



Agenda

Ordinary Council

Wednesday, 28 February 2024 at 7.00 pm

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

Membership (Quorum – 10)

Cllrs Barrett (Mayor), Haigh (Deputy Mayor), Aspinell, Barber, Dr Barrett, Bridge, M Cuthbert, Mrs N Cuthbert, Mrs Davies, Mrs Francois, Mrs Fulcher, Gelderbloem, Gorton, Heard, Hirst, Kendall, Laplain, Lewis, Marsh, Mayo, McCheyne, Munden, Mrs Murphy, Mynott, Naylor, Parker, Poppy, Mrs Pound, Reed, Rigby, Russell, Sankey, Slade, Wagland, White, Wiles and Worsfold

Agenda

Item	Item	Wards(s) Affected	Page No
	Live broadcast Live broadcast to start at 7pm and available for repeat viewing.		
1.	Apologies for Absence		
2.	Declarations of Interest		
3.	Budget 2024/25 and Medium Term Financial Strategy 2024-29	All Wards	5 - 140
4.	Treasury Management Strategy 2024/25	All Wards	141 - 200
5.	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 'Jonathan Stephenson', is written over a horizontal line.

Jonathan Stephenson
Chief Executive

Town Hall
Brentwood, Essex
13.02.2024

Information for Members

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.

Rights to Attend and Speak

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.

Point of Order/ Personal explanation/ Point of Information

Point of Order

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

Personal Explanation

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

Point of Information or clarification

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

Information for Members of the Public

Access to Information and Meetings

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

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

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

The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of

these activities, in their opinion, are disrupting proceedings at the meeting.

 **Private Session**

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

 **Evacuation Procedures**

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



**ORDINARY COUNCIL
28th FEBRUARY 2024**

REPORT TITLE:	Budget 2024/25 and Medium Term Financial Strategy 2024-29
REPORT OF:	Tim Willis, Interim Director (Resources) & Section 151 Officer

Summary

This report and appendices set out all the relevant information in support of the Council's Budget for General Fund services and Council Tax for 2024/25, together with financial forecast information through to 2028/29. Also included is information on the Housing Revenue Account (HRA) budget for 2024/25 and the Capital Programme 2024/25 to 2028/29.

- (i) Appendix A - The General Fund budget proposals for 2024/25 to 2028/29.
- (ii) Appendix B - The Housing Revenue Account (HRA) budget proposals for 2024/25 onwards.
- (iii) Appendix C - The Capital Programme 2024-29.
- (iv) Appendix D – Fees & Charges Schedule 2024/25.
- (v) Appendix E - Pay Policy Statement.
- (vi) Appendix F – Council Tax Resolution
- (vii) Appendix G – Section 151 Officer's Assurance Statement

The report summarises the detailed service budgets, together with known adjustments including the impact of the provisional central government grant funding.

The key elements of the proposed budget are:

General Fund

- 1) A proposed 2.99% increase in Council Tax for 2024/25 for Brentwood Borough 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.
- 4) The budget will be balanced in 2024/25 & 2025/26. However, there will be a budget gap in 2026/27 which will grow during the remainder of the Medium Term Financial Strategy (MTFS).

Housing Revenue Account

- 1) A balanced budget across the MTFS.
- 2) There will be a contribution to reserves to pay for the deficit in 2025/26 of £212k.
- 3) Proposed increase in rents of 7.7%.
- 4) Continued investment in the delivery of Decent Homes and development of Housing within the Borough.
- 5) Significant investment in the Strategic Housing Delivery Programme ensuring the 30-year business plan is sustainable.

Capital

- 1) Total capital investment of £9.2m (General Fund) and £26.1m (HRA) in 2024/25.
- 2) Subsequent investment of £24.1m (General Fund) and £69.1m (HRA) from 2025 to 2029.

Recommendation(s)

Members are asked to:

R1. Approve the General Fund Budget 2024/25 and Medium-Term Financial Strategy as set out in Appendix A.

R2. Approve a proposed Council Tax increase of 2.99% for 2024/25, the charge of Band D property increases to £210.70 per annum for Brentwood Council services only.

R3. Approve the HRA budget 2024/25 including the 30-year HRA Business Plan within Appendix B.

R4. Approve a proposed increase to rents of 7.7% for 2024/25.

R5. Approve the Capital Programme 2024-29 in Appendix C.

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

R7. Approve the Pay Policy Statement in Appendix E.

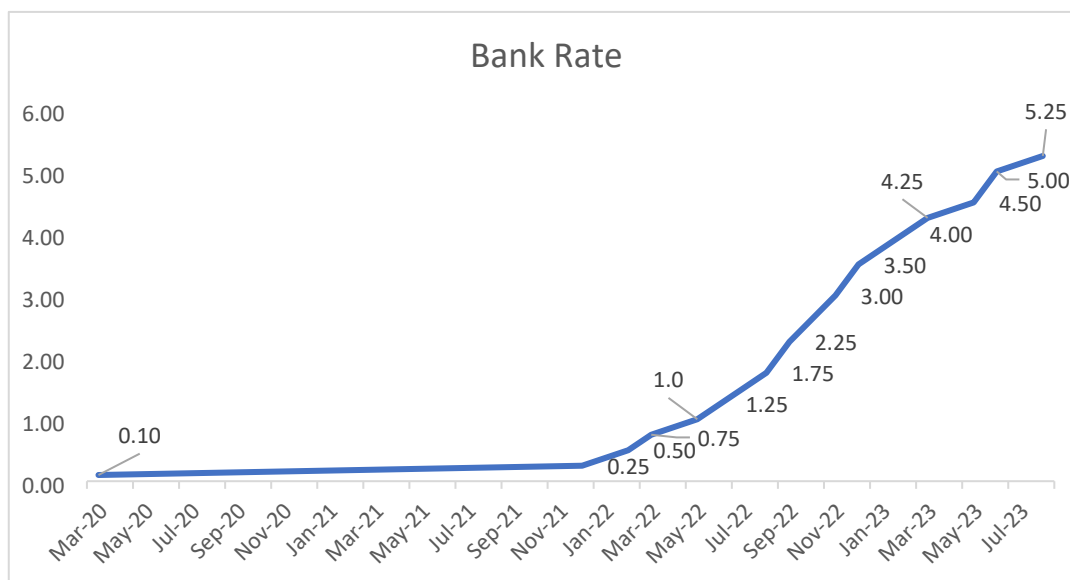
R8. To note the Section 151 Officers Assurance Statement in Appendix G.

Introduction and Background

1. This report sets out the budgets for the General Fund revenue and capital, Housing Revenue Account revenue and capital, as well as fees and charges, treasury management and the pay policy statement.
2. Appendix A sets out the full detail on all relevant considerations in setting the budget and Council Tax for 2024/25. Key issues have been summarised in this report by way of background.

Economic Impacts

3. During the past year, inflation has begun to fall. At December 2022, CPI was at 10.1%, in comparison CPI in December 2023 was 4.0%. Even though this was less than December 2022, it was still an increase from November 2023, when CPI rose by 3.9%.
4. The official Bank rate rose to 5.25% on 3rd August 2023 and has remained at this rate. This was after a steep rise, from 0.1% in March 2020. This is shown in the graph below.



5. At its 14th December meeting, the Bank of England's Monetary Policy Committee (MPC) kept rates on hold for the third time in a row, pushing back against the prospect of near-term interest rate cuts.

6. Brentwood's Treasury advisors are forecasting Bank rate to reduce in 2024 and 2025. They are predicting the first cut to be September 2024, to continue to fall to 3% in September 2025 and stay at this level for the rest of their forecast, which goes up to July 2027.

7. Regarding PWLB rates as of the 19/01/2024 were:

- 5 years – 4.53%
- 10 years – 4.75%
- 25 years – 5.34%
- 50 years – 5.14%

Forecasts for PWLB rates are also predicted to reduce. PWLB rates are not only influenced by Bank rate but by the outlook for inflation and by the market's appetite for significant gilt issuance. Over 2024 and 2025, in June 2025 PWLB rates are forecast to reduce to 4% for 5 & 10 years, 4.30% for 25 years and 4.10% for 50 years.

8. Furthermore, another unknown impact is that there will be a General Election in the next year, so Government fiscal policy may potentially loosen at the same time as the Bank's monetary policy is still trying to take momentum out of the economy.

Government Funding

9. The financial pressures that face local government are well known. Despite these pressures, 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.

10. The financial position and the Council's total Government funding is detailed within Appendix A for the General Fund, which continues to reflect the ongoing uncertainty in government support.

- The Financial Settlement was a one-year settlement, not reflecting the full MTFS period. Also, with it being an election year, there are still many unknowns.
- The Government's calculation on core spending power assumes councils will increase council tax by 2.99%. Lower tier authorities are allowed to apply the higher of the referendum limit of 3% or £5.
- New Homes Bonus allocations have continued in 2024/25 for one year. The Government has signalled a review of the system of allocation for 2025/26.
- The Borough will receive a Services Grant, Revenue Support Grant and a Minimum Funding Guarantee, as described in Appendix A.

- The Final Settlement was announced on 5 February 2024. This awarded the Council an additional £100k over the Provisional Settlement.

Council Tax

11. Council is recommended to increase Council Tax by 2.99% for 2024/25 per band D property. The element of the Band D charge related to the council will increase by £6.12 per annum. This increase equates to an additional 11.77p per week for a Band D property. The Government has assumed in its forecast of Brentwood's spending power that Council Tax will increase by 2.99%, i.e. the authority's settlement is based on the assumption by Government that the authority will maximise its income generation through Council Tax increases.

General Fund

12. The council is forecasting a balanced monitoring position in 2023/24. The council is also forecasting to balance budgets in 2024/25 and 2025/26. However, there will be a budget gap of £634k in 2026/27 growing to £883k in 2028/29. This is outlined below in Table 1. To protect working balances, mitigation reserves will be utilised before impacting on working balances.

Table 1 – General Fund Revenue projected Working balances.

	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Budget	P9	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	Forecast	£'000	£'000	£'000	£'000	£'000
			£'000					
Total General Fund Net Expenditure	9,159	10,357	10,419	10,817	11,033	11,917	12,355	12,621
Total Funding	(9,159)	(10,246)	(10,419)	(10,917)	(11,133)	(11,283)	(11,507)	(11,738)
Transfer Earmarked Reserves to/(from)	0	0	0	100	100	(634)	(848)	(883)
Deficit/(Surplus)	0	111	0	0	0	0	0	0
Working Balance b/fwd	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
(Deficit)/Surplus	0	(111)	0	0	0	0	0	0
Working Balance c/fwd	2,874	2,763	2,874	2,874	2,874	2,874	2,874	2,874
Mitigation reserves balance	6,207	6,207	6,207	6,307	6,407	5,773	4,925	4,042

13. 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.

Savings

14. In delivering the proposed budget for 2024/25 and beyond, the Council will continue to seek efficiencies that are already in progress. The strategic partnership with Rochford District Council has delivered significant savings and it will continue to enhance capacity and resilience. However, the council's primary means of delivering savings over the medium term will be to re-assess its capital strategy. It will examine ways in which it can continue to invest in the Borough, whilst reviewing the scope of large capital projects; and seek to continue to explore opportunities to generate receipts from some asset disposals.

Reserves

15. Appendix A summarises the overall level of General Fund Reserves and reflects the realignment of reserves to meet current and anticipated investment requirements.

Housing Revenue Account

16. Appendix B sets out the full detail on all the relevant considerations in respect of setting the HRA budget for 2024/25.
17. 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.
18. The HRA capital programme has been prepared by taking account of current knowledge of stock condition and the asset management priorities arisen.

Capital Programme

19. The Capital Programme for 2024-29 is set out in Appendix C. The Council's Capital and Treasury Management Strategy is included in a separate report. Within this and the S151 Assurance Statement there are details of the Council's overall debt and how it is managed. Whilst the absolute value of the debt is high, the assets held against this debt have a greater value. A number of these assets earn a return to the Council's revenue account and help in offsetting debt servicing costs. Additionally, an expert external review of the Council's treasury management strategy highlighted the relatively low average rate of interest on total external debt; and the relatively long-term average maturity of debt. It should be noted that Appendix C shows an £8m reduction over the MTF5 which reflects a combination of capital programme expenditure reductions and capital receipts, to reduce the overall level of projected debt.

Fees and charges

20. Proposed Fees and Charges have been taken to the appropriate Council Committee and are attached for information in Appendix D.

Pay Policy

21. 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 Pay Policy Statement is in Appendix E.

Assurance Statement

22. 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.
23. 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. These are set out in Appendix G.

Issue, Options and Analysis of Options

24. The Council sets its own Council Tax requirement, within the resources available and regulation. 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.
25. Members should note that a proposed "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 2024/25 an increase above 2.99% or £5 whichever is higher would be excessive and require a positive vote in a referendum.
26. 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 a cumulative effect on the Council's ability to sustain service levels in the future.

Reasons for Recommendation

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

Consultation

29. The Council undertook a Consultation on the budget during 2023. Further information is set out in Appendix A.

References to Corporate Strategy

30. The Budget is linked to achieving the current priorities in the Corporate Strategy and supporting any new priorities as the Corporate Strategy evolves in 2024/25.

Implications

Financial Implications

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

Legal Implications

32. 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.
33. 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

34. 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, 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

35. None.

Appendices to this report

Appendix A: General Fund Budget 2024/25

Appendix B: Housing Revenue Account Budget 2024/25 & 30-year Business Plan

Appendix C: Capital Programme 2024 - 2029

Appendix D: Fees & Charges Schedule 2024/25

Appendix E: Pay Policy Statement

Appendix F: Council Tax resolution 2024/25

Appendix G: Section 151 Officer's Assurance Statement

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Brentwood Borough Council
General Fund Budget
2024/25

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Medium Term Financial Strategy 2024-29

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.
- 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 through to 2028/29. The forecasts should be treated with caution because:

- The Financial Settlement for 2024/25 is for one year only.
- A New Homes Bonus allocation has been made for 2024/25 but a review of the scheme is planned for 2025/26. The 2024/25 allocation is solely for that year.
- In the Provisional Settlement announcement there was no reference to the Fair Funding Review or Business Rates Review. There is therefore an assumption of no change in the methodology of distribution of Government funding and maintenance of the existing Business Rates system.
- There is uncertainty regarding the financial impact of inflation and interest rates, that remain relatively high, though falling. The budget has been prepared on the basis of economic advice regarding future projections, but these could change, especially given the relatively volatile macro-economic environment.

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

4.The additional cost pressures of inflation and interest rates have been mitigated in year which means that the 2023/24 forecast is to break even.

5.The Council has an ambitious agenda in a current volatile financial climate. The Council aims to continue to deliver and enhance the services it currently provides. The MTFS is expected to utilise reserves in 2026/27 and further savings, efficiencies and income generation will be required. The current position is outlined below.

Table 1 – General Fund Summary

	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Budget	P9 Forecast	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total General Fund Net Expenditure	9,159	10,357	10,419	10,817	11,033	11,917	12,355	12,621
Total Funding	(9,159)	(10,246)	(10,419)	(10,917)	(11,133)	(11,283)	(11,407)	(11,738)
Transfer Earmarked Reserves to/(from)	0	0	0	100	100	(634)	(848)	(883)
Deficit/(Surplus)	0	111	0	0	0	0	0	0
Working Balance b/fwd	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
(Deficit)/Surplus	0	(111)	0	0	0	0	0	0
Working Balance c/fwd	2,874	2,763	2,874	2,874	2,874	2,874	2,874	2,874
Mitigation reserves balance	6,207	6,207	6,207	6,307	6,407	5,773	4,925	4,042

Outturn 2023/24

6. The Medium-Term Financial Forecast reflects the latest outturn projections regarding the delivery of the 2023/24 budget.

7. The forecast outturn for 2023/24 is to break even. The result of this means there will be no impact on the working balances or mitigation reserves. This position is 111k better than budgeted at the start of the year. Even though the council has been impacted by the cost-of-living crisis and high inflation on insurance, contracted services, repairs and maintenance costs, the council have managed to mitigate this by gaining a greater return on our investments, overachieving on vacancy factor and savings on utility bills.

8. The Council continues to achieve a vacancy factor that is higher than budgeted. This is a mixture of posts being difficult to recruit, in light of the national backdrop regarding pay differentials between the private and public sector, as well as posts being held vacant pending service reviews. The council has a vacancy factor target of £673k but is currently forecasting to be £897k underspent on staffing. The council has overachieved this target by £224k.

9. The council has been able to make savings on utility bills as costs have dropped during 2023 and managed to lock into cheaper rates than were applicable in 2022.

10. Income pressures associated with the longer-term impact of COVID-19 are reducing. Parking income is returning closer to pre pandemic levels. Commuters are working more frequently on a hybrid basis; season ticket income has declined with a reduction in renewals. However, we are seeing income for hourly tickets increase with the increase in fees and charges and more parking income at King Georges Playing fields, since the new pavilion has opened

Medium Term Financial Strategy Assumptions

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

- Revenue Budget from paragraph 32
- Capital Programme (Appendix C)

11. 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
- Asset Management

12. 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 currently:

- 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.

13. 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:

- Service redesign and delivery of service strategies
- Maximising income generating opportunities.
- A focus on supporting inward economic investment.
- 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.
- Optimising the Council's use of technology to enable new ways of working and improving service quality for our residents.
- Ensuring the Council's assets are used efficiently and effectively.
- Reviewing the Council's capital programme and funding thereon.

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

15. The Section 151 Officer makes a statutory assessment of the adequacy of reserves, taking into consideration the risk and uncertainties facing the Council, which is included in Appendix G.

16. This includes an assessment of the risks posed by the Council's ambitious investment approach to meeting resident needs and financial imperatives. Given potential volatility in the Council's income and expenditure 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 (see Reserves section).

Five Year Medium Term Financial Strategy

17. A five year forecast for the General Fund is set out below. The 2024/25 budget is balanced, ensuring the working balance remains at current levels. The 2025/26 position is also balanced. Although efficiencies will be delivered over the medium term, some use of reserves is projected for 2026/27 and beyond. It should be noted that forecasts beyond next year should be treated with caution due to the extreme uncertainty over the funding position from 2025/26 onwards.

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

- **Realigning** - Services budgets have been realigned to ensure the base budget correctly reflects the current service provision.
- **Inflation** – The last MTFS applied 4% inflation, which has been increased to 6.7% inflation, an increase of 2.7% for 2024/25. There are instances such as insurance where a specific inflation rate has been applied. For future years, inflation of 2% has been applied, which is the Bank of England's target for inflation.
- **Staffing costs** – Assumed 2% for future pay awards which is in line with the previous MTFS. The changes are due to structure & position changes with the last year.
- **Income** - increases associated with service income targets. Includes increases associated with fees and charges by inflationary costs, revisiting demand and ensuring a cost recovery basis.
- **Funding** - Funding adjustments considering the Provisional Local Government Finance Settlement.
- **Growth** - required to budgets as per bids submitted by budget managers.
- **Savings** – proposed initiatives from services.
- **Reserves** – Contributions to/from Earmarked Reserves. There has been a large reduction in the use of in borough regeneration. As the capital programme has slipped and borrowing will not be as high, there is no need to use this over the next two years.
- **Non Service** – Predominantly Capital Financing. Interest on borrowing for funding the capital programme is 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. Due to capital programme slipping and other funding for capital programme, there has been a reduction in these costs.

19. Assumptions are an estimate at a point in time. Assumptions are provided in the context of uncertain cost pressures and future Government funding.

Table 2 - Summary of changes to the Base Budget

	2024/25 £'000	2025/26 £'000	2026/27 £'000
Funding Gap b/wd	249	0	0
Add:			
Realigning	56	159	262
Inflation	244	243	264
Staffing costs	141	68	355
Increase in Income	(545)	(550)	(550)
Funding Adjustments	(972)	(972)	(1,158)
Pressure	1,207	1,241	1,252
Savings	(854)	(856)	(847)
Reserves	1,116	1,402	1,402
Non-Service	(741)	(835)	(347)
Total	(100)	(100)	634
Revised Working Balance			
b/wd	2,874	2,874	2,874
(Deficit)/Surplus	0	0	(634)
Use of earmarked reserves	(100)	(100)	634
Revised Working Balance	2,874	2,874	2,874
c/wd			

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

** Please note there are no changes to base budget for 2027/28 and 2028/29 as there was no base budget set for those years. Previous MTFS was set for only 3 years.

Government Funding

Local Government Finance Settlement

20. The Provisional Local Government Finance Settlement for 2024/25 was announced on 18 December 2023 and the Final Settlement was announced on 5 February 2024.

21. 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 2.99% or £5.
- **New Homes Bonus** - The 2024/25 New Homes Bonus allocations have been announced. As last year, there will be no legacy payments for the 2024/25 in year allocations. The deadweight of 0.4% was maintained. Brentwood's allocation is £344,204.
- **Negative RSG** - As in previous years, the government has decided to eliminate negative RSG amounts, so there is no direct detrimental impact on the Borough's funding.
- **Business Rates** – Whilst there are changes to reliefs and valuations for 2024/25, these are projected to have no net effect on council funding.
- **Services Grant** – There is an allocation of £11,585 in 2024/25. The Services Grant has reduced nationally, and for Brentwood.
- **Funding Guarantee** – The Government introduced a funding guarantee in 2023/24, to ensure that each authority receives at least a 4% increase in Core Spending Power before any Council Tax increase. Brentwood will receive an allocation of £824,201.
- **Revenue Support Grant** – An allocation of £73,665 will be provided.
- **Local Government Funding reform** – The Fair Funding Review and Business Rates Review have been postponed to a future date.

New Homes Bonus Grant

22. 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 original grant was payable for 6 years.

23. The grant for 2019/20 onwards was based upon 4 years, but it is now paid as a one-off annual amount, and the scheme will now also only reward net growth in homes above 0.4% per annum.

24. The government has restated its intention to review and reform the scheme but no details have yet been provided as to future funding.

25. Since its introduction in 2011/12, the Council has used the New Homes Bonus to support the General Fund Budget and this will continue in 2024/25.

Business Rates Retention

26. The Business Rates retention figure represents the Council's share (40%) of the total amount collected from local businesses, +/- a top-up/tariff amount. The estimated amount for 2024/25 and future years is outlined below. The figures include payments from the Government to bring the Council up to Safety Net level (92.5% of the Business Rates Baseline).

Table 4 – Business Rates

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Business Rates	1,634	1,788	1,788	1,788	1,834	1,861

27. 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.

28. The figures do not assume a reset of the Business Rates baseline in future years as the timing of a reset is uncertain. Additionally, we have estimated the base will increase - there is no guarantee this will happen but it is our best estimate based on what we do know.

29. The pressure currently facing the Council in respect of Business Rates 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.

30. The Council is not currently part of the Essex wide Pool for Business Rates. 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. However, because Brentwood has not generated growth and has entered the Safety Net, it makes financial sense for both the Council and the Pool to be taken out of the Pool. No additional income has been budgeted for 2024/25 due to the uncertainty of future Business Rates income and the pool position.

Total Government Funding

31. 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	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Support Grant	233	Nil	Nil	Nil	Nil	NIL	NIL	74
Tariff-Top Up Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
News Homes Bonus	1,155	410	678	688	529	713	450	344
Lower Tier Service Grant	Nil	Nil	Nil	Nil	71	74	Nil	Nil
Covid-19 Funding	Nil	Nil	Nil	982	309	Nil	Nil	Nil
Service Grant	Nil	Nil	Nil	Nil	114	114	64	13
Funding Guarantee	Nil	Nil	Nil	Nil	Nil	Nil	453	923
Total	1,388	410	678	1,670	1,023	901	967	1,354
Business Rates Retention	1,798	2,220	1,800	1,634	1,535	1,535	1,634	1,788
Business Rates Levy Account	Nil	Nil	25	Nil	Nil	Nil	Nil	Nil
Total	3,186	2,630	2,503	3,304	2,558	2,436	2,601	3,142

The table above highlights the continuous financial pressures the Council faces as funding has declined. There was some Revenue Support Grant in 2023/24 and 2024/25 but it is not comparable to previous years' grant.

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gov funding	1,388	410	678	1,670	1,023	901	967	1,354
Business Rates	1,798	2,220	1,800	1,634	1,535	1,535	1,634	1,788
Council Tax	5,715	5,969	6,199	6,384	6,438	6,589	6,930	7,193
Total funding	8,901	8,599	8,677	9,688	8,996	9,025	9,531	10,335
September CPI	3.00%	2.40%	1.70%	0.50%	3.10%	10.10%	6.70%	N/A
Funding with inflation	8,901	9,168	9,388	9,548	9,595	9,893	10,892	11,622
Real v inflation figures	0	569	711	(140)	599	868	1,361	1,387

This table shows how far Brentwood's funding has fallen behind inflation. For 24/25, the projection is to be down £1.387m if funding had risen in line with inflation

General Fund Revenue Budget

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

Table 6 – General Fund Revenue Budget

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Growing Our Economy	1,278	1,296	1,314	1,299	1,327
Protecting Our Environment	6,111	6,158	6,124	6,057	6,186
Developing Our Communities	(3,636)	(3,608)	(3,577)	(3,541)	(3,616)
Improving Housing	105	114	124	123	125
Efficient & Effective Council	3,407	3,448	3,615	3,579	3,654
Total Corporate Priorities	7,265	7,408	7,600	7,517	7,676
Total Non-Service Expenditure	2,719	3,162	3,647	4,169	4,276
Total Cost of Services	9,984	10,570	11,247	11,686	11,952
Transfer to/(from) Reserves	151	(254)	(12)	(12)	(12)
Total Spending Requirement	<u>10,135</u>	<u>10,316</u>	<u>11,235</u>	<u>11,674</u>	<u>11,940</u>
Funding					
New Homes Bonus	(344)	(344)	(344)	(344)	(344)
Business Rates Retention	(1,788)	(1,788)	(1,788)	(1,824)	(1,861)
Other Non-Specific Grants	(86)	(86)	(86)	(86)	(86)
Minimum funding Guarantee	(824)	(824)	(824)	(824)	(824)
Council Tax Requirement	(7,193)	(7,374)	(7,559)	(7,748)	(7,942)
Total Funding	<u>(10,235)</u>	<u>(10,416)</u>	<u>(10,601)</u>	<u>(10,826)</u>	<u>(11,057)</u>
Transfer to/(from) GF mitigation reserves	100	100	(634)	(848)	(883)
Total (Deficit)/Surplus	0	0	0	0	0
Mitigation reserves balance C/F	6,307	6,407	5,773	4,925	4,042
General Fund working balance Carried Forward	2,874	2,874	2,874	2,874	2,874

Saving Targets within the Revenue Budget

33. Taking into account known pressures and reduced real-terms income, 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 financially sustainable.

34. Included in Table 7 are the current saving targets built within budget for 2024/25 and future years.

Table 7 - Proposed Saving Targets

	2024/25	2025/26	2026/27	2026/28	2026/29
Proposed Saving Targets	£'000	£'000	£'000	£'000	£'000
Corporate Vacancy Factor	(686)	(686)	(686)	(700)	(714)
Capitalisation Staff Costs	(50)	(50)	(50)	(51)	(52)
Total Efficiency Targets	(736)	(736)	(736)	(751)	(766)
Service income generation	(100)	(100)	(100)	(102)	(104)
Total Income Generation Targets	(100)	(100)	(100)	(102)	(104)
Debt Servicing savings	0	0	(240)	(480)	(480)
Total Saving Targets	(836)	(836)	(1,076)	(1,333)	(1,350)

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 with no detriment to the service can achieve a saving on the establishment as the role is funded 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. Vacancy factor has been kept at 5% due high number of vacancies and difficulties to recruit.

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.

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

Debt servicing savings – targets have been established to reduce the need to borrow, which in turn reduces the cost of interest and Minimum Revenue Provision. Some £8m has been assumed to be removed from the medium term borrowing requirement. This will be achieved by a combination of a review of large capital projects, to ensure they still deliver key benefits but at a reduced cost; and through asset sales which will generate a capital receipt which can be used to replace borrowing (or repay debt).

Addressing the future Funding deficits

35. 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 strive to set a balance budget, which will require reducing costs and

raising revenue for future years in order to reduce the forecasted deficits. Forecasts will continue to be refined through future budget setting cycles.

36. 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.

37. Although there are future year deficits forecast, the strategic partnership with Rochford District Council will enable savings and these are factored into the MTFS.

38. The Council has increased its property portfolio to manage and maintain regeneration within the Borough and to contribute to the General Fund over the longer term. The period covered by the MTFS will see the creation of an increased portfolio that is forecast to generate rent income. Some of this rent income already supports the budget, but it is projected to grow over the next 3-5 years. This benefit is offset by inflation increasing the cost of delivering income-generating assets, as well as the higher cost of borrowing additionally eroding the potential business case for a project. These factors are addressed through the delivery of debt servicing savings above, as well as a review of the value for money offered by the Council's development partnerships.

Reserves

Background

39. 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.

40. 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.

41. 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).

42. 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 also has regard to professional guidance provided by CIPFA.

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

44. When reviewing the 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

45. General Fund reserves consist of several earmarked reserves, together with an unallocated general reserve (General Fund Working Balance). All reserves and balances form part of the General Fund but the Housing Revenue Account balance is specifically 'ring fenced' for use in connection with that account.

46. In addition to the cash-backed reserves described above, local authorities maintain several other reserves on 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.

47. Reserve balances are determined each year with regard to the current risks prevalent and foreseen at that time. The Section 151 Officer's Assurance Statement sets out their view of the risks and uncertainties that the council is currently facing. The reserve balances at 1 April 2024 allows for the effect of the 2022/23 outturn position and the forecast outturn for 2023/24.

General Fund Working Balance

48. When determining the budget position for 2024/25 Members have to make a balanced judgement as to the level of unallocated reserves to set for general purposes at 31 March 2024 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.

49. 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 Council's 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 2024/25. £2 million represents approximately 20% of the net spending requirement and approximately 5% of gross expenditure.

50. Although the Section 151's Assurance statement report on the adequacy of reserves is specific to 2024/25, the Council should bear in mind that adequacy should also be judged against longer-term plans.

51. The Council is currently predicting the continuation of significant financial pressures every year due to increased costs and uncertain Government funding. Whilst it is not 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 longer-term solutions. 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

52. 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 as below:

- **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.
- **Specific** – Monies that the Council has received that have specific restrictions on how the money can be used.

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 type	Opening Balance 2023/24 £'000	Forecast Balance 2023/24 £'000	Forecast Balance 2024/25 £'000	Forecast Balance 2025/26 £'000	Forecast Balance 2026/27 £'000	Forecast Balance 2027/28 £'000	Forecast Balance 2028/29 £'000
Mitigation	6,207	6,207	6,307	6,407	5,773	4,925	4,042
Service	1,932	1,780	1,708	1,708	1,708	1,708	1,708
Specific	960	927	665	653	641	629	617
COVID-19	373	0	0	0	0	0	0
Total	9,472	8,914	8,680	8,868	8,122	7,262	6,367

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 manage future financing risk on redevelopments.
- e) **Inflation & Finance mitigation** – To fund to mitigate inflation and rising financing costs.

Service Reserves

- f) **Asset Management** – Support Asset management team for reactive compliance works.
- g) **Economic Development** – To be drawn down in delivering the corporate strategy aim of growing the economy.
- h) **Electoral Registration** – fund to be utilised for any upcoming elections
- i) **High Street Fund** – Held to invest in improving the high streets, generating, and retaining economic growth.
- j) **Environmental Initiatives** – specifically set aside to support the green agenda for the Council.
- k) **Planning Enforcement** – To aid in supporting the planning enforcement work across the borough.
- l) **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.
- 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) **Legal Resource** – To support legal services with unexpected case work.

- o) **LGV Driver Training** – To fund mandatory CPC training for LGV drivers.
- p) **Digital, Customer & Comms** – To fund schemes such as customer service accreditation, customer contact training and development of social media engagement.
- q) **Rochford Partnership** – To set aside funding required for partnership.
- r) **Street Scene Initiatives** – To fund development of one-off initiatives within Street Scene service area.
- s) **Other Licences** – Pavement licence grant to be utilised during 2022/23
- t) **Corporate Training** – To fund investment in staff training and development.
- u) **Apprentice incentives** – To maintain a rolling programme of apprenticeships at the Council.
- v) **Staff recognition & Awards** - To recognise and celebrate staff achievements.

Specific Reserves

- w) **Duchess of Kent/ Nightingale** - To meet the cost of grounds maintenance at the new housing development at this site.
- x) **Health & Wellbeing** – Available for projects determined by the Brentwood health & Wellbeing board
- y) **Land at Hanover house** - To fund public open space improvements at land at Hanover House.
- z) **Neighbourhood Plan** – A carry forward of government grants to be used in the connection with Doddinghurst and West Horndon neighbourhood plans.
- aa) **Preventing Homelessness** – to aid in meeting the requirements of homelessness and any legislative changes
- bb) **Section 106** – For contributing to costs for public open space improvements; maintaining grounds from previous S106 receipts.
- cc) **Open Data Funding** - To support the anticipated additional work for DCN authorities related to open UPRN/USRN data
- dd) **Brentwood community Hospital** - To fund grounds maintenance of the former hospital site.
- ee) **Community Rights** – Government grant provided to assist in the implementation of the Localism act.
- ff) **New Corporate priorities** - To fund emerging new priority schemes
- gg) **Domestic Abuse funding** - To support initiatives to reduce domestic abuse
- hh) **CEV Funding** - To support the extremely vulnerable

Collection Fund Reserves

- ii) **COVID 19 Funding Volatility** – To mitigate any financial pressures on services caused by the COVID-19 pandemic, and to hold control balances of Government funding

Table 8b - General Fund Earmarked Reserve Forecast Balances

Reserve	Opening Balance 2023/24	Forecast Balance 2023/24	Forecast Balance 2024/25	Forecast Balance 2025/26	Forecast Balance 2026/27	Forecast Balance 2027/28	Forecast Balance 2028/29
Funding Volatility	1,320	1,320	1,320	1,320	1,320	1,238	355
Housing benefit Subsidy	150	150	150	150	150	150	150
Insurance and Risk Management	37	37	37	37	37	37	37
In Borough Regeneration	3,500	3,500	3,500	3,500	3,500	3,500	3,355
Inflation & Finance Mitigation	1,200	1,200	1,300	1,400	766	0	0
Total Mitigation Reserves	6,207	6,207	6,307	6,407	5,773	4,925	4,042
Asset Management	164	143	143	143	143	143	143
Economic Development	300	300	300	300	300	300	300
Electoral Registration	57	57	57	57	57	57	57
High Street Fund	200	200	200	200	200	200	200
Environmental Initiatives	182	182	182	182	182	182	182
Planning Enforcement	61	61	61	61	61	61	61
Service Investment and Initiatives	200	200	200	200	200	200	200
Leisure Contingency	72	72	72	72	72	72	72
Legal Resource	100	100	100	100	100	100	100
LGV Driver Training	10	10	10	10	10	10	10
Digital, Customer & Comms	134	119	119	119	119	119	119
Rochford partnership	189	72	0	0	0	0	0
Street Scene Initiatives	200	200	200	200	200	200	200
Other Licences	5	0	0	0	0	0	0

Corporate Training	46	52	52	52	52	52	52
Apprentice Incentives	9	9	9	9	9	9	9
Staff Recognition & Awards	3	3	3	3	3	3	3
Total Service Reserves	1,932	1,780	1,708	1,708	1,708	1,708	1,708
Duchess Of Kent/Nightingale	280	268	256	244	232	220	208
Health and Wellbeing	109	109	109	109	109	109	109
Land at Hanover House	10	10	10	10	10	10	10
Neighbourhood Plan	29	29	29	29	29	29	29
Preventing Homelessness	100	79	79	79	79	79	79
S106	7	7	7	7	7	7	7
Open Data Funding to LA's	1	1	1	1	1	1	1
Brentwood community hospital	40	40	40	40	40	40	40
Community rights	38	38	38	38	38	38	38
New corporate Priorities	250	250	0	0	0	0	0
Domestic abuse funding	69	69	69	69	69	69	69
CEV funding	27	27	27	27	27	27	27
Total Specific Reserves	960	927	665	653	641	629	617
COVID 19	373	0	0	0	0	0	0
Total COVID 19 - Specific Reserves	373	0	0	0	0	0	0
Total General Fund Earmarked Reserves	9,472	8,914	8,680	8,768	8,122	7,262	6,367

Utilisation of Reserves Vs Forecasted Deficits

53. Currently the balance on earmarked reserves is to reduce from £9,472k at the start of this year, to £5,867k by the end of 28/29, a reduction of £3,605. Some £373k of this reduction includes the utilization of COVID -19 grants, some of which is returned to Central

Government. The majority of the rest of this reduction is to fund the budget gap between 2026/27 & 2028/29

54. The current MTFS forecasts a balanced budget in 2024/25 & 2025/26. There is a budget gap of £734k in 26/27, £948k in 2027/28 & £983k in 2028/29. Without any further savings it is planned to use reserves in these years to balance the budget.

55. Furthermore, there is an 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.

Council Tax Base

Council Tax Base calculation

56. 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.

57. 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.

58. 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. For 2024/25, the tax base will increase to 34,141.1. The Council have continued with an assumed growth of 0.5%.

59. 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 Reduction Scheme

60. The Council operates 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

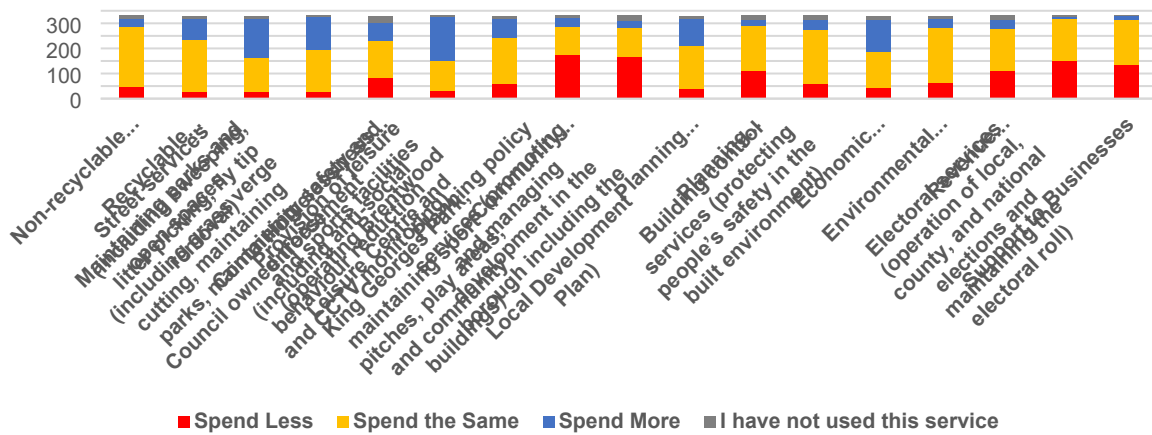
No changes from last year have been proposed.

Council Tax

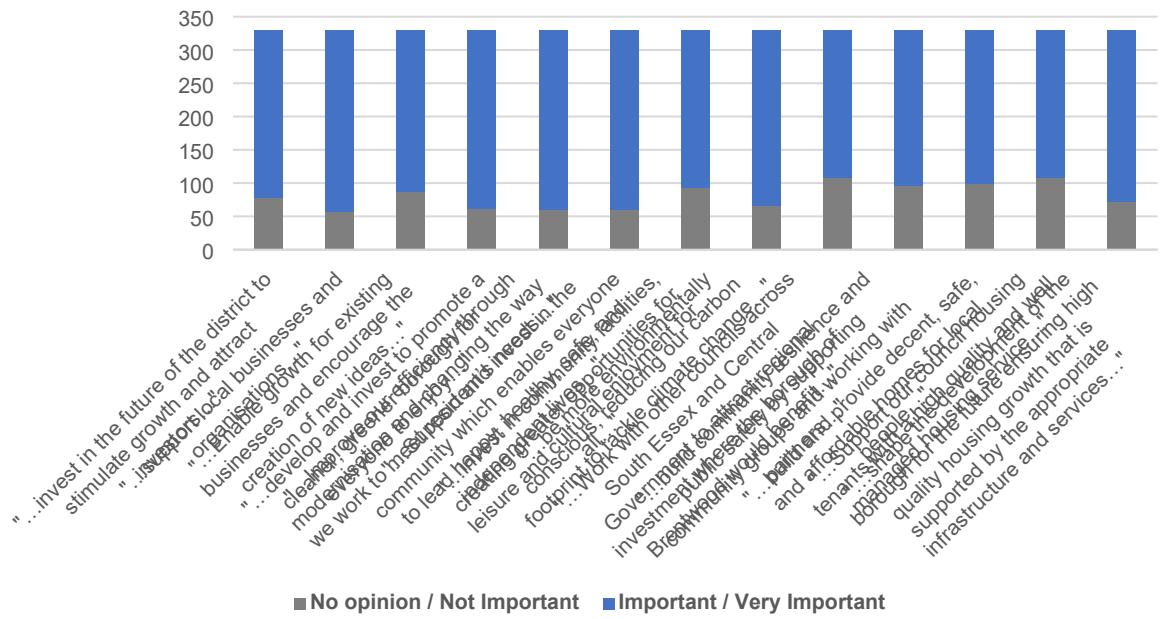
Budget and Council Tax Consultation

61. The Brentwood Borough Council Budget Consultation ran between 18th September and 29th October 2023 with paper submissions allowed up until 5th November. A total of 330 responses were received. The key headlines for the responses are:

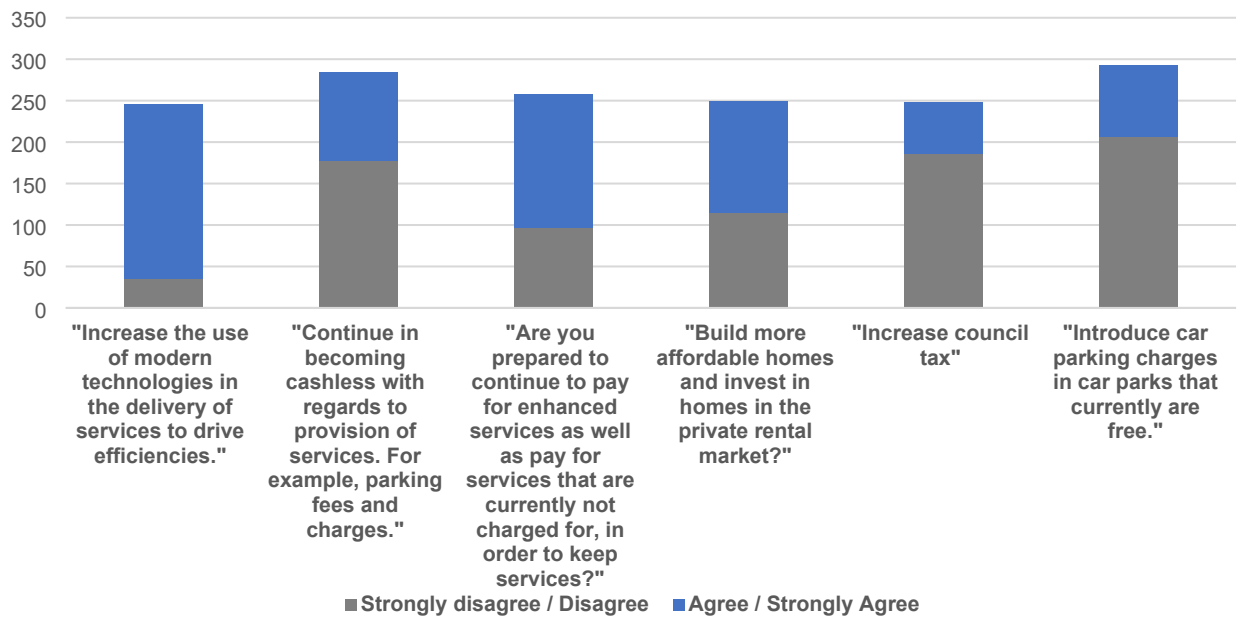
- Most people wanted to Spend the Same on all services. “Community safety and enforcement (including anti-social behaviour reduction and CCTV monitoring)” received the highest Spend More responses, whilst “Community development (including provision of community events Lighting Up, Strawberry Fair, and Family Fun Days)” received the highest number of Spend Less responses.



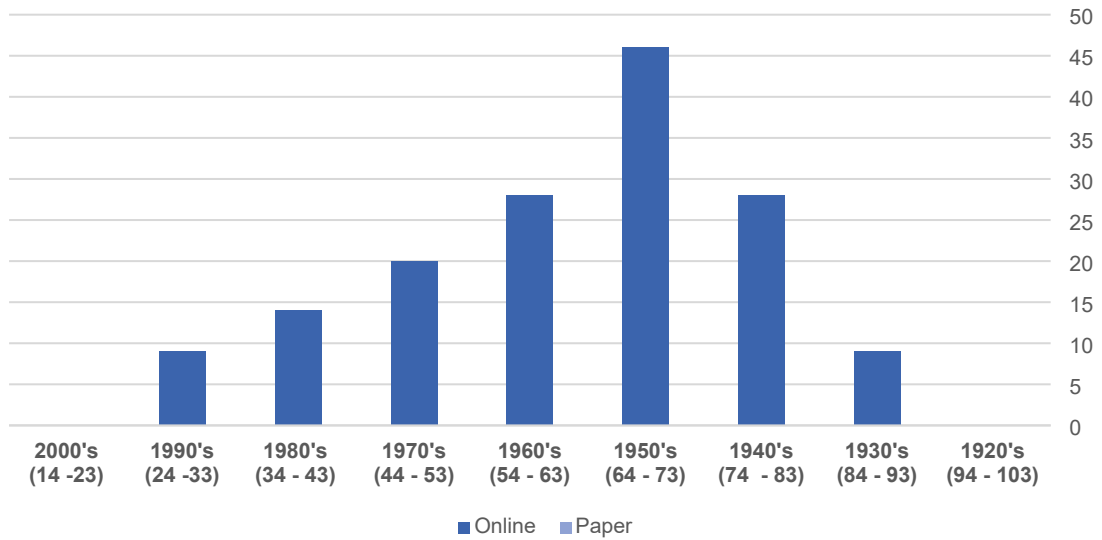
- The combined responses of Important and Very Important show that most residents felt that "...support local businesses and organisations..." was most important.
- When combining No opinion and Not Important, "...support our council tenants with high quality and well managed housing services..." and "...work with other councils across South Essex and Central Government..." were felt to be the least important of the business plan priorities.



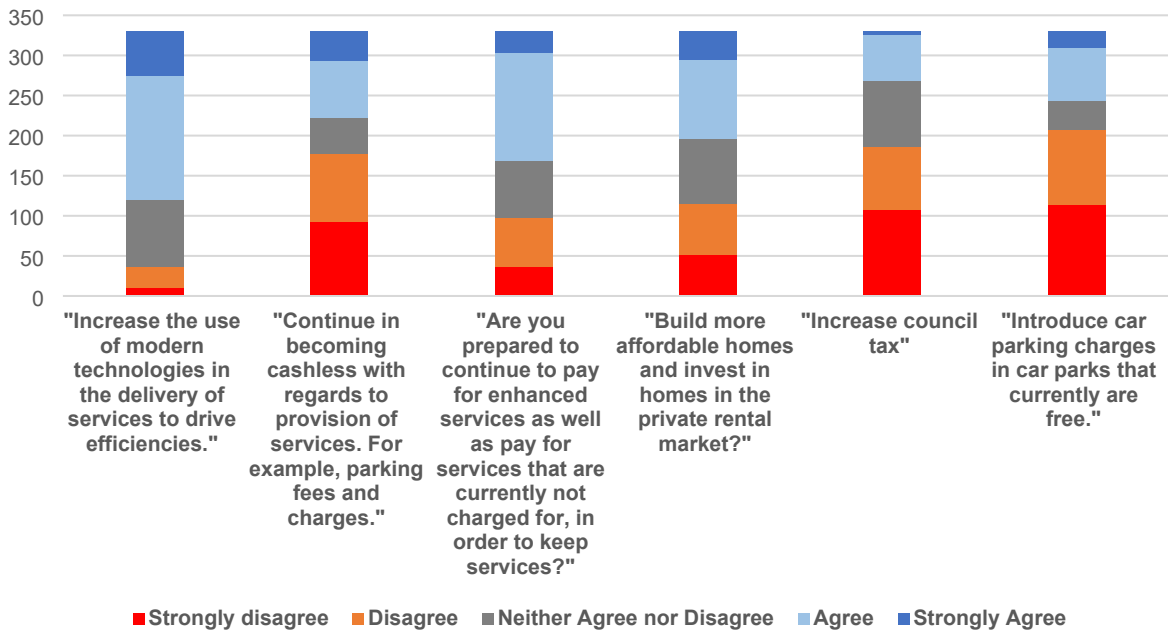
- The consultation included some suggestions on ways Brentwood Borough Council could raise money.
- When combining Agree and Strongly Agree, most residents opted for "Increase the use of modern technologies in the delivery of services to drive efficiencies."
- When combining Disagree and Strongly Disagree, most residents opted for "Introduce car parking charges in car parks that are currently free."



- Most responses came from people aged 64+, with all responses made online.



- "Introduce car parking charges in car parks that currently are free" received the highest Strongly Disagree and Disagree responses.
- "Increase the use of modern technologies in the delivery of services to drive efficiencies" received the highest Neither Agree nor Disagree response and also the highest Strongly Agree and Agree responses.



Council Tax Requirement

62. 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 2024/25 is 34,141.1 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.

63. 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 2024/25 for District/Borough councils, any increase of 3% or £5 (whichever is the greater) more than the equivalent figure for 2023/24 would be considered excessive.

64. 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.

65. 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 nine parishes within the Borough of Brentwood.

66. The estimated balance on the Collection Fund at 31 March 2024 is required to be considered in the calculation of the Council Tax level for 2024/25. 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

67. 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 13th February 2024 to agree its precept.
- The Police, Fire and Crime Commissioner for Essex - is an independent body and is responsible for setting its own budget. Precepts for the Police and Crime Panel and Fire Service are yet to be set.
- 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.

68. Below is the projected Council Tax element retained by the Council per banding of property, which has been set at a 3% increase from 2023/24. These exclude any other precepts and parish precepts.

Table 9 – Proposed Brentwood Borough Council Bandings 2024/25

Band D Brentwood	A	B	C	D	E	F	G	H
2023/24	141.39	164.12	187.29	210.70	257.52	304.34	351.17	421.40

69. The table below compares Parish, Town and Village Council precepts for 2024/25 with 2023/24. 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
		2023/24 £	2024/25 £	%
Blackmore	1,516.80	102,695.00	104,962.00	2.21%
Doddinghurst	1,203.00	77,400.00	80,400.00	3.88%
Herongate	1,048.00	68,000.00	68,000.00	0.00%
Ingatestone and Fryerning	2,423.30	191,503.00	197,248.00	3.00%
Kelvedon Hatch	1,069.80	94,620.00	94,369.00	-0.27%
Mountnessing	584.1	54,600.00	69,405.00	27.12%
Navestock	249.6	22,000.00	22,000.00	0.00%
Stondon Massey	337.1	37,433.00	39,304.00	5.00%
West Horndon	688.1	33,000.00	34,000.00	3.03%
Total	9,119.80	681,251.00	709,688.00	4.17%

70. The table below sets out all the Band D calculations across the major and local preceptors and shows the percentage change compared with 2023/24. 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
	2023/24	2024/25	£	%
Brentwood Council Only	204.58	210.7	6.12	2.99%
Essex County Council	1,450.17	1,522.53	72.36	4.99%
Police, Fire and Crime Commissioner for Essex	233.46	246.42	12.96	5.55%
Essex PFCC Fire and Rescue Authority	80.28	82.62	2.34001	2.91%
Blackmore	66.75	69.2	2.45	3.67%
Doddinghurst	63.39	66.83	3.44	5.43%
Herongate	64.1	64.89	0.7855	1.23%

Ingatestone and Fryerning	79.05	81.4	2.35	2.97%
Kelvedon Hatch	86.32	88.21	1.89182	2.19%
Mountnessing	90.71	93.48	2.77	3.05%
Navestock	88.21	88.14	-0.07	-0.08%
Stondon Massey	108.63	116.59	7.96	7.33%
West Horndon	46.99	49.41	2.42	5.15%

Collection Fund

Background

71. 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

72. 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.

73. 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.

74. These are still be calculated and will be reported at Council.

Appendix 1 – Detail of Base Changes to MTF5

	24/25	25/26	26/27	Comments
Total	(249)	0	974	
Realigning	(55)	45	148	
Fly tipping service	0	0	0	70k staffing pressure offset by 70k extra income
Utility bills	12	12	24	Adjusted utility bills to match usage after readings
HB Realignment	20	34	112	Housing benefit realigned
Other	(87)	(1)	12	Smaller changes to reflect virements and activity
Inflation	257	258	278	
Insurance premiums	85	85	85	Increased 20-30%
Allowances	12	12	12	Increased 2% across staffing and members
Contracted services	69	70	90	Increases in line with contracts
R&M	45	45	45	Increased by in line with CPI
Water	8	8	8	Increases to water bills
Fuel	9	9	9	Increases in line with fuel increases
General	16	16	16	Other small increase
Rents & Leases	13	13	13	Increases in line with contracts
Income	(527)	(529)	(529)	
Strategic assets	(211)	(211)	(211)	Increase due to rent increases at Childerditch
Fees & Charges	(316)	(318)	(318)	Impact of F&C increases
Pressure	1,015	973	1,281	
One team savings pressure	423	454	475	Removal of remaining one teams saving targets
SAIL Recharge	256	256	256	Reduction in SAIL recharge
Software	45	45	45	Software licence and support increase
Town Hall service charges	60	60	60	Town hall service charges increases in line with management company budget
Parking charges	35	35	35	Bank charges for parking increase

Staffing	141	68	355	Staffing changes - most notably changes for Refuge drivers from D to E
Engagement HQ	15	15	15	Engagement HQ
Magazine	40	40	40	Corporate priority for new magazine
Savings	(441)	(441)	(441)	
Energy cost savings	(441)	(441)	(441)	Cheaper rates on new contract
Other	0	0	0	Small changes under £500
Non Service	(804)	(897)	(412)	
Insurance premiums	8	8	8	Insurance premiums for investment assets
Investment income	(50)	(50)	(50)	Increase in interest rates
MRP	(460)	(405)	(346)	SAIL paying capital repayments contribution to our MRP and then MRP grows
Realigning budgets	(28)	(28)	(28)	Smaller changes to reflect virements and activity
Interest payable	(292)	(459)	(53)	Reduction to reflect changes in funding of capital programme
Interest receivable	18	37	57	Less interest received from SAIL loan as they make capital repayments
Reserves	1,116	1,402	1,644	
Transfer from reserves	952	1,450	1,692	Not drawing down on reserves to fund financing of capital programme
Transfer to reserves	164	(48)	(48)	Transfer to reserves in 24/25 to fund deficit in 25/26. Then reduced contribution
Funding adjustments	-810	-811	-995	
Minimum funding guarantee	-825	-825	-825	Continuation of funding guarantee from Centre go
Council tax increases	-20	-21	-205	Increase in 3rd year more is because 26/27 base was set at 25/26
New homes bonus	-344	-344	-344	NH bonus now budgeted
Business rates retention	-254	-254	-254	Increase in baseline

Change in grants	533	533	533	Change in grants from what was budget before. Over grants increased
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**BRENTWOOD
BOROUGH COUNCIL**

Brentwood Borough Council
Housing Revenue Account
Budget and 30 Year Business
Plan
2024/25

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Housing Revenue Account (HRA) Budget 2024/25

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 authorities 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 through 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 was to offer stability and certainty to the HRA to fund investment in existing stock as well as building more homes for the future.
6. For rent periods that begin in the 12 months from 1 April 2024 to 31 March 2025, CPI + 1% has resulted in rents going up by 7.7%.
7. This document looks to provide information on the HRA budget for 2024/25 and forward financial forecast through to 2028/29 together with the Housing Capital Programme. It also provides an update on the 30-year business plan.

Table 1 - Outturn 2023/24

	2022/23 Outturn £'000	2023/24 Budgeted Outturn £'000	2023/24 Forecast Outturn £'000	2023/24 Variance £'000
Deficit/(Surplus)	(390)	(26)	(755)	(729)
Working Balance bfw	1,921	2,311	2,311	0
Working Balance cfw	2,311	2,337	3,066	729

8. 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.
9. The Strategic Housing Delivery programme has progressed well, Brookfield Close has been approved for planning, delivering 61 homes. As the programme 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 programme will see the utilisation of the Housing Development reserve to support the revenue pressure of the programme. As the programme progresses it is expected this reserve will be topped up again when costs can be identified for capitalisation.
10. In previous years, Interest rates have been low. Due to this, Brentwood secured forward funding to protect the capital programme from interest rate risk. As rate were low, it has been financially favourable to borrow to fund the capital programme rather than utilise revenue. Increasing Earmarked Reserves and Working balances is an aspiration to support the HRA in delivering its programme of works whilst mitigating any in year pressures.

Rent Policy

11. The rent policy is to follow government guidelines which proposes to increase rents by 7.7% for 2024/25. This figure is CPI from September 2023 which was 6.7%, plus 1%. The proposed increase will contribute to funding the current services provided as well as supporting the development of the capital programme and housing development plans. When considering the rent setting the following assumptions have been considered:

- The financial viability of the HRA business plan

- Provision for the repairs & maintenance capital programme
- Development for new homes in the borough
- Affordability for tenants
- Investing in services so the tenant receives the best service delivery.

12. It is also important to note that during the Autumn budget, the government announced that the local authority housing allowance for the rent element of benefits would be increasing. Whilst this amount is not yet set, this will benefit Tenants who are entitled to that particular benefit and assist with their rent payments.

13. 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 2024/25 are increased by 7.7%
- that all rents from 2025/26 continue to increase by the CPI plus 1%. Below are the assumptions included in the 30-year business plan:

2024/25	2025/26	2026/27 and onwards
7.7%	3.25%	2%

- 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

14. The tables below set out the current overall average rent of secure tenancies (excluding Shared Ownership and Affordable Rents), with the 7.7% increase applied from April 2024, and provides some examples of rent levels for properties of different sizes.

15. The average rent increase applied to HRA properties is 7.7%. This results in an average weekly rent of £101.41 and an average weekly increase of £7.25 for flats and

an average weekly rent of £125.35 and an average increase of £8.96 for houses/Bungalows.

Table 2 – Flats Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties
0	83.25	5.95	59
1	96.82	6.92	499
2	106.73	7.63	468
3	117.58	8.41	54
Total	101.41	7.25	1,080

Table 2a – Houses Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties
0	87.55	6.26	16
1	105.46	7.54	228
2	121.87	8.71	379
3	135.12	9.66	605
4	161.83	11.57	15
Total	125.35	8.96	1,243

Shared Ownership Rents

16. The tables below set out the current overall average rent for Shared Ownership properties, with the 7.7% increase applied from April 2023, and provides some examples of rent levels for properties of different sizes.

17. The average rent increase applied to Shared ownership properties is 7.%. Therefore, the average weekly increase is £3.49 for flats and £3.43 for houses. Average weekly rent is £48.78 for flats and £47.98 for houses.

Table 2b – Shared Ownership Flats Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties*
1	45.40	3.25	6.00
2	55.54	3.97	3.00
Total	48.78	3.49	9.00

Table 2c – Shared Ownership Houses Rental Increase

No of Bedrooms	Average Rent £	Average increase £	No of Properties*
1	45.99	3.29	4.00
2	55.96	4.00	1.00

Total	47.98	3.43	5.00
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* The Council share in the 14 Shared Ownership properties is 48%

Affordable Rents

18. The tables below set out the current overall average rent for properties with Affordable Rents, with the 7.7% increase applied from April 2023, and provides some examples of rent levels for properties of different sizes.

19. The average rent increase applied to affordable rents is 7.7%. This results in an average weekly rent of £211.35 for flats and £238.93 for houses. An average weekly increase of £17.08 for houses and £15.11 for flats.

Table 2d – Affordable Rents Flats

No of Bedrooms	Average Rent £	Average increase £	No of Properties
1	181.26	12.96	4
2	211.68	15.14	11
3	269.72	19.28	2
Total	211.35	15.11	17

Table 2e – Affordable Rents Houses

No of Bedrooms	Average Rent £	Average increase £	No of Properties
1	181.14	12.95	4
2	231.37	16.54	9
3	254.15	18.17	17
4	259.22	18.53	2
Total	238.93	17.08	32

Applying Formula Rent to new Tenancies.

20. 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.

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

21. 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%	1.00%	4.1%
2023-24	10.10%	1.00%	11.10%
2024-25	6.7%	1.00%	7.7%

22. 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.

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

24. 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 2024/25 are as follows.

Table 5 – Rent Caps

Number of bedrooms	Rent Cap
1 and bedsits	£188.04
2	£199.09
3	£210.15
4	£221.19
5	£232.26
6 or more	£243.31

25. 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. From 2024-25, rent caps will continue to increase by CPI (at September of the previous year) + 1.5 percentage points, each year.

26. 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.

27. 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

28. 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.
29. 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.
30. 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.
31. 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.
32. 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

33. 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

34. On 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.
35. 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 prices
- 2023/24 – Cost prices
- 2024/25 – Cost prices

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.

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

37. 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.

38. The budget includes specific investment in respect of the following:

- £3.368m in delivering repairs and maintenance under the Axis contract.
- £100k 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

39. The table on the next page sets out the HRA budget for 2023/24 and the forecast for the following 2 years.

40. There is a slight reduction in the Repairs and Maintenance budget in 2024/25 compared to 2023/24. This is due to:

- Additional growth built into the 2023/24 budget ends in 2024/25, e.g. for the EICR testing programme.
- A saving in consultancy costs.

Housing Revenue Account Budget 2024/25

Table 6 – HRA Budget 2024/25

	2022/23	2023/24	2024/25	2025/26	2026/27
	Outturn	Forecast	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000
Repairs & Maintenance	3,235	3,215	3,817	3,726	3,686
Supervision and Management	4,113	4,541	4,561	4,565	4,611
Rents Rates Taxes & Other Charges	161	290	324	324	324
Bad Debt Provision	146	160	60	60	60
Depreciation (Major Repairs Reserve)	3,250	2,941	2,941	2,941	2,941
Corporate & Democratic Core	377	347	347	347	347

Total Expenditure	11,282	11,494	12,050	11,963	11,969
Dwelling Rent	(12,487)	(13,263)	(14,170)	(14,453)	(14,743)
Non-Dwelling Rent	(253)	(251)	(265)	(270)	(276)
Charges for Services & Facilities	(1,069)	(970)	(997)	(1,016)	(1,033)
Total Income	(13,809)	(14,484)	(15,432)	(15,739)	(16,052)
Net Cost of Services	(2,527)	(2,990)	(3,382)	(3,776)	(4,083)
Interest Payable	1,908	2,335	2,481	4,053	4,053
Pension Contributions	276	0	0	0	0
Investment Income	(47)	(62)	(62)	(62)	(62)
Contributions to HRA CAPEX	0	0	963	0	0
Total Non-Service Expenditure	2,137	2,273	3,382	3,991	3,991
Appropriations	0	717	0	(215)	92
Deficit/(Surplus)	(390)	0	0	0	0
Working Balance bfwd	1,921	2,311	2,311	2,311	2,311
Working Balance cfwd	2,311	2,311	2,311	2,311	2,219

HRA Reserves

41. 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.
42. 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.
43. The Working Balance can be used to correct inflation assumptions, increase capital spend, repay debt early or to fund new HRA capital projects.
44. The following table sets out the estimated reserve levels over the period 2023/24 to 2026/27:

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

Earmark Reserves

46. 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 programme. With the reserve being utilized to fund upfront costs that cannot be capitalized until the programme progresses. The anticipated balance in this reserve as at 31 March 2024 is £3.2 million.
- One assumption of this reserve is that it can also contribute to additional voluntary MRP contributions to repay debt within the HRA that is taken out over the life of the business plan.

Table 7 – HRA Working & Earmarked Reserve (ER) Balance

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Opening Working balance	2,311	2,311	2,311	2,311
Transfer In/(Out)	0	0	0	0
Closing balance	2,311	2,311	2,311	2,311
Opening ER Balance	2,500	3,217	3,217	3,002
Transfer In/(Out)	717	0	(215)	92
Closing ER Balance	3,217	3,217	3,002	3,094

HRA Capital Programme

47. 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

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

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

50. 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.

51. 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.

52. 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.

53. The Business Plan assumes use of the following, for funding the Strategic Housing Development Programme:

- 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

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

55. 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 8 – HRA Capital Programme

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
HRA Decent Works Programme	8,000	8,000	5,000	5,000	4,000
Strategic Housing Development Programme (SHDP)	18,050	30,740	14,320	2,020	0
Total	26,050	38,740	19,320	7,020	4,000
Funded by					
HRA Capital Receipts	(1,000)	(1,000)	(1,000)	(4,079)	(2,000)
Grant Funding	(2,000)	(6,050)	(6,050)	(1,000)	(1,000)
Major Repairs Contribution	(2,941)	(2,941)	(2,941)	(1,941)	(1,000)
Borrowing	(20,109)	(28,749)	(9,329)	0	0
Total	(26,050)	(38,740)	(19,320)	(7,020)	(4,000)

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, £58.187 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 removed. 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 9 – 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 next loan is rescheduled to be paid 28/03/2027 and will require refinancing of £10 million.

63. The Business Plan assumes that the 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

64. 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.

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

66. 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.

67. 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 10 – HRA 30-year Business Plan

Description	Local Authority HRA Model			Brentwood Borough Council				
	1 2024.25	2 2025.26	3 2026.27	4 2027.28	5 2028.29	6-10 2029/34	11-20 2034/44	21-30 2044/54
Income								
Gross Rental Income	£14,766	£14,957	£16,756	£17,326	£17,663	£93,876	£215,759	£257,856
Void Losses	-£295	-£299	-£335	-£347	-£353	-£1,878	-£4,315	-£5,157
Other Rental Income	£0	£0	£0	£0	£0	£0	£0	£0
Tenanted Service Charges	£968	£980	£993	£1,012	£1,033	£5,482	£12,734	£15,523
Leasehold Service Charges	£0	£0	£0	£0	£0	£0	£0	£0
Non-Dwelling Income	£273	£273	£273	£278	£284	£1,506	£3,498	£4,264
Grants	£0	£0	£0	£0	£0	£0	£0	£0
RTB - Administration	£0	£0	£0	£0	£0	£0	£0	£0
Other Income	£70	£70	£70	£71	£72	£384	£892	£1,087
Total income	£15,781	£15,980	£17,756	£18,341	£18,698	£99,369	£228,567	£273,572
Expenditure								
General Management	-£2,925	-£2,948	-£2,973	-£3,087	-£3,148	-£16,712	-£38,822	-£47,324
Special Management	-£1,515	-£1,496	-£1,517	-£1,547	-£1,578	-£8,377	-£19,460	-£23,721
Other Management	-£671	-£671	-£671	-£685	-£699	-£3,708	-£8,614	-£10,500
Bad Debt Provision	-£60	-£60	-£67	-£70	-£71	-£377	-£866	-£1,034
Responsive & Cyclical Repairs	-£3,817	-£3,726	-£3,686	-£3,898	-£4,015	-£21,958	-£54,965	-£73,868
Other revenue expenditure	£0	£0	£0	£0	£0	£0	£0	£0
Total expenditure	-£8,988	-£8,901	-£8,915	-£9,287	-£9,511	-£51,131	-£122,726	-£156,448
Capital financing costs								
Interest paid on debt	-£2,481	-£2,481	-£3,202	-£4,132	-£4,149	-£21,933	-£52,109	-£66,389
Interest paid on 141 receipts	£0	£0	£0	£0	£0	£0	£0	£0
Debt management expenses	£0	£0	£0	£0	£0	£0	£0	£0
Interest Received	£0	£0	£0	£0	£0	£0	£0	£0
Depreciation	-£2,941	-£2,941	-£2,941	-£2,997	-£3,048	-£16,022	-£36,310	-£42,807
Capital financing costs	-£5,422	-£5,422	-£6,143	-£7,129	-£7,197	-£37,955	-£88,418	-£109,196
Appropriations								
Revenue provision (HRA CFR)	£0	£0	-£7,316	-£1,834	-£1,988	-£10,131	-£17,087	-£7,463
RCCO	£0	£0	£0	£0	£0	£0	£0	£0
Other appropriations	£0	£0	£0	£0	£0	£0	£0	£0
Appropriations	£0	£0	-£7,316	-£1,834	-£1,988	-£10,131	-£17,087	-£7,463
Net income/ (expenditure)	£1,371	£1,657	-£4,618	£91	£2	£153	£336	£465
HRA Balance								
Opening Balance	£3,033	£4,404	£6,061	£1,442	£1,534	£7,707	£17,797	£22,124
Generated in year	£1,371	£1,657	-£4,618	£91	£2	£153	£336	£465
Appropriated in	£0	£0	£0	£0	£0	£0	£0	£0
Appropriated out	£0	£0	£0	£0	£0	£0	£0	£0
Closing Balance	£4,404	£6,061	£1,442	£1,534	£1,535	£7,860	£18,133	£22,590

Chart 1 – HRA 30 working balances

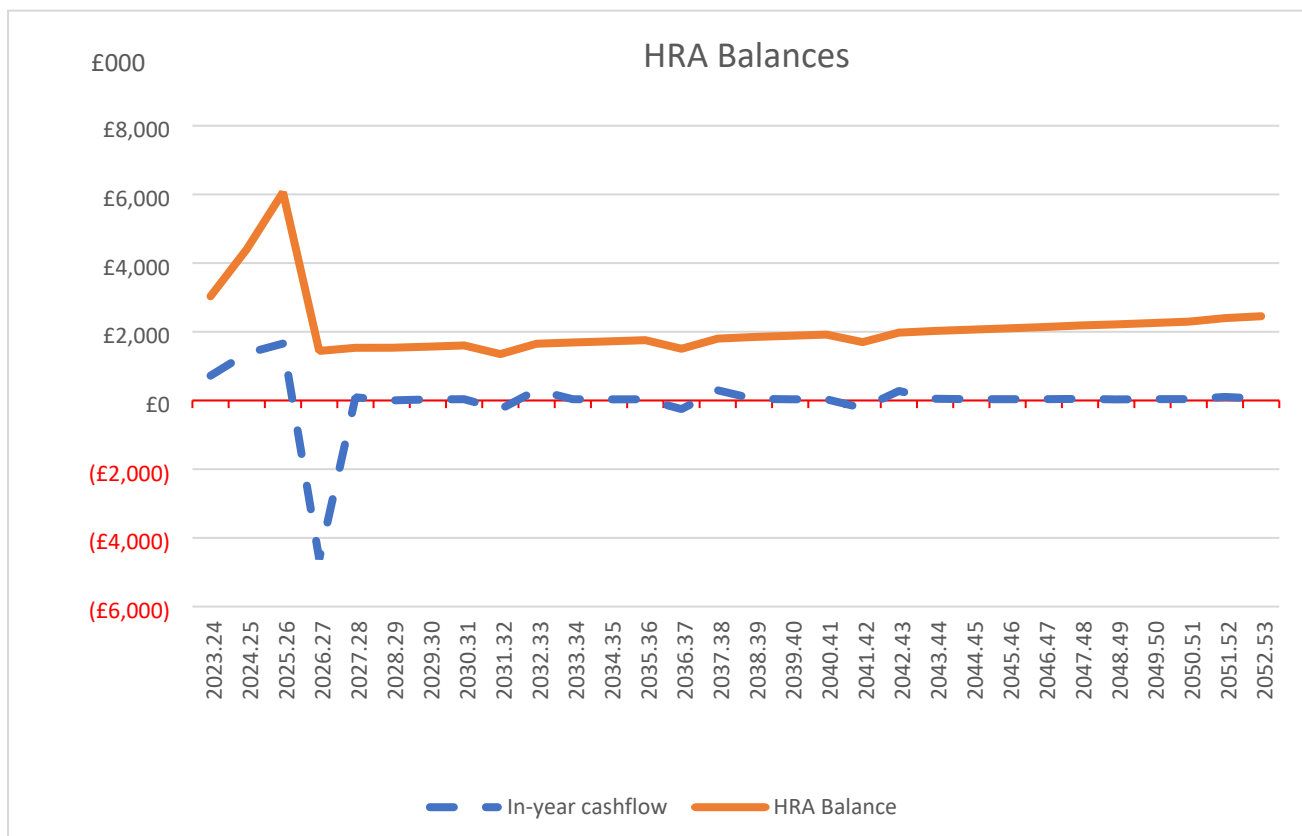
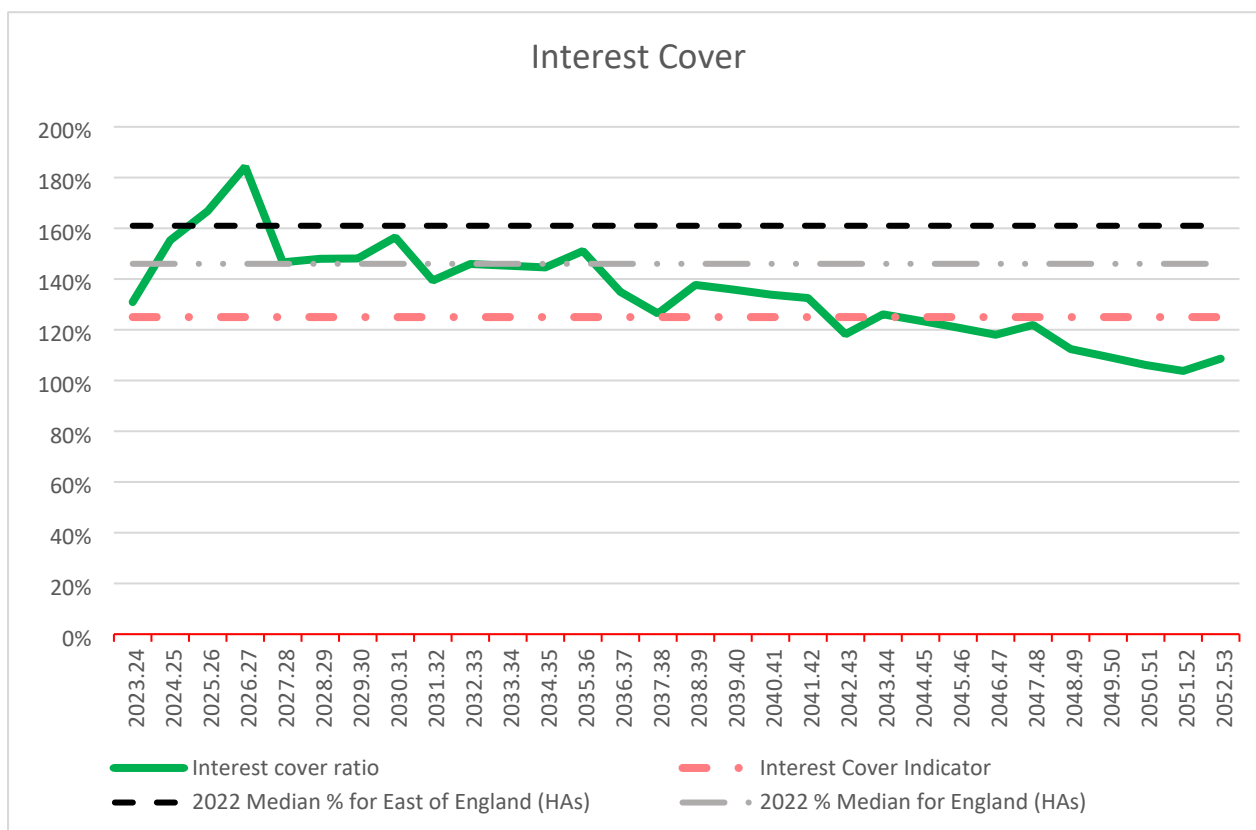


Chart 2 – Interest cover



Appendix C

Appendix C: Capital Programme 24/25 - 28/29

	2023/24 Forecast £'000	2024/25 Budget £'000	2025/26 Budget	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
<u>Protecting Our Environment</u>						
Vehicle Fleet Management	1,378	860	500	500	500	500
Open Spaces Infrastructure	100	50	50	50	50	50
Low Emissions Infrastructure	138	0		0	0	0
Total Protecting Our Environment	1,616	910	550	550	550	550
<u>Developing Our Communities</u>						
Brentwood Leisure centre	1,000	0	0	0	0	0
Football Hub Development	5	0	0	0	0	0
Retrofit - GF	250	0	0	0	0	0
Total Developing Our Communities	1,255	0	0	0	0	0
<u>Improving Housing</u>						
Home Repair Assistance Grant	5	5	5	5	5	5
Disabled Facilities Grant	250	250	250	250	250	250
HRA Decent Home Programme	10,000	8,000	8,000	5,000	5,000	4,000
Strategic Housing Delivery Programme	1,250	18,050	30,740	14,320	2,020	
HSG Capital Grants Expenditure (LAHF Grant)	1,337	0	0	0	0	0
Total Improving Housing	12,842	26,305	38,995	19,575	7,275	4,255
<u>Delivering an Effective and Efficient Council</u>						
Asset Management Strategy	100	100	100	100	100	100
Asset Compliance	250	100	250	250	250	250
E-Financial	51	0	0	0	100	0
ICT Strategy	100	100	100	100	100	100
ICT Hardware	125	125	125	125	125	125
Software Infrastructure	50	50	50	50	50	50
Total Delivering an Effective and Efficient Council	676	475	625	625	725	625
<u>Growing our Economy</u>						
Car Park Improvements	100	50	250	50	50	50
Regeneration Fund	0	0	0	0	0	0
Baytree Centre	800	5,000	8,473	7,625	0	0
Childerditch	250	2,500	1,770	0	0	0
Total Growing our Economy	1,150	7,550	10,493	7,675	50	50
Total Capital Programme	17,539	35,240	50,663	28,425	8,600	5,480

Appendix C: Capital funding 24/25 - 28/29

	2023/24 Forecast £'000	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
Total General Capital Programme	4,952	9,190	11,923	9,105	1,580	1,480
Total HRA Capital Programme	12,587	26,050	38,740	19,320	7,020	4,000
Total Capital Programme	17,539	35,240	50,663	28,425	8,600	5,480
Funded By:						
General Fund Capital Receipts	(200)	(200)	(200)	(200)	(200)	(200)
Government Grants	(250)	(250)	(250)	(250)	(250)	(250)
Borrowing	(4,502)	(8,740)	(11,473)	(4,655)	0	(1,030)
Asset disposal or Capex reduction				(4,000)	(4,000)	0
Total General Fund Capital Funding	(4,952)	(9,190)	(11,923)	(9,105)	(4,450)	(1,480)
HRA Capital Receipts						
HRA Capital Receipts	(500)	(1,000)	(1,000)	(1,000)	(4,079)	(2,000)
HRA Grant Funding	(1,000)	(2,000)	(6,050)	(6,050)	(1,000)	(1,000)
Major Repairs Reserve	(2,941)	(2,941)	(2,941)	(2,941)	(1,941)	(1,000)
HRA Borrowing	(8,146)	(20,109)	(28,749)	(9,329)	0	0
Total HRA Capital Funding	(12,587)	(26,050)	(38,740)	(19,320)	(7,020)	(4,000)
Total Capital Funding	(17,539)	(35,240)	(50,663)	(28,425)	(11,470)	(5,480)



Fees and Charges Schedule

2024/25

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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

Housing, Health and Community

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024		April 2024-March 2025	
			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	£ 1,440.00	£ 1,440.00	£ 1,538.00	£ 1,538.00
Cremated remains grass plot	E	D	520.00	520.00	556.00	556.00
Non-Brentwood resident - all full burial graves	E	D	2,890.00	2,890.00	3,087.00	3,087.00
Non-Brentwood resident - cremated remains grass plot	E	D	1,040.00	1,040.00	1,111.00	1,111.00

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

Granite vaults	E	D	1,060.00	1,060.00	1,133.00	1,133.00
Niches In granite columbarium	E	D	710.00	710.00	759.00	759.00
Non- Brentwood resident - granite vaults	E	D	2,120.00	2,120.00	2,265.00	2,265.00
Non-Brentwood resident - niches in granite Columbarium	E	D	1,430.00	1,430.00	1,528.00	1,528.00

Interment Fees

Graves dug down for one or two	O	D	1,040.00	1,040.00	1,111.00	1,111.00
Additional charge for dig down to 9ft	O	D	260.00	260.00	278.00	278.00
Cremated remains grass plot	O	D	220.00	220.00	235.00	235.00
Granite vault	O	D	400.00	400.00	428.00	428.00
Niche In granite Columbarium	O	D	400.00	400.00	428.00	428.00
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	2,090.00	2,090.00	2,233.00	2,233.00
Non-Brentwood resident -additional charge for dig down to 9ft	O	D	520.00	520.00	556.00	556.00
Non-Brentwood resident -cremated remains grass plot	O	D	450.00	450.00	481.00	481.00
Non-Brentwood resident -granite vault	O	D	790.00	790.00	844.00	844.00
Non-Brentwood resident -niche In granite Columbarium	O	D	790.00	790.00	844.00	844.00
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	240.00	240.00	257.00	257.00
Cremated remains plot	E	D	120.00	120.00	129.00	129.00
Non-Brentwood resident -all full burial graves	E	D	480.00	480.00	513.00	513.00
Non-Brentwood resident -cremated remains plot	E	D	240.00	240.00	257.00	257.00

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

Granite vaults	E	D	420.00	420.00	449.00	449.00
Niches In granite Columbarium	E	D	290.00	290.00	310.00	310.00
Non-Brentwood resident - granite vaults	E	D	850.00	850.00	908.00	908.00
Non-Brentwood resident - niches In granite Columbarium	E	D	570.00	570.00	609.00	609.00

Monuments

Monument/Inscription approval fee	O	D	160.00	160.00	171.00	171.00
Additional approval fee charge for kerbed monuments	O	D	160.00	160.00	171.00	171.00
Inscription on a vault or niche	S	D	290.00	290.00	310.00	310.00
Full Landing in approved areas	O	D	-	-	350.00	350.00

Other Charges

Deed Transfer	O	D	70.00	70.00	75.00	75.00
Search of Burial Records	O	D	30.00	30.00	33.00	33.00
Chapel hire - Woodman Road Cemetery	E	D	70.00	70.00	75.00	75.00

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FE E	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: WASTE MANAGEMENT

CHARGING AREA: REFUSE

Dog waste and litter bin emptying

Empty dog waste/litter bins	Per Empty	S	D	£ 4.58	£ 5.50	£ 4.90	£ 5.88
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Domestic Refuse Collection

Bulky Household Collections - Charge per item	Min 2 Items	O	D	13.00	13.00	13.50	13.50
Biodegradable sacks for garden waste per wrap of 10*		O	D	4.00	4.00	4.25	4.25
Biodegradable sacks for garden waste per wrap of 100 (Wholesale)		S	D	287.50	345.00	305.00	366.00
Garden Waste Bin hire per annum - including fortnightly emptying		O	D	60.00	60.00	60.00	60.00
Garden Waste Bin - Replacement if lost/stolen		O	D	24.00	24.00	25.00	25.00
Hire of 1280 litre container		S	D	123.33	148.00	130.00	156.00
Hire of 770, 940 and 1100 litre Container		S	D	115.00	138.00	122.00	146.40
Hire of 240 litre container		S	D	37.50	45.00	39.75	47.70
Hire of 360 litre container		S	D	50.00	60.00	53.00	63.60

* Please note there was a typing mistake in the approved F&C schedule for 2020/21.
Price should have been £3.30 but was incorrectly stated as £3.00

Residual Trade Waste Collection & Disposal

1280 litre Container	Per Lift	O	D				
1100 litre Container		O	D				
940 litre Container		O	D				
770 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				
Prepaid Residual Sacks (25)	Per roll	O	D				
Extra collection		O	D				
Collection/delivery (T&Cs S.14)		O	D				
Amendment (T&Cs S.14)		O	D				

Exempt for publication - please contact the Council for prices

Residual Waste - Collection only

1280 litre Container	Per Lift	O	D				
1100 litre Container		O	D				
940 litre Container		O	D				
770 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				

Exempt for publication - please contact the Council for prices

Trade Glass Collection

1100 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				

Exempt for publication - please contact the Council for prices

Trade Dry Recycling Collection

1280 litre Container	Per Lift	O	D				
1100 litre Container		O	D				
940 litre Container		O	D				
770 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				
Prepaid Recycling Sacks (25)	Per roll	O	D				

Exempt for publication - please contact the Council for prices

School Dry Recycling Collection

Collection per annum		O	D				
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Exempt for publication - please contact the Council for prices

Trade Dry Recycling Sacks for Use in Containers Only

Purple sacks - 400 sacks per box.	Box	O	D				
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Exempt for publication - please contact the Council for prices

Trade Food Waste

140 litre bin	Per Lift	O	D				
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Exempt for publication - please contact the Council for prices

Events - Residual Waste (Maximum hire 5 days - one collection)

1100 litre Container	Per Lift	O	D				
770 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				

Exempt for publication - please contact the Council for prices

Events - Dry Recycling (Maximum hire 5 days)

1100 litre Container	Per Lift	O	D				
770 litre Container		O	D				
360 litre Container		O	D				
240 litre Container		O	D				

Exempt for publication - please contact the Council for prices

Events - Glass (Maximum hire 5 days)

1100 litre Bin	Per Lift	O	D				
360 litre bin		O	D				
240 litre Bin		O	D				

Exempt for publication - please contact the Council for prices

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES & CORPORATE ENFORCEMENT

SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES & CORPORATE ENFORCEMENT

Dog Control

Statutory Seizure Fee	O	S	25.00	25.00	25.00	25.00
Dog Warden Collection Costs	O	D	73.00	73.00	75.00	75.00
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	119.00	119.00	120.00	120.00
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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
Additional fee for operating without a permit	O	S	N/A	N/A	1,188.00	1,188.00
PVR I and dry cleaners	O	S	N/A	N/A	155.00	155.00
PVR I & II combined	O	S	N/A	N/A	257.00	257.00
Vehicle (VRs) and other reduced fee activities	O	S	N/A	N/A	362.00	362.00
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

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

Failure to provide a waste transfer note	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
Unauthorised distribution of free literature						
* Full penalty	O	S	150.00	150.00	150.00	150.00
* Early payment	O	S	50.00	50.00	50.00	50.00
Domestic waste receptacle offences						
* Full penalty	O	S	80.00	80.00	80.00	80.00
* Early payment	O	S	60.00	60.00	60.00	60.00
* Dog control offences	O	S	80.00	80.00	80.00	80.00
Alarm noise - failure to nominate key-holder or to notify local authority key-holder's details	O	S	80.00	80.00	80.00	80.00
Nuisance parking						
* Full penalty	O	S	100.00	100.00	100.00	100.00
* Early payment	O	S	60.00	60.00	60.00	60.00
Abandoning a vehicle						
* Full penalty	O	S	200.00	200.00	200.00	200.00
* Early payment	O	S	120.00	120.00	120.00	120.00
Industrial and commercial waste receptacle offences						
* Full penalty	O	S	110.00	110.00	110.00	110.00
* Early payment	O	S	75.00	75.00	75.00	75.00
Fly-tipping Lower Level	O	S	400.00	400.00	400.00	400.00
Fly-tipping Upper Level					1,000.00	1,000.00
Littering from vehicles						
* 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
Abandoned shopping trolleys						
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

Graffiti						
* Full penalty	O	S/D	150.00	150.00	150.00	150.00
* Early payment	O	S/D	50.00	50.00	100.00	100.00
Fly posting						
* Full penalty	O	S/D	150.00	150.00	150.00	150.00
* Early payment	O	S/D	50.00	50.00	100.00	100.00
High Hedge Complaint	O	S	550.00	550.00	650.00	650.00

Noise Act 1996

Noise exceeding permitted level - domestic premises						
* 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
Noise exceeding permitted level - licensed premises						
* Full penalty	O	S/D	500.00	500.00	500.00	500.00

* Levels set by Environment and Enforcement Committee July 2018

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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	890.00	890.00	890.00	890.00
Renewal of licence - 5 years	O	D	603.00	603.00	603.00	603.00

Housing Act Notices

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

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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	72.00	72.00	77.00	77.00
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Developer Charges

Naming of street – per street	OS	D	120.00	120.00	128.00	128.00
Numbering of development plots	OS	D	90.00	90.00	96.00	96.00
Numbering of development plots 2-10 units	OS	D	175.00	175.00	186.00	186.00
Numbering of development plots over 10 units	OS	D	175.00 + £38 per extra unit		186.00 + £40 per extra unit	

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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)	O	D	£35 - £90	£35 - £90	£35 - £90	£35 - £90
	(Access to Shared kitchen for cooking, No Breakfast	O	S	3.50	3.50	3.50	3.50
Amenity charge - 1 person Household per day		O	S	0.57	0.57	0.57	0.57
Additional persons per person - per day		O	S	0.51	0.51	0.51	0.51
Amenity charge - 1 person Household per day	(Breakfast only)	O	S	3.44	3.44	3.44	3.44
Additional persons per person - per day		O	S	0.51	0.51	0.51	0.51
Amenity charge - 1 person Household per day	(Access to Shared kitchen for cooking and Breakfast)	O	S	4.01	4.01	4.01	4.01
Additional persons per person - per day		O	S	1.08	1.08	1.08	1.08
Removals	Minimum	S	D	Cost Price	Cost Price	Cost Price	Cost Price
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

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024	April 2024-March 2025	April 2023-March 2024	April 2024-March 2025
			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	12.23	12.23	12.50	12.50
Copying of Housefile		O	D	10.19	10.19	10.50	10.50
Copying of Tenancy Agreement		O	D	10.19	10.19	10.50	10.50
Garage Clearance		S	D	At Cost	At Cost	At Cost	At Cost
Property Clearance 1 or 2 Beds		S	D	At Cost	At Cost	At Cost	At Cost
Property Clearance 3 or 4 Beds		S	D	At Cost	At Cost	At Cost	At Cost
Bulk Waste Removal per item	Min 2 items	O	D	15.00	15.00	15.30	15.30

Tenancy Management

Court Costs	Average	O	D	412.25	412.25	424.50	424.50
Gas Servicing Warrant Fee		O	D	22.00	22.00	22.00	22.00
Gas Servicing Warrant Enforcement		S	D	35.00	42.00	35.83	43.00
Forced entry		S	D	At Cost	At Cost	At Cost	At Cost
Administration Charge		S	D	13.33	16.00	13.75	16.50
Non-return of Gas/Electric Keys and Cards		O	D	199.02	199.02	200.00	200.00

Garage Rental Fees Per Week

Car spaces & Car Ports							
Car Space Council Tenant		O	D	2.09	2.09	2.25	2.25
Car Space Private (NCT)		O	D	2.94	2.94	3.17	3.17
Car Space Leaseholder		O	D	2.50	2.50	2.69	2.69
Garages							
Garage Council Tenant		O	D	9.74	9.74	10.49	10.49
Garage Private (NCT)		S	D	13.61	13.61	14.66	14.66
Garage Charities		O	D	13.61	13.61	14.66	14.66
Garage Leasehold		E	D	11.78	11.78	12.69	12.69
Garage Commercial		S	D	25.09	25.09	27.02	27.02

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024	April 2024-March 2025	April 2023-March 2024	April 2024-March 2025
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: HOUSING REVENUE ACCOUNT

CHARGING AREA: REPAIRS

Rechargeable Repairs

Replacement Key/Key Fob	S	D	Cost price	Cost price	Cost price	Cost price
Lock Change - Dwelling:Gain Access – 1 Door ref: 396001	S		Cost price	Cost price	Cost price	Cost price
Lock:Full Lock Change – Front Door ref: 390929	S	D	Cost price	Cost price	Cost price	Cost price
Opening:Board Up With 12mm Sterling or Plywood ref: 397001	S		Cost price	Cost price	Cost price	Cost price
Single Glaze 6mm Window Replacement upto 1 Square Metre ref: 515013	S	D	Cost price	Cost price	Cost price	Cost price
Single Glaze 6mm Window Replacement over 1 Square Metre ref: 515015	S	D	Cost price	Cost price	Cost price	Cost price
Double Glazed Window Replacement upto 1 Square Metre ref: 556005	S	D	Cost price	Cost price	Cost price	Cost price
Double Glazed Window Replacement over 1 Square Metre ref: 556007	S	D	Cost price	Cost price	Cost price	Cost price
Internal Fire door Replacement 1/2hr (less stops or frame) ref: 330013	S	D	Cost price	Cost price	Cost price	Cost price
External Timber Door Replacement Panelled or Glazed Front Door ref: 321107	S	D	Cost price	Cost price	Cost price	Cost price
Renew Internal Ply Flush Door Ref: 330001			Cost price	Cost price	Cost price	Cost price
Paint Pack Dulux - 2 bed	S	D	Cost price	Cost price	Cost price	Cost price
Correction of Unauthorised Alterations (Where Tenants have conducted works without the permission of the Council and retrospective permission can not be granted)						
Any other repair deemed re-chargeable	S	D	Cost price	Cost price	Cost price	Cost price
Drain:Jet Blockage (per hour) ref: 039004	S	D	Cost price	Cost price	Cost price	Cost price
Drain:Rod Blockage ref: 039006	S	D	Cost price	Cost price	Cost price	Cost price
Burst:Repair Burst Pipe ne 28MM ref: 640001	S	D	Cost price	Cost price	Cost price	Cost price
Admin Cost to process recharge	New	S	D	0	0	13.33 16

**HOUSING, HEALTH AND COMMUNITY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
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SERVICE AREA: HOUSING REVENUE ACCOUNT

CHARGING AREA: LEASEHOLDERS

Leaseholders

Leasehold Information Pack (LPE1)	S	D	147.17	176.60	147.50	177.00
Leasehold Alterations Consent	S	D	147.17	176.60	147.50	177.00
Leasehold property valuations (request for amendment)	S	D	Cost Price	Cost Price	Cost Price	Cost Price
Registration of Notices	O	D	63.33	76.00	63.33	76.00
Lease Extension or Enfranchisement	S	D	888.71	1,066.45	Cost Price	Cost Price
Lease Variation	S	D	433.97	520.76	437.50	525.00
Registration Fee for Charge (If lease rate is different this will be charged instead of the standard fee)	S	D	40.56	48.67	41.67	50.00
Letter of Postponement of Discount Charge to enable further borrowing	S	D	130.00	156.00	133.33	160.00
Registration of charge against property	S	D			Cost Price	Cost Price

Sheltered Schemes

Rental of Guest Room Per Night	S	D	9.25	11.10	10.00	12.00
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Clean and Green

**CLEAN AND GREEN
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
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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	200.00	200.00	204.00	204.00
Catering Unit - serving alcohol	E	D	200.00	200.00	204.00	204.00
Large Business - more than 10 employees	E	D	137.00	137.00	140.00	140.00
Catering unit - buying food e.g. Bread, cakes, doughnuts, sweets, fruit and vegetables	E	D	100.00	100.00	102.00	102.00
Small business - less than 10 employees	E	D	88.00	88.00	90.00	90.00
Crafters and Artists - all hand made by the seller	E	D	57.00	57.00	59.00	59.00
Registered charity	E	D	45.00	45.00	46.00	46.00

Strawberry Fair and other Community Events

Catering Unit - serving food e.g. Burgers, hot dogs etc.	E	D	175.00	175.00	179.00	179.00
Catering Unit - serving alcohol	E	D	137.00	137.00	140.00	140.00
Large business - more than 10 employees	E	D	110.00	110.00	113.00	113.00
Catering unit - buying food e.g. Bread, cakes, doughnuts, sweets, fruit and vegetables	E	D	80.00	80.00	82.00	82.00
Small business - less than 10 employees	E	D	63.00	63.00	65.00	65.00
Crafters and Artists - all handmade by the seller	E	D	37.00	37.00	38.00	38.00
Registered charity	E	D	37.00	37.00	38.00	38.00
Ice Cream Van (Exclusive) - Strawberry Fair	E	D	450.00	450.00	450.00	450.00
Ice Cream Van (Exclusive) - Family Fun Days	E	D	180.00	180.00	185.00	185.00
Face Painters (large community events)	E	D	73.00	73.00	N/A	N/A

Family Fun Days

Wristbands - Rides and Bouncy castles	Per Child	E	D	5.00	5.00	5.00	5.00
Stalls - selling children's pocket money gifts and toys (new category)		E	D	21.00	21.00	22.00	22.00
Sole Catering unit by tender							
Face painters (per face painter)		E	D	25.00	25.00	28.00	28.00

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

**CLEAN AND GREEN
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: GOLF COURSE

CHARGING AREA: GOLF COURSE

Per Revenue and Customs Brief 3(2023) the Council are now treating supplies of leisure services as Non-Business with effect 03/03/2023. Prior to this the Sports VAT Exemption was used with effect 01/10/2018. Prior to this, fees would have included VAT at the standard rate.

Annual Season Ticket

7 day Adult	O	D	860.00	860.00	980.00	980.00	
7 day Junior (under 17)	O	D	N/A	N/A	N/A	N/A	
7 day Junior (under 17)	After 3pm	O	D	60.00	60.00	70.00	70.00
7 day Intermediate (under 25)	O	D	640.00	640.00	730.00	730.00	
5 day Adult	Mon - Fri	O	D	720.00	720.00	820.00	820.00
5 day Concessionary	Mon - Fri	O	D	580.00	580.00	660.00	660.00

Weekday

Per Round - 18 holes - Adult	O	D	N/A	N/A	N/A	N/A	
Per Round - 18 holes - Adult	Mon-Thu	O	D	25.00	25.00	28.00	28.00
Per Round - 18 holes - Junior (under 17) & 65 and over	O	D	N/A	N/A	N/A	N/A	
Per Round - 18 holes - Junior (under 17) & 65 and over	Mon-Thu	O	D	22.00	22.00	25.00	25.00

Weekends and Public Holidays

Per Round - 18 holes - Adult	O	D	N/A	N/A	N/A	N/A	
Per Round - 18 holes - Adult	Fri - Sun	O	D	31.00	31.00	35.00	35.00
Juniors (under 17) & 65 and over	After 1pm	O	D	N/A	N/A	N/A	N/A
Juniors (under 17) & 65 and over	After 3pm	O	D	22.00	22.00	25.00	25.00

Other Charges

Twilight Play - Weekday	O	D	13.00	13.00	15.00	15.00
Twilight Play - Weekends and Public Holidays	O	D	14.00	14.00	15.00	15.00

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.

Brentwood Borough Council Staff: 50% discount

**CLEAN AND GREEN
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
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SERVICE AREA: OPEN SPACES

CHARGING AREA: SPORTS FACILITIES AND OPEN SPACES

Per Revenue and Customs Brief 3(2023) the Council are now treating supplies of leisure services as Non-Business with effect 03/03/2023 (NB block bookings of 10 or more remain VAT Exempt per VAT Notice 742 section 5.4). Prior to this the Sports VAT Exemption was used with effect 01/10/2018. Prior to this, fees not meeting the block booking requirements would have included VAT at the standard rate.

Football & Rugby

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

Pitch & Pavilion - Fortnightly - Adult - Season	Sunday/Bank Holidays	O	D	1,192.00	1,192.00	1,274.00	1,274.00
Pitch & Pavilion - Fortnightly - Adult - Season	Other Days	O	D	1,165.00	1,165.00	1,245.00	1,245.00

Pitch & Pavilion - Weekly - Adult - Season	Sunday/Bank Holidays	O	D	2,383.00	2,383.00	2,546.00	2,546.00
Pitch & Pavilion - Weekly - Adult - Season	Other Days	O	D	2,325.00	2,325.00	2,484.00	2,484.00

Occasional Matches - Adult	Any Day	O	D	118.00	118.00	127.00	127.00
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Other Playing Fields (No Changing Facilities)

Pitch - Fortnightly - Adult - Season	Any Day	O	D	757.00	757.00	809.00	809.00
Pitch - Weekly - Adult - Season	Any Day	O	D	1,507.00	1,507.00	1,610.00	1,610.00

Junior Matches All Sites (No Changing Facilities)

Pitch - Fortnightly - Junior - Season	Any Day	O	D	415.00	415.00	444.00	444.00
Pitch - Weekly - Junior - Season	Any Day	O	D	825.00	825.00	882.00	882.00

Occasional Matches (No Changing Facilities)

Adult	Any Day	O	D	75.00	75.00	81.00	81.00
Juniors (under17)	Any Day	O	D	46.00	46.00	50.00	50.00

Mini Soccer - All Sites (No Changing Facilities)

Seasonal Booking every week	Weekly	E	D	439.00	439.00	469.00	469.00
Occasional	Any Day	O	D	39.00	39.00	42.00	42.00

Bowling Greens

Bowls - Season	Adult	O	D	182.00	182.00	195.00	195.00
Bowls - Season	Juniors/OAP's	O	D	114.00	114.00	122.00	122.00
Match Reservations + per rink (inclusive of visitors fees non returnable)	Club Charges	O	D	9.00	9.00	10.00	10.00
Other Reservations (not inclusive of visitors fees non returnable)	Club Charges	O	D	6.50	6.50	7.00	7.00

Large Open spaces (The Brentwood Centre)

Large Events - more than 1/2 Field with £5 or more admission fee		E	D	2,560.00	2,560.00		
Medium Events - less than 1/2 field and less than £5 admission fee		E	D	1,055.00	1,055.00		
Small Events - less than 1/4 field		E	D	453.00	453.00		
Set up and take down for events							
Keep Fit sessions - No cordoning off of field (max 20)	Single	O	D	19.17	23.00		
Non commercial or charitable events (following approval by ward members) 50% discount							

The setting of these fees are managed by Everyone Active (SLM)

Large Open spaces (King Georges Playing Field)

Area A (Prev Area B) Open space opposite old paddling pool area		E	D	453.00	453.00	453.00	453.00
Keep Fit sessions - No cordoning off of field (max 20)		O	D	19.58	23.50	19.58	23.50
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	453.00	453.00		
Keep Fit sessions - No defined area (max 20 people)	Single session	O	D	19.58	23.50		

The setting of these fees are managed by

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							

**CLEAN AND GREEN
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: OTHER ENVIRONMENTAL HEALTH SERVICES

SERVICE AREA: FOOD & HEALTH SAFETY

Skin Piercing

Premises Registration	O	D	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	186.00	186.00	186.00	186.00
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Finance, Asset, Investments and Recovery

**FINANCE, ASSETS, INVESTMENTS AND RECOVERY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024		April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PARKING

CHARGING AREA: Offstreet Parking

Chatham Way

			<u>Chargable period 24 Hours</u>		<u>Chargable period 24 Hours</u>	
Monday to Saturday						
30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.92	1.10	1.25	1.50
2 hours	S	D	1.83	2.20	2.08	2.50
2 hours with discount card	S	D	1.25	1.50	1.50	1.80
3 hours	S	D	2.75	3.30	2.92	3.50
4 hours	S	D	3.67	4.40	3.75	4.50
5 hours	S	D	4.58	5.50	4.58	5.50
6 hours +	S	D	5.50	6.60	5.83	7.00
24 hours	S	D	7.33	8.80	N/A	N/A
Sunday Charge						
All day	S	D	0.92	1.10	0.00	0.00

Coptfold Road

Monday to Saturday - 6:00am to 10:00pm						
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
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
Sunday Charge - 6:00am to 10:00pm						
All day	S	D	0.83	1.00	0.00	0.00
Lost Ticket	S	D	5.00	6.00	5.00	6.00

William Hunter Way

			<u>Chargable period 24 Hours</u>		<u>Chargable period 24 Hours</u>	
Monday to Saturday						
30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.92	1.10	1.25	1.50
2 hours	S	D	1.83	2.20	2.08	2.50
2 hours with discount card	S	D	1.25	1.50	1.50	1.80
3 hours	S	D	2.75	3.30	2.92	3.50
4 hours	S	D	3.67	4.40	3.75	4.50
5 hours	S	D	4.58	5.50	4.58	5.50
6 hours	S	D	5.50	6.60	5.83	7.00
24 hours	S	D	7.33	8.80	N/A	N/A
Sunday Charge						
All day	S	D	0.92	1.10	0.00	0.00

**FINANCE, ASSETS, INVESTMENTS AND RECOVERY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PARKING

CHARGING AREA: Offstreet Parking

Town Hall

Monday to Friday not open to the public.

Saturday Charge			Chargeable period 24 Hours		Chargeable period 24 Hours	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT
30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.92	1.10	1.25	1.50
2 hours	S	D	1.83	2.20	2.08	2.50
2 hours with discount card	S	D	1.25	1.50	1.50	1.80
3 hours	S	D	2.75	3.30	2.92	3.50
4 hours	S	D	3.67	4.40	3.75	4.50
5 hours	S	D	4.58	5.50	4.58	5.50
6 hours	S	D	5.50	6.60	5.83	7.00
24 hours	S	D	7.33	8.80	0.00	0.00
Sunday Charge						
All day	S	D	0.92	1.10	0.00	0.00

King George's Playing Field

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

30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.92	1.10	1.25	1.50
2 hours	S	D	1.83	2.20	2.08	2.50
2 hours with discount card	S	D	1.25	1.50	1.50	1.80
3 hours	S	D	2.75	3.30	2.92	3.50
4 Hours	S	D	3.67	4.40	3.75	4.50
5 hours	S	D	4.58	5.50	4.58	5.50
6 hours	S	D	5.50	6.60	5.83	7.00
Over 6 hours	S	D	7.33	8.80	7.50	9.00
Monday to Saturday - 6:00am to 7:00pm						
Mini-bus - All Day	S	D	14.17	17.00	14.17	17.00
Coach - All Day	S	D	27.50	33.00	27.50	33.00

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 Bell Mead and Market Square Monday to Saturday 8:00am - 6:00pm

Friars Avenue

Maximum stay 3 hours no return for 4 hours

Monday to Saturday			Chargeable period 24 Hours		Chargeable period 24 Hours	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT
30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.92	1.10	1.25	1.50
2 hours	S	D	1.83	2.20	2.08	2.50
2 hours with discount card	S	D	1.25	1.50	1.50	1.80
3 hours	S	D	2.75	3.30	2.92	3.50
Sunday Charge						
All day	S	D	0.92	1.10	0.00	0.00

Hunters Avenue

Maximum stay 3 hours no return for 4 hours

Monday to Saturday			Chargeable period 24 Hours		Chargeable period 24 Hours	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT
30 mins	S	D	0.00	0.00	0.00	0.00
1 hours	S	D	0.92	1.10	1.25	1.50
2 hours	S	D	1.83	2.20	2.08	2.50
2 hours with discount card	S	D	1.25	1.50	1.50	1.80
3 hours	S	D	2.75	3.30	2.92	3.50
Sunday Charge						
All day	S	D	0.92	1.10	0.00	0.00

**FINANCE, ASSETS, INVESTMENTS AND RECOVERY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PARKING

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

Season Tickets - Standard Charge - No refund

7 days	S	D	33.33	40.00	33.33	40.00
1 month	S	D	100.00	120.00	100.00	120.00
3 months	S	D	300.00	360.00	300.00	360.00
6 months	S	D	566.67	680.00	566.67	680.00
12 months	S	D	1,025.00	1,230.00	1,025.00	1,230.00

Note - For Coptfold Road, William Hunter Way*, Friars Avenue, Hunter Avenue and Eagle Way car parks.

*-No new season tickets will be offered for William Hunter Way Car Park

Season Tickets - £2 overnight charge - No refund

7 days	S	D	11.67	14.00	11.67	14.00
1 month	S	D	50.83	61.00	50.83	61.00
3 months	S	D	152.08	182.50	152.08	182.50
6 months	S	D	304.17	365.00	304.17	365.00
12 months	S	D	608.33	730.00	608.33	730.00

Note - Only for resident parking (subject to address confirmation) at William Hunter way and Chatham way car parks.

Penalty Charge Notice

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

Note: Set through national legislation

Housing Resident Parking Permits

Annual Parking Permit for Housing Parking Orders	S	D	28	34	33	40
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**FINANCE, ASSETS, INVESTMENTS AND RECOVERY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024		April 2024-March 2025	
			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	£ 18.33	£ 22.00	£ 19.17	£ 23.00
Price per black and white copy	S	D	0.02	0.02	0.02	0.02
Price per colour copy	S	D	0.04	0.05	0.05	0.06
Provision of printing materials	S	D	As per job spec			

**FINANCE, ASSETS, INVESTMENTS AND RECOVERY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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	400.00	480.00	425.00	510.00
Council Chamber Full Day*	S	D	680.00	816.00	725.00	870.00
Committee Rooms 1 Half Day*	S	D	175.00	210.00	183.33	220.00
Committee Rooms 1 Full Day*	S	D	280.00	336.00	300.00	360.00
Committee Rooms 2 Half Day*	S	D	70.00	84.00	75.00	90.00
Committee Rooms 2 Full Day*	S	D	115.00	138.00	125.00	150.00
Civic Foyer Half Day	S	D	115.00	138.00	125.00	150.00
Civic Foyer Full Day	S	D	200.00	240.00	216.67	260.00
Leader's Room Half Day	S	D	90.00	108.00	91.67	110.00
Leader's Room Full Day	S	D	165.00	198.00	175.00	210.00

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

Weddings (Town Hall - From August 2019)

Council Chamber Monday - Thursday	S	D	390.00	468.00	390.00	468.00
Council Chamber Friday	S	D	390.00	468.00	390.00	468.00
Council Chamber Saturday	S	D	390.00	468.00	390.00	468.00

* 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	200.00	240.00	200.00	240.00
Committee Rooms Friday	E/S	D	260.00	312.00	260.00	312.00
Committee Rooms Saturday	E/S	D	320.00	384.00	320.00	384.00

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.

**FINANCE, ASSETS, INVESTMENTS AND RECOVERY
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PLANNING & ECONOMY

CHARGING AREA: Economic Development						
Brentwood Business Showcase exhibitor stands			191.67	230	N/A	N/A

For more information about sponsorship packages, contact the Economic Development team on business@brentwood.gov.uk

PLANNING & LICENSING

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: LAND CHARGES

CHARGING AREA: Land Charges

Search Fees

LLC1	O	S	22.00	22.00	23.00	23.00
CON 29R	S	S	106.67	128.00	108.00	135.00
CON 29R including LLC1	S/O	S	124.17	149.00	125.60	157.00
CON 290 optional enquiries, except Q22	S	S	13.33	16.00	13.60	17.00
CON 290 optional enquiries, Q22 only	S	S	15.00	18.00	15.20	19.00
Any other additional enquiries	O	S	34.00	34.00	36.00	36.00
Additional parcels of Land	S	S	39.17	47.00	38.40	48.00

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

Personal Searches - Self Service			Free	Free		
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PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024 Excl VAT	April 2024-March 2025 Inc VAT	April 2024-March 2025 Excl VAT	April 2024-March 2025 Inc VAT

SERVICE AREA: LICENSING

CHARGING AREA: Licence Fees

Street Trading

Static Licence	O	D	1,000.00	1,000.00	1,060.00	1,060.00
Mobile Licence	O	D	600.00	600.00	N/A	N/A
Static Consent	O	D	1,000.00	1,000.00	N/A	N/A
Mobile Consent	O	D	600.00	600.00	636.00	636.00
Market Operator weekly Fee	O	D	425.00	425.00	450.00	450.00
Market Operator additional days Fee (per day)	O	D	200.00	200.00	212.00	212.00

Scrap Metal

Site Application - New - 3 years	O	D	510.00	510.00	540.00	540.00
Collector Application - New - 3 years	O	D	300.00	300.00	318.00	318.00
Variation	O	D	100.00	100.00	106.00	106.00
Site Renewal Application - 3 years	O	D	510.00	510.00	540.00	540.00
Collector Renewal Application - 3 years	O	D	252.00	252.00	267.00	267.00

Skin Piercing

Premises Registration	O	D	284.00	284.00	301.00	301.00
Practitioner Registration	O	D	100.00	100.00	106.00	106.00

Animals

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

Animal Boarding - Application Fee	O	D	330.00	330.00	350.00	350.00
Animal Boarding - Grant Fee	O	D	110.00	110.00	116.00	116.00
Selling Animals As Pets - Application Fee	O	D	330.00	330.00	350.00	350.00
Selling Animals As Pets - Grant Fee	O	D	110.00	110.00	116.00	116.00
Dog Breeding - Application Fee	O	D	330.00	330.00	350.00	350.00
Dog Breeding - Grant Fee	O	D	110.00	110.00	116.00	116.00
Hiring Out Horses - Application Fee	O	D	330.00	330.00	350.00	350.00
Hiring Out Horses - Grant Fee	O	D	110.00	110.00	116.00	116.00
Keeping Animals for Exhibition - Application Fee	O	D	330.00	330.00	350.00	350.00
Keeping Animals for Exhibition - Grant Fee	O	D	110.00	110.00	116.00	116.00
Combination Of Activities - Application Fee (for each additional activity)	O	D	145.00	145.00	154.00	154.00
Combination Of Activities - Grant Fee (for each additional activity)	O	D	82.00	82.00	87.00	87.00
Variation to licence/re-evaluation or rating	O	D	245.00	245.00	260.00	260.00
Appeal (All Licences)	O	D	150.00	150.00	159.00	159.00
Variation to reduce the licencable activities or number of animals	O	D	93.00	93.00	98.00	98.00
Additional Premises under an arrangers element of a Home Boarding Lic (New)	O	D	70.00	70.00	74.00	74.00
Dangerous Wild Animals - 2 years	O	D	500.00	500.00	530.00	530.00
Zoo Premises New - 6 years	O	D	1,500.00	1,500.00	1,590.00	1,590.00
Zoo Premises Renewal - 4 years	O	D	800.00	800.00	848.00	848.00

Sex Establishment Licensing

Premises Application	O	D	2,330.00	2,330.00	2,470.00	2,470.00
Premises Renewal	O	D	1,590.00	1,590.00	1,685.00	16,685.00
Premises Variation	O	D	530.00	530.00	562.00	562.00

Pavement Permit

New application Tables and Chairs 1-2 tables	O	D	286.00	286.00	303.00	303.00
New Application Tables and Chairs 3-6 tables	O	D	517.00	517.00	548.00	548.00
New Application Tables and Chairs over 6 tables.	O	D	742.00	742.00	786.00	786.00
Renewal application Tables and Chairs 1-2 tables	O	D	176.00	176.00	186.00	186.00
Renewal Application Tables and Chairs 3-6 tables	O	D	407.00	407.00	431.00	431.00
Renewal Application Tables and Chairs over 6 tables.	O	D	632.00	632.00	670.00	670.00
Business and Planning Act applications	O	D	100.00	100.00	100.00	100.00

Road Closure

Application to close road with 0 - 499 people attending	O	D	220.00	220.00	233.00	233.00
Application to close road with 500 - 1999 people attending	O	D	396.00	396.00	420.00	420.00
Application to close road with 2000+ people attending	O	D	748.00	748.00	793.00	793.00

PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024	April 2024-March 2025	April 2023-March 2024	April 2024-March 2025
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: LICENSING

CHARGING AREA: Licence Fees

Gambling Act 2005

Bingo Clubs

New Application	O	D	3,500.00	3,500.00	3,500.00	3,500.00
Annual Fee	O	D	1,000.00	1,000.00	1,000.00	1,000.00
CON 29R including LLC1	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 COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES		CHARGES	
			April 2023-March 2024	April 2024-March 2025	April 2024-March 2025	April 2024-March 2025
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: LICENSING

CHARGING AREA: Licence Fees

Licensing Act 2003

Premises - Band A (None to £4,300)

Premises Licences - New Application and Variation	O	S	100.00	100.00	100.00	100.00
Premises Licences - Annual Charge	O	S	70.00	70.00	70.00	70.00
CON 29R including LLC1	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 COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: LICENSING

CHARGING AREA: Licence Fees

Licensing Act 2003 (cont.)

Other Fees

Application for the grant or renewal of a personal licence	O	S	37.00	37.00	37.00	37.00
CON 29R including LLC1	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 COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: LICENSING

CHARGING AREA: Licence Fees

Taxi

Vehicle Licence - Hackney Carriage

Vehicle Licence - including Plate	O	S	296.00	296.00	296.00	296.00
CON 29R including LLC1	O	S	80.00	80.00	80.00	80.00

Vehicle Licence - Private Hire

Vehicle Licence - including Plate	O	S	274.00	274.00	274.00	274.00
Vehicle Replacement	O	S	80.00	80.00	80.00	80.00

Drivers Licence - Hackney Carriage and Private Hire

Combined Driver New - 1 year (Excludes DBS)	O	S	160.00	160.00	160.00	160.00
Combined Driver Renewal - 1 year (Excludes DBS)	O	S	143.00	143.00	143.00	143.00
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
Private Hire Driver New - 1 year (Excludes DBS) (New)	O	S	160.00	160.00	160.00	160.00
Private Hire Driver Renewal - 1 year (Excludes DBS) (New)	O	S	143.00	143.00	143.00	143.00
Private Hire Driver New - 3 years (Excludes DBS) (New)	O	S	404.00	404.00	404.00	404.00
Private Hire Driver Renewal - 3 years (Excludes DBS) (New)	O	S	354.00	354.00	354.00	354.00
Hackney Carriage Driver New - 1 year (Excludes DBS) (New)	O	S	160.00	160.00	160.00	160.00
Hackney Carriage Driver Renewal - 1 year (Excludes DBS) (New)	O	S	143.00	143.00	143.00	143.00
Hackney Carriage Driver New - 3 years (Excludes DBS) (New)	O	S	404.00	404.00	404.00	404.00
Hackney Carriage Driver Renewal - 3 years (Excludes DBS) (New)	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	374.00	374.00	374.00	374.00
Operator Licence - 2 to 5 Vehicles - 5 years	O	S	1,248.00	1,248.00	1,248.00	1,248.00
Operator Licence - more than 5 Vehicles - 5 years	O	S	1,547.00	1,547.00	1,547.00	1,547.00

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

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	701.67	842.00	750.83	901.00	
Houses Bungalows less than 4 storeys 1 plot Building Notice	S	D	809.17	971.00	865.83	1,039.00	
Houses Bungalows less than 4 storeys 1 plot Regularisation	O	D	1,169.00	1,169.00	1,251.00	1,251.00	
HO2 CON 29R including LLC1							
Houses Bungalows less than 4 storeys 2 plot Plan and Inspection	S	D	1,036.67	1,244.00	1,110.00	1,332.00	
Houses Bungalows less than 4 storeys 2 plot Building Notice	S	D	1,142.50	1,371.00	1,222.50	1,467.00	
Houses Bungalows less than 4 storeys 2 plot Regularisation	O	D	1,652.00	1,652.00	1,768.00	1,768.00	
HO3							
Houses Bungalows less than 4 storeys 3 plot Plan and Inspection	S	D	1,384.17	1,661.00	1,481.67	1,778.00	
Houses Bungalows less than 4 storeys 3 plot Building Notice	S	D	1,598.33	1,918.00	1,710.83	2,053.00	
Houses Bungalows less than 4 storeys 3 plot Regularisation	O	D	2,311.00	2,311.00	2,473.00	2,473.00	
HO4							
Houses Bungalows less than 4 storeys 4 plot Plan and Inspection	S	D	1,749.17	2,099.00	1,871.67	2,246.00	
Houses Bungalows less than 4 storeys 4 plot Building Notice	S	D	1,866.67	2,240.00	1,997.50	2,397.00	
Houses Bungalows less than 4 storeys 4 plot Regularisation	O	D	2,698.00	2,698.00	2,887.00	2,887.00	
HO5							
Houses Bungalows less than 4 storeys 5 plot Plan and Inspection	S	D	2,110.00	2,532.00	2,258.33	2,710.00	
Houses Bungalows less than 4 storeys 5 plot Building Notice	S	D	2,215.83	2,659.00	2,371.67	2,846.00	
Houses Bungalows less than 4 storeys 5 plot Regularisation	O	D	3,203.00	3,203.00	3,428.00	3,428.00	
FO1							
Houses Bungalows less than 4 storeys 1 flat Plan and Inspection	S	D	701.67	842.00	750.83	901.00	
Houses Bungalows less than 4 storeys 1 flat Building Notice	S	D	809.17	971.00	865.83	1,039.00	
Houses Bungalows less than 4 storeys 1 flat Regularisation	O	D	1,169.00	1,169.00	1,251.00	1,251.00	
FO2							
Houses Bungalows less than 4 storeys 2 flat Plan and Inspection	S	D	1,036.67	1,244.00	1,110.00	1,332.00	
Houses Bungalows less than 4 storeys 2 flat Building Notice	S	D	1,142.50	1,371.00	1,222.50	1,467.00	
Houses Bungalows less than 4 storeys 2 flat Regularisation	O	D	1,652.00	1,652.00	1,768.00	1,768.00	
FO3							
Houses Bungalows less than 4 storeys 3 flat Plan and Inspection	S	D	1,384.17	1,661.00	1,481.67	1,778.00	
Houses Bungalows less than 4 storeys 3 flat Building Notice	S	D	1,598.33	1,918.00	1,710.83	2,053.00	
Houses Bungalows less than 4 storeys 3 flat Regularisation	O	D	2,311.00	2,311.00	2,473.00	2,473.00	
FO4							
Houses Bungalows less than 4 storeys 4 flat Plan and Inspection	S	D	1,749.17	2,099.00	1,871.67	2,246.00	
Houses Bungalows less than 4 storeys 4 flat Building Notice	S	D	1,866.67	2,240.00	1,997.50	2,397.00	
Houses Bungalows less than 4 storeys 4 flat Regularisation	O	D	2,698.00	2,698.00	2,887.00	2,887.00	
FO5							
Houses Bungalows less than 4 storeys 5 flat Plan and Inspection	S	D	2,110.00	2,532.00	2,258.33	2,710.00	
Houses Bungalows less than 4 storeys 5 flat Building Notice	S	D	2,215.83	2,659.00	2,371.67	2,846.00	
Houses Bungalows less than 4 storeys 5 flat Regularisation	O	D	3,203.00	3,203.00	3,428.00	3,428.00	
CV01							
Conversion to a Single Dwelling House Plan and Inspection	S	D	775.00	930.00	830.00	996.00	
Conversion to a Single Dwelling House Building Notice	S	D	852.50	1,023.00	912.50	1,095.00	
Conversion to a Single Dwelling House Regularisation	O	D	1,177.00	1,177.00	1,260.00	1,260.00	
CV02							
Conversion to a Single Flat Plan and Inspection	S	D	699.17	839.00	748.33	898.00	
Conversion to a Single Flat Building Notice	S	D	770.00	924.00	824.17	989.00	
Conversion to a Single Flat Regularisation	O	D	1,120.00	1,120.00	1,199.00	1,199.00	
ED							
Notifiable Electrical Work where a satisfactory certificate will not be issued by a Part P registered electrician.	S	D	375.83	451.00	402.50	483.00	

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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)						
DW00						
Single Storey extension not exceeding 10 sq m Plan and Inspection Charge	S	D	320.00	384.00	342.50	411.00
Single Storey extension not exceeding 10 sq m Building Notice	S	D	351.67	422.00	376.67	452.00
Single Storey extension not exceeding 10 sq m Regularisation Charge	O	D	485.00	485.00	519.00	519.00
DW01						
CON 29R including LLC1						
Single Storey extension not exceeding 40 sq m Plan and Inspection Charge	S	D	602.50	723.00	645.00	774.00
Single Storey extension not exceeding 40 sq m Building Notice	S	D	663.33	796.00	710.00	852.00
Single Storey extension not exceeding 40 sq m Regularisation Charge	O	D	915.00	915.00	980.00	980.00
DW02						
Single Storey extension not exceeding 100 sq m Plan and Inspection Charge	S	D	753.33	904.00	806.67	968.00
Single Storey extension not exceeding 100 sq m Building Notice	S	D	828.33	994.00	886.67	1,064.00
Single Storey extension not exceeding 100 sq m Regularisation Charge	O	D	1,143.00	1,143.00	1,224.00	1,224.00
DW03						
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Plan and Inspection Charge	S	D	702.50	843.00	752.50	903.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Building Notice	S	D	772.50	927.00	826.67	992.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Regularisation Charge	O	D	1,065.00	1,065.00	1,140.00	1,140.00
DW04						
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Plan and Inspection Charge	S	D	781.67	938.00	1,004.00	1,004.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Building Notice	S	D	859.17	1,031.00	920.00	1,104.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Regularisation Charge	O	D	1,185.00	1,185.00	1,268.00	1,268.00
DW05						
Erection of non-exempt domestic extension comprising of garage, carport or store not exceeding 100 sq m Plan and Inspection Charge	S	D	385.00	462.00	412.50	495.00
Erection of non-exempt domestic extension comprising of garage, carport or store not exceeding 100 sq m Building Notice	S	D	423.33	508.00	453.33	544.00
Erection of non-exempt domestic extension comprising of garage, carport or store not exceeding 100 sq m Regularisation Charge	O	D	584.00	584.00	625.00	625.00
DW06						
Erection of non-exempt detached non-habital domestic building not exceeding 100 sq m Plan and Inspection Charge	S	D	494.17	593.00	529.17	635.00
Erection of non-exempt detached non-habital domestic building not exceeding 100 sq m Building Notice	S	D	544.17	653.00	582.50	699.00
Erection of non-exempt detached non-habital domestic building not exceeding 100 sq m Regularisation Charge	O	D	750.00	750.00	803.00	803.00
DW07						
First Floor & Second Floor loft conversion Plan and Inspection Charge	S	D	580.00	696.00	620.83	745.00
First Floor & Second Floor loft conversion Building Notice	S	D	638.33	766.00	683.33	820.00
First Floor & Second Floor loft conversion Regularisation Charge	O	D	880.00	880.00	942.00	942.00
DW08						
Other Works Plan and Inspection Charge	S	D	345.00	414.00	369.17	443.00
Other Works Building Notice	S	D	379.17	455.00	405.83	487.00
Other Works Regularisation Charge	O	D	524.00	524.00	561.00	561.00
DW09						
Re-roofing, installation of solar panels or photovoltaic cells Plan and Inspection Charge	S	D	211.67	254.00	226.67	272.00
Re-roofing, installation of solar panels or photovoltaic cells Building Notice	S	D	232.50	279.00	249.17	299.00
Re-roofing, installation of solar panels or photovoltaic cells Regularisation Charge	O	D	321.00	321.00	344.00	344.00
DW10						
Replacement of windows, roof lights, roof windows or external glazed doors Plan and Inspection Charge	S	D	190.00	228.00	203.33	244.00
Replacement of windows, roof lights, roof windows or external glazed doors Building Notice	S	D	209.17	251.00	224.17	269.00
Replacement of windows, roof lights, roof windows or external glazed doors Regularisation Charge	O	D	288.00	288.00	309.00	309.00
DW11						
Cost of work not exceeding £5,000 Plan and Inspection Charge	S	D	253.33	304.00	271.67	326.00
Cost of work not exceeding £5,000 Building Notice	S	D	278.33	334.00	298.33	358.00
Cost of work not exceeding £5,000 Regularisation Charge	O	D	384.00	384.00	411.00	411.00
DW12						
Cost of work exceeding £5,000 but not exceeding £25,000 Plan and Inspection Charge	S	D	489.17	587.00	524.17	629.00
Cost of work exceeding £5,000 but not exceeding £25,000 Building Notice	S	D	538.33	646.00	576.67	692.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	743.00	743.00	796.00	796.00
DW13						
Cost of work exceeding £25,000 but not exceeding £100,000 Plan and Inspection Charge	S	D	808.33	970.00	865.00	1,038.00
Cost of work exceeding £25,000 but not exceeding £100,000 Building Notice	S	D	888.33	1,066.00	950.83	1,141.00
Cost of work exceeding £25,000 but not exceeding £100,000 Regularisation Charge	O	D	1,227.00	1,227.00	1,313.00	1,313.00
ED						
Notifiable electrical work where a satisfactory certificate will not be issued by a Part P registered electrician	S	D	375.83	451.00	402.50	483.00

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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	595.83	715.00	638.33	766.00
Single Storey extension not exceeding 40 sq m Regularisation Charge CON 29R including LLC1	O	D	915.00	915.00	980.00	980.00

ND02

Single Storey extension not exceeding 100 sq m Plan and Inspection Charge	S	D	680.83	817.00	729.17	875.00
Single Storey extension not exceeding 100 sq m Regularisation Charge	O	D	1,032.00	1,032.00	1,105.00	1,105.00

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	744.17	893.00	796.67	956.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 40 sq m Regularisation Charge	O	D	1,127.00	1,127.00	1,206.00	1,206.00

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	808.33	970.00	865.00	1,038.00
Extension with some part 2 or 3 storeys in height and total floor not exceeding 100 sq m Regularisation Charge	O	D	1,222.00	1,222.00	1,308.00	1,308.00

Alterations

ND05

Cost of work not exceeding £5,000 Plan and Inspection Charge	S	D	320.00	384.00	342.50	411.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	479.00	479.00	513.00	513.00
Replacement of windows, roof lights, roof windows or external glazed doors Plan and Inspection Charge	S	D	277.50	333.00	297.50	357.00
Replacement of windows, roof lights, roof windows or external glazed doors Regularisation Charge	O	D	405.00	405.00	434.00	434.00
Renewable energy systems not exceeding £20,000 Planning and Inspection Charge	S	D	298.33	358.00	320.00	384.00
Renewable energy systems not exceeding £20,000 Regularisation Charge	O	D	426.00	426.00	456.00	456.00
Installation of new shop front and work not exceeding £5,000 Plan and Inspection Charge	S	D	298.33	358.00	320.00	384.00
Installation of new shop front and work not exceeding £5,000 Regularisation Charge	O	D	426.00	426.00	456.00	456.00

ND06

Cost of work exceeding £5,000 but not exceeding £25,000 Plan and Inspection Charge	S	D	489.17	587.00	524.17	629.00
Cost of work exceeding £5,000 but not exceeding £25,000 Regularisation Charge	O	D	745.00	745.00	798.00	798.00
Replacement of windows, rooflights, roof windows or external glazed doors (exceeding 20 units) Plan and Inspection Charge	S	D	384.17	461.00	411.67	494.00
Replacement of windows, rooflights, roof windows or external glazed doors (exceeding 20 units) Regularisation Charge	O	D	595.00	595.00	637.00	637.00
Installation of raised storage platform not exceeding 250 sqm within an existing building Plan and Inspection Charge	S	D	468.33	562.00	501.67	602.00
Installation of raised storage platform not exceeding 250 sqm within an existing building Regularisation Charge	O	D	660.00	660.00	707.00	707.00

ND07

Cost of work exceeding £25,000 and not exceeding £100,000 Plan and Inspection Charge	S	D	850.83	1,021.00	910.83	1,093.00
Cost of work exceeding £25,000 and not exceeding £100,000 Regularisation Charge	O	D	1,296.00	1,296.00	1,387.00	1,387.00
Fit out of building up to 100 sq m Plan and Inspection Charge	S	D	575.00	690.00	615.83	739.00
Fit out of building up to 100 sq m Regularisation Charge	O	D	798.00	798.00	854.00	854.00

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT

CHARGING AREA: Planning Application Fees

All Outline Applications

Site not more than 0.5 hectares	O	S	N/A	N/A	£578.00	£578.00
Up to 2.5 hectare, per 0.1 hectare	O	S	462.00	462.00	£0.00	£0.00
					£15,443 +	£15,443 +
More than 2.5 hectares	O	S	11,432.00	11,432.00	£186.00	£186.00
Each 0.1 hectare in excess of 2.5 hectares to a maximum of £125,000	O	S	138.00	138.00	£0.00	£0.00
Site between 0.5 hectares and 2.5 hectares	O	S	N/A	N/A	£624.00	£624.00

Householder Applications

CON 29R including LLC1						
Alterations/extensions to a single dwelling	O	S	206.00	206.00	£258.00	£258.00

Full Applications

Single dwellinghouse (or single flat)	O	S	N/A	N/A	£258.00	£258.00
Alterations/extensions two or more dwellings	O	S	407.00	407.00	£509.00	£509.00
Number of dwellinghouses - no more than 10	O	S	N/A	N/A	£578.00	£578.00
New Dwellings (between 10 & 50) per dwelling	O	S	462.00	462.00	£624.00	£624.00
New Dwellings more than 50	O	S	22,859.00	22,859.00	£30,860.00	£30,860.00
Each dwelling in excess of 50 to a maximum of £300,000	O	S	138.00	138.00	£186.00	£186.00

Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery)

Gross Floor up to 40sq m	O	S	234.00	234.00	£293.00	£293.00
Gross Floor 40 sq m to 75 sq m	O	S	462.00	462.00	£578.00	£578.00
Gross Floor 75sq m to 3750 sq m each 75 sq m or part thereof	O	S	462.00	462.00	£624.00	£624.00
Gross Floor more than 3750 sq m	O	S	22,859.00	22,859.00	£30,680.00	£30,680.00
Each additional 75 sq m in excess of 3750 sq m to a maximum of £250,000	O	S	138.00	138.00	£186.00	£186.00

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	£120.00	£120.00
Gross Floor 465 sq m to 540 sq m	O	S	462.00	462.00	£578.00	£578.00
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	N/A	N/A
Gross Floor more than 540 sq m not more than 1,000sq.m	O	S	N/A	N/A	£578.00	£578.00
Each additional 75sq.m in excess of 540 sq.m	O	S	N/A	N/A	£578.00	£578.00
Gross Floor between 1,000 sq.m and 4215 sq m for first 1,000sq.m	O	S			£624.00	£624.00
Each additional 75sq.m in excess of 1,000 sq.m	O	S	N/A	N/A	£624.00	£624.00
Each additional 75 sq m in excess of 4215 sq m to a maximum of £250,000	O	S	138.00	138.00	N/A	N/A
Gross Floor more than 4215 sq m	O	S	22,859.00	22,859.00	£30,860.00	£30,860.00
Each additional 75 sq m in excess of 4215 sq m to a maximum of £250,000	O	S	N/A	N/A	£186.00	£186.00

Erection of glasshouses

Gross Floor no more than 465 sq m	O	S	96.00	96.00	£120.00	£120.00
More than 465 sq.m but not more than 1,000 sq.m	O	S	N/A	N/A	£3,225.00	£3,225.00
Gross Floor more than 465 sq m	O	S	2,580.00	2,580.00	N/A	N/A
1,000 sq.m or more	O	S	N/A	N/A	£3,483.00	£3,483.00

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	N/A	N/A
Site Area not more than 1 hectares - per 0.1 hectare or part thereof	O	S	N/A	N/A	£578.00	£578.00
More than 1 hectare but not more than 5 hectares for each 0.1 hectare or part thereof	O	S	N/A	N/A	£624.00	£624.00
Site Area more than 5 hectares	O	S	22,859.00	22,859.00	£30,860.00	£30,860.00
Each additional 0.1 hectare in excess of 5 hectares up to a maximum of £250,000	O	S	138.00	138.00	£186.00	£186.00

Applications other than Building Works

Car parks, Service Roads or other accesses	O	S	234.00	234.00	£293.00	£293.00
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Waste (Use of land for disposal of refuse or waste materials or deposit of amterial remaining after extraction or storage minerals)

Site Area no more than 15 hectares per 0.1 hectare	O	S	234.00	234.00	£316.00	£316.00
Site Area more than 15 hectares	O	S	34,934.00	34,934.00	£47,161.00	£47,161.00
Each 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	O	S	138.00	138.00	N/A	N/A
Each 0.1 hectare in excess of 15 hectares up to a maximum of £105,300	O	S	N/A	N/A	£186.00	£186.00

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	£686.00	£686.00
Site area more than 7.5 hectares	O	S	38,070.00	38,070.00	£51,395.00	£51,395.00
Each 0.1 hectare in excess of 7.5 hectares up to a maximum of £250,000	O	S	151.00	151.00	N/A	N/A
Each 0.1 hectare in excess of 7.5 hectares up to a maximum of £405,000	O	S	N/A	N/A	£204.00	£204.00

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	£347.00	£347.00
Site area more than 15 hectares	O	S	38,520.00	38,520.00	£52,002.00	£52,002.00
Each 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	O	S	151.00	151.00	N/A	N/A
Each 0.1 hectare in excess of 15 hectares up to a maximum of £105,300	O	S	N/A	N/A	£204.00	£204.00

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	£316.00	£316.00
Site area more than 15 hectares	O	S	34,934.00	34,934.00	£47,161.00	£47,161.00
Each 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	O	S	138.00	138.00	N/A	N/A
Each 0.1 hectare in excess of 15 hectares up to a maximum of £105,300	O	S	N/A	N/A	£186.00	£186.00

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	N/A	N/A
Any site area per 0.1 hectares up to a maximum of £2,535	O	S	N/A	N/A	£293.00	£293.00

Lawful Development Certificate

Existing Use or operation	O	S	Same As	Same As	Same As	Same As
Existing use or operation - lawful not to comply with any condition or limitation	O	S	Full	Full	Full	Full
	O	S	234.00	234.00	293.00	293.00
Proposed use or operation	O	S	Half normal planning fee	Half normal planning fee	Half normal planning fee	Half normal planning fee

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT

CHARGING AREA: Planning Application Fees

Prior Approval

Telecommunications Code Systems Operators	O	S	462.00	462.00	578.00	578.00
Larger Home Extensions	O	S	96.00	96.00	120.00	120.00
Additional Storeys on a home	O	S	96.00	96.00	120.00	120.00
Agricultural and Forestry buildings & operations	O	S	96.00	96.00	120.00	120.00
Demolition of Buildings	O	S	96.00	96.00	120.00	120.00
Change of Use from Commercial/Business/Service (Use Class E), or Betting Office or Pay Day Loan Shop to mixed use including up to two flats (Use Class C3)	O	S	96.00	96.00	120.00	120.00
Change of Use of a building and any land within its curtilage from Commercial/Business/Service (Use Class E), Hotels (Use Class C1), Residential Institutions (Use Class C2A) to a state funded school	O	S	96.00	96.00	120.00	120.00
Change of use of a building and any land within its curtilage from an Agricultural Buildings to a State Funded School	O	S	96.00	96.00	120.00	120.00
Change of Use of a building and any land within its curtilage from an Agricultural Building to a flexible commercial use within Commercial/Business/Service (Use Class E), storage or Distribution (Use Class B8), or Hotels (Use Class C1)	O	S	96.00	96.00	120.00	120.00
Change of Use of a building and any land within its curtilage from an Agricultural Building to Dwellinghouses (Use Class C3)	O	S	96	96	120	120
If it includes building operations in connection with the change of use	O	S	206	206	258	258
Change of use of a building from Betting Office, Pay Day Loan Shop, Launderette; a mixed use combining of these uses and use as Dwellinghouse(s); or Hot Food takeaways to Dwellinghouses (Use Class C3)	O	S	96	96	120	120
if it includes building operations in connection with change of use	O	S	206	206	258	258
Change of Use of a building and any land within its Curtilage from Amusement Arcades/Centres and Casinos to Dwellinghouses (Use Class C3)	O	S	96	96	120	120
if it includes building operations in connection with the change of use	O	S	206	206	258	258
Temporary Use of Buildings or land for the Purpose of commercial film-making and the associate Temporary Structures, Works, Plant or Machinery required in connection with that Use	O	S	96	96	120	120
Provision of Temporary School Buildings on Vacant Commercial Lane and the use of that land as a State-funded School for up to 3 Academic Years	O	S	96	96	120	120
Development Consisting of the Erection or Construction of a Collection Facility with the Curtilage of a Shop	O	S	96	96	120	120
Installation, Alteration or Replacement of other Solar Photovoltaics (PV) equipment on the Roof of Non Domestic Buildings, up to a capacity of 1 Megawatt	O	S	96	96	120	120
Movable structure within the curtilage of a historic visitor attraction, or listed pub/restaurant/etc	O	S	96	96	120	120
Erection, extension or alteration on a closed defence site by or on behalf of the Crown of single living accommodation and/or non-residential buildings	O	S	96	96	120	120
Erection, extension, or alteration of a university building	O	S	96	96	120	120

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 £578	Full Fee due or if paid £578
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Approval/Variation/Discharge of condition

Application for removal or variation of a condition following grant of planning permission Request for confirmation that one or more planning conditions have been complied with - Householder	O	S	234.00	234.00	293.00	293.00
Request for confirmation that one or more planning conditions have been complied with - Other	O	S	34.00	34.00	43.00	43.00
	O	S	116.00	116.00	145.00	145.00

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	N/A	N/A
More than 50 dwellings	O	S	22,859.00	22,859.00	30,860.00	30,860.00
Each dwelling in excess of 50 up to a maximum of £250,000	O	S	138.00	138.00	186.00	186.00
Other Changes of use of a building or land	O	S	462.00	462.00	N/A	N/A
Number of dwellinghouses not more than 10	O	S	N/A	N/A	578.00	578.00
Number of dwellinghouses between 10 and 50	O	S	N/A	N/A	624.00	624.00

Other Changes of Use

Building or Land	O	S	N/A	N/A	£578.00	£578.00
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Advertising

Relating to the business on the premises	O	S	132.00	132.00	165.00	165.00
business	O	S	132.00	132.00	165.00	165.00
Other advertisements	O	S	462.00	462.00	578.00	578.00

Application for a New Planning Permission to replace an Extant Planning Permission

Applications in respect of major developments	O	S	690.00	690.00	0.00	0.00
Applications in respect of householder developments	O	S	68.00	68.00	0.00	0.00
Applications in respect of other developments	O	S	234.00	234.00	0.00	0.00

Application for a Non-material Amendment following a grant of Planning Permission

Applications in respect of householder development	O	S	34.00	34.00	43.00	43.00
Applications in respect of other developments	O	S	234.00	234.00	293.00	293.00

Application for Permission in Principle

For each 0.1 hectare of the site area	O	S	402.00	402.00	503.00	503.00
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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 COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			Excl VAT	Inc VAT	Excl VAT	Inc VAT

SERVICE AREA: PLANNING DEVELOPMENT MANAGEMENT

CHARGING AREA: Pre-Application Advice

Pre-Application Advice

1	Householder						
	Householder - written response only	S	D	66.67	80.00	73.33	88.00
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	158.33 / 300	190 / 360	174.16 / 330	209 / 396
3	CON 29R including LLC1	S	D	33.33	40.00	36.67	44.00
4	Express Householder Advice - e.g. week turnaround	S	D	470.83	565.00	517.92	621.50
	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			166.67	200.00	183.33	2,200.00
	Up to 1-hour inhouse meeting and written summary/ with specialist advice (Where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a residential listed building)	S	D	391.67 / 545.83	470 / 655	430.83 / 600.41	517 / 720.50
5	Up to 1-hour onsite meeting and written summary/ with specialist advice (where the proposal falls within a conservation area and/or the setting of a listed building, or involves works to a residential listed building)	S	D	416.67 / 570.83	500 / 685	458.33 / 627.91	550 / 753.50
6	Follow up comments upon per additional set of drawings	S	D	166.67	200.00	183.33	220.00
7	Creation of a singular: dwellinghouse; replacement dwellinghouse; or residential annex						
	Note: in excess of 1 but below 10 units constitutes Minor development						
	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	391.67 / 545.83	470 / 655	430.83 / 600.41	517 / 720.50
8	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	416.67 / 570.83	500 / 685	458.33 / 627.91	550 / 753.50
9	Follow up comments upon per additional set of drawings	S	D	166.67	200.00	183.33	220.00
10	Minor Development						
11	Written summary only/ with specialist advice	S	D	391.67 / 545.83	470 / 655	430.83 / 600.41	517 / 720.50
12	Up to 1-hour inhouse meeting and written summary/ with specialist advice	S	D	808.33 / 958.33	970 / 1150	889.16 / 1054.1	131.02 / 1340.1
13	Up to 1-hour onsite meeting and written summary/with specialist advice	S	D	833.33 / 983.33	1000 / 1180	116.66 / 1081.6	1100 / 1298
14	Additional 1-hour inhouse meetings and written summaries/ with specialist	S	D	516.67 / 666.67	620 / 800	568.33 / 733.33	682 / 880
15	Follow up comments per additional set of drawings	S	D	187.50	225.00	206.25	247.50
	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	2,312.50	2,775.00	2,543.75	2,798.13
17	Up to 1-hour onsite meeting and written summary set	S	D	2,375.00	2,850.00	2,612.50	2,873.75
	Subsequent follow up advice – if you have: already received advice about a similar development on the same site in the last three months or Received a refusal of planning permission for a similar development on the same site in						
18	Written advice	S	D	279.17	335.00	307.08	337.79
19	A subsequent meeting with a planning officer	S	D	1,691.67	2,030.00	1,860.83	2,046.92
	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	2,825.00	3,390.00	3,107.50	3,418.25
21	Up to 1-hour onsite meeting and written summary set	S	D	2,845.83	3,415.00	3,130.42	3,443.46
	Subsequent follow up advice – if you have: already received advice about a similar development on the same site in the last three months or Received a refusal of planning permission for a similar development on the same site in						
23	A subsequent meeting with a planning officer	S	D	2,083.33	2,500.00	2,291.67	2,750.00
	Strategic Development (Principal Planner)						
	Your new building has 5000 or more sqm of floor space						
	The site area is 5 or more hecatres (where you don't now the floorspace)						
24	Up to 1-hour inhouse meeting and written summary	S	D	3,200.00	3,840.00	3,520.00	4,224.00
25	Up to 1-hour onsite meeting and written summary	S	D	3,225.00	3,870.00	3,547.50	4,257.00
	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						
26		S	D	2,541.67	3,050.00	2,795.83	3,355.00
	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	141.67	170.00	155.83	187.00
28	Up to 1-hour inhouse meeting and written summary	S	D	235.00	282.00	258.50	310.20
29	Up to 1-hour onsite meeting and written summary	S	D	262.50	315.00	288.75	346.50

Advice from Officers specialising in the Heritage Assets, Urban Design or Landscaping may also be required and is charged separately.

**PLANNING COMMITTEE
FEES & CHARGES SCHEDULE FROM 1 APRIL 2024**

DESCRIPTION OF CHARGE	VAT	FEE	CHARGES April 2023-March 2024		CHARGES April 2024-March 2025	
			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

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Brentwood Borough Council

Pay Policy Statement

2024/25

Policy Owner:	Human Resources
Date published:	
Effective Date:	18 January 2024
Review Date:	18 January 2025

Brentwood Borough Council Pay Policy Statement 2024/25

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 Directors of the Corporate 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

Brentwood Borough Council entered a Strategic Partnership with Rochford District Council on the 26 January 2022. As such we have established a Joint Corporate Leadership Team. The Corporate Leadership Team comprises of the Chief Executive, 2x Strategic Directors

and 9x Directors. These roles will be contractually obliged to work across the partnership with Rochford District Council.

Chief Executive

Chief Executive for both Councils and the Council's Head of Paid Service salary range is between £146,890 per annum to £167,590 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.

The Corporate Leadership Team

The Corporate Leadership Team's salary range has been set on the advice of the East of England Local Government Association (EELGA) on the basis of benchmarking against appropriate regional comparators and have been job evaluated using the Senior Manager Local Government Association scheme. Salary details are published on the Council's website and are also detailed below. Staff are subject to ongoing appraisal, and progression on the scale only happens if satisfactory progress is evidenced.

The statutory posts of the Chief Finance Officer (section 151) and Monitoring Officer will be paid an annual allowance of £5,000 if undertaking this role solely for Brentwood Borough Council or £10,000 if undertaking this role across both Councils, this will be in addition to their salary for these responsibilities. The allowance has been benchmarked in consultation with EELGA and will be reviewed periodically. This allowance can be applied up to and including Strategic Director roles.

The salaries and any other applicable payments are shared equally with Rochford District Council. Other conditions of service for these posts are determined by the Joint Negotiating Committee for Chief Executives of Local Authorities and local collective agreements.

Car mileage is paid at HMRC rates. Essential car payments are not paid. Subsistence allowances will be paid in line with those for other staff.

Strategic Directors are paid on SD Grade (£105,490 - £115,840).

Directors are paid on Director Grade (£84,790 - £95,140).

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 has a number of increments assigned to it which staff progress through. On average there are five increments per grade.

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 Corporate 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 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 CE are evaluated using the Local Government Association (LGA) Senior Manager's 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.

Remuneration and Job Evaluation in relation to the Strategic Partnership

For staff that undertake work as part of the Strategic Partnership with Rochford District Council, a joint pay framework has been established. This consists of 15 grades, with Band 1 being the lowest and CE being the highest (see pay scales attached to this statement).

Each grade has a number of increments assigned to it which staff progress through, on average there are five increments per grade.

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.

Job evaluation of these roles is undertaken using the National Joint Council (NJC) job evaluation scheme and is used for all grades up to Band 10.

For the purposes of posts within the Strategic Partnership the pay scales are aligned to the National Joint Council (NJC), Joint Negotiating Committee for Chief Offices (JNC) and the Association of Local Authority Chief Executives and Senior Managers (ALACE) for the purposes of pay awards, which are negotiated on a nationally level.

The salaries and any other applicable payments are shared with Rochford District Council. Other conditions of service for these posts are determined by the National Joint Council (NJC) and local collective agreements.

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, (£28,524) is 1:5.3
- The ratio of the Chief Executive (top earner) salary to the lowest salary, (£21,894) 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 Finalising 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.

BRENTWOOD BOROUGH COUNCIL PAY SCALES

1 April 2023

Grade A

SCP	Annual Salary	Monthly Salary	Hourly Rate
8	19,917	1,660	10.32
9	20,840	1,737	10.80
10	21,533	1,794	11.16
11	21,894	1,824	11.35

Grade B

SCP	Annual Salary	Monthly Salary	Hourly Rate
11	21,894	1,824	11.35
12	22,254	1,854	11.53
13	22,727	1,894	11.78
14	23,072	1,923	11.96
15	23,475	1,956	12.17

Grade C

SCP	Annual Salary	Monthly Salary	Hourly Rate
15	23,475	1,956	12.17
16	23,936	1,995	12.41

17	24,418	2,035	12.66
18	24,835	2,069	12.87
19	25,609	2,134	13.27

Grade D

SCP	Annual Salary	Monthly Salary	Hourly Rate
19	25,609	2,134	13.27
20	26,404	2,200	13.69
21	27,225	2,269	14.11
22	27,834	2,319	14.43
23	28,524	2,377	14.78

Grade E

SCP	Annual Salary	Monthly Salary	Hourly Rate
23	28,524	2,377	14.78
24	29,319	2,443	15.20
25	30,123	2,510	15.61
26	30,962	2,580	16.05
27	31,857	2,655	16.51

Grade F

SCP	Annual Salary	Monthly Salary	Hourly Rate
28	32,772	2,731	16.99
29	33,894	2,824	17.57
30	34,882	2,907	18.08
31	35,860	2,988	18.59

32	36,796	3,066	19.07
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Grade G

SCP	Annual Salary	Monthly Salary	Hourly Rate
33	37,761	3,147	19.57
34	38,717	3,226	20.07
35	39,442	3,287	20.44
36	40,367	3,364	20.92
37	41,410	3,451	21.46

Grade H

SCP	Annual Salary	Monthly Salary	Hourly Rate
37	41,410	3,451	21.46
38	42,498	3,541	22.03
39	43,729	3,644	22.67
40	44,786	3,732	23.21
41	45,866	3,822	23.77

Grade I

SCP	Annual Salary	Monthly Salary	Hourly Rate
41	45,866	3,822	23.77
42	46,917	3,910	24.32
43	47,983	3,998	24.87
44	49,067	4,089	25.43
45	50,074	4,173	25.96

Grade J

SCP	Annual Salary	Monthly Salary	Hourly Rate
45	50,074	4,173	25.96
46	51,195	4,266	26.54
47	52,285	4,357	27.10
48	53,403	4,450	27.68
49	54,479	4,540	28.24

Grade ELT 1

SCP	Annual Salary	Monthly Salary	Hourly Rate
1	54,971	4,581	28.49
2	56,192	4,683	29.13
3	57,405	4,784	29.76
4	58,626	4,885	30.39
5	59,845	4,987	31.02

Grade ELT 2

SCP	Annual Salary	Monthly Salary	Hourly Rate
1	61,670	5,139	31.97
2	63,497	5,291	32.91
3	64,709	5,392	33.54
4	65,926	5,493	34.17
5	67,150	5,596	34.83

Director Grade

SCP	Annual Salary	Hourly Rate
1	84,790	43.95
2	89,970	46.63
3	95,140	49.32

Strategic Director Grade

SCP	Annual Salary	Hourly Rate
1	105,490	54.68
2	110,670	57.36
3	115,840	60.05

Chief Executive Grade

SCP	Annual Salary	Hourly Rate
1	146,890	76.14
2	157,240	81.51
3	167,590	86.87

BRENTWOOD BOROUGH COUNCIL and ROCHFORD DISTRICT COUNCIL

One Team Pay Scales

1 April 2023

Band 1

SCP	Annual Salary	Hourly Rate
1	<i>Deleted wef 01 Apr 2023</i>	
2	22,366	11.59

Band 2

SCP	Annual Salary	Hourly Rate
3	22,737	11.79
4	23,114	11.98
5	23,500	12.18

Band 3

SCP	Annual Salary	Hourly Rate
6	23,893	12.38
7	24,294	12.59
8	24,702	12.80

Band 4

SCP	Annual Salary	Hourly Rate
9	25,119	13.02
10	25,545	13.24
11	25,979	13.47
12	26,421	13.69

13	26,873	13.93
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Band 5

SCP	Annual Salary	Hourly Rate
14	27,334	14.17
15	27,803	14.41
16	28,282	14.66
17	28,770	14.91
18	29,269	15.17

Band 6

SCP	Annual Salary	Hourly Rate
19	29,777	15.43
20	30,296	15.70
21	30,825	15.98
22	31,364	16.26
23	32,076	16.63

Band 7

SCP	Annual Salary	Hourly Rate
24	33,024	17.12
25	33,945	17.59
26	34,834	18.06
27	35,745	18.53
28	36,648	19.00

Band 8

SCP	Annual Salary	Hourly Rate
29	37,336	19.35
30	38,223	19.81
31	39,186	20.31
32	40,221	20.85
33	41,418	21.47

Band 9

SCP	Annual Salary	Hourly Rate
34	42,403	21.98
35	43,421	22.51
36	44,428	23.03
37	45,441	23.55
38	46,464	24.08

Band 10

SCP	Annual Salary	Hourly Rate
39	47,420	24.58
40	48,474	25.13
41	49,498	25.66
42	50,512	26.18
43	51,515	26.70

SM1

SCP	Annual Salary	Hourly Rate
1	53,940	27.96
2	59,134	30.65

3	63,289	32.80
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SM2

SCP	Annual Salary	Hourly Rate
1	64,328	33.34
2	69,522	36.03
3	73,677	38.19

Director Grade

SCP	Annual Salary	Hourly Rate
1	84,790	43.95
2	89,970	46.63
3	95,140	49.32

Strategic Director Grade

SCP	Annual Salary	Hourly Rate
1	105,490	54.68
2	110,670	57.36
3	115,840	60.05

Chief Executive Grade

SCP	Annual Salary	Hourly Rate
1	146,890	76.14
2	157,240	81.51
3	167,590	86.87



**BRENTWOOD
BOROUGH COUNCIL**

Council Tax Resolution
2024/25

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 2024/25 has been calculated as 34,141.10 (2023/24 33,870.80).

These Council Tax requirements for 2024/25 for all precepting authorities are outlined below

Table 1 - Council Tax Requirements

Authority	2023/24 £	2024/25 £
Brentwood Borough Council	6,929,288	7,193,530
Essex County Council	49,118,418	51,980,849
Police, Fire and Crime Commissioner for Essex	7,907,477	8,413,050
Essex PFCC Fire and Rescue Authority	2,719,148	2,820,738
Parishes	680,966	709,688
Total	67,355,297	71,117,855

The combined Band D Council Tax for 2023/24 compared with last year is show below.

Table 2 - Combined Band D Council Tax

Authorities	2023/24 £	2024/25 £
Brentwood Borough Council	204.58	210.70
Essex County Council	1,450.17	1,522.53
Police, Fire and Crime Commissioner for Essex	233.46	246.42
Essex PFCC Fire and Rescue Authority	80.28	82.62
Sub-Total	1,968.49	2,062.27
Parish Councils (Average)	73.74	78.82
Total	2,042.23	2,141.09

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

Council Tax 2024/25

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 2024/25 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) regulations 2012:

1a) 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)	34,141.1
1b) 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:	
Blackmore	1,516.80
Doddinghurst	1,203.00
Herongate and Ingrave	1,048.00
Ingatestone and Fryerning	2,423.30
Kelvedon Hatch	1,069.80
Mountnessing	584.10
Navestock	249.60
Stondon Massey	337.10
West Horndon	688.10

Council Tax Calculations

That the following amounts be now calculated by the Council for the year 2024/25 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 2024/25 (excluding Parish precepts) to be calculated as £7,193,529.77

That the following amounts to be calculated for the year 2024/25 in accordance with Sections 32 to 36 of the Act

2a) 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	£44,353,800
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2b) being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act.	£36,450,582
2c) The Council's Council Tax Requirement for the year, being the amount which the aggregate of (2a) above exceeds the aggregate at (2b) above (Section 31A (4) of the Act)	7,903,218

Calculation of the Basic Amount of Council Tax

3a) being the amount at (2c) above divided by the amount at 1a) 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).	231.49
3b) being the aggregate of the following special items (Parish precepts) referred to in Section 35(1) of the Act:	709,688
Blackmore	104,962
Doddinghurst	80,400
Herongate and Ingrave	68,000
Ingatestone and Fryerning	197,248
Kelvedon Hatch	94,369
Mountnessing	69,405
Navestock	22,000
Stondon Massey	39,304
West Horndon	34,000

3c) being the amount at (3a) above less the result given by dividing the amount at (3b) above by the amount at (1a) 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	210.70
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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 3 – Band D Council Tax for Parishes.

	(1) Council Band D Council Tax £	(2) Parish Band D Council Tax £	(3) Total Band D Council Tax £
Blackmore	210.70	69.20	279.90
Doddinghurst	210.70	66.83	277.53
Herongate and Ingrave	210.70	64.89	275.59
Ingatestone Fryerning	210.70	81.40	292.10
Kelvedon Hatch	210.70	88.21	298.91
Mountnessing	210.70	118.82	329.52
Navestock	210.70	88.14	298.84
Stondon Massey	210.70	116.59	327.29
West Horndon	210.70	49.41	260.11

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 4 – 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	140.47	163.88	187.29	210.7	257.52	304.34	351.17	421.4
Blackmore	256.83	264.52	272.21	279.90	295.28	310.66	326.03	349.10
Doddinghurst	255.26	262.68	270.11	277.53	292.38	307.24	322.09	344.37
Herongate	253.96	261.17	268.38	275.59	290.00	304.42	318.84	340.47
Ingatestone & Fryerning	264.96	274.01	283.05	292.10	310.18	328.27	346.36	373.49
Kelvedon Hatch	269.51	279.31	289.11	298.91	318.51	338.12	357.72	387.12
Mountnessing	289.92	303.12	316.32	329.52	355.93	382.33	408.74	448.35
Navestock	269.46	279.25	289.05	298.84	318.43	338.01	357.60	386.98

Stondon Massey	288.43	301.38	314.34	327.29	353.20	379.11	405.02	443.89
West Horndon	243.64	249.13	254.62	260.11	271.09	282.07	293.05	309.52

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 5 – 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	1,015.02	1,184.19	1,353.36	1,522.53	1,860.87	2,199.21	2,537.55	3,045.06
Police, Fire & Crime Commissioner for Essex	164.28	191.66	219.04	246.42	301.18	355.94	410.70	492.84
Essex Police Fire & Crime Commissioner Fire and Rescue Authority	55.08	64.26	73.44	82.62	100.98	119.34	137.70	165.24

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 2024/25 for each category of dwellings as follows:

Table 6 – Total Council Tax Demand

	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Brentwood Borough Council Only	1,374.85	1,603.99	1,833.13	2,062.27	2,520.55	2,978.83	3,437.12	4,124.54
Blackmore	1,420.98	1,657.81	1,894.64	2,131.47	2,605.13	3,078.79	3,552.45	4,262.94
Doddinghurst	1,419.40	1,655.97	1,892.53	2,129.10	2,602.23	3,075.36	3,548.50	4,258.20
Herongate	1,418.11	1,654.46	1,890.81	2,127.16	2,599.86	3,072.56	3,545.27	4,254.32
Ingatestone & Fryerning	1,429.12	1,667.30	1,905.49	2,143.67	2,620.04	3,096.41	3,572.79	4,287.34
Kelvedon Hatch	1,433.66	1,672.60	1,911.54	2,150.48	2,628.36	3,106.24	3,584.14	4,300.96
Mountnessing	1,454.06	1,696.41	1,938.75	2,181.09	2,665.77	3,150.46	3,635.15	4,362.19
Navestock	1,433.61	1,672.54	1,911.48	2,150.41	2,628.28	3,106.14	3,584.02	4,300.82
Stondon Massey	1,452.58	1,694.67	1,936.77	2,178.86	2,663.04	3,147.24	3,631.44	4,357.72
West Horndon	1,407.79	1,642.42	1,877.05	2,111.68	2,580.94	3,050.20	3,519.47	4,223.36

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Section 151 Officer's Assurance Statement

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. Local risks specific to Business Rates 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.

c) Delivery of savings

The forecast for 2023/24 is for a small underspend. Bearing in mind the cost of inflation during the year, it demonstrates the strength of financial management that has enabled action to be taken to contain the unexpected in-year pressures. The budget for 2024/25 is balanced. Many local authorities are facing similar challenges to Brentwood, with the need to draw upon reserves over the MTFs to accommodate cost pressures, particularly inflation.

Reserves are not projected to be drawn upon until 2026/27. New savings initiatives are scheduled to become effective in 2025/26 but existing efficiency initiatives will need to be delivered as programmed for 2024/25. There is strong assurance that next year's budget can be delivered.

d) Council tax and Business Rates

The tax base projections will in part be driven by predictions of housing targets as set out in the Local Plan. 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, not least the economic conditions and the escalating cost of living. Close monitoring is required to ensure that assumed income is realised. Brentwood remains outside of the Essex Pool.

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.

It is not possible to borrow for yield, so unless regeneration opportunities are discovered and acquired within the Borough no further investment will take place, beyond what is in the capital programme. This is a risk in respect of further diversification of the income stream.

f) Macro-economic factors

Inflation represents the primary risk, along with interest rates. Whilst both inflation and interest rates are forecast to go down over time, there will be a medium-term financial and service risk to the Council. For inflation, this will manifest as higher costs to Council direct spending on staff, supplies and services, as well as contracts held with third parties. Added to this is the likely additional demand on Council services during a recession, as well as the potential to impact on Council income. The main risk of higher interest rates is that some of the Council's capital spending plans may have to be deferred or cancelled if rates are so high as to make business cases unattractive, or to expose the Council to undue risk.

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.

i) Treasury strategy

The overall level of Council borrowing is relatively high and projected to increase, which increases the risk of raised interest rates. The Council has ongoing use of expert advisers; and most Council debt will be (and should be) at fixed, long term rates. This helps manage the risk. However, in future, careful consideration will be given to any further borrowing beyond that already assumed in the treasury strategy. Indeed, there are plans to reduce planned borrowing over the medium term, through a combination of reductions in the capital programme and capital receipts.

k) Treatment of demand-led pressures

Certain budgets are particularly susceptible to demand-led pressures. These include Benefits and Homelessness. The level of budgeted income for Council services, particularly planning, land charges, and building control is also subject to changes in customer preference and demand. While every effort is made as part of the budget setting process to identify current trends, review historic patterns and assess the likelihood of change, such budgets will always have inherent risk. This risk is particularly heightened in the current economic climate.

The Council has a range of mechanisms in place to respond to changes in expenditure/ income patterns including the option to review service levels, virements from other budget heads and the use of contingency and/or reserves.

I) Value Added Tax (VAT)

VAT is a complex issue for Local Authorities and active management of VAT is essential both to avoid significant unexpected costs and also to ensure that the Council is able to take advantage of opportunities to recover VAT previously paid when possible. The major VAT risk is that the Council exceeds its partial exemption threshold. If this is exceeded it would mean that a substantial payment, estimated to be in excess of £500,000, 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. Potential changes to the NHB scheme, the Fair Funding Review, business rates reset and the risk of appeals in the business rates system exacerbate uncertainty and risk. The table below sets out the arrangements in place to mitigate such risks.

Risk	Mitigation
Government Grant Support	Forecast assumes prudent resources additional to those currently being received.
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 some significant capital and revenue investment projects. These projects, combined with 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 have been re-aligned to reflect the anticipated outturn position for 2023/24 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 is allocated for specific purposes and therefore not generally usable.

11. It is anticipated that some 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 Council's 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 2023/24. £2 million represents approximately 20% of the total spending requirement and approximately 5% of the Council's gross expenditure.

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 corporate 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 Finance, Assets, Investment and Recovery Committee and by the corporate 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.

CIPFA Financial Resilience Index

17. 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.

Conclusion

18. 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 2024/25.

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**ORDINARY COUNCIL
28th FEBRUARY 2024**

REPORT TITLE:	Treasury Management Strategy 2024/25
REPORT OF:	Tim Willis, Interim Director (Resources) & Section 151 Officer

Summary

This report and appendices set out all the relevant information in support of the Council's Treasury management strategy for 2024/25

Recommendation(s)

Members are asked to:

R1. Approve the council's Treasury management strategy for 2024/25

Main Report

Introduction and Background

1. This document has been prepared in accordance with the 2021 CIPFA Prudential Code, which requires a capital strategy to be approved at a meeting of the Council ahead of the 2024/25 financial year.
2. The Treasury management 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. The Authority is required to operate a balanced revenue budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Authority's low risk appetite, providing adequate liquidity initially before considering investment return.
4. Capital programme for 2023/24

Table 1: Capital programme for 2023/24

	2023/24 Budget £'000	2023/24 Forecast £'000	2023/24 Variance £'000
<u>Protecting Our Environment</u>			
Vehicle Fleet Management	1388	1,378	(10)
Open Spaces Infrastructure	100	100	0
Low Emissions Infrastructure	138	138	0
Total Protecting Our Environment	1,626	1,616	(10)
<u>Developing Our Communities</u>			
Play Area Refurbishments	100	0	(100)
Brentwood Leisure centre	1000	1,000	0
Football Hub Development	2817	5	(2,812)
Retrofit - GF	250	250	0
Total Developing Our Communities	4,167	1,255	(2,912)
<u>Improving Housing</u>			
Home Repair Assistance Grant	5	5	0
Disabled Facilities Grant	250	250	0
HRA Decent Home Programme	6007	10,000	3,993
Strategic Housing Delivery Programme	16000	1,250	(14,750)
HSG Capital Grants Expenditure (LAHF Grant)	0	1,337	1,337
Total Improving Housing	22,262	12,842	(9,420)
<u>Delivering an Effective and Efficient Council</u>			
Asset Management Strategy	100	100	0
Asset Compliance	250	250	0
E-Financial	51	51	0
ICT Strategy	100	100	0
ICT Hardware	125	125	0
Software Infrastructure	50	50	0
Total Delivering an Effective and Efficient Council	676	676	0
<u>Growing our Economy</u>			
Car Park Improvements	100	100	0
Regeneration Fund	20000	0	(20,000)
Baytree Centre	4988	800	(4,188)
Childerditch	4521	250	(4,271)
Total Growing our Economy	29,609	1,150	(28,459)
Total Capital Programme	58,340	17,539	(40,801)

Table 2: Financing of 2023/24 Capital programme

Financing of Capital expenditure	2023/24 Budget £'000	2023/24 Forecast £'000	2023/24 Variance £'000
Total General Capital Programme	36,333	4,952	(31,381)
Total HRA Capital Programme	22,007	12,587	(9,420)
Total Capital Programme	58,340	17,539	(40,801)
Funded By:			
General Fund Capital Receipts	(200)	(200)	0
Government Grants	(250)	(250)	0
Borrowing	(35,883)	(4,502)	31,381
Total General Fund Capital Funding	(36,333)	(4,952)	31,381
HRA Capital Receipts	(500)	(500)	0
HRA Grant Funding	(1,000)	(1,000)	0
Major Repairs Reserve	(2,941)	(2,941)	0
HRA Borrowing	(17,566)	(8,146)	9,420
Total HRA Capital Funding	(22,007)	(12,587)	9,420
Total Capital Funding	(58,340)	(17,539)	40,801

5. Capital programme for full MTFS

6. The table below details the capital programme budget for 2024/25 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 (including proposed slippage from table 3) is set to deliver against each Corporate Strategy theme.

Table 3: Capital 2024/25 and forecasts for 2025/26, 2026/27 2027/28 & 2028/29

	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
<u>Protecting Our Environment</u>					
Vehicle Fleet Management	860	500	500	500	500
Open Spaces Infrastructure	50	50	50	50	50
Total Protecting Our Environment	910	550	550	550	550
<u>Improving Housing</u>					
Home Repair Assistance Grant	5	5	5	5	5
Disabled Facilities Grant	250	250	250	250	250
HRA Decent Home Programme	8,000	8,000	5,000	5,000	4,000
Strategic Housing Delivery Programme	18,050	30,740	14,320	2,020	
HSG Capital Grants Expenditure (LAHF Grant)	0	0	0	0	0
Total Improving Housing	26,305	38,995	19,575	7,275	4,255
<u>Delivering an Effective and Efficient Council</u>					
Asset Management Strategy	100	100	100	100	100
Asset Compliance	100	250	250	250	250
E-Financial	0	0	0	100	0
ICT Strategy	100	100	100	100	100
ICT Hardware	125	125	125	125	125
Software Infrastructure	50	50	50	50	50
Total Delivering an Effective and Efficient Council	475	625	625	725	625
<u>Growing our Economy</u>					
Car Park Improvements	50	250	50	50	50
Regeneration Fund	0	0	0	0	0
Baytree Centre	5,000	8,473	7,625	0	0
Childerditch	2,500	1,770	0	0	0
Total Growing our Economy	7,550	10,493	7,675	50	50
GF capital expenditure reductions	0	0	-4,000	0	0
<u>Total Capital Programme</u>	<u>35,240</u>	<u>50,663</u>	<u>24,425</u>	<u>8,600</u>	<u>5,480</u>

Table 4 Capital financing

Financing of Capital expenditure	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
Total General Capital Programme	9,190	11,923	5,105	1,580	1,480
Total HRA Capital Programme	26,050	38,740	19,320	7,020	4,000
Total Capital Programme	35,240	50,663	24,425	8,600	5,480
Funded By:					
General Fund Capital Receipts	(200)	(200)	(200)	(200)	(200)
Government Grants	(250)	(250)	(250)	(250)	(250)
Borrowing	(8,740)	(11,473)	(4,655)	0	(1,030)
Capital receipts				(4,000)	0
Total General Fund Capital Funding	(9,190)	(11,923)	(5,105)	(4,450)	(1,480)
HRA Capital Receipts	(1,000)	(1,000)	(1,000)	(4,079)	(2,000)
HRA Grant Funding	(2,000)	(6,050)	(6,050)	(1,000)	(1,000)
Major Repairs Reserve	(2,941)	(2,941)	(2,941)	(1,941)	(1,000)
HRA Borrowing	(20,109)	(28,749)	(9,329)	0	0
Total HRA Capital Funding	(26,050)	(38,740)	(19,320)	(7,020)	(4,000)
Total Capital Funding	(35,240)	(50,663)	(24,425)	(11,470)	(5,480)

7. 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).
8. 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 2023/24 to 2025/26, along with the 2022/23 actuals and 2023/24 forecast outturn.

	2022/23 Actual £000	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
General Fund	2,842	4,952	9,190	11,923	9,105
HRA	11,601	12,587	26,050	38,740	19,320
Total	14,443	17,539	35,240	50,663	28,425

9. 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.

	2022/23 Actual £000	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
Capital Financing Requirement					
General Fund	185,312	188,425	195,124	204,369	206,660
HRA	66,382	74,573	94,682	123,431	132,760
Total CFR	251,694	262,998	289,806	327,800	339,420

Movement represented by:					
Net financing need for the year		12,681	28,849	40,222	13,984
Debt Repayment Provision		(1,378)	(2,041)	(2,228)	(2,364)
Movement in CFR		11,303	26,808	37,994	11,620

10. The intended borrowing strategy for 2024/25 and subsequent years is to adopt a flexible approach. Capital schemes that incur expenditure related to long-term investment will generally be funded from long-term borrowing. However, there may be instances where capital schemes will be funded through short-term borrowing while they in progress, and to replace this with long borrowing once the schemes are complete. 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.

	31 March 2023 £000	31 March 2024 £000	31 March 2025 £000	31 March 2026 £000	31 March 2027 £'000
Borrowing					
- PWLB	192,019	192,019	192,019	241,019	251,019
- Market Lender	0	25,000	45,000	45,000	45,000
- Other Local Authorities	34,000	25,000	11,500	11,500	12,000
- Transferred Debt	172	0	0	0	0
Total Borrowing	226,191	242,019	267,519	297,519	308,019
Investments	-7,000	-22,000	-2,000	-2,000	-2,000
Net Borrowing	219,191	220,019	265,519	295,519	306,019

11. The following table, provided by the Council's treasury advisors Link Group, shows bank rate and PWLB interest rate forecasts up to March 2026:

	NOW	Mar- 24	Jun- 24	Sep- 24	Dec- 24	Mar- 25	Jun- 25	Sep- 25	Dec- 25	Mar- 26
Bank Rate	5.25%	5.25%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	3.00%	3.00%
PWLB Rates										
- 5 years	4.18%	4.90%	4.80%	4.70%	4.40%	4.20%	4.00%	3.80%	3.70%	3.60%
- 10 years	4.31%	5.00%	4.80%	4.70%	4.40%	4.20%	4.00%	3.80%	3.70%	3.70%
- 25 years	4.85%	5.30%	5.10%	4.90%	4.70%	4.50%	4.30%	4.20%	4.10%	4.10%
- 50 years	4.59%	5.10%	4.90%	4.70%	4.50%	4.30%	4.10%	4.00%	3.90%	3.90%

Issue, Options and Analysis of Options

12. All the issues, options and analysis are detailed in Appendix A

Reasons for Recommendation

13. Effective financial management underpins all the priorities for the Council and will enable the Council to operate within a sustainable budget environment.

14. The Council is required to approve the Treasury management strategy in accordance with the 2021 CIPFA prudential code

Consultation

15. The Council undertook a Consultation on the budget during 2023. Further information is set out in Appendix A.

References to Corporate Strategy

16. The Treasury management strategy is linked to achieving the current priorities in the Corporate Strategy.

Implications

17. The financial implications are set out within the report and the Appendix accompanying the report.

Legal Implications

18. 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 treasury management strategy.

Economic Implications

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Background Papers

19. Budget 2024/25 and Medium Term Financial Strategy 2024-29

Appendices to this report

Appendix A: Treasury management strategy



**BRENTWOOD
BOROUGH COUNCIL**

Brentwood Borough Council
Treasury Management
Strategy
2024/25

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Introduction

1. This document has been prepared in accordance with the 2021 CIPFA Prudential Code, which requires a capital strategy to be approved at a meeting of the Council ahead of the 2024/25 financial year.
2. The Treasury management 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 after a soft introduction of the Codes, local authorities are expected to fully implement the required reporting changes within their Treasury Management Strategy and their Annual Investment Strategy from 2023/24.

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
- Service delivery – these investments are covered from page 26
- Commercial return – these investments are also covered from page 26

Background

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

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

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

7. CIPFA defines treasury management as:

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

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

Capital Expenditure

9. 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.

10. 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.

11. The capital programme is the Council's 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 programme could be service and commercial investments.

Treasury Management

12. 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.

13. 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.

14. 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.

15. 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.

16. 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

17. 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.

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

19. 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.

20. 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.

Reporting Requirements – Capital Strategy

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

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

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

Reporting Requirements – Treasury Management Strategy

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

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

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

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

Scrutiny

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

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

The Capital Programme Budget Setting Process

27. 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 to discuss budgets and potential growth bids with the Budget Manager.

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

28. 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

29. 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 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

30. 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.

31. 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.

32. 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.

33. 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.

34. 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

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

36. 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.

37. 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 Officer will take an overall view on the prudence, affordability and sustainability of the overall borrowing level if all bids are accepted.

38. Once the Section 151 Officer 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

39. 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 programme.
- 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 programme is reviewed at mid-year.
- The Council is mindful of the current programme and the capacity available to deliver new projects and the relevant financing of the new bids.

40. 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

41. Large schemes are reported to individual committees before final submission is made to Finance, Assets, Investments and Recovery Committee (FAIR). The Business Plan of these schemes are reported to members before they approve and allow the drawdown of budgets for the scheme in question.

42. Bids that are successful are then incorporated into the Capital Programme as part of the Budget Report, that is presented to FAIR Committee who refer the programme to Ordinary Council for approval.

43. 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 Officer who will decide based on current financial position whether to borrowing internally or enter into external borrowing.

44. 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.

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

Monitoring the Capital Programme

46. Once the detailed programme 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 managers 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 FAIR Committee.

Housing Revenue Account (HRA) Capital Programme

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.

49. 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.

50. 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 Programme. 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 Programme

51. The following paragraphs describe the resources that the Council can use to fund its capital expenditure and investment programme.

Capital Receipts

52. 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.

53. 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

54. When the Council adopts land for open space or a 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

55. 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

56. 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

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

Prudential/Unsupported Borrowing

58. 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.

59. 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 must see this as their key priority and to be factored into the Medium-Term Financial Strategy accordingly.

60. 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.

61. 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.

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

Leasing

63. 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.

64. 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

65. 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.

66. 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 FAIR 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.

Capital Programme 2023/24

67. The table below highlights the current forecast for 2023/24 Capital Projects and the proposed slippage to be agreed as part of 2023/24 outturn report, that will be submitted to FAIR in June 2024.

68. 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 2023/24 – Estimated Outturn

	2023/24 Budget £'000	2023/24 Forecast £'000	2023/24 Variance £'000
<u>Protecting Our Environment</u>			
Vehicle Fleet Management	1388	1,378	(10)
Open Spaces Infrastructure	100	100	0
Low Emissions Infrastructure	138	138	0
Total Protecting Our Environment	1,626	1,616	(10)
<u>Developing Our Communities</u>			
Play Area Refurbishments	100	0	(100)
Brentwood Leisure centre	1000	1,000	0
Football Hub Development	2817	5	(2,812)
Retrofit - GF	250	250	0
Total Developing Our Communities	4,167	1,255	(2,912)
<u>Improving Housing</u>			
Home Repair Assistance Grant	5	5	0
Disabled Facilities Grant	250	250	0
HRA Decent Home Programme	6007	10,000	3,993
Strategic Housing Delivery Programme	16000	1,250	(14,750)
HSG Capital Grants Expenditure (LAHF Grant)	0	1,337	1,337
Total Improving Housing	22,262	12,842	(9,420)
<u>Delivering an Effective and Efficient Council</u>			
Asset Management Strategy	100	100	0
Asset Compliance	250	250	0
E-Financial	51	51	0
ICT Strategy	100	100	0
ICT Hardware	125	125	0
Software Infrastructure	50	50	0
Total Delivering an Effective and Efficient Council	676	676	0
<u>Growing our Economy</u>			
Car Park Improvements	100	100	0
Regeneration Fund	20000	0	(20,000)
Baytree Centre	4988	800	(4,188)
Childerditch	4521	250	(4,271)
Total Growing our Economy	29,609	1,150	(28,459)
Total Capital Programme	58,340	17,539	(40,801)

Table 2 - Funding the 2023/24 Capital Programme

The following table identifies how the 2023/24 Capital Programme will be funded.

Financing of Capital expenditure	2023/24 Budget £'000	2023/24 Forecast £'000	2023/24 Variance £'000
Total General Capital Programme	36,333	4,952	(31,381)
Total HRA Capital Programme	22,007	12,587	(9,420)
Total Capital Programme	58,340	17,539	(40,801)
Funded By:			
General Fund Capital Receipts	(200)	(200)	0
Government Grants	(250)	(250)	0
Borrowing	(35,883)	(4,502)	31,381
Total General Fund Capital Funding	(36,333)	(4,952)	31,381
HRA Capital Receipts	(500)	(500)	0
HRA Grant Funding	(1,000)	(1,000)	0
Major Repairs Reserve	(2,941)	(2,941)	0
HRA Borrowing	(17,566)	(8,146)	9,420
Total HRA Capital Funding	(22,007)	(12,587)	9,420
Total Capital Funding	(58,340)	(17,539)	40,801

Slippage Proposals

69. 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 committed. Proposed Slippage from 2023/24 is as follows:

Table 3 – Potential Capital Slippage

Capital Scheme	Amount £'000
Football Hub Development	2,812
Strategic Housing Delivery Programme	14,750

Baytree centre	4,188
Childerditch	4,271
Total Slippage Proposals	28,021
Funded By:	
Borrowing	(28,021)
Total Funding	(28,021)

These will be finalised and approved as part of 2023/24 outturn, which will be reported to FAIR. To avoid overstating the capital programme slippage could be spread out over the MTFS if it is not achievable to be delivered in the following year.

Capital Programme 2024/25

70. The table below details the capital programme budget for 2024/25 and the forecast for the next four years. Each scheme is aligned with the Corporate Strategy and the proposed budget (including proposed slippage from table 3) is set to deliver against each Corporate Strategy theme.

Table 4 - Capital Programme 2024/25 and forecasts for 2025/26, 2026/27 2027/28 & 2028/29

	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
<u>Protecting Our Environment</u>					
Vehicle Fleet Management	860	500	500	500	500
Open Spaces Infrastructure	50	50	50	50	50
Total Protecting Our Environment	910	550	550	550	550
<u>Improving Housing</u>					
Home Repair Assistance Grant	5	5	5	5	5
Disabled Facilities Grant	250	250	250	250	250
HRA Decent Home Programme	8,000	8,000	5,000	5,000	4,000
Strategic Housing Delivery Programme	18,050	30,740	14,320	2,020	
HSG Capital Grants Expenditure (LAHF Grant)	0	0	0	0	0
Total Improving Housing	26,305	38,995	19,575	7,275	4,255
<u>Delivering an Effective and Efficient Council</u>					
Asset Management Strategy	100	100	100	100	100
Asset Compliance	100	250	250	250	250
E-Financial	0	0	0	100	0
ICT Strategy	100	100	100	100	100
ICT Hardware	125	125	125	125	125
Software Infrastructure	50	50	50	50	50
Total Delivering an Effective and Efficient Council	475	625	625	725	625
<u>Growing our Economy</u>					
Car Park Improvements	50	250	50	50	50
Regeneration Fund	0	0	0	0	0
Baytree Centre	5,000	8,473	7,625	0	0
Childerditch	2,500	1,770	0	0	0
Total Growing our Economy	7,550	10,493	7,675	50	50
GF capital expenditure reductions	0	0	-4,000	0	0
<u>Total Capital Programme</u>	<u>35,240</u>	<u>50,663</u>	<u>24,425</u>	<u>8,600</u>	<u>5,480</u>

Table 5 - Funding the Capital Programme

Financing of Capital expenditure	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
Total General Capital Programme	9,190	11,923	5,105	1,580	1,480
Total HRA Capital Programme	26,050	38,740	19,320	7,020	4,000
Total Capital Programme	53,240	50,663	24,425	8,600	5,480
Funded By:					
General Fund Capital Receipts	(200)	(200)	(200)	(200)	(200)
Government Grants	(250)	(250)	(250)	(250)	(250)
Borrowing	(8,740)	(11,473)	(4,655)	0	(1,030)
Capital receipts				(4,000)	0
Total General Fund Capital Funding	9,190	(11,923)	(5,105)	(4,450)	(1,480)
HRA Capital Receipts					
HRA Capital Receipts	(1,000)	(1,000)	(1,000)	(4,079)	(2,000)
HRA Grant Funding	(2,000)	(6,050)	(6,050)	(1,000)	(1,000)
Major Repairs Reserve	(2,941)	(2,941)	(2,941)	(1,941)	(1,000)
HRA Borrowing	(20,109)	(28,749)	(9,329)	0	0
Total HRA Capital Funding	(26,050)	(38,740)	(19,320)	(7,020)	(4,000)
Total Capital Funding					
Total Capital Funding	(35,240)	(50,663)	(24,425)	(11,470)	(5,480)

Capital Schemes 2024/25

71. A high-level summary is provided for each capital scheme that has been budgeted for in 2024/25 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.

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.

E-Financial, to upgrade the current finance systems to the latest version.

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

ICT Hardware rolling programme 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.

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

Growing our Economy

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

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

Childerditch To prepare site for depot relocation in the future and to create self-storage in the short term to generate revenue income.

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 Council's 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.

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 compliance 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 principle 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 2024/25 to 2028/29 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	2024/25 £'000	2025/26 £'000	2026/27 £'000
Service Delivery Investments			
- Childerditch Industrial Park, Baytree Centre & Academy Place	89,120	89,120	89,120
Commercial Investments			
- loans to subsidiary	60,000	60,000	60,000
- Town Hall - residential flats and commercial suites	7,562	7,562	7,562
- Neighbourhood shops	3,256	3,256	3,256
Total Investment Exposure	159,938	159,938	159,938

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

Investments funded by borrowing	2024/25 £'000	2025/26 £'000	2026/27 £'000
Service Investments			
- Childerditch Industrial Park, Baytree Centre & Academy Place	89,120	89,120	89,120
Commercial investments			
- loans to subsidiary	60,000	60,000	60,000
- Town Hall - residential flats and commercial suites	6,245	6,245	6,245
- neighbourhood shops	3,256	3,256	3,256
Total Investments funded by borrowing	158,621	158,621	158,621

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	2024/25	2025/26	2026/27
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 from investments to Net Revenue Stream	2024/25	2025/26	2026/27
Service delivery investments - strategic acquisitions	43%	42%	42%
Commercial investments - loans to subsidiary	22%	22%	21%
Commercial investments - Town Hall flats & comm suites	5%	5%	5%
Commercial investments - neighbourhood shops	2%	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 from investments to Total Gross Income	2024/25	2025/26	2026/27
Service delivery investments - strategic acquisitions	14%	14%	14%
Commercial investments - loans to subsidiary	7%	7%	7%
Commercial investments - Town Hall flat & comm suites	1%	1%	1%
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 from the investments to Net Revenue Stream is as follows:

Ratio of net income from investments to Net Revenue Stream	2024/25	2025/26	2026/27
Service delivery investments - strategic acquisitions	20%	19%	19%
Commercial investments - loans to subsidiary	11%	11%	11%
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. FAIR is the nominated committee to represent the Council as shareholder. All purchase decisions under the strategy are subject to the approval of the Directors. FAIR 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 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 sets out a strategy for 2024/25.

Training

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

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

114. The training needs of members will be reviewed during 2024/25 and training will be arranged as required.

Treasury management consultants

115. 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.

Current Treasury management portfolio

The overall treasury management portfolio as at 31.3.23 and for the position as at 02.01.24 are shown below for both borrowing and investments.

TREASURY PORTFOLIO				
	actual	actual	current	current
	31.3.23	31.3.23	02.01.24	02.01.24
Treasury investments	£0	%	£0	%
Banks	2,000,000	29%	13,000,000	57%
Building societies - unrated	0	0%	0	0%
Building societies - rated	0	0%	0	0%
Local authorities	0	0%	7,000,000	30%
DMADF (H.M.Treasury)	5,000,000	71%	3,000,000	13%
Money Market Funds	0	0%	0	0%
Certificates of Deposit	0	0%	0	0%
Total managed in house	7,000,000	100%	23,000,000	100%
Bond Funds	0	0%	0	
Property Funds	0	0%	0	
Total managed externally	0	0%	0	0
Total treasury investments	7,000,000		23,000,000	
Treasury external borrowing				
Local Authorities	34,000,000	15%	22,000,000	9%
PWLB	192,019,000	85%	192,019,000	80%
Market Loans	0	0%	25,000,000	10%
LOBOs	0	0%	0	0%
Total external borrowing	226,019,000	100%	239,019,000	100%
Net treasury investments / (borrowing)	(219,019,000)		(216,019,000)	

Capital Expenditure and Financing

116. 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 2023/24 to 2025/26, along with the 2022/23 actuals and 2023/24 forecast outturn.

	2022/23 Actual £000	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/267 Estimate £000
General Fund	2,842	4,947	9,190	11,923	9,105
HRA	11,601	12,587	26,050	38,740	19,320
Total	14,443	17,534	35,240	50,663	28,425

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

	2022/23 Actual £000	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/267 Estimate £000
Capital receipts	(1,793)	(500)	(1,200)	(1,200)	(5,200)
Capital grants & contributions	(360)	(992)	(2,250)	(6,300)	(6,300)
Revenue contributions	0	0	0	0	0
Major repairs reserve	(7,991)	(3,361)	(2,941)	(2,941)	(2,941)
Borrowing	(4,299)	(12,681)	(28,849)	(40,222)	(13,984)
Total	(14,443)	(17,534)	(35,240)	(50,663)	(28,425)

Capital Financing Requirement

117. 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

	2022/23 Actual £000	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/267 Estimate £000
Capital Financing Requirement					
General Fund	185,312	188,425	195,124	204,369	206,660
HRA	66,382	74,573	94,682	123,431	132,760
Total CFR	251,694	262,998	289,806	327,800	339,420

Movement represented by:					
Net financing need for the year		12,681	28,849	40,222	13,984

Debt Repayment Provision		(1,378)	(2,041)	(2,228)	(2,364)
Movement in CFR		11,303	26,808	37,994	11,620

Gross Borrowing and the Capital Financing Requirement

118. 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 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes. The 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.

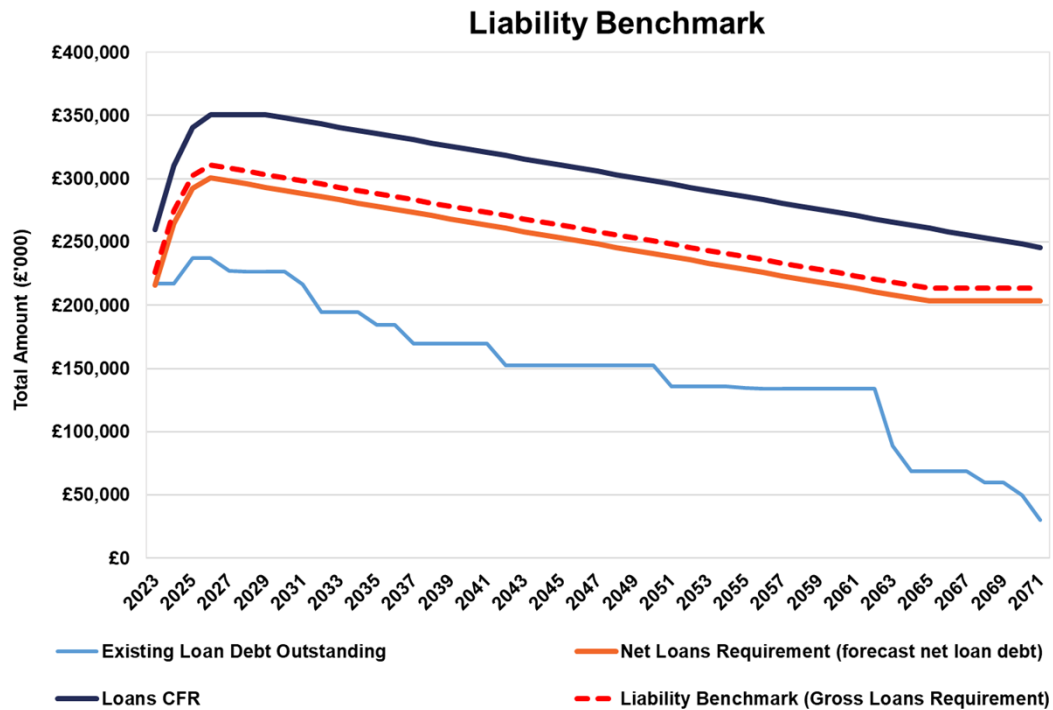
	2022/23 Actual	2023/24 Forecast	2024/25 Estimate	2025/26 Estimate	2026/267 Estimate
	£000	£000	£000	£000	£000
Total external borrowing	226,197	217,019	267,519	297,519	308,019
Capital financing requirement	251,694	262,998	289,806	327,800	339,420
Under borrowing	(25,497)	(45,979)	(22,287)	(30,281)	(31,401)

Liability Benchmark

119. A new prudential indicator was introduced in 2023/24. It has four components:

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

120. The Council's Liability Benchmark is as follows:



121. The highlight from the above table is the gap in future years between the Existing Loan Debt Outstanding and the Liability Benchmark (the gross loans requirement). This highlights the additional borrowing that the Council plans to take over the next few years in order to fund its ambitious capital programme.

Borrowing Strategy

122. The intended borrowing strategy for 2024/25 and subsequent years is to adopt a flexible approach. Capital schemes that incur expenditure related to long-term investment will generally be funded from long-term borrowing. However, there may be instances where capital schemes will be funded through short-term borrowing while they are in progress, and to replace this with long borrowing once the schemes are complete. 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.

123. During 2021 the Council 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.

124. The Council does 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

125. 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'

126. 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.

127. 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

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

	31 March 2023 £000	31 March 2024 £000	31 March 2025 £000	31 March 2026 £000	31 March 2027 £'000
Borrowing					
- PWLB	192,019	192,019	192,019	241,019	251,019
- Market Lender	0	25,000	45,000	45,000	45,000
- Other Local Authorities	34,000	25,000	11,500	11,500	12,000
- Transferred Debt	172	0	0	0	0
Total Borrowing	226,191	242,019	267,519	297,519	308,019
Investments	-7,000	-22,000	-2,000	-2,000	-2,000
Net Borrowing	219,191	220,019	265,519	295,519	306,019

Interest rate forecasts

129. The following table, provided by the Council's treasury advisors Link Group, shows bank rate and PWLB interest rate forecasts up to March 2026:

	NOW	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Bank Rate	5.25%	5.25%	5.25%	5.00%	4.50%	4.00%	3.50%	3.00%	3.00%	3.00%
PWLB Rates										
- 5 years	4.18%	4.90%	4.80%	4.70%	4.40%	4.20%	4.00%	3.80%	3.70%	3.60%
- 10 years	4.31%	5.00%	4.80%	4.70%	4.40%	4.20%	4.00%	3.80%	3.70%	3.70%
- 25 years	4.85%	5.30%	5.10%	4.90%	4.70%	4.50%	4.30%	4.20%	4.10%	4.10%
- 50 years	4.59%	5.10%	4.90%	4.70%	4.50%	4.30%	4.10%	4.00%	3.90%	3.90%

130. The table shows:

- Bank Rate standing at 5.25% and that is expected to be the peak before gradually reducing over the next couple of years and stabilising at 3%
- PWLB rates are due to rise in March 24 and then gradually reduce over the next two years. The short part of the curve has not moved far but the longer-end continues to reflect inflation concerns. At the time of writing there is 60 basis points difference between the 5 and 50 year parts of the curve

Debt Limits

131. 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

132. 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.

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Limit	260,000	281,000	290,842	329,906	343,921
Total	260,000	281,000	290,842	329,906	343,921

Authorised Limit For External Debt

133. 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.

	2022/23	2023/24	2024/25	2025/26	2026/27
Borrowing	290,000	311,000	322,842	361,906	370,921
Other long term liabilities	3,000	3,000	3,000	3,000	3,000
Total	293,000	314,000	325,842	364,906	373,921

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

Ratio of Financing Costs to Net Revenue Stream

135. 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.

	2022/23	2023/24	2024/25	2025/26	2026/27
Financing costs	4,229	5,637	5,984	6,424	6,907
Net revenue stream	10,000	10,308	10,817	10,997	11,183

Ratio	42.3%	54.7%	55.3%	58.4%	61.8%
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136. It should be noted that much of the General Fund financing costs are associated with service delivery assets and loans to the Council’s subsidiary company.

137. 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	2025/26	2026/27
Financing costs	1,425	2,808	3,155	3,568	4,024
Net revenue stream	10,000	10,308	10,817	10,997	11,183
Ratio	14.3%	27.2%	29.2%	32.4%	36%

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

	2022/23	2023/24	2024/25	2025/26	2026/27
Financing costs	1,874	2,335	2,481	4,053	4,053
Net revenue stream	13,603	14,447	15,432	15,739	16,052
Ratio	13.8%	16.2%	16.1%	25.8%	25.2%

Debt Rescheduling

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

140. Rescheduling of current borrowing in our debt portfolio is unlikely to occur during 2024/25 as there is still a very large difference between premature redemption rates and new borrowing rates.

141. If any rescheduling is undertaken in 2024/25, 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

142. This indicator is intended to set upper limits to the Council’s exposure to the effects of changes in interest rates in 2024/25 and for the following two financial years.

143. 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

144. 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.

145. 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 2022/23 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

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

Treasury Investment Strategy

146. 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.

147. The categories of service delivery and commercial investments are dealt with on page 26.

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 2021
- CIPFA Treasury Management Guidance Notes 2021

148. 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.

149. 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

150. 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

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

152. 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 2024/25, 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

153. 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 2024/25 are as follows:

Agency	Short term	Long term
Fitch	F1	A-
Moody	P-1	A3
S&P	A1	A-

154. 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

155. 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

156. 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)

157. 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

158. In 2022/23, the country limits were expanded to include the non-UK banks that are accessible via the Agency Treasury Service provided by Link Group. This approach has served the Council well during the year and it is proposed that the same country limits are applied in 2023/24. The banks accessible via the Link Agency Treasury Service are considered to be secure potential counterparties that add diversity to the Council’s investment portfolio. At the time of writing this strategy, the banks were:

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

159. 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).

160. With regard to money market funds, the Council will invest in funds that are domiciled in the UK and the Republic of Ireland.

Investment instruments and limits

161. 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

162. 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 will aim to keep balances of no more than £2m on its current accounts.

Ultra-Short/Short-Dated Bond Funds

163. 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

164. 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

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

166. 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.

167. 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

168. The Council will ensure that all of its borrowing and investment activity during 2024/25 is prudent and in accordance with the above examples.

169. 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.

170. The Council will comply with the above requirements during 2024/25.

Minimum Revenue Provision

171. 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.

172. The Council is recommended to approve this policy for 2024/25. The policy is as follows:

Debt Liability pre 1 April 2008

173. 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

174. 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.

175. 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.

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

177. 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 in respect of loans to third parties

178. Where the principal element of the loan is being repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

179. Where no principal repayment is made in a given year, MRP will be charged at a rate in line with the life of the assets funded by the loan.

Prudential and Treasury Indicators

180. The following paragraphs give more detail regarding the indicators described above.

Indicators for Prudence

Estimates of capital expenditure

181. 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

182. 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

183. 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:

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

Operational boundary

185. 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:

186. 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

187. 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.

188. 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

189. 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.

190. 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

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

Maturity structure of borrowing

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

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

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

Liability Benchmark

194. A new indicator required under the revised Codes is the Liability Benchmark. This is a series of inter-related measures that have been brought together to show how the council is intending to manage its debt position over the MTFS period.

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

	2022/23 Actual £'000	2023/24 Forecast £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Estimates of Capital Expenditure					
General Fund	2,842	4,947	9,190	11,923	9,105
HRA	11,601	12,587	26,050	38,740	19,320
Total	14,443	17,534	35,240	50,663	28,425

Estimates of Capital Financing Requirement					
General Fund	185,312	188,425	195,124	204,369	206,660
HRA	66,382	74,573	94,682	123,431	132,760
Total	251,694	262,998	289,806	327,800	339,420

External Debt					
Authorised Limit	3,000	3,000	325,842	364,906	373,921
Operational Boundary	260,000	281,000	290,842	329,906	343,921

Gross Debt and Capital Financing Requirement					
Estimated Gross Debt	226,197	217,019	267,519	297,519	308,019
Capital Financing Requirement	251,694	262,998	289,806	327,800	339,420
CFR + Following 2 Years Increases	289,806	327,800	339,420	339,420	339,420

Ratio of Financing Cost to Net Revenue Stream					
General Fund	35%	42%	55%	55%	58%
HRA	14%	14%	16%	16%	26%

Interest Exposures	
Fixed rate	100%
Variable rate	n/a

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

	2024/25	2025/26	2026/27
Principal sums invested > 364 days	£5m	£5m	£5m

Proposed Treasury Management Strategy for 2024/25

195. Taking account of the above position, the Section 151 Officer recommends the following strategy for 2024/25:

- 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.

196. 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 be made to the strategy.

197. 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.

198. Otherwise, the Section 151 Officer is free to work within the limits determined by the strategy without reference to Full Council, but will draw attention to any such variation in the quarterly in-year reports and annual outturn report on TM activity for the year.

Other considerations

199. 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.

200. 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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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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