



# Agenda

## Ordinary Council

Wednesday, 23 February 2022 at 7.00 pm

Council Chamber, Town Hall, Ingrave Road, Brentwood, Essex CM15  
8AY

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### Membership (Quorum – 10)

Cllrs Ms Sanders (Mayor), Reed (Deputy Mayor), Aspinell, Barber, Barrett, Dr Barrett, Bridge, J Cloke, S Cloke, Cuthbert, Mrs Davies, Mrs Fulcher, Fryd, Gelderbloem, Haigh, Heard, Hirst, Mrs Hones, Hossack, Jakobsson, Kendall, Laplain, Lewis, McLaren, Mynott, Naylor, Nolan, Parker, Mrs Pearson, Poppy, Mrs Pound, Russell, Tanner, Tierney, Wagland, White and Wiles

*Members are respectfully summoned to attend the above meeting to transact the business set out below.*

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### Agenda

Item	Item	Wards(s) Affected	Page No
	<b>Live broadcast</b>		
	<a href="#">Live broadcast to start at 7pm and available for repeat viewing.</a>		
	<b>Contents</b>		
1.	<b>Apologies for Absence</b>		
2.	<b>Declarations of Interest</b>		
3.	<b>Review of Local Council Tax Discounts 2022/23</b>	All Wards	5 - 16
4.	<b>Budget 2022/23</b>	All Wards	17 - 240
5.	<b>Arrangements to appoint External Auditors from 2023/24</b> Report to follow.	All Wards	

**6. Urgent Business**

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 'J. Stephenson', is centered on a light blue rectangular background.

Jonathan Stephenson  
Chief Executive

Town Hall  
Brentwood, Essex  
08.02.2022

## 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	Personal Explanation	Point of Information or clarification
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.	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.	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**

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 **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.

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 **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.**

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 **Evacuation Procedures**

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

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# Agenda Item 3

<b>Committee(s):</b> Ordinary Council	<b>Date:</b> 23 February 2022
<b>Subject:</b> Review of Local Council Tax Discounts	<b>Wards Affected:</b> All
<b>Report of:</b> Jacqueline Van Mellaerts, Corporate Director (Finance & Resources)	<b>Public</b>
<b>Report Author/s:</b> Name: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) Telephone: 01277 312500 E-mail: jacqueline.vanmellaerts@brentwood.gov.uk	<b>For Decision</b>

## Summary

In March 2021, following a motion at Full Council by the Labour Group, which was accepted in February 2021, Policy, Resources & Economic Development Committee (PRED) resolved to review Council Tax Discretionary Discounts and report options to a future PRED Committee.

In September 2021, Members reviewed the options available and agreed to consult with residents on three discretionary discounts to make amendments to the scheme of Council Tax Discounts and Premiums with effect from 1 April 2022, using discretionary powers granted by the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.

This report outlines the results from the consultation and proposed changes to the scheme.

On 24<sup>th</sup> November 2021, PRED Committee resolved the following recommendations below, and now refers to Ordinary Council for approval.

## Recommendation(s)

**Members are asked to:**

- R1. Remove the Council Tax discretionary discount for Empty and Unfurnished properties from 1 April 2022.**
- R2. Remove the Council Tax discretionary discount for Second Homes from 1 April 2022.**
- R3. Not change The Council Tax discretionary discount for Empty & Uninhabitable properties from 1 April 2022.**

## **Main Report**

### **Introduction and Background**

1. The scheme for establishing liability for council tax and its collection is set out in the Local Government Finance Act 1992 (as amended). The Act makes provision for a number of fixed discounts and exemptions (e.g. for homes occupied by single persons) and gives discretion to billing authorities to grant discounts in other cases within prescribed limits.
2. There are currently three Council Tax discounts available to residents from Brentwood Borough Council that are at the discretion of the Council and are at a direct cost to the collection fund, where Council Tax Income is collected and distributed to the Major Precepting authorities: Essex County Council, Fire & Police and Brentwood Council.
3. The three discounts are:
  - a) Council Tax discount Class C1W - where a property is empty and unfurnished a 100% discount can be awarded for the first three months. This affects 219 properties and has a direct total cost to the collection fund of £101,000, a cost to the Council of £10,700.
  - b) Discount Class B1 - where a property is not a person's main home, but their second home, a 10% discount can be awarded ongoing. This affects 130 properties and has a direct total cost to the collection fund of £25,600, a cost to the Council of £2,700.
  - c) Discount Class D2 – where a property is empty and uninhabitable due to undergoing structural alteration or undergoing major repairs, a 25% discount for up to 1 year. Only the % is discretionary and not the period of time.
4. Each discount has been considered and reviewed against the value of the discount currently being provided, the impact to the residents as well as the comparisons against other Essex Authorities.

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

5. The Local Government Finance Act 2012 introduced discretion for billing authorities to vary some existing Council Tax discounts and exemptions from 1st April 2013.

6. The below table shows how these discounts are currently administered across other Essex local authorities.

	Empty & Unfurnished Ctax Discount	Empty & Uninhabitable Ctax Discount	Second Home Ctax Discount
Basildon	50% for 3 months	50% for 1 year	None
Braintree	None	None	None
Brentwood	100% for 3 months	25% for 1 year	10% ongoing
Castle Point	100% for 4 weeks	None	None
Chelmsford	100% for 3 months	None	10% ongoing
Colchester	100% for 4 weeks	None	None
Epping	None	50% for 1 year	5% ongoing
Harlow	100% for 3 months	50% for 1 year	none
Rochford	None	None	None
Tendring	None	100% for 1 year	None
Uttlesford	50% for 6 months	50% for 1 year	None

7. As these Council Tax discounts alone are at the discretion of the Council, there is an opportunity to change and to consider the impact to Council funds and to its residents.
8. Potential changes will financially impact not only the major preceptors, Essex County Council, Fire and Police but also parish councils.
9. Data included within this report, is from a fixed period in time, it should be noted that discounts are awarded and removed to Council Tax properties on a routine basis, depending on information known to the Billing authority and maybe subject to change.

### Empty and Unfurnished Discounts

10. For empty and unfurnished properties owners currently receive 100% discount from their Council Tax bill for the first three months. The value of this discount

Ctax Band	Total no of properties	Total value of discount	Cost to Essex / Fire / Police Precepts	Cost to Brentwood
A	12	£3,633.93	£3,246.66	£387.27
B	35	£12,365.41	£11,047.66	£1,317.75
C	67	£27,052.59	£24,169.58	£2,883.01
D	42	£19,078.08	£17,044.97	£2,033.12
E	32	£17,765.84	£15,872.56	£1,893.28
F	21	£13,778.63	£12,310.25	£1,468.37
G	10	£7,570.68	£6,763.88	£806.80
H	0	£0.00	£0.00	£0.00
	<b>219</b>	<b>£101,245.15</b>	<b>£90,455.56</b>	<b>£10,789.60</b>

11. The removal of the Empty and Unfurnished discount could impact the following:
- a) Landlords when the property is empty between tenancies;
  - b) Residents moving home between properties where there is an overlap; and
  - c) Tenants offered new tenancies often have to take up the tenancy immediately but may not be able to move in straight away so could be liable for Council Tax on both properties.

### Second Home Discounts

12. For second homes owners currently receive a 10% discount from their Council Tax bill and this is ongoing.

Ctax Band	Total no of properties	Total value of discount	Cost to Essex / Fire / Police Precepts	Cost to Brentwood
A	11	£1,332.44	£1,190.44	£142.00
B	13	£1,837.15	£1,641.37	£195.78
C	30	£4,845.24	£4,328.88	£516.36
D	26	£4,724.10	£4,220.66	£503.44
E	25	£5,551.83	£4,960.18	£591.65
F	12	£3,149.40	£2,813.77	£335.63
G	9	£2,725.44	£2,435.00	£290.45
H	4	£1,453.57	£1,298.66	£154.90
	<b>130</b>	<b>£25,619.16</b>	<b>£22,888.95</b>	<b>£2,730.21</b>

13. The removal of the Second homes discount could impact the following:
- a) Landlords with furnished lets when the property is empty between tenancies;
  - b) Residents where this is a second home for them and they are classed as permanently resident at their main home which is elsewhere; and
  - c) Properties that remain furnished following the death of the liable person where probate has been granted and the statutory six months' probate exemption period has expired.

### Empty & Uninhabitable Discounts

14. For Empty & Uninhabitable discounts homes owners currently receive a 25% discount from their Council Tax bill for the first 1 year.



<b>Ctax Band</b>	<b>Total no of properties</b>	<b>Total value of discount</b>	<b>Cost to Essex / Fire / Police Precepts</b>	<b>Cost to Brentwood</b>
A	0	£0.00	£0.00	£0.00
B	1	£353.30	£315.65	£37.65
C	4	£1,615.08	£1,442.96	£172.12
D	8	£3,633.92	£3,246.66	£387.26
E	5	£2,775.91	£2,480.09	£295.83
F	8	£5,249.00	£4,689.62	£559.38
G	9	£6,813.61	£6,087.49	£726.12
H	0	£0.00	£0.00	£0.00
	<b>35</b>	<b>£20,440.82</b>	<b>£18,262.46</b>	<b>£2,178.36</b>

15. The removal of the Empty & Uninhabitable discount could impact owners/builders who are making improvements and bringing properties up to specification to make them habitable.

### **Conclusion**

16. A consultation with residents was carried out and responses are attached in Appendix A. Following an analysis of the options above and the consultation results, it has been considered that two of these discretionary discounts are removed from 1 April 2022, these are:
- a) Empty & Unfurnished discount
  - b) Second Homes discount

### **Reasons for Recommendation**

17. Properties that are vacant for long periods of time, can lead to problems with squatters, anti-social behaviour and have a direct impact on the amount of housing available in the Borough. The removal of these discounts would incentivise the owners to bring properties back into use and occupation with less delay.
18. Currently two local Council Tax discounts the Council are reviewing to remove are costing Brentwood Council £13,519 per annum, and the precepting authorities collectively £113,344 per annum. This would generate additional income to the collective Councils to reinvest within their services.
19. Legislation will still allow the Council to award discretionary support to people in exceptional circumstances and each request will be given due care and consideration and assessed on its own merits.

## **Consultation**

20. Consultation on the proposed changes was carried out between 4 October and 7 November 2021.

## **References to Corporate Strategy**

21. Providing a reasonable and balanced set of Council Tax discounts will help grow the economy, improve housing and will support the delivery of an efficient and effective council.

## **Implications**

### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) and Section 151 Officer**

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

22. Financial implications have been included within the report. The Council is the billing authority and collects Council Tax on behalf of all the preceptors and parishes within the Brentwood borough. All income collected is accounted for within the Collection Fund account and distributed to preceptors the following year, through a deficit/surplus mechanism. The tax base for the borough which take account of valid discounts and exemptions on properties is calculated in October for the following budgeted year. Therefore, the Council will start to see the effect of these changes from the year 2023/24.

### **Legal Implications**

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

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

23. The Local Government Finance Act 2012 introduced discretion for billing authorities to vary some existing Council Tax discounts and exemptions from 1st April 2013. The Council cannot totally fetter its' discretion to award discounts completely, by retaining the ability to look at exceptional cases and having a criteria to determine these cases will mitigate the risk of challenges.

### **Economic Implications**

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

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

24. Properties that are vacant for long periods of time, can lead to problems with squatters, anti-social behaviour and have a direct impact on the amount of housing available in the Borough. The potential removal of these discounts would incentivise the owners to bring properties back into use and occupation

with less delay as well as increase the Tax Base within the borough for Major Preceptors to benefit and reinvest the income within their services. The decision to remove these discounts would have indirect economic benefits in addition to other considerations.

### **Equality and Diversity Implications**

**Name/Title: Kim Anderson, Corporate Manager (Communities, Leisure and Health)**

**Tel/Email: 01277 312500/kim.anderson@brentwood.gov.uk**

25. An equality impact assessment has been carried out to ensure that the Council has due regard to section 149 of the Equality Act 2010.
26. The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
  - a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
  - b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
27. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for b) or c), although it is relevant for a).
28. The proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

29. None

### **Background Papers**

30. None

### **Appendices to this report**

Appendix A: Consultation response to Council Tax Discount Review.

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**Review of Local Council Tax Discounts 2022/2023**

**Background to the consultation & responses**

**Council Tax Discounts**

There are currently three Council Tax discounts available to residents from Brentwood Borough Council that are at the discretion of the Council and are at a direct cost to the collection fund, where Council Tax Income is collected and distributed to the Major Precepting authorities: Essex County Council, Fire & Police and Brentwood Council.

The three discounts are:

- Council Tax Discount Class C1W - where a property is empty and unfurnished a 100% discount can be awarded for the first three months.
- Discount Class B1 - where a property is not a person's main home, but their second home, a 10% discount can be awarded ongoing.
- Discount Class D2 – where a property is empty and uninhabitable due to undergoing structural alteration or undergoing major repairs, a 25% discount for up to 1 year

**What is this consultation about?**

The Local Government Finance Act 2012 introduced discretion for billing authorities to vary some existing Council Tax discounts and exemptions from 1st April 2013. As these three Council Tax discounts alone are at the discretion of the Council, there is an opportunity to change and to consider the impact to Council funds and to its residents.

**Who could the outcome of this consultation affect?**

- Owners, Landlords and Tenants of properties empty within the Brentwood Borough

**Who will the outcome of this consultation 'not' affect?**

- Owners, Landlords and Tenants of properties where properties are not empty within the Brentwood Borough

## **Proposals for Local Discretionary Council Tax Discounts to be considered from 1 April 2022**

Brentwood Borough Council is consulting with its residents on their views to change the current local discretionary Council Tax Discounts from 1 April 2022.

- Removing the Council Tax discretionary discount for Empty and Unfurnished properties from 1 April 2022.
- Removing the Council Tax discretionary discount for Second Homes from 1 April 2022.
- Not changing The Council Tax discretionary discount for Empty & Uninhabitable properties from 1 April 2022.

### **The Consultation**

This consultation consists of 5 questions about the proposed changes to the local discretionary Council Tax Discounts from 1 April 2022 and a Comprehensive Monitoring Form with questions about you.

**Q1.** Owners of Empty and Unfurnished properties within the Brentwood Borough currently receive 100% discount from their Council Tax bill for three months. The proposal is to remove this discount from 1 April 2022.

The removal of the Empty and Unfurnished discount would impact the following:

- Landlords when the property is empty between tenancies;
- Residents moving home between properties where there is an overlap; and
- Tenants offered new tenancies often have to take up the tenancy immediately but may not be able to move in straight away so could be liable for Council Tax on both properties.

How do you feel about this approach?

<b>Strongly Agree</b>	<b>35%</b>
<b>Agree</b>	<b>16%</b>
<b>Don't Know</b>	<b>1%</b>
<b>Disagree</b>	<b>17%</b>
<b>Strongly Disagree</b>	<b>30%</b>

**1 response did not answer the question.**

**Q2.** Owners of Second Homes within the Brentwood Borough currently receive 10% discount from their Council Tax bill and this is ongoing. The proposal is to remove this discount from 1 April 2022

The removal of the Second homes discount would impact the following:

- Landlords with furnished lets when the property is empty between tenancies;
- Residents where this is a second home for them and they are classed as permanently resident at their main home which is elsewhere; and
- Properties that remain furnished following the death of the liable person where probate has been granted and the statutory six months' probate exemption period has expired

How do you feel about this approach?

<b>Strongly Agree</b>	<b>48%</b>
<b>Agree</b>	<b>25%</b>
<b>Don't Know</b>	<b>2%</b>
<b>Disagree</b>	<b>4%</b>
<b>Strongly Disagree</b>	<b>20%</b>

**Q3.** Owners of properties that are Empty and Uninhabitable within the Brentwood Borough currently receive 25% discount from their Council Tax bill for up to a year. The proposal is to **NOT** change this discount from 1 April 2022

The removal of the Empty & Uninhabitable discount would impact the following:

- Owners / builders who are making improvements and bringing properties up to specification to make them habitable

How do you feel about this approach?

<b>Strongly Agree</b>	<b>35%</b>
<b>Agree</b>	<b>16%</b>
<b>Don't Know</b>	<b>1%</b>
<b>Disagree</b>	<b>17%</b>
<b>Strongly Disagree</b>	<b>30%</b>

**Q4.** Please use the space below if you would like Brentwood Borough Council to consider any other options.

**Of the 122 responses to the consultation 40 comments were made on proposed options or additional options.**

**13 – Positive feedback on proposed options; 4 specifically on proposed removal of second homes discount**

**13– Additional feedback on other options**

- **3 - Charge premium on empty properties**
- **3 - Remove uninhabitable discount or length**
- **2 - Reduce Business Rates/Charge more on empty shops**
- **1 - Premium Tax on second homes**
- **1 - Reduce discount on empty homes**
- **1 - Staggered discounts on empty properties**
- **1 - Liaise with parishes on empty homes**
- **1 - Increase uninhabitable discount/increase single person discount**

**8 – Negative feedback on proposed options; 5 specifically on removing empty homes discount.**

**3 – Requested to Increase the single person discount.**

**2 – Asked questions on Council Tax Liabilities**

**1 – No additional Feedback**

N.B Single Person discount is not a local discount that Brentwood Council has powers to amend and is statutory set in law.

Long term empty domestic properties are charged a premium on Council Tax, which is set to the maximum local limit.

Business Rates are calculated based on the properties rateable value which is set by the Valuation Office Agency. Brentwood Council do not have local powers to amend.

**Q5.** Please use the space below to make any other comments in relation to this consultation process.

**Of the 122 responses to the consultation 27 additional comments were made.**

**11 – Positive comments on options presented and/or process of consultation**

**8 – Negative feedback. This was either general, consultation length was too short or in relation to empty home properties**

**3 – No further comments**

**2 – Requested further information to be included**

**2 – Question 3 was confusing**

**1 – Constructive feedback on voting at polls**



# Agenda Item 4

<b>Committee(s):</b> Ordinary Council	<b>Date:</b> 23rd February 2022
<b>Subject:</b> Budget 2022/23	<b>Wards Affected:</b> All
<b>Report of:</b> Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) & Section 151 Officer	<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 (Finance & Resources) & Section 151 Officer Telephone: 01277 312500 E-mail: Jacqueline.vanmellaerts@brentwood.gov.uk	<b>For Decision</b>

## Summary

This report and appendices sets out all the relevant information in support of setting the Councils Budget for General Fund services and Council Tax for 2022/23, together with financial forecast information through to 2024/25. Also included is information on the Housing Revenue Account (HRA) budget for 2022/23 and the Capital Programme 2022/23 to 2024/25.

- (i) Appendix A - The General Fund budget proposals for 2022/23 to 2024/25.
- (ii) Appendix B - The Housing Revenue Account (HRA) budget proposals for 2022/23 onwards.
- (iii) Appendix C - The Capital and Investment Strategy for 2022/23 including the Capital Programme 2022/23 to 2024/25
- (iv) Appendix D – Fees & Charges Schedule 2022/23
- (v) Appendix E - Pay Policy Statement
- (vi) Appendix F - Section 151 Officers Assurance Statement and useful information
- (vii) Appendix G - Corporate Strategy Budget Summary
- (viii) Appendix H – Council Tax Resolution 2022/23

The budget was considered by the Policy, Resources and Economic Development Committee on 2<sup>nd</sup> February 2022 and has been recommended to Ordinary Council for consideration and approval.

The figures presented summarise the detailed service budgets, together with known adjustments including the impact of the provisional central government grant funding along with financial implications of COVID-19.

The key elements of the proposed budget are:

#### General Fund

- 1) £5 increase in Council Tax for 2022/23 for Brentwood Council services.
- 2) Earmarked Reserves to set aside appropriate balances to mitigate future financial risk and build up in borough regeneration.
- 3) Future uncertainty of Local Government Financing.

#### Housing Revenue Account

- 1) For 2022/23 a budget that delivers a small surplus of £34k.
- 2) Increase in rents of CPI plus 1% per annum; equating to 4.1%.
- 3) Continued investment in the delivery of Decent Homes and Development of Housing within the Borough.
- 4) Significant investment in the Strategic Housing Delivery Programme ensuring the 30 year business plan is sustainable.

#### Capital

- 1) Total capital investment of £41.420 million in 2022/23
- 2) Subsequent investment of £38.9 million & £22.3million from 2023 to 2025.

**Recommendation(s)**

**Members are asked to**

**R1. Approval the General Fund Budget 2022/23 and Medium-Term Financial Strategy as set out in Appendix A.**

**R2. Approve that Council Tax has a £5 increase for 2022/23, the charge of Band D property increases to £198.63 per annum for Brentwood Council services only.**

**R3. Approve the HRA budget 2022/23 including the 30-year HRA Business Plan within Appendix B.**

**R4. Approve an increase to rents for 2022/23 by CPI plus 1%, a total of 4.1%**

**R5. Approve the Capital and Investment Strategy in Appendix C including the Capital Programme.**

**R6. Approve the Fees & Charges Schedule in Appendix D**

**R7. Approve the Pay Policy Statement in Appendix E**

**R8. To note the Section 151 Officers Assurance Statement in Appendix F.**

**R9. That:**

**(1) The formal resolutions to set the Council Tax level for 2022/23 be made as set out in Appendix H (page 4 to 8) are approved.**

**And in the absence of a formal precept demand from Essex County Council, Essex County Fire and Rescue Service and Police Fire and Crime Commissioner;**

**(2) Delegated authority is given to the Section 151 Officer to notify all members of the Council once the precept demand is received; and to set the overall Council tax level for 2022/23 should there be any changes that effect Table 2, 3, 6 & Table 7 in Appendix H.**

## 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 2022/23. Key issues have been summarised in this report by way of background.
2. All figures in Appendix A should be considered to be draft at this stage. The final local government finance settlement has not yet been issued. It is expected at the end of January or early February.

### Financial Implication of the Pandemic

3. During the past year, the COVID pandemic still continues to have a significant financial impact on the council in its role as community leader.
4. 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.
5. The estimated impact on the council of additional expenditure and reduced income in 2021/22 is approx. £1.9 million (£3.4 million 2020/21). To offset this, the Government has provided a total of £0.306 million in grants (£0.908 million 2020/21). In addition, an income compensation scheme for lost sales and fees and charges was put in place for 2020/21, this has continued into the first quarter of 2021/22 which is anticipated to compensate the council for around £0.250 million in lost income.
6. The ongoing impact of the pandemic still cannot be accurately assessed and is dependent on many factors outside the control of the council. During 2021/22 the impact has been monitored in-year and the Council has seen a continued decrease in income from the result of the pandemic. The loss of income is not short-term and therefore the proposed MTFS has built in the following income loss into the base budget because of the pandemic.

Income Loss	2022/23 £'000	2023/24 £'000	2024/25 £'000
Leisure	12	12	12
Taxi Check	23	23	23
Parking	888	788	688
Taxi Licence	31	24	17
Other Licensing	6	6	6
<b>Total Income Loss</b>	<b>960</b>	<b>853</b>	<b>746</b>

7. It is prudent to assume that normal operations on certain services will not resume fully when all restrictions are lifted. For this Council this is Leisure services, Parking Services and Licensing services. The most significant income loss to this Council is Parking income and is predominantly to do with the loss of individual and business season tickets not being renewed. As businesses adopt a Hybrid working approach, scale down their office size and therefore scale down the need to supply parking for employees. In addition, those who are individually commuting less require less days to park in the Borough and no longer require a parking season ticket. This trend is deemed to be an ongoing trend.

#### Government Funding

8. 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.
9. The financial position and the Councils 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 2022/23.
  - 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 is under review by Government and we are waiting the results following consultation.

## Council Tax

10. This committee is to recommend increasing the Council Tax by £5 for 2022/23 per band D property. The Band D charge will increase to £198.63 per annum. £5 increase equates to an additional 9.6p (10p rounded to the nearest whole penny) per week per band D. The government has assumed in its forecast of Local Authority spending power that Council Tax will increase by 2%. The authority's settlement is based on the assumption by government those authorities maximise their income generation through Council Tax increases.
11. The Chancellor announced measures to protect households from rising energy costs on 3<sup>rd</sup> February 2022. This includes a £150 council tax energy rebate; detailed guidance will be published however it is expected that the Revenues and Benefits system will be used to identify the properties that qualify for the energy rebate for the Council to pay the funds directly and not offset the amount from the annual council tax billing. Brentwood currently has 19,131 properties within Bands A-D, properties within these bandings are expected to be awarded £150 to contribute to their energy costs.
12. All precept demands have been received from the 9 parishes within the borough. 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 in writing. 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

13. The continued significant reduction in Government Funding and the pressures of COVID-19 means that 2021/22 is forecasted to be in a breakeven position. However, through proposed savings and Investment Targets, the Council is expected to balance its 2022/23 budget. This is outlined below in Table 1.

Table 1 – General Fund Revenue projected Working balances.

	2020/21 Actual £'000	2021/22 Forecast £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
<b>Total General Fund Net Expenditure</b>	<b>12,063</b>	<b>9,061</b>	<b>9,147</b>	<b>9,881</b>	<b>10,473</b>
<b>Total Funding</b>	<b>(11,820)</b>	<b>(9,061)</b>	<b>(9,025)</b>	<b>(8,477)</b>	<b>(8,647)</b>
<b>Deficit/(Surplus)</b>	<b>243</b>	<b>0</b>	<b>122</b>	<b>1,404</b>	<b>1,826</b>
<b>Use of Earmarked Reserves</b>	<b>0</b>	<b>0</b>	<b>(122)</b>	<b>0</b>	<b>0</b>
<b>Deficit/(Surplus)</b>	<b>243</b>	<b>0</b>	<b>0</b>	<b>1,404</b>	<b>1,826</b>
<b>Working Balance b/fwd</b>	<b>3,117</b>	<b>2,874</b>	<b>2,874</b>	<b>2,874</b>	<b>1,470</b>
<b>(Deficit)/Surplus</b>	<b>(243)</b>	<b>0</b>	<b>0</b>	<b>(1,404)</b>	<b>(1,826)</b>
<b>Working Balance c/fwd</b>	<b>2,874</b>	<b>2,874</b>	<b>2,874</b>	<b>1,470</b>	<b>(356)</b>

14. 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 for future years, further information is set out in Appendix A

#### Saving Targets

15. In delivering the proposed budget for 2022/23 and financial forecasts, there are a number of proposed saving targets that are planned to ensure the Council's resources and the services it delivers are directed in delivering and achieving the Council's Corporate Strategy. These savings targets are summarised in Appendix A (Page 15).

#### Reserves

16. Appendix A (Page 18) summarises the overall level of General Fund Reserves and reflects the realignment of reserves to meet current and anticipated investment requirements.

#### Housing Revenue Account

17. Appendix B sets out the full detail on all the relevant considerations in respect of setting the HRA budget for 2022/23
18. 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.

19. 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

20. As well as detailing the Council's capital programme this strategy (Appendix C) sets out the capital and investment arrangements for 2022/23. This strategy includes the Council's treasury management which relates to the Council's borrowing and investment activities and the effective management of these.
21. This strategy details the levels and boundaries officers must work within in delivering effective financial management of investing and borrowing for Council finances.
22. The full capital programme and detail schemes are also outlined in Appendix C (Page 16)

#### Treasury Management Strategy

23. 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.
24. For 2022/23 the following changes have been made to the Strategy:
  - Introduction of Non-specified investments. For 2022/23, investments of up to three years with other local authorities will be allowed, up to a total value of £5m. This is to enable the Council to access higher returns through investing for longer periods and have the opportunity to build up some long-term investments for repayment of borrowing in future years. .
  - Credit rating limits. Accepting a financial institution for investment where they have two out of the three credit ratings from the three main credit agencies deemed at the Council's minimum level. It is not considered that this change will expose the Council to the risk of loss.
  - Country limits. Allowing investments to be invested with non-UK banks that are accessible via the Agency Treasury Service provided by Link



Group. The Agency Treasury Service is a facility that gives the Council easy access to a number of UK and non-UK banks. The Council has used this facility for a number of years in order to access some UK banks such as Standard Chartered Bank. The purpose of this change is to help diversify the Investment portfolio. The minimum credit rating would apply to each of these, and in addition the minimum acceptable sovereign credit rating of the country of origin at the time of placing the deposit will be AA-. The strategy recommends that UK financial institutions are prioritised first when making investments.

25. The purpose of these changes is to ensure any surplus cash can be invested appropriately. The current strategy is becoming too restrictive, and the changes provide flexibility to diversify the Council's investment portfolio without exposing the Council to any further risk.

#### Fees & Charges

26. Proposed Fees and Charges were taken to the appropriate Council Committee during the financial year 2021/22, however these were subsequently deferred depending on further financial review and discussion with Committee Chairs and Senior Leadership Team directors. Fees and Charges for 2022/23 were reported to Policy, Resources & Economic Development Committee on 2<sup>nd</sup> February 2022 and recommended to Full Council for approval. These fees and charges have been collated together to form Brentwood Borough Councils Fees and Charges Schedule attached as Appendix D.

#### Pay Policy

27. 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 PRED committee on 2<sup>nd</sup> February 2022 was asked to consider the Pay Policy Statement (Appendix E) and endorse it for Ordinary Council approval.

## Assurance Statement

28. The 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.
29. 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. The assurance statement is attached in Appendix F, which also includes useful information for members on the legalities of setting a balanced budget and a glossary for all the budget documents.

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

30. 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. (Page 28)
31. 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 2022/23 an increase of 2% or £5 which is higher would be excessive and require a positive vote in a referendum.
32. 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 as well as provides useful information for the Budget reports.

## **Reasons for Recommendation**

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

## **Consultation**

35. The Council undertook a Consultation on the budget between 2 September 2021 to 3 October 2021. Further information is set out in Appendix A (Page 28)

## **References to Corporate Strategy**

36. 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**

37. 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**

38. 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.
39. 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 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**

40. 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**

41. None

### **Appendices to this report**

Appendix A: General Fund Budget 2022/23

Appendix B: Housing Revenue Account Budget & 30-year Business Plan 2022/23

Appendix C: Capital and Investment Strategy 2022/23

Appendix D: Fees & Charges Schedule 2022/23

Appendix E: Pay Policy Statement

Appendix F: Section 151 Officers Assurance Statement & Useful Information

Appendix G: Corporate Strategy Budget Summary

Appendix H: Council Tax Resolution



**BRENTWOOD  
BOROUGH COUNCIL**

Brentwood Borough Council  
General Fund Budget  
2022/23

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# Medium Term Financial Strategy 2022/23

## Introduction

1.The Corporate Strategy 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.

2.This section sets out the key considerations for the MTFS together with the budget position through to 2024/25. The forecasts should be treated with caution because:

- 1) The settlement for 2022/23 is for one year only and based on the spending review 2021 funding levels.
- 2) A formal review of the New Homes Bonus scheme was undertaken during X however the outcome of this consultation is unknown. The budget and financial forecast assume no changes to the scheme for 2022/23 with a single year's new allocation made alongside the outstanding legacy payment for 2019/20. It is assumed that New Homes Bonus payments are not planned beyond 2022/23.
- 3) In the settlement announcement there was no consultation papers published relating to the Fair Funding Review or Business Rates Reset. Therefore, assumptions assume no change, however, it would appear the government intend to make further announcements in the new year before consulting on any potential changes.
- 4) The draft budget and financial forecast 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 2022/23.
- 5) The business rate multiplier will be frozen in 2022/23 therefore the three elements of Business Retention system remain unchanged. It is unlikely that any other significant changes will take place until 2023/24 or later.
- 6) In response to Covid-19, the existing scheme of retail discounts was considerably expanded, removing rate liability altogether for the whole of 2021/22 for most retail, hospitality, and leisure businesses, for nursery schools and for certain other ratepayers. Concessions have continued for retail, hospitality and leisure for 2022/23 and forecasts have been based on this basis
- 9) There is continued uncertainty over the financial impact of the pandemic on the council. The budget has been prepared assuming a decrease on predominantly car

parking income with any long-lasting impact of the pandemic monitored as they arise during the year.

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

4. The continued significant reduction in Government Funding and the pressures of COVID-19 have been mitigated in year which means that 2021/22 is forecasted to be in a balanced position in 2021/22.

5. The Council has an ambitious agenda in a current volatile financial climate, that is restricted by government bodies. The Council aims to continue to deliver the services it currently delivers and more. However, through proposed savings and Investment Targets, the MTFs is expected to balance its 2022/23 budget. Beyond 2022/23 deficits are expected to arise and deplete existing working balances if earmark reserves are not utilised. Highlighting that the Council cannot sit still, and further savings, efficiencies and income generation ideas are to be sought to support the aspiring programme arising from the Council's Corporate Strategy. The current position is outlined below.

Table 1 – General Fund Summary

	2020/21 Actual £'000	2021/22 Forecast £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
Total General Fund Net Expenditure	12,063	9,061	9,147	9,881	10,473
Total Funding	(11,820)	(9,061)	(9,025)	(8,477)	(8,647)
Deficit/(Surplus)	243	0	122	1,404	1,826
Use of Earmarked Reserves	0	0	(122)	0	0
Deficit/(Surplus)	243	0	0	1,404	1,826
Working Balance b/fwd	3,117	2,874	2,874	2,874	1,470
(Deficit)/Surplus	(243)	0	0	(1,404)	(1,826)
Working Balance c/fwd	2,874	2,874	2,874	1,470	(356)



## Outturn 2021/22

6. The Medium-Term Financial Forecast reflects the latest outturn projections regarding the delivery of the 2021/22 budget.
7. The outturn for 2021/22 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 2021/22 is approx. £1.9 million (£3.4 million 2020/21). To offset this, the Government has provided a total of £0.306 million in grants (£0.908 million 2020/21). In addition, an income compensation scheme for lost sales and fees and charges was put in place for 2020/21, this has continued into the first quarter of 2021/22 which is anticipated to compensate the council for around £0.250 million in lost income.
8. Overall, within expenditure there is a significant underspend within the establishment, this is offset with the increased costs of project management support required. Predominantly for the cost of running the Brentwood Centre for the interim period alongside costs in supporting the Local Development Plan through its examination process as well as additional support required to ensure social distancing measures were adhered to. As well as increased costs for additional management support, inflationary pressures have arisen on fuel and utilities.
9. Income pressures are associated with the longer-term impact of COVID-19. Parking income has consistently stayed at 75% of pre-pandemic levels since June 2021. With commuters working more hybrid season ticket income has declined with a reduction in renewals. Expectation is that parking income will remain at these levels as nationally employers encourage its employees to work under hybrid model.
10. Revisions to the minimum revenue provision and allocation of the pension deficit between General Fund and HRA have offset some of the pressures identified, with the new recycling scheme performing above expectation with regard to the income generated from being able to sell the recycling collected. These variances alongside contributing in total to earmarked reserves than planned as resulted in a balance position for 2021/22.

## Medium Term Financial Strategy Assumptions

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

- Revenue Budget on page 14
- Capital and Investment Strategy (Separate Appendix)

12. 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

13. 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

14. 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) Service redesign and delivery of service strategies
- 2) Maximising income generating opportunities
- 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) Optimising the Council's use of technology to enable new ways of working and improving service quality for our residents.
- 6) Ensuring the Council's assets are used efficiently and effectively

7) Creating Green Initiatives internally and throughout the borough.

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

16. 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.

17. 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

18. A 3-year forecast for the General Fund is set out below. The 2022/23 budget does generate a small deficit that is expected to be funded from reserves, ensuring the working balance remains at current levels. Further deficits are forecast with no assumption that earmark reserves will be utilised.

19. Forecasts beyond 2022/23 should be treated with caution due to the extreme uncertainty over the funding position from that year onwards.

20. 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) **COVID-19** – reduction in income budgets as a direct result of the pandemic
- 4) **Inflation** - 4% has been applied to contractual obligations for 2022/23, decreasing following years to 2.6% and 2.1% in line with HMT Treasury forecasts.
- 5) **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.
- 6) **Vacancy Factor** – 4% vacancy factor is assumed and recalculated based on revised establishment budget.
- 7) **Income** - increases, associated with service income targets.
- 8) **Fees & Charges** - increases, associated with increasing fees & charges by inflationary costs and revisiting demand, ensuring cost recovery basis
- 9) **Funding** - Funding adjustments considering the Provisional Local government Finance Settlement.
- 10) **Growth** - required to budgets as per budget bids being submitted by budget managers and agreed by Senior Leadership Team at Budget Challenges.
- 11) **Savings** – proposed initiatives from services.
- 12) **Recharges to the HRA** - are revisited on an annual basis and the allocation is revised on the proposed budget.
- 13) **Reserves** – Contributions to/from Earmarked Reserves
- 14) **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.

21. 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

	2022/23 £'000	2023/24 £'000	2024/25 £'000
<b>Funding Gap b/wd</b>	<b>(204)</b>	<b>(146)</b>	<b>(146)</b>
<b>Add:</b>			
Rebasing (1)	(78)	(88)	(88)
Realigning (2)	613	791	791
COVID-19 (3)	960	853	746
Inflation (4)	64	32	47
Establishment (5)	453	441	590
Vacancy Factor (6)	(70)	(60)	(60)
Increase in Income (7)	(423)	(564)	(435)
Fees & Charges (8)	(130)	(102)	(108)
Funding Adjustments (9)	(703)	(632)	(801)
Growth (10)	214	206	209
Savings (11)	(582)	(582)	(582)
Recharges to HRA (12)	82	83	54
Reserves (13)	(122)	301	324
Non-Service (14)	(74)	871	1,285
<b>Total</b>	<b>0</b>	<b>1,404</b>	<b>1,826</b>
<b>Revised Working Balance b/wd</b>	<b>2,874</b>	<b>2,874</b>	<b>1,470</b>
<b>(Deficit)/Surplus</b>	<b>0</b>	<b>(1,404)</b>	<b>(1,826)</b>
<b>Revised Working Balance c/wd</b>	<b>2,874</b>	<b>1,470</b>	<b>356</b>

Appendix 1 details changes made to the base budget to arrive at the revised budget and forecast.

## Government Funding

### Provisional Local Government Finance Announcement

22. The Provisional Local Government Finance Settlement for 2022/23 was announced on 16 December 2021.

23. It is based on the Spending Round 2021 funding levels, with individual authority allocations based upon Spending Review 2021 and subsequent funding announcements. This is the first time since 2015 that, in the context of a multi-year Spending Review, the government has only provided local authorities with a single-year settlement.

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 2022/23 new Homes Bonus allocations have been announced. These will be paid with the legacy payments due from the previous years. As like last year there will be no legacy payments for the 2022/23 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 grant introduced in 2021/22 as an unringfenced lower tier services grant of £111m has been established. Brentwood’s allocation is £74k for 2022/23
- **Services Grant** – A new £822m grant, that is expected to remain in future years but will be distributed differently. Brentwood’s allocation is £114k for 2022/23.
- **Local Government Funding reform** – Fair funding review has been postponed to a date yet unknown.

### New Homes Bonus Grant

24. 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.

25. 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.

26. For 2022/23, the Council is due to receive £0.713m in New Homes Bonus Grant. 2022/23 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 and consulted on the scheme from 10<sup>th</sup> February 2021 until 4<sup>th</sup> April 2021 but no details have yet been provided from this consultation. 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	£'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		
Yr 12												204	
<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>713</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

27. 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 2022/23, the Council will continue to treat the grant funding as general financial support.

### Business Rates Retention

28. 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 2022/23 and future year is outlined below. They include payments from the Essex Business Rates Pool or the Government to bring the Council up to Safety Net level (92.5% of the Business Rates Baseline),

Table 4 – Business Rates Retention

	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000
Business Rates Retention	1,634	1,535	1,535	1,535

29. 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.

30. The figures do not assume a reset of the Business Rates baseline in future years as the timing of a reset is uncertain.

31. The pressure currently facing the Council and Business Rates Retention is due to the ongoing 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.

32. 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 2022/23 due to the uncertainty of the pool position, and any surplus/deficits are monitored in year.



## Total Government Funding

33. 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 Actual £'000	2021/22 Forecast £'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	713	Nil
Lower Tier Service Grant	Nil	Nil	Nil	Nil	71	74	74
Covid-19 Funding	Nil	Nil	Nil	982	309	Nil	Nil
Service Grant	Nil	Nil	Nil	Nil	114	114	114
<b>Total</b>	<b>1,388</b>	<b>410</b>	<b>678</b>	<b>1,670</b>	<b>1,023</b>	<b>901</b>	<b>188</b>
Business Rates Retention	1,798	2,220	1,800	1,634	1,535	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>3,304</b>	<b>2,558</b>	<b>2,436</b>	<b>1,723</b>

The table above highlights the continuous financial pressures the Council faces as Government funding declines.

## General Fund Revenue Budget

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

Table 6 – General Fund Revenue Budget

	2021/22 Forecast £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Growing Our Economy	1,212	1,225	1,251	1,279
Protecting Our Environment	1,898	2,029	2,030	2,033
Developing Our Communities	1,160	1,171	1,176	1,192
Improving Housing (GF)	134	136	128	136
Delivering an Effective and Efficient Council	5,136	5,042	5,095	5,149
<b>Total Corporate Priorities</b>	<b>9,540</b>	<b>9,603</b>	<b>9,680</b>	<b>9,789</b>
Total Non-Service Expenditure	(2,108)	(1,322)	(665)	(182)
<b>Total Cost of Services</b>	<b>7,432</b>	<b>8,281</b>	<b>9,015</b>	<b>9,607</b>
Transfer to/(from) Reserves	1,629	744	866	866
<b><u>Total Spending Requirement</u></b>	<b><u>9,061</u></b>	<b><u>9,025</u></b>	<b><u>9,881</u></b>	<b><u>10,473</u></b>
<b><u>Funding</u></b>				
New Homes Bonus	(529)	(713)	0	0
Business Rates Retention	(1,634)	(1,535)	(1,535)	(1,535)
Other Non-Specific Grants	(630)	(188)	(188)	(188)
Collection Fund Deficit	170	0	0	0
Council Tax Requirement – 2.58% Increase	(6,438)	(6,589)	(6,754)	(6,924)
<b><u>Total Funding</u></b>	<b><u>(9,061)</u></b>	<b><u>(9,025)</u></b>	<b><u>(8,477)</u></b>	<b><u>(8,647)</u></b>
<b>Total Deficit/(Surplus)</b>	<b>0</b>	<b>0</b>	<b>1,404</b>	<b>1,826</b>
General Fund working balance Brought Forward	2,874	2,874	2,874	1,470
<b>Total (Deficit)/Surplus</b>	<b>0</b>	<b>0</b>	<b>(1,404)</b>	<b>(1,826)</b>
General Fund working balance Carried Forward	2,874	2,874	1,470	<b>(356)</b>

## Saving Targets within the Revenue Budget

35. 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.

36. Included in Table are the current saving targets built within budget for 2022/23 and future years.

Table 7 - Proposed Saving Targets

Proposed Saving Targets	2022/23 £'000	2023/24 £'000	2024/25 £'000
Corporate Vacancy Factor	(459)	(470)	(479)
Capitalisation Staff Costs *	(50)	(50)	(50)
Digital Efficiencies*	(30)	(30)	(30)
Vehicle Fleet Maintenance	(135)	(135)	(135)
<b>Total Efficiency Targets</b>	<b>(674)</b>	<b>(685)</b>	<b>(694)</b>
Waste Service Income	(365)	(365)	(365)
Leisure Strategy Income	(175)	(175)	(175)
Service Income Generation	(130)	(135)	(136)
<b>Total Income Generation Targets</b>	<b>(670)</b>	<b>(675)</b>	<b>(676)</b>
<b>Total Saving Targets</b>	<b>(1,344)</b>	<b>(1,360)</b>	<b>(1,370)</b>

\*Previously in part incorporated within the 2022/23 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.

**Vehicle Fleet Maintenance** – Utilising commercial partners to deliver an in-house vehicle maintenance service for street services.

**Waste Service Delivery** – Through the embedding of the revised recycling scheme, the scheme can be optimised to generate an income of the recycling collected and further efficiencies achieved.

**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.

**Service Income Generation** – Multiple targets agreed with services to increase income through

### **Addressing the future Funding deficits**

37. Dealing with one year funding settlements is a challenging situation and does not give enough time for the Council to react or plan over the medium term. However the Council recognises the need to set a balance budget, which will require reducing costs and raising revenue for future years in order to reduce the forecasted future year deficits. The position as it stands is based on known assumptions now and is a ‘do nothing’ scenario. Forecasts will continue to be refined through future budget setting cycles.

38. 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.

39. Although the future year deficits are increasing significantly from 2023/24, there are a number of initiatives, in addition to the saving targets above that the Council is reviewing that have not yet been factored into the forecasted position within Table 1.

**Rochford Partnership** – In August 2021 it was agreed for the Council’s Chief Executive to have a shared role between Brentwood Borough Council and Rochford District Council for approx. 6 months. Towards the end of 2021 proposals have been drawn up to establish a formal strategic partnership between the two Councils moving forward from February 2022. This decision will be made at Extraordinary Council on 26<sup>th</sup> January 2022. Although detail savings have been estimated to be achieved for the partnership, the apportionment of these savings between the councils would need to be agreed following further review of the respective current structures and so have not yet been included within the Medium-Term Financial Strategy. If the decision is decided to go ahead with the partnership, then the forecasted funding gap presented in Table 1 of the future financial years position will expect to reduce.

**Financial Initiatives Group (FIG)** – During 2021/22 a members working group named, the financial initiatives group was established to ensure that the Council reviews and develops financial initiatives for presentation and consideration by Policy, Resources and Economic Development Committee (PRED) to achieve challenges for future financial years. One of the opportunities which has been identified is to set up a Regeneration Fund, which will be

reported to PRED on 2<sup>nd</sup> February 2022. Depending on individual business cases for this fund could help the Council identify short term Income generation.

**Existing Asset Growth** – In the past few years, the Council has increased its property portfolio to manage and maintain regeneration within the borough. The existing Assets do have an element of growth, which the Council intends to focus and prioritise on.

## Reserves

### Background

40. 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.

41 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

42. 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)

43 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

44. 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

45. 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

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

47. 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

48. 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.

49. Reserve balances are determined each year with regard to the current risks prevalent and foreseen at that time. The Section 151's Assurance Statement sets out the Section 151 Officer's view of the risks and uncertainties that the council is currently facing. The reserve balances at 1 April 2022/23 allows for the effect of the 2020/21 outturn position and the forecast outturn for 2021/22.

### **General Fund Working Balance**

50. When determining the budget position for 2022/23 Members have to make a balanced judgement as to the level of unallocated reserves to set for general purposes at March 2022 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

51. Although there is no statutory minimum level of reserves, the level of the General Fund working Balances is reviewed annually as part of the budget process and an annual risk assessment is undertaken alongside the Councils strategic risk register. Given the overall levels of risk the Section 151 Officer considers that the General Fund working Balance should be maintained above £2 million when setting the budget for 2022/23. £2 million represents approximately 20% of the total Spending requirement for and 5% of the Councils Gross Expenditure of £39.4million for 2022/23.

52. Although the Section 151's Assurance statement report on the adequacy of reserves is specific to 2022/23, the Council should bear in mind that adequacy should also be judged against longer-term plans.

53. 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.

## Earmarked Reserves

54. 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

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.
- **COVID-19** – Monies the Council has received due to the ongoing pandemic.

A summary table of each group is shown below followed by a detailed breakdown of every reserve in each group, as well as the rationale for each reserve.

Table 8a - General Fund Earmarked Reserve Forecast Balances - Summary

Reserve	Opening Balance 2020/21	Forecast Balance 2021/22	Forecast Balance 2022/23	Forecast Balance 2023/24	Forecast Balance 2024/25
	£'000	£'000	£'000	£'000	£'000
Mitigation	1,944	3,276	4,176	5,198	6,220
Service	1,738	2,118	2,073	2,050	2,050
Specific	1,059	601	589	577	577
COVID-19	6,042	477	477	477	477
<b>Total</b>	<b>10,783</b>	<b>6,472</b>	<b>7,315</b>	<b>8,302</b>	<b>9,324</b>



## Mitigation Reserves

- a) **Funding Volatility** - Fund to mitigate the uncertainty and financial risks regarding the Government Funding
- b) **Housing Benefit Subsidy Smoothing** - To support the funding of subsidy claims
- c) **Insurance and Risk Management** – To support and mitigate high risks identified through the risk register.
- d) **In Borough Regeneration** – Specifically set aside to mitigate future financing risk on redevelopment of Town Centre project.

## Service Reserves

- e) **Asset Management** – Support Asset management team for reactive compliance works.
- f) **Economic Development** – To be drawn down in delivering the corporate strategy aim of growing the economy.
- g) **Election Costs** – To fund election services costs - Reserve has been reduce to zero as it has met the objectives of its purpose.
- h) **Electoral Registration** – fund to be utilised for any unexpected upcoming elections
- i) **Environmental Initiatives** – specifically set aside to support the green agenda for the Council.
- j) **Digital, Customer & Comms** – To fund schemes such as customer service accreditation, customer contact training and development of social media engagement
- k) **High Street Fund** – Held to invest in improving the high streets, generating, and retaining economic growth.
- l) **Legal Resource** – To support legal services with unexpected case work.
- m) **Leisure Contingency** – To support the interim direct management by the Council of the Brentwood Leisure Centre - Reserve has been reduce to zero as it has met the objectives of its purpose.
- n) **LGV Driver Training** – To fund mandatory CPC training for LGV drivers
- o) **Parking Improvements** – To fund specialised cleansing in the multi storey Car park and Parking Strategy. Reserve has been reduce to zero as it has met the objectives of its purpose
- p) **Planning Development** – To fund future costs associated with dealing with planning applications
- q) **Planning Enforcement** – To aid in supporting the planning enforcement work across the borough.
- r) **Rochford Partnership** – New Reserve - To set aside funding required for partnership – Subject to Full Council Decision
- s) **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.

- t) **Street Scene Initiatives** – New Reserve - To fund development of one off initiatives within Street Scene service area.

#### Specific Reserves

- u) **Community Rights** – Government grant provided to assist in the implementation of the Localism act.
- v) **EU Exit** – To fund preparations required of the Council when the UK exits the EU. Reserve has been reduce to zero as it has met the objectives of its purpose
- w) **Health & Wellbeing** – Available for projects determined by the Brentwood health & Wellbeing board
- x) **Neighbourhood Plan** – A carry forward of government grants to be used in the connection with Doddinghurst and West Horndon neighbourhood plans.
- y) **Open Data Funding** - To support the anticipated additional work for DCN authorities related to open UPRN/USRN data
- z) **Preventing Homelessness** – to aid in meeting the requirements of homelessness and any legislative changes
- aa) **Section 106** – For contributing to costs for public open space improvements; maintaining grounds from previous S106 receipts.
- bb) **Waste Management** - To fund the development of waste management within the Borough. Reserve has been reduced to zero, moved to service reserves and renamed as street scene initiatives.

#### COVID-19 Reserves

- cc) **Council Tax Hardship Fund** – To fund Council Tax financial hardship for Council Tax Payers
- dd) **COVID 19 Funding Volatility** – To mitigate any financial pressures on services caused by the COVID-19 pandemic
- ee) **ECC – Night Time Economy Grant** – To fund night time economy within the Borough
- ff) **NDR Collection Fund Deficit** – To carry forwards S31 Grants received in 2020/21 to offset the deficit carried forward on the NDR Collection Fund due to the extended Retail Relief Scheme in 2020/21
- gg) **New Burdens CT Hardship Fund & BRR** – To fund the administration of delivering Council Tax and Business Rate Relief
- hh) **New Burdens LADGF** – To fund administration of local authority discretionary grants
- ii) **New Burdens SBSG** – To fund administration of COVID-19 grants to support small businesses
- jj) **Test and Trace Admin** – To fund administration of Test & Trace
- kk) **Tax Income Guarantee Scheme** – To offset future deficits of the Collection Fund

Table 8b - General Fund Earmarked Reserve Forecast Balances

Reserve	Opening Balance 2021/22 £'000	Forecast Balance 2021/22 £'000	Forecast Balance 2022/23 £'000	Forecast Balance 2023/24 £'000	Forecast Balance 2024/25 £'000
Funding Volatility	1,343	1,653	1,531	1,531	1,531
Housing Benefit Subsidy Smoothing	150	150	150	150	150
Insurance and Risk Management	25	25	25	25	25
In Borough Regeneration	426	1,448	2,470	3,492	4,514
<b>Total Mitigation Reserves</b>	<b>1,944</b>	<b>3,276</b>	<b>4,176</b>	<b>5,198</b>	<b>6,220</b>
Asset Management	164	164	164	164	164
Economic Development	300	288	288	288	288
Election Costs	70	0	0	0	0
Electoral Registration	43	43	43	43	43
Environmental Initiatives	92	271	226	203	203
Digital, Customer & Comms	134	92	92	92	92
High Street Fund	200	200	200	200	200
Leisure Contingency	200	0	0	0	0
Legal Resource	100	100	100	100	100
LGV Driver Training	10	10	10	10	10
Parking Improvements	21	0	0	0	0
Planning Development	78	100	100	100	100
Planning Enforcement	130	150	150	150	150
Rochford Partnership	0	300	300	300	300
Service Investment and Initiatives	196	200	200	200	200
Street Scene Initiatives	0	200	200	200	200
<b>Total Service Reserves</b>	<b>1,738</b>	<b>2,118</b>	<b>2,073</b>	<b>2,050</b>	<b>2,050</b>
Community Rights	38	38	38	38	38
EU Exit Grant	53	0	0	0	0
Health and Wellbeing	81	98	98	98	98
Neighbourhood Plan	26	26	26	26	26
Open Data Funding to LA's	1	1	1	1	1
Preventing Homelessness	100	95	95	95	95
(S106) Brentwood Community Hospital	40	40	40	40	40
(S106) Land at Hanover House	10	10	10	10	10
(S106) Nightingale Maintenance	298	286	274	262	262
(S106) Willowbrook Rosen Crescent	7	7	7	7	7
Waste Management	405	0	0	0	0
<b>Total Specific Reserves</b>	<b>1,059</b>	<b>601</b>	<b>589</b>	<b>577</b>	<b>577</b>

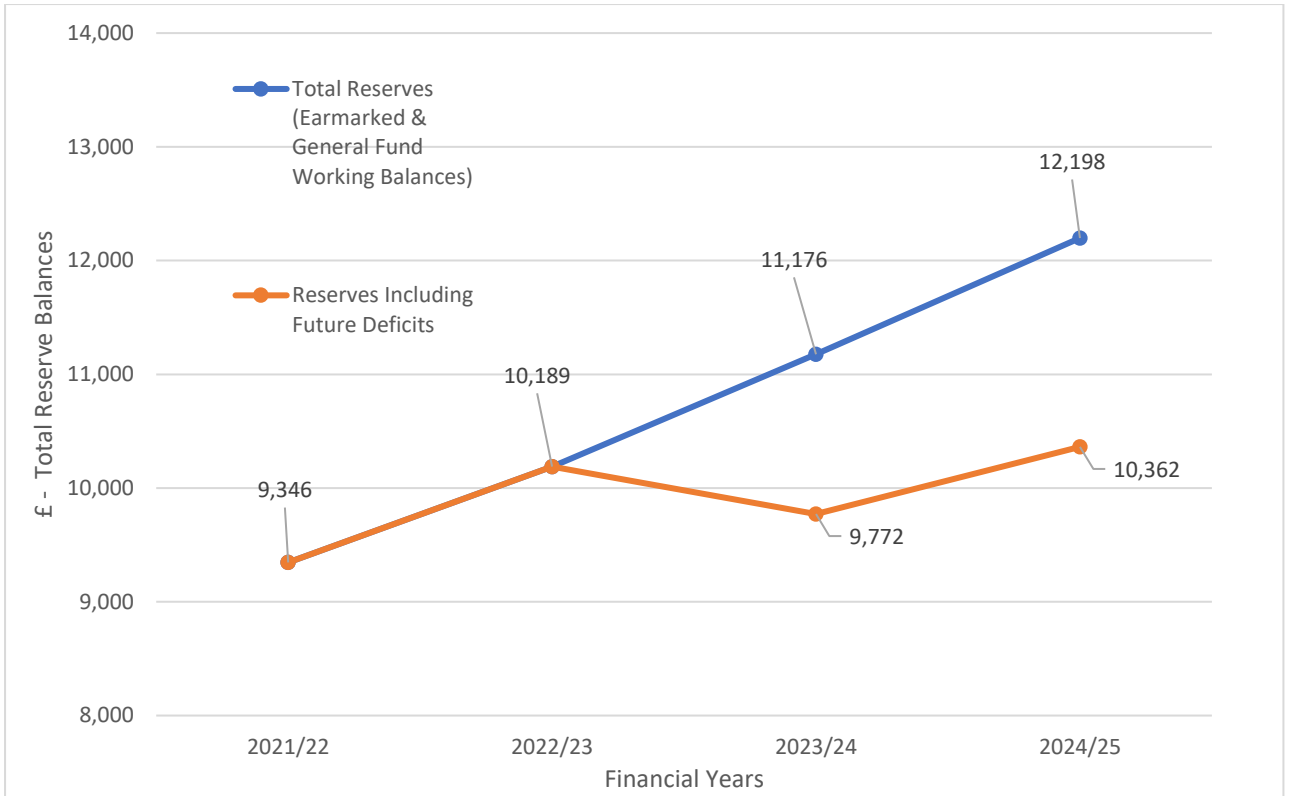
Reserve	Opening Balance 2020/21	Forecast Balance 21/22	Balance 22/23	Balance 23/24	Balance 24/25
Council Tax Hardship Fund	26	26	26	26	26
COVID 19 Volatility	412	0	0	0	0
ECC - Night-time Economy Grant	14	4	4	4	4
NDR Collection Fund Deficit	4,740	0	0	0	0
New Burdens CT Hardship Fund and BRR	20	20	20	20	20
New Burdens LADGF	59	59	59	59	59
New Burdens SBSG Discretionary scheme	130	130	130	130	130
Test and Trace Admin	50	50	50	50	50
Tax Income Guarantee Scheme	591	188	188	188	188
<b>Total COVID-19 Specific Reserves</b>	<b>6,042</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>
<b>Total General Fund Earmarked Reserves</b>	<b>10,783</b>	<b>6,472</b>	<b>7,315</b>	<b>8,302</b>	<b>9,324</b>

### Utilisation of Reserves Vs Forecasted Deficits

55. Currently the balance on earmarked reserves remain stagnant beyond 2022/23. This is due to the assumption that the reserves will only be utilized if there is a need for expenditure that cannot be met from the base budget. If there are no concrete plans to utilize the reserves or contribute to the reserves it is prudently assumed that the balance will remain unchanged.

56. The current MTFS forecasts a budget gap that increases annually from 2023/24. For 2022/23 the decision is to use Earmarked Reserves to fund this gap, for the short term, however the ongoing deficit assumes no utilization of reserves at this point in time, until future budget setting cycles are undertaken. The graph below highlights the total balance of reserves (available earmarked reserves and the working balances) if these were used against the forecast budget deficits currently predicted if the Council were to not make further cost saving or additional Income generation.

57. The purpose of this graph is to highlight that the forecast beyond 2022/23 does seem bleak, however the Council is able to fund these deficits for the short-term in order to generate savings and income beyond the short-term to become a self-financing and self-sufficient Council. This would mean the use of the earmarked Reserves would not be utilised as originally intended.



## Council Tax Base

### Council Tax Base calculation

58. 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

59. 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.

60. 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.

61. The impact of LCTS, has, in part, been offset by the approved changes to the discounts and exemptions awarded to empty homes. However, the LCTS has increased from 2021/22 and the non-collection rate has reduced by 0.5% resulting in the tax base decreasing in 2021/22 to 33,171.90. This compares to a figure of 33,250.30 for 2020/21. An assumed growth of 0.5% has been included within the Medium-Term Financial Strategy for future years.

62. 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 98.0% and has been incorporated within the Medium-Term Financial Strategy calculations.

### Council Tax Technical Changes

63. In September 2021, Policy Resources and Economic Development (PRED) Committee undertook a review of local Council Tax Discounts. Following a consultation with residents on three discretionary discounts, In November 2021 PRED proposed to make amendments to the scheme of Council Tax Discounts and Premiums with effect from 1 April 2022, using discretionary powers granted by the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018. The following amendments to the scheme, were recommended and will be considered by Ordinary Council on 23<sup>rd</sup> February 2022.

- Remove the Council Tax discretionary discount of 100% for 3 months for Empty and Unfurnished properties from 1 April 2022.

- Remove the Council Tax discretionary discount of 10% for Second Homes from 1 April 2022.
- Not change The Council Tax discretionary discount for Empty & Uninhabitable properties from 1 April 2022.

### Council Tax Reduction Scheme

64. 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
- 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

No changes from last year have been proposed.

## Council Tax

### Budget and Council Tax Consultation

65. A consultation was undertaken with businesses and residents which covered the council's key spending priorities, service satisfaction, corporate strategy priorities, views on raising funds, driving efficiencies and views sought specifically on council tax levels for 2022/23. The consultation was accessible online, via the council's website, however paper copies were also made available. The consultation ran from 2 September until 3 October 2021 and the exercise was supported by publicity across all the Council's social media platforms, as well as the use of e-newsletters and the use of radio. 254 participants completed the online survey. 1 paper copy was received. A report was taken to the Policy, Resources and Economic Development Committee on 24 November 2021 outlining the outcomes of the consultation which can be found on the Council website.

<https://brentwood.moderngov.co.uk/documents/s21342/Appendix%20A%20Budget%20Consultation%20Analysis%20202223.pdf>

### Council Tax Requirement

66. 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 2022/23 is 33,171.90 which assumes a 98.0% 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.

67. 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 2022/23 for District/Borough councils, any increase of 2% or £5 (whichever is the greater) more than the equivalent figure for 2021/22 would be considered excessive.

68. 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.

69. 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.

70. The estimated balance on the Collection Fund at 31 March 2022 is required to be considered in the calculation of the Council Tax level for 2022/23. 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**

71. 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 10 February 2022 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 on 3<sup>rd</sup> February 2022. The precept in respect of the fire service is also due on the same day
- 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.

73. Below, is the projected Council Tax element retained by the Council per banding of property, which has been set at a 2.58% increase from 2022/23. These exclude any other precepts and parish precepts.

Table 9 – Proposed Brentwood Borough Council Bandings 2022/23

Band D Brentwood	A	B	C	D	E	F	G	H
2022/23	132.42	154.49	176.56	198.63	242.77	286.91	331.05	397.26

74. The table below compares Parish, Town and Village Council precepts for 2022/23 with 2021/22. 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
		2021/22 £	2022/23 £	%
Blackmore	1,506.70	97,421.00	100,572.00	3.23%
Doddinghurst	1,195.80	76,014.00	75,814.00	-0.26%
Herongate	1,039.00	48,000.00	48,000.00	0.00%
Ingatestone and Fryerning	2,372.70	173,839.00	177,315.78	2.00%
Kelvedon Hatch	1,073.60	90,023.00	90,114.00	0.10%
Mountnessing	586.80	40,000.00	42,000.00	5.00%
Navestock	244.20	22,000.00	22,000.00	0.00%
Stondon Massey	337.50	23,995.00	31,194.00	30.00%
West Horndon	687.80	32,500.00	32,500.00	0.00%
<b>Total</b>	<b>9,044.10</b>	<b>603,792.00</b>	<b>619,509.78</b>	<b>2.60%</b>

75. The table below sets out all the Band D calculations across the major and local preceptors and shows the percentage change compared with 2022/23. 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
	2021/22	2022/23	£	%
	£	£		
Brentwood Council Only	193.63	198.63	5.00	2.58
Essex County Council	1340.91	1,401.12	60.21	4.49
Police, Fire and Crime Commissioner for Essex	208.53	218.52	9.99	4.79
Essex PFCC Fire and Rescue Authority	73.89	75.33	1.44	1.95
Blackmore	64.72	66.75	2.03	3.14
Doddinghurst	63.4	63.40	0.00	0.00
Herongate	45.55	46.20	0.65	1.42
Ingatestone and Fryerning	72.99	74.73	1.74	2.39
Kelvedon Hatch	84.1	83.94	-0.16	-0.19
Mountnessing	67.74	71.57	3.83	5.66
Navestock	89.69	90.09	0.04	0.45
Stondon Massey	70.45	92.43	21.98	31.19
West Horndon	47.58	47.25	-0.33	-0.69

## Collection Fund

### Background

76. 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

77. 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.

78. 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 were amended to allow the spreading of the 2020/21 deficit over a three year period from 2021/22 to 2023/24.

### Council Tax

79. It is estimated there will be a nil balance for Council Tax on the Collection Fund at 31 March 2022. There will therefore be no surplus or deficit for distributions in 2022/23.

Table 12 - Estimated Collection Fund Surplus/Deficit Distribution in 2022/23

Authority	Amount £
Brentwood Borough Council	Nil
Essex County Council	Nil
Police and Crime Commissioner	Nil
Essex Fire & Rescue Authority	Nil
<b>Total (Surplus)/Deficit</b>	<b>Nil</b>

## Business Rates

80. 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, and are shared by the Borough (40%), Essex County Council (9%) and Fire & Rescue Service (1%). Year-end surpluses and deficits are accounted for in the following year in proportion to the Central and Local Shares.

81. It is estimated that at 31 March 2022, the balance on the Collection Fund for Business Rates will be a deficit of £11.5m. This is made up of the following:

- £1.4m 2020/21 Exceptional deficit (being spread over a three-year period)
- £0.1m 2020/21 Retail Hospitality & Leisure Reliefs – compensated by S31 grant
- £6.7m 2021/22 Retail Hospitality & Leisure Reliefs – compensated by S31 grant
- £3.2m 2021/22 Other losses: this reflects the continuing trend of office space being converted into residential dwellings, along with other reductions to the business rates base within the borough, many of them backdated a number of years.

82. £0.5m of the 2020/21 exceptional deficit is spread, i.e. carried forward to 2023/24, leaving a deficit of £11m to be distributed in 2022/23 in the proportions stated in the paragraph at the top of the page. The share falling to the Council is £4.4m. This will be offset by S31 grant and a safety net payment from the Essex Business Rates Pool.

Table 13 - Estimated Business Rates Collection Fund Deficit Distribution

Authority	2020/21 Exceptional deficit £000	2020/21 RH&L reliefs £000	2021/22 RH&L reliefs £000	2021/22 Other losses £000	Sub total £000	Spread of 2020/21 exceptional deficit £000	Amount £000
Brentwood Borough Council	561	56	2,686	1,294	4,597	-192	4,405
Essex County Council	126	13	604	291	1,034	-43	991
Essex Fire Authority	14	1	67	32	115	-5	110
Central Government	701	70	3,357	1,617	5,746	-239	5,506
<b>Total Deficit</b>	<b>1,403</b>	<b>140</b>	<b>6,714</b>	<b>3,234</b>	<b>11,491</b>	<b>-479</b>	<b>11,012</b>

## Appendix 1 – Detail of Base Changes to MTFS

	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>Comments</u>
<b>Rebasing</b>				
Car Allowances	-17,250	-17,250	-17,250	Reducing Car Allowance as Hybrid working embeds in the authority
Insurance	-15,530	-15,530	-15,530	Insurance Premiums overinflated
Emergency Planning Call Out	-12,000	-12,000	-12,000	Revision to SLT and ELT allows for allowance to not be utilised
Miscellaneous	-17,510	-11,010	-10,510	Total of small reductions on expenditure lines across services.
Miscellaneous	-15,455	-32,225	-32,495	Total of Small increases in income lines across services
<b>Total Rebasing</b>	<b>-77,745</b>	<b>-88,015</b>	<b>-87,785</b>	
				<b>Comments</b>
<b>Realigning</b>				
Housing Delivery Model	293,150	345,870	345,870	Net Impact of removing Housing Delivery Model as unachievable saving. £1.293m was forecast as an income target.
Community Alarms	15,000	0	0	Community Alarms payment as contract end
Leisure Centre	109,360	109,360	109,360	Sports & Social income reduction with SLM managing centre
Elections	70,000	70,000	70,000	Local Elections costs required in base budget
Office Facilities	23,400	23,400	23,400	Office Facilities Management Service charge increase
Utilities	27,020	27,020	27,020	Utilities - contractual increase fixed until Aug 22. Inflation is then applied to the revised base figure
Rental Income	10,500	10,500	10,500	Realigning income to reflect actual income from PSL properties
Fuel	10,970	10,970	10,970	Fuel Increase - inflation applied to rebased budget
Audit Fee	28,500	28,500	28,500	Increase in External Audit Fees
Broker Fees	10,000	0	0	Increase in broker fees
Software Support	6,280	6,280	6,280	Additional software required for processing payments
Leisure Income	0	150,000	150,000	Realigning income from Leisure activities
Miscellaneous	8,710	8,710	8,710	General realignments of small service budgets.
<b>Total Realigning</b>	<b>612,890</b>	<b>790,610</b>	<b>790,610</b>	

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Comments</b>
<b>COVID-19</b>				
Leisure	10,400	10,400	10,400	Recreation Areas Lease of Land - BC Field income no longer generate
Leisure	2,000	2,000	2,000	Bowling Green Income decrease as struggling for member renewal
Vehicle Fleet	23,000	23,000	23,000	Vehicle Fleet -decision made in light of COVID to no longer do taxi checks
Parking	308,700	308,700	308,700	Parking Season ticket Income. 100 season tickets not being renewed from one individual business plus the loss of individual renewal as employers change the way they work.
Parking	300,000	200,000	100,000	25% decrease on parking income fees and charges
Parking	279,580	279,580	279,580	Parking Licences not renewed in light of COVID associated to businesses in the borough
Taxi Income	30,940	23,940	16,940	Taxi Drivers Licensing income as less Taxi's in the borough and less renewals
Licensing Income	5,570	5,570	5,570	Licensing Act decrease in renewals businesses closing
<b>Total COVID</b>	<b>960,190</b>	<b>853,190</b>	<b>746,190</b>	
<b>Total Inflation</b>	<b>63,425</b>	<b>32,358</b>	<b>46,858</b>	Inflation Applied to contractual commitments.
<b>Salaries</b>				
Salaries	452,753	440,932	589,717	Impact on 2% pay award, National Insurance 1.25% and changes to base establishment.
<b>Total Salaries</b>	<b>452,753</b>	<b>440,932</b>	<b>589,717</b>	
<b>Growth</b>				
Environmental Initiatives	15,500	15,500	15,500	Environmental Initiatives Co Wheels Scheme
Environmental Initiatives	11,000	11,000	11,000	Environmental Initiatives Litter Picking
High Street Planters	10,000	10,000	10,000	Maintenance of the planters in the high street to deter parking.
Golf Course Software	4,000	2,000	2,000	Booking System required for Hartwood Golf Course
Platinum Jubilee	10,000	0	0	Fund to support celebrations in the borough for the Queens Jubilee
Salary Growth	163,770	167,045	170,386	Growth for 4 waste operatives and 1 grounds operative
<b>Total Growth</b>	<b>214,270</b>	<b>205,545</b>	<b>208,886</b>	

	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>Comments</u>
<b>Vacancy Factor</b>	<b>-69,500</b>	<b>-59,500</b>	<b>-59,500</b>	increase in vacancy factor as salaries have increased.
<b><u>Savings</u></b>				
<u>Digital Services</u>	-10,000	-10,000	-10,000	Efficiencies achieved through cost saving schemes on Hybrid working
<u>Vehicle Fleet</u>	-135,000	-135,000	-135,000	Revision to the delivery of vehicle maintenance with a commercial provider
<u>Waste Service Income</u>	-369,497	-369,497	-369,497	Income generation and small efficiency saving through the new embedded recycling scheme
<u>Corporate Resources</u>	-67,250	-67,250	-67,250	Efficiencies achieved.
<b>Total Savings</b>	<b>-581,747</b>	<b>-581,747</b>	<b>-581,747</b>	
<b><u>Fees &amp; Charges</u></b>	<b>-129,292</b>	<b>-102,392</b>	<b>-107,892</b>	Increasing Fees & Charges to ensure cost recovery
<b><u>Income</u></b>				
Grant Income	-66,020	-66,020	-66,020	Grant Income for audit fees and Health & Wellbeing funding
Sponsorship Income	-35,960	-35,960	-35,960	Increase in Investment Property Income
Equipment Hire	-10,000	-10,000	-10,000	Hire of Grab Lorry when not in use
Food Waste Indexation	-10,770	-10,770	-10,770	Increase in income delayed due to COVID
Recharges to external organisations	-85,365	-85,365	-85,365	Income for services supplied to other authorities.
Borough Wide Street Licence	-5,000	-10,000	-10,000	Introduction of Street Licences extending beyond the high street
Parking Licence	-40,000	-40,000	-40,000	SAIL to lease a floor at MSCP to support the business offering at Baytree
Rental Income	-170,103	-305,581	-177,104	Income for Council Assets including, town hall, shops and strategic acquisitions
<b>Total Income</b>	<b>-423,218</b>	<b>-563,696</b>	<b>-435,219</b>	
<b><u>Earmark Reserves Adjustments</u></b>	<b>0</b>	<b>301,179</b>	<b>323,769</b>	Adjustments to reserves from previous years MTFS setting
<b><u>Recharges</u></b>	<b>82,400</b>	<b>82,847</b>	<b>53,524</b>	Revision to recharges to HRA based on revised budgets



	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>Comments</u>
<b><u>Non-Service</u></b>				
Interest	83,690	844,580	1,088,710	Increase in interest payable costs as rates higher than base forecast and borrowing portfolio has increased
Interest Recievable	180,000	180,000	180,000	Revision to interest receivable forecast.
Capital Financing	-339,670	-154,215	17,345	MRP Policy has been aligned with the Treasury Green Book generating a saving initially
<b><u>Total Non-Service</u></b>	<b>-75,980</b>	<b>870,365</b>	<b>1,286,055</b>	
<b><u>Funding</u></b>				
Council Tax	47,390	47,390	47,390	Decrease in Council Tax base than forecast
New Homes Bonus	-204,566	4	4	Additional one year income, assumption that NHB will not continue
Service Grant	-114,000	-114,000	-114,000	New un-ring fenced grant, will continue beyond 22.23 but will be allocated on a different basis.
Lower Tier Grant	-74,400	-74,400	-74,400	Grant assumed beyond 22.23, predominantly to ensure Council maintains it's Core Spending Power Level.
Council Tax increase	-165,860	-299,010	-468,540	Council Tax generated for £5 increase for 22.23 and then assumed 2% increase onwards
Collection Fund	-191,570	-191,570	-191,570	NNDR deficit expected to be funded through S31 grants
<b><u>Total Funding</u></b>	<b>-703,006</b>	<b>-631,586</b>	<b>-801,116</b>	
<b>Total</b>	<b>325,440</b>	<b>1,550,090</b>	<b>1,972,350</b>	
<b>Base Budget</b>	<b>-203,740</b>	<b>-146,380</b>	<b>-146,380</b>	<b>Budget set as per 21.22 MTFS</b>
<b>Total Adjustments</b>	<b>325,440</b>	<b>1,550,090</b>	<b>1,972,350</b>	
<b>Revised Forecast</b>	<b>121,700</b>	<b>1,403,710</b>	<b>1,825,970</b>	<b>Revised Budget and Forecast for 22.23 MTFS</b>

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**BRENTWOOD  
BOROUGH COUNCIL**

Brentwood Borough Council  
Housing Revenue Account  
Budget and 30 Year Business  
Plan  
2022/23

## Contents

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# Housing Revenue Account (HRA) Budget 2022/23

## Introduction

1. 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.
2. 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.
3. Since April 2012 the HRA has been operating in a system known as Self Financing for local authorities with social housing.
4. 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.
5. 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 as well as building more homes for the future.
6. This document looks to provide information on the draft HRA budget for 2022/23 and forward financial forecast through to 2024/25 together with the Housing Capital Programme. It also provides an update on the 30-year business plan.

Table 1 - Outturn 2021/22

	2020/21 Outturn £'000	2021/22 Budgeted Outturn £'000	2021/22 Forecast Outturn £'000	Variance £'000
Deficit/(Surplus)	(409)	(434)	0	434
Working Balance b fwd	1,071	1,480	1,480	0
Working Balance c fwd	1,480	1,914	1,480	434

7. The HRA continues to invest in its stock to ensure all remedies required for compliance work are completed in agreed timeframes. To support the delivery of compliance on the housing stock, the contribution to capital has been decreased to offset the pressure.
  
8. The Strategic Housing Delivery program has progressed well, Brookfield Close has been approved for planning, delivering 61 homes. As the program looks to other sites, further feasibility studies and external support are required to progress. These costs are charged to the HRA revenue account. When the sites are identified as being able to be developed the costs will be capitalised. Therefore, the early part of the program will see the utilisation of the Housing Development reserve to support the revenue pressure of the program. As the program progresses it is expected this reserve will be topped up again when costs can be identified for capitalisation.
  
9. 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 its' program of works whilst mitigating any in year pressures.

## Rent Policy

10. 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 2021 was 3.1% thus allowing for a 4.1% increase in rents from April 2022.
11. Inflation is expected to remain higher for longer but should decline over a 3 year period as high energy price inflation abates and supply catches up with demand. The Bank of England's CPI target for future years is a decline over the next two years reaching a target figure of 2%, thus, for the remaining years of the forecast period rents are modelled on the treasury forecasted CPI targets.

The assumptions, therefore, on rent are:

- that all rents from 2021/22 are increased by CPI plus 1% (4.1%)
- 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

2022/23	2023/24	2024/25	2025/26	2026/27 onwards
4.1%	3.6%	3.1%	2.0%	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

12. The tables below set out the current overall average rent of secure tenancies (excluding Shared Ownership and Affordable Rents), with the 4.1% increase applied from April 2022, and provides some examples of rent levels for properties of different sizes.
13. The average rent increase applied to HRA properties is CPI plus 1%. CPI at September 2021 was 3.1%. This results in an average weekly rent of £97.98 and an average weekly increase of £3.86.

Table 2 – Flats Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties
0	71.53	2.82	65
1	83.75	3.30	506
2	91.97	3.62	475
3	101.76	4.01	55
<b>Total</b>	<b>87.26</b>	<b>3.44</b>	<b>1,101</b>

Table 2a – Houses Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties
0	77.61	3.05	35
1	91.96	3.62	228
2	105.51	4.16	380
3	117.32	4.62	608
4	140.43	5.53	15
<b>Total</b>	<b>106.57</b>	<b>4.20</b>	<b>1,266</b>

### Shared Ownership Rents

14. The tables below set out the current overall average rent for Shared Ownership properties, with the 4.1% increase applied from April 2022, and provides some examples of rent levels for properties of different sizes.

15. The average rent increase applied to Shared ownership properties is 3.1% CPI plus 1%. CPI as at September 2021 was 3.1%. Therefore, the average weekly increase is £1.73 and average weekly rent is £44.01.

Table 2b – Shared Ownership Flats Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties*
1	39.39	1.56	6.00
2	48.20	1.90	3.00
<b>Total</b>	<b>43.80</b>	<b>1.73</b>	<b>9.00</b>

Table 2c – Shared Ownership Houses Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties*
1	39.90	1.57	4.00
2	48.56	1.91	1.00
<b>Total</b>	<b>44.23</b>	<b>1.74</b>	<b>5.00</b>

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



## Affordable Rents

16. The tables below set out the current overall average rent for properties with Affordable Rents, with the 4.1% increase applied from April 2022, and provides some examples of rent levels for properties of different sizes.

17. The average rent increase applied to affordable rents is 4.1%. This results in an average weekly rent of £189.53 and an average weekly increase of £7.46.

Table 2d – Affordable Rents Flats

No of Bedrooms	Average Rent £	Average increase £	No of Properties
1	125.17	4.93	3
2	176.81	6.96	8
3	234.06	9.22	2
<b>Total</b>	<b>178.68</b>	<b>7.04</b>	<b>13</b>

Table 2e – Affordable Rents Houses

No of Bedrooms	Average Rent £	Average increase £	No of Properties
1	157.20	6.19	4
2	188.59	7.43	8
3	219.95	8.66	15
4	224.94	8.86	2
<b>Total</b>	<b>197.67</b>	<b>7.79</b>	<b>29</b>

### Applying Formula Rent to new Tenancies.

18. 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 individuals 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

19. Putting the relevant information into the above formula will give the formula rent for 2000-01 for the property. This rent must be then uprated 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%
2022-23	3.1%	1%	4.1%

20. 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.
21. Registered providers must not allow rents to rise above the rent cap level for the size of property concerned.
22. From 2022-23 onwards, the rent caps will increase by CPI (at September of the previous year) + 1.5 percentage points annually. The rent caps for 2022/23 are as follows.

Table 5 – Rent Caps

Number of bedrooms	Rent Cap
1 and bedsits	£155.72
2	£164.87
3	£174.03
4	£183.18
5	£192.34
6 or more	£201.49

23. 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.
24. 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.
25. 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

26. 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.
27. 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.
28. 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.
29. 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.
30. 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

31. 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

32. 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, at a cost to the revenue account.
33. In addition to reviewing discretionary services, Officers have also reviewed the services the Council pays for, which are deemed rechargeable, that 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 are with Appendix D.

## Housing Revenue Account Budget 2022/23

34. 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:

- £3.241m in delivering repairs and maintenance under the Axis contract.
- £350k in reviewing small sites to develop for housing and support the review of sheltered housing delivered in the Borough.
- Contribution of £2.94m to the major Repairs Reserve to fund the Decent Home Capital Programme

35. The table on the next page sets out the HRA budget for 2022/23 and the forecast for the following 2 years.

## Housing Revenue Account Budget 2022/23

Table 6 – HRA Budget 2022/23

	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000
Repairs & Maintenance	3,163	3,241	3,172	3,262
General Management	3,310	3,489	3,533	3,581
Special Services Management	1,248	1,185	1,201	1,217
Rents Rates Taxes & Other Charges	165	171	173	175
Bad Debt Provision	60	60	60	60
Depreciation (Major Repairs Reserve)	2,941	2,941	2,941	2,941
Corporate & Democratic Core	376	380	380	380
<b>Total Expenditure</b>	<b>11,263</b>	<b>11,467</b>	<b>11,460</b>	<b>11,616</b>
Dwelling Rent	(12,174)	(12,396)	(13,213)	(14,552)
Non-Dwelling Rent	(271)	(327)	(336)	(343)
Charges for Services & Facilities	(931)	(940)	(971)	(999)
<b>Total Income</b>	<b>(13,376)</b>	<b>(13,663)</b>	<b>(14,520)</b>	<b>(15,894)</b>
<b>Net Cost of Services</b>	<b>(2,113)</b>	<b>(2,196)</b>	<b>(3,060)</b>	<b>(4,278)</b>
Interest Payable	2,000	2,071	2,454	2,710
Pension Contributions	236	185	185	185
Investment Income	(50)	(94)	(62)	(61)
Voluntary MRP	0	0	0	983
<b>Total Non-Service Expenditure</b>	<b>2,186</b>	<b>2,162</b>	<b>2,577</b>	<b>3,817</b>
<b>Appropriations</b>	<b>(73)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Deficit/(Surplus)</b>	<b>0</b>	<b>(34)</b>	<b>(483)</b>	<b>(461)</b>
Working Balance bfw	1,480	1,480	1,514	1,997
Working Balance cfw	1,480	1,514	1,997	2,457

## HRA Reserves

36. 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.
37. 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.
38. The Working Balance can be used to correct inflation assumptions, increase capital spend, repay debt early or to fund new HRA capital projects.
39. The following table sets out the estimated reserve levels over the period 2022/23 to 2024/25:

Table 7 – HRA Working Balance

	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Opening Balance	2,400	2,327	2,327	2,327
Transfer In/Out	(73)	0	0	0
Closing Balance	2,327	2,327	2,327	2,327

40. 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

41. 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 is to support future investment in the Council’s housing stock and aiding in delivering the strategic housing development program. With the reserve being utilized to fund upfront costs that cannot be capitalized until the program progresses. The anticipated balance in this reserve as at 31 March 2022 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

42. 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

43. 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.

44. 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.

45. Major changes to the RTB pooling system were made from 1<sup>st</sup> April 2021. Amended terms of the retention agreement were made between the Secretary of State and authorities under section 11(6) of the Local Government Act 2003. This was to enable authorities to retain RTB receipts, and to comply with the amendments to the Local Authorities (Capital Finance and Accounting) regulations 2003 that came into force on 30 June 2021.

The key changes of the agreement are as follows:

- Pooling of RTB receipts will take place annually rather than quarterly.
- Deadlines for spending retained receipts will also be calculated on an annual basis.
- The timeframe in which local authorities have to spend new and existing right to buy receipts has been extended from 3 years to 5 years. This should make it easier for local authorities to undertake longer-term planning, including remediation of larger plots of land.
- The percentage cost of a new home that local authorities can fund using RTB receipts increases from 30% to 40%. This will make it easier for authorities to fund replacement homes using RTB receipts, as well as making it easier to build homes for social rent.

- Authorities can use receipts to supply shared ownership and First homes, as well as housing at affordable and social rent, to help them build types of homes most needed by their communities.
- An acquisition cap will be implemented from April 2022. This cap is to encourage authorities to build new homes rather than acquire existing homes.
- Brentwood Council agrees to return any unused receipts to the Secretary of State with Interest.

46. To date the Council has provided 46 number of properties let at Affordable Rent. 10 of these properties have been developed and 36 have been acquired from the open market.

47. The Council has begun 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.

48. 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 5 to 7-year programme funding new homes to a total cost of £60m over that period. This is captured within the 30-year Business Plan.

49. 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.

50. Below detail the proposed amounts to be spent on the Strategic Housing Development Programme.

Table 8 - Strategic Housing Delivery Program

Year	Programme Amount £'000
2021/22	8,585
2022/23	5,633
2023/24	30,248
2024/25	15,534
<b>Total</b>	<b>60,000</b>

51. Only 40% of the programme total can be funded from right to buy receipts if there is retained right to buy receipts available.

52. 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

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

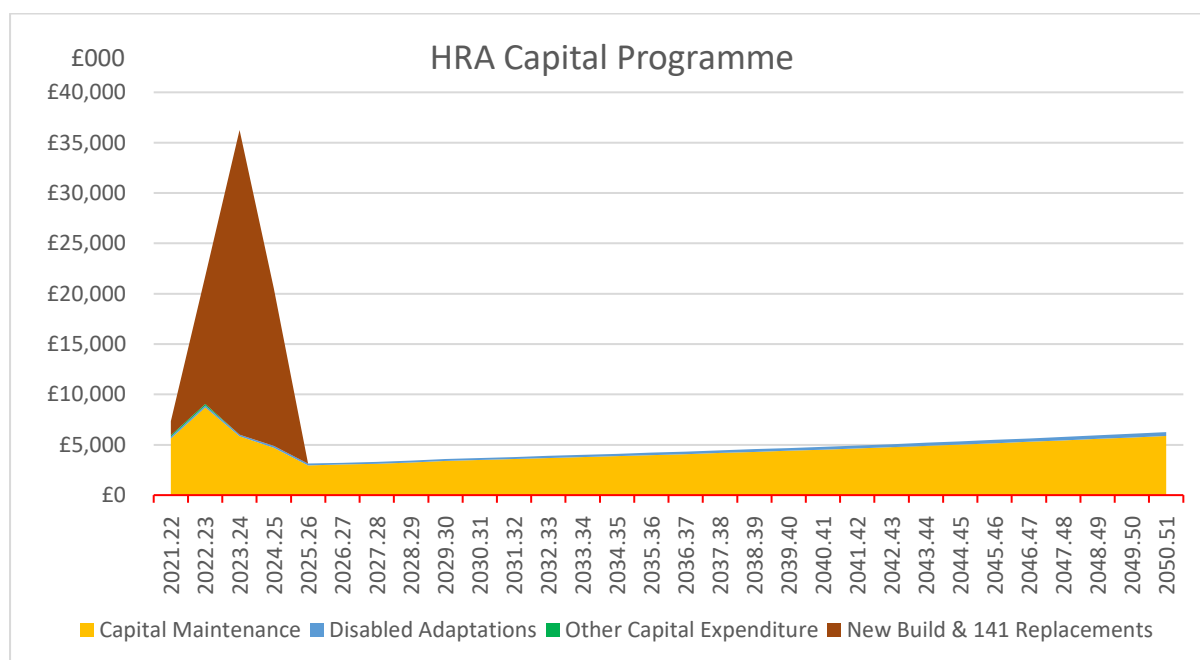
54. The HRA capital programme is aligned to achieve the following headlines in the Councils Corporate Strategy:

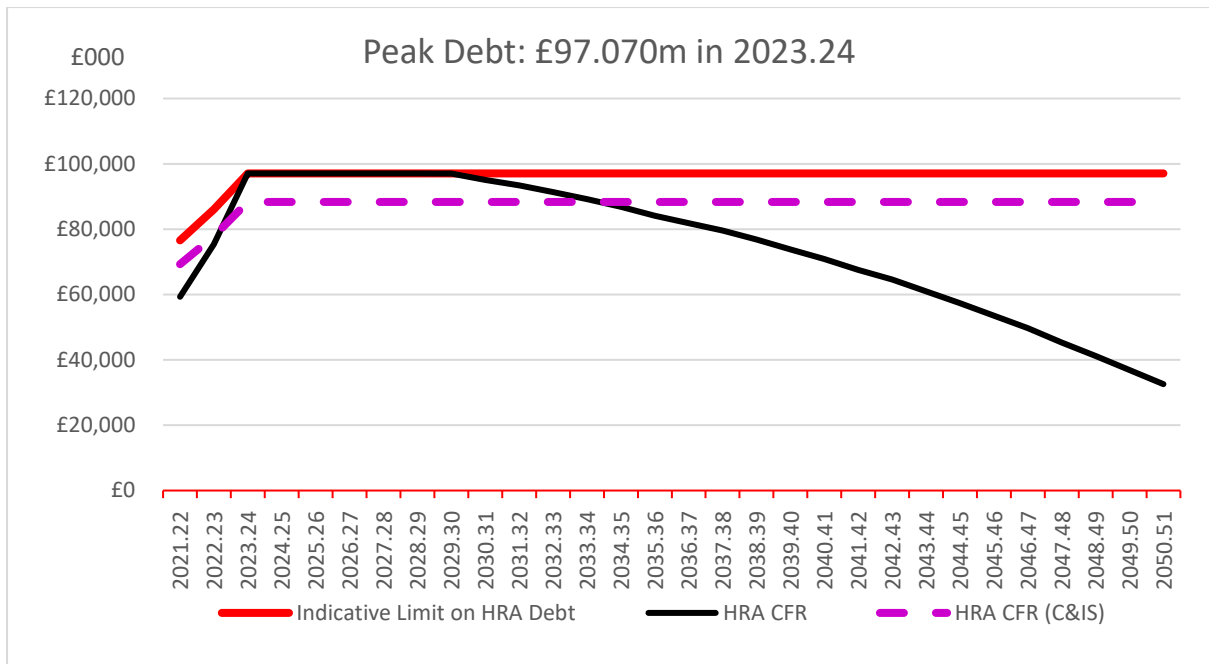
- Providing decent, safe and affordable homes
- Supporting responsible development in the borough
- Undertaking refurbishment of existing council housing.

Table 9 – HRA Capital Programme

	2022/23 £'000	2023/24 £'000	2024/25 £'000
HRA Decent Works Programme	9,060	6,008	4,884
Strategic Housing Development Programme (SHDP)	5,633	30,248	15,534
<b>Total</b>	<b>14,693</b>	<b>36,256</b>	<b>20,418</b>
Funded by			
HRA Capital Receipts	(2,103)	(5,485)	(8,765)
Grant Funding	0	(3,030)	(2,520)
Major Repairs Contribution	(3,564)	(2,941)	(2,941)
Borrowing	(9,026)	(24,800)	(6,192)
<b>Total</b>	<b>(14,693)</b>	<b>(36,256)</b>	<b>(20,418)</b>

55. The graph below demonstrates the Capital programme profiled over a 30 year period, taking account the assumption that £60million will be invested over a 5 year period for New Builds within the Borough





The Debt profiling on the HRA remains within the indicative limit

## Treasury Management Strategy (HRA)

56. The current total HRA borrowing is £59.166 million for the self-financing Settlement.
57. Previously the borrowing was capped by the Government at £72.587 million, this cap has now been removed.
58. At present, £46.023 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.
59. 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

60. 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.
61. 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

62. The HRA Business Plan from 2012/13 had been setting aside monies from surplus cash, to repay the loans. As at 31 March 2021 the amount set aside is £2.147 million.

63. The next loan is rescheduled to be paid 28/03/2022 and will require refinancing of £2.853 million.

64. The Business Plan assumes that HRA, will continue to set aside some money as long as it is affordable to the HRA. From 2024/25 it is expected the HRA can set aside funds to repay the remaining loans.

## 30 Year Business Plan

65. 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.
66. Following the priorities set out above means the capital required on the stock is funded throughout the term of the 30 years.
67. 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 2024/25.
68. When budget proposals are made to the Council, the Section 151 Officer will take these issues into consideration when advising 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 2021.22	2 2022.23	3 2023.24	4 2024.25	5 2025.26	6-10 2026.31	11-15 2031.36	16-20 2036.41	21-25 2041.46	26-30 2046.51
<b>Income</b>										
Gross Rental Income	£12,188	£12,615	£13,447	£14,809	£15,184	£80,411	£87,753	£95,359	£104,256	£113,524
Void Losses	-£14	-£219	-£234	-£257	-£264	-£1,397	-£1,525	-£1,657	-£1,812	-£1,973
Tenanted Service Charge	£931	£940	£971	£999	£1,019	£5,409	£5,972	£6,593	£7,280	£8,037
Non-Dwelling Income	£271	£327	£336	£343	£350	£1,857	£2,050	£2,264	£2,499	£2,760
<b>Total income</b>	<b>£13,376</b>	<b>£13,663</b>	<b>£14,520</b>	<b>£15,894</b>	<b>£16,289</b>	<b>£86,279</b>	<b>£94,250</b>	<b>£102,560</b>	<b>£112,223</b>	<b>£122,348</b>
<b>Expenditure</b>										
General Management	-£3,310	-£3,489	-£3,533	-£3,581	-£3,721	-£19,750	-£21,806	-£24,075	-£26,581	-£29,348
Special Management	-£1,248	-£1,185	-£1,201	-£1,217	-£1,241	-£6,589	-£7,275	-£8,032	-£8,868	-£9,791
Other Management	-£777	-£736	-£738	-£740	-£751	-£3,930	-£4,243	-£4,588	-£4,969	-£5,390
Bad Debt Provision	-£60	-£60	-£60	-£60	-£62	-£326	-£356	-£386	-£422	-£460
Responsive & Cyclical	-£3,163	-£3,241	-£3,172	-£3,262	-£3,373	-£17,744	-£19,147	-£20,628	-£22,408	-£24,336
Other revenue expenses	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
<b>Total expenditure</b>	<b>-£8,558</b>	<b>-£8,711</b>	<b>-£8,704</b>	<b>-£8,860</b>	<b>-£9,147</b>	<b>-£48,339</b>	<b>-£52,826</b>	<b>-£57,710</b>	<b>-£63,249</b>	<b>-£69,325</b>
<b>Capital financing costs</b>										
Interest paid on debt	-£2,000	-£2,071	-£2,454	-£2,710	-£2,666	-£13,006	-£11,498	-£9,730	-£7,100	-£4,324
Interest paid on 141 re	£0	£0	£0	-£44	-£43	-£14	-£176	-£769	-£1,143	-£1,145
Interest Received	£50	£94	£62	£61	£65	£505	£1,166	£1,840	£2,630	£3,644
Depreciation	-£2,941	-£2,941	-£2,941	-£2,941	-£3,063	-£16,109	-£17,509	-£19,027	-£20,670	-£22,450
<b>Capital financing costs</b>	<b>-£4,891</b>	<b>-£4,918</b>	<b>-£5,333</b>	<b>-£5,634</b>	<b>-£5,707</b>	<b>-£28,624</b>	<b>-£28,017</b>	<b>-£27,685</b>	<b>-£26,284</b>	<b>-£24,274</b>
<b>Appropriations</b>										
Revenue provision (H	£0	£0	£0	-£1,941	-£2,287	-£9,170	-£13,431	-£16,995	-£22,657	-£28,225
Other appropriations	£73	£0	£0	£983	£0	£0	£0	£0	£0	£0
<b>Appropriations</b>	<b>£73</b>	<b>£0</b>	<b>£0</b>	<b>-£958</b>	<b>-£2,287</b>	<b>-£9,170</b>	<b>-£13,431</b>	<b>-£16,995</b>	<b>-£22,657</b>	<b>-£28,225</b>
<b>Net income/ (expend</b>	<b>£0</b>	<b>£34</b>	<b>£484</b>	<b>£442</b>	<b>-£853</b>	<b>£146</b>	<b>-£24</b>	<b>£170</b>	<b>£34</b>	<b>£525</b>
<b>HRA Balance</b>										
Opening Balance	£1,480	£1,480	£1,514	£1,997	£2,439	£1,586	£1,732	£1,708	£1,878	£1,912
Generated in year	£0	£34	£483	-£541	-£853	£146	-£24	£170	£34	£525
Appropriated out	£0	£0	£0	£983	£0	£0	£0	£0	£0	£0
<b>Closing Balance</b>	<b>£1,480</b>	<b>£1,514</b>	<b>£1,997</b>	<b>£2,439</b>	<b>£1,586</b>	<b>£1,732</b>	<b>£1,708</b>	<b>£1,878</b>	<b>£1,912</b>	<b>£2,436</b>

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**BRENTWOOD  
BOROUGH COUNCIL**

Brentwood Borough Council  
Capital and Investment  
Strategy  
2022/23

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## Introduction

1. This document has been prepared in accordance with the 2017 CIPFA Prudential Code, which requires a capital strategy to be approved at a meeting of the Council ahead of the 2022/23 financial year.

2. The capital strategy gives an overview of how capital expenditure, capital financing and treasury management activity will contribute to the provision of public services in Brentwood, along with an overview of how associated risk is managed.

3. CIPFA published its revised Prudential Code and Treasury Management Code on 20th December 2021. CIPFA have stated that Councils may defer the full adoption of the Codes until the 2023/24 financial year. The Council has decided to take up this option, and will introduce these new requirements into its 2023/24 Capital & Investment Strategy but will adhere to them as part of its day to day business once accompanying guidance notes are published.

The revised codes will have the following implications:

- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement;
- the Code clarifies what CIPFA expects a local authority to borrow for and what CIPFA do not view as appropriate borrowing. This will include the requirement to set a proportionate approach to commercial and service capital investment;
- a requirement to address environmental, social and governance (ESG) issues within the Capital Strategy
- the implementation of a policy to review commercial property, with a view to divest where appropriate
- the creation of new Investment Practices to manage risks associated with non-treasury investment (similar to the current Treasury Management Practices)
- a requirement to ensure that any long-term treasury investment is supported by a business model
- a requirement to effectively manage liquidity and longer-term cash flow requirements
- an amendment to Treasury Management Practice 1 to address ESG policy within the treasury management risk framework
- an amendment to the knowledge and skills register for individuals involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council

In addition, all investments income must be attributed to one of the following three categories:

- Treasury management – see Treasury Management Strategy Statement starting on page 30
- Service delivery – these investments are covered on pages 26-29
- Commercial return – these investments are also covered on pages 26-29

### Capital Expenditure

4. 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.

5. 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.

6. 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

7. The Council is required to have regard to the 2017 CIPFA Prudential Code and Treasury Management Code when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year.

8. All decisions on overall Treasury Management 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.

9. 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.

10. 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.

11. 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.

#### Knowledge and expertise

12. Capital accounting and treasury activities are highly 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.

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

14. 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.

15. 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

16. 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. In the period between October and December, Budget Challenge sessions are held with the Chief Executive, Strategic Director and S151 to discuss budgets and potential growth bids with the Budget Manager.

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

17. 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

18. 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

19. 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.

20. 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.

21. 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.

22. 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.

23. 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

24. 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 in order to be considered as part of the budget setting process.

25. 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.

26. 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.

27. 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

28. 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.

29. 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

30. 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.

31. 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.

32. 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.

33. 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.

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

### Monitoring the Capital Programme

35. 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

36. The Council has begun 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.

37. 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 5 to 7-year programme funding new homes to a total cost of £60m of that period.

38. It is essential to ensure that the stock is maintained to a proper standard and to meet the other demands and commitments of the capital programme. The delivery of a continuous Decent Home Programme ensures the stock remains compliant with any legislative changes and prolongs the life of the assets, ensuring the best homes for the borough's tenants.

39. 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

40. How the Council funds its capital expenditure and investment.

#### Capital Receipts

41. 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.

42. 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

43 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

44. 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

45. 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

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

#### Prudential/Unsupported Borrowing

47. 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.

48. 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.

49. 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.

50. 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.

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

#### Leasing

52. 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.

53 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

54. 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.

55. 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 2021/22

56. The table below highlights the current forecast for 2021/22 Capital Projects and the proposed slippage to be agreed as part of 2021/22 outturn report, that will be submitted to Policies, Resource and Economic Development Committee June 2022.

57. 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 2021/22 – Estimated Outturn

	2021/22 Current Budget £'000	2021/22 Estimated Outturn £'000	Variance £'000
<b><u>Protecting Our Environment</u></b>			
Vehicle Fleet Management	1,544	950	(594)
Open Spaces Infrastructure	100	100	0
Low Emissions Infrastructure	138	0	(138)
Car Parking Improvements	193	7	(186)
Cemetery Infrastructure	50	50	0
Cemetery Headstones	8	8	0
<b>Total Protecting Our Environment</b>	<b>2,033</b>	<b>1,115</b>	<b>(918)</b>
<b><u>Developing Our Communities</u></b>			
Play Area Refurbishment	948	948	0
King George's Pavilion Redevelopment	6,769	6,769	0
Football Hub Development	791	150	(641)
Open Spaces – Car Parks	149	0	(149)
Community Halls	122	122	0
Brentwood Leisure Centre	250	250	0
S106 -Park Enhancements	47	47	0
<b>Total Developing Our Communities</b>	<b>9,076</b>	<b>8,286</b>	<b>(790)</b>
<b><u>Improving Housing</u></b>			
Home Repair Assistance Grant	5	0	(5)
Disabled Facilities Grant	250	250	0
HRA Decent Home Programme	7,528	6,412	(1,116)
Strategic Housing Delivery Programme	8,585	1,500	(7,085)
<b>Total Improving Housing</b>	<b>16,368</b>	<b>8,162</b>	<b>(8,206)</b>
<b><u>Delivering an Effective and Efficient Council</u></b>			
Asset Management Strategy	629	550	(79)
Asset Development	288	0	(288)
Equipment Purchase	9	9	0
ICT Strategy	50	30	(20)
ICT Hardware	44	44	0
Software Infrastructure	111	41	(70)
Strategic Property Acquisitions	4,650	0	(4,650)
<b>Total Delivering an Effective and Efficient Council</b>	<b>5,781</b>	<b>674</b>	<b>(5,107)</b>
<b>Total Capital Programme</b>	<b>33,258</b>	<b>18,237</b>	<b>(15,021)</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 2021/22 Capital Programme

The following table identifies how the 2021/22 Capital Programme will be funded.

	2021/22 Current Budget	2021/22 Estimated Outturn	Variance
	£'000	£'000	£'000
Grants & Contribution	(297)	(297)	0
Capital Receipts	(200)	(200)	0
Borrowing	(16,648)	(9,828)	(6,820)
<b>Total General Fund Capital Funding</b>	<b>(17,145)</b>	<b>(10,325)</b>	<b>(6,820)</b>
HRA Capital Receipts	(2,230)	(450)	(1,780)
Major Repairs Reserve	(7,528)	(6,412)	(1,116)
Revenue Contribution from HRA	0	0	0
HRA Borrowing	(6,355)	(1,050)	(5,305)
<b>Total HRA Capital Funding</b>	<b>(16,113)</b>	<b>(7,912)</b>	<b>(8,201)</b>
<b>Total Capital Funding</b>	<b>(33,258)</b>	<b>(18,237)</b>	<b>(15,021)</b>



## Slippage Proposals

58. Slippage is proposed when capital schemes are not completed within the specified financial year but are still ongoing. Reasons for slippage could be delays to works starting, delay to contracts being agreed, projects being affected 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 2021/22 is as follows

Table 3 – Proposed Capital Slippage

Capital Scheme	Amount £'000
Vehicle Fleet Management	594
Low Emissions Infrastructure	138
Football Hub Development	641
Asset Management Strategy	79
Asset Development	288
Software Infrastructure	70
Strategic Property Acquisitions	4,650
<b>Total General Fund Slippage Proposals</b>	<b>6,460</b>
Strategic Housing Delivery Programme	7,085
<b>Total HRA Slippage Proposals</b>	<b>7,085</b>
<b>Total Slippage Proposals</b>	<b>13,545</b>
Funded By:	
Borrowing	(6,460)
<b>Total General Fund Funding</b>	<b>(6,460)</b>
HRA Capital Receipts	(2,130)
Borrowing	(4,955)
<b>Total HRA Funding</b>	<b>(7,085)</b>
<b>Total Funding of Slippage Proposals</b>	<b>(13,545)</b>

These will be finalised and approved as part of 2021/22 outturn, which will be reported to Policy Resources & Economic Development Committee.

## Capital Programme 2022/23

59. The table below details the capital programme budget for 2022/23 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 2022/23 and forecasts for 2023/24 & 2024/25

	2022/23 £'000	2023/24 £'000	2024/25 £'000
<b><u>Protecting Our Environment</u></b>			
Vehicle Fleet Management	1,340	1,400	900
Open Spaces Infrastructure	120	150	100
Solar Bin Pilot Scheme	12	0	0
Car Park Enhancements	320	150	100
High Street Planters	25	0	0
<b>Total Protecting Our Environment</b>	<b>1,817</b>	<b>1,700</b>	<b>1,100</b>
<b><u>Developing Our Communities</u></b>			
Play Area Refurbishment	300	150	150
King George's Pavilion Redevelopment	200	0	0
Football Hub Development	3,500	0	0
<b>Total Developing Our Communities</b>	<b>4,000</b>	<b>150</b>	<b>150</b>
<b><u>Improving Housing</u></b>			
Home Repair Assistance Grant	5	5	5
Disabled Facilities Grant	250	250	250
HRA Decent Home Programme	9,060	6,008	4,884
Strategic Housing Delivery Programme	5,633	30,248	15,534
<b>Total Improving Housing</b>	<b>14,948</b>	<b>36,511</b>	<b>20,673</b>
<b><u>Delivering an Effective and Efficient Council</u></b>			
Asset Management Strategy	100	100	100
Asset Compliance	250	250	100
ICT Strategy	100	100	100
ICT Hardware for Hybrid Working	125	125	125
Regeneration Fund	20,000	0	0
Software Infrastructure	80	50	50
<b>Total Delivering an Effective and Efficient Council</b>	<b>20,655</b>	<b>625</b>	<b>475</b>
<b>Total Capital Programme</b>	<b>41,420</b>	<b>38,986</b>	<b>22,398</b>

Table 5 - Funding the Capital Programme

	2022/23	2023/24	2024/25
	£'000	£'000	£'000
Total General Capital Programme	26,727	2,730	1,980
Total HRA Capital Programme	14,693	36,256	20,418
<b>Total Capital Programme</b>	<b>41,420</b>	<b>38,986</b>	<b>22,398</b>
Funded By:			
General Fund Capital Receipts	(200)	(200)	(200)
Government Grants	(250)	(250)	(250)
Borrowing	(26,277)	(2,280)	(1,530)
<b>Total General Fund Capital Funding</b>	<b>(26,727)</b>	<b>(2,730)</b>	<b>(1,980)</b>
HRA Capital Receipts	(2,103)	(5,485)	(8,765)
HRA Grant Funding	0	(3,030)	(2,520)
Major Repairs Reserve	(3,564)	(2,941)	(2,941)
HRA Borrowing	(9,026)	(24,800)	(6,192)
<b>Total HRA Capital Funding</b>	<b>(14,693)</b>	<b>(36,256)</b>	<b>(20,418)</b>
<b>Total Capital Funding</b>	<b>(41,420)</b>	<b>(38,986)</b>	<b>(22,398)</b>

## Capital Schemes 2022/23

60. A high-level summary is provided for each capital scheme that has been budgeted for in 2022/23 under each Corporate Strategy heading.

### Protecting our Environment

**Vehicle Fleet Management**, replacing existing fleet predominantly for waste services. Current fleets are aged and need replacing to reduce revenue burden of repairs and maintenance. Consideration will be given to replacing vehicles to electric vehicles where applicable.

**Open Spaces Infrastructure**, additional funds that support workstreams on, improving the car parks at King Georges, improving the boundaries at the golf course, and enhancing open spaces in the borough to address the Council's environmental agenda.

**Solar Bin Pilot Scheme**, trial of four solar litter bins that compact waste and notify when full to generate synergies and decrease unnecessary journeys on emptying the bins.

**Car Parking Enhancements** to support the delivery on improving the car parking facilities offered in the borough as an outcome of the car parking strategy.

**High Street Planters**, installation of planters in the high street to restrict parking on the pavement, protects pedestrian safety and prevents damage to the pavements.

### 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.

**Football Hub Development** at the Brentwood Centre Site, to develop a community hub in the Borough for the use of football achieving the Council's play pitch strategy, this budget will not be committed until a Full Business Case has been presented.

### 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 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 enhancements.

**Asset Compliance** Works that are required to develop existing owned assets, ensuring they are compliant with all health & safety requirements and building regulations.

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

**ICT Hardware and Hybrid Working** rolling program of replacing ICT hardware as it comes to the end of its useful life to support the delivery operating a hybrid way of working for officers.

**Regeneration Fund**, opportunity to loan funds to developers to support local development and regeneration subject to lending criteria and due diligence and approval at PRED committee.

**Software Infrastructure** Enhance Council software to support the ICT strategy in producing synergies and efficiencies

## Aspiring Capital Programme

61. The Council has further aspirations that go beyond the current proposed capital programme. However, monetary commitments cannot be made in this budget cycle against the aspiring projects that are currently underway.

62. These aspiring projects are large scale projects the Council is committed to achieving however until all due diligence and financial modelling is completed, timescales of the project life span cannot be committed to.

63. Due to the value of these aspiring projects, it is expected that the completed business cases would be presented at Ordinary Council in year for decision on committing funds to continue with the project. Therefore, the current capital programme or MTF5 does not account for these projects, project proposals going to full council would need to show the full impact on the Council's capital programme and general fund revenue account, to ascertain the financial impact on the Council's finances.

The following projects and the range of monetary commitment are as follows:

Project	Minimum Value* £'000	Maximum Value* £'000
<u>Regeneration</u>		
Depot Relocation	10,000	15,000
Baytree Centre	40,000	100,000
Brentwood Centre	20,000	80,000
<b>Total Regeneration</b>	<b>70,000</b>	<b>195,000</b>
<u>Leisure &amp; Recreation</u>		
Pavilion Refurbishment	1,200	1,560
Town Centre Play Area	200	350
Woodland Park Offering	350	500
Golf Course Improvements	800	1,000
<b>Total Leisure &amp; Recreation</b>	<b>2,550</b>	<b>3,410</b>
<b>Total Potential Capital Investment</b>	<b>72,550</b>	<b>198,410</b>

\*Indicative figures until projects are refined and finalised

A high-level summary is provided for each capital aspiration.

## Regeneration

64. These programmes are identified as regeneration requirements. Work continues on business cases including financial appraisals of the available options. The final options will be reported to Ordinary Council for formal approval and budget approval. These identified projects are deemed as the ones to prioritise.

**Depot Relocation**, to unlock the current land the depot currently resides. As per the Council's Local Development Plan, the current depot site is earmarked for housing development. Therefore, to achieve this housing growth the depot must locate to an alternative site.

**Baytree Centre**, the Centre was purchased March 2021 for the purpose of regenerating the site and enhancing the offering to support the high street.

**Brentwood Centre**, creating a new leisure facility on the site for the borough.

## Leisure and Recreation

65. These identified programmes require identified investment however the priority to deliver these programmes does not supersede the regeneration agenda. When capital funding is constrained, these programmes will be prioritised less over the regeneration programmes. However, work continues to progress on these programmes to identify if other funding options, such as grant funding, SIL/S106 can support the delivery of this aspirations.

**Pavilion Refurbishment**, supporting the enhancement and improvements of the pavilions situated across the borough that are Council owned.

**Town Centre Play Area**, to identify a site and install play equipment in proximity of the town centre.

**Woodland Park Offering**, to create a woodland park in the borough.

**Golf Course Improvements** planned improvements to enhance the offering at Hartwood golf course. The project is expected to be phased over a 5-year period.

## Implications of the Aspiring Capital Programme

66. Each aspiring project requires full financial appraisal as a project as well as the impact on the Council's General Fund Revenue Account. Understanding how these projects can be funded will determine the affordability of the projects against the Council's projected finances.

67. Projects that require borrowing will have a revenue implication to the General which currently is not forecast into the MTF5.

68. Based on current indications if the whole programme was to be financed with prudential borrowing there could be a revenue impact of the following

	Minimum Value £'000	Maximum Value £'000
Interest Payable @ 2%	1,451	3,968
MRP @ 3.5%*	1,451	3,968
Total Revenue Impact	2,901	7,936

\*Average used over life of 50 years. Minimum Value ranges from £0.553 million in year 1 to £2.986 million in year 50. Maximum Value provision ranges from £1.515 million in year 1 to £8.173 million in year 50.

69. These are high level indicative figures; everyone's project would need to determine the cashflows of the project to determine when long term borrowing would be required. In addition to this MRP is calculated on a reducing balance basis and is charged the year after the asset is brought to use. With regard to MRP it must be noted that the revenue set aside increases per annum over the life of the asset. The amounts for this would be dependant of each project's life to determine how much revenue is set aside per annum.

70. The indicative figures are to inform the reader of the potential revenue the General Fund would need to finance. In addition to this the Council's Borrowing limits would need to increase if the projects could not be met within the existing borrowing limits.

71. It should be stressed that when assessing the affordability of an capital project the revenue implications must be considered also as part of the project to determine the total affordability of the project, especially when resources are limited.



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

72. 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.

73. 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.

74. 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.

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

76. 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.

77. 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.

78. 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.

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

80. 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.

81. 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

82. 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.

83. 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.

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

Overall value	Procedure
Under £25,000	One quotation required, obtaining best value for money
£25,000 and WTO Thresholds (as contained with Public Contracts Regulations 2015)	Full tender exercise conducted by Procurement Officers on Delta E-Sourcing website and advertised on the Councils website for at least two weeks
Over WTO Threshold	Full tender exercise conducted on Delta E-Sourcing website by the Procurement Officers, in accordance with the public Contracts Regulations and advertised on the Council’s website for at least two weeks.

It should be noted that the thresholds are amended every two years, and were amended on 1<sup>st</sup> January 2022 to:

Goods and Services	£213,477 including VAT
Works	£5,336,937 including VAT

Standing orders will be amended in the constitution to reflect the new thresholds.

#### Other options

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

86. 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.

87. 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.

88. 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.

89. 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.

90. 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.

91. 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.

92. A waiver cannot be granted if the value of the required procurement is above the current WTO thresholds above.

93 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

94. 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.

95. 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.

96. 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.

97. 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.

## **Service Delivery & Commercial Investments**

### **Service Delivery Investments**

98. These are investments that are held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure.

99. The investments held by the Council that come within this category are Childerditch Industrial Park, Baytree Centre and Academy Place Office. These were purchased in 2021 at a total cost of £89m for economic regeneration and protection of local employment purposes. These assets are managed on behalf of the Council by its subsidiary company, Seven Arches Investment Limited (SAIL).

### **Commercial Investments**

100. These are investments held primarily for financial return with no treasury management or direct service provision purpose

The investments held by the Council that come within this category are:

- the loans totalling £60m made by the Council to its subsidiary company, SAIL, to fund the purchase of commercial properties
- the residential flats and the commercial office space in the Town Hall
- the neighbourhood shops that were formerly part of the HRA (these can be considered as legacy assets)

101. Under the 2021 Prudential Code, Councils may no longer borrow to invest primarily for financial return. The capital expenditure plans for 2022/23 to 2024/25 do not include any such borrowing by the Council.

102. All of the above, including the loan to SAIL, were capital expenditure, and the revenue income generated from both types of investments is an integral part of the Medium Term Financial Strategy.

103. 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.

104. 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).

### **Indicators**

105. The following table shows the Council's total exposure to service delivery and commercial investments:

Investment Exposure	2022/23 £'000	2023/24 £'000	2024/25 £'000
<b>Service Delivery Investments</b>			
- Childerditch Industrial Park, Baytree Centre & Academy Place	89,120	89,120	89,120
<b>Commercial Investments</b>			
- loans to subsidiary	60,000	60,000	60,000
- Town Hall - residential flats and commercial suites	7,197	7,197	7,197
- neighbourhood shops	3,256	3,256	3,256
<b>Total Investment Exposure</b>	<b>159,573</b>	<b>159,573</b>	<b>159,573</b>

The following table shows the extent to which the above investments have been funded from borrowing:

Investments funded by borrowing	2022/23 £'000	2023/24 £'000	2024/25 £'000
<b>Service Investments</b>			
- Childerditch Industrial Park, Baytree Centre & Academy Place	89,120	89,120	89,120
<b>Commercial investments</b>			
- loans to subsidiary	60,000	60,000	60,000
- Town Hall - residential flats and commercial suites	5,943	5,943	5,943
- neighbourhood shops	3,256	3,256	3,256
<b>Total Investments funded by borrowing</b>	<b>158,319</b>	<b>158,319</b>	<b>158,319</b>

The following indicators show the rate of return on the above investments, measured by the net income as a proportion of the total investment.

Rate of return	2022/23 £'000	2023/24 £'000	2024/25 £'000
Service delivery investments	2%	2%	2%
Commercial investments - loans to subsidiary	2%	2%	2%
Commercial investments - Town Hall flats & comm suites	5%	5%	5%
Neighbourhood shops	4%	4%	4%

The final indicator shows the gross income from the investments as a proportion of Net Revenue Stream.

Ratio of gross income to Net Revenue Stream	2022/23	2023/24	2024/25

	£'000	£'000	£'000
Service delivery investments - strategic acquisitions	45%	52%	50%
Commercial investments - loans to subsidiary	27%	28%	28%
Commercial investments - Town Hall flats & comm suites	5%	5%	5%
Commercial investments - neighbourhood shops	3%	3%	3%

106. Net Revenue Stream includes Council Tax income, un-ringfenced grant funding (excluding any capital grants), such as New Homes Bonus, business rate retention income and Collection fund surplus or deficit.

107. The above indicator is the measure that is prescribed in the Prudential Code. The following points, however, should be borne in mind:

a) In addition to Net Revenue Stream, the Council receives income from many other sources, including fees & charges and grants. This other income can be referred to as Total Gross Income. The following table measures the gross income from the investments as a ratio of Total Gross Income

Ratio of gross income to Total Gross Income	2022/23 £'000	2023/24 £'000	2024/25 £'000
Service delivery investments - strategic acquisitions	15%	16%	15%
Commercial investments - loans to subsidiary	9%	9%	9%
Commercial investments - Town Hall flat & comm suites	2%	2%	2%
Commercial investments - neighbourhood shops	1%	1%	1%

b) Part of the income generated from these assets is used to fund the financing costs associated with these assets. It is the net income from these assets that contributes to the funding of Council services. The ratio of net income to Net Revenue Stream is as follows:

Ratio of net income to Net Revenue Stream	2022/23 £'000	2023/24 £'000	2024/25 £'000
Service delivery investments - strategic acquisitions	17%	23%	20%
Commercial investments - loans to subsidiary	13%	14%	14%
Commercial investments - Town Hall flat & comm suites	3%	3%	3%
Commercial investments - neighbourhood shops	1%	1%	1%

## Risk Management

108. 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.

## Treasury Management Strategy Statement

### Introduction



109. 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 Treasury Management Practice Statements (TMPs).

110. 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.

111. This section summarises the current position about the Council’s Treasury Management arrangements and proposes a strategy for 2022/23.

#### Treasury management consultants

112. The Council uses Link Group, Treasury solutions as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers

#### Capital Expenditure and Financing

113. 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 2022/23 to 2024/25, and the 2020/21 actuals and 2021/22 forecast outturn. The figures for 2022/23 incorporate the slippage proposals reported on page 17.

	2020/21 Actual £000	2021/22 Estimated outturn £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
General Fund	121,441	10,325	33,187	2,730	1,980
HRA	4,396	7,912	21,778	36,256	20,418
<b>Total</b>	<b>125,837</b>	<b>18,237</b>	<b>54,965</b>	<b>38,986</b>	<b>22,398</b>

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

	2020/21 Actual £000	2021/22 Estimated outturn £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Capital receipts	(668)	(650)	(4,433)	(5,685)	(8,965)
Capital grants & contributions	(226)	(297)	(250)	(3,280)	(2,770)
Revenue contributions	(500)	0	0	0	0
Major repairs reserve	(2,820)	(6,412)	(3,564)	(2,941)	(2,941)
Borrowing	(121,623)	(10,878)	(46,718)	(27,080)	(7,722)
<b>Total</b>	<b>(125,837)</b>	<b>(18,237)</b>	<b>(54,965)</b>	<b>(38,986)</b>	<b>(22,398)</b>

### Capital Financing Requirement

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

	2020/21 Actual £000	2021/22 Estimated outturn £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
<b>Capital Financing Requirement</b>					
General Fund	177,159	185,802	217,180	217,438	216,670
HRA	63,437	64,487	78,468	103,268	109,460
<b>Total CFR</b>	<b>240,596</b>	<b>250,289</b>	<b>295,648</b>	<b>320,706</b>	<b>326,130</b>

<b>Movement represented by:</b>					
Net financing need for the year		10,878	46,718	27,080	7,722
Debt Repayment Provision		(1,067)	(1,359)	(2,022)	(2,298)
<b>Movement in CFR</b>		<b>9,811</b>	<b>45,359</b>	<b>25,058</b>	<b>5,424</b>

### Gross Borrowing and the Capital Financing Requirement

115. The Council should ensure that its gross external borrowing 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 2022/23 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 external borrowing is

expected to be below the CFR, which demonstrates compliance with the requirement of this indicator.

	2020/21 Actual £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
<b>Total external borrowing</b>	<b>232,847</b>	<b>233,338</b>	<b>279,835</b>	<b>309,832</b>	<b>313,329</b>
<b>Capital financing requirement</b>	<b>240,596</b>	<b>250,289</b>	<b>295,648</b>	<b>320,706</b>	<b>326,130</b>
Under borrowing	(7,749)	(16,951)	(15,813)	(10,874)	(12,801)

## Borrowing Strategy

116. The intended borrowing strategy for 2022/23 and subsequent years is to fund capital schemes through short-term borrowing while they in progress, and to replace this with long borrowing once the schemes are complete. This approach enables the Council to maintain a borrowing portfolio containing a mix of long and short-term borrowing. Long term borrowing supports medium term financial planning by providing certainty around interest costs, and maintaining some short-term borrowing enables the Council to take advantage of lower interest rates.

117. During 2021 the Council has entered into a deferred draw-down arrangement with a market lender, Phoenix Life. Under this arrangement, the Council will borrow draw-down a long-term loan of £25m in August 2023, and another long-term loan of £20m in June 2024. Both of these loans will run for forty years at 2.058% and 2.059% respectively. These two borrowings will provide long-term finance for the capital schemes due to complete in those two financial years.

118. The Council do not expect the need to take out short-term borrowing to cover its general cash flow needs. In the event of any unplanned cash flow shortages, however, it will take out short-term loans to cover these needs.

### Sources of borrowing

119. 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'

120. 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.

121. 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

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

	31 March 2021 £000	31 March 2022 £000	31 March 2023 £000	31 March 2024 £000	31 March 2025 £000
Borrowing					
- PWLB	108,166	194,166	222,166	222,166	222,166
- Market Lender	0			25,000	45,000
- Other Local Authorities	124,500	39,000	57,500	62,500	49,500
- Transferred Debt	181	172	169	166	163
<b>Total Borrowing</b>	<b>232,847</b>	<b>233,338</b>	<b>279,835</b>	<b>309,832</b>	<b>316,829</b>
Investments	0	-8,000	-8,000	-8,000	-8,000
<b>Net Borrowing</b>	<b>232,847</b>	<b>225,338</b>	<b>271,835</b>	<b>301,832</b>	<b>308,829</b>

## Interest rate forecasts

123. The following table, provided by the Council's treasury advisors Link Group, shows bank rate and PWLB interest rate forecasts up to March 2024:

	Dec- 21	Mar- 22	Jun- 22	Sep- 22	Dec- 22	Mar- 23	Jun- 23	Sep- 23	Dec- 23	Mar- 24
Bank Rate	0.25%	0.25%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%	1.00%
PWLB Rates										
- 5 years	1.40%	1.50%	1.50%	1.60%	1.60%	1.70%	1.80%	1.80%	1.80%	1.90%
- 10 years	1.60%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%	2.00%	2.10%
- 25 years	1.80%	1.90%	2.00%	2.10%	2.10%	2.20%	2.20%	2.20%	2.30%	2.30%
- 50 years	1.50%	1.70%	1.80%	1.90%	1.90%	2.00%	2.00%	2.00%	2.10%	2.20%

124. A gradual rise in the Bank Rate is expected over the forecast period, but these forecasts are subject to change due to the high level of uncertainty prevailing on a number of fronts, such as the impact on the economy of rising gas and electricity prices.

125. There is also expected to be a steady but slow rise in both Bank Rate and PWLB rates during the forecast period, though there will doubtless be much volatility at any time during this forecast period, could provide opportunities to lock into longer-term borrowing at favourable rates of interest.

## Debt Limits

126. Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits

### Operational Boundary For External Debt

127. 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.

	2020/21 Actual £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Borrowing	229,534	245,000	300,000	325,000	330,000
<b>Total</b>	<b>229,534</b>	<b>245,000</b>	<b>300,000</b>	<b>325,000</b>	<b>330,000</b>

### Authorised Limit For External Debt

128. 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.

	2020/21 Actual £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Borrowing	244,500	290,000	327,000	352,000	357,000
Other long-term liabilities	3,000	3,000	3,000	3,000	3,000
<b>Total</b>	<b>247,500</b>	<b>293,000</b>	<b>330,000</b>	<b>355,000</b>	<b>360,000</b>

129. 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.

### Ratio of Financing Costs to Net Revenue Stream

130. The following table show the revenue costs to the General Fund of financing capital expenditure (i.e. interest charges and provision for debt repayment) as a ratio of the General Fund net revenue stream.

General Fund	2020/21	2021/22	2022/23	2023/24	2024/25
Financing costs	1,109	3,431	4,300	4,998	5,938
Net revenue stream	9,245	9,061	9,027	8,477	8,647
Ratio	12%	38%	48%	59%	69%

131. It should be noted that most of the General Fund financing costs are associated with service delivery assets and loans to the Council's subsidiary company. These are fully funded from the income generated by these assets and loans.

132. The following table shows the ratio of other financing costs (i.e. not associated with service delivery and loans to subsidiary) to net revenue stream

	2022/23	2023/24	2024/25
Financing costs	305	976	1,890
Net revenue stream	9,027	8,477	8,647
Ratio	3%	12%	22%

133. The following table show the revenue costs to the HRA of financing capital expenditure as a ratio of HRA gross income

HRA	2020/21	2021/22	2022/23	2023/24	2024/25
Financing costs	1,928	2,000	2,071	2,454	2,710
Gross income	13,185	13,376	13,663	14,520	15,894
Ratio	15%	15%	15%	17%	17%

### Debt Rescheduling

134. This is the practice of repaying debt of one maturity early in order to borrow for a different maturity period.

135. Rescheduling of current borrowing in our debt portfolio is unlikely to occur during 2022/23 as there is still a very large difference between premature redemption rates and new borrowing rates.

136. If any rescheduling is undertaken in 2022/23, it would be authorised by the Section 151 Officer under delegated arrangements and reported to Council at the next opportunity following its action.

## Treasury Indicators

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

137. This indicator is intended to set upper limits to the Council's exposure to the effects of changes in interest rates in 2022/23 and for the following two financial years.

138. 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

139. 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.

140. 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 2021/22 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.

### Maturity Structure of Borrowing

<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%



## Treasury Investment Strategy

141. The treasury investment strategy deals solely with treasury investments, i.e. investments arising from the organisation's cash flows or treasury risk management activity and representing balances which are only held until the cash is required for use.

142. The categories of service delivery and commercial investments are dealt with on pages 26-29 of this document.

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

- DLUHC's Guidance on Local Government Investments
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017
- CIPFA Treasury Management Guidance Notes 2018

143. 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.

144. The Council's strategy will be to invest surplus funds in amounts of up to £5m per counterparty in a mix of fixed term deposits, call accounts and any other investment products deemed worthwhile, in accordance with the limits set out in the following paragraphs.

### Durational limits

145. 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

146. Specified investments are high security, high liquidity investments in sterling with high credit quality and a maturity of no more than one year.

147. 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. In previous years the Council has not used non-specified investments. For 2022/23, investments of up to three years with other local authorities will be allowed, up to a total value of £5m. This is to enable the Council to access higher returns through investing for longer periods.

## Credit ratings

148. Banks and some of the larger building societies have credit ratings from the three main credit rating agencies, Fitch, Moodys and Standard & Poor (S&P). Some banks and building societies opt for credit ratings from all three agencies; others opt for credit ratings from two out of three agencies. Ratings are split between short term and long term, which are explained in more detail below.

The Council's proposed minimum acceptable credit ratings for 2022/23 are as follows:

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

149. Where a bank or building society has opted for ratings from two of the three agencies, the minimum acceptable ratings will be deemed to have been met if both ratings are at or above the levels in the above table. This is a change in approach from previous years. It is not considered that this will expose the Council to the risk of loss.

## Credit Rating Definitions

### Long-term Issuer Default rating

150. 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

151. 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)

152. 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.

### Country limits

153. In previous years, investments have been restricted to UK financial institutions. In 2022/23, it is proposed that the the country limit be expanded to include the non UK banks that are accessible via the Agency Treasury Service provided by Link Group. The Agency Treasury Service is a facility that gives the Council easy access to a number of UK and non UK banks. The Council has used this facility for a number of years in order to access some UK banks such as Standard Chartered Bank. Expanding the country limits will give the Council access to some new banks, all of which have been carefully selected by Link. They are considered to be secure potential counterparties, which would add diversity to the Council's investment portfolio. At the time of writing this strategy, these banks would be:

- Bayerische Landesbank (Germany)
- Landesbank Hessen-Thuringen Girozentrale (Germany)
- National Bank of Canada
- First Abu Dhabi Bank PJSC (United Arab Emirates)
- Qatar National Bank

This may change during the year if new banks are added or existing banks removed.

154. The minimum credit rating would apply to each of these, and in addition the minimum acceptable sovereign credit rating of the country of origin at the time of placing the deposit will be AA- (the UK sovereign rating at the time of writing this strategy).

155. The Council will prioritise UK financial institutions when making investments.

#### Investment instruments and limits

156. The table below details the Councils Investment Instruments that it will utilise, and the associated limits:

#### Investment Instruments

Instrument	Minimum short term credit rating	Minimum long term credit rating	Maximum value of investment per counterparty	Maximum duration of investment
Term Deposits with UK Local Authorities	N/a	N/a		3 years
Term deposits or notice accounts with UK banks and building societies	Fitch F1 Moody's P-1 S&P A-1	Fitch A- Moody's A3 S&P A-	£5m	1 year
Term deposits with banks part nationalised	Minimum credit ratings not required as long as these banks continue to be part nationalised		£5m	1 year
Term deposits or notice accounts with non UK banks accessible via the Link Group Agency Treasury Service	Fitch F1 Moody's P-1 S&P A-1	Fitch A- Moody's A3 S&P A-	£5m	1 year
	Sovereign rating AA-			
Debt Management Account Deposit Facility (DMADF)	N/a	N/a	Unlimited	6 months (DMADF 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	Liquid
Money Market Funds LVNAV	N/a	AAA	£5m	Liquid
Money Market Funds VNAV	N/a	AAA	£5m	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	1 year

### Current accounts

157. 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, the Council 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

158. 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 Consultants

159. 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.

## Prudence in Borrowing and Investment

160. The Prudential Code 2021 edition requires the Council to ensure that all of its capital expenditure, investments and borrowing decisions are prudent and sustainable.

161. The Code states that authorities may borrow and invest for the following purposes:

- any function of the authority under any enactment
- for the prudent management of their financial affairs.

162. It also gives the following examples of legitimate of prudent borrowing:

- financing capital expenditure primarily related to the delivery of a local authority's functions
- temporary management of cash flow within the context of a balanced budget
- securing affordability by removing exposure to future interest rate rises
- refinancing current borrowing, including adjusting levels of internal borrowing, to manage risk, reduce costs or to reflect changing cash flow circumstances

163. The Council will ensure that all of its borrowing and investment activity during 2022/23 is prudent and in accordance with the above examples.

164. The Code also states that certain acts or practices are not prudent activity for a local authority and incur risk to the affordability of local authority investment:

- In order to comply with the Prudential Code, an authority must not borrow to invest primarily for financial return.
- It is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority and where any financial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose.

165. The Council will comply with the above requirements during 2022/23.

## Minimum Revenue Provision

166. 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.

167. The Council is recommended to approve this policy for 2022/23. The policy is as follows:

### Debt Liability pre 1 April 2008

168. 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

169. 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.

170. 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.

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

172. 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.

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

173. 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.
- d) 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.

#### Debt Liability to Third parties

174. For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead.

175. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. While this is not one of the options in the MHCLG Guidance, it is thought to be a prudent approach since it ensures that the capital expenditure incurred on the loan is fully funded over the life of the assets

176. At the time of writing this report, the DLUHC is consulting on proposed changes to minimum revenue provision on investment assets and capital loans. Any changes arising from this consultation are expected to come into effect from 1 April 2023. It is unclear whether any changes will apply just to new loans or to loans already in place.



## Prudential and Treasury Indicators

### Indicators for Prudence

#### Estimates of capital expenditure

177. 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

178. 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

179. 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:

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

#### Operational boundary

181. 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:

182. 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

183. 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.

184. 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

185. 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.

186. Net revenue stream includes Council Tax income, un-ringfenced grant funding (excluding any capital grants), such as New Homes Bonus, business rate retention income and any Collection fund surplus or deficit.

#### Treasury Indicators

##### Interest exposures

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

##### Maturity structure of borrowing

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

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

189. A restriction on authorisation of longer-term investments.

The Prudential and Treasury Indicators are presented in the following tables:

	2020/21 Actual £'000	2021/22 Estimated outturn £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
--	----------------------------	--	------------------------------	------------------------------	------------------------------

<b>Estimates of Capital Expenditure</b>					
General Fund	121,441	10,325	33,187	2,730	1,980
HRA	4,396	7,912	21,778	36,256	20,418
<b>Total</b>	<b>125,837</b>	<b>18,237</b>	<b>54,965</b>	<b>38,986</b>	<b>22,398</b>

<b>Estimates of Capital Financing Requirement</b>					
General Fund	177,159	185,802	217,180	217,438	216,670
HRA	63,437	64,487	78,468	103,268	109,460
<b>Total</b>	<b>240,596</b>	<b>250,289</b>	<b>295,648</b>	<b>320,706</b>	<b>326,130</b>

	2020/21 Actual	2021/22 Estimated outturn	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£'000	£'000	£'000	£'000	£'000

<b>External Debt</b>					
Authorised Limit	247,500	293,000	330,000	355,000	360,000
Operational Boundary	229,534	245,000	300,000	325,000	330,000

<b>Gross Debt and Capital Financing Requirement</b>					
Estimated Gross Debt	232,847	233,338	279,835	309,832	316,829
Capital Financing Requirement	240,596	250,289	295,648	320,706	326,130
CFR + Following 2 Years Increases	295,648	320,706	326,130	326,130	326,130

<b>Ratio of Financing Cost to Net Revenue Stream</b>					
General Fund	12%	40%	75%	80%	96%
HRA	15%	0%	0%	0%	0%

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

<b>Maturity Structure of Borrowing</b>	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%

	2022/23	2023/24	2024/25
<b>Principal sums invested &gt; 364 days</b>	£5m	£5m	£5m

## Proposed Treasury Management Strategy for 2022/23

190. Taking account of the above position, the Section 151 Officer recommends the following strategy for 2022/23:

- 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 review according to market and other relevant factors, but will not be actively pursued.
- h) The treasury management strategy including the investment strategy, will be continually reviewed in the light of changing circumstances, including legislation. 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.

191. 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.

192. A revised Treasury Management Strategy will be prepared and submitted to Full Council if the Section 151 Officer considers that any such revision is necessary.

193. 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

194. 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.

195. 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**

**2022/23**

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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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	1,268.00	1,268.00	1,332.00	1,332.00
Cremated remains grass plot	E	D	457.00	457.00	480.00	480.00
Non-Brentwood resident - all full burial graves	E	D	2,537.00	2,537.00	2,664.00	2,664.00
Non-Brentwood resident - cremated remains grass plot	E	D	914.00	914.00	960.00	960.00

**Purchase of Exclusive Rights of Burial for 50 years (Vaults and Niches Only)**

Granite vaults	E	D	934.00	934.00	981.00	981.00
Niches In granite columbarium	E	D	628.00	628.00	660.00	660.00
Non- Brentwood resident - granite vaults	E	D	1,867.00	1,867.00	1,961.00	1,961.00
Non-Brentwood resident - niches in granite Columbarium	E	D	1,256.00	1,256.00	1,319.00	1,319.00

**Interment Fees**

Graves dug down for one or two	O	D	918.00	918.00	964.00	964.00
Additional charge for dig down to 9ft	O	D	227.00	227.00	239.00	239.00
Cremated remains grass plot	O	D	197.00	197.00	207.00	207.00
Granite vault	O	D	347.00	347.00	365.00	365.00
Niche In granite Columbarium	O	D	347.00	347.00	365.00	365.00
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	1,835.00	1,835.00	1,927.00	1,927.00
Non-Brentwood resident -additional charge for dig down to 9ft	O	D	454.00	454.00	477.00	477.00
Non-Brentwood resident-cremated remains grass plot	O	D	394.00	394.00	414.00	414.00
Non-Brentwood resident -granite vault	O	D	693.00	693.00	728.00	728.00
Non-Brentwood resident -Niche In granite Columbarium	O	D	693.00	693.00	728.00	728.00
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	212.00	212.00	223.00	223.00
Cremated remains plot	E	D	106.00	106.00	112.00	112.00
Non-Brentwood resident -all full burial graves	E	D	424.00	424.00	446.00	446.00
Non-Brentwood resident -cremated remains plot	E	D	212.00	212.00	223.00	223.00

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

Granite vaults	E	D	373.00	373.00	392.00	392.00
Niches In granite Columbarium	E	D	251.00	251.00	264.00	264.00
Non-Brentwood resident - granite vaults	E	D	746.00	746.00	784.00	784.00
Non-Brentwood resident -Niches In granite Columbarium	E	D	502.00	502.00	528.00	528.00

**Monuments**

Monument/Inscription approval fee	O	D	143.00	143.00	151.00	151.00
Additional approval fee charge for kerbed monuments	O	D	143.00	143.00	151.00	151.00
Inscription on a vault or niche	S	D	211.67	254.00	222.50	267.00

**Other Charges**

Deed Transfer	O	D	63.00	63.00	65.00	65.00
Search of Burial Records	O	D	25.00	25.00	26.00	26.00
Chapel hire - Woodman Road Cemetery	E	D	60.00	60.00	62.00	62.00

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FE E	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	3.75	4.50	4.00	4.80
<b><u>Domestic Refuse Collection</u></b>							
Bulky Household Collections - Charge per item	Min 2 Items	O	D	11.50	11.50	12.00	12.00
Biodegradable sacks for garden waste per wrap of 10*		O	D	3.40	3.40	3.50	3.50
Biodegradable sacks for garden waste per wrap of 100 (Wholesale)		S	D	250.00	300.00	255.00	306.00
Garden Waste Bin hire per annum - including fortnightly emptying		O	D	55.00	55.00	60.00	60.00
Garden Waste Bin - Replacement if lost/stolen		O	D	21.00	21.00	22.00	22.00
Hire of 1280 litre container		S	D	107.50	129.00	110.00	132.00
Hire of 770, 940 and 1100 litre Container		S	D	102.50	123.00	105.00	126.00
Hire of 240 litre container		S	D	32.50	39.00	34.17	41.00
Hire of 360 litre container		S	D	43.33	52.00	45.00	54.00
<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				
Relocating containers		O	D				
<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				
<b><u>Trade Glass Collection</u></b>							
1100 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				
<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				
<b><u>School Dry Recycling Collection</u></b>							
Cost of Collection is a on eoff charge		O	D				
<b><u>School/Trade Dry Recycling Sacks for Use in Containers Only</u></b>							
Purple sacks - 400 sacks per box.	Box	O	D				
<b><u>Trade Food Waste</u></b>							
140 litre bin	Per Lift	O	D				
<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				
<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				
<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				

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 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	73.00	73.00
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	119.00	119.00
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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 2022 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 2022 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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	873.00	873.00	890.00	890.00
Renewal of licence - 5 years	O	D	592.00	592.00	603.00	603.00

**Housing Act Notices**

Issuing notices under Housing Acts	O	D	239.00	239.00	244.00	244.00
Immigration Survey checks	O	D	84.00	84.00	86.00	86.00

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**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: STREET SERVICES**

**CHARGING AREA: STREET NAMING & NUMBERING**

**Address Change Charges**

Renaming/renumbering per property	OS	D	62.00	62.00	65.00	65.00
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**Developer Charges**

Naming of street – per street	OS	D	104.00	104.00	109.00	109.00
Numbering of development plots	OS	D	78.00	78.00	82.00	82.00
Numbering of development plots 2-10 units	OS	D	151.00	151.00	159.00	159.00
Numbering of development plots over 10 units	OS	D	151.00 + £32 per extra unit	159.00 + £34 per extra unit		

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	(Cost price) (Access to Shared kitchen for cooking, No Breakfast	O	D	£25 - £85	£25 - £85	£35 - £90	£35 - £90
Amenity charge - 1 person Household per day		O	S	2.89	2.89	3.50	3.50
Additional persons per person - per day		O	S	0.48	0.48	0.57	0.57
Amenity charge - 1 person Household per day	(Breakfast only)	O	S	2.89	2.89	3.44	3.44
Additional persons per person - per day		O	S	0.48	0.48	0.51	0.51
Amenity charge - 1 person Household per day	(Access to Shared kitchen for cooking and Breakfast)	O	S	2.89	2.89	4.01	4.01
Additional persons per person - per day		O	S	0.48	0.48	1.08	1.08
Removals	Minimum	S	D	Cost Price	Cost Price	Cost Price	12.50
Furniture		S	D	Cost Price	Cost Price	Cost Price	Cost Price
Storage - Homeless	per square foot	S	D	Cost Price	Cost Price	Cost Price	Cost Price

\* Amenity Charges based on 21/22 Housing Benefit Ineligible charges

*Heating/Hot Water - £2.93 per day*

*Shared kitchen/cooking facilities - .57p per day*

*Breakfast - .51p per day*



**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	12.00	12.00	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	205.00	246.00	211.66	254.00
Property Clearance 1 or 2 Beds		S	D	205.00	246.00	211.66	254.00
Property Clearance 3 or 4 Beds		S	D	409.17	491.00	422.08	506.50
Bulk Waste Removal per item	Min 2 items	O	D	11.50	11.50	12.00	12.00

**Tenancy Management**

Court Costs	Average	O	D	376.00	376.00	376.00	12.50
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	98.33	118.00	101.66	122.00
Administration Charge		S	D	10.00	12.00	10.00	12.00
Non-return of Gas/Electric Keys and Cards		O	D	186.00	186.00	186.00	186.00

**Garage Rental Fees Per Week**

**Car spaces & Car Ports**

Car Space Council Tenant		O	D	1.90	1.90	1.95	1.95
Car Space Private (NCT)		O	D	2.60	2.60	2.65	2.65
Car Space Leaseholder		O	D	2.20	2.20	2.25	2.25

**Garages**

Garage Council Tenant		O	D	8.90	8.90	9.10	9.10
Garage Private (NCT)		S	D	12.00	14.40	12.25	14.70
Garage Charities		O	D	12.00	12.00	12.25	12.25
Garage Leasehold		E	D	10.40	10.40	10.60	10.60
Garage Commercial		S	D	22.20	26.60	22.58	27.10

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022	April 2022-March 2023	April 2022-March 2023	April 2022-March 2023
			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	12.08	14.50
Lock Change - Dwelling:Gain Access – 1 Door ref: 396001	new	S		-	-	62.50	75.00
Lock:Full Lock Change – Front Door ref: 390929		S	D	105.83	127.00	110.00	132.00
Opening:Board Up With 12mm Sterling or Plywood ref: 397001	new	S		-	-	32.50	39.00
Single Glaze 6mm Window Replacement upto 1 Square Metre ref: 515013		S	D	76.67	92.00	120.83	145.00
Single Glaze 6mm Window Replacement over 1 Square Metre ref: 515015		S	D	119.17	143.00	128.33	154.00
Double Glazed Window Replacement upto 1 Square Metre ref: 556005		S	D	175.00	210.00	205.00	246.00
Double Glazed Window Replacement over 1 Square Metre ref: 556007		S	D	175.00	210.00	210.00	252.00
Internal Fire door Replacement 1/2hr (less stops or frame) ref: 330013		S	D	251.67	302.00	179.17	215.00
External Timber Door Replacement Panelled or Glazed Front Door ref: 321107		S	D	840.00	1,008.00	10.42	12.50
Renew Internal Ply Flush Door Ref: 330001	new			-	-	146.67	176.00
Paint Pack Dulux - 2 bed		S	D	98.33	118.00	230.00	276.00
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 5%	Less 5%	Less 5%	Less 5%
Drain:Jet Blockage (per hour) ref: 039004	new	S	D	-	-	80.00	96.00
Drain:Rod Blockage ref: 039006	new	S	D	-	-	30.83	37.00
Burst:Repair Burst Pipe ne 28MM ref: 640001	new	S	D	-	-	60.83	73.00

**ENVIRONMENT, ENFORCEMENT AND HOUSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: HOUSING REVENUE ACCOUNT**

**CHARGING AREA: LEASEHOLDERS**

**Leaseholders**

Leasehold Information Pack (LPE1)	S	D	130.00	156.00	132.47	159.00
Leasehold Alterations Consent	S	D	130.00	156.00	132.47	159.00
Leasehold property valuations (request for amendment)	S	D	Cost Price	Cost Price	Cost Price	Cost Price
Registration of Notices	O	D	57.00	57.00	57.00	57.00
Lease Extension or Enfranchisement	S	D	785.00	942.00	799.92	960.00
Lease Variation	S	D	383.33	460.00	390.61	469.00
Registration Fee for Charge (If lease rate is different this will be charged instead of the standard fee)	S	D	35.83	43.00	36.51	44.00
Letter of Postponement of Discount Charge to enable further borrowing	S	D	125.00	150.00	127.38	153.00

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**Sheltered Schemes**

Rental of Guest Room Per Night*	S	D	8.33	10.00	8.33	10.00
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\*The VAT rate for this service is currently reduced to 12.5% which runs from 1 Oct 2021 to 31 Mar 2022.

At this stage, it is expected that VAT will revert to standard rate from 1 April 2021 dependent on government decision.

## **COMMUNITY & HEALTH**

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	163.00	163.00	200.00	200.00
Catering Unit - serving alcohol	E	D	163.00	163.00	200.00	200.00
Large Business - more than 10 employees	E	D	132.00	132.00	137.00	137.00
Catering unit - buying food e.g. Bread, cakes, doughnuts, sweets, fruit and vegetables	E	D	92.00	92.00	100.00	100.00
Small business - less than 10 employees	E	D	85.00	85.00	88.00	88.00
Crafters and Artists - all hand made by the seller	E	D	55.00	55.00	57.00	57.00
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	132.00	132.00	175.00	175.00
Catering Unit - serving alcohol	E	D	132.00	132.00	137.00	137.00
Large business - more than 10 employees	E	D	102.00	102.00	110.00	110.00
Catering unit - buying food e.g. Bread, cakes, doughnuts, sweets, fruit and vegetables	E	D	66.00	66.00	80.00	80.00
Small business - less than 10 employees	E	D	60.00	60.00	63.00	63.00
Crafters and Artists - all handmade by the seller	E	D	35.00	35.00	37.00	37.00
Registered charity	E	D	35.00	35.00	37.00	37.00
Ice Cream Van (Exclusive) - Strawberry Fair	E	D	430.00	430.00	450.00	450.00
Ice Cream Van (Exclusive) - Family Fun Days	E	D	163.00	163.00	180.00	180.00
Face Painters (large community events)	E	D	70.00	70.00	73.00	73.00

**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	21.00	21.00
Sole Catering unit by tender								
Face painters (per face painter)			E	D	20	20.00	25.00	25.00

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

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	752.00	752.00	790.00	790.00
7 day Junior (under 17)	E	D	56.00	56.00	N/A	N/A
7 day Junior (under 17) After 3pm	E	D	N/A	N/A	58.00	58.00
7 day Intermediate (under 25)	E	D	561.00	561.00	589.00	589.00
5 day Adult	Mon - Fri	E	633.00	633.00	665.00	665.00
5 day Concessionary	Mon - Fri	E	513.00	513.00	539.00	539.00

**Weekday**

Per Round - 18 holes - Adult	E	D	20.00	20.00	N/A	N/A
Per Round - 18 holes - Adult	Mon-Thu	E	N/A	N/A	23.00	23.00
Per Round - 18 holes - Junior (under 17) & 65 and over	E	D	17.00	17.00	N/A	N/A
Per Round - 18 holes - Junior (under 17) & 65 and over	Mon-Thu	E	N/A	N/A	20.00	20.00

**Weekends and Public Holidays**

Per Round - 18 holes - Adult	E	D	26.00	26.00	N/A	N/A
Per Round - 18 holes - Adult	Fri - Sun	E	N/A	N/A	29.00	29.00
Juniors (under 17) & 65 and over	After 1pm	E	17.00	17.00	N/A	N/A
Juniors (under 17) & 65 and over	After 3pm	E	N/A	N/A	20.00	20.00

**Other Charges**

Twilight Play - Weekday	E	D	11.00	11.00	12.00	12.00
Twilight Play - Weekends and Public Holidays	E	D	12.00	12.00	13.00	13.00

**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.

**Golf tickets:** Presentation of Valid parking Ticket entitles a reduced green fee by £4 for full paying Golfers only

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 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**

<u>King George's Playing Field &amp; Warley Playing Fields (with Changing Facilities)</u>						5% rounded up	
Pitch & Pavilion - Fortnightly - Adult - Season	Sunday/Bank Holidays	E	D	1,080.00	1,080.00	1,134.00	1,134.00
Pitch & Pavilion - Fortnightly - Adult - Season	Other Days	E	D	1,055.00	1,055.00	1,108.00	1,108.00
Pitch & Pavilion - Weekly - Adult - Season	Sunday/Bank Holidays	E	D	2,158.00	2,158.00	2,266.00	2,266.00
Pitch & Pavilion - Weekly - Adult - Season	Other Days	E	D	2,106.00	2,106.00	2,211.00	2,211.00
Occasional Matches - Adult	Any Day	E	D	106.00	106.00	111.00	111.00
<u>Other Playing Fields (No Changing Facilities)</u>							
Pitch - Fortnightly - Adult - Season	Any Day	E	D	685.00	685.00	719.00	719.00
Pitch - Weekly - Adult - Season	Any Day	E	D	1,365.00	1,365.00	1433.00	1433.00
<u>Junior Matches All Sites (No Changing Facilities)</u>							
Pitch - Fortnightly - Junior - Season	Any Day	E	D	375.00	375.00	394.00	394.00
Pitch - Weekly - Junior - Season	Any Day	E	D	747.00	747.00	784.00	784.00
<u>Occasional Matches (No Changing Facilities)</u>							
Adult	Any Day	E	D	67.00	67.00	70.00	70.00
Juniors (under17)	Any Day	E	D	41.00	41.00	43.00	43.00
<u>Mini Soccer - All Sites (No Changing Facilities)</u>							
Seasonal Booking every week	Weekly	E	D	397.00	397.00	417.00	417.00
Occasional	Any Day	E	D	35.00	35.00	37.00	37.00

**Bowling Greens**

Bowls - Season	Adult	E	D	164.00	164.00	172.00	172.00
Bowls - Season	Juniors/OAP's	E	D	103.00	103.00	108.00	108.00
Match Reservations + per rink (inclusive of visitors fees non returnable)	Club Charges	E	D	7.00	7.00	7.00	7.00
Other Reservations (not inclusive of visitors fees non returnable)	Club Charges	E	D	5.00	5.00	5.00	5.00

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

Keep Fit sessions - No cordoning off of field (max 20)	Single	S	D	17.00	21.00	18.00	21.60
Commercial or charitable events please contact the Council separately							

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

Area A (Prev Area B) Open space opposite old paddling pool area		E	D	410.00	410.00	431.00	431.00
Area B (Prev Area C) Overflow car park/pitch one. Outside football season only		E	D	410.00	410.00	431.00	431.00
Keep Fit sessions - No cordoning off of field (max 20)		S	D	17.00	21.00	18.00	21.60
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	410.00	410.00	431.00	431.00
Keep Fit sessions - No defined area (max 20 people)	Single session	S	D	17.00	21.00	18.00	21.60

**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							
Repeat Fee							

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT
<b>SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES</b>						
<b>SERVICE AREA: FOOD &amp; HEALTH SAFETY</b>						

**Skin Piercing**

Premises Registration	O	D	262.00	262.00	262.00	262.00
Practitioner Registration	O	D	93.00	93.00	93.00	93.00

**Other Charges**

Food Hygiene Rating Score Re-inspection (FHRS)	O	D	180.00	180.00	183.00	183.00
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## **POLICY, RESOURCES & ECONOMIC DEVELOPMENT**

**POLICY, RESOURCES AND ECONOMIC DEVELOPMENT  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 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 Sunday - 7:00pm to 6:00am**

Overnight Charge	S	D	1.67	2.00	1.67	2.00
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**Sunday Charge 6:00am to 7:00 pm**

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 Sunday - 7:00pm to 06:00 am**

Overnight Charge	S	D	1.67	2.00	1.67	2.00
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**Sunday Charge - 6:00am to 7:00pm**

Flat Charge	S	D	0.83	1.00	0.83	1.00
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**Other Charges**

Lost Ticket	S	D	8.33	10.00	8.33	10.00
Exit charge after 10:00pm (service not provided)	S	D	41.67	50.00 N/A	N/A	N/A

**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

**Monday to Sunday 7:00pm to 6:00am**

Overnight Charge	S	D	1.67	2.00	1.67	2.00
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**Sunday Charge 06:00am to 07:00pm**

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 2020**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2019-March 2020 Excl VAT	Inc VAT	April 2020-March 2021 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 7:00pm to 6:00am	S	D	1.67	2.00	1.67	2.00

**Sunday Charge**

All day	S	D	0.00	0.00	0.00	0.00
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**Westbury Road (Car Park is now closed)**

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

**King George's Playing Field**

4 Hours	S	D	0.00	0.00	N/A	N/A
Over 4 Hours	S	D	4.17	5.00	N/A	N/A
Coaches	S	D	12.50	15.00	N/A	N/A

**Monday to Sunday - 6.00am to 7.00pm ( Car Parks A, B, C & D)**

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

**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 3 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 7:00pm to 6:00am	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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**Hunters Avenue**

Maximum stay 3 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	1.00	1.00	1.00	1.00
2 hours	S	D	2.00	2.00	2.00	2.00
2 hours with discount card	S	D	1.40	1.40	1.40	1.40
3 hours	S	D	3.00	3.00	3.00	3.00
Overnight Charge 7:00pm to 6:00am	S	D	2.00	2.00	2.00	2.00

**POLICY, RESOURCES AND ECONOMIC DEVELOPMENT  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PARKING**

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

**Seasons Tickets - Flexible Charges**

1 Month Flexible Ticket ( 3 nominated days per week)	S	D	N/A	N/A	62.50	75.00
3 Months Flexible Ticket ( 3 nominated days per week)	S	D	N/A	N/A	175.00	210.00
6 Months Flexible Ticket ( 3 nominated days per week)	S	D	N/A	N/A	332.50	399.00
12 months Flexible Ticket (3 nominated days per week)	S	D	N/A	N/A	590.00	708.00

**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 specific 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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	17.00	20.40	17.50	21.00
Price per black and white copy	S D	0.01	0.01	0.02	0.02
Price per colour copy	S D	0.03	0.04	0.04	0.05
Provision of printing materials	S D	As per job spec		As per job spec	

**Policy, Resources & Economic Development  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	370.00	444.00	383.33	460.00
Council Chamber Full Day*	S	D	625.00	750.00	650.00	780.00
Committee Rooms 1 Half Day*	S	D	158.33	190.00	166.67	200.00
Committee Rooms 1 Full Day*	S	D	258.33	310.00	266.67	320.00
Committee Rooms 2 Half Day*	S	D	63.33	76.00	66.67	80.00
Committee Rooms 2 Full Day*	S	D	104.17	125.00	108.33	130.00
Civic Foyer Half Day	S	D	104.17	125.00	108.33	130.00
Civic Foyer Full Day	S	D	183.33	220.00	191.67	230.00
Leader's room Half Day	S	D	78.33	94.00	83.33	100.00
Leader's room Full Day	S	D	145.83	175.00	154.17	185.00

\* 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	375.00	450.00
Council Chamber Friday	S	D	358.33	430.00	375.00	450.00
Council Chamber Saturday	S	D	358.33	430.00	375.00	450.00

\* 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	191.00	210.00	191.00	210.00
Committee Rooms Friday	E/S	D	250.00	300.00	250.00	300.00
Committee Rooms Saturday	E/S	D	308.33	370.00	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.

**COMMUNITY AND HEALTH  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**SERVICE AREA: PLANNING & ECONOMY**

**CHARGING AREA: Economic Development**

For more information about sponsorship packages, contact the Economic Development team on [business@brentwood.gov.uk](mailto:business@brentwood.gov.uk)

**LEGAL SERVICES**  
**FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 Excl VAT	Inc VAT

**SERVICE AREA: LEGAL SERVICES**

**CHARGING AREA: LEGAL SERVICES**

\*New fees introduced with effect 1st April 2022

					£	£
<b>Administration</b>						
Certified Copy Lease	S	D	N/A	N/A	18.33	22.00
Copy Transfer	S	D	N/A	N/A	15.00	18.00
General Enquiries (see below for pre contract and RTB enquiries) Minimum of 2 hours, hourly rate thereafter	S	D	N/A	N/A	75.00	90.00
Sealing Costs (e.g. s.106 Agreements)	S	D	N/A	N/A	25.00	30.00
Single document copy	S	D	N/A	N/A	10.00	12.00
RTB pre sale land enquiries	S	D	N/A	N/A	See above	See above
Proof of Life	S	D	N/A	N/A	20.83	25.00
<b>Commercial Portfolio</b>						
Grant of Commerical Lease - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	750.00	900.00
Licence for Works/Changes of Use Commerical Lease - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	500.00	600.00
License to Assign Commercial Lease - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Licence to Underlet Commerical Lease - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	500.00	600.00
Guarantor Agreement - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	500.00	600.00
Rent Deposit Deed - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	130.00	156.00
	S	D	N/A	N/A	750.00	900.00
<b>Litigation</b>						
Prep of s.146 Notice	S	D	N/A	N/A	175.00	210.00
<b>Post Completion</b>						
Deed of Postponement - non refundable, including if not all requested information is provided	S	D	N/A	N/A	155.00	186.00
Deed of Rectification - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	500.00	600.00
<b>Residential</b>						
Approval Deed of Covenant	S	D	N/A	N/A	100.00	120.00
Covenant Modification/Release - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	750.00	900.00
Equity Share Transfers - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	500.00	600.00
Grant of Easement -	S	D	N/A	N/A	750.00	900.00
Leaseholders Enquiries (e.g. Brocklesmead, Sibneys, LPE1's)	S	D	N/A	N/A	150.00	180.00
Notice of Charge/Assignment	S	D	N/A	N/A	50.00	60.00
Redemption Fee - Repayment of Discount	S	D	N/A	N/A	150.00	180.00
Redemption Fee - Repayment of Service Charge Loan	S	D	N/A	N/A	100.00	120.00
Savoy Wood Maintenance Agreements	S	D	N/A	N/A	200.00	240.00
Savoy Wood Certificate of Discharge	S	D	N/A	N/A	40.00	48.00
Service Charge Loan Interest Free/Deferred	S	D	N/A	N/A	100.00	120.00
Service Charge Loan - Traditional	S	D	N/A	N/A	87.50	105.00
Variation Deed (Residential) - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Variation to Lease Plans - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Licence to Alter (Residential Lease) - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Consent to Second Mortgage	S	D	N/A	N/A	40.00	48.00
Boundary/Plan Enquiries - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	130.00	156.00
<b>Transaction</b>						
Additional Land Sale - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Additional Land Sale (betterment) - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	400.00	480.00
Land Sale - Minimum for 10 hours, thereafter hourly rate	S	D	N/A	N/A	250.00-1750.00	300.00-2100.00
Footpath stopping up - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Freehold Reversion Sale - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Roundabout Agreements	S	D	N/A	N/A	250.00	300.00
Sale of Residential Garage - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Lease Extension - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	750.00	900.00
Licence for land - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Renewal of Licence - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	130.00	156.00
Wayleaves - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	130.00	156.00
Deed of Dedication - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	350.00	420.00
Reports on Title - Minimum for 7 hours, thereafter hourly rate	S	D	N/A	N/A	200.00	240.00
<b>External Hourly Rates</b>						
Hourly Rate Solicitor 8 years plus PQE	S	D	N/A	N/A	190.00	228.00
Hourly Rate Solicitor 4 years plus PQE	S	D	N/A	N/A	165.00	198.00
Hourly Rate Solicitors Legal Execs and FE equivalent	S	D	N/A	N/A	135.00	162.00
Hourly Rate Trainee Solicitors, Paralegals, FE equivalent	S	D	N/A	N/A	100.00	120.00
DPA work	S	D	N/A	N/A	250.00	300.00
<b>Parish Councils</b>						
Hourly Rate Solicitor 8 years plus PQE	S	D	N/A	N/A	125.00	150.00
Hourly Rate Solicitor 4 years plus PQE	S	D	N/A	N/A	110.00	132.00
Hourly Rate Solicitors Legal Execs and FE equivalent	S	D	N/A	N/A	90.00	108.00
Hourly Rate Trainee Solicitors, Paralegals, FE equivalent	S	D	N/A	N/A	85.00	102.00
DPA work	S	D	N/A	N/A	250.00	300.00



## **PLANNING AND LICENSING**

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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	21	21
CON 29R	S	S	101.67	122.00	104.17	125
CON 29R including LLC1	S/O	S	119.17	143.00	121.67	146
CON 290 optional enquiries, except Q22	S	S	12.50	15.00	13.33	16
CON 290 optional enquiries, Q22 only	S	S	14.17	17.00	18.00	18
Any other additional enquiries	O	S	31.00	31.00	33.00	33
Additional parcels of Land	S	S	36.67	44.00	38.33	46

# 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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 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 2022**

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**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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 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 2022**

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**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 (Excludes DBS)	O	S	145.00	145.00	145.00	145.00
Combined Driver Renewal - 1 year (Excludes DBS )	O	S	128.00	128.00	128.00	128.00
Combined Driver New - 3 years (Excludes DBS)	O	S	404.00	404.00	404.00	404.00
Combined Driver Renewal - 3 years (Excludes DBS)	O	S	354.00	354.00	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	85.00	85.00	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 2022**

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**SERVICE AREA: BUILDING CONTROL**

**CHARGING AREA: NEW DWELLINGS NOT EXCEEDING 300m2**

**HO1**

Houses Bungalows less than 4 storeys 1 plot Plan and Inspection	S	D	647.50	777.00	674.17	809.00
Houses Bungalows less than 4 storeys 1 plot Building Notice	S	D	747.50	897.00	777.50	933.00
Houses Bungalows less than 4 storeys 1 plot Regularisation	O	D	1,080.00	1,080.00	1,124.00	1,124.00

**HO2**

Houses Bungalows less than 4 storeys 2 plot Plan and Inspection	S	D	958.33	1,150.00	996.67	1,196.00
Houses Bungalows less than 4 storeys 2 plot Building Notice	S	D	1,055.83	1,267.00	1,098.33	1,318.00
Houses Bungalows less than 4 storeys 2 plot Regularisation	O	D	1,526.00	1,526.00	1,588.00	1,588.00

**HO3**

Houses Bungalows less than 4 storeys 3 plot Plan and Inspection	S	D	1,279.17	1,535.00	1,330.83	1,597.00
Houses Bungalows less than 4 storeys 3 plot Building Notice	S	D	1,477.50	1,773.00	1,536.67	1,844.00
Houses Bungalows less than 4 storeys 3 plot Regularisation	O	D	2,136.00	2,136.00	2,222.00	2,222.00

**HO4**

Houses Bungalows less than 4 storeys 4 plot Plan and Inspection	S	D	1,616.67	1,940.00	1,681.67	2,018.00
Houses Bungalows less than 4 storeys 4 plot Building Notice	S	D	1,725.00	2,070.00	1,794.17	2,153.00
Houses Bungalows less than 4 storeys 4 plot Regularisation	O	D	2,494.00	2,494.00	2,594.00	2,594.00

**HO5**

Houses Bungalows less than 4 storeys 5 plot Plan and Inspection	S	D	1,950.00	2,340.00	2,028.33	2,434.00
Houses Bungalows less than 4 storeys 5 plot Building Notice	S	D	2,047.50	2,457.00	2,130.00	2,556.00
Houses Bungalows less than 4 storeys 5 plot Regularisation	O	D	2,960.00	2,960.00	3,079.00	3,079.00

**FO1**

Houses Bungalows less than 4 storeys 1 flat Plan and Inspection	S	D	647.50	777.00	674.17	809.00
Houses Bungalows less than 4 storeys 1 flat Building Notice	S	D	747.50	897.00	777.50	933.00
Houses Bungalows less than 4 storeys 1 flat Regularisation	O	D	1,080.00	1,080.00	1,124.00	1,124.00

**FO2**

Houses Bungalows less than 4 storeys 2 flat Plan and Inspection	S	D	958.33	1,150.00	996.67	1,196.00
Houses Bungalows less than 4 storeys 2 flat Building Notice	S	D	1,055.83	1,267.00	1,098.33	1,318.00
Houses Bungalows less than 4 storeys 2 flat Regularisation	O	D	1,526.00	1,526.00	1,588.00	1,588.00

**FO3**

Houses Bungalows less than 4 storeys 3 flat Plan and Inspection	S	D	1,279.17	1,535.00	1,330.83	1,597.00
Houses Bungalows less than 4 storeys 3 flat Building Notice	S	D	1,477.50	1,773.00	1,536.67	1,844.00
Houses Bungalows less than 4 storeys 3 flat Regularisation	O	D	2,136.00	2,136.00	2,222.00	2,222.00

**FO4**

Houses Bungalows less than 4 storeys 4 flat Plan and Inspection	S	D	1,616.67	1,940.00	1,681.67	2,018.00
Houses Bungalows less than 4 storeys 4 flat Building Notice	S	D	1,725.00	2,070.00	1,794.17	2,153.00
Houses Bungalows less than 4 storeys 4 flat Regularisation	O	D	2,494.00	2,494.00	2,594.00	2,594.00

**FO5**

Houses Bungalows less than 4 storeys 5 flat Plan and Inspection	S	D	1,950.00	2,340.00	2,028.33	2,434.00
Houses Bungalows less than 4 storeys 5 flat Building Notice	S	D	2,047.50	2,457.00	2,130.00	2,556.00
Houses Bungalows less than 4 storeys 5 flat Regularisation	O	D	2,960.00	2,960.00	3,079.00	3,079.00

**CV01**

Conversion to a Single Dwelling House Plan and Inspection	S	D	715.83	859.00	745.00	894.00
Conversion to a Single Dwelling House Building Notice	S	D	787.50	945.00	819.17	983.00
Conversion to a Single Dwelling House Regularisation	O	D	1,087.00	1,087.00	1,131.00	1,131.00

**CV02**

Conversion to a Single Flat Plan and Inspection	S	D	645.83	775.00	671.67	806.00
Conversion to a Single Flat Building Notice	S	D	710.83	853.00	740.00	888.00
Conversion to a Single Flat Regularisation	O	D	1,034.00	1,034.00	1,076.00	1,076.00

**ED**

Notifiable Electrical Work where a satisfactory certificate will not be issued by a Part P registered electrician.	S	D	346.67	416.00	360.83	433.00
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**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**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	307.50	369.00	
Single Storey extension not exceeding 10 sq m Building Notice	S	D	324.17	389.00	337.50	405.00	
Single Storey extension not exceeding 10 sq m Regularisation Charge	O	D	448.00	448.00	466.00	466.00	
<b>DW01</b>							
Single Storey extension not exceeding 40 sq m Plan and Inspection Charge	S	D	556.67	668.00	579.17	695.00	
Single Storey extension not exceeding 40 sq m Building Notice	S	D	612.50	735.00	637.50	765.00	
Single Storey extension not exceeding 40 sq m Regularisation Charge	O	D	845.00	845.00	879.00	879.00	
<b>DW02</b>							
Single Storey extension not exceeding 100 sq m Plan and Inspection Charge	S	D	695.83	835.00	724.17	869.00	
Single Storey extension not exceeding 100 sq m Building Notice	S	D	765.00	918.00	795.83	955.00	
Single Storey extension not exceeding 100 sq m Regularisation Charge	O	D	1,056.00	1,056.00	1,099.00	1,099.00	
<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	675.00	810.00	
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	742.50	891.00	
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	1,024.00	1,024.00	
<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	750.83	901.00	
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	825.83	991.00	
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	1,139.00	1,139.00	
<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	370.00	444.00	
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	406.67	488.00	
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	561.00	561.00	
<b>DW06</b>							
Erection of non-exempt detached non-habital domestic building not exceeding 100 sq m Plan and Inspection Charge	S	D	456.67	548.00	475.00	570.00	
Erection of non-exempt detached non-habital domestic building not exceeding 100 sq m Building Notice	S	D	501.67	602.00	522.50	627.00	
Erection of non-exempt detached non-habital domestic building not exceeding 100 sq m Regularisation Charge	O	D	693.00	693.00	721.00	721.00	
<b>DW07</b>							
First Floor & Second Floor loft conversion Plan and Inspection Charge	S	D	535.83	643.00	557.50	669.00	
First Floor & Second Floor loft conversion Building Notice	S	D	589.17	707.00	613.33	736.00	
First Floor & Second Floor loft conversion Regularisation Charge	O	D	813.00	813.00	846.00	846.00	
<b>DW08</b>							
Other Works Plan and Inspection Charge	S	D	318.33	382.00	331.67	398.00	
Other Works Building Notice	S	D	350.00	420.00	364.17	437.00	
Other Works Regularisation Charge	O	D	483.00	483.00	503.00	503.00	
<b>DW09</b>							
Re-roofing, installation of solar panels or photovoltaic cells Plan and Inspection Charge	S	D	195.00	234.00	203.33	244.00	
Re-roofing, installation of solar panels or photovoltaic cells Building Notice	S	D	214.17	257.00	223.33	268.00	
Re-roofing, installation of solar panels or photovoltaic cells Regularisation Charge	O	D	296.00	296.00	308.00	308.00	
<b>DW10</b>							
Replacement of windows, roof lights, roof windows or external glazed doors Plan and Inspection Charge	S	D	175.00	210.00	182.50	219.00	
Replacement of windows, roof lights, roof windows or external glazed doors Building Notice	S	D	192.50	231.00	200.83	241.00	
Replacement of windows, roof lights, roof windows or external glazed doors Regularisation Charge	O	D	265.00	265.00	276.00	276.00	
<b>DW11</b>							
Cost of work not exceeding £5,000 Plan and Inspection Charge	S	D	233.33	280.00	243.33	292.00	
Cost of work not exceeding £5,000 Building Notice	S	D	256.67	308.00	267.50	321.00	
Cost of work not exceeding £5,000 Regularisation Charge	O	D	354.00	354.00	369.00	369.00	
<b>DW12</b>							
Cost of work exceeding £5,000 but not exceeding £25,000 Plan and Inspection Charge	S	D	451.67	542.00	470.00	564.00	
Cost of work exceeding £5,000 but not exceeding £25,000 Building Notice	S	D	497.50	597.00	517.50	621.00	
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	686.00	686.00	714.00	714.00	
<b>DW13</b>							
Cost of work exceeding £25,000 but not exceeding £100,000 Plan and Inspection Charge	S	D	746.67	896.00	776.67	932.00	
Cost of work exceeding £25,000 but not exceeding £100,000 Building Notice	S	D	820.83	985.00	854.17	1,025.00	
Cost of work exceeding £25,000 but not exceeding £100,000 Regularisation Charge	O	D	1,133.00	1,133.00	1,179.00	1,179.00	
<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	360.83	433.00	

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

**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	572.50	687.00
Single Storey extension not exceeding 40 sq m Regularisation Charge	O	D	845.00	845.00	879.00	879.00

**ND02**

Single Storey extension not exceeding 100 sq m Plan and Inspection Charge	S	D	628.33	754.00	654.17	785.00
Single Storey extension not exceeding 100 sq m Regularisation Charge	O	D	953.00	953.00	992.00	992.00

**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	715.00	858.00
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	1,083.00	1,083.00

**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	776.67	932.00
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	1,175.00	1,175.00

**Alterations**

**ND05**

Cost of work not exceeding £5,000 Plan and Inspection Charge	S	D	295.00	354.00	307.50	369.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	442.00	442.00	460.00	460.00
Replacement of windows, roof lights, roof windows or external glazed doors Plan and Inspection Charge	S	D	255.83	307.00	266.67	320.00
Replacement of windows, roof lights, roof windows or external glazed doors Regularisation Charge	O	D	374.00	374.00	389.00	389.00
Renewable energy systems not exceeding £20,000 Planning and Inspection Charge	S	D	275.00	330.00	286.67	344.00
Renewable energy systems not exceeding £20,000 Regularisation Charge	O	D	393.00	393.00	409.00	409.00
Installation of new shop front and work not exceeding £5,000 Plan and Inspection Charge	S	D	275.00	330.00	286.67	344.00
Installation of new shop front and work not exceeding £5,000 Regularisation Charge	O	D	393.00	393.00	409.00	409.00

**ND06**

Cost of work exceeding £5,000 but not exceeding £25,000 Plan and Inspection Charge	S	D	451.67	542.00	470.00	564.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	688.00	688.00	716.00	716.00
Replacement of windows, rooflights, roof windows or external glazed doors (exceeding 20 units) Plan and Inspection Charge	S	D	354.17	425.00	369.17	443.00
Replacement of windows, rooflights, roof windows or external glazed doors (exceeding 20 units) Regularisation Charge	O	D	550.00	550.00	572.00	572.00
Installation of raised storage platform not exceeding 250 sqm within an existing building Plan and Inspection Charge	S	D	432.50	519.00	450.00	540.00
Installation of raised storage platform not exceeding 250 sqm within an existing building Regularisation Charge	O	D	609.00	609.00	634.00	634.00

**ND07**

Cost of work exceeding £25,000 and not exceeding £100,000 Plan and Inspection Charge	S	D	785.83	943.00	817.50	981.00
Cost of work exceeding £25,000 and not exceeding £100,000 Regularisation Charge	O	D	1,198.00	1,198.00	1,246.00	1,246.00
Fit out of building up to 100 sq m Plan and Inspection Charge	S	D	530.83	637.00	552.50	663.00
Fit out of building up to 100 sq m Regularisation Charge	O	D	737.00	737.00	767.00	767.00

**PLANNING AND LICENSING  
FEES & CHARGES SCHEDULE FROM 1 APRIL 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2021-March 2022 Excl VAT	Inc VAT	April 2022-March 2023 Excl VAT	Inc VAT

**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 material 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
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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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
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**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 (Class D2)	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
Advance signs which are not situated on or visible from the site, directing the public to a	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 2022**

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**SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT**

**CHARGING AREA: Pre-Application Advice**

**Pre-Application Advice**

**Householder**

1	Householder - written response only	S	D	58.33	70.00	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	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	29.17	35.00
4	Express Householder Advice - e.g. week turnaround	S	D	416.67	500.00	416.67	500.00

**Change of Use of a Building or Land where the proposal does not constitute Minor or Major development**

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 <b>inhouse</b> 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	350 / 483.33	420 / 580
6	Up to 1-hour <b>onsite</b> 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	375 / 508.33	450 / 610
7	Follow up comments upon per additional set of drawings			150.00	180.00	150.00	180.00

**Creation of a singular: dwellinghouse; replacement dwellinghouse; or residential annexe**

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	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	375 / 508.33	450 / 610
10	Follow up comments upon per additional set of drawings	S	D	150.00	180.00	150.00	180.00

**Minor Development**

11	Written summary only/ with specialist advice	S	D	350 / 483.33	420 / 580	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	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	741.67 / 850	890 / 1050
14	Additional 1-hour inhouse meetings and written summaries/ with specialist	S	D	458.33 / 591.67	550 / 710	458.33 / 591.67	550 / 710
15	Follow up comments per additional set of drawings	S	D	166.67	200.00	166.67	200.00

**Small major development (includes Heritage Assests/ Urban Design)**

new building has between 1000 and 2499 sqm of floor space

Or the site is between 0.5 and 1.99 hecatres (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	2,083.33	2,500.00
17	Up to 1-hour <b>onsite</b> meeting and written summary set	S	D	2,108.33	2,530.00	2,108.33	2,530.00
18	Written advice	S	D	250.00	300.00	250.00	300.00
19	A subsequent meeting with a planning officer	S	D	1,500.00	1,800.00	1,500.00	1,800.00

**Large major development (includes Heritage Assests/ Urban Design)**

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 hecatres (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	2,500.00	3,000.00
21	Up to 1-hour <b>onsite</b> meeting and written summary set	S	D	2,525.00	3,030.00	2,525.00	3,030.00
23	A subsequent meeting with a planning officer	S	D	1,916.67	2,300.00	1,916.67	2,300.00

**Strategic Development (Principal Planner)**

Your new building has 5000 or more sqm of floor space

The site area is 5 or more hectares (where you don't now the floorspace)

24	Up to 1-hour inhouse meeting and written summary	S	D	2,833.33	3,400.00	2,833.33	3,400.00
25	Up to 1-hour onsite meeting and written summary	S	D	2,858.33	3,430.00	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	2,250.00	2,700.00

**Planning Performance Agreement - Separate set of Fees**

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.

**Post-Application Conditions Advice**

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	125.00	150.00
28	Up to 1-hour inhouse meeting and written summary	S	D	208.33	250.00	208.33	250.00
29	Up to 1-hour onsite meeting and written summary	S	D	233.33	280.00	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 2022**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2021-March 2022		CHARGES April 2022-March 2023	
			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

Wilsons Corner VISSIM Transport Model



# Brentwood Borough Council

## Pay Policy Statement

### 2022/23

Policy Owner:	Human Resources
Date published:	
Effective Date:	20 January 2022
Review Date:	20 January 2023



**Brentwood 2025**

*Where everyone matters*

Corporate Strategy

[www.brentwood.gov.uk](http://www.brentwood.gov.uk)



## **Brentwood Borough Council Pay Policy Statement 2022/23**

### **Introduction**

The pay policy statement is provided in accordance with Section 38 (1) of the Localism Act 2011 and is updated annually. It sets out Brentwood Borough Council's approach, to ensure transparency and accountability with regards to the setting of pay.

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.

This policy applies to those employed on Brentwood Borough Council's terms and conditions of employment, whose remuneration (including rates of pay and terms and conditions) are determined by and within the control of the authority. It therefore doesn't apply to employees that transferred to the Council under TUPE as they retain their previous terms, conditions and policies.

### **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, Strategic Directors and Corporate 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.

### **Chief Officers**

#### **Chief Executive**

The Chief Executive is on a spot salary of £125,000 per annum (based on a bench marking exercise). Performance of the Chief Executive is assessed through an appraisals system with the Leader of the Council.



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.

### **Strategic Directors and Corporate Directors**

Strategic Directors are paid on Grade SD (£83,230 - £90,262).

Corporate Directors are paid on Grade CD (£69,161 - £76,192).

The post of the Council's Chief Finance Officer (section 151) and Monitoring Officer are paid an annual allowance of £5,000 in addition to their salary for these responsibilities.

### **Remuneration and Job Evaluation**

Brentwood Borough Council has a local pay framework in place which consists of an overall number of 15 grades on the pay scales with grade A being the lowest and grade CE the highest (see pay scales attached to this statement).

Each grade except the CE has a number of increments assigned to it which staff progress through. On average there are five increments per grade, although Grade A has four.

Each employee will be on one of the 15 grades based on the job evaluation of their role. Employees can progress to the salary range maximum of their grade subject to assessment of their performance.

When determining the pay and remuneration of all employees, Brentwood Borough Council will comply with the Equality Act 2010.

The recruitment of the Senior Leadership Team is covered by the Council's Constitution.

For all other employee's recruitment will be in line with the Council's Recruitment Policy. New appointments will normally be made at the minimum point of the relevant grade, although discretion can be applied to vary where necessary to secure the best candidate and in line with the policy.

Salary grades for employees other than the Chief Executive and Apprentices are determined as follows:

**Grade A to Grade E** are evaluated using the National Joint Council (NJC) Job Evaluation scheme.

**Grade F to Grade J** are evaluated using the Hay job evaluation scheme.

**Grade ELT1 to Grade SD** are evaluated using the Local Government Association (LGA) scheme.

Apprentices are paid in accordance with the National Minimum Wage.

It is the Council's intention to keep under review the number of Job Evaluation schemes used.

The Council may apply a locally agreed cost of living pay award to salaries. The Council therefore is not part of any national terms and conditions for local government employees.

The Council does not pay bonuses.

### **Lowest paid Employees**

The Council's lowest pay grade is A (Scp 11) of which 4 employees are budgeted on this grade. All staff are paid the legal minimum or above.

### **Relationship between Chief Officers' pay and all other employees.**

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 ratio of the Chief Executive (top earner) salary to the median salary, (£24,674) is 1:5.06
- The ratio of the Chief Executive (top earner) salary to the lowest salary, (£18,044) is 1:6.9

### **Allowances and Other elements of remuneration**

- Overtime where applicable as per the Overtime Policy.
- 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.
- Salary Sacrifice Schemes that are government approved such as Cycle to Work and Car Purchase Schemes
- 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.
- Acting Up or Honorarium Payments as per the Acting Up/Additional Duties and Finaising Secondments Policy.
- Standby and Out of Hours were applicable as per the Standby and Out of Hours 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**

Details of the senior management remuneration are published annually on the Council's website as part of this Pay Policy Statement and in the Council's Statement of Accounts.

This will also include the number of employees whose remuneration was £50,000 or more in bands of £5,000.

The Council will publish the salary ranges covering employees on the Council's website on an annual basis.

**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 2021/22

<b>BRENTWOOD BOROUGH COUNCIL PAY SCALES</b>
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<b>Effective 1<sup>st</sup> April 2021</b>
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### Grade A

SCP	Annual Salary	Monthly Salary	Hourly Rate
8	16,067	1,340	8.32
9	16,990	1,417	8.81
10	17,683	1,475	9.17
11	18,044	1,505	9.35

### Grade B

SCP	Annual Salary	Monthly Salary	Hourly Rate
11	18,044	1,505	9.35
12	18,405	1,535	9.54
13	18,876	1,574	9.78
14	19,221	1,603	9.96
15	19,625	1,637	10.17

### Grade C

SCP	Annual Salary	Monthly Salary	Hourly Rate
15	19,625	1,637	10.17

16	20,086	1,675	10.41
17	20,569	1,715	10.66
18	20,985	1,750	10.88
19	21,759	1,815	11.28

**Grade D**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
19	21,759	1,815	11.28
20	22,553	1,881	11.69
21	23,377	1,950	12.12
22	23,984	2,000	12.43
23	24,674	2,058	12.79

**Grade E**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
23	24,674	2,058	12.79
24	25,469	2,124	13.20
25	26,273	2,191	13.62
26	27,112	2,261	14.05
27	28,007	2,336	14.52

**Grade F**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
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28	28,922	2,412	14.99
29	30,044	2,506	15.57
30	31,033	2,588	16.09
31	32,009	2,670	16.59
32	32,946	2,748	17.08

**Grade G**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
33	33,910	2,828	17.58
34	34,866	2,908	18.07
35	35,592	2,968	18.48
36	36,517	3,046	18.93
37	37,561	3,133	19.47

**Grade H**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
37	37,561	3,133	19.47
38	38,648	3,223	20.03
39	39,877	3,326	20.67
40	40,935	3,414	21.22
41	42,016	3,504	21.78

**Grade I**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
41	42,016	3,504	21.78

42	43,067	3,592	22.32
43	44,134	3,681	22.88
44	45,217	3,771	23.44
45	46,223	3,855	23.96

**Grade J**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
45	46,223	3,855	23.96
46	47,345	3,949	24.54
47	48,407	4,037	25.09
48	49,484	4,127	25.65
49	50,519	4,213	26.19

**Grade ELT 1**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
1	50,993	4,253	26.43
2	52,168	4,351	27.04
3	53,336	4,448	27.65
4	54,511	4,546	28.25
5	55,685	4,644	28.86

**Grade ELT 2**

<b>SCP</b>	<b>Annual Salary</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
1	57,443	4,791	29.77
2	59,200	4,937	30.68
3	60,367	5,035	31.29
4	61,539	5,132	31.90



5	62,717	5,231	32.51
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**Grade CD (Corporate Director)**

SCP	Annual Salary	Monthly Salary	Hourly Rate
1	69,161	5,768	35.85
2	70,920	5,915	36.76
3	72,677	6,061	37.67
4	74,435	6,208	38.58
5	76,192	6,355	39.49

**Grade SD (Strategic Director)**

SCP	Annual Salary	Monthly Salary	Hourly Rate
1	83,230	6,942	43.14
2	84,988	7,088	44.05
3	86,744	7,235	44.96
4	88,505	7,382	45.87
5	90,262	7,528	46.79

**Grade CE (Chief Executive)**

SCP	Annual Salary	Monthly Salary	Hourly Rate
N/A	125,000	10,417	64.79

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**BRENTWOOD  
BOROUGH COUNCIL**

Section 151 Officer's  
Assurance Statement  
& Useful Information

## Introduction

1. 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.

2. 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.

3. 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.

4. 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

5. 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

6. 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 but these proposals have now ceased with the pandemic being a catalyst. Government is now exploring how it can redistribute funding to local areas with less tax income and no conclusions can be drawn at this stage on future of the business rates retention scheme.

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 current 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 2022/23 is balanced and continues to set aside property income surplus into a regeneration reserve. However, the budget does include a modest level of savings of approx.. £1m assumed within the MTFS yet to be achieved. 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.

At the time of writing this report, the DLUHC is consulting on proposed changes to minimum revenue provision on investment assets and capital loans. Any changes arising from this consultation are expected to come into effect from 1 April 2023. It is unclear whether any changes will apply just to new loans or to loans already in place, however depending on the outcome of the consultation this could present a risk to the Council and will be monitored closely throughout 2022/23.

#### 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. The Council has seen no direct impacts in relation to EU Exit and so it has been reviewed to reduce the balance of the earmarked reserve to zero, which was previously set aside from a Government grant received to support the Council in the transition.

#### 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 Bank of England base rate or Bank Rate did increase to 0.25% in December 2021 (previously 0.1%) in is expected to continue to rise. The continued uncertainties in the global economy regarding the pandemic 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 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

The draft MTFS was prepared in accordance with the Budget Setting Guidelines for 2022/23 as distributed to Senior Leadership Team and agreed by the Policy, Resources & Economic Development Committee. However inflation did see a sharp incline during the autumn, where in November 2021, the Consumer Price Index (CPI) rose by 5.1% in the 12 months to November 2021, up from 4.2% in October 2021 and continues to rise for December 2021. Taking new statistics into account:

The following assumptions have been made on inflation:

- Inflation of 4% has been applied to service employee budgets for 2022/23
- 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.

## l) 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 2022/23, 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

7. 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 reversal to not implement 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.
Legal	Specific provision set aside as well as Earmarked reserve for specific casework.
Pensions	Contingency within forecast costs.
Interest rates	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

8. 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.

9. Particular attention is drawn to the reserves section in Appendix A of the budget report that identifies the reserves currently retained by the Council over the forecast period together with the rationale for each reserve.

10. Earmarked Reserves are currently forecasted at March 2022 totalling £6.472 million. These have been re-aligned to reflect the anticipated outturn position for 2021/22 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 £.601 million) is allocated for specific purposes and therefore not generally usable.

11. 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.

12. Although there is no statutory minimum level of reserves, the level of the General Fund working Balances is reviewed annually as part of the budget process and an annual risk assessment is undertaken alongside the Councils strategic risk register. Given the overall levels of risk the Section 151 Officer considers that the General Fund working Balance should be maintained above £2 million when setting the budget for 2022/23. £2 million represents approximately 20% of the total Spending requirement for and 5% of the Councils Gross Expenditure of £39.4million for 2022/23.

13. 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 to provide a short term contingency to manage the risks identified in this report.

## Robustness of the Budget Calculations

14. 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 chair and senior leadership team. 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

15. 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.

16. 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.

17. During November 2021, the Council participated in a peer review, supported by the Local Government Association, and was carried out by senior Officers from other Local Authorities.

18. The review complimented the Council's financial planning and management and highlighted  
Financial arrangements are fundamentally sound, with a good set of accounts and clean opinions. The review also highlighted a few areas of consideration, which are under review and will be explored throughout 2022/23.

19. 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 reviewed:

- Governance arrangements for Joint Venture decision making.
- Delivering Financial Resilience

They had no concerns to report. The 2020/21 audit is still ongoing at this present time.

### **CIPFA Financial Resilience Index**

20. 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**

21. 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 by April 2022, it is proposed that an assessment is carried out in March demonstrating the Council compliance.

22. 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

23. 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**

24. 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 2022/23.

## Legalities of setting a balanced budget

### Council's constitution

25. The Council's constitution states in Part 4.5 – Financial Regulations (section 2.11) **Section 114 of the Local Government Act 1988** - The Section 151 Officer shall report to the Council, Policy, Projects & Resources Committee, Audit & Scrutiny Committee and the external auditor in fulfilment of the statutory obligations under Section 114 of the Local Government Finance Act 1988 or otherwise if the Authority or any of its Officers:

- a) Has made, or is about to make, a decision which involves incurring unlawful or unauthorised expenditure.
- b) Has taken, or is about to take, an unlawful or unauthorised action which has resulted or would result in a loss or deficiency to the Authority.
- c) Has made or is about to make an unlawful or unauthorised entry in the Authority's accounts.

26. The Section 151 Officer shall assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective operations, financial stewardship, effective risk management, probity and compliance with laws and regulations.

27. The Section 151 Officer shall ensure that there are effective and properly resourced internal audit and risk management functions, that key controls are operating effectively and that controls are recorded and managed within an effective risk management framework.

### Legislation

28. The Local Government Finance Act 1992 states that the Council must set a (balanced) budget and its council tax, including precepts, before 11 March in each financial year. The responsibilities and consequences of not adhering to Legislation are listed below.

### Council

29. The consequences for the Council itself would be:

- It would be subject to the 'prohibition period' under the 1988 Act;
- It could be faced with acute cash flow and potentially collection difficulties, and
- It might be unable to meet its obligations to its precepting authorities.

### Officers

30. The processes should be managed so that the consequences are avoided.

31. If the Council does not set its budget and council tax the officer of the council having responsibility for the administration of the council's financial affairs under Section 151 of the Local Government Act 1972 ('the Section 151 Officer') would be obliged to make a Report pursuant to Section 114 (and 114A) of the Local Government Finance Act 1988 including subsection (3).

32. This would have the ultimate consequences set out in Sections 115 and 115B of the 1988 Act. They include that during a 'prohibition period' the council is very constrained with respect to what expenditure, it can incur.

33. The Section 151 Officer should do whatever he can to protect the council's financial interests. Specifically, the person should:

- Make a Section 114/114A Report. In preparing a Report to consult so far as possible the Head of the Paid Service and the council's Monitoring Officer ('MO') and discharge his Section 114 duties personally;
- Do so as soon as it is apparent that the budget and council tax are not likely to be Set by 11 March;
- To send copies of the Report to the council's External Auditor and to all Councillors
- To give the Council his opinion as to what staff, accommodation and other resources he/she needs in order to allow his Section 114 duties to be performed.

34. In addition, the Monitoring Officer (MO) has responsibilities, pursuant to Sections 5 and 5A of the Local Government and Housing Act 1989.

35. The Council Members' Code of Conduct, pursuant to Sections 27 and 28 of the Localism Act 2011 ('LA 2011'), imposes an obligation on Councillors to 'uphold the law'.

The MO should:

- Make a statutory Report at or about the same time or in conjunction with the Section 151 Officer's Section 114 Report; and

warn Councillors as to:

- the implications of the Code and of their legal obligation and of breaches thereof, and
- their potential liabilities.
- The MO also has a duty to consult so far as is practicable with the person who is for the time being designated as the head of the authority's paid service and with their Chief Financial Officer

Full Council

36. The statutory responsibility of Full Council is all other functions in relation to the budget and council tax. It is Full Council who take final responsibility for the budget and the council tax.

Section 114/114A Report

37. The Council/Policy, Resources and Economic Development Committee must consider the Section 114/114A Report at a meeting where it shall decide whether it agrees or disagrees with the views contained in the Report and what action (if any) it proposes to take in consequence of it.

38. That meeting must be held not later than the end of 21 days beginning with the day on which copies of the Report are sent. The Council must, during the period beginning with the day on which copies of the Report are sent and ending with the first business day to fall after the day on which the Council's consideration of the Report is concluded, not enter into any

new agreement which may involve the incurring of expenditure (at any time) by the Council unless the Section 151 Officer is able to and does authorise it to do so. Policy, Resources and Economic Development Committee must act in accordance with Section 115B.

39. If the Policy, Resources Economic Development Committee, having received a Section 114/114A report and having held the meeting required by Section 115B, disagrees with it, in these circumstances, the Section 151 Officer will have discharged his duties to make a Report to the Audit and Scrutiny Committee. The misconduct of Councillors will, however, be aggravated.

40. If the Policy and Resources Committee agrees with the Section 114 Report, but the Council were to vote against approving a budget and setting a council tax, in these circumstances, the Section 151 Officer will have discharged his duties to make a Report to Council. The misconduct of Councillors will, however, be aggravated.

### Councillors

41. The statutory and common law responsibility of all Councillors and each and every Councillor individually is to seek to ensure that the Council's statutory responsibilities are duly, fully and timeously discharged.

42. Councillors must work together to find a proposal that can be carried in accordance with the legislative timetable. Any Councillor who played a part in achieving the defeat of all proposals for a balanced and lawful budget, by voting against every such proposal, or even by abstaining, would be at very serious potential risk, disciplinary, financial and reputational.

### Implications for Councillors

- Officers do have an obligation to make Councillors aware of the consequences for Councillors themselves. Group Leaders' briefings and more widely published briefing notes would be useful.
- Each individual Councillor who makes a declaration of office is required to carry out the statutory duties to which the Council is subject. Moreover, every Councillor has a duty to comply with the Council's statutory Code of Conduct. Each Councillor is under a positive duty at all times to do what he or she can to ensure that the Council fully complies with the law.
- Councillors who breach the Code are liable to sanctions. Notwithstanding the abolition of surcharge, if a Councillor's wilful misconduct is found to have cause loss to the Council the Councillor will be liable to make good such loss.
- Further, Councillors may incur liabilities in other ways. Not only may they become liable to compensate the Council for losses the Council sustains, also they may:
  - Be guilty of the tort and crime of misfeasance in public office: and
  - They may be liable in negligence and/or breach of statutory duty to service users.

### What is Tort?

43. This is a civil liability for breach of obligations imposed by law.

### What is Tort and Crime of Misfeasance in public office?

44. The Crime of Misfeasance in Public Office is an offence at common law against a holder of public office. The Tort of Misfeasance in Public Office provides an individual with a remedy against someone in Public Office, such as a Councillor, who has acted in bad faith, where there has been injury or damage caused which was foreseeable by the Defendant. This is a serious offence.

45. As the Council is a 'best value authority', Central Government is able to step in should the Council fail to set a balanced budget and council tax. Central Government has powers of inspection under Sections 10 and 11 of the Local Government Act 1999 and intervention powers under Section 15 of that Act.

46. The House of Commons also could summon Councillors and/or Officers before a Committee.

47. Furthermore, the Council's auditors have powers and duties under Part 5 of the Local Audit and Accountability Act 2014 and also Section 116 of the 1988 Act.

## Glossary

### Actuary

A business professional who measures and manages risk and uncertainty.

### Asset management

Process that identifies the resources required for the upkeep of properties.

### Baseline

The minimum level of business rates the council will receive (subject to the safety net).

### Budget gap

Also known as a budget deficit, this is when planned expenditure is forecast to exceed revenue in any given year. The gap must be closed by the delivery of savings, efficiencies or growth in income. The opposite of this is a budget surplus.

### Budget Requirement

This represents net budgeted expenditure for the year adjusted for transfers to and from reserves but allowing for sums required by Parish and Town Councils. It is used to determine the amount of Council Tax to be precepted on the Collection Fund after allowing for income from Government and any surplus or deficit on the Collection Fund.

### Business rates multiplier

This is the number of pence per pound of rateable value that has to be paid in business rates, before any relief or discounts are deducted.

### Business Rates Retention Scheme

The scheme under which the council is permitted to retain an agreed portion of business rates collected.

### Capital Programme/Budget

The council's budget for capital expenditure and resources for the current and future years.

### Capital Expenditure

This generally relates to expenditure on the acquisition or enhancement of noncurrent assets that will be of long-term use or benefit to the authority in providing its services. It also includes grants made by the council to other individuals, community organisations and other external bodies for similar long-term benefit.

### Capital Receipts

Income from the sale of capital assets and the repayment to the council of grants and loans given for capital purposes. Regulations govern the way capital receipts may be used.

### Cash terms/Real terms

Cash terms compares sums in actual amounts regardless of when received/paid. Real terms adjusts these amounts for inflation.



## Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the professional accountancy body for public services. It publishes the Code of Practice which defines how local authority accounts are prepared.

## Code of Practice

The Code of Practice on Local Authority Accounting in the United Kingdom, also referred to as the Code. This document is based on International Financial Reporting Standards, and states how these must be applied to the preparation of the Statement of Accounts by local authorities.

## Collection Fund

The fund into which Council Tax and Non-Domestic Rates are paid and from which the Council Tax precepts and shares of business rates of Brentwood Borough Council, Essex County Council, Essex Police Authority, Essex Fire Authority, the Government and Parish and Town Councils are met as appropriate. Any surplus or deficit is shared between the various authorities, other than the Parish and Town Councils, in proportion to precepted amounts.

## Collection Rate

The percentage of total taxation collected by the authority.

## Committee

A committee appointed for a specific purpose.

For more information visit

[Committee structure - Brentwood Borough Council \(modern.gov.co.uk\)](http://modern.gov.co.uk)

## Contingency

Money set aside in the budget to meet the cost of unforeseen items of expenditure or shortfalls in income occurring during the year ahead. This would include changes to the inflation and interest rate assumptions made when the budget was set.

## Core Spending Power

Core spending power measures the core revenue funding available for local authority services, including council tax and locally-retained business rates.

## Corporate Strategy

Presents the council's goals, objectives and plans.

## Council Tax Base

The equated number of dwellings over which the council tax is collected. All dwellings are valued and classified into eight bands (A to H). Each band is expressed as a proportion of Band D. The council tax base is the number of dwellings expressed in terms of a Band D equivalent after adjusting for the local council tax support scheme.

## Council Tax Requirement

The portion of the annual budget that is required to be funded through council tax.

Department for Levelling Up, Housing and Communities

Successor Ministry of Housing, Communities & Local Government (MHCLG)

Successor Department to CLG

<https://www.gov.uk/government/organisations/ministry-of-housing-communities-andlocal-government/about>

Departmental Expenditure Limit (DEL)

The budget allocated to specific Government departments set at the spending reviews.

Depreciation

The measure of the wearing out, consumption or other reduction in the useful economic life of a non-current asset, whether arising from use, passing of time or obsolescence through technical or other changes.

Devolution

The government granting powers to regional authorities to make decisions at a local level, rather than through central government.

Discretionary Rate Relief

A relief on business rates available to some businesses and charities.

Fair Funding Review

The Fair Funding Review will deliver an assessment of relative needs of local authorities within a fixed amount of business rates income. For the services currently supported by the local government finance system, the outcomes of the Fair Funding Review will establish the funding baselines for the introduction of 100% business rates retention. The distribution of funding for new responsibilities will be considered on a case by case basis once these responsibilities are confirmed; they are likely to have bespoke distributions.

Fees and Charges

Charges made to the public to the use of council services and facilities. A full schedule of current fees and charges is published on the council's website.

Financial Conduct Authority

Regulates the financial services industry in the UK. It protects customers, promotes competition and keeps the industry stable.

Financial Regulations

A written framework for the proper financial management of the authority. The Financial Regulations are approved by the Council as part of its formal constitution.

General Fund (GF)

The main revenue fund of the council. Day to day spending and income from services are accounted for here.

Gross domestic product (GDP)

The total market value of all final goods and services produced in a country in a given year, equal to total consumer, investment and government spending, plus the value of exports, minus the value of imports.

#### Housing benefit administration subsidy grant

A grant provided by central government to assist with the costs of administering housing benefit.

#### Housing Revenue Account (HRA)

This statutory account records the revenue expenditure and income relating to the provision of council housing. While technically part of the General Fund, the balance is 'ring-fenced' and may not be included in the budget requirement to be met by Council Tax.

#### Insurance Pool

The council acts as internal insurer for all the council activities. Some risks are selfinsured and others are reinsured through external insurance companies. Premiums and excesses are charged to the revenue accounts of services and credited to the Pool.

#### Judicial Review

A court reviews an administrative action by a public body.

#### Leasing

A method of acquiring the use of assets in which the investment is made by a lessor and a rental is charged to a lessee. The council operates both as lessor and lessee in respect of land, property, vehicles, plant and equipment. Finance Leases transfer substantially all the risks and rewards of ownership to the lessee, and are regarded as a debt extended to purchase the leased asset (even when ownership of the asset does not legally pass to the lessee). Any lease which does not meet the definition of a finance lease is classified as an Operating Lease, and is treated as an arrangement to hire an asset for a specified term.

#### Levy rate

The rate at which the Government shares in the benefits of business rate growth above the baseline.

#### Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012

For more information please visit

<http://www.legislation.gov.uk/uksi/2012/2914/contents/made>

#### Local Development Plan (LDD)

A project plan that identifies which local development documents will be produced, in what order, and when.

#### Local Government Act 1972

For more information please visit

<http://www.legislation.gov.uk/ukpga/1972/70/contents>

#### Local Government Act 1988

For more information please visit

<http://www.legislation.gov.uk/ukpga/1988/9/contents>

Local Government Act 2003

For more information please visit

<http://www.legislation.gov.uk/ukpga/2003/26/contents>

Local Government Finance Act 1992

For more information please visit

<http://www.legislation.gov.uk/ukpga/1992/14/contents>

Local Government and Housing Act 1989

For more information please visit:

<http://www.legislation.gov.uk/ukpga/1989/42/contents?wb48617274=A375BAFB>

Localism Act 2011 Local Government Finance Act 1992

For more information please visit:

<https://www.gov.uk/government/publications/localism-act-2011-overview>

Local Government Act 2000

For more information please visit:

<https://www.legislation.gov.uk/ukpga/2000/22/contents>

Local Government Act 1999

For more information please visit:

<http://www.legislation.gov.uk/ukpga/1999/27/section/10>

Local Audit and Accountability Act 2014

For more information please visit:

<http://www.legislation.gov.uk/ukpga/2014/2/contents/enacted>

Local Government Finance Settlement

The annual determination of funding to local government.

Localised Council Tax Support Scheme (LCTS)

Council tax support replaced council tax benefit from 1 April 2013. Each billing authority is required to have a published scheme in place setting out the entitlement to support for residents.

Localism Agenda

The movement of responsibilities from central Government to local government and local communities.

Local Precepting Authority (LPA)

Precepting authorities instruct billing authorities to collect council tax on their behalf. Local preceptors include parishes, villages or towns.

### Major Precepting Authority

Authorities that do not collect council tax directly but instead they instruct a billing authority to collect it on their behalf. Major preceptors are larger than the billing authorities, i.e. usually county councils.

### Minimum revenue provision (MRP)

Each year local authorities are required to set aside a prudent amount of revenue as provision for financing capital expenditure.

### Department for Levelling Up, Housing and Communities

Successor Ministry of Housing, Communities & Local Government (MHCLG)

Successor Department to CLG

<https://www.gov.uk/government/organisations/ministry-of-housing-communities-andlocal-government/about>

### MMI

Municipal Mutual Insurance

### Monitoring Officer

Section 5 of the Local Government and Housing Act 1989, as amended by Schedule 5 paragraph 24 of the Local Government Act 2000 requires a local authority to appoint a monitoring officer. The Monitoring Officer has three main duties:

1. To report on matters they believe are, or are likely to be, illegal or amount to maladministration.
2. To be responsible for matters relating to the conduct of Councillors and Officers.
3. To be responsible for the correct operation of the Council's Constitution.

### New Burdens Grant

Grants designed to cover the costs associated with providing new local authority services, which, if not funded by central government, could lead to an increase in council tax.

### New Homes Bonus (NHB)

A grant paid to local councils on an incentive basis from central government to encourage housing growth.

### National Non-Domestic Rates (NNDR)

Non-Domestic Rates (NDR), or Business Rates, are the means by which occupiers of non-residential property contribute to the cost of providing local authority services. They are levied on the rateable value of each business property multiplied by a uniform amount set annually by the government. Business rates are collected by all Billing Authorities on behalf of other preceptors and the government.

### Office for Budget Responsibility (OBR)

A public body that provides independent economic forecasts and analysis of the public finances.

### Parish Council

A parish council is a civil local authority found in England and is the lowest, or first, tier of local government. They are elected corporate bodies, have variable tax raising powers, and are responsible for areas known as civil parishes

#### Partial Exemption Threshold

The limit to which the council can recover VAT on certain activities undertaken; however, if the 5% limit is exceeded all such VAT becomes irrecoverable.

#### Planning Inspectorate

An organisation that deals with planning appeals, applications and examinations of local plans.

#### Policy, Resources and Economic Development Committee

The Policy, Resources and Economic Development Committee co-ordinates the development and recommendation to Council of the Budget.

#### Precept

The amount that local authorities providing services within the Brentwood Borough require to be paid from the Collection Fund to meet the net cost of their services. The Council Tax requirement is made up of the sum of all precepts levied on the Billing Authority.

#### Preceptor

A body that levies a precept.

#### Prudential code for capital finance in Local Authorities

A CIPFA publication, providing guidance to ensure capital programmes are affordable, prudent and sustainable.

#### Prudential Indicators

Indicators within the treasury management strategy that ensures that borrowing and debt is within agreed limits.

#### Public Works Loans Board (PWLB)

A government agency that offers longer-term loans to local authorities at interest rates marginally above the government's own cost of borrowing.

#### Referendum Limit (For council tax setting purposes)

Each year the Secretary of State sets a limit for the rise in council tax. If council taxes are set to rise by this percentage or higher than the decision must be ratified through a local referendum.

#### Reserves

Reserves are set aside at the discretion of the council to meet items of expenditure in future years.

#### Reserves – Earmarked

Reserves set aside for specific purposes.

#### Revenue budget

The money allocated to the day to day running of the council.

#### Revenue support grant (RSG)

This is part of the main sources of finance given to local authorities from central government.

#### Right to Buy (RTB) Scheme

Allows eligible council tenants to purchase their property at a discount. S106 Agreements which make a development proposal acceptable in planning terms that would not otherwise be acceptable, i.e. restrictions on the use of land, sums of money to be paid to the authority. Safety net Should the council's business rates income fall below 92.5% of the baseline the Government will provide a grant to ensure that the council receives at least 92.5% of the baseline amount. If the council is in a pool for business rates purposes the shortfall is funded by the pool.

#### Section 151 (S151) Officer

Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and to appoint an Officer to have responsibility for those arrangements. The Officer appointed under this requirement is called the Section 151 Officer.

#### Section 31 Compensation

Grant provided by central government. Section 31 of the Local Government Act 2003 allows ministers to grant monies to local authorities for any purpose; more information can be found at <http://www.legislation.gov.uk/ukpga/2003/26/section/31>

#### Seven Arches Investment Limited (SAIL)

A wholly owned company of Brentwood Borough Council.

#### Settlement Funding Assessment (SFA)

The government's assessment of the level of government funding required by a local authority.

#### Shire Districts

(Non-metropolitan districts), A type of local government district in England. As created they are subdivisions of non-metropolitan counties in a two-tier arrangement.

#### Social Housing

Housing that is affordable to people on low incomes.

#### Small business rates relief

Small business rates relief is generally available if a business only uses one property and that property's rateable value is less than £12,000.

#### Spending Review

A Spending Review or occasionally Comprehensive Spending Review is a governmental process in the United Kingdom carried out by HM Treasury to set firm expenditure limits and, through public service agreements, define the key improvements that the public can expect from these resources.

#### Ultra Vires

Beyond the legal powers or authority.

#### Universal Credit

A single monthly credit, combining a number of other benefits or tax credits.

Valuation Office Agency Provides the Government with the valuations and property advice it needs to support tax and benefits.

#### Virements

The transfer of a budget from one account to another. Welfare Reform Act 2012

For more information please visit

<http://www.legislation.gov.uk/ukpga/2012/5/contents>

#### Yield

The interest earned on investments.





**BRENTWOOD  
BOROUGH COUNCIL**

Corporate Strategy  
Budget Summary  
2022-25

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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
	2022/23	2022/23	2022/23	2023/24	2023/24	2023/24	2024/25	2024/25	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Growing Our Economy	2,532	-1,308	<b>1,225</b>	2,564	-1,313	<b>1,251</b>	2,597	-1,318	<b>1,279</b>
Protecting Our Environment	6,954	-4,925	<b>2,029</b>	7,050	-5,020	<b>2,030</b>	7,142	-5,109	<b>2,033</b>
Developing Our Communities	1,967	-796	<b>1,171</b>	1,974	-798	<b>1,176</b>	1,992	-800	<b>1,192</b>
Improving Housing (GF)	490	-354	<b>136</b>	482	-354	<b>128</b>	490	-354	<b>136</b>
Improving Housing (HRA)	10,593	-10,778	<b>-185</b>	10,970	-11,265	<b>-295</b>	11,339	-11,699	<b>-360</b>
Delivering an Effective and Efficient Council	20,541	-15,499	<b>5,042</b>	20,624	-15,528	<b>5,096</b>	20,710	-15,561	<b>5,150</b>
<b>Total Corporate Strategy Spend</b>	<b>43,077</b>	<b>-33,659</b>	<b>9,418</b>	<b>43,664</b>	<b>-34,278</b>	<b>9,386</b>	<b>44,270</b>	<b>-34,841</b>	<b>9,429</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 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	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
Building Control	406	-307	<b>99.19</b>	414	-307	<b>106.79</b>	421	-307	<b>114.54</b>
Economic Development	212	-25	<b>186.77</b>	214	-25	<b>189.04</b>	216	-25	<b>191.35</b>
Land Charges	114	-145	<b>-31.44</b>	115	-148	<b>-32.6</b>	116	-150	<b>-33.74</b>
Planning Development	852	-681	<b>170.99</b>	866	-684	<b>182.11</b>	880	-686	<b>193.51</b>
Planning Policy	839	-150	<b>689.27</b>	844	-150	<b>694.05</b>	849	-150	<b>698.93</b>
Planning Enforcement	110	0	<b>109.75</b>	112	0	<b>111.94</b>	114	0	<b>114.17</b>
<b>Total</b>	<b>2,532</b>	<b>-1,308</b>	<b>1,225</b>	<b>2,564</b>	<b>-1,313</b>	<b>1,251</b>	<b>2,597</b>	<b>-1,318</b>	<b>1,279</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 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	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
CCTV	170	-51	<b>119</b>	173	-51	<b>122</b>	176	-51	<b>125</b>
Cemeteries	135	-108	<b>27</b>	137	-108	<b>29</b>	139	-108	<b>31</b>
Street Care Management & Admin	749	-3	<b>746</b>	762	-3	<b>759</b>	777	-3	<b>774</b>
Environmental Initiatives	80	-45	<b>35</b>	59	-23	<b>36</b>	35	0	<b>35</b>
Environmental Maintenance	0	-58	<b>-58</b>	0	-58	<b>-58</b>	0	-58	<b>-58</b>
Grounds Maintenance	704	-282	<b>422</b>	717	-287	<b>430</b>	730	-292	<b>438</b>
Household Waste	971	-830	<b>140</b>	988	-830	<b>158</b>	1,005	-830	<b>175</b>
Land Drainage	2	0	<b>2</b>	2	0	<b>2</b>	2	0	<b>2</b>
Licensing	205	-221	<b>-17</b>	207	-233	<b>-26</b>	210	-240	<b>-30</b>
Other Environmental Services	460	-22	<b>438</b>	475	-22	<b>453</b>	483	-22	<b>461</b>
Parking Services	758	-1,354	<b>-596</b>	770	-1,454	<b>-684</b>	782	-1,554	<b>-772</b>
Recycling	829	-1,161	<b>-332</b>	843	-1,161	<b>-318</b>	857	-1,161	<b>-304</b>
Street Lighting	7	0	<b>7</b>	7	0	<b>7</b>	7	0	<b>7</b>
Street Services	721	-171	<b>550</b>	733	-171	<b>562</b>	745	-171	<b>574</b>
Trade Waste	333	-592	<b>-259</b>	334	-592	<b>-258</b>	336	-592	<b>-256</b>
Traffic Management	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
Vehicle Fleet Management	766	-15	<b>751</b>	778	-15	<b>763</b>	790	-15	<b>775</b>
Waste Collection Support	54	0	<b>54</b>	55	0	<b>55</b>	56	0	<b>56</b>
Waste Minimisation	12	-12	<b>0</b>	12	-12	<b>0</b>	12	-12	<b>0</b>
<b>Total</b>	<b>6,954</b>	<b>-4,925</b>	<b>2,029</b>	<b>7,050</b>	<b>-5,020</b>	<b>2,030</b>	<b>7,142</b>	<b>-5,109</b>	<b>2,033</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 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	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
Christmas Lights & Decorations	24	0	<b>24</b>	24	0	<b>24</b>	24	0	<b>24</b>
Community Development	18	-36	<b>-18</b>	8	-36	<b>-28</b>	8	-37	<b>-28</b>
Community Services	217	0	<b>217</b>	222	0	<b>222</b>	226	0	<b>226</b>
Corporate Enforcement	291	-132	<b>158</b>	296	-134	<b>162</b>	301	-136	<b>165</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	225	-3	<b>222</b>	228	-3	<b>225</b>	231	-3	<b>228</b>
Golf Course	259	-338	<b>-78</b>	261	-338	<b>-77</b>	264	-338	<b>-74</b>
Grants To Organisations	112	0	<b>112</b>	112	0	<b>112</b>	112	0	<b>112</b>
Health & Wellbeing	72	-39	<b>33</b>	73	-39	<b>34</b>	75	-39	<b>36</b>
Open Spaces - Buildings	110	-2	<b>108</b>	111	-2	<b>109</b>	112	-2	<b>110</b>
Open Spaces - Sport Areas	32	-60	<b>-28</b>	32	-60	<b>-28</b>	32	-60	<b>-28</b>
Open Spaces - Recreation Areas	141	-35	<b>106</b>	141	-35	<b>106</b>	141	-35	<b>106</b>
Social Venues	403	-115	<b>288</b>	403	-115	<b>288</b>	403	-115	<b>288</b>
<b>Total</b>	<b>1,967</b>	<b>-796</b>	<b>1,171</b>	<b>1,974</b>	<b>-798</b>	<b>1,176</b>	<b>1,992</b>	<b>-800</b>	<b>1,192</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 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	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
Community Alarms Service	15	0	<b>15</b>	0	0	<b>0</b>	0	0	<b>0</b>
Homelessness Admin	315	-203	<b>112</b>	321	-203	<b>118</b>	328	-203	<b>125</b>
Homelessness Prevention	10	0	<b>10</b>	10	0	<b>10</b>	10	0	<b>10</b>
Housing Advice	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
Housing Enabling & Strategy	51	0	<b>51</b>	52	0	<b>52</b>	53	0	<b>53</b>
Housing General Fund Properties	0	-56	<b>-55</b>	0	-56	<b>-55</b>	0	-56	<b>-55</b>
Housing Standards	0	-5	<b>-5</b>	0	-5	<b>-5</b>	0	-5	<b>-5</b>
Private Sector Leased Accounts	18	-23	<b>-5</b>	18	-23	<b>-5</b>	18	-23	<b>-5</b>
Temp Accommodation - Own Stock	13	0	<b>13</b>	14	0	<b>14</b>	14	0	<b>14</b>
Temporary Accommodation – B&B	67	-67	<b>0</b>	67	-67	<b>0</b>	67	-67	<b>0</b>
<b>Total</b>	<b>490</b>	<b>-354</b>	<b>136</b>	<b>482</b>	<b>-354</b>	<b>128</b>	<b>490</b>	<b>-354</b>	<b>136</b>

## Improving Housing (HRA)

	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	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
Repairs and Maintenance	3,241	0	<b>3,241</b>	3,172	0	<b>3,172</b>	3,262	0	<b>3,262</b>
Supervision and Management	3,310	0	<b>3,310</b>	3,533	0	<b>3,533</b>	3,581	0	<b>3,581</b>
Special Services	1,185	0	<b>1,185</b>	1,201	0	<b>1,201</b>	1,217	0	<b>1,217</b>
Rents, Rates & Other Charges	171	0	<b>171</b>	173	0	<b>173</b>	175	0	<b>175</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>	380	0	<b>380</b>
Dwelling Rents	0	(12,396)	<b>(12,396)</b>	0	(13,213)	<b>(13,213)</b>	0	(14,552)	<b>(14,552)</b>
Non Dwelling Rents	0	(327)	<b>(327)</b>	0	(336)	<b>(336)</b>	0	(343)	<b>(343)</b>
Charges for Services & Facilities	0	(940)	<b>(940)</b>	0	(971)	<b>(971)</b>	0	(999)	<b>(999)</b>
<b>Total</b>	<b>11,284</b>	<b>(13,663)</b>	<b>(2,379)</b>	<b>11,460</b>	<b>(14,560)</b>	<b>(3,060)</b>	<b>11,616</b>	<b>(15,894)</b>	<b>(4,278)</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 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	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
Asset Management	494	-165	<b>328</b>	498	-167	<b>331</b>	503	-169	<b>335</b>
Commercial Activity	0	-200	<b>-200</b>	0	-200	<b>-200</b>	0	-200	<b>-200</b>
Communications	118	-40	<b>78</b>	120	-41	<b>79</b>	122	-42	<b>81</b>
Contingency And Savings	53	-764	<b>-711</b>	23	-775	<b>-751</b>	13	-784	<b>-771</b>
Corporate Health & Safety	8	-18	<b>-10</b>	8	-18	<b>-10</b>	8	-19	<b>-11</b>
Corporate Management	249	-210	<b>40</b>	239	-208	<b>31</b>	239	-210	<b>29</b>
Corporate Fraud	74	-101	<b>-27</b>	75	-103	<b>-28</b>	77	-104	<b>-28</b>
Corporate Support	245	-29	<b>216</b>	250	-29	<b>221</b>	255	-30	<b>225</b>
Customer Contact	479	-181	<b>298</b>	488	-184	<b>304</b>	498	-188	<b>310</b>
Democratic Services	482	-169	<b>312</b>	484	-170	<b>314</b>	487	-171	<b>316</b>
Design & Print	57	-2	<b>55</b>	57	-2	<b>56</b>	58	-2	<b>56</b>
Digital Services Team	163	-69	<b>94</b>	166	-69	<b>97</b>	170	-70	<b>100</b>
Electoral Services	324	0	<b>324</b>	328	0	<b>328</b>	332	0	<b>332</b>
Emergency Planning	1	0	<b>1</b>	1	0	<b>1</b>	1	0	<b>1</b>
Finance	828	-157	<b>672</b>	841	-159	<b>682</b>	854	-161	<b>694</b>
Human Resources	425	-70	<b>354</b>	427	-71	<b>357</b>	430	-71	<b>359</b>
ICT Services	1,165	-132	<b>1,032</b>	1,174	-133	<b>1,041</b>	1,183	-135	<b>1,049</b>
Internal Audit	90	0	<b>90</b>	90	0	<b>90</b>	90	0	<b>90</b>

## Delivering an Efficient and Effective council (continued)

	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 2024/25 £'000	Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Budget 2024/25 £'000
Legal	554	-179	<b>375</b>	557	-180	<b>377</b>	559	-180	<b>378</b>
Office Accommodation	703	-552	<b>151</b>	709	-554	<b>156</b>	715	-555	<b>160</b>
Payroll	47	-10	<b>37</b>	47	-10	<b>37</b>	47	-10	<b>37</b>
Procurement	56	-37	<b>19</b>	57	-37	<b>20</b>	58	-38	<b>20</b>
Programmes & Projects	178	-39	<b>140</b>	182	-39	<b>143</b>	185	-40	<b>146</b>
Revenues & Benefits	12,462	-11,788	<b>674</b>	12,490	-11,788	<b>702</b>	12,490	-11,788	<b>703</b>
Senior Leadership Team	1,286	-587	<b>699</b>	1,309	-591	<b>718</b>	1,333	-595	<b>738</b>
<b>Total</b>	<b>20,541</b>	<b>-15,499</b>	<b>5,042</b>	<b>20,624</b>	<b>-15,528</b>	<b>5,096</b>	<b>20,710</b>	<b>-15,561</b>	<b>5,150</b>







**BRENTWOOD  
BOROUGH COUNCIL**

Council Tax Resolution  
2022/23

## 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 2022/23 has been calculated as 33,171.90 (2021/22 33,250.30).

The estimated surplus on the Collection Fund as at 31 March 2022, has been calculated as £nil (Council Tax element) any surplus or deficit is usually distributed between the preceptors. For 2021/22 there is expected to be no distribution as no deficit or surplus is expected.

Table 1 - Estimated Collection Fund Surplus Distribution

Authority	Amount £
Brentwood Borough Council	Nil
Essex County Council	Nil
Police and Crime Commissioner	Nil
Essex Fire Authority	Nil
Total	Nil

The Council and other precepting authorities must take the above amounts into account when setting their element of Council Tax for 2022/23. These Council Tax requirements for 2022/23 for all precepting authorities are outlined below

Table 2 - Council Tax Requirements

Authority	2021/22 £	2022/23 £
Brentwood Borough Council	6,438,256	6,588,935
Essex County Council	44,585,660	46,477,813
Police, Fire and Crime Commissioner for Essex	6,933,685	7,248,724
Essex PFCC Fire and Rescue Authority	2,456,865	2,498,839
Parishes	603,792	619,510
<b>Total</b>	<b>61,018,258</b>	<b>63,433,821</b>

The combined Band D Council Tax for 2022/23 compared with last year is show below.

Table 3 - Combined Band D Council Tax

Authorities	2021/22 £	2022/23 £
Brentwood Borough Council	193.63	198.63
Essex County Council	1,340.91	1,401.12
Police, Fire and Crime Commissioner for Essex	208.53	218.52
Essex PFCC Fire and Rescue Authority	73.89	75.33
<b>Sub-Total</b>	<b>1,816.96</b>	<b>1,893.60</b>
Parish Councils (Average)	18.16	18.68
<b>Total</b>	<b>1,835.12</b>	<b>1,912.28</b>

The full combined bandings are listed on page 8 of this document.

## Council Tax 2022/23

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 2022/23 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)	33,171.90
<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:	9,044.10
Blackmore	1,506.70
Doddinghurst	1,195.80
Herongate and Ingrave	1,039.00
Ingatestone and Fryerning	2,372.70
Kelvedon Hatch	1,073.60
Mounthessing	586.80
Navestock	244.20
Stondon Massey	337.50
West Horndon	687.80

### Council Tax Calculations

That the following amounts be now calculated by the Council for the year 2022/23 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 2022/23 (excluding Parish precepts) to be calculated as £6,588,934.50.

That the following amounts to be calculated for the year 2022/23 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	39,505,120
<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.	32,296,680
<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)	7,208,440

#### 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).	217.31
<b>3b)</b> being the aggregate of the following special items (Parish precepts) referred to in Section 35(1) of the Act:	619,509.78
Blackmore	100,572.00
Doddinghurst	75,814.00
Herongate and Ingrave	48,000.00
Ingatestone and Fryerning	177,315.78
Kelvedon Hatch	90,114.00
Mountnessing	42,000.00
Navestock	22,000.00
Stondon Massey	31,194.00
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	198.63
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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	198.63	66.75	265.38
Doddinghurst	198.63	63.40	262.03
Herongate and Ingrave	198.63	46.20	244.83
Ingatestone Fryerning	198.63	74.73	273.36
Kelvedon Hatch	198.63	83.94	282.57
Mountnessing	198.63	71.57	270.20
Navestock	198.63	90.09	288.72
Stondon Massey	198.63	92.43	291.06
West Horndon	198.63	47.25	245.88

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	132.42	154.49	176.56	198.63	242.77	286.91	331.05	397.26
Blackmore	176.92	206.41	235.89	265.38	324.35	383.33	442.30	530.76
Doddinghurst	174.69	203.80	232.92	262.03	320.26	378.49	436.72	524.06
Herongate	162.78	189.91	217.04	244.83	299.24	353.64	408.05	489.66
Ingatestone & Fryerning	182.24	212.61	242.99	273.36	334.11	394.85	455.60	546.72
Kelvedon Hatch	188.38	219.78	251.17	282.57	345.36	408.16	470.95	565.14
Mountnessing	180.13	210.16	240.18	270.20	330.24	390.29	450.33	540.40
Navestock	192.48	224.56	256.64	288.72	352.88	417.04	481.20	577.44
Stondon Massey	194.04	226.38	258.72	291.06	355.74	420.42	485.10	582.12
West Horndon	163.92	191.24	218.56	245.88	300.52	355.16	409.80	491.76

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	934.08	1,089.76	1,245.44	1,401.12	1,712.48	2,023.84	2,335.20	2,802.24
Police, Fire & Crime Commissioner for Essex	145.68	169.96	194.24	218.52	267.08	315.64	364.20	437.04
Essex Police Fire & Crime Commissioner Fire and Rescue Authority	50.22	58.59	66.96	75.33	92.07	108.81	125.55	150.66

#### 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 2022/23 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	1,262.40	1,472.80	1,683.20	1,893.60	2,314.40	2,735.20	3,156.00	3,787.20
Blackmore	1,306.90	1,524.72	1,742.53	1,960.35	2,395.98	2,831.62	3,267.25	3,920.70
Doddinghurst	1,304.67	1,522.11	1,739.56	1,957.00	2,391.89	2,826.78	3,261.67	3,914.00
Herongate	1,292.76	1,508.22	1,723.68	1,939.80	2,370.87	2,801.93	3,233.00	3,879.60
Ingatestone & Fryerning	1,312.22	1,530.92	1,749.63	1,968.33	2,405.74	2,843.14	3,280.55	3,936.66
Kelvedon Hatch	1,318.36	1,538.09	1,757.81	1,977.54	2,416.99	2,856.45	3,295.90	3,955.08
Mountenensing	1,310.11	1,528.47	1,746.82	1,965.17	2,401.87	2,838.58	3,275.28	3,930.34
Navestock	1,322.46	1,542.87	1,763.28	1,983.69	2,424.51	2,865.33	3,306.15	3,967.38
Stondon Massey	1,324.02	1,544.69	1,765.36	1,986.03	2,427.37	2,868.71	3,310.05	3,972.06
West Horndon	1,293.90	1,509.55	1,725.20	1,940.85	2,372.15	2,803.45	3,234.75	3,881.70



## **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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