefore assumed that investment earnings will be minimal for the foreseeable future.

#### Liquidity

The Council will carefully plan and monitor its principal cash flows in order to predict shortages or surpluses for up to twelve months ahead. The forecast will be more detailed for the immediate period ahead and will be continuously monitored and updated as new information becomes available. The Section 151 Officer will ensure, under delegated arrangements, that borrowings, investments and other cash flows are managed to ensure there is appropriate operational liquidity, i.e. that there is sufficient access to funds through borrowing and investments to enable the Council to meet its liabilities as they fall due. Due to the uncertainties of some cash flows, there are occasions when, overnight, the balance held in the Councils bank accounts may exceed or dip below the recommended £2million. The maximum periods for which funds may be prudently invested will be determined at all times by reference to the cash flow forecast. An agreed amount will always be kept 'on call' (available on the same day) to deal with any unforeseen cash flow pressures.

It is desirable from time to time to 'forward deal'. This involves committing to the terms of a future investment now rather than waiting until the date when the funds are expected to become available and taking whatever the market has on offer at that time. This may be useful in a number of ways, for example:

- a few days ahead of a significant cash receipt to ensure effective use of funds on the day
- in connection with a restructuring of debt to accommodate temporary cash differences on the day
- to lock into today's favourable interest rates when the market is predicted to fall.

In all these cases, it is possible that liquidity is compromised if the cash flow projections on which the deal is based do not materialise when the time comes to transfer funds.

Having regard to the effectiveness of cash flow forecasting and the flexibility to adjust other cash flows to accommodate most variances as they happen, the Section 151 Officer considers that Officers should be permitted the flexibility to deal forward for periods up to three months, subject to approval under an internal delegation scheme.

All forward dealing is subject to the constraints and limits put in place by the other provisions of the Treasury Management Strategy.

For the purpose of defining the term of an investment, it will be regarded as commencing on the date that the commitment is entered into, rather than the date on which the funds are paid over to the counterparty. This would prevent, for example, a twelve-month fixed deposit being dealt in advance (as the term would extend over more than twelve months), whereas a six-month fixed deposit dealt three months in advance would be acceptable.

#### Investment Consultants

Accessing suitable sources of information, especially in relation to credit risk, are essential elements of an effective TM operation. The Section 151 Officer retains the services of Link Asset Services for this purpose, as well as advice on borrowing, regulation and other technical aspects of capital finance. The quality of the service is controlled through regular monitoring and feedback, as well as through dialogue at periodic review meetings.

In relation to investments, the Council receives regular economic advice including interest rate forecasts, a weekly and monthly newsletter, a regularly updated diary of events affecting the money markets, technical advice on the TM Code of Practice and the MHCLG statutory guidance as well as money market practice, assistance with formulation of the Investment Strategy, the Treasury Management Strategy and the Annual TM Report, access to their website, which provides a comprehensive source of information and occasional technical papers, guidance on investment strategy and in response to ad hoc queries, and a constant review of credit ratings tailored to the Council's lending criteria as approved in its Investment Strategy for the year. Training courses for staff are available as well as regular seminars on topical issues. Whilst a constructive and transparent partnership is encouraged, it is explicit in the relationship that the service provider acts only as adviser and the Council and its Officers are responsible for all decisions taken.

#### Investment of Money Borrowed in Advance of Need

The CIPFA 2017 Prudential Code states that a council should not borrow more than or in advance of its needs purely to profit from investment of the extra sums borrowed. Guidance issued by MHCLG in October 2018 extends this definition to include borrowing to finance the acquisition of non-financial as well as financial investments that the organisation holds primarily or partially to generate a profit.

Some of the Council's borrowings prior to 26<sup>th</sup> November 2020 were to finance the activities of its wholly owned company Seven Arches Investments Ltd (SAIL) by way of a series of state aid compliant loans in order for SAIL to invest in properties for a commercial return. These

returns will be reinvested in Council services and will contribute towards a balanced budget in future years. The capital programme for 2021/22 to 2023/24 does not include any further loans to SAIL and there is therefore no planned borrowing during this period to finance this activity. However the Council may considered further investment as long as SAIL can demonstrate that it is not acquiring assets primarily for yield and supports in-borough regeneration and employment purposes.

The Council's policy for managing the risks associated with this activity are:

- SAIL is a limited company, wholly owned by the Council, with a robust management structure and legal framework. The Directors of the Council's wholly owned company meet with statutory officers of the Council on a monthly basis and report to Policy Resources and Economic Development on a quarterly basis. This gives the Council the opportunity to ensure any risks associated with lending to SAIL are managed and mitigated in a timely manner.
- SAIL operates within its Commercial Property Investment Strategy, which aims to achieve a diverse property portfolio to minimise the risks associated with holding an investment property portfolio. This strategy alongside the business plan, details what SAIL considers it's risks to be and how to mitigate them. In addition these documents details the financial monitoring undertaken known as health checks which are reported to the board and shareholders on a quarterly basis.
- SAIL applies a robust due diligence process around the acquisition of properties. This includes the use of specialist property management and investment consultants, who assess of potential sites for purchase and score properties against a series of benchmark criteria. This include yield, location, alternative uses, length of lease, tenant strength and good covenant.
- There is a robust SAIL funding approval in place, under which all loans to SAIL must be considered and agreed by the Policy, Resources and Economic Development Committee, following the satisfactory conclusion of the purchase due diligence process.
- All lending to SAIL is made under a formal legal agreement between the Council and SAIL.

## Investment Indicators

The following indicators are provided to enable Members and the public to assess the Council's total risk exposure as a result of its investment decisions.

### Total investment exposure

The first indicator shows the Council's total exposure to potential investment losses:

Table 18 – Total Investment Exposure

Total investment exposure	2021/22 £'000	2022/23 £'000	2023/24 £'000
Treasury investments	2,000	2,000	2,000
Long term loans to subsidiary	60,000	60,000	60,000
Investment properties- shops	3,256	3,256	3,256
<b>Total investment exposure</b>	<b>65,256</b>	<b>65,256</b>	<b>65,256</b>

### How investments are funded

This is applicable to the capital investments. The table demonstrates that they are 100% funded from borrowing:

Table 19 – Investment Funding

Investments funded by borrowing	2021/22	2022/23	2023/24
	£'000	£'000	£'000
Long term loans to subsidiary	60,000	60,000	60,000
Investment properties- shops	3,256	3,256	3,256
<b>Total funded by borrowings</b>	<b>63,256</b>	<b>63,256</b>	<b>63,256</b>

### Rate of return received

This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested.



Table 20 – Rate of Return on Investments

Rate of return	2021/22	2022/23	2023/24
	£'000	£'000	£'000
Long term loans to subsidiary	60,000	60,000	60,000
Return	2,400	2,400	2,400
Rate of return	4.00%	4.00%	4.00%

Investment properties- shops	3,256	3,256	3,256
Return	230	230	230
Rate of return	7.06%	7.06%	7.06%

Treasury investments	2,000	2,000	2,000
Return	10	10	10
Rate of return	0.50%	0.50%	0.50%

## Minimum Revenue Provision

The Council is required by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 to calculate a level a provision for the repayment of debt liability that it considers to be prudent, known as the Minimum Revenue Provision (MRP). The regulations also require the full Council to approve an MRP policy in advance of each financial year. There are four recommended options for the calculation of the provision.

The Council is recommended to approve this policy for 2021/22. The policy is as follows:

### Debt Liability pre 1 April 2008

For capital expenditure funded by borrowing before 1 April 2008, minimum revenue provision will be provided on a 2% straight-line basis, i.e. provision for the repayment of debt over 50 years.

### Debt Liability 1 April 2008 onwards

Minimum revenue provision for new capital expenditure incurred wholly or partly by unsupported (Prudential) borrowing will be determined by reference to the expected life of the asset on an annuity basis. The asset life is deemed to begin once the asset becomes operational. Minimum revenue provision will commence from the financial year following the one in which the asset becomes operational.

Minimum revenue provision in respect of unsupported (prudential) borrowing taken to meet expenditure, which is treated as capital expenditure by virtue of either a capitalisation direction or regulations, will be determined in accordance with the asset life method as recommended by the statutory guidance.

The Council retains the right to make additional voluntary payments to reduce debt if deemed prudent.

### Debt Liability to finance long-term lending to wholly owned subsidiary

MRP will not be provided on borrowing raised to finance long-term loans to the Council's wholly owned subsidiary, Seven Arches Investments Ltd (SAIL). This is on the basis that:

- a) the loan is secured against the assets of SAIL
- b) the Council expects the loan to be repaid in full
- c) the receipt from the repayment of the loan will be used to repay the borrowing.

In future years, if the loan is deemed to be impaired, the authority will make MRP to cover the difference between the total repayment amount now expected to be received and balance of Capital Financing Requirement for the loan.

There is no requirement on the HRA to make a minimum revenue provision but under HRA reform there is a requirement to charge depreciation on its assets, which will have a revenue effect. The HRA business plan will need to fund this depreciation over the life of the assets.

## Prudential and Treasury Indicators

Indicators for Prudence

### Estimates of capital expenditure

The local authority will make reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and at least the following two financial years. These prudential indicators will be referred to as estimates of capital expenditure and shall be expressed in the following manner: Estimate of total capital expenditure to be incurred in years 1, 2 and 3

### Estimates of capital financing requirement

The local authority will make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the following two years. These prudential indicators will be referred to as the estimates of capital financing requirement and shall be expressed as follows:

Estimate of capital financing requirement as at the end of years 1, 2 and 3

### Indicators for External Debt

#### Authorised limit

The local authority will set for the forthcoming financial year and the following two financial years an authorised limit for its total gross external debt, separately identifying borrowing from other long-term liabilities. This prudential indicator will be referred to as the authorised limit and shall be expressed in the following manner:

Authorised limit for external debt = authorised limit for borrowing + authorised limit for other long-term liabilities for years 1, 2 and 3

#### Operational boundary

The local authority will also set for the forthcoming financial year and the following two financial years an operational boundary for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. This prudential indicator will be referred to as the operational boundary and shall be expressed in the following manner:

Operational boundary for external debt = operational boundary for borrowing + operational boundary for other long-term liabilities for years 1, 2 and 3

### Gross debt and the capital financing requirement

In order to ensure that, over the medium term, debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. If in any of these years there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for comparison with gross external debt. This is a key indicator of prudence. This prudential indicator will be referred to as gross debt and the capital financing requirement. Where the gross debt is greater than the capital financing requirement the reasons for this should be clearly stated in the annual treasury management strategy.

## Indicators for Affordability

### Estimates of financing costs to net revenue stream

As a minimum, the local authority will estimate for the forthcoming financial year and the following two financial years the proportion of financing costs to net revenue stream. This prudential indicator shall be referred to as estimates of the proportion of financing costs to net revenue stream and shall be expressed in the following manner:

Estimate of financing costs ÷ estimate of net revenue stream x 100% for years 1, 2 and 3

### Treasury Indicators

#### Interest exposures

Upper limits to the Council's exposure to the effects of changes in interest rates

#### Maturity structure of borrowing

The maximum and minimum proportions of the borrowing portfolio that may mature in each given time period.

#### Upper limiting on total principal sums invested for periods longer than 364 days

A restriction on authorisation of longer-term investments.

All of these Prudential and Treasury Indicators are presented in the tables on the following page:

Table 21 – Prudential and Treasury Indicators

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
<b>Estimates of Capital Expenditure</b>					
General Fund	24,880	121,098	18,066	2,455	2,480

HRA	5,317	5,364	15,170	11,817	13,817
<b>Total</b>	<b>30,197</b>	<b>126,462</b>	<b>33,236</b>	<b>14,272</b>	<b>16,297</b>

<b>Estimates of Capital Financing Requirement</b>					
General Fund	56,409	176,791	193,108	193,479	193,779
HRA	62,829	63,591	69,286	77,813	88,340
<b>Total</b>	<b>119,238</b>	<b>240,382</b>	<b>262,394</b>	<b>271,292</b>	<b>282,119</b>

<b>External Debt</b>					
Authorised Limit	120,283	247,500	293,000	303,000	313,000
Operational Boundary	120,283	235,000	245,000	255,000	265,000

<b>Gross Debt and Capital Financing Requirement</b>					
Estimated Gross Debt	96,351	213,847	237,559	248,087	256,140
Capital Financing Requirement	119,238	240,382	262,394	271,292	282,119
CFR + Following 2 Years Increases	262,394	271,292	282,119	282,119	282,119

<b>Ratio of Financing Cost to Net Revenue Stream</b>					
General Fund	3%	6%	42%	55%	57%
Long-Term Loans to Subsidiary	-5%	-15%	-23%	-21%	-21%
HRA	14%	15%	17%	18%	18%

<b>Interest Exposures</b>	
Fixed rate	100%
Variable rate	n/a

<b>Maturity Structure of Borrowing</b>	<b>Lower limit</b>	<b>Upper limit</b>
Under 12 months	0%	50%
12 months and within 24 months	0%	50%
24 month and 5 years	0%	50%
5 year and within 10 years	0%	50%
10 years and above	0%	100%

<b>Principal sums invested &gt; 364 days</b>	nil
--	-----

## Proposed Treasury Management Strategy for 2021/22

Taking account of the above position, the Section 151 Officer recommends the

following strategy for 2021/22:

- a) The overall direction of treasury management strategy will reflect the separation of HRA and GF debt (the two-pool approach).
- b) The overall debt and investment position will be managed having regard to the Prudential Indicators set by the Council and the treasury indicators set out above.
- c) The Council will invest its monies prudently, considering security first, liquidity second and yield last whilst also carefully considering its investment counterparties. It will similarly borrow monies prudently to meet the Council's service objectives.
- d) The gross level of borrowing will be maintained below the average Capital Financing Requirement for the year.
- e) Surplus funds (with the exception of funds required for liquidity purposes or for internal investment) will be invested in accordance with the approved Investment Strategy.
- f) New borrowing will be diversified over a range of maturity periods, including short term (less than one year), having regard to longer-term projections of CFR, liquidity considerations and expected movements in interest rates.
- g) Opportunities for rescheduling debt will be kept under continual review according to market and other relevant factors.
- h) The treasury management strategy including the investment strategy, will be continually reviewed in the light of changing circumstances, including legislation, and within the limits set by this Strategy as set out above, the Section 151 Officer will exercise their discretion to determine the extent to which surplus funds will be used to minimise new borrowing and exposure to external investments.
- i) Nothing in this strategy confers on the Section 151 Officer the authority to enter into any derivative or derivative like contract without the permission of the full Council.

The strategy has been prepared on the statutory guidance and rules currently applicable. Any changes to these or to wider economic circumstances may require a revision to the made to the strategy.

A revised Treasury Management Strategy will be prepared and submitted to Full Council where the Section 151 Officer considers that circumstances have changed sufficiently to require a variation to any of the provisions of this initial strategy as set out in paragraph 8 (or the equivalent paragraph in any subsequent revision to the strategy).

Otherwise, the Section 151 Officer is free to work within the limits determined by the strategy without reference to Full Council. They will, however, as a minimum, draw attention to any such variation in their mid-year report and annual report on TM activity for the year.

## Other considerations

All capital schemes must comply with legislation and Council policies such as the Financial Regulations and Contract Procurement Rules. Reference should



also be made to other strategies and plans of the Council.

To be able to manage the significant forecast budget gaps and minimise the impact on service levels the Council needs to explore and implement innovative ways of generating income. Such activity will involve an increase in the level of borrowing that the Council holds but this will only be undertaken in cases where an appropriate level of return is expected. The proposed governance arrangements detailed in this strategy are intended to both place Members within the tactical decision-making process for such activity and to ensure that all Members are kept up-to-date on activity in this area.

Documents for reference are:

- Constitution
- Corporate Strategy
- Financial Regulations
- Medium Term Financial Strategy
- SAIL Commercial Property Investment Strategy
- Corporate Project Management Process
- Leisure Strategy
- Play Area Strategy
- Digital Strategy

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## **Fees and Charges Schedule**

**2021/22**

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**Key to VAT**

- S - Standard Rate - 20%
- Z - Zero Rate - 0%
- E - Exempt from VAT
- O - Outside the scope of VAT

**Key to Fee**

- S - Statutory
- D - Discretionary

## **ENVIRONMENT, ENFORCEMENT AND HOUSING**

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021		April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: CEMETERIES**

**CHARGING AREA: CEMETERIES**

*A Brentwood resident is anyone currently living in the Borough or someone who spent 75% of their life in the Borough.*

**Purchase of Exclusive Rights of Burial for 50 years**

All full burial graves	E	D	£ 1,244.00	£ 1,244.00	£ 1,268.00	£ 1,268.00
Cremated remains grass plot	E	D	448.00	448.00	457.00	457.00
Non-Brentwood resident - all full burial graves	E	D	2,489.00	2,489.00	2,537.00	2,537.00
Non-Brentwood resident - cremated remains grass plot	E	D	896.00	896.00	914.00	914.00

**Purchase of Exclusive Rights of Burial for 25 years (Vaults and Niches Only)**

Granite vaults	E	D	916.00	916.00	934.00	934.00
Niches In granite columbarium	E	D	616.00	616.00	628.00	628.00
Non- Brentwood resident - granite vaults	E	D	1,832.00	1,832.00	1,867.00	1,867.00
Non-Brentwood resident - niches in granite Columbarium	E	D	1,232.00	1,232.00	1,256.00	1,256.00

**Interment Fees**

Graves dug down for one or two	O	D	900.00	900.00	918.00	918.00
Additional charge for dig down to 9ft	O	D	222.00	222.00	227.00	227.00
Cremated remains grass plot	O	D	193.00	193.00	197.00	197.00
Granite vault	O	D	340.00	340.00	347.00	347.00
Niche In granite Columbarium	O	D	340.00	340.00	347.00	347.00
Child under 12 years	O	D	0.00	0.00	0.00	0.00
Non-Brentwood resident-graves dug down for one or two	O	D	1,800.00	1,800.00	1,835.00	1,835.00
Non-Brentwood resident -additional charge for dig down to 9ft	O	D	445.00	445.00	454.00	454.00
Non-Brentwood resident-cremated remains grass plot	O	D	386.00	386.00	394.00	394.00
Non-Brentwood resident -granite vault	O	D	680.00	680.00	693.00	693.00
Non-Brentwood resident -Niche In granite Columbarium	O	D	680.00	680.00	693.00	693.00
Non-Brentwood resident -Child under 12 years	O	D	0.00	0.00	0.00	0.00

**Option to Extend Exclusive Rights of Burial for a further 25 years**

All full burial graves	E	D	208.00	208.00	212.00	212.00
Cremated remains plot	E	D	104.00	104.00	106.00	106.00
Premium plots - NEW	E	D	N/A	N/A	TBC	TBC
Non-Brentwood resident -all full burial graves	E	D	416.00	416.00	424.00	424.00
Non-Brentwood resident -cremated remains plot	E	D	208.00	208.00	212.00	212.00

**Option to Extend Exclusive Rights of Burial for a further 10 years (Vaults and Niches Only)**

Granite vaults	E	D	366.00	366.00	373.00	373.00
Niches In granite Columbarium	E	D	246.00	246.00	251.00	251.00
Non-Brentwood resident - granite vaults	E	D	732.00	732.00	746.00	746.00
Non-Brentwood resident -Niches In granite Columbarium	E	D	492.00	492.00	502.00	502.00

**Monuments**

Monument/Inscription approval fee	O	D	140.00	140.00	143.00	143.00
Additional approval fee charge for kerbed monuments	O	D	140.00	140.00	143.00	143.00
Inscription on a vault or niche	S	D	207.50	249.00	211.67	254.00

**Other Charges**

Deed Transfer	O	D	61.00	61.00	63.00	63.00
Search of Burial Records	O	D	0.00	0.00	25.00	25.00
Chapel hire - Woodman Road Cemetery	E	D	58.00	58.00	60.00	60.00

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FE E	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: WASTE MANAGEMENT**

**CHARGING AREA: REFUSE**

			£	£	£	£
<b><u>Dog waste and litter bin emptying</u></b>						
Empty dog waste/litter bins	Per Empty	S D	3.33	4.00	3.75	4.50
<b><u>Domestic Refuse Collection</u></b>						
Bulky Household Collections - Charge per item	Min 2 Items	O D	11.00	11.00	11.50	11.50
Biodegradable sacks for garden waste per wrap of 10*		O D	3.30	3.30	3.40	3.40
Biodegradable sacks for garden waste per wrap of 100 (Wholesale)		S D	245.00	294.00	250.00	300.00
Garden Waste Bin hire per annum - including fortnightly emptying		O D	53.00	53.00	55.00	55.00
Garden Waste Bin - Replacement if lost/stolen		O D	20.00	20.00	21.00	21.00
Hire of 1280 litre container		S D	107.50	129.00	107.50	129.00
Hire of 770, 940 and 1100 litre Container		S D	102.50	123.00	102.50	123.00
Hire of 240 litre container		S D	32.50	39.00	32.50	39.00
Hire of 360 litre container		S D	43.33	52.00	43.33	52.00
<i>* Please note there was a typing mistake in the approved F&amp;C schedule for 2020/21. Price should have been £3.30 but was incorrectly stated as £3.00</i>						
<b><u>Residual Trade Waste Collection &amp; Disposal</u></b>						
1280 litre Container	Per Lift	O D				
1100 litre Container		O D				
940 litre Container		O D				
770 litre Container		O D				
360 litre Container		O D				
240 litre Container		O D				
Prepaid Residual Sacks (25)	Per roll	O D				
Extra collection		O D				
Collection/delivery ( T&Cs S.14 )		O D				
Amendment ( T&Cs S.14)		O D				
Exempt for publication - please contact the Council for prices						
<b><u>Residual Waste - Collection only</u></b>						
1280 litre Container	Per Lift	O D				
1100 litre Container		O D				
940 litre Container		O D				
770 litre Container		O D				
360 litre Container		O D				
240 litre Container		O D				
Exempt for publication - please contact the Council for prices						
<b><u>Trade Glass Collection</u></b>						
1100 litre Container		O D				
360 litre Container		O D				
240 litre Container		O D				
Exempt for publication - please contact the Council for prices						
<b><u>Trade Dry Recycling Collection</u></b>						
1280 litre Container	Per Lift	O D				
1100 litre Container		O D				
940 litre Container		O D				
770 litre Container		O D				
360 litre Container		O D				
240 litre Container		O D				
Prepaid Recycling Sacks (25)	Per roll	O D				
Exempt for publication - please contact the Council for prices						
<b><u>School Dry Recycling Collection</u></b>						
One off charge		O D				
Exempt for publication - please contact the Council for prices						
<b><u>Trade Dry Recycling Sacks for Use in Containers Only</u></b>						
Purple sacks - 400 sacks per box.	Box	O D				
Exempt for publication - please contact the Council for prices						
<b><u>Trade Food Waste</u></b>						
140 litre bin	Per Lift	O D				
Exempt for publication - please contact the Council for prices						
<b><u>Events - Residual Waste ( Maximum hire 5 days - one collection)</u></b>						
1100 litre Container	Per Lift	O D				
770 litre Container		O D				
360 litre Container		O D				
240 litre Container		O D				
Exempt for publication - please contact the Council for prices						
<b><u>Events - Dry Recycling ( Maximum hire 5 days)</u></b>						
1100 litre Container	Per Lift	O D				
770 litre Container		O D				
360 litre Container		O D				
240 litre Container		O D				
Exempt for publication - please contact the Council for prices						
<b><u>Events - Glass ( Maximum hire 5 days)</u></b>						
1100 litre Bin	Per Lift	O D				
360 litre bin		O D				
240 litre Bin		O D				
Exempt for publication - please contact the Council for prices						



**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES & CORPORATE ENFORCEMENT**

**SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES & CORPORATE ENFORCEMENT**

**Dog Control**

Statutory Seizure Fee	O	S	25.00	25.00	25.00	25.00
Dog Warden Collection Costs	O	D	72.00	72.00	72.00	72.00
Kennelling Costs (per day charged by Kennel)	O	D	15.00	15.00	15.00	15.00

Other charges

Contaminated Land Search Enquiries	O	D	117.00	117.00	117.00	117.00
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**Pollution Prevention and Control Act 1999\***

\* Note these fees are set by DEFRA and are usually published after 1 April. Therefore fees from 1 April 2021 are subject to change

Standard Process	O	S	1,650.00	1,650.00	1,650.00	1,650.00
Reduced fee activities	O	S	99.00	99.00	99.00	99.00
Mobile screening and crushing plant	O	S	1,650.00	1,650.00	1,650.00	1,650.00

**Annual Subsistence Charge\***

\* Note these fees are set by DEFRA and are usually published after 1 April. Therefore fees from 1 April 2021 are subject to change

Standard process Low Risk	O	S	772.00	772.00	772.00	772.00
Standard process Medium Risk	O	S	1,161.00	1,161.00	1,161.00	1,161.00
Standard process High Risk	O	S	1,747.00	1,747.00	1,747.00	1,747.00
Reduced fee activities Low Risk	O	S	79.00	79.00	79.00	79.00
PVR I & II combined	O	S	113.00	113.00	113.00	113.00
Mobile screening and crushing plants	O	S	646.00	646.00	646.00	646.00

**Fixed Penalty Notices - Statutory Charge (Fee Range - S represents Upper Limit)**

**ASB, Crime and Policing Act 2014**

<b>Breach of Community Protection Notice</b>	O	S	100.00	100.00	100.00	100.00
Early payment	O	S/D	75.00	75.00	75.00	75.00
<b>Breach of Public Spaces Protection Order</b>	O	S	100.00	100.00	100.00	100.00
Early payment	O	S	75.00	75.00	75.00	75.00

**Environmental Protection Act 1990/ Clean Neighbourhoods & Env Act 2005**

<b>Failure to provide a waste transfer note</b>	O	S	300.00	300.00	300.00	300.00
Littering						
* Full penalty	O	S	150.00	150.00	150.00	150.00
* Early payment	O	S	75.00	75.00	75.00	75.00
<b>Unauthorised distribution of free literature</b>						
* Full penalty	O	S	150.00	150.00	150.00	150.00
* Early payment	O	S	50.00	50.00	50.00	50.00
<b>Domestic waste receptacle offences</b>						
* Full penalty	O	S	80.00	80.00	80.00	80.00
* Early payment	O	S	60.00	60.00	60.00	60.00
* <b>Dog control offences</b>	O	S	80.00	80.00	80.00	80.00
* <b>Alarm noise - failure to nominate key-holder or to notify local authority key-holder's details</b>	O	S	80.00	80.00	80.00	80.00
* <b>Nuisance parking</b>						
* Full penalty	O	S	100.00	100.00	100.00	100.00
* Early payment	O	S	60.00	60.00	60.00	60.00
* <b>Abandoning a vehicle</b>						
* Full penalty	O	S	200.00	200.00	200.00	200.00
* Early payment	O	S	120.00	120.00	120.00	120.00
* <b>Industrial and commercial waste receptacle offences</b>						
* Full penalty	O	S	110.00	110.00	110.00	110.00
* Early payment	O	S	75.00	75.00	75.00	75.00
* <b>Fly-tipping</b>	O	S	400.00	400.00	400.00	400.00
* <b>Littering from vehicles</b>						
* Full penalty	O	S/D	150.00	150.00	150.00	150.00
* Early payment	O	S/D	75.00	75.00	75.00	75.00
* <b>Abandoned shopping trolleys</b>						
Seizure fee	O	S/D	40.00	40.00	40.00	40.00
Storage fee (per week or part thereof)	O	S/D	10.00	10.00	10.00	10.00
Delivery fee	O	S/D	30.00	30.00	30.00	30.00

**Anti-social Behaviour Act 2003**

* <b>Graffiti</b>						
* Full penalty	O	S/D	150.00	150.00	150.00	150.00
* Early payment	O	S/D	50.00	50.00	50.00	50.00
* <b>Fly posting</b>						
* Full penalty	O	S/D	150.00	150.00	150.00	150.00
* Early payment	O	S/D	50.00	50.00	50.00	50.00
* <b>High Hedge Complaint</b>	O	S	500.00	500.00	500.00	500.00

**Noise Act 1996**

* <b>Noise exceeding permitted level - domestic premises</b>						
* Full penalty	O	S/D	110.00	110.00	110.00	110.00
* Early payment	O	S/D	75.00	75.00	75.00	75.00
* <b>Noise exceeding permitted level - licensed premises</b>						
* Full penalty	O	S/D	500.00	500.00	500.00	500.00

\* Levels set by Environment and Enforcement Committee July 2018

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES**

**CHARGING AREA: HOUSES IN MULTIPLE OCCUPATION AND HOUSING ACT NOTICES**

**Houses in Multiple Occupation**

New licence - 5 years	O	D	857.00	857.00	873.00	873.00
Renewal of licence - 5 years	O	D	581.00	581.00	592.00	592.00

**Housing Act Notices**

Issuing notices under Housing Acts	O	D	235.00	235.00	239.00	239.00
Immigration Survey checks	O	D	82.00	82.00	84.00	84.00

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: STREET SERVICES**

**CHARGING AREA: STREET NAMING & NUMBERING**

**Address Change Charges**

Renaming/renumbering of domestic dwelling	OS	D	31.00	31.00	N/A	N/A
Industrial/Retail renumbering/renaming	OS	D	61.00	61.00	N/A	N/A
Renaming/renumbering per property	OS	D	N/A	N/A	62.00	62.00

**Developer Charges**

Naming of street – per street	OS	D	102.00	102.00	104.00	104.00
Numbering of development plots	OS	D	77.00	77.00	78.00	78.00
Numbering of development plots 2-10 units	OS	D	148.00	148.00	151.00	151.00
Numbering of development plots over 10 units	OS	D	148.00 + £31 per extra unit	151.00 + £32 per extra unit		

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: COMMUNITY ALARMS**

**CHARGING AREA: COMMUNITY ALARMS**

*Note - VAT indicator should be zero if recipient is chronically sick or disabled and provides a certificate confirming this*

**Community Alarms**

Main Unit and Pendant (Rental)	Per week	S	D	1.90	2.28	1.90	2.28
Monitoring Fee for alarm plus up to five sensors per week	Per week	S	D	3.50	4.20	3.50	4.20
Monitoring Fee for alarm plus up to five sensors per week (if in receipt of full HB / Pension credit)	Per week	S	D	3.00	3.60	3.00	3.60
Annual Alarm Check (Review)	Per Visit	S	D	18.55	22.26	18.55	22.26

**Other Charges**

Extra 2nd pendant (Rental)	Per Week	S	D	1.50	1.80	1.50	1.80
Lost Pendant	Per Unit	S	D	41.22	49.46	41.22	49.46
Smoke Detector (Purchase only - Rental no longer available)	Per Unit	S	D	44.88	53.86	44.88	53.86
Key Safe - (Purchase only - Rental no longer available)	Per Unit	S	D	49.46	53.35	49.46	53.35
Bogus Caller Button/Panic Button (Purchase only - Rental no longer available)	Per Unit	S	D	43.75	52.50	43.75	52.50
Temperature extreme sensor (Purchase only - Rental no longer available)	Per Unit	S	D	60.78	72.94	60.78	72.94
CO2 Detectors (Purchase only - Rental no longer available)	Per Unit	S	D	88.83	106.60	88.83	106.60
Fall Detector (Purchase only - Rental no longer available)	Per Unit	S	D	82.50	99.00	82.50	99.00
Flood Detector (Purchase only - Rental no longer available)	Per Unit	S	D	74.80	89.76	74.80	89.76
Bed sensor (Purchase only - Rental no longer available)	Per Unit	S	D	44.00	52.80	44.00	52.80
Chair sensor (Purchase only)	Per Unit	S	D	36.30	43.56	36.30	43.56
Medication Dispenser (Purchase only - Rental no longer available)	Per Unit	S	D	165.00	198.00	165.00	198.00
Jewellery Pendant	Per Unit	S	D	41.25	49.50	41.25	49.50
Replacement cord	Per Unit	S	D	0.77	0.92	0.77	0.92
No Fault call out charge or adhoc site visits charge	Per Visit	S	D	18.55	22.26	18.55	22.26
Postage & Packing	Per Item	E	D	At Cost	At Cost	At Cost	At Cost

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: HOMELESSNESS**

**CHARGING AREA: RECHARGES TO TENANTS**

**Recharges to Tenants**

Daily Bed and Breakfast Room Charge	O	D	£25 - £85	£25 - £85	£25 - £85	£25 - £85	
Amenity Charge 1 person household per day	O	D	2.89	2.89	2.89	2.89	
Amenity Charge 2 person household per day	O	D	3.37	3.37	3.37	3.37	
Amenity Charge 3 person household per day	O	D	3.84	3.84	3.84	3.84	
Amenity Charge 4 person household per day	O	D	4.31	4.31	4.31	4.31	
Amenity Charge 5 person household per day	O	D	4.78	4.78	4.78	4.78	
Amenity Charge Additional persons per day	O	D	0.48	0.48	0.48	0.48	
Removals							
Furniture							
Storage - Homeless							
	Minimum	S	D	Cost Price	Cost Price	Cost Price	Cost Price
		S	D	Cost Price	Cost Price	Cost Price	Cost Price
		S	D	Cost Price	Cost Price	Cost Price	Cost Price

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021	April 2021-March 2022	April 2020-March 2021	April 2021-March 2022
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: HOUSING REVENUE ACCOUNT**

**CHARGING AREA: ESTATES & SHELTERED**

Housing Estates

Storage - Evictions	Per week	O	D	11.74	11.74	12.00	12.00
Copying of Housefile		O	D	10.00	10.00	10.00	10.00
Copying of Tenancy Agreement		O	D	10.00	10.00	10.00	10.00
Garage Clearance		S	D	125.00	150.00	205.00	246.00
Property Clearance 1 or 2 Beds		S	D	At Cost	At Cost	205.00	246.00
Property Clearance 3 or 4 Beds		S	D	At Cost	At Cost	409.17	491.00
Bulk Waste Removal per item	Min 2 items	O	D	11.00	11.00	11.50	11.50

Tenancy Management

Court Costs	Average	O	D	376.00	376.00	376.00	376.00
Gas Servicing Warrant Fee		O	D	20.00	20.00	20.00	20.00
Gas Servicing Warrant Enforcement		S	D	35.00	42.00	35.00	42.00
Forced entry		S	D	65.00	78.00	98.33	118.00
Administration Charge		S	D	10.00	12.00	10.00	12.00
Non-return of Gas/Electric Keys and Cards	New Fee 21/22	O	D	N/A	N/A	186.00	186.00

Garage Rental Fees Per Week

<b>Car spaces &amp; Car Ports</b>							
Car Space Council Tenant		O	D	1.89	1.89	1.90	1.90
Car Space Private (NCT)		O	D	2.52	2.52	2.60	2.60
Car Space Leaseholder		O	D	2.18	2.18	2.20	2.20
<b>Garages</b>							
Garage Council Tenant		O	D	8.73	8.73	8.90	8.90
Garage Private (NCT)		S	D	11.74	14.00	12.00	14.40
Garage Charities		O	D	11.74	11.74	12.00	12.00
Garage Leasehold		E	D	10.23	10.23	10.40	10.40
Garage Commercial		S	D	21.79	26.15	22.20	26.60

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021		April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: HOUSING REVENUE ACCOUNT**

**CHARGING AREA: REPAIRS**

*Note: Pricing Mechanism: Cost Price - 10% rounded to the nearest £5 the % reduction will reduce by 5% each year until the full cost is recovered (2022 - 2023)*

**Rechargeable Repairs**

Replacement Key/Key Fob	S	D	10.00	12.00	10.00	12.00
Lock Change	S	D	65.00	78.00	105.83	127.00
Single Glaze Window Replacement upto 1 Square Metre	S	D	77.00	92.40	76.67	92.00
Single Glaze Window Replacement over 1 Square Metre	S	D	85.00	102.00	119.17	143.00
Double Glazed Window Replacement upto 1 Square Metre	S	D	125.00	150.00	175.00	210.00
Double Glazed Window Replacement over 1 Square Metre	S	D	125.00	150.00	175.00	210.00
Internal Fire door Replacement	S	D	180.00	216.00	251.67	302.00
External Door Replacement	S	D	600.00	720.00	840.00	1,008.00
Paint Pack	S	D	70.00	84.00	98.33	118.00
Correction of Unauthorised Alterations (Where Tenants have conducted works without the permission of the Council and retrospective permission can not be granted)	S	D	Cost Price	Cost Price	Cost Price	Cost Price
			Cost Price	Cost Price	Cost Price	Cost Price
Any other repair deemed re-chargeable	S	D	Less 10%	Less 10%	Less 5%	Less 5%

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: HOUSING REVENUE ACCOUNT**

**CHARGING AREA: LEASEHOLDERS**

Leaseholders

Leasehold Information Pack (LPE1)	S	D	127.50	153.00	130.00	156.00
Leasehold Alterations Consent	S	D	127.50	153.00	130.00	156.00
Leasehold property valuations (request for amendment)	S	D	Cost Price	Cost Price	Cost Price	Cost Price
Registration of Notices	O	D	56.00	56.00	57.00	57.00
Lease Extension or Enfranchisement	S	D	770.00	924.00	785.00	942.00
Lease Variation	S	D	375.00	450.00	383.33	460.00
Registration Fee for Charge (If lease rate is different this will be charged instead of the standard fee)	S	D	35.00	42.00	35.83	43.00
Letter of Postponement of Discount Charge to enable further borrowing	S	D	123.33	148.00	125.00	150.00

**Sheltered Schemes**

Rental of Guest Room Per Night*	S	D	8.33	10.00	8.33	10.00
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\*There has been a temporary VAT rate change to reduced rate from 8 July 2020 to 31 March 2021  
At this stage, it is expected that VAT will revert to standard rate from 1st April 2021



## **COMMUNITY & HEALTH**

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: COMMUNITY INITIATIVES AND PARTNERSHIPS**

**CHARGING AREA: COMMUNITY EVENTS**

**Stallholder Pitch fees per 3 x 3m pitch**

**Lighting Up Brentwood - £30 street trading licence is included with the fees**

Catering Unit - serving food e.g burgers, hot dogs etc.	E	D	160.00	160.00	163.00	163.00
Catering Unit - serving alcohol	E	D	160.00	160.00	163.00	163.00
Large Business - more than 10 employees	E	D	130.00	130.00	132.00	132.00
Catering unit - buying food e.g. Bread, cakes, doughnuts, sweets, fruit and vegetables	E	D	90.00	90.00	92.00	92.00
Small business - less than 10 employees	E	D	85.00	85.00	85.00	85.00
Crafters and Artists - all hand made by the seller	E	D	55.00	55.00	55.00	55.00
Registered charity	E	D	45.00	45.00	45.00	45.00

**Strawberry Fair and other Community Events**

Catering Unit - serving food e.g. Burgers, hot dogs etc.	E	D	130.00	130.00	132.00	132.00
Catering Unit - serving alcohol	E	D	130.00	130.00	132.00	132.00
Large business - more than 10 employees	E	D	100.00	100.00	102.00	102.00
Catering unit - buying food e.g. Bread, cakes, doughnuts, sweets, fruit and vegetables	E	D	65.00	65.00	66.00	66.00
Small business - less than 10 employees	E	D	60.00	60.00	60.00	60.00
Crafters and Artists - all handmade by the seller	E	D	35.00	35.00	35.00	35.00
Registered charity	E	D	35.00	35.00	35.00	35.00
Ice Cream Van (Exclusive) - Strawberry Fair	E	D	430.00	430.00	430.00	430.00
Ice Cream Van (Exclusive) - Family Fun Days	E	D	160.00	160.00	163.00	163.00
Face Painters (large community events)	E	D	70.00	70.00	70.00	70.00

**Family Fun Days**

Wristbands - Rides and Bouncy castles		Per Child	E	D	4.00	4.00	4.00	4.00
Stalls - selling children's pocket money gifts and toys (new category)			E	D	20.00	20.00	20.00	20.00
Sole Catering unit by tender								
Face painters (per face painter)			E	D	n/a	n/a	20.00	20.00

**Sponsorship packages - any bespoke packages can be discussed with the Community Services team**

**Strawberry Fair**

<b>Bronze Sponsor</b> - non exclusive (logo on event programme, acknowledgement in press release, social media postings & logo in promotional materials and banners)	S	D	500.00	600.00	500.00	600.00
<b>Silver Sponsor</b> - non exclusive (logo in event programme, acknowledgement in press release and social media postings, logo in promotional materials and banners, sponsor linked to Council website, live acknowledgement throughout the event & business banner displayed at event)	S	D	750.00	900.00	750.00	900.00

**Family Fun Day**

<b>Bronze Sponsor</b> - non exclusive (logo on event flyer each week, acknowledgement in press release, social media postings & logo in promotional materials and banners)	S	D	300.00	360.00	300.00	360.00
<b>Wristbands</b> - logo on 3,000 wristbands	S	D	550.00	660.00	550.00	660.00
<b>Summer Events Gold Package</b> - non exclusive (all the benefits of the Strawberry Fair and Family Fun Days Silver packages)	S	D	1,100.00	1320.00	1,100.00	1320.00

**Lighting Up Brentwood**

<b>Bronze Sponsor</b> - non exclusive (Full page advert in event programme, acknowledgement in press release, social media postings & logo in promotional materials and banners)	S	D	500.00	600.00	500.00	600.00
<b>Silver Sponsor</b> - non exclusive (Full page advert in event programme, acknowledgement in press release and social media postings, logo in promotional materials and banners, sponsor linked to Council website, stallholder pitch, business banner displayed around the stage)	S	D	750.00	900.00	750.00	900.00

<b>Christmas trees</b> (business banner around one Christmas tree for six weeks from November - January, hyperlink to business from Council website)	S	D	850.00	1020.00	850.00	1020.00
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**Shenfield Christmas Fayre**

<b>Bronze Sponsor</b> - non exclusive (Full page advert in event programme, acknowledgement in press release, social media postings & logo in promotional materials and banners)	S	D	500.00	600.00	500.00	600.00
<b>Silver Sponsor</b> - non exclusive (Full page advert in event programme, acknowledgement in press release and social media postings, logo in promotional materials and banners, sponsor linked to Council website, stallholder pitch, business banner displayed around the stage.)	S	D	750.00	900.00	750.00	900.00

**Winter Events Gold package**

All the benefits of the Lighting Up Brentwood and Shenfield Christmas Fayre Silver packages	S	D	1300.00	1560.00	1300.00	1560.00
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<b>Community Sponsor</b> non exclusive (logo on promotional materials for three community projects, acknowledgements in press releases and social media, logo on all sports awards, invitation to present a sports award, invitation to attend project showcase events, sponsor linked to Council website)	S	D	1000.00	1200.00	1000.00	1200.00
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<b>Platinum Package</b> - non -exclusive All annual events (excluding Brentwood Business Showcase) and community development projects. All the benefits of the Summer and Christmas events Gold Packages, plus the benefit of the Community Sponsor Package)	S	D	3200.00	3840.00	3200.00	3840.00
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<b>Estate Agent Boards</b> - (Exclusive to each event) - Display of boards, mention in press release and social media and business link to Council website	S	D	300.00	360.00	300.00	360.00
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**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: COMMUNITY INITIATIVES AND PARTNERSHIPS**

**CHARGING AREA: BRENTWOOD CENTRE**

**BRENTWOOD CENTRE - CONTRACTED SERVICES**

**Fitness**

Direct Debit Inclusive Membership per month - includes gym, swim and group exercise classes	E	D			24.99	24.99
Concession (those in receipt of state pension/students, corporate or emergency services)	E	D			22.50	22.50
Gym only membership	E	D			19.99	19.99
Concession (those in receipt of state pension/students, corporate or emergency services)	E	D			18.00	18.00
Pay as you go gym sessions adult	E	D			7.00	7.00
Pay as you go group exercise class adult	E	D			7.00	7.00
Concession (those in receipt of state pension/students, corporate or emergency services)	E	D			4.90	4.90

**Swimming**

Swimming only membership	E	D			19.99	19.99
Concession (those in receipt of state pension/students, corporate or emergency services)	E	D			18.00	18.00
Swimming Session Adult	E	D			5.50	5.50
Swimming Session Junior	E	D			4.00	4.00
Swimming Lesson Adult (per half hour)	E	D			6.24	6.24
Swimming Lesson Junior (per half hour)	E	D			6.24	6.24

**Court Hire**

Badminton Court	E	D			12.80	12.80
Indoor Five a side football (equivalent of 4 badminton courts)	E	D			51.20	51.20
Table tennis	E	D			12.80	12.80
Concession (those in receipt of state pension/students, corporate or emergency services)	E	D			11.52	11.52

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: COMMUNITY INITIATIVES AND PARTNERSHIPS**

**CHARGING AREA: BRENTWOOD CENTRE**

**BRENTWOOD CENTRE - HIRE CHARGES**

**3G Football Pitch**

Full pitch - peak Adult	E	D	90.00	90.00
Full pitch - peak Junior	E	D	90.00	90.00
Full pitch - off-peak Adult	E	D	45.00	45.00
Full pitch - off peak Junior	E	D	45.00	45.00
Full pitch - weekends Adult	E	D	80.00	80.00
Full pitch - weekends Junior	E	D	70.00	70.00
Half pitch - peak Adult	E	D	45.00	45.00
Half pitch - peak Junior	E	D	45.00	45.00
Half pitch - off-peak Adult	E	D	22.50	22.50
Half pitch - off peak Junior	E	D	20.00	20.00
Half pitch - weekends Adult	E	D	40.00	40.00
Half pitch - weekends Junior	E	D	35.00	35.00

All other charges will be by negotiation and consultation with the Chair of Community and Health Committee

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021		April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: GOLF COURSE**

**CHARGING AREA: GOLF COURSE**

*The Council applied the Sports VAT Exemption with effect 01/10/2018. Prior to this, fees would have included VAT at the standard rate.*

**Annual Season Ticket**

7 day Adult	E	D	737.00	737.00	752.00	752.00
7 day Junior (under 17)	E	D	54.00	54.00	56.00	56.00
7 day Intermediate (under 25)	E	D	550.00	550.00	561.00	561.00
5 day Adult	Mon - Fri	E	D	621.00	621.00	633.00
5 day Concessionary	Mon - Fri	E	D	503.00	503.00	513.00

**Weekday**

Per Round - 18 holes - Adult	E	D	19.00	19.00	20.00	20.00
Per Round - 18 holes - Junior (under 17) & OAPs	E	D	16.00	16.00	17.00	17.00

**Weekends and Public Holidays**

Per Round - 18 holes - Adult	E	D	25.00	25.00	26.00	26.00
Juniors (under 17) & OAP's	After 1pm	E	D	16.00	16.00	17.00

**Other Charges**

Twilight Play - Weekday	E	D	10.00	10.00	11.00	11.00
Twilight Play - Weekends and Public Holidays	E	D	11.00	11.00	12.00	12.00

**Group Bookings Offer.** For group bookings of 20 people or more, each person receives 25% off green fees. Please note this offer is not available in conjunction with any other offer and can be withdrawn at any time.

**Corporate Offer.** Receive 25% discount on green fees and 10% discount on season tickets when you produce a valid employee ID from the following companies

**Armed Service Discount.** 50% discount on green fees and 10% discount on memberships for current and past serving members of the armed forces during November.

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: OPEN SPACES**

**CHARGING AREA: SPORTS FACILITIES AND OPEN SPACES**

*The Council applied the Sports VAT Exemption with effect 01/10/2018. Prior to this, fees not meeting the block booking requirements would have included VAT at the standard rate.*

**Football & Rugby**

King George's Playing Field & Warley Playing Fields (with Changing Facilities)

Pitch & Pavilion - Fortnightly - Adult - Season	Sunday/Bank Holidays	E	D	1,059.00	1,059.00	1,080.00	1,080.00
Pitch & Pavilion - Fortnightly - Adult - Season	Other Days	E	D	1,035.00	1,035.00	1,055.00	1,055.00

Pitch & Pavilion - Weekly - Adult - Season	Sunday/Bank Holidays	E	D	2,117.00	2,117.00	2,158.00	2,158.00
Pitch & Pavilion - Weekly - Adult - Season	Other Days	E	D	2,066.00	2,066.00	2,106.00	2,106.00

Occasional Matches - Adult	Any Day	E	D	104.00	104.00	106.00	106.00
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Other Playing Fields (No Changing Facilities)

Pitch - Fortnightly - Adult - Season	Any Day	E	D	672.00	672.00	685.00	685.00
Pitch - Weekly - Adult - Season	Any Day	E	D	1,339.00	1,339.00	1,365.00	1,365.00

Junior Matches All Sites (No Changing Facilities)

Pitch - Fortnightly - Junior - Season	Any Day	E	D	368.00	368.00	375.00	375.00
Pitch - Weekly - Junior - Season	Any Day	E	D	733.00	733.00	747.00	747.00

Occasional Matches (No Changing Facilities)

Adult	Any Day	E	D	65.00	65.00	67.00	67.00
Juniors (under17)	Any Day	E	D	40.00	40.00	41.00	41.00

Mini Soccer - All Sites (No Changing Facilities)

Seasonal Booking every week	Weekly	E	D	389.00	389.00	397.00	397.00
Occasional	Any Day	E	D	34.00	34.00	35.00	35.00

**Bowling Greens**

Bowls - Season	Adult	E	D	160.00	160.00	164.00	164.00
Bowls - Season	Juniors/OAP's	E	D	101.00	101.00	103.00	103.00
Match Reservations + per rink (inclusive of visitors fees non returnable)	Club Charges	E	D	6.00	6.00	7.00	7.00
Other Reservations (not inclusive of visitors fees non returnable)	Club Charges	E	D	4.00	4.00	5.00	5.00

**Large Open spaces with facilities (The Brentwood Centre)**

Large Events - more than 1/2 Field with £5 or more admission fee	E	D		2,275.00	2,275.00	2,319.00	2,319.00
Medium Events - less than 1/2 field and less than £5 admission fee	E	D		937.00	937.00	955.00	955.00
Small Events - less than 1/4 field	E	D		402.00	402.00	410.00	410.00
Set up and take down for events				25% of day rate		25% of day rate	
Keep Fit sessions - No cordoning off of field (max 20)	Single	S	D	16.67	20.00	17.00	21.00
Non commercial or charitable events (following approval by ward members) 50% discount							

**Large Open spaces with facilities (King Georges Playing Field)**

Area A (Prev Area B) Open space opposite old paddling pool area	E	D		402.00	402.00	410.00	410.00
Area B (Prev Area C) Overflow car park/pitch one. Outside football season only	E	D		402.00	402.00	410.00	410.00
Keep Fit sessions - No cordoning off of field (max 20)	S	D		16.67	20.00	17.00	21.00
Non commercial or charitable events (following approval by ward members) 50% discount							

**Other Open Spaces**

Open Space (following approval by Ward members)	Daily Charge	E	D	402.00	402.00	410.00	410.00
Keep Fit sessions - No defined area (max 20 people)	Single session	S	D	16.67	20.00	17.00	21.00

**All Open Spaces**

Filming Location Fee (subject to conditions & credits)	Open Space only	S	D	By negotiation and 1% of original fee		By negotiation and 1% of original fee	
Repeat Fee							

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES**

**SERVICE AREA: FOOD & HEALTH SAFETY**

**Skin Piercing**

Premises Registration	O	D	257.50	257.50	262.00	262.00
Practitioner Registration	O	D	91.50	91.50	93.00	93.00

**Other Charges**

Level 2 CIEH Food Hygiene/Health & safety	E	D	67.00	67.00	67.00	67.00
Food Hygiene Rating Score Re-inspection (FHRS)	O	D	180.00	180.00	180.00	180.00

**POLICY, RESOURCES & ECONOMIC DEVELOPMENT**



**POLICY, RESOURCES AND ECONOMIC DEVELOPMENT  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021		April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PARKING**

**CHARGING AREA: Offstreet Parking**

**Chatham Way**

**Monday to Saturday - 6:00am to 7:00pm**

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.83	1.00	0.83	1.00
2 hours	S	D	1.67	2.00	1.67	2.00
2 hours with discount card	S	D	1.17	1.40	1.17	1.40
3 hours	S	D	2.50	3.00	2.50	3.00
4 hours	S	D	3.33	4.00	3.33	4.00
5 hours	S	D	4.17	5.00	4.17	5.00
6 hours	S	D	5.00	6.00	5.00	6.00
24 hours	S	D	6.67	8.00	6.67	8.00

**Monday to Saturday - 7:00pm to 6:00am**

Overnight Charge	S	D	1.67	2.00	1.67	2.00
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**Sunday Charge**

All day	S	D	0.00	0.00	0.00	0.00
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**Coptfold Road**

**Monday to Saturday - 6:00am to 7:00pm**

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.83	1.00	0.83	1.00
2 hours	S	D	1.67	2.00	1.67	2.00
2 hours with discount card	S	D	1.17	1.40	1.17	1.40
3 hours	S	D	2.50	3.00	2.50	3.00
4 hours	S	D	3.33	4.00	3.33	4.00
5 hours	S	D	4.17	5.00	4.17	5.00
6 hours	S	D	5.00	6.00	5.00	6.00
6 hours+ to close	S	D	6.67	8.00	6.67	8.00

**Monday to Saturday - 7:00pm to 10:00pm**

Overnight Charge	S	D	1.67	2.00	1.67	2.00
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**Sunday Charge - 6:00am to 10:00pm**

Flat Charge	S	D	0.83	1.00	0.83	1.00
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Lost Ticket	S	D	8.33	10.00	8.33	10.00
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Exit charge after 10:00pm	S	D	41.67	50.00	41.67	50.00
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**William Hunter Way**

**Monday to Saturday - 6:00am to 7:00pm**

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.83	1.00	0.83	1.00
2 hours	S	D	1.67	2.00	1.67	2.00
2 hours with discount card	S	D	1.17	1.40	1.17	1.40
3 hours	S	D	2.50	3.00	2.50	3.00
4 hours	S	D	3.33	4.00	3.33	4.00
5 hours	S	D	4.17	5.00	4.17	5.00
6 hours	S	D	5.00	6.00	5.00	6.00
24 hours	S	D	6.67	8.00	6.67	8.00
Overnight Charge	S	D	1.67	2.00	1.67	2.00

**Sunday Charge**

All day	S	D	0.83	1.00	0.83	1.00
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**POLICY, RESOURCES AND ECONOMIC DEVELOPMENT  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PARKING**

**CHARGING AREA: Offstreet Parking**

**Town Hall**

**Monday to Saturday - 6:00am to 7:00pm**

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.83	1.00	0.83	1.00
2 hours	S	D	1.67	2.00	1.67	2.00
2 hours with discount card	S	D	1.17	1.40	1.17	1.40
3 hours	S	D	2.50	3.00	2.50	3.00
4 hours	S	D	3.33	4.00	3.33	4.00
5 hours	S	D	4.17	5.00	4.17	5.00
6 hours	S	D	5.00	6.00	5.00	6.00
24 hours	S	D	6.67	8.00	6.67	8.00
Overnight Charge	S	D	1.67	2.00	1.67	2.00
<b>Sunday Charge</b>						
All day	S	D	0.00	0.00	0.00	0.00

**Westbury Road**

Saturday - all day	S	D	3.33	4.00	3.33	4.00
Sunday - all day	S	D	0.83	1.00	0.83	1.00
Overnight Charge	S	D	1.67	2.00	1.67	2.00

**King George's Playing Field**

4 Hours	S	D	0.00	0.00	0.00	0.00
Over 4 Hours	S	D	4.17	5.00	4.17	5.00
Coaches	S	D	12.50	15.00	12.50	15.00

**Monday to Friday 09:00am - 6:00pm**

**Ingatestone**

Maximum stay 2 hours no return for 4 hours	S	D	0.00	0.00	0.00	0.00
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**Note - This is for Bellmead and Market Square Monday to Saturday 8:00am - 6:00pm**

**Friars Avenue**

Maximum stay 2 hours no return for 4 hours	S	D	N/A	N/A	N/A	N/A
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**Monday to Saturday - 6:00am to 7:00pm**

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.83	1.00	0.83	1.00
2 hours	S	D	1.67	2.00	1.67	2.00
2 hours with discount card	S	D	1.17	1.40	1.17	1.40
3 hours	S	D	2.50	3.00	2.50	3.00
Overnight Charge	S	D	1.67	2.00	1.67	2.00
<b>Sunday Charge</b>						
All day	S	D	0.83	1.00	0.83	1.00

**Hunters Avenue**

Maximum stay 2 hours no return for 4 hours	S	D	N/A	N/A	N/A	N/A
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**Monday to Saturday - 6:00am to 7:00pm**

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	8.93	1.00	8.93	1.00
2 hours	S	D	1.67	2.00	1.67	2.00
2 hours with discount card	S	D	1.17	1.40	1.17	1.40
3 hours	S	D	2.50	3.00	2.50	3.00
Overnight Charge	S	D	1.67	2.00	1.67	2.00
<b>Sunday Charge</b>						
All day	S	D	0.83	1.00	0.83	1.00

**POLICY, RESOURCES AND ECONOMIC DEVELOPMENT  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PARKING**

**CHARGING AREA: Offstreet Parking - Season Tickets and Penalty Charge Notices**

**Season Tickets - Standard Charge**

7 days	S	D	30.00	36.00	30.00	36.00
1 month	S	D	93.33	112.00	93.33	112.00
3 months	S	D	271.67	326.00	271.67	326.00
6 months	S	D	518.33	622.00	518.33	622.00
12 months	S	D	935.00	1,122.00	935.00	1,122.00

Note - For Coptfold Road, Sir Francis Way, Westbury Road and William Hunter Way car parks

**Penalty Charge Notice**

Higher Level Penalty Charge Notice	O	S	70.00	70.00	70.00	70.00
Higher Level Penalty Charge Notice (if paid within 14 days)	O	S	35.00	35.00	35.00	35.00
Lower Level Penalty Charge Notice	O	S	50.00	50.00	50.00	50.00
Lower Level Penalty Charge Notice (if paid within 14 days)	O	S	25.00	25.00	25.00	25.00

**DESIGN AND PRINT SERVICES  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: DESIGN AND PRINT SERVICES**

**CHARGING AREA: DESIGN AND PRINT SERVICES**

External Printing

Provision of design and print services - per hour	S	D	£	16.67	£	20.00	£	17.00	£	20.40
Price per black and white copy	S	D	£	0.01	£	0.01	£	0.01	£	0.01
Price per colour copy	S	D	£	0.03	£	0.04	£	0.03	£	0.04
Provision of printing materials	S	D	£	As per job spec	£	As per job spec	£	As per job spec	£	As per job spec

**Policy, Resources & Economic Development  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: OFFICE ACCOMMODATION**

**CHARGING AREA: WEDDINGS & ROOM HIRE**

**Committee Room Hire (Town Hall)**

Council Chamber Half Day*	S	D	358.33	430.00	370.00	444.00
Council Chamber Full Day*	S	D	612.50	735.00	625.00	750.00
Committee Rooms 1 Half Day*	S	D	154.17	185.00	158.33	190.00
Committee Rooms 1 Full Day*	S	D	255.00	306.00	258.33	310.00
Committee Rooms 2 Half Day*	S	D	62.50	75.00	63.33	76.00
Committee Rooms 2 Full Day*	S	D	102.50	123.00	104.17	125.00
Civic Foyer Half Day	S	D	102.50	123.00	104.17	125.00
Civic Foyer Full Day	S	D	179.17	215.00	183.33	220.00
Leader's room Half Day	S	D	76.67	92.00	78.33	94.00
Leader's room Full Day	S	D	143.33	172.00	145.83	175.00

\* 50% Discount applicable for booking made by Charities and Community Groups

**Weddings (Town Hall - From August 2019)**

Council Chamber Monday - Thursday	S	D	358.33	430.00	358.33	430.00
Council Chamber Friday	S	D	358.33	430.00	358.33	430.00
Council Chamber Saturday	S	D	358.33	430.00	358.33	430.00

\* Please note fees for wedding ceremonies in the Council Chamber are administered by BBC and does not include registrar fee

Committee Rooms Monday - Thursday	E/S	D	190.00	209.00	191.00	210.00
Committee Rooms Friday	E/S	D	255.00	282.00	250.00	300.00
Committee Rooms Saturday	E/S	D	310.00	349.00	308.33	370.00

Please note the above charges do not include the fee for the certificate. £11 will need to be paid in addition to the charges above.

## PLANNING AND LICENSING

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: LAND CHARGES**

**CHARGING AREA: Land Charges**

Search Fees

LLC1	O	S	20.00	20.00	20.00	20.00
CON 29R	S	S	100.00	120.00	101.67	122.00
CON 29R including LLC1	S/O	S	130.00	140.00	119.17	143.00
CON 290 optional enquiries, except Q22	S	S	12.50	15.00	12.50	15.00
CON 290 optional enquiries, Q22 only	S	S	14.00	16.80	14.17	17.00
Any other additional enquiries	O	S	30.00	30.00	31.00	31.00
Additional parcels of Land	S	S	35.50	42.96	36.67	44.00

# In relation to CON 290, Q.22 only, additional parcels of land are processed at £1 per parcel, subject to maximum of 6 parcels of land, there being a £20 maximum fee payable in this regard

Personal Searches - Self Service	Free	Free	Free	Free
New Assisted Personal Search - upon application with the Thurrock Council Land	POA	POA	POA	POA

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: LICENSING**

**CHARGING AREA: Licence Fees**

**Street Trading**

Independent Permanent Stall - Annual	O	D	400.00	400.00	400.00	400.00
Independent 'One Off Stalls'	O	D	90.00	90.00	90.00	90.00
Lighting Up Brentwood	O	D	30.00	30.00	30.00	30.00

**Scrap Metal**

Site Application - New - 3 years	O	D	495.00	495.00	495.00	495.00
Collector Application - New - 3 years	O	D	280.00	280.00	280.00	280.00
Variation	O	D	89.00	89.00	89.00	89.00
Site Renewal Application - 3 years	O	D	445.00	445.00	445.00	445.00
Collector Renewal Application - 3 years	O	D	230.00	230.00	230.00	230.00

**Skin Piercing**

Premises Registration	O	D	257.50	257.50	257.50	257.50
Practitioner Registration	O	D	91.50	91.50	91.50	91.50

**Animals**

*\* Please note vet costs are in addition to these fees where vet required*

Animal Boarding - Application Fee	O	D	300.00	300.00	300.00	300.00
Animal Boarding - Grant Fee	O	D	100.00	100.00	100.00	100.00
Selling Animals As Pets - Application Fee	O	D	300.00	300.00	300.00	300.00
Selling Animals As Pets - Grant Fee	O	D	100.00	100.00	100.00	100.00
Dog Breeding - Application Fee	O	D	300.00	300.00	300.00	300.00
Dog Breeding - Grant Fee	O	D	100.00	100.00	100.00	100.00
Hiring Out Horses - Application Fee	O	D	300.00	300.00	300.00	300.00
Hiring Out Horses - Grant Fee	O	D	100.00	100.00	100.00	100.00
Keeping Animals for Exhibition - Application Fee	O	D	300.00	300.00	300.00	300.00
Keeping Animals for Exhibition - Grant Fee	O	D	100.00	100.00	100.00	100.00
Combination Of Activities - Application Fee (for each additional activity)	O	D	150.00	150.00	150.00	150.00
Combination Of Activities - Grant Fee (for each additional activity)	O	D	75.00	75.00	75.00	75.00
Variation to licence/re-evaluation or rating	O	D	222.00	222.00	222.00	222.00
Appeal (All Licences)	O	D	137.00	137.00	137.00	137.00
Variation to reduce the licenable activities or number of animals	O	D	85.00	85.00	85.00	85.00
Dangerous Wild Animals - 2 years	O	D	300.00	300.00	300.00	300.00
Zoo Premises New - 6 years	O	D	927.00	927.00	927.00	927.00
Zoo Premises Renewal - 4 years	O	D	566.50	566.50	566.50	566.50

**Sex Establishment Licensing**

Premises Application	O	D	2,330.00	2,330.00	2,330.00	2,330.00
Premises Renewal	O	D	1,590.00	1,590.00	1,590.00	1,590.00
Premises Variation	O	D	530.00	530.00	530.00	530.00

**Pavement Permit**

New application Tables and Chairs 1-2 tables	O	D	260.00	260.00	260.00	260.00
New Application Tables and Chairs 3-6 tables	O	D	470.00	470.00	470.00	470.00
New Application Tables and Chairs over 6 tables.	O	D	675.00	675.00	675.00	675.00
Renewal application Tables and Chairs 1-2 tables	O	D	160.00	160.00	160.00	160.00
Renewal Application Tables and Chairs 3-6 tables	O	D	370.00	370.00	370.00	370.00
Renewal Application Tables and Chairs over 6 tables.	O	D	575.00	575.00	575.00	575.00

**Road Closure**

Application to close road with 0 - 499 people attending	O	D	200.00	200.00	200.00	200.00
Application to close road with 500 - 1999 people attending	O	D	360.00	360.00	360.00	360.00
Application to close road with 2000+ people attending	O	D	680.00	680.00	680.00	680.00



**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: LICENSING**

**CHARGING AREA: Licence Fees**

Gambling Act 2005

Bingo Clubs

New Application	O	D	3,500.00	3,500.00	3,500.00	3,500.00
Annual Fee	O	D	1,000.00	1,000.00	1,000.00	1,000.00
Application to Vary	O	D	1,750.00	1,750.00	1,750.00	1,750.00
Application to Transfer	O	D	1,200.00	1,200.00	1,200.00	1,200.00
Application to Re-instatement	O	D	1,200.00	1,200.00	1,200.00	1,200.00
Application for Provisional Statement	O	D	3,500.00	3,500.00	3,500.00	3,500.00
Licence Application (Provisional Statement Holders)	O	D	1,200.00	1,200.00	1,200.00	1,200.00

Betting Premises

New Application	O	D	3,000.00	3,000.00	3,000.00	3,000.00
Annual Fee	O	D	600.00	600.00	600.00	600.00
Application to Vary	O	D	1,500.00	1,500.00	1,500.00	1,500.00
Application to Transfer	O	D	1,200.00	1,200.00	1,200.00	1,200.00
Application to Re-instatement	O	D	1,200.00	1,200.00	1,200.00	1,200.00
Application for Provisional Statement	O	D	3,000.00	3,000.00	3,000.00	3,000.00
Licence Application (Provisional Statement Holders)	O	D	1,200.00	1,200.00	1,200.00	1,200.00

Tracks

New Application	O	D	2,500.00	2,500.00	2,500.00	2,500.00
Annual Fee	O	D	1,000.00	1,000.00	1,000.00	1,000.00
Application to Vary	O	D	1,250.00	1,250.00	1,250.00	1,250.00
Application to Transfer	O	D	950.00	950.00	950.00	950.00
Application to Re-instatement	O	D	950.00	950.00	950.00	950.00
Application for Provisional Statement	O	D	2,500.00	2,500.00	2,500.00	2,500.00
Licence Application (Provisional Statement Holders)	O	D	950.00	950.00	950.00	950.00

Family Entertainment Centres

New Application	O	D	2,000.00	2,000.00	2,000.00	2,000.00
Annual Fee	O	D	750.00	750.00	750.00	750.00
Application to Vary	O	D	1,000.00	1,000.00	1,000.00	1,000.00
Application to Transfer	O	D	950.00	950.00	950.00	950.00
Application to Re-instatement	O	D	950.00	950.00	950.00	950.00
Application for Provisional Statement	O	D	2,500.00	2,500.00	2,500.00	2,500.00
Licence Application (Provisional Statement Holders)	O	D	950.00	950.00	950.00	950.00

Adult Gaming Centres

New Application	O	D	2,000.00	2,000.00	2,000.00	2,000.00
Annual Fee	O	D	1,000.00	1,000.00	1,000.00	1,000.00
Application to Vary	O	D	1,000.00	1,000.00	1,000.00	1,000.00
Application to Transfer	O	D	1,200.00	1,200.00	1,200.00	1,200.00
Application to Re-instatement	O	D	1,200.00	1,200.00	1,200.00	1,200.00
Application for Provisional Statement	O	D	2,000.00	2,000.00	2,000.00	2,000.00
Licence Application (Provisional Statement Holders)	O	D	1,200.00	1,200.00	1,200.00	1,200.00

Prize Gaming Permit and Family Entertainment Centre Gaming Machine Permit

Permit Application (New)	O	S	300.00	300.00	300.00	300.00
Permit Application (Existing Operator)	O	S	100.00	100.00	100.00	100.00
Renewal of Permit	O	S	300.00	300.00	300.00	300.00
Change of Name on Permit	O	S	25.00	25.00	25.00	25.00
Copy of Permit	O	S	15.00	15.00	15.00	15.00

Club Gaming or Machine Permit

Permit Application (New)	O	S	200.00	200.00	200.00	200.00
Permit Application (Existing Holder)	O	S	100.00	100.00	100.00	100.00
Permit Application (Holder of club premises certificate under Licensing Act 2003)	O	S	100.00	100.00	100.00	100.00
Renewal of Permit	O	S	200.00	200.00	200.00	200.00
Annual Fee for Permit	O	S	50.00	50.00	50.00	50.00
Application to Vary Club Permit	O	S	100.00	100.00	100.00	100.00
Copy of Permit	O	S	15.00	15.00	15.00	15.00

Other

Temporary Use Notice (TUN)	O	S	500.00	500.00	500.00	500.00
Occasional Use Notice (OUN)	O	S	0.00	0.00	0.00	0.00
Copy of Premises Licence	O	D	25.00	25.00	25.00	25.00
Notification of Change of Circumstances for Premises Licence	O	D	50.00	50.00	50.00	50.00
Copy of Notice	O	S	25.00	25.00	25.00	25.00

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021 Excl VAT	Inc VAT	April 2021-March 2022 Excl VAT	Inc VAT

**SERVICE AREA: LICENSING**

**CHARGING AREA: Licence Fees**

Licensing Act 2003

Premises - Band A (None to £4,300)

Premises Licences - New Application and Variation	O	S	100.00	100.00	100.00	100.00
Premises Licences - Annual Charge	O	S	70.00	70.00	70.00	70.00
Club Premises Certificates - New Application and Variation	O	S	100.00	100.00	100.00	100.00
Club Premises Certificates - Annual Charge	O	S	70.00	70.00	70.00	70.00

Premises - Band B (£4,301 to £33,000)

Premises Licences - New Application and Variation	O	S	190.00	190.00	190.00	190.00
Premises Licences - Annual Charge	O	S	180.00	180.00	180.00	180.00
Club Premises Certificates - New Application and Variation	O	S	190.00	190.00	190.00	190.00
Club Premises Certificates - Annual Charge	O	S	180.00	180.00	180.00	180.00

Premises - Band C (£33,001 to £87,000)

Premises Licences - New Application and Variation	O	S	315.00	315.00	315.00	315.00
Premises Licences - Annual Charge	O	S	295.00	295.00	295.00	295.00
Club Premises Certificates - New Application and Variation	O	S	315.00	315.00	315.00	315.00
Club Premises Certificates - Annual Charge	O	S	295.00	295.00	295.00	295.00

Premises - Band D (£87,001 to £125,000)

Premises Licences - New Application and Variation	O	S	450.00	450.00	450.00	450.00
Premises Licences - Annual Charge	O	S	320.00	320.00	320.00	320.00
Club Premises Certificates - New Application and Variation	O	S	450.00	450.00	450.00	450.00
Club Premises Certificates - Annual Charge	O	S	320.00	320.00	320.00	320.00

Premises - Band E (£125,001 plus)

Premises Licences - New Application and Variation	O	S	635.00	635.00	635.00	635.00
Premises Licences - Annual Charge	O	S	350.00	350.00	350.00	350.00
Club Premises Certificates - New Application and Variation	O	S	635.00	635.00	635.00	635.00
Club Premises Certificates - Annual Charge	O	S	350.00	350.00	350.00	350.00

Additional Fees (based on number in attendance at any one time)

Additional Premises Licence Fee:

5,000 to 9,999	O	S	1,000.00	1,000.00	1,000.00	1,000.00
10,000 to 14,999	O	S	2,000.00	2,000.00	2,000.00	2,000.00
15,000 to 19,999	O	S	4,000.00	4,000.00	4,000.00	4,000.00
20,000 to 29,999	O	S	8,000.00	8,000.00	8,000.00	8,000.00
30,000 to 39,999	O	S	16,000.00	16,000.00	16,000.00	16,000.00
40,000 to 49,999	O	S	24,000.00	24,000.00	24,000.00	24,000.00
50,000 to 59,999	O	S	32,000.00	32,000.00	32,000.00	32,000.00
60,000 to 69,999	O	S	40,000.00	40,000.00	40,000.00	40,000.00
70,000 to 79,999	O	S	48,000.00	48,000.00	48,000.00	48,000.00
80,000 to 89,999	O	S	56,000.00	56,000.00	56,000.00	56,000.00
90,000 and over	O	S	64,000.00	64,000.00	64,000.00	64,000.00

Additional Annual Fee Payable (if applicable):

5,000 to 9,999	O	S	500.00	500.00	500.00	500.00
10,000 to 14,999	O	S	1,000.00	1,000.00	1,000.00	1,000.00
15,000 to 19,999	O	S	2,000.00	2,000.00	2,000.00	2,000.00
20,000 to 29,999	O	S	4,000.00	4,000.00	4,000.00	4,000.00
30,000 to 39,999	O	S	8,000.00	8,000.00	8,000.00	8,000.00
40,000 to 49,999	O	S	12,000.00	12,000.00	12,000.00	12,000.00
50,000 to 59,999	O	S	16,000.00	16,000.00	16,000.00	16,000.00
60,000 to 69,999	O	S	20,000.00	20,000.00	20,000.00	20,000.00
70,000 to 79,999	O	S	24,000.00	24,000.00	24,000.00	24,000.00
80,000 to 89,999	O	S	28,000.00	28,000.00	28,000.00	28,000.00
90,000 and over	O	S	32,000.00	32,000.00	32,000.00	32,000.00

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: LICENSING**

**CHARGING AREA: Licence Fees**

Licensing Act 2003 (cont.)

Other Fees

Application for the grant or renewal of a personal licence	O	S	37.00	37.00	37.00	37.00
Temporary event notice	O	S	21.00	21.00	21.00	21.00
Theft, loss etc of premises licence or summary	O	S	10.50	10.50	10.50	10.50
Application for a provisional statement where premises being built etc	O	S	315.00	315.00	315.00	315.00
Notification of change of name or address	O	S	10.50	10.50	10.50	10.50
Application to vary licence to specify individual as premises supervisor	O	S	23.00	23.00	23.00	23.00
Application for transfer of premises licence	O	S	23.00	23.00	23.00	23.00
Interim authority notice following death etc.of licence holder	O	S	23.00	23.00	23.00	23.00
Theft, loss etc.of certificate or summary	O	S	10.50	10.50	10.50	10.50
Notification of change of name or alteration of rules of club	O	S	10.50	10.50	10.50	10.50
Change of relevant registered address of club	O	S	10.50	10.50	10.50	10.50
Theft, loss etc.of temporary event notice	O	S	10.50	10.50	10.50	10.50
Theft, loss etc.of personal licence	O	S	10.50	10.50	10.50	10.50
Duty to notify change of name or address	O	S	10.50	10.50	10.50	10.50
Right of freeholder etc.to be notified of licensing matters	O	S	21.00	21.00	21.00	21.00
Application to vary premises licence at community premises to include alternative licence condition	O	S	23.00	23.00	23.00	23.00
Application for minor variation	O	S	89.00	89.00	89.00	89.00

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: LICENSING**

**CHARGING AREA: Licence Fees**

Taxi

Vehicle Licence - Hackney Carriage

Vehicle Licence - including Plate	O	S	243.00	243.00	243.00	243.00
Vehicle Replacement	O	S	75.00	75.00	75.00	75.00

Vehicle Licence - Private Hire

Vehicle Licence - including Plate	O	S	225.00	225.00	225.00	225.00
Vehicle Replacement	O	S	75.00	75.00	75.00	75.00

Vehicle Inspections - Hackney Carriage and Private Hire

Vehicle Inspection	O	S	47.00	47.00	47.00	47.00
Trailer Inspections - Non Braked	O	S	15.00	15.00	15.00	15.00
Trailer Inspections - Braked	O	S	23.00	23.00	23.00	23.00
Re-Inspection	O	S	12.50	12.50	12.50	12.50
Re-Inspection 2	O	S	47.00	47.00	47.00	47.00

Drivers Licence - Hackney Carriage and Private Hire

Combined Driver New - 1 year (Includes DBS and DVLA Checks)	O	S	162.00	162.00	N/A	N/A
Combined Driver New - 1 year (Excludes DBS)	O	S	N/A	N/A	145.00	145.00
Combined Driver Renewal - 1 year (Includes DBS and DVLA Checks)	O	S	145.00	145.00	N/A	N/A
Combined Driver Renewal - 1 year (Excludes DBS )	O	S	N/A	N/A	128.00	128.00
Combined Driver New - 3 years (Includes DBS and DVLA Checks)	O	S	456.00	456.00	N/A	N/A
Combined Driver New - 3 years (Excludes DBS)	O	S	N/A	N/A	404.00	404.00
Combined Driver Renewal - 3 years (Includes DBS and DVLA Checks)	O	S	406.00	406.00	N/A	N/A
Combined Driver Renewal - 3 years (Excludes DBS)	O	S	N/A	N/A	354.00	354.00
Disclosure and Barring Service (DBS) Check (new to update service)	O	S	52.00	52.00	52.00	52.00
Disclosure and Barring Service (DBS) Check (update service lapsed)	O	S	N/A	N/A	85.00	85.00
Driver and Vehicle Licensing Agency (DVLA) Check outside of an application	O	S	5.00	5.00	5.00	5.00
Re-Test - Knowledge Test	O	S	35.00	35.00	35.00	35.00

Replacements

ID	O	S	6.00	6.00	6.00	6.00
PHV Cards	O	S	6.00	6.00	6.00	6.00
Tariff Cards	O	S	6.00	6.00	6.00	6.00
Replacement Plates	O	S	12.00	12.00	12.00	12.00
Replacement Door Signs (pair)	O	S	15.00	15.00	15.00	15.00
Plate Platforms	O	S	6.00	6.00	6.00	6.00

Private Hire Operators

Single Vehicle Operators Licence - 5 years	O	S	325.00	325.00	325.00	325.00
Operator Licence - 2 to 5 Vehicles - 5 years	O	S	1,085.00	1,085.00	1,085.00	1,085.00
Operator Licence - more than 5 Vehicles - 5 years	O	S	1,345.00	1,345.00	1,345.00	1,345.00

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

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**SERVICE AREA: BUILDING CONTROL**

**CHARGING AREA: NEW DWELLINGS NOT EXCEEDING 300m2**

<b>HO1</b>							
Houses Bungalows less than 4 storeys 1 plot Plan and Inspection	S	D	647.50	777.00	647.50	777.00	
Houses Bungalows less than 4 storeys 1 plot Building Notice	S	D	747.50	897.00	747.50	897.00	
Houses Bungalows less than 4 storeys 1 plot Regularisation	O	D	1,080.00	1,080.00	1,080.00	1,080.00	
<b>HO2</b>							
Houses Bungalows less than 4 storeys 2 plot Plan and Inspection	S	D	958.33	1,150.00	958.33	1,150.00	
Houses Bungalows less than 4 storeys 2 plot Building Notice	S	D	1,055.83	1,267.00	1,055.83	1,267.00	
Houses Bungalows less than 4 storeys 2 plot Regularisation	O	D	1,526.00	1,526.00	1,526.00	1,526.00	
<b>HO3</b>							
Houses Bungalows less than 4 storeys 3 plot Plan and Inspection	S	D	1,279.17	1,535.00	1,279.17	1,535.00	
Houses Bungalows less than 4 storeys 3 plot Building Notice	S	D	1,477.50	1,773.00	1,477.50	1,773.00	
Houses Bungalows less than 4 storeys 3 plot Regularisation	O	D	2,136.00	2,136.00	2,136.00	2,136.00	
<b>HO4</b>							
Houses Bungalows less than 4 storeys 4 plot Plan and Inspection	S	D	1,616.67	1,940.00	1,616.67	1,940.00	
Houses Bungalows less than 4 storeys 4 plot Building Notice	S	D	1,725.00	2,070.00	1,725.00	2,070.00	
Houses Bungalows less than 4 storeys 4 plot Regularisation	O	D	2,494.00	2,494.00	2,494.00	2,494.00	
<b>HO5</b>							
Houses Bungalows less than 4 storeys 5 plot Plan and Inspection	S	D	1,950.00	2,340.00	1,950.00	2,340.00	
Houses Bungalows less than 4 storeys 5 plot Building Notice	S	D	2,047.50	2,457.00	2,047.50	2,457.00	
Houses Bungalows less than 4 storeys 5 plot Regularisation	O	D	2,960.00	2,960.00	2,960.00	2,960.00	
<b>FO1</b>							
Houses Bungalows less than 4 storeys 1 flat Plan and Inspection	S	D	647.50	777.00	647.50	777.00	
Houses Bungalows less than 4 storeys 1 flat Building Notice	S	D	747.50	897.00	747.50	897.00	
Houses Bungalows less than 4 storeys 1 flat Regularisation	O	D	1,080.00	1,080.00	1,080.00	1,080.00	
<b>FO2</b>							
Houses Bungalows less than 4 storeys 2 flat Plan and Inspection	S	D	958.33	1,150.00	958.33	1,150.00	
Houses Bungalows less than 4 storeys 2 flat Building Notice	S	D	1,055.83	1,267.00	1,055.83	1,267.00	
Houses Bungalows less than 4 storeys 2 flat Regularisation	O	D	1,526.00	1,526.00	1,526.00	1,526.00	
<b>FO3</b>							
Houses Bungalows less than 4 storeys 3 flat Plan and Inspection	S	D	1,279.17	1,535.00	1,279.17	1,535.00	
Houses Bungalows less than 4 storeys 3 flat Building Notice	S	D	1,477.50	1,773.00	1,477.50	1,773.00	
Houses Bungalows less than 4 storeys 3 flat Regularisation	O	D	2,136.00	2,136.00	2,136.00	2,136.00	
<b>FO4</b>							
Houses Bungalows less than 4 storeys 4 flat Plan and Inspection	S	D	1,616.67	1,940.00	1,616.67	1,940.00	
Houses Bungalows less than 4 storeys 4 flat Building Notice	S	D	1,725.00	2,070.00	1,725.00	2,070.00	
Houses Bungalows less than 4 storeys 4 flat Regularisation	O	D	2,494.00	2,494.00	2,494.00	2,494.00	
<b>FO5</b>							
Houses Bungalows less than 4 storeys 5 flat Plan and Inspection	S	D	1,950.00	2,340.00	1,950.00	2,340.00	
Houses Bungalows less than 4 storeys 5 flat Building Notice	S	D	2,047.50	2,457.00	2,047.50	2,457.00	
Houses Bungalows less than 4 storeys 5 flat Regularisation	O	D	2,960.00	2,960.00	2,960.00	2,960.00	
<b>CV01</b>							
Conversion to a Single Dwelling House Plan and Inspection	S	D	715.83	859.00	715.83	859.00	
Conversion to a Single Dwelling House Building Notice	S	D	787.50	945.00	787.50	945.00	
Conversion to a Single Dwelling House Regularisation	O	D	1,087.00	1,087.00	1,087.00	1,087.00	
<b>CV02</b>							
Conversion to a Single Flat Plan and Inspection	S	D	645.83	775.00	645.83	775.00	
Conversion to a Single Flat Building Notice	S	D	710.83	853.00	710.83	853.00	
Conversion to a Single Flat Regularisation	O	D	1,034.00	1,034.00	1,034.00	1,034.00	
<b>ED</b>							
Notifiable Electrical Work where a satisfactory certificate will not be issued by a Part P registered electrician.	S	D	346.67	416.00	346.67	416.00	

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
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**SERVICE AREA: BUILDING CONTROL**

**CHARGING AREA: WORK TO A SINGLE DWELLING (NOT MORE THAN 3 STOREYS HIGH ABOVE GROUND LEVEL)**

<b>DW00</b>							
Single Storey extension not exceeding 10 sq m Plan and Inspection Charge	S	D	295.00	354.00	295.00	354.00	
Single Storey extension not exceeding 10 sq m Building Notice	S	D	324.17	389.00	324.17	389.00	
Single Storey extension not exceeding 10 sq m Regularisation Charge	O	D	448.00	448.00	448.00	448.00	
<b>DW01</b>							
Single Storey extension not exceeding 40 sq m Plan and Inspection Charge	S	D	556.67	668.00	556.67	668.00	
Single Storey extension not exceeding 40 sq m Building Notice	S	D	612.50	735.00	612.50	735.00	
Single Storey extension not exceeding 40 sq m Regularisation Charge	O	D	845.00	845.00	845.00	845.00	
<b>DW02</b>							
Single Storey extension not exceeding 100 sq m Plan and Inspection Charge	S	D	695.83	835.00	695.83	835.00	
Single Storey extension not exceeding 100 sq m Building Notice	S	D	765.00	918.00	765.00	918.00	
Single Storey extension not exceeding 100 sq m Regularisation Charge	O	D	1,056.00	1,056.00	1,056.00	1,056.00	
<b>DW03</b>							
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Plan and Inspection Charge	S	D	648.33	778.00	648.33	778.00	
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Building Notice	S	D	713.33	856.00	713.33	856.00	
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Regularisation Charge	O	D	984.00	984.00	984.00	984.00	
<b>DW04</b>							
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Plan and Inspection Charge	S	D	721.67	866.00	721.67	866.00	
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Building Notice	S	D	793.33	952.00	793.33	952.00	
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Regularisation Charge	O	D	1,095.00	1,095.00	1,095.00	1,095.00	
<b>DW05</b>							
Erection of non-exempt domestic extension comprising of garage, carport or store not exceeding 100 sq m Plan and Inspection Charge	S	D	355.00	426.00	355.00	426.00	
Erection of non-exempt domestic extension comprising of garage, carport or store not exceeding 100 sq m Building Notice	S	D	390.83	469.00	390.83	469.00	
Erection of non-exempt domestic extension comprising of garage, carport or store not exceeding 100 sq m Regularisation Charge	O	D	539.00	539.00	539.00	539.00	
<b>DW06</b>							
Erection of non-exempt detached non-habitable domestic building not exceeding 100 sq m Plan and Inspection Charge	S	D	456.67	548.00	456.67	548.00	
Erection of non-exempt detached non-habitable domestic building not exceeding 100 sq m Building Notice	S	D	501.67	602.00	501.67	602.00	
Erection of non-exempt detached non-habitable domestic building not exceeding 100 sq m Regularisation Charge	O	D	693.00	693.00	693.00	693.00	
<b>DW07</b>							
First Floor & Second Floor loft conversion Plan and Inspection Charge	S	D	535.83	643.00	535.83	643.00	
First Floor & Second Floor loft conversion Building Notice	S	D	589.17	707.00	589.17	707.00	
First Floor & Second Floor loft conversion Regularisation Charge	O	D	813.00	813.00	813.00	813.00	
<b>DW08</b>							
Other Works Plan and Inspection Charge	S	D	318.33	382.00	318.33	382.00	
Other Works Building Notice	S	D	350.00	420.00	350.00	420.00	
Other Works Regularisation Charge	O	D	483.00	483.00	483.00	483.00	
<b>DW09</b>							
Re-roofing, installation of solar panels or photovoltaic cells Plan and Inspection Charge	S	D	195.00	234.00	195.00	234.00	
Re-roofing, installation of solar panels or photovoltaic cells Building Notice	S	D	214.17	257.00	214.17	257.00	
Re-roofing, installation of solar panels or photovoltaic cells Regularisation Charge	O	D	296.00	296.00	296.00	296.00	
<b>DW10</b>							
Replacement of windows, roof lights, roof windows or external glazed doors Plan and Inspection Charge	S	D	175.00	210.00	175.00	210.00	
Replacement of windows, roof lights, roof windows or external glazed doors Building Notice	S	D	192.50	231.00	192.50	231.00	
Replacement of windows, roof lights, roof windows or external glazed doors Regularisation Charge	O	D	265.00	265.00	265.00	265.00	
<b>DW11</b>							
Cost of work not exceeding £5,000 Plan and Inspection Charge	S	D	233.33	280.00	233.33	280.00	
Cost of work not exceeding £5,000 Building Notice	S	D	256.67	308.00	256.67	308.00	
Cost of work not exceeding £5,000 Regularisation Charge	O	D	354.00	354.00	354.00	354.00	
<b>DW12</b>							
Cost of work exceeding £5,000 but not exceeding £25,000 Plan and Inspection Charge	S	D	451.67	542.00	451.67	542.00	
Cost of work exceeding £5,000 but not exceeding £25,000 Building Notice	S	D	497.50	597.00	497.50	597.00	
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	686.00	686.00	686.00	686.00	
<b>DW13</b>							
Cost of work exceeding £25,000 but not exceeding £100,000 Plan and Inspection Charge	S	D	746.67	896.00	746.67	896.00	
Cost of work exceeding £25,000 but not exceeding £100,000 Building Notice	S	D	820.83	985.00	820.83	985.00	
Cost of work exceeding £25,000 but not exceeding £100,000 Regularisation Charge	O	D	1,133.00	1,133.00	1,133.00	1,133.00	
<b>ED</b>							
Notifiable electrical work where a satisfactory certificate will not be issued by a Part P registered electrician	S	D	346.67	416.00	346.67	416.00	

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

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**SERVICE AREA: BUILDING CONTROL**

**CHARGING AREA: ALL OTHER NON-DOMESTIC WORK (NOT MORE THAN 3 STOREYS ABOVE GROUND LEVEL)**

**Extensions and New Builds**

**ND01**

Single Storey extension not exceeding 40 sq m Plan and Inspection Charge	S	D	550.00	660.00	550.00	660.00
Single Storey extension not exceeding 40 sq m Regularisation Charge	O	D	845.00	845.00	845.00	845.00

**ND02**

Single Storey extension not exceeding 100 sq m Plan and Inspection Charge	S	D	628.33	754.00	628.33	754.00
Single Storey extension not exceeding 100 sq m Regularisation Charge	O	D	953.00	953.00	953.00	953.00

**ND03**

Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Plan and Inspection Charge	S	D	687.50	825.00	687.50	825.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Regularisation Charge	O	D	1,041.00	1,041.00	1,041.00	1,041.00

**ND04**

Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Plan and Inspection Charge	S	D	746.67	896.00	746.67	896.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Regularisation Charge	O	D	1,129.00	1,129.00	1,129.00	1,129.00

**Alterations**

**ND05**

Cost of work not exceeding £5,000 Plan and Inspection Charge	S	D	295.00	354.00	295.00	354.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	442.00	442.00	442.00	442.00
Replacement of windows, roof lights, roof windows or external glazed doors Plan and Inspection Charge	S	D	255.83	307.00	255.83	307.00
Replacement of windows, roof lights, roof windows or external glazed doors Regularisation Charge	O	D	374.00	374.00	374.00	374.00
Renewable energy systems not exceeding £20,000 Planning and Inspection Charge	S	D	275.00	330.00	275.00	330.00
Renewable energy systems not exceeding £20,000 Regularisation Charge	O	D	393.00	393.00	393.00	393.00
Installation of new shop front and work not exceeding £5,000 Plan and Inspection Charge	S	D	275.00	330.00	275.00	330.00
Installation of new shop front and work not exceeding £5,000 Regularisation Charge	O	D	393.00	393.00	393.00	393.00

**ND06**

Cost of work exceeding £5,000 but not exceeding £25,000 Plan and Inspection Charge	S	D	451.67	542.00	451.67	542.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	688.00	688.00	688.00	688.00
Replacement of windows, rooflights, roof windows or external glazed doors (exceeding 20 units) Plan and Inspection Charge	S	D	354.17	425.00	354.17	425.00
Replacement of windows, rooflights, roof windows or external glazed doors (exceeding 20 units) Regularisation Charge	O	D	550.00	550.00	550.00	550.00
Installation of raised storage platform not exceeding 250 sqm within an existing building Plan and Inspection Charge	S	D	432.50	519.00	432.50	519.00
Installation of raised storage platform not exceeding 250 sqm within an existing building Regularisation Charge	O	D	609.00	609.00	609.00	609.00

**ND07**

Cost of work exceeding £25,000 and not exceeding £100,000 Plan and Inspection Charge	S	D	785.83	943.00	785.83	943.00
Cost of work exceeding £25,000 and not exceeding £100,000 Regularisation Charge	O	D	1,198.00	1,198.00	1,198.00	1,198.00
Fit out of building up to 100 sq m Plan and Inspection Charge	S	D	530.83	637.00	530.83	637.00
Fit out of building up to 100 sq m Regularisation Charge	O	D	737.00	737.00	737.00	737.00

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

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**SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT**

**CHARGING AREA: Planning Application Fees**

**All Outline Applications**

Up to 2.5 hectare, per 0.1 hectare	O	S	462.00	462.00	462.00	462.00
More than 2.5 hectares	O	S	11,432.00	11,432.00	11,432.00	11,432.00
Each 0.1 hectare in excess of 2.5 hectares to a maximum of £125,000	O	S	138.00	138.00	138.00	138.00

**Householder Applications**

Alterations/extensions to a single dwelling	O	S	206.00	206.00	206.00	206.00
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**Full Applications**

Alterations/extensions two or more dwellings	O	S	407.00	407.00	407.00	407.00
New Dwellings (up to 50) per dwelling	O	S	462.00	462.00	462.00	462.00
New Dwellings more than 50	O	S	22,859.00	22,859.00	22,859.00	22,859.00
Each dwelling in excess of 50 to a maximum of £250,000	O	S	138.00	138.00	138.00	138.00

**Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery)**

Gross Floor up to 40sq m	O	S	234.00	234.00	234.00	234.00
Gross Floor 40 sq m to 75 sq m	O	S	462.00	462.00	462.00	462.00
Gross Floor 75sq m to 3750 sq m each 75 sq m or part thereof	O	S	462.00	462.00	462.00	462.00
Gross Floor more than 3750 sq m	O	S	22,859.00	22,859.00	22,859.00	22,859.00
Each additional 75 sq m in excess of 3750 sq m to a maximum of £250,000	O	S	138.00	138.00	138.00	138.00

**Erection of building (on land used for agriculture for agricultural purposes)**

Gross Floor Space up to 465 sq m	O	S	96.00	96.00	96.00	96.00
Gross Floor 465 sq m to 540 sq m	O	S	462.00	462.00	462.00	462.00
Gross Floor 540 sq m to 4215 sq m each 75 sq m in excess of 540 sq m	O	S	462.00	462.00	462.00	462.00
Gross Floor more than 4215 sq m	O	S	22,859.00	22,859.00	22,859.00	22,859.00
Each additional 75 sq m in excess of 4215 sq m to a maximum of £250,000	O	S	138.00	138.00	138.00	138.00

**Erection of glasshouses**

Gross Floor no more than 465 sq m	O	S	96.00	96.00	96.00	96.00
Gross Floor more than 465 sq m	O	S	2,580.00	2,580.00	2,580.00	2,580.00

**Erection/Alterations/Replacement of Plant and Machinery**

Site Area not more than 5 hectares - per 0.1 hectare or part thereof	O	S	462.00	462.00	462.00	462.00
Site Area more than 5 hectares	O	S	22,859.00	22,859.00	22,859.00	22,859.00
Each additional 0.1 hectare in excess of 5 hectares up to a maximum of £250,000	O	S	138.00	138.00	138.00	138.00

**Applications other than Building Works**

Car parks, Service Roads or other accesses	O	S	234.00	234.00	234.00	234.00
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**Waste (Use of land for disposal of refuse or waste materials or deposit of amterial remaining after extraction or storage minerals)**

Site Area no more than 15 hectares per 0.1 hectare	O	S	234.00	234.00	234.00	234.00
Site Area more than 15 hectares	O	S	34,934.00	34,934.00	34,934.00	34,934.00
Each 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	O	S	138.00	138.00	138.00	138.00

**Operations connected with exploratory drilling for oil or natural gas**

Site area not more than 7.5 hectares each 0.1 hectare	O	S	508.00	508.00	508.00	508.00
Site area more than 7.5 hectares	O	S	38,070.00	38,070.00	38,070.00	38,070.00
Each 0.1 hectare in excess of 7.5 hectares up to a maximum of £250,000	O	S	151.00	151.00	151.00	151.00

**Operations (other than exploratory drilling) for the winning and working of oil or natural gas**

Site area not more than 15 hectares each 0.1 hectares	O	S	257.00	257.00	257.00	257.00
Site area more than 15 hectares	O	S	38,520.00	38,520.00	38,520.00	38,520.00
Each 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	O	S	151.00	151.00	151.00	151.00

**Operations (winning and working of minerals) excluding oil or natural gas**

Site area not more than 15 hectares each 0.1 hectares	O	S	234.00	234.00	234.00	234.00
Site area more than 15 hectares	O	S	34,934.00	34,934.00	34,934.00	34,934.00
Each 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	O	S	138.00	138.00	138.00	138.00

**Other operations (not coming within any of the above categories)**

Any site area per 0.1 hectares up to a maximum of £1690	O	S	234.00	234.00	234.00	234.00
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**Lawful Development Certificate**

Existing Use or operation	O	S	Same As Full	Same As Full	Same As Full	Same As Full
Existing use or operation - lawful not to comply with any condition or limitation	O	S	234.00	234.00	234.00	234.00
Proposed use or operation	O	S	Half normal planning fee	Half normal planning fee	Half normal planning fee	Half normal planning fee

For further clarification on the planning fees please refer to the The Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012 and (Amendment) Regulations 2017



**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT**

**CHARGING AREA: Planning Application Fees**

**Prior Approval**

Agricultural and Forestry buildings & operations or demolition of buildings	O	S	96.00	96.00	96.00	96.00
Telecommunications Code Systems Operators	O	S	462.00	462.00	462.00	462.00
Proposed Change of Use to State Funded School or Registered Nursery	O	S	96.00	96.00	96.00	96.00
Proposed Change of Use of Agricultural Building to a State-Funded School or Registered Nursery	O	S	96.00	96.00	96.00	96.00
Proposed Change of Use of Agricultural Building to a flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hotels, or Assembly or Leisure	O	S	96.00	96.00	96.00	96.00
Proposed Change of Use of a building from Office (Use Class B1) Use to a use falling within Use Class C3 (Dwellinghouse)	O	S	96.00	96.00	96.00	96.00
Proposed Change of Use of Agricultural Building to a Dwellinghouse (Use Class C3), where there are no Associated Building Operations	O	S	96.00	96.00	96.00	96.00
Proposed Change of Use of Agricultural Building to a Dwellinghouse (Use Class C3), and Associated Building Operations	O	S	206.00	206.00	206.00	206.00
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwellinghouse), where there are no Associated Building Operations	O	S	96.00	96.00	96.00	96.00
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwellinghouse), and Associated Building Operations	O	S	206.00	206.00	206.00	206.00
Notification for a Prior Approval for a Change of Use from Storage or Distribution Buildings (Class B8) and any land within its curtilage to dwellinghouses (Class C3)	O	S	96.00	96.00	96.00	96.00
Notification for prior Approval for Change of Use from Amusements Arcades/Centres and Casinos (Sui Generis Uses) and any land within its curtilage to Dwellinghouses (Class C3)	O	S	96.00	96.00	96.00	96.00
Notification for prior Approval for Change of Use from Amusements Arcades/Centres and Casinos (Sui Generis Uses) and any land within its curtilage to Dwellinghouses (Class C3) and Associated Building Operations	O	S	206.00	206.00	206.00	206.00
Notification for Prior Approval for a Change of Use from Shops (Class A1) Financial and Professional Services (Class A2) Betting Offices and Payday Loan Shops and Casinos (Sui Generis Uses) to restaurants and cafes (Class A3)	O	S	96.00	96.00	96.00	96.00
Notification for Prior Approval for a Change of Use from Shops (Class A1) Financial and Professional Services (Class A2) Betting Offices and Payday Loan Shops and Casinos (Sui Generis Uses) to restaurants and cafes (Class A3) and Associated Building Operations	O	S	206.00	206.00	206.00	206.00
Notification for Prior Approval for a Change of Use from Shops (Class A1) Financial and Professional Services (Class A2) Betting Offices and Payday Loan Shops and Casinos (Sui Generis Uses) to restaurants and cafes (Class A3) to Assembly and Leisure Use (ClassD2)	O	S	96.00	96.00	96.00	96.00

**Reserved Matters**

Application for approval of reserved matters following outline approval	O	S	Full Fee due or if paid £462	Full Fee due or if paid £462	Full Fee due or if paid £462	Full Fee due or if paid £462
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**Approval/Variation/Discharge of condition**

Application for removal or variation of a condition following grant of planning permission	O	S	234.00	234.00	234.00	234.00
Request for confirmation that one or more planning conditions have been complied with - Householder	O	S	34.00	34.00	34.00	34.00
Request for confirmation that one or more planning conditions have been complied with - Other	O	S	116.00	116.00	116.00	116.00

**Change of Use of a building to use as one or more separate dwellings houses or other cases**

Not more than 50 dwellings - each dwelling	O	S	462.00	462.00	462.00	462.00
More than 50 dwellings	O	S	22,859.00	22,859.00	22,859.00	22,859.00
Each dwelling in excess of 50 up to a maximum of £250,000	O	S	138.00	138.00	138.00	138.00
Other Changes of use of a building or land	O	S	462.00	462.00	462.00	462.00

**Advertising**

Relating to the business on the premises	O	S	132.00	132.00	132.00	132.00
business	O	S	132.00	132.00	132.00	132.00
Other advertisements	O	S	462.00	462.00	462.00	462.00

**Application for a New Planning Permission to replace an Extant Planning Permission**

Applications in respect of major developments	O	S	690.00	690.00	690.00	690.00
Applications in respect of householder developments	O	S	68.00	68.00	68.00	68.00
Applications in respect of other developments	O	S	234.00	234.00	234.00	234.00

**Application for a Non-material Amendment following a grant of Planning Permission**

Applications in respect of householder development	O	S	34.00	34.00	34.00	34.00
Applications in respect of other developments	O	S	234.00	234.00	234.00	234.00

**Application for Permission in Principle**

For each 0.1 hectare of the site area	O	S	402.00	402.00	402.00	402.00
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For further clarification on the planning fees please refer to the The Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012 and (Amendment) Regulations 2017

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2020-March 2021 Excl VAT	Inc VAT	April 2021-March 2022 Excl VAT	Inc VAT

**SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT**

**CHARGING AREA: Pre-Application Advice**

**Pre-Application Advice**

1	<b>Householder</b> Householder - written response only	S	D		58.33	70.00
2	Up to 1-hour meeting and written summary / with specialist advice (Where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a residential listed building)	S	D		141.67 / 266.67	170 / 320
3	Follow up comments per additional set of drawings (within 3 months timescale)	S	D		29.17	35.00
4	Express Householder Advice - e.g. week turnaround	S	D		416.67	500.00
<b>Change of Use of a Building or Land where the proposal does not constitute Minor or Major development</b>						
NB this would include a change of use of the land to additional residential garden, paddocks; and buildings to non-residential use						
5	Up to 1-hour inhouse meeting and written summary/ with specialist advice (Where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a residential listed building)	S	D		350 / 483.33	420 / 580
6	Up to 1-hour onsite meeting and written summary/ with specialist advice (where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a residential listed building)	S	D		375 / 508.33	450 / 610
7	Follow up comments upon per additional set of drawings				150.00	180.00
<b>Creation of a singular: dwellinghouse; replacement dwellinghouse; or residential annexe</b>						
Note: in excess of 1 but below 10 units constitutes Minor development						
8	Up to 1-hour inhouse meeting and written summary/ with specialist advice (Where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a listed building, specialist advice is required and is charged as follows.	S	D		350 / 483.33	420 / 580
9	Up to 1-hour onsite meeting and written summary/ with specialist advice (Where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a listed building, specialist advice is required and is charged as follows.	S	D		375 / 508.33	450 / 610
10	Follow up comments upon per additional set of drawings	S	D		150.00	180.00
<b>Minor Development</b>						
11	Written summary only/ with specialist advice	S	D		350 / 483.33	420 / 580
12	Up to 1-hour inhouse meeting and written summary/ with specialist advice	S	D		716.67 / 850	860 / 1020
13	Up to 1-hour onsite meeting and written summary/with specialist advice	S	D		741.67 / 850	890 / 1050
14	Additional 1-hour inhouse meetings and written summaries/ with specialist	S	D		458.33 / 591.67	550 / 710
15	Follow up comments per additional set of drawings	S	D		166.67	200.00
<b>Small major development (includes Heritage Assets/ Urban Design)</b>						
new building has between 1000 and 2499 sqm of floor space						
Or the site is between 0.5 and 1.99 hectares (where you don't know the floor space).						
16	Up to 1-hour inhouse meeting and written summary	S	D		2,083.33	2,500.00
17	Up to 1-hour onsite meeting and written summary set	S	D		2,108.33	2,530.00
Subsequent follow up advice – if you have: already received advice about a similar development on the same site in the last three months or Received a refusal of planning permission for a similar development on the same site in the						
18	Written advice	S	D		250.00	300.00
19	A subsequent meeting with a planning officer	S	D		1,500.00	1,800.00
<b>Large major development (includes Heritage Assets/ Urban Design)</b>						
If your new building has between 2500 and 4999 sqm of floor space						
Or the site area is up between 2.0 and 4.99 hectares (where you don't know the floorspace)						
20	Up to 1-hour inhouse meeting and written summary	S	D		2,500.00	3,000.00
21	Up to 1-hour onsite meeting and written summary set	S	D		2,525.00	3,030.00
Subsequent follow up advice – if you have: already received advice about a similar development on the same site in the last three months or Received a refusal of planning permission for a similar development on the same site in the						
23	A subsequent meeting with a planning officer	S	D		1,916.67	2,300.00
<b>Strategic Development (Principal Planner)</b>						
Your new building has 5000 or more sqm of floor space						
The site area is 5 or more hectares (where you don't know the floorspace)						
24	Up to 1-hour inhouse meeting and written summary	S	D		2,833.33	3,400.00
25	Up to 1-hour onsite meeting and written summary	S	D		2,858.33	3,430.00
26	A reduced fee for follow up meetings if you have: already had a meeting in relation to the same site in the last three months or received a refusal of planning permission for a similar development on the same site in the last three months	S	D		2,250.00	2,700.00
<b>Planning Performance Agreement - Separate set of Fees</b>						
BBC can offer a tailored service to developers in regard to the above advice types. These can include meetings with elected members including ward members and members of the Planning Committee. We can negotiate compliance with conditions during the course of construction and through the redevelopment and conversion of listed buildings with the appropriate specialist advisors offering direct and timely contact with Officer's.						
<b>Post-Application Conditions Advice</b>						
Some developments may result in conditions which you may wish to discuss in more detail with the Planning Officer to consider your options. Particularly where there are requirements for particular materials. Officers can advise on the requirements in consultation with specialist advisors where applicable.						
Note: Developers are reminded of the provisions of the NPPF with particular regard to paragraph 130.						
27	Written summary only	S	D		125.00	150.00
28	Up to 1-hour inhouse meeting and written summary	S	D		208.33	250.00
29	Up to 1-hour onsite meeting and written summary	S	D		233.33	280.00
Advice from Officers specialising in the Heritage Assets, Urban Design or Landscaping may also be required and is charged separately.						

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT**

**CHARGING AREA: Pre-Application Advice**

**Pre-Application Advice**

1	Householder - written response only	S	D	50.00	60.00	N/A	N/A
2	Householder – written advice and half-hour meeting with planning officer	S	D	100.00	120.00	N/A	N/A
3	Householder, proposals in a conservation area or works to listed building – written advice and 1 hour meeting with planning officer and conservation Officer	S	D	233.33	280.00	N/A	N/A
4	Change of use of Building or Land	S	D	150.00	180.00	N/A	N/A
5	Single dwelling, replacement or residential annexe – written advice and 1 hour meeting with planning officer	S	D	150.00	180.00	N/A	N/A
6	If the work for option 3, 4 or 5 above is in a conservation area or for a listed building – specialist advice is needed.	S	D	POA	POA	N/A	N/A

**Minor Development**

	Minor development – written advice and 1 hour meeting	S	D	358.33	430.00	N/A	N/A
	Additional 1-hour meetings	S	D	125.00	150.00	N/A	N/A
	Change of scheme, further comments	S	D	125.00	150.00	N/A	N/A

**Major Development**

	Major development – written advice and 1 hour meeting	S	D	1,500.00	1,800.00	N/A	N/A
	Additional meetings charged per hour	S	D	358.33	430.00	N/A	N/A
	Change of scheme, further comments	S	D	358.33	430.00	N/A	N/A

**Planning Performance Agreement**

	50 - 100 Homes or 5000 - 9,999 sqm commercial floorspace	S	D	8,250.00	9900	N/A	N/A
	101 - 199 homes or 10,000 - 19,999 sqm commercial floorspace	S	D	16,500.00	19800	N/A	N/A
	200 homes plus / 20,000 sqm commercial floorspace	S	D	33000	39600	N/A	N/A

In addition, to these costs, the applicant shall commit to cover the following:

1. The Council's reasonable costs in the appointment of external consultants (such as independent Viability Consultants) to progress the application shall be agreed by the applicant on a case by case basis. All appointments whose costs are covered by the applicant will be by mutual agreement, with the council obtaining quotes and issuing these to the applicant prior to appointment.

2. The council's reasonable legal costs incurred in association with the preparation of any S106 Agreement that may commence at pre-application stage

NOTE: The Council will use its discretion to seek to enter a PPA for developments of between 10 and 49 homes and commercial floor space of between 1,000 and 4,499 sqm commercial floorspace, where the proposals are of a complex nature and raise issues which would lend themselves to being dealt with through a PPA.

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2021**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2020-March 2021		CHARGES April 2021-March 2022	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PLANNING POLICY**

**CHARGING AREA: Design Panel Review**

Design Panel Review

Panel review session, tailored to reflect the proposal

S D

negotiable

negotiable



**BRENTWOOD  
BOROUGH COUNCIL**

# Pay Policy Statement 2021/22

## **Brentwood Borough Council Pay Policy Statement 2021/22**

### **Introduction**

Section 38 (1) of the Localism Act 2011 required all English and Welsh Councils to produce a Pay Policy Statement for 2012/13 and for each financial year thereafter. Regard is to be had to any guidance from the Secretary of State in producing this statement.

The Pay Policy statement should be:

- approved formally by the Full Council.
- approved by the end of March each year.
- amended during the course of the financial year.
- published on the Council's website.

Nothing in this Pay Policy Statement enables unilateral changes to employees' terms and conditions of contract. Changes to terms and conditions of employment must follow consultation and negotiation with individuals and recognised trades unions as set out in agreements and in line with legislation.

### **Objectives of the Policy**

Brentwood Borough Council provides a wide range of services to residents, businesses and visitors in the Borough. To be able to provide those services we depend on our employees. The 2021/2022 Establishment has 287.73 employees budgeted for as full-time equivalent (as at the 31 December 2020).

In setting the Pay Policy the Council is mindful of the following objectives:

1. Recruit and retain appropriately experienced and qualified employees to ensure a capable and high performing workforce. In respect of all employees, the Council's policy is to set remuneration sufficient to attract and retain adequately experienced, trained and qualified individuals to deliver the Council's priorities.
2. Simplicity, clarity and fairness between employees and between the Council and the community. The Council aims to be transparent on pay to its staff, prospective staff and the wider community.
3. To differentiate between remuneration and other employee related expenses. The Council will meet or reimburse authorised travel, accommodation and subsistence costs for attendance at approved business meetings and training events. The Council does not regard such costs as remuneration but as non-pay operational costs. This policy is applied consistently to all employees of the Council.

## **Scope**

The statutory Pay Policy statement must include the Council's policy on:

- The level and elements of remuneration of Chief Officers.
- The remuneration of the lowest paid employees.
- The relationship between chief officers' remuneration and that of other officers.

The Act defines remuneration widely, to include not just basic pay but also:

- allowances including car allowances and training expenses, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.

Chief Officers for the purpose of this statement refers to the Chief Executive and Directors of the Senior Leadership Team.

Regarding Seven Arches Investment Limited (SAIL) officers are employed by the Council and are recharged to the Council's wholly owned company as Directors of Seven Arches Investment Limited.

## **Senior Management**

Following a report at Policy, Resources and Economic Development Committee on 16 December 2020, a revised Senior Officer structure was reviewed and noted. This structure has been reflected in this Policy.

The Chief Executive is on a spot salary of £125,000 per annum. Performance of the Chief Executive is assessed through an appraisals system with the Leader of the Council.

The Strategic Director (Deputy Chief Executive) is paid on the Strategic Director Grade between SCP1 – SCP5 and is also a Director for Seven Arches Investment Limited

The Corporate Director of Finance & Resources (Section 151) is paid on the Corporate Director Grade between SCP1-SCP5 and also receives an allowance of £5,000 per annum for undertaking the statutory role of Section 151 Officer.

The Corporate Director of Law & Governance (Monitoring Officer) is paid on the Corporate Director Grade between SCP1-SCP5 and also receives an allowance of £5,000 per annum for undertaking the statutory role of Monitoring Officer.

The Corporate Director of Environment & Communities is paid on the Corporate Director Grade between SCP1-SCP5.

The Corporate Director of Housing & Community Safety is paid on the Corporate Director Grade between SCP1-SCP5.

The Corporate Director of Planning & Economy is paid on the Corporate Director Grade between SCP1-SCP5.

The Corporate Director of Digital & Customer Engagement (2-year Fixed Term) is paid on the Corporate Director Grade between SCP1-SCP5.

All other employees are allocated a grade as set out in the attached Pay Scales.

The remuneration of all Chief Officers will be published in the Council's Annual Statement of Accounts which also includes a wide range of financial information.

#### Appointments with a salary over £100,000

The post of Chief Executive is the only post within the authority with a salary grade above £100,000. In accordance with government guidance and the motion agreed by Full Council in October 2013, any future intention to offer a salary for a new appointment above £100,000 will be at the vote of Full Council. The current Chief Executive role was appointed, and the salary agreed at Extraordinary Council on 18<sup>th</sup> September 2019.

#### Returning/Acting Returning Officer

The Chief Executive undertakes the roles of Returning and Acting Returning Officer in respect of local, national and European elections. The Returning/Acting Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983.

Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Borough Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

#### Definition and Remuneration of Lowest paid Employees

The Council's lowest pay grade is A of which 5 employees are budgeted on this grade. All staff are paid the legal minimum or above within this grade.

#### Relationship between Chief Officers' pay and all other employees.

Negotiation and consultation is conducted at a local level in relation to levels of pay and benefits for all employees. The Council therefore is not part of any national terms and conditions for local government employees.

Local negotiations around a pay review are conducted on an annual basis, and any increase is agreed taking into account inflationary factors, local salary levels, affordability and any national award.

The idea of publishing the ratio of pay of an Organisation's top earner to that of its median earner has been recommended to support the principles of Fair Pay (Will Hutton 2011) and transparency.

The Council does not currently explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another group of posts.



- The ratio of the Chief Executive (top earner) salary to the median salary, (£30,763) is 4.06:1.
- The ratio of the Chief Executive (top earner) salary to the lowest salary, (£17,690) is 7.07:1.

### **Expenses and Other Benefits**

Employees covered by the scope of this policy are entitled to the following:

- Reimbursement of travel as per the approved Mileage and Car Allowance Policy.
- Reimbursement of subsistence as per the guidelines for travel and subsistence.
- Car allowance as per the approved Mileage and Car Allowance Policy.
- Payments under the eye test scheme.
- Subject to the schemes' rules and conditions staff can participate in the car loan facility and season ticket loan facility.
- A salary deduction car leasing scheme.
- For those staff who are required to be a member of a professional association as a requirement of their employment the Council will meet the cost of subscription.
- Market Supplements as per the approved Market Supplement Policy.

### **Pension and Termination Payments**

Pension provision is an important part of the remuneration package. All employees are automatically enrolled in the Local Government Pension Scheme administered by the Essex Pension Fund subject to meeting eligibility requirements. Employees have the opportunity to opt out of the scheme.

It is a statutory scheme with contributions from both employees and from employers. The employee contribution levels vary according to the level of salary.

The LGPS provides for the exercise of discretion that allow for retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that its usual policy is not to enhance benefits for any of its employees.

All staff within the pension scheme meeting the set criteria, are given the opportunity to apply for 'flexible retirement', which would enable them to continue to be employed by the authority, whilst also being in receipt of a Local Government pension. All such requests are considered in accordance with the adopted policy on this matter.

On ceasing to be employed by the Council, staff will only receive compensation:

- (i) In circumstances that are relevant (e.g. Redundancy)
- (ii) That is in accordance with our Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS)
- (iii) That complies with the specific terms of a Settlement Agreement
- (iv) That will comply with Government Exit Cap Payments and return to work criteria.

### **Publication and access to information**

The publication of and access to information relating to remuneration of Chief Officers will be set out in this document and published on the Council's website.

The Council will publish the salary ranges covering employees on the Council's website on an annual basis.

Where employees have been transferred into the Council under the Transfer of Undertakings (Protection of Employment) Regulations 2006 their remuneration packages reflect their protected rates of pay.

### **Review**

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. If it should be necessary to amend this Statement during the year it applies, an appropriate resolution will be made by Ordinary Council.

**Pay Scales 2020/21**

**BRENTWOOD BOROUGH COUNCIL PAY SCALES**

**Effective 1<sup>st</sup> April 2020**

**Grade A**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
8	15,752	1,313	8.16
9	16,657	1,388	8.63
10	17,336	1,445	8.99
11	17,690	1,474	9.17

**Grade B**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
11	17,690	1,474	9.17
12	18,044	1,504	9.35
13	18,506	1,542	9.59
14	18,845	1,570	9.77
15	19,240	1,603	9.97

**Grade C**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
15	19,240	1,603	9.97
16	19,692	1,641	10.21
17	20,165	1,680	10.45
18	20,573	1,714	10.66
19	21,332	1,778	11.06

**Grade D**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
19	21,332	1,778	11.06
20	22,111	1,843	11.46
21	22,918	1,910	11.88
22	23,514	1,960	12.19
23	24,190	2,016	12.54

**Grade E**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
23	24,190	2,016	12.54
24	24,970	2,081	12.94
25	25,758	2,147	13.35
26	26,580	2,215	13.78
27	27,457	2,288	14.23

**Grade F**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
28	28,355	2,363	14.70
29	29,455	2,455	15.27
30	30,425	2,535	15.77
31	31,381	2,615	16.27
32	32,300	2,692	16.74

**Grade G**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
33	33,245	2,770	17.23
34	34,182	2,849	17.72
35	34,894	2,908	18.09
36	35,801	2,983	18.56
37	36,824	3,069	19.09

**Grade H**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
37	36,824	3,069	19.09
38	37,890	3,157	19.64
39	39,096	3,258	20.26
40	40,132	3,344	20.80
41	41,192	3,433	21.35

**Grade I**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
41	41,192	3,433	21.35
42	42,223	3,519	21.88
43	43,268	3,606	22.43
44	44,330	3,694	22.98
45	45,317	3,776	23.49

**Grade J**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
45	45,317	3,776	23.49
46	46,417	3,868	24.06
47	47,458	3,955	24.60
48	48,513	4,043	25.15
49	49,528	4,127	25.67

**Grade K**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
49	49,528	4,127	25.67
50	49,993	4,166	25.91
51	51,145	4,262	26.51
52	52,290	4,358	27.10
53	53,442	4,453	27.70

**Grade L**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
53	53,442	4,453	27.70
54	54,593	4,549	28.30
55	56,316	4,693	29.19
56	58,039	4,837	30.08
57	59,183	4,932	30.68

**Grade M**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
57	59,183	4,932	30.68
58	60,332	5,028	31.27
59	61,488	5,124	31.87
60	62,636	5,220	32.47
61	64,358	5,363	33.36

**Grade N**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
61	64,358	5,363	33.36
62	66,082	5,507	34.25
63	67,805	5,650	35.14
64	69,529	5,794	36.04
65	71,252	5,938	36.93

**Corporate Director Grade**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
1	67,805	5,650	35.14
2	69,529	5,794	36.04
3	71,252	5,938	36.93
4	72,976	6,081	37.83
5	74,698	6,225	38.72

**Strategic Director Grade**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
1	81,598	6,800	42.29
2	83,322	6,943	43.19
3	85,044	7,087	44.08
4	86,769	7,231	44.97
5	88,492	7,374	45.87

**Chief Executive Grade**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
N/A	125,000	10,417	64.79





**BRENTWOOD  
BOROUGH COUNCIL**

Section 151 Officer's  
Assurance Statement

## Introduction

Section 25 of the Local Government Act 2003 requires the Section 151 Officer to report to the Council on the robustness of the budget calculations and the adequacy of reserves as part of the budget and council tax setting decision.

The Council's budget is based on a range of assumptions. In considering the overall budget position, it is necessary for Members to be aware of the range and scale of risk and uncertainty surrounding the budget projections, particularly with regard to external factors.

While the Act itself does not provide any specific detail on how to evaluate the robustness of the estimates, accompanying guidance notes state that it should be based on an assessment of all circumstances considered likely to affect the authority.

The following factors have been taken into account when considering the overall levels of reserves:

- Assumptions regarding inflation
- Treatment of demand-led pressures
- Treatment of savings and efficiencies
- Financial standing of the authority (for example level of borrowing, debt outstanding)
- The authority's track record in budget management (including the robustness of medium term plans)
- The authority's capacity to manage in-year budget pressures
- The authority's virement and year-end procedures in relation to under and Overspends
- The adequacy of insurance arrangements
- The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions
- The risks inherent in the council's investment activities
- Risks inherent in partnerships
- Estimates of the level and timing of capital receipts
- The general financial climate to which the authority is subject

This report considers the robustness of the Council's budget calculations including a summary of the key risks inherent in the budget forecast, and it reviews the adequacy of reserves in light of these risks.

## General Budget Uncertainties

This section updates Members on a number of key activities and responsibilities that have a significant financial impact for the Council but also by their nature carry inherent risk and uncertainty as to the full extent of that impact. Generally specific budget allocation or provision has been set aside for such associated costs but the scale of some of the risk means that reserve levels must take these into account.

### a) Government Grant and Support

The scope for local authorities to maximise government grant and support lies in incentive schemes such as are offered by business rates retention and the New Homes Bonus (although these schemes are subject to further review by the government). Any significant benefit, however, will depend on growth policies being implemented and being sustained over several years.

The business rates retention scheme is being reviewed by central government with a proposal that 75% of business rates be retained at the local level from 2021/22 (previously from 2020/21) but these proposals have been deferred due to the pandemic and are as yet underdeveloped and no conclusions can be drawn at this stage.

There is no direct control over business rates by local authorities because the multiplier is set by the Government and the rateable value by the Valuation Office Agency (VOA).

Local risks specifically include:

- Risks associated with appeals by ratepayers against their rateable values, for example one large appeal could have a big impact on business rate income.

### b) COVID-19

There is continued uncertainty over the financial impact of the pandemic on the council. The budget has been prepared on the basis of normal business and issues will therefore be dealt with as they arise during the year. Reserves have been set aside to mitigate any in year pressures. However working balances are also held for emergency situations.

### c) Delivery of savings

The budget for 2021/22 is balanced and creates surpluses to replenish working balances. However, this does include significant level of savings assumed within the MTFS. Decisions and delivery must be required in order to achieve these savings which will provide sustainability for the Council's finances.

### d) Council tax and Business Rates

The tax base projections used in the MTFS include a target of 0.5% growth. The predications of housing targets as set out in the emerging Local Plan, have not yet been incorporated. Delivery will need to be closely monitored to ensure the assumptions are realised.

There is a great deal of volatility in the Business Rates system that has been exaggerated by the pandemic. Close monitoring is required to ensure that assumed income is realised.

#### e) Investment & Regeneration income

The budget and forecast assume significant levels of income from council property acquisitions, regeneration activity and investment income from the Council's company, Seven Arches Investment Limited (SAIL). This income can be affected by a number of factors, for example:

- The general economic climate
- Interest rates and financing costs
- Government policy

The alterations to the PWLB borrowing criteria have prevented further investment for yield at this time and therefore unless regeneration opportunities are discovered and acquired within the Borough no further investment will take place. This is a risk in respect to further diversification of the income stream.

#### f) UK leaving the European Union

The Council is not immune from the effects of uncertainty surrounding the UK's exit from the EU on 31 December 2020, but these effects are likely to be manifested through changes in the external environment (for example interest rates and inflation). The Council is not exposed to the risk of the withdrawal of EU funding and none of the current regeneration plans are predicated on the receipt of such funding. The risk to these projects lies rather in the impact of the exit on the economy as a whole, for example a decline in the availability of labour, and the ability of public and private sector partners to deliver their contractual obligations. The Senior Leadership Team regularly review and monitor the developments in this area.

#### g) Legal risk

It is usual for a number of judicial processes and challenges to be in progress at any given point in time. These will relate to various issues including planning, planning enforcement, contract disputes, property disputes, business rates, housing issues and other matters. It is not practicable to estimate the financial effect or timing of these issues but they may give rise to unanticipated expenditure. To the extent that it is possible provisions are made in respect of known issues.

#### h) Local Government Pension Scheme

The local scheme is administered by Essex County Council and Brentwood is a scheduled body to the scheme. The scheme is valued every 3 years by an actuary. The results of the valuation and the assumptions that the actuary makes about the future of the fund (e.g. investment performance, longevity) determine the payments that the Council has to make for any deficit arising from past service and the ongoing contributions that have to be made by both the Council and its employees who are members of the scheme in the future.

The last actuarial valuation took place at 31 March 2019 and this set the employer's ongoing contribution rate for the Council at 19.9% (an increase of 2.8% over the previous rate) for the period 1 April 2020 to 31 March 2023. In line with other local government schemes the pension fund deficit fell at this valuation indicating a better fund performance than in previous periods.

#### i) Interest Rates

While interest rates have remained relatively stable for a considerable amount of time the continued uncertainties in the global economy and the impact of UK's departure from the European Union means there is always the risk of fluctuations in interest rates and therefore a significant risk to the Council's finances. The decision to increase PWLB rates by 1% overnight in October 2019 highlighted the risk of dependency on the PWLB as the main source of borrowing. This risk is increasing with the council's growing level of borrowing need (to support investment and income generation activities). However due to changes within PWLB rules following the results of a government consultation the rates have dropped back down to much more sustainable levels. The key mechanisms to manage this risk in respect of borrowing are:

- Ongoing use of external Treasury Management (TM) advisors to provide information on interest rate forecasts.
- Maturity structure of borrowing designed to minimise exposure in any one year.
- Retention of core fixed rate borrowing within the portfolio.

#### j) Inflation

Budgets have been prepared in accordance with the Budget Setting Guidelines for 2021/22 as distributed to Senior Leadership Team.

The following assumptions have been made on inflation:

- Inflation of 1.9% has been applied to service employee budgets for 2021/22
- Inflation has been applied to expenditure that is subject to legal contractual obligations in accordance with the terms set out in the relevant contract.

#### k) Treatment of demand-led pressures

Certain budgets are particularly susceptible to demand-led pressures. These include Benefits and Homelessness. The level of budgeted income for Council services, particularly planning, land charges, and building control is also subject to changes in customer preference and demand. While every effort is made as part of the budget setting process to identify current trends, review historic patterns and assess the likelihood of change, such budgets will always have inherent risk. This risk is particularly heightened in the current economic climate.

The Council has a range of mechanisms in place to respond to changes in expenditure/income patterns including the option to review service levels, virements from other budget heads and the use of contingency and/or reserves.

## I) Value Added Tax (VAT)

VAT is a complex issue for Local Authorities and active management of VAT is essential both to avoid significant unexpected costs and also to ensure that the Council is able to take advantage of opportunities to recover VAT previously paid when possible. The major VAT risk is that the Council exceeds its partial exemption threshold. If this is exceeded it would mean that a substantial payment, estimated to be in excess of £500,000 for 2021/22, would need to be paid to HMRC. In general it is large capital projects that would cause this to happen and VAT issues are, therefore, considered at an early stage in the development of all such projects.

## Adequacy of Reserves

As outlined above, the Council's finances are subject to a range of external influences and significant risk particularly in the current economic climate and the associated impacts on local government funding. Continued reductions to government grants, reductions and potential further changes to the NHB scheme, the Fair Funding Review, business rates reset and the risk of appeals in the business rates system, together with the uncertainty regarding the impact of 75% business rates retention exacerbates uncertainty and risk. The table below sets out the arrangements in place to mitigate such risks.

Risk	Mitigation
Government Grant Support	Forecast assumes no resources additional to those currently being received.
COVID-19	Earmarked Reserve and General Fund reserves
UK leaving the European Union	Combination of measures to mitigate other risks. Business Continuity Plans reviewed. Earmarked reserve available from grant funding.
Legal	Specific provision set aside as well as Earmarked reserve for specific casework.
Pensions	Contingency within forecast costs.
Interest rates	Financing Volatility Reserve and contingency within forecast costs.
Inflation	Reserve balance would be used to manage significant demand pressures
Demand	Reserve balance would be used to manage significant demand pressures
VAT	Careful management of partial exemption position.
Regeneration projects	Robust management of assets. Regeneration reserve.
Insurance	Earmarked reserve available
Business rates and fair Funding review	Earmarked reserve available
Investment asset returns	Prudent assumptions made in forecasting income. Earmarked reserve available

The Council remains ambitious and is continuing to deliver on a number of significant capital and revenue investment projects. These projects, combined with exceptional financial uncertainty, mean that the financial scale of risk and complexity that the Council will be managing is substantial. Financial resilience and adequate reserves are therefore, paramount. This, together with the overall scale of the Council's financial transactions and complexities of

its core operations, means that such risk cannot be eliminated but must be managed effectively.

Particular attention is also drawn to the reserves section in Appendix A that identifies the reserves currently retained by the Council over the forecast period together with the rationale for each reserve.

Given the overall levels of risk the Section 151 Officer considers that the General Fund reserve should not be budgeted below £2.5 million when setting the budget for 2021/22. £2.5 million represents approximately 29% of the total Spending requirement for 2021/22

The general fund balance will, therefore, be used to manage unusual or unanticipated events, for example a borough wide emergency situation, failure to deliver savings targets or unprecedented increases in demand or costs.

Earmarked Reserves are currently budgeted at March 2021 totalling £4.404 million. These have been re-aligned to reflect the anticipated outturn position for 2020/21 and the council's current priorities and changing risk profile. It is important to note that while the council does have discretion to use its reserves in any manner it sees fit, the current position means that the majority of this sum (some £1.034 million) is allocated for specific purposes and therefore not generally usable.

It is anticipated that these earmarked reserves will be used over the forecast period to support the council's ongoing investments and the delivery of budget reductions.

### **Robustness of the Budget Calculations**

The budgets and forward financial forecasts represent the current assessment of the costs of providing services in line with the Council's existing policies and strategic priorities. The estimates are based on assumptions about levels of pay (including an allowance for pay awards, increments and vacancies), inflation and other external factors such as legislative changes, and changes in demand for services. These assumptions are considered to be appropriate. Service Fees & Charges have been considered by the relevant service committee. Any significant changes in external factors, compared to the assumptions made at this time, could result in a variance in the actual levels of expenditure and income against the budget provision and the council's financial targets not being met. Similarly, there will be a risk to the delivery of services at both operational and strategic levels.

### **The Authority's track record in budget management, including its ability to manage in-year budget pressures and the robustness of the Medium Term Financial Strategy**

Financial monitoring reports are subject to review by Policy, Resources & Economic Development Committee and by the senior leadership team. The budget includes prudent contingencies that can and are used to manage in year budget pressures. The council's in year budget management is effective. Earmarked reserves are used for non-recurring expenditure to assist in producing a smooth profile of expenditure over the forecast period. The council also has a track record of delivering savings and efficiencies as required.

However, reserves can only be used once and the ability to continue to deliver savings and efficiencies cannot be taken as a given, particularly in the light of the current funding circumstances. In particular a significant shift in expenditure or income outside the parameters considered in the budget or a combination of several issues at once could constitute a serious shock to the Council's level of resources and threaten its potential ongoing financial viability.

The assumptions underpinning the Medium Term Financial Strategy are set out in Appendix A. These are considered to be as robust as is possible given the continuing uncertainty over the future of government funding.

As part of their value for money work during the 2019/20 audit the external auditors considered whether or not the council was taking appropriate measures to ensure that its financial position remains sustainable. Specifically they:

- Governance arrangements for Joint Venture decision making.
- Delivering Financial Resilience

They had no concerns to report as a consequence of this work to date.

### **CIPFA Financial Resilience Index**

This index measures resilience in relative terms by placing authorities on an axis of risk as expressed by various financial metrics relative to all other (or groups of) authorities. It does not take account of future plans, as expressed in medium term financial planning, for example planned use of reserves, and it is not an absolute measure of financial resilience. As such it is of limited value in its current form.

However, it can be seen to demonstrate that the council is well placed, both absolutely and compared to its peers, to manage the financial challenges of the future.

### **CIPFA Financial Management Code**

CIPFA published the first edition of their 'Financial Management Code' for local authorities in October 2019. CIPFA considers that compliance with this code is mandatory for all local authorities but it is important to note that such compliance is not specifically mandated by statute. CIPFA state that the first year in which it expects authorities to be fully compliant with the code is 2020/21.

The code is essentially a best practice guide to financial management in the local authority sector. It covers the following areas:

- The responsibilities of the chief financial officer (section 151 Officer) and the leadership team
- Governance and financial management style
- Medium to long term financial management
- The annual budget
- Stakeholder engagement and business plans



- Monitoring financial performance
- External financial reporting

Officers are yet to complete a full assessment of the extent of compliance with the requirements of the code. However, on initial consideration it can be confirmed that in general terms the council's arrangements follow the recommended best practice set out in the code.

### Conclusion

Taking all of the above factors into account it is considered that the budget calculation is robust and that the level of reserves are adequate at this time. Members are reminded of the need to consider all of the factors discussed in this section and their potential impact on the ongoing sustainability of the Council's medium term financial position when considering the budget and level of council tax to be set for 2021/22.

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**BRENTWOOD  
BOROUGH COUNCIL**

Corporate Strategy  
Budget Summary  
2021-24

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## Our key priorities



### Growing our economy

A thriving borough that welcomes a wealth of business and culture



### Protecting our environment

Developing a clean and green environment for everyone to enjoy



### Developing our communities

Safe and strong communities where residents live happy, healthy and independent lives



### Improving housing

Access to a range of decent homes that meet local needs



### Delivering an effective and efficient council

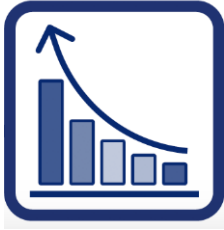
An ambitious and innovative council that delivers quality services



## Summary

Below is a summary of the direct costs aligned with Corporate Strategy themes. These budgets are included in the General Fund budget and HRA budget. This document highlights the gross expenditure and income spent on services in order to achieve the themes of the Corporate Strategy.

	Gross Expenditure	Gross Income	Net Budget	Gross Expenditure	Gross Income	Net Budget	Gross Expenditure	Gross Income	Net Budget
	2021/22	2021/22	2021/22	2022/23	2022/23	2022/23	2023/24	2023/24	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Growing Our Economy	2,457	(1,277)	<b>1,180</b>	2,487	(1,279)	<b>1,208</b>	2,518	(1,282)	<b>1,236</b>
Protecting Our Environment	6,826	(5,304)	<b>1,522</b>	6,882	(5,330)	<b>1,552</b>	6,982	(5,357)	<b>1,625</b>
Developing Our Communities	2,298	(1,279)	<b>1,019</b>	2,314	(1,286)	<b>1,028</b>	2,330	(1,277)	<b>1,053</b>
Improving Housing (GF)	603	(1,215)	<b>(612)</b>	546	(1,685)	<b>(1,139)</b>	553	(1,737)	<b>(1,185)</b>
Improving Housing (HRA)	15,432	(13,455)	<b>1,977</b>	10,440	(13,936)	<b>(3,496)</b>	10,382	(14,394)	<b>(4,013)</b>
Delivering an Effective and Efficient Council	20,116	(15,231)	<b>4,885</b>	20,156	(15,341)	<b>4,815</b>	20,272	(15,523)	<b>4,749</b>
<b>Total Corporate Strategy Spend</b>	<b>47,732</b>	<b>(37,761)</b>	<b>9,971</b>	<b>42,825</b>	<b>(38,858)</b>	<b>3,967</b>	<b>43,036</b>	<b>(39,570)</b>	<b>3,466</b>



## Growing our Economy

A thriving borough that welcomes a wealth of business and culture by:

- Promoting Brentwood as a place to set up and do business from
- Enabling the growth of existing businesses
- Encouraging the creation of new enterprises and inward investment.

Council Services that sit under this Corporate Strategy heading are:

- Building Control
- Economic development
- Land Charges
- Planning Development
- Planning Enforcement
- Planning Policy

The budget details of these areas are detailed on the next page

## Growing our Economy

	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
Building Control	393	(301)	<b>92</b>	400	(301)	<b>99</b>	408	(301)	<b>107</b>
Economic Development	189	(10)	<b>180</b>	191	(10)	<b>181</b>	193	(10)	<b>183</b>
Land Charges	111	(138)	<b>(26)</b>	113	(140)	<b>(28)</b>	114	(143)	<b>(29)</b>
Planning Development	831	(678)	<b>153</b>	844	(678)	<b>166</b>	858	(678)	<b>180</b>
Planning Policy	826	(150)	<b>676</b>	830	(150)	<b>680</b>	835	(150)	<b>685</b>
Planning Enforcement	106	0	<b>106</b>	108	0	<b>108</b>	111	0	<b>111</b>
<b>Total</b>	<b>2,457</b>	<b>(1,277)</b>	<b>1,180</b>	<b>2,487</b>	<b>(1,279)</b>	<b>1,208</b>	<b>2,518</b>	<b>(1,282)</b>	<b>1,236</b>



## Protecting our Environment

Developing a clean and green environment for everyone to enjoy by:

- Promoting the environment and recognising its importance in the decisions we make
- Encourage a clean, safe and environmentally friendly place to live, work and visit.
- Improve and enhance the Councils waste management services.
- Support and engage the community to protect their environment.

Council Services that sit under this Corporate Strategy heading are:

- CCTV
- Cemeteries
- Street Care Management & Admin
- Environmental Initiatives
- Grounds Maintenance
- Household Waste
- Land Drainage
- Licensing
- Other Environmental Services
- Parking Services
- Recycling
- Street Lighting
- Street Services
- Trade Waste
- Traffic Management
- Vehicle Fleet Management
- Waste Collection Support
- Waste Minimisation

The budget details of these areas are detailed on the next page.



## Protecting our Environment

	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
CCTV	205	(51)	<b>154</b>	209	(51)	<b>158</b>	213	(51)	<b>162</b>
Cemeteries	131	(104)	<b>27</b>	133	(106)	<b>27</b>	135	(108)	<b>27</b>
Street Care Management & Admin	761	(3)	<b>758</b>	776	(3)	<b>773</b>	790	(3)	<b>787</b>
Environmental Initiatives	56	0	<b>56</b>	56	0	<b>56</b>	56	0	<b>56</b>
Grounds Maintenance	730	(346)	<b>385</b>	742	(350)	<b>393</b>	755	(354)	<b>401</b>
Household Waste	812	(703)	<b>108</b>	825	(714)	<b>111</b>	839	(725)	<b>114</b>
Land Drainage	2	0	<b>2</b>	2	0	<b>2</b>	2	0	<b>2</b>
Licensing	228	(266)	<b>(38)</b>	237	(266)	<b>(29)</b>	239	(266)	<b>(27)</b>
Other Environmental Services	415	(22)	<b>393</b>	404	(22)	<b>382</b>	412	(22)	<b>390</b>
Parking Services	758	(2,174)	<b>(1,417)</b>	738	(2,174)	<b>(1,436)</b>	749	(2,174)	<b>(1,426)</b>
Recycling	762	(854)	<b>(92)</b>	774	(854)	<b>(80)</b>	788	(854)	<b>(66)</b>
Street Lighting	7	0	<b>7</b>	7	0	<b>7</b>	7	0	<b>7</b>
Street Services	680	(153)	<b>527</b>	691	(153)	<b>539</b>	703	(153)	<b>550</b>
Trade Waste	326	(575)	<b>(249)</b>	328	(584)	<b>(256)</b>	329	(593)	<b>(264)</b>
Traffic Management	3	(10)	<b>(7)</b>	3	(10)	<b>(7)</b>	3	(11)	<b>(8)</b>
Vehicle Fleet Management	886	(30)	<b>855</b>	890	(30)	<b>860</b>	895	(31)	<b>865</b>
Waste Collection Support	53	0	<b>53</b>	54	0	<b>54</b>	55	0	<b>55</b>
Waste Minimisation	12	(12)	<b>0</b>	12	(12)	<b>0</b>	12	(12)	<b>0</b>
<b>Total</b>	<b>6,826</b>	<b>(5,304)</b>	<b>1,522</b>	<b>6,882</b>	<b>(5,330)</b>	<b>1,552</b>	<b>6,982</b>	<b>(5,357)</b>	<b>1,625</b>



## Developing our Communities

Safe and strong communities where residents live happy, healthy and independent lives by:

- Keeping safe in Brentwood
- Investing in community facilities to support a growing population.
- Supporting, strengthening and sustaining communities
- Encouraging residents to lead active, healthy and fulfilling lifestyles.

Council Services that sit under this Corporate Strategy heading are:

- Christmas Lights & Decorations
- Community Development
- Community Services
- Corporate Enforcement
- Events – Family Fun Days
- Events – Lighting Up Brentwood
- Events – Remembrance Day
- Events – Shenfield Christmas Fayre
- Events – Strawberry Fayre
- Food & Health Safety
- Golf Course
- Grants to Organisations
- Health & Wellbeing
- Open Spaces - Buildings
- Open Spaces – Recreation Areas
- Open Spaces – Sport Areas
- Social Venues

The budget details of these areas are detailed on the next page.

## Developing our Communities

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	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
Christmas Lights & Decorations	24	0	<b>24</b>	24	0	<b>24</b>	24	0	<b>24</b>
Community Development	8	0	<b>8</b>	8	0	<b>8</b>	8	0	<b>8</b>
Community Services	220	0	<b>220</b>	225	0	<b>225</b>	229	0	<b>229</b>
Corporate Enforcement	288	(133)	<b>155</b>	293	(133)	<b>160</b>	298	(117)	<b>182</b>
Events - Family Fun Days	12	(12)	<b>0</b>	12	(12)	<b>0</b>	12	(12)	<b>0</b>
Events - Lighting up	21	(8)	<b>13</b>	21	(8)	<b>13</b>	21	(8)	<b>13</b>
Events - Remembrance	4	0	<b>4</b>	4	0	<b>4</b>	4	0	<b>4</b>
Events - Shenfield Xmas Fayre	19	(12)	<b>7</b>	19	(12)	<b>7</b>	19	(12)	<b>7</b>
Events - Strawberry Fayre	8	(5)	<b>3</b>	8	(5)	<b>3</b>	8	(5)	<b>3</b>
Food & Health	223	(5)	<b>219</b>	226	(5)	<b>221</b>	229	(5)	<b>224</b>
Golf Course	246	(316)	<b>(70)</b>	249	(322)	<b>(73)</b>	252	(327)	<b>(75)</b>
Grants To Organisations	112	0	<b>112</b>	112	0	<b>112</b>	112	0	<b>112</b>
Health & Wellbeing	39	0	<b>39</b>	39	0	<b>39</b>	39	0	<b>39</b>
Open Spaces - Buildings	102	(30)	<b>71</b>	102	(30)	<b>72</b>	102	(30)	<b>72</b>
Open Spaces - Sport Areas	30	(55)	<b>(26)</b>	30	(56)	<b>(27)</b>	30	(57)	<b>(28)</b>
Open Spaces - Recreation Areas	92	(31)	<b>61</b>	92	(31)	<b>61</b>	92	(31)	<b>61</b>
Social Venues	850	(672)	<b>178</b>	851	(672)	<b>179</b>	851	(672)	<b>179</b>
<b>Total</b>	<b>2,298</b>	<b>(1,279)</b>	<b>1,019</b>	<b>2,314</b>	<b>(1,286)</b>	<b>1,028</b>	<b>2,330</b>	<b>(1,277)</b>	<b>1,053</b>



## Improving Housing

Access to a range of decent homes that meet local needs by:

- Providing decent safe and affordable homes for local people
- Supporting tenants with a high quality, well managed service
- Supporting responsible development in the borough

Council Services that sit under this Corporate Strategy heading are:

- Community Alarm Service
- Homelessness Administration
- Homelessness Prevention
- Housing Advice
- Housing Enabling & Strategy
- Housing General Fund Properties
- Housing Standards
- Private Sector Leased Accounts
- Temporary Accommodation – B&B
- Temporary Accommodation – Own Stock

Council Services that sit under this Corporate Strategy that are held in the Housing Revenue Account HRA are:

- Repairs & Maintenance
- Supervision & Management
- Special Services
- Rent Rates & Other Charges
- Bad Debt Provision
- Contribution to Major Repairs Reserve (Depreciation)
- Corporate & Democratic Core
- Settlement Debt Repayment
- Dwelling Income
- Non-Dwelling Income
- Charges for Services & facilities
- Contributions towards Expenditure

The budget details of these areas are detailed on the next page:

## Improving Housing (GF)

	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
Community Alarms Service	64	(64)	<b>(0)</b>	0	0	<b>0</b>	0	0	<b>0</b>
Homelessness Admin	341	(203)	<b>138</b>	348	(203)	<b>144</b>	354	(203)	<b>151</b>
Homelessness Prevention	10	0	<b>10</b>	10	0	<b>10</b>	10	0	<b>10</b>
Housing Advice	43	0	<b>43</b>	43	0	<b>43</b>	44	0	<b>44</b>
Housing Enabling & Strategy	7	(759)	<b>(752)</b>	7	(1,293)	<b>(1,286)</b>	7	(1,346)	<b>(1,339)</b>
Housing General Fund Properties	0	(54)	<b>(53)</b>	0	(54)	<b>(53)</b>	0	(54)	<b>(53)</b>
Housing Standards	0	(4)	<b>(4)</b>	0	(4)	<b>(4)</b>	0	(4)	<b>(4)</b>
Private Sector Leased Accounts	46	(61)	<b>(14)</b>	46	(61)	<b>(14)</b>	46	(61)	<b>(14)</b>
Temp Accommodation - Own Stock	21	0	<b>21</b>	21	0	<b>21</b>	21	0	<b>21</b>
Temporary Accommodation – B&B	70	(70)	<b>0</b>	70	(70)	<b>0</b>	70	(70)	<b>0</b>
<b>Total</b>	<b>603</b>	<b>(1,215)</b>	<b>(612)</b>	<b>546</b>	<b>(1,685)</b>	<b>(1,139)</b>	<b>553</b>	<b>(1,737)</b>	<b>(1,185)</b>

## Improving Housing (HRA)

	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
Repairs and Maintenance	3,008	0	<b>3,008</b>	3,013	0	<b>3,013</b>	2,919	0	<b>2,919</b>
Supervision and Management	2,829	(72)	<b>2,757</b>	2,813	(72)	<b>2,741</b>	2,829	(72)	<b>2,757</b>
Special Services	1,084	0	<b>1,084</b>	1,098	0	<b>1,098</b>	1,112	0	<b>1,112</b>
Rents, Rates & Other Charges	134	0	<b>134</b>	136	0	<b>136</b>	138	0	<b>138</b>
Bad Debt Provision	60	0	<b>60</b>	60	0	<b>60</b>	60	0	<b>60</b>
Depreciation And Impairment	2,941	0	<b>2,941</b>	2,941	0	<b>2,941</b>	2,941	0	<b>2,941</b>
Core & Democratic Core	376	0	<b>376</b>	380	0	<b>380</b>	383	0	<b>383</b>
Settlement Debt Repayment	5,000	0	<b>5,000</b>	0	0	<b>0</b>	0	0	<b>0</b>
Dwelling Rents	0	(12,197)	<b>(12,197)</b>	0	(12,661)	<b>(12,661)</b>	0	(13,102)	<b>(13,102)</b>
Non Dwelling Rents	0	(347)	<b>(347)</b>	0	(353)	<b>(353)</b>	0	(358)	<b>(358)</b>
Charges for Services & Facilities	0	(836)	<b>(836)</b>	0	(848)	<b>(848)</b>	0	(861)	<b>(861)</b>
Contributions To Expenditure	0	(3)	<b>(3)</b>	0	(3)	<b>(3)</b>	0	(3)	<b>(3)</b>
<b>Total</b>	<b>15,432</b>	<b>(13,455)</b>	<b>1,977</b>	<b>10,440</b>	<b>(13,936)</b>	<b>(3,496)</b>	<b>10,382</b>	<b>(14,394)</b>	<b>(4,013)</b>



## Delivering an Effective and Efficient Council

An ambitious and innovative council that delivers quality services by:

- Delivering a quality customer service
- Effective and efficient delivery of service
- Maximising opportunity

Council Services that sit under this Corporate Strategy heading are:

- Asset Management
- Commercial Activity
- Communications
- Contingency & Savings
- Corporate Health & Safety
- Corporate management
- Corporate Fraud
- Customer Contact Centre
- Democratic Services
- Design & Print
- Digital Services
- Electoral Services
- Emergency Planning
- Finance
- Human Resources
- ICT Services
- Internal Audit
- Legal
- Office Accommodation
- Payroll
- Procurement
- Programmes & projects
- Revenues & benefits
- Senior Leadership Team

The budget details of these areas are detailed on the next page.

## Delivering an Efficient and Effective council

	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
Asset Management	419	(268)	<b>151</b>	422	(270)	<b>152</b>	426	(274)	<b>152</b>
Commercial Activity	0	(200)	<b>(200)</b>	0	(200)	<b>(200)</b>	0	(200)	<b>(200)</b>
Communications	101	(24)	<b>77</b>	103	(24)	<b>79</b>	105	(25)	<b>80</b>
Contingency And Savings	(15)	(556)	<b>(571)</b>	(15)	(715)	<b>(730)</b>	(15)	(875)	<b>(890)</b>
Corporate Health & Safety	8	(13)	<b>(6)</b>	8	(13)	<b>(6)</b>	8	(14)	<b>(6)</b>
Corporate Management	194	(211)	<b>(17)</b>	194	(213)	<b>(19)</b>	194	(215)	<b>(21)</b>
Corporate Fraud	70	(89)	<b>(18)</b>	72	(90)	<b>(18)</b>	73	(91)	<b>(19)</b>
Corporate Support	252	(36)	<b>215</b>	256	(37)	<b>219</b>	261	(37)	<b>223</b>
Customer Contact	452	(134)	<b>318</b>	461	(136)	<b>324</b>	470	(138)	<b>331</b>
Democratic Services	458	(169)	<b>289</b>	461	(171)	<b>290</b>	463	(172)	<b>291</b>
Design & Print	56	(3)	<b>53</b>	56	(3)	<b>53</b>	57	(3)	<b>54</b>
Digital Services Team	104	(3)	<b>101</b>	106	(3)	<b>103</b>	109	(3)	<b>105</b>
Electoral Services	324	(70)	<b>254</b>	258	0	<b>258</b>	262	0	<b>262</b>
Emergency Planning	13	0	<b>13</b>	13	0	<b>13</b>	13	0	<b>13</b>
Finance	798	(170)	<b>628</b>	810	(172)	<b>638</b>	823	(174)	<b>649</b>
Human Resources	484	(90)	<b>393</b>	486	(91)	<b>395</b>	489	(92)	<b>397</b>
ICT Services	1,212	(201)	<b>1,011</b>	1,222	(202)	<b>1,019</b>	1,232	(204)	<b>1,028</b>
Internal Audit	90	(6)	<b>84</b>	90	(6)	<b>84</b>	90	(6)	<b>84</b>



## Delivering an Efficient and Effective council (continued)

	Gross Expenditure 2021/22 £'000	Gross Income 2021/22 £'000	Net Budget 2021/22 £'000	Gross Expenditure 2022/23 £'000	Gross Income 2022/23 £'000	Net Budget 2022/23 £'000	Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Budget 2023/24 £'000
Legal	546	(173)	<b>373</b>	548	(173)	<b>375</b>	550	(174)	<b>376</b>
Office Accommodation	669	(484)	<b>184</b>	674	(486)	<b>188</b>	680	(488)	<b>193</b>
Payroll	50	(14)	<b>35</b>	47	(14)	<b>33</b>	47	(14)	<b>33</b>
Procurement	55	(27)	<b>28</b>	56	(27)	<b>28</b>	57	(28)	<b>29</b>
Programmes & Projects	161	0	<b>161</b>	164	0	<b>164</b>	168	0	<b>168</b>
Revenues & Benefits	12,489	(11,818)	<b>672</b>	12,517	(11,818)	<b>699</b>	12,545	(11,818)	<b>727</b>
Senior Leadership Team	1,128	(472)	<b>655</b>	1,147	(475)	<b>672</b>	1,167	(478)	<b>689</b>
<b>Total</b>	<b>20,116</b>	<b>(15,231)</b>	<b>4,885</b>	<b>20,156</b>	<b>(15,341)</b>	<b>4,815</b>	<b>20,272</b>	<b>(15,523)</b>	<b>4,749</b>





**BRENTWOOD  
BOROUGH COUNCIL**

Council Tax Resolution  
2021/22

## Introduction

This Council is the billing authority for the Borough of Brentwood and is required to set a Council Tax that will not only cover its own requirements, but also those of Essex County Council (ECC), Police, Fire & Crime Commissioner for Essex (PFCC), and Essex Police Fire & Crime Commissioner Fire and Rescue Authority (EPFCCFRA) and the Parish Councils.

The Local Government Finance Act 1992, as amended by the Localism Act 2011, requires the Council, as billing authority, to determine and agree the combined Council Tax requirement for the year which incorporates preceptors' requirements.

The tax base for 2021/22 has been calculated as 33,250.30 (2020/21 32,968.00).

The estimated surplus on the Collection Fund as at 31 March 2021, has been calculated at £146,197 (Council Tax element) to be distributed in respect of Council Tax during 2021/22 as shown below

Table 1 - Estimated Collection Fund Surplus Distribution

Authority	Amount £
Brentwood Borough Council	(17,101)
Essex County Council	(107,020)
Police and Crime Commissioner	(16,090)
Essex Fire Authority	(5,986)
<b>Total</b>	<b>(146,197)</b>

The Council and other precepting authorities must take the above amounts into account when setting their element of Council Tax for 2020/21. These Council Tax requirements for 2020/21 for all precepting authorities are outlined below

Table 2 - Council Tax Requirements

Authority	2020/21 £	2021/22 £
Brentwood Borough Council	6,383,593	6,438,256
Essex County Council	43,554,354	44,585,660
Police, Fire and Crime Commissioner for Essex	6,548,434	6,933,685
Essex PFCC Fire and Rescue Authority	2,436,006	2,456,865
Parishes	576,122	603,792
<b>Total</b>	<b>59,498,509</b>	<b>61,018,258</b>

The combined Band D Council Tax for 2021/22 compared with last year is show below.

Table 3 - Combined Band D Council Tax

Authorities	2020/21 £	2021/22 £
Brentwood Borough Council	193.63	193.63
Essex County Council	1,321.11	1340.91
Police, Fire and Crime Commissioner for Essex	198.63	208.53
Essex PFCC Fire and Rescue Authority	73.89	73.89
<b>Sub-Total</b>	<b>1,787.26</b>	<b>1,816.96</b>
Parish Councils (Average)	17.48	18.16
<b>Total</b>	<b>1,804.74</b>	<b>1,835.12</b>

The full combined bandings are listed on page 7 of this document.

## Council Tax 2021/22

This document sets out the formal resolutions to be made by the Council which are:

### Council Tax Base

That the following amounts be noted that under delegated authority the Section 151 officer approved the calculation of the following amounts as the Council tax Base for 2021/22 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) regulations 2012:

<b>1a)</b> Being the amount calculated by the Council as its Council Tax Base for the year in accordance with Section 31B of the Local Government Finance Act 1992, as amended (the Act)	32,250.30
<b>1b)</b> Being the amounts calculated as the Council Tax Base for the year for dwellings in those parts of its area to which local precepts relate:	9,069.80
Blackmore	1,505.30
Doddinghurst	1,198.90
Herongate and Ingrave	1053.90
Ingatestone and Fryerning	2,381.80
Kelvedon Hatch	1,070.40
Mounthessing	590.50
Navestock	245.30
Stondon Massey	340.60
West Horndon	683.10

### Council Tax Calculations

That the following amounts be now calculated by the Council for the year 2021/22 in accordance with Chapter 3 of Part 1 of the Act.

#### Calculation of the Council's Council Tax Requirement

Council Tax requirement for the Council's own purposes for 2021/22 (excluding Parish precepts) to be calculated as £6,438,255.59.

That the following amounts to be calculated for the year 2021/22 in accordance with Sections 32 to 36 of the Act

<b>2a)</b> being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) of the Act taking into account all precepts issued to it by Parish Councils	40,467,420
<b>2b)</b> being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act.	33,425,368
<b>2c)</b> The Council's Council Tax Requirement for the year, being the amount which the aggregate of <b>(2a)</b> above exceeds the aggregate at <b>(2b)</b> above (Section 31A (4) of the Act)	7,042,052

#### Calculation of the Basic Amount of Council Tax

<b>3a)</b> being the amount at <b>(2c)</b> above divided by the amount at <b>1a)</b> above, calculated by the Council in accordance with Section 33(1) of the Act as the basic amount of its Council Tax for the year (including Parish precepts).	211.79
<b>3b)</b> being the aggregate of the following special items (Parish precepts) referred to in Section 35(1) of the Act:	603,792.00
Blackmore	97,421.00
Doddinghurst	76,014.00
Herongate and Ingrave	48,000.00
Ingatestone and Fryerning	173,839.00
Kelvedon Hatch	90,023.00
Mountnessing	40,000.00
Navestock	22,000.00
Stondon Massey	23,995.00
West Horndon	32,500.00

<b>3c)</b> being the amount at <b>(3a)</b> above less the result given by dividing the amount at <b>(3b)</b> above by the amount at <b>(1a)</b> above, calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates	193.63
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**3d)** the amounts stated in column (3) below given by adding to the amount at **3f)** above the amounts of the special item or items relating to dwellings in those parts of the Council's area specified in **3e)** above in each case by the amount at **1a)** above, calculated by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area set out in **3e)** above to which one or more special items relate

Table 4 – Band D Council Tax for Parishes.

	(1)	(2)	(3)
	Council	Parish	Total
	Band D Council Tax	Band D Council Tax	Band D Council Tax
	£	£	£
Blackmore	193.63	64.72	258.35
Doddinghurst	193.63	63.40	257.03
Herongate and Ingrave	193.63	45.55	239.18
Ingatestone Fryerning	193.63	72.99	266.62
Kelvedon Hatch	193.63	84.10	277.73
Mountnessing	193.63	67.74	261.37
Navestock	193.63	89.69	283.32
Stondon Massey	193.63	70.45	264.08
West Horndon	193.63	47.58	241.21

Calculation of Council Tax for different valuation bands

**4a)** In calculating the amount of Council Tax for the year, the following amounts are to be considered under Section 30(2)(a) of the Act in respect of a category of dwellings listed in a particular valuation band. They are calculated pursuant to Section 36(1) of the Act by dividing the number which, in the proportion set in Section 5(1) of the Act, is applicable to dwellings listed in that valuation band by number which, in proportion, is applicable to dwellings listed in the valuation band D and multiplying the result by the amounts at **(3c)** and **(3d)** above.

Table 5 – Council Tax total for Council and Parish Precept.

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Brentwood Borough Council	129.09	150.6	172.12	193.63	236.66	279.69	322.72	387.26
Blackmore	172.24	200.94	229.65	258.35	315.76	373.17	430.59	516.70
Doddinghurst	171.36	199.91	228.48	257.03	314.15	371.27	428.39	514.06
Herongate	159.46	186.03	212.61	239.18	292.33	345.48	398.64	478.36
Ingatestone & Fryerning	177.75	207.37	237.00	266.62	325.87	385.12	444.37	533.24
Kelvedon Hatch	185.16	216.01	246.88	277.73	339.45	401.17	462.89	555.46
Mountnessing	174.25	203.29	232.33	261.37	319.45	377.54	435.62	522.74
Navestock	188.88	220.36	251.84	283.32	346.28	409.24	472.20	566.64
Stondon Massey	176.06	205.39	234.74	264.08	322.77	381.45	440.14	528.16
West Horndon	160.81	187.61	214.41	241.21	294.81	348.42	402.02	482.42



4b) In calculating the amount of Council Tax for the year, the following amounts are to be taken into account under Section 30(2)(b) of the Act in respect of a category of dwellings listed in a particular valuation band. For this purpose, the precepts issued to the Council by the major precepting authorities in accordance with Section 40 of the Act state the amounts for the year calculated by them under Sections 42A, 42B and 45 to 47 of the Act for each category of dwellings as follows

Table 6 – Council Tax from Major Precepting Authorities

	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Essex County Council	893.94	1,042.93	1,191.92	1,340.91	1,638.89	1,936.87	2,234.85	2,681.82
Police, Fire & Crime Commissioner for Essex	139.02	162.19	185.36	208.53	254.87	301.21	347.55	417.06
Essex Police Fire & Crime Commissioner Fire and Rescue Authority	49.26	57.47	65.68	73.89	90.31	106.73	123.15	147.78

### Amount of Council Tax

That, having calculated the aggregate of the amounts at (4a) and (b) above for each category of dwellings, the Council in accordance with Section 30(1) of the Act hereby sets the amount of Council Tax for the year 2020/21 for each category of dwellings as follows:

Table 7 – Total Council Tax Demand

	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Brentwood Borough Council Only	1,211.31	1,413.19	1,615.08	1,816.96	2,220.73	2,624.50	3,028.27	3,633.92
Blackmore	1,254.46	1,463.53	1,672.61	1,881.68	2,299.83	2,717.98	3,136.14	3,763.36
Doddinghurst	1,253.58	1,462.50	1,671.44	1,880.36	2,298.22	2,716.08	3,133.94	3,760.72
Herongate	1,241.68	1,448.62	1,655.57	1,862.51	2,276.40	2,690.29	3,104.19	3,725.02
Ingatestone & Fryerning	1,259.97	1,469.96	1,679.96	1,889.95	2,309.94	2,729.93	3,149.92	3,779.90
Kelvedon Hatch	1,267.38	1,478.60	1,689.84	1,901.06	2,323.52	2,745.98	3,168.44	3,802.12
Mountenensing	1,256.47	1,465.88	1,675.29	1,884.70	2,303.52	2,722.35	3,141.17	3,769.40
Navestock	1,271.10	1,482.95	1,694.80	1,906.65	2,330.35	2,754.05	3,177.75	3,813.30
Stondon Massey	1,258.28	1,467.98	1,677.70	1,887.41	2,306.84	2,726.26	3,145.69	3,774.82
West Horndon	1,243.03	1,450.20	1,657.37	1,864.54	2,278.88	2,693.23	3,107.57	3,729.08

## **Members Interests**

Members of the Council must declare any pecuniary or non-pecuniary interests and the nature of the interest at the beginning of an agenda item and that, on declaring a pecuniary interest, they are required to leave the Chamber.

- **What are pecuniary interests?**

A person's pecuniary interests are their business interests (for example their employment trade, profession, contracts, or any company with which they are associated) and wider financial interests they might have (for example trust funds, investments, and asset including land and property).

- **Do I have any disclosable pecuniary interests?**

You have a disclosable pecuniary interest if you, your spouse or civil partner, or a person you are living with as a spouse or civil partner have a disclosable pecuniary interest set out in the Council's Members' Code of Conduct.

- **What does having a disclosable pecuniary interest stop me doing?**

If you are present at a meeting of your council or authority, of its executive or any committee of the executive, or any committee, sub-committee, joint committee, or joint sub-committee of your authority, and you have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, you must not :

- participate in any discussion of the business at the meeting, of if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business or,
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

- **Other Pecuniary Interests**

Other Pecuniary Interests are also set out in the Members' Code of Conduct and apply only to you as a Member.

If you have an Other Pecuniary Interest in an item of business on the agenda then you must disclose that interest and withdraw from the room while that business is being considered

- **Non-Pecuniary Interests**

Non –pecuniary interests are set out in the Council's Code of Conduct and apply to you as a Member and also to relevant persons where the decision might reasonably be regarded as affecting their wellbeing.

A 'relevant person' is your spouse or civil partner, or a person you are living with as a spouse or civil partner

If you have a non-pecuniary interest in any business of the Authority and you are present at a meeting of the Authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest whether or not such interest is registered on your Register of Interests or for which you have made a pending notification.

## **Ordinary Council Terms of Reference**

### **General Powers of Council**

The Council is the ultimate decision making body of Brentwood Borough Council and the principal forum for major political debate. All 37 Councillors who have been elected to represent the borough attend the Council meeting.

The Council decides the overall objectives, major policies and financial strategies of the Council. It also considers recommendations from the Scrutiny and Regulatory Committees on issues of significance.

Through the Constitution, it delegates responsibility for carrying out many of the Borough Council's functions and policies to its committees. It also agrees the membership of the committees/sub-committees.

Only the Council will exercise the following functions:-

- (a) adopting and approving changes to the Constitution;
- (b) adopting and amending Contract Standing Orders and Financial Regulations;
- (c) agreeing and/or amending the terms of reference for committees and any joint committees, deciding on their composition chairmanship and making initial appointments to them;
- (d) appointing representatives to outside bodies and consultative groups unless the appointment has been delegated by the Council;
- (e) adopting and amending a members' allowances scheme under Chapter 6;
- (f) to elect the Leader and Deputy Leader of the Council;
- (g) to designate the Chairs and Vice Chairs of the Council;
- (h) adoption of the Code of Conduct for Members;
- (i) electoral and ceremonial matters relevant to the Council
- (j) changing the name of the area, conferring the title of honorary alderman or freedom of the borough;
- (k) setting the Council's Budget and Council Tax;
- (l) approving the making of a virement or payment from the Council's reserves for values exceeding £200,000;

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