



MEETING : JOINT MEETING OF SCRUTINY COMMITTEES
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 19 JANUARY 2016
TIME : 7.00 PM

MEMBERS OF CORPORATE BUSINESS SCRUTINY COMMITTEE

Councillors P Phillips (Chairman), M Allen, R Brunton, S Bull, J Cartwright, M Casey, R Henson, M Pope, M Stevenson and J Wyllie.

MEMBERSHIP OF COMMUNITY SCRUTINY COMMITTEE

Councillors Mrs D Hollebbon (Chairman), G Cutting, J Goodeve, R Henson, J Jones, D Oldridge, M Pope, C Snowdon, R Standley and K Warnell.

MEMBERSHIP OF ENVIRONMENT SCRUTINY COMMITTEE

Councillors J Wyllie (Chairman), P Ballam, K Brush, K Crofton, H Drake, M Freeman, B Harris-Quinney, T Page, P Phillips and S Reed.

MEMBERSHIP OF HEALTH AND WELLBEING SCRUTINY COMMITTEE

Councillors N Symonds (Chairman), D Abbott, A Alder, S Cousins, H Drake, Mrs D Hollebbon, J Kaye, M McMullen, P Moore and R Standley.

CONTACT OFFICER: PETER MANNINGS

01279 502174

peter.mannings@eastherts.gov.uk

DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:
 - fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
 - fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
 - participate in any discussion or vote on a matter in which a Member has a DPI;
 - knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

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Everyone is welcome to record meetings of the Council and its Committees using whatever, non-disruptive, methods you think are suitable, which may include social media of any kind, such as tweeting, blogging or Facebook. However, oral reporting or commentary is prohibited. If you have any questions about this please contact Democratic Services (members of the press should contact the Press Office). Please note that the Chairman of the meeting has the discretion to halt any recording for a number of reasons, including disruption caused by the filming or the nature of the business being conducted. Anyone filming a meeting should focus only on those actively participating and be sensitive to the rights of minors, vulnerable adults and those members of the public who have not consented to being filmed.

AGENDA:

1. Appointment of Chairman

2. Apologies

To receive apologies for absence.

3. Minutes – 10 February 2015

To confirm the Minutes of the meeting of the Committee held on Tuesday 10 February 2015 (Previously circulated as part of the Council Minute book for 18 February 2015).

4. Chairman's Announcements

5. Declarations of Interest

To receive any Members' declarations of interest and party whip arrangements.

6. Budget Report and MTFP 2016/17 – 2019/20 (Pages 5 – 110).

7. Treasury Management Strategy and Annual Investment Strategy 2016/17 (Pages 111 – 142).

8. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

EAST HERTS COUNCIL

JOINT MEETING OF SCRUTINY COMMITTEES – 19 JANUARY 2016

BUDGET REPORT AND MTFP 2016/17 – 2019/20

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

WARD (S) AFFECTED: All

Purpose/Summary of Report:

- This report sets out proposals for Council decisions on the following:
 - The 2015/16 revenue budget forecast outturn
 - The 2016/17 revenue budget
 - The 2016/17 Schedule of Charges
 - The 2015/16 (revised) to 2019/20 Capital Programme
 - The Medium Term Financial Plan 2016/17 – 2019/20
 - The Council's Reserves

<u>RECOMMENDATIONS FOR JOINT MEETING OF SCRUTINY COMMITTEES:</u> That, in relation to the following items:	
(A)	The 2015/16 Forecast Outturn set out in Section 4, including the proposed contributions to and from Reserves, paragraph 4.11;
(B)	The forecast 2015/16 revenue underspend transfer to the Transformation Reserve, paragraph 4.11;
(C)	The 2016/17 Revenue Budget, including:<ul style="list-style-type: none">• Budget Growth set out in Section 6, paragraph 6.2• Budget Savings set out in Section 6, paragraph 6.3• Contingency budget set in Section 8, paragraph 8.3• Use of Earmarked Reserves, section 9• Consideration of the advice from the Director of Finance and Support Services on the levels of reserves and robustness of the forecasts in setting the budget

	as required by Section 25 of the Local Government Act 2003 (section 15);
(D)	The proposed 2016/17 Schedule of Charges, as set out in section 7;
(E)	The East Herts Council element of the Council Tax Demand, paragraph 11.3;
(F)	The Capital Programme for the period 2015/16 (Revised) to 2019/20, the funding of the programme and the consequential revenue budget implications as set out in section 12;
(G)	The Medium Term Financial Plan covering 2015/16 (Revised) to 2019/20 as set out in section 13;
(H)	The Reserves Policy as set out in Section 14;
The Executive be advised that the Joint Meeting of Scrutiny Committees has considered items (A), (B), (C), (D), (E), (F), (G) and (H) and has no comments to make.	

1.0 BACKGROUND

1.1 This report sets out the revenue and capital budget proposals for Council to approve. This report is for the Joint Meeting of Scrutiny Committees to consider and suggest amendments prior to consideration by Executive and Council. In particular attention is drawn to section 6 and ERPs F and G which contain details of savings and growth proposals.

1.2 The council's revenue budget comprises five major 'building blocks' as follows:

- **Net Cost of Services:** These are the direct costs incurred by the council in delivering services through the three Directorates, less any specific income generated.

- **Corporate Budgets:** These are costs incurred and income received by the council that are not service specific, e.g. Pension Fund deficit contributions, interest income and payments. Also included in this heading are the Contingency and New Homes Bonus Priority Spend budgets which are not allocated to specific services at the beginning of the financial year.
- **Contributions to/from Reserves:** This represents funding within the revenue Budget from Earmarked Reserves, which have been allocated to fund specific purposes. The impact of the use of Reserves is a reduction in the total income demand on Council Taxpayers. Reserves are, however, a finite source of funding and their use should represent value for money.
- **Sources of Funding:** These income budgets are general and non-service specific income sources. They include funding from Central Government and Non-Domestic Rate income.
- **Council Tax:** This income is also a general and non-service specific source of income. Only once budgets have been prepared for the other 'building blocks' have been established can the amount required from Council Tax be calculated, known as the 'Demand on the Collection Fund'.

1.3 In setting the budget for 2016/17 and the MTFP for future years, consideration has been given to the high degree of uncertainty and therefore risk in determining Local Government funding levels. Whilst the national economy is forecast to continue growing over the period of the MTFP the Government continues to pursue reducing the national deficit through cuts to public sector expenditure.

1.4 The Chancellor of the Exchequer published the Spending Review 2015 and Autumn Statement on 25 November 2015 which set out the Government's spending plans for the period 2016/17 to 2019/20. As a result of lower than forecast debt interest payments and higher forecast tax receipts there is an improvement in the level of public finances overall. This has reduced the amount that the Government needs to find from public sector spending reductions. However, the Government has protected several departments from further spending reductions including defence, overseas aid, the NHS, schools, Police Forces and the arts in addition to increases in funding for Security and Intelligence Agencies.

1.5 Funding for the Department of Communities and Local Government (DCLG) will reduce by 53% over the period to 2019/20. When Non

Domestic Rates forecasts are included the funding reduction is reduced to 27.5%.

- 1.6 The Autumn Statement included several announcements that will have a significant impact on the future funding regime for Local Government. These included:
- A move to 100% retention of Non Domestic Rates (NDR) within Local Government by the end of this Parliament. This will include the ability to reduce NDR and for directly elected Mayors to increase NDR for specific infrastructure projects. The government may consider transferring responsibility for funding the administration of Housing Benefit for pensioners and Public Health funding to Local Government in exchange for 100% NDR retention. The government will consult shortly on this area including a possible change in the local share of NDR between county and district councils.
 - Reform to New Homes Bonus (NHB) funding allocations. Consultation is currently being received by DCLG on the specific details of these reforms from 2017/18. The preferred option outlined will be to allocate payments over a four-year rather than a six-year period, to only pay NHB if a Local Plan is in place, to reduce payments for new homes granted on appeal and the introduction of a baseline value.
- 1.7 The position of East Herts following the Autumn Statement is unclear as there is little detail on the NDR reforms. With regard to New Homes Bonus any reform from 2017/18 represents a change to a significant income source. The MTFP has been modelled on the preferred options outlined by DCLG but the outcome of the consultation may deviate from these assumptions. East Herts is well placed to face these pressures in comparison to other authorities however the importance of local taxes as a source of income will become increasingly important.
- 1.8 The Finance and Business Planning process undertaken over the past few months has constituted an important change to the process of preparing the budget and service plans within the council. This process has been designed to allow earlier engagement and a greater amount of consultation with Members on strategic proposals, aligning the budget and service plans to the delivery of outcomes over a four-year period. This process will be reviewed in early 2016 to prepare for the 2017/18 cycle.
- 1.9 This report has been prepared having particular regard to the

following reports:

- Calculation of the Council Tax Base; report to Council on 16 December 2015.
- Non Domestic Rates Calculation 2016/17; report to Council on 27 January 2016.
- Treasury Management Strategy and Annual Investment Strategy 2016/17; report to Audit Committee on 20 January 2016.

2.0 REPORT

2.1 The report contains the following sections and **Essential Reference Papers**:

REPORT SECTIONS:	
3	Summary of key budget proposals
4	2015/16 Revenue Budget: Forecast outturn: <ul style="list-style-type: none"> • Net Cost of Services • Corporate Budgets • Contributions to/from Reserves • Sources of Funding (incl. Council Tax) • Overall forecast outturn position
5	2016/17 Revenue Budget: Net Cost of Services
6	2016/17 Revenue Budget: Growth and Savings
7	2016/17 Revenue Budget: Schedule of Charges
8	2016/17 Revenue Budget: Corporate Budgets
9	2016/17 Revenue Budget: Contributions to/from Reserves
10	2016/17 Revenue Budget: Sources of Funding
11	2016/17 Revenue Budget: Council Tax Demand
12	Capital Programme 2015/16 (revised) to 2019/20
13	Medium Term Financial Plan
14	Review of the Council's Reserves
15	Advice from the Section 151 Officer

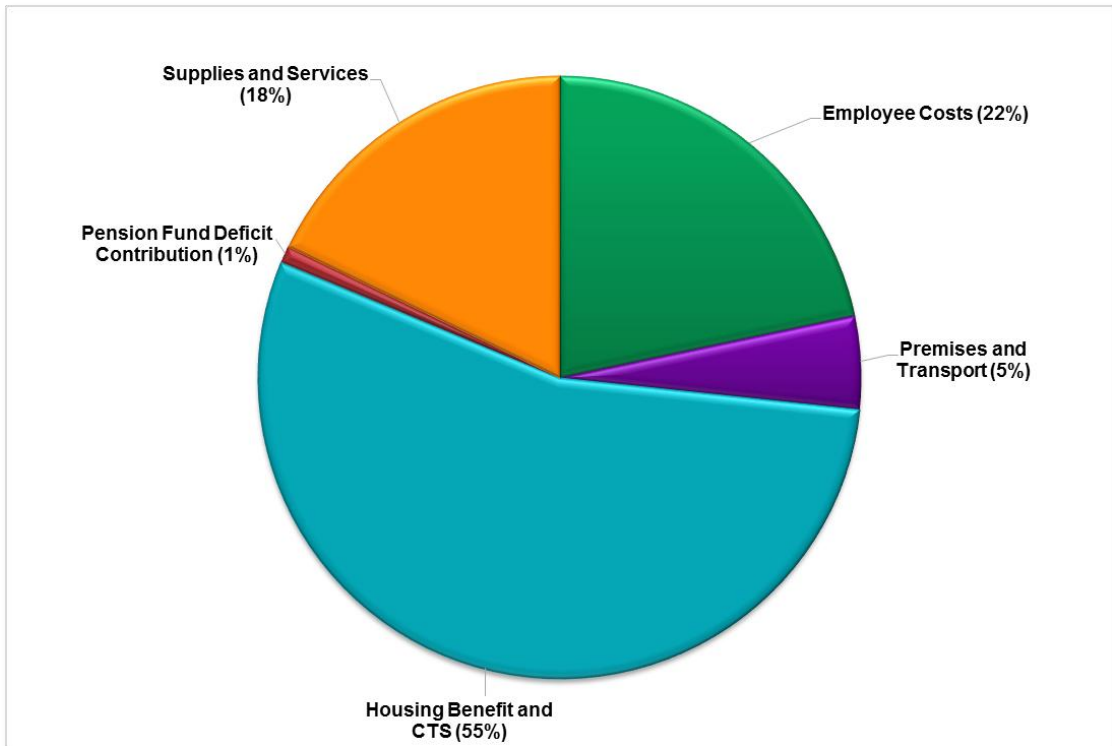
ESSENTIAL REFERENCE PAPERS:

A	Implications/Consultations
B	Medium Term Financial Plan
C	Key variances from the 2015/16 budget
D	Summary of forecast position (Net Cost of Services)
E	Pay and price assumptions in the MTFP
F	Revenue Budget Growth Proposals
G	Revenue Budget Savings Proposals
H	Schedule of Charges for 2016/17
I	Capital Programme 2015/16-2019/20
J	Capital Programme Funding Statement
K	The Council's Reserves Policy and forecast position
L	Stress Test: Financial Risks facing the Council
M	Budget Consultation with business
N	Glossary of financial terminology

3.0 SUMMARY OF KEY BUDGET PROPOSALS

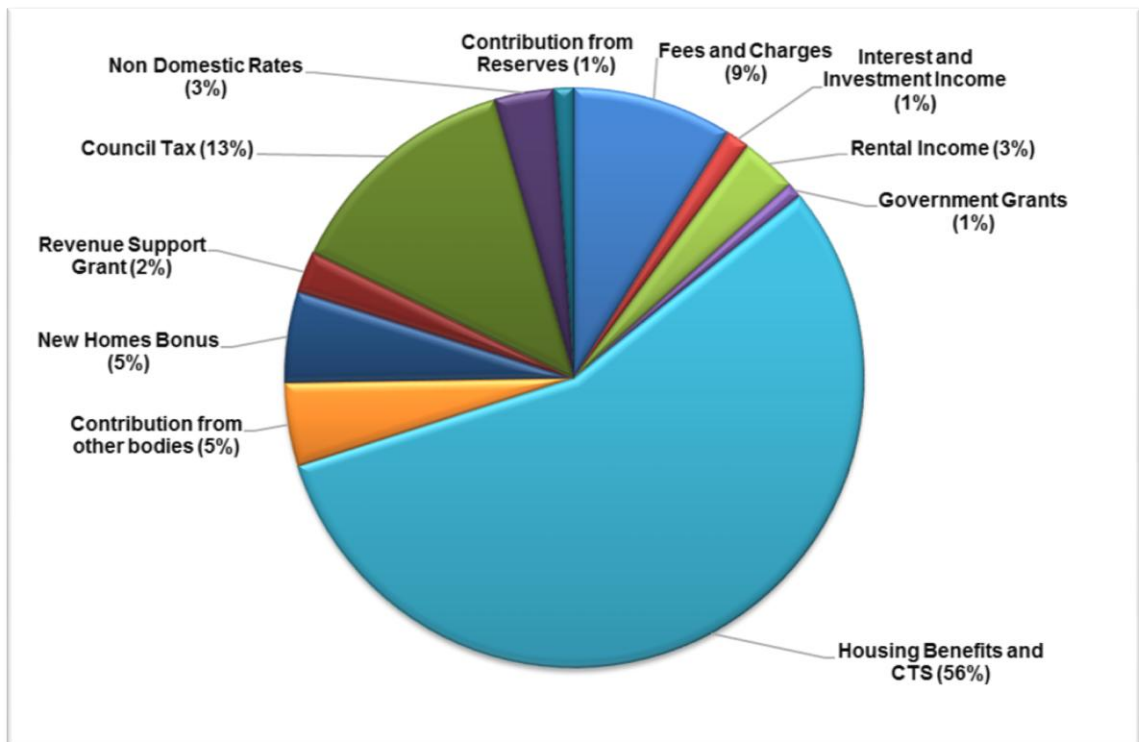
- 3.1 This budget report contains proposals for a gross revenue expenditure budget of £65.7m.
- 3.2 An analysis of the gross expenditure is shown below in Chart 1:

Chart 1: Gross Expenditure Budget 2016/17



3.3 An analysis of the funding for the revenue budget is shown below in Chart 2:

Chart 2: Funding sources for the Revenue Budget



3.4 The key themes of the budget for 2016/17 to 2019/20 found in this report can be summarised by the following statements:

- No proposed increase in the East Herts element of the Council Tax demand for 2016/17 with a 1% increase in Council Tax each year from 2017/18.
- Investment in some key services
- Continuing to protect vulnerable residents by maintaining the Council Tax Support scheme at the same level in 2016/17 as in 2015/16.
- Continued investment in capital schemes on a rolling basis in order to improve our assets and IT infrastructure reducing running costs in the long term.
- Consideration of the impact our fees and charges have on local taxpayers by minimising increases whilst at the same time ensuring our charging policies are adhered to.
- Ensuring that budget proposals are financially prudent, sensible and sustainable and represent value for money for local taxpayers.

4.0 2015/16 REVENUE BUDGET: FORECAST OUTTURN

- 4.1 **Net Cost of Services:** The forecast outturn (year-end) figures in this report have been prepared using information collated during the October Healthcheck budget monitoring process. The approach in presenting financial information within the Healthcheck report was changed during 2015/16. Heads of Service, in partnership with finance colleagues, have produced a forecast outturn each month, refining this forecast as the year has progressed. This has provided officers and Members with a clearer understanding of the financial position of the council throughout the year.
- 4.2 Overall the forecast outturn for the Net Cost of Services is lower than the original budget approved by Council on 18 February 2015 by £252k (1.7%) as seen in Table 1 below. This is primarily due to the acquisition of the Old River Lane site in Bishop's Stortford which resulted in the council receiving additional rental income which was not included in the original budget.

Table 1: 2015/16 Forecast outturn for Net Cost of Services

Revenue	ORIGINAL BUDGET £'000	FORECAST OUTTURN £'000	VARIANCE £'000
Customer and Community Services	6,574	6,487	(87)
Neighbourhood services	3,053	3,241	188
Finance and Support services	5,255	4,902	(353)
Net cost of Services	14,882	14,630	(252)

- 4.3 Other significant variances between the original budget and forecast outturn that have occurred so far during 2015/16 are listed in **Essential Reference Paper 'C'**. These variances have also been reported through the Healthcheck process.
- 4.4 The salaries budget of £12.5m is the largest budget heading within the Net Cost of Services. The forecast outturn position at the end of October 2015 was an overspend of £174k (1.4%).
- 4.5 Within this forecast amount £428k is funded from the contingency budget, Earmarked Reserves or government grants as shown in Table 2, of which £184k was included in the original budget.

Table 2: Salary costs funded outside the base budget

FUNDED FROM CONTINGENCY BUDGET:	£'000
Temporary post in HR and OD	10
Strategic Finance Project Accountant	16
Temporary post in Env Health	6
Temporary post in Licensing	2
SUBTOTAL:	34
FUNDED FROM TRANSFORMATION RESERVE:	£'000
Temporary post made permanent HR and OD	13
Temporary HR systems officer	7
Strategic Finance Project Accountant	16
Corporate Project Co-ordinator	34
2 x Graduate Trainees	62
Information Analyst temporary post	26
Leisure Development Manager (2 year fixed term)	48
SUBTOTAL:	206
PREVENTING REPOSSESSIONS RESERVE	£'000
Post in Housing Options	4
SUBTOTAL:	4
DISTRICT PLAN RESERVE	£'000
3 temporary posts to work on Local Plan	36
Overtime to work on Local Plan	8
SUBTOTAL:	44
FUNDED FROM NEW HOMES BONUS RESERVE:	£'000
Environmental Health Promotions Temporary post	18
Temporary additional hours in Housing	4
SUBTOTAL:	22
OTHER	£'000
Temporary post in Revs and Bens funded by DWP grant	52
Additional Consultancy Budget Development Management	9
Additional income in Development Management to fund temporary post	37
Extension in hours in Environmental Health	15
Temporary post in Engineering	4
SUBTOTAL:	117
TOTAL:	428

- 4.6 The Medium Term Financial Plan included an assumption of a 1% pay increase in 2015/16. National Joint Council agreed a 2.2% multi-year settlement in 2014/15 effective from 1 January 2015 until 31 March 2016. This pay award was included in 2015/16 salary budgets.
- 4.7 **Corporate Budgets:** The forecast outturn (year-end) figures in this report have been prepared using information collated during the October Healthcheck budget monitoring process in the same manner as for the Net Cost of Services.
- 4.8 Overall the forecast outturn for Corporate Budgets is lower than the original budget by £407k (54.3%) as seen in Table 3 below. This is largely due to the Contingency Budget remaining uncommitted.

Table 3: 2015/16 Forecast outturn for Corporate Budgets

	ORIGINAL BUDGET £'000	FORECAST OUTTURN £'000	VARIANCE £'000
Priority Spend Budget	150	150	-
Contingency Budget	370	41	(329)
Contributions to/(from) reserves	(1,269)	(1,347)	(78)
Total	(749)	(1,156)	(407)

- 4.9 The original Priority Spend budget for 2015/16 was £697k. As approved by Executive on 8th June 2015 £150k is allocated in 2015/16 with the remainder to be transferred to the New Homes Bonus Priority Fund Reserve. Future requests will be drawn down from the uncommitted balance of £547k as they are approved.
- 4.10 The Contingency budget of £370k allows for unforeseen events to be funded in-year. As at 31st October the £41k funded through the contingency budget all relates to items approved by CMT prior to 1st April 2015.
- 4.11 The use of Earmarked Reserves and the General Reserve are documented in Table 4 below:

Table 4: Net movements of Reserves in 2015/16

	Balance at 1/04/2015 £'000	Planned use 2015/16 £'000	Forecast balance at 31/03/2016 £'000
General Reserve	1,313	486	1,799
Interest Equalisation Reserve	1,503	(652)	851
Insurance Fund	1,010	126	1,136
Local Development Plan	519	(246)	273
Housing Condition Survey	93	4	97
Elections Reserve	78	(73)	5
Performance Reward Grant	22	(13)	8
Transformation Reserve	2,782	(480)	2,302
Preventing Repossessions	30	(4)	26
NHB Priority Fund Reserve	3,816	(281)	3,535
Collection Fund Reserve	1,551	(1,104)	447
DEFRA Flood Support for local businesses	93	(93)	-
Commercial Property Fund	500	(99)	401
Pension Fund additional contribution	1,000	(1,000)	-
Single Person Homelessness	12	(12)	-
TOTAL:	14,322	(3,441)	10,880

NB: Contribution/(Drawdown) from Reserves

- 4.12 **Funding Sources:** The forecast outturns for these budgets are included within the Medium Term Financial Plan shown in **Essential Reference Paper 'B'**.. The commentary that follows only considers those budgets that have changed during the financial year.
- 4.13 Council Tax Freeze Grant: This was a grant awarded by DCLG to mitigate the cost to local authorities that froze Council Tax in 2015/16. At the time of publishing the original budget this grant had not been confirmed so represents additional income of £114k.
- 4.14 Other small grants have been received from central government of £22k during the financial year and are to fund specific additional responsibilities.

- 4.15 **Overall forecast outturn position:** The council is forecast to underspend in 2015/16 by £659k. The main contributory factors are underspends against Net Cost of Service budgets of £252k and underspends against Corporate budgets totalling £407k.
- 4.16 It is recommended that the forecast underspend for 2015/16, plus any changes to this position at year-end, are transferred to the Transformation Reserve. The Transformation Reserve is earmarked to fund service improvement projects and transitional costs incurred in delivering long term savings.

5.0 2016/17 REVENUE BUDGET: NET COST OF SERVICES

- 5.1 The revenue budgets for 2016/17 have been prepared jointly by Heads of Service and budget holders in partnership with Strategic Finance.
- 5.2 As part of the Finance and Business Planning process Strategic Finance worked with budget holders to identify any areas of spend no longer required have been reduced appropriately. either as a result of on-going underspends, changes in service or changes in activity levels . This follows a similar “line-by-line review” approach taken in prior years.
- 5.3 Salary budgets are prepared on a zero-based approach, best described as starting from scratch. The budget for each employee has been adjusted to take into account a change in National Insurance contribution rates payable, a reduction in employee expenses as a result of the mileage rate being reduced and an assumed 1% pay increase (subject to national negotiation).
- 5.4 The 2016/17 budget for Net Cost of Services of £14.097m is shown in Table 5. This is a reduction compared to the 2015/16 original budget as at 31 October 2015 of £785k.

Table 5: 2016/17 Original Budget for Net Cost of Services

Revenue	2015/16 ORIGINAL BUDGET £'000	2015/16 FORECAST OUTTURN £'000	2016/17 ORIGINAL BUDGET £'000	VARIANCE 2016/17 TO 2015/16 £'000
Customer and Community Services	6,574	6,487	6,436	(138)
Neighbourhood services	3,053	3,241	3,133	80
Finance and Support services	5,255	4,902	4,528	(727)
Net cost of Services	14,882	14,630	14,097	(785)

- 5.5 Table 5 includes growth and savings that have previously been agreed for 2016/17 and expenditure proposed to be funded from Earmarked Reserves as set out in Section 9 of this report.
- 5.6 **Essential Reference Paper ‘D’** shows a breakdown of the 2016/17 Budget for each directorate on a service by service basis.
- 5.7 The budgets shown above do not include internal recharges of Divisional and Support Costs required by the CIPFA Service Reporting Code of Practice (SerCOP) nor do they include capital charges.
- 5.8 Internal recharges of central support services such as Human Resources, Strategic Finance and IT to the end users of the service are a reappportionment of costs which have a nil impact on the Net Cost of Services but allow the calculation of the total cost of provision of services including overhead costs.
- 5.9 Capital charges are notional charges for the use of capital assets which are required for the annual Statement of Accounts but which do not require a source of funding. These charges will be calculated and included in the budget book before the start of the 2016/17 financial year.
- 5.10 Key assumptions that have been included in the preparation of the 2016/17 Budget for Net Cost of Services are described in the following paragraphs:
- 5.11 Salary budgets: The total salary budget is £12.97m for 2016/17. The following assumptions and key movements have been incorporated into the figures:

- The employee expenses policy will change from 1 April 2016, subject to approval by HR Committee in January 2016. The revised policy will remove the essential lump payment of £1,239 per annum and reduce the mileage rate from 65p per mile to the HMRC rate of 45p per mile. This has resulted in a reduction in 2016/17 salary budgets of £74k.
- A 2% vacancy factor is included in salary budgets, with a value of £255k, to take into account savings made through vacant posts and staff turnover. This is consistent with the vacancy factor applied in 2015/16.
- National Insurance contribution rates are included at the flat rate of 13.8%.
- Employer's Pension Fund contributions are included at 16.6% of salary cost.
- Included in the total salary budget are posts funded through reserves totalling £363k reducing the net salary budget to £12.61m. The details of these posts are as follows:

	£'000
HR Systems Officer	39
Corporate Project Co-ordinator	32
Leisure Development Manager	42
Information Analyst (until Dec 2016)	18
Graduate Trainees x2 (until Sept 2016)	29
Housing Officer	7
Public Health Projects Officer	37
Environmental Health temporary post (until July 2016)	2
Planning Officer Posts x3 to work on Local Plan	103
Neighbourhood Planning Officer	28
Housing Options Officer (2016/17 only)	11
Salary Capitalisation	15
TOTAL:	363

- 5.12 Price inflation: The 2016/17 budgets have been prepared according to the inflation assumptions shown in **Essential Reference Paper 'E'**.
- 5.13 Customer and Community Services 2016/17 budgets incorporate adjustments as a result of the following events in 2015/16:
- The budget for Hertford Theatre has been adjusted to reflect the additional income, offset by some additional expenditure, which is anticipated to be generated as a result of the new Sunday opening and increased levels of business especially for the Pantomime, Cinema and Promotions. Overall the net cost of the Theatre has fallen by £101k.
 - The Car Park Pay and Display income budget reflects the loss of income from the sale of the lease for Bircherley Green car park in Hertford in 2015/16. However this is more than offset by additional Pay and Display income from other car parks, especially in Bishop's Stortford where the effect of the new parking policy introduced in August 2014 has not had the adverse effect anticipated. Overall Pay and Display income is budgeted to be £122k higher than 2015/16. Changes to Parking Charges will be presented to Members for approval in June 2016 rather than considered in this report.
 - The Car Park accounts also reflect the increased usage and agreed changes to the 'RingGo' pay by phone service the Council offers motorists. From 2016 'RingGo' will introduce a start/stop service whereby motorists can start a parking session using a mobile or other device, on arrival at the car park and end it on departure. This will result in an additional £27k cost to the Council.
- 5.14 Neighbourhood Services 2016/17 budgets incorporate adjustments as a result of the following events in 2015/16:
- The 2015/16 budget for Planning Application fees was increased in line with historic trends. Whilst the volume of planning applications received to 31st August is consistent with previous years the size of these are small in financial value. An under achievement in income of £189k is currently forecast.
 - The appeals expenditure budget in Development Management is expected to be £40k above budget. This is due to the use of consultants at Public Inquiry to present the Councils case and the instruction from the Executive for all major residential

schemes submitted from July onwards to be subject to rigorous financial assessment.

- A contribution towards Public Health promotions of £100k has been received from Hertfordshire County Council. As agreed at Council on 18 February 2015 match funding of £100k from East Herts will be used to support this project funded from the New Homes Bonus priority fund.

5.15 Finance and Support Services 2016/17 budgets incorporate adjustments as a result of the following events in 2015/16:

- The purchase of the Old River Lane site in Bishop's Stortford will lead to a net increase in revenue in 2015/16. This is currently forecast to result in additional net income of £427k this financial year.
- A collective action (APPS) was bought against the Council by Property Search Companies relating to a dispute on the terms by which the Council provided property search information. The settlement sum due to be paid is anticipated to be no greater than £188k. A Government Grant of £110k has been received to partially offset this. The balance of £78k will be funded through the General Reserve.

6.0 2016/17 REVENUE BUDGET: GROWTH AND SAVINGS

6.1 **Essential Reference Paper 'F'** shows the Revenue Budget Growth Proposals and **Essential Reference Paper 'G'** shows the Revenue Budget Savings Proposals for 2016/17. Growth and Savings proposals have been classified into new items for approval and items that have already been approved for inclusion in the 2016/17 Revenue Budget.

6.2 New Growth items: These items total £62k in 2016/17 and £13k in 2017/18, in addition to growth already agreed of £604k in 2016/17 and £26k in 2017/18. Full details of the proposals are shown in **Essential Reference Paper 'F'**.

6.3 New Savings items: These items total £1,425k in 2016/17 and represent savings and additional income. Full details of the proposals are shown in **Essential Reference Paper 'G'**.

7.0 2016/17 REVENUE BUDGET: SCHEDULE OF CHARGES

7.1 The proposed Schedule of Charges for 2016/17 is set out in **Essential Reference Paper 'H'**. Where available volume data has

been included in this year's Schedule of Charges, which provides a measure of the scale of charges levied.

- 7.2 The fees and charges budgets included in the 2015/16 Net Cost of Services totalled £1,809k. The fees and charges budgets proposed for 2016/17 total £1,813k, an increase of £4k. Table 6 shows the fees and charges budgets by service.

Table 6: Changes to fees and charges budgets 2016/17

	Fees and Charges Budget 2015/16 £'000	Impact of proposed changes £'000	Fees and Charges Budget 2016/17 £'000
Customer and Community			
Hertford Theatre	(134.0)	(15.5)	(149.5)
Residents Parking	(104.3)	-	(104.3)
Waste Collection	(736.8)	(38.2)	(775.0)
Pest Control	(39.0)	-	(39.0)
Markets	(119.0)	46.0	(73.0)
Neighbourhood Services			
Licences Environmental Health	(16.4)	-	(16.4)
Environmental Health Promotions	(3.5)	0.3	(3.2)
Hackney Carriage licences	(139.6)	-	(139.6)
Development and Building Control	(80.0)	-	(80.0)
Hostels	(120.0)	-	(120.0)
Bed and Breakfast	(7.2)	(2.8)	(10.0)
Finance and Support Services			
Land Charges	(272.5)	-	(272.5)
Legal Fees	(36.2)	6.2	(30.0)
TOTAL:	(1,808.5)	(4.0)	(1,812.5)

NB: Income budgets are shown as negative values in brackets

- 7.3 The MTFP assumes an annual increase of 2.5% across all fees and charges budgets. An increase of 2.5% would result in 2016/17 fees and charges budgets totalling £1,854k, an increase from 2015/16 of £45k. The proposed 2016/17 fees and charges budgets take into account the loss of income from Bishop's Stortford Market which has reduced income budgets by £46k. The net impact of other fees and charges adjustments has increased budgets by £50k in line with MTFP assumptions.
- 7.4 As part of the Finance and Business Planning process, Heads of Service and budget holders were asked to carefully assess their fees

and charges budgets, in particular to ensure that where the charging basis is 'cost recovery' that costs are actually recovered by the income received.

7.5 The impact of Council approving the proposed Schedule of Charges would result in a total fees and charges budget of £1,813k.

8.0 2016/17 REVENUE BUDGET: CORPORATE BUDGETS

8.1 New Homes Bonus Priority Spend Fund: Current Council policy is to allocate 25% of New Homes Bonus grant received to be used for in-year Member-led priority initiatives. The amount to be allocated in 2016/17 is anticipated to be £901k. This amount will be transferred to the New Homes Bonus Priority Fund Reserve and drawn down during the year as required.

8.2 New Homes Bonus grant payment to Parish and Town Councils: Current Council policy, as agreed in 2011/12, is to transfer 25% of the New Homes Bonus grant received to Parish and Town Councils to contribute to local projects and initiatives. The amount to be allocated in 2016/17 is £901k, an increase of £202k (29%) in comparison to 2015/16, following the NHB allocation received by East Herts in the Finance Settlement.

8.3 Contingency Budget: It is proposed that the contingency budget is set at £150k for 2016/17 and future years within the MTFP. Whilst this is a reduction of £220k (59%) in comparison to 2015/16, an amount closer to 1% of the Net Cost of Services is considered prudent.

8.4 Interest payments: There are fixed payments of £662k against two loans which have been included in the MTFP remaining unchanged from 2015/16. The loans total £7.7m of which £6m falls due in 2020 and therefore there will be no change to interest payments until 2020/21. The cost of repaying these loans early is prohibitive due to early redemption clauses however officer continue to review this position.

8.5 Interest Income: The 2016/17 interest income budget is £902k which is an increase from the 2015/16 budget of £867k, an increase of £35k (4%). The forecast outturn position for 2015/16 is £417k, a shortfall of £450k which is recommended to be funded from the Interest Equalisation Reserve. The shortfall is as a result of delays in placing investments of £20m in Property Fund Unit Trusts having been placed on waiting lists and in interest foregone in the £22m investment in the Old River Lane site in Bishop's Stortford which has

reduced cash balances. The Property Fund Unit Trust investments have now been placed and a more active approach is being taken to managing the council's cash balances leading to the 2016/17 budget being increased.

8.6 Annual Pension Fund Deficit Payment: This is the annual contribution the council pays to the Pension Fund. The Local Government Pension Fund (LGPS) undergoes a financial valuation every three years, carried out by the scheme actuary Hymans Robertson LLP. The triennial valuation is an assessment of the financial health of the Pension Fund and the results are used to determine the contributions the council will need to pay to the Fund in order that the deficit can be bridged over a 20 year period. The last valuation in 2013 resulted in an agreement that the council will pay a lump sum of £1m in 2013/14 and an additional £600k per annum until 2017/18 when the next valuation will take place. The MTFP includes a £600k Pension Fund Deficit Payment beyond 2017/18 in order to be prudent.

9.0 2016/17 REVENUE BUDGET: CONTRIBUTIONS TO/FROM RESERVES

9.1 **General Reserves:** The MTFP assumes that £300k will be transferred from the Interest Equalisation Reserve to the General Reserve in 2016/17. This is a reduction from £600k as interest rates were expected to begin to rise during 2015/16. As the expected rise in interest rates is delayed further this reduced transfer will continue to mitigate the risk of not achieving anticipated levels of interest income by retaining funds in the Interest Equalisation Reserve. The £300k transferred to the General Reserve will be used to increase the Collection Fund Reserve by £300k to fund the forecast deficit on the Collection Fund.

9.2 **Earmarked Reserves:** It is recommended that £2,139k of Earmarked Reserves shown in Table 7 below are used to fund the 2016/17 Revenue Budget.

Table 7: Proposed use of Earmarked Reserves in 2016/17

Earmarked Reserve	Amount to be used in 2016/17 £'000	Reason for the use of the Reserve
Interest Equalisation Reserve	(300)	To transfer to the Collection Fund Reserve
Local Development Plan	(191)	To pay for staffing and other costs of producing and consulting on the Local Plan.
Transformation Reserve	(423)	To fund items as agreed by CMT and Executive
DCLG Preventing Repossessions Reserve	(10)	To fund a temporary part-time post in the Housing Options Team
NHB Priority Fund Reserve	(265)	To fund items as agreed by CMT and Executive
Collection Fund Reserve	(917)	To fund the council's share of the 2015/16 Collection Fund deficit – see paragraph 10.5
Neighbourhood Planning Reserve	(28)	To fund planning work
TRO Consolidation	(5)	To fund the EHDC contribution to the biennial TRO consolidation exercise
Total:	(2,139)	

9.3 In addition, it is proposed to contribute £1,694k to the following Reserves as shown in Table 8.

Table 8: Proposed additions to Earmarked Reserves in 2016/17

Earmarked Reserve	Amount to add in 2016/17 £'000	Reason for the contribution to Reserve
Collection Fund Reserve	300	Transferred from the Interest Equalisation Reserve
Transformation Reserve	461	Provision for future Old River Lane development costs
Provision for future whole Council elections	28	To pay for the costs of whole Council and national elections in future years.
New Homes Bonus Priority Spend	901	Transfer 25% of NHB received in 2016/17
Housing Condition Survey Reserve	4	
Total:	1,694	

9.4 Further information on the Council's Reserves can be found in Section 14 of this report.

10.0 2016/17 REVENUE BUDGET: SOURCES OF FUNDING

10.1 The following paragraphs detail the sources of funding that the council expects to receive in 2016/17 along with details of the assumptions that have been made in calculating these budgets.

10.2 **Revenue Support Grant:** The Minister for Local Government announced the provisional settlement for local government finance in Parliament on 17 December 2015. This source of funding has significantly changed from previous assumptions. East Herts anticipated allocation in 2016/17 is £1.145m, a reduction of £912k (44%) on the funding received in 2015/16. Indicated allocations for future years were also provided as part of the settlement and these are also much lower than expected with the complete removal of RSG from 2018/19.

10.3 **Non Domestic Rate Income (NDR):** The income budget of £1.956m is based on the following assumptions:

- Growth in non-domestic properties: there is no growth in the number of non-domestic properties for next year as there isn't any readily available data to predict future business growth in the District with certainty

- Rate multiplier: Inflation on the Business Rate Multiplier for 2016/17 is assumed to be 0.8% (in line with September 2015 RPI)
- Appeals: The Council has a provision for successful appeals, given the Governments deadline of 31 March 2015 for backdated appeals this was substantially increased in 2014/15. Assuming this is accurate the impact on future years should be limited to the cost of new appeals in each year.
- The Autumn Statement confirmed that Small Business Rate Relief would be continued in 2016/17. The cost to the council of this relief is zero as there will be a compensating Section 31 grant.
- The Chancellor also announced in the Autumn Statement that the government will revise the NDR system to increase the percentage retained by local government from 50% to 100%. There is a great deal of uncertainty on the impact of this reform on East Herts and it is likely to coincide with reforms of other sources of funding including the removal of Revenue Support Grant and transferring additional responsibilities to local government. Further details are expected during 2016/17.

10.4 **Section 31 Grant:** The budget of £712k is based on the government's formula for calculating the grant owed to council's arising from their policy decisions on rate reliefs. The formula has been applied to our NDR projections. As described above there will be an increase in the grant received due to the continuation of Small Business Rate Relief with a corresponding reduction in NDR received.

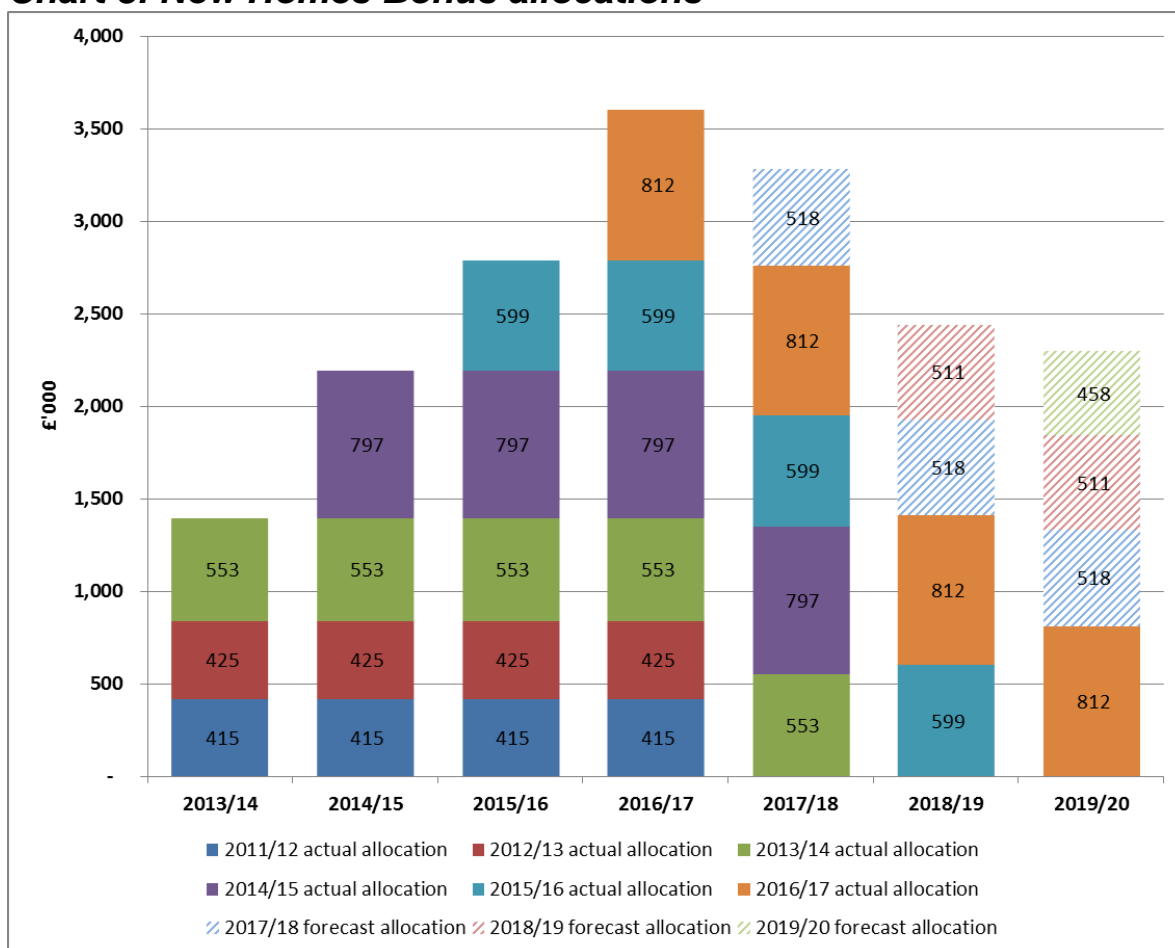
10.5 **Collection Fund:** There is an anticipated deficit of £917k on the Collection Fund as a result of the forecast deficit for 2015/16 on NDR and a surplus on Council Tax. This amount represents East Herts share of the deficit and it is recommended that the deficit is funded by the Collection Fund Reserve as shown in Table 7 above. Council will be asked to approve the Collection Fund deficit on 27 January 2016 as part of the Non Domestic Rates Calculation 2016/17 report.

10.6 **New Homes Bonus (NHB):** The Minister for Local Government is announced the provisional settlement for local government finance in Parliament on 17 December 2015. East Herts total provisional NHB allocation is £3.6m consisting allocations from several years as shown in Chart 3. There are expected to be significant alterations to this stream of funding from 2017/18 onwards. The Chancellor

announced in the Autumn Statement that the government will revise the NHB funding system to “sharpen the incentive” to build housing and to re-direct £800m towards funding social care. There is a DCLG consultation on reforms which include:

- Reducing the length of payments. This could be from 6 years to 4 years (with a transition period or a further reduction to 2 or 3 years)
- NHB payments only made if a Local Plan is in place
- A 50% reduction in NHB allocated to new homes granted on appeal
- the introduction of a baseline to future funding allocations.

Chart 3: New Homes Bonus allocations



11.0 2016/17 REVENUE BUDGET: COUNCIL TAX DEMAND

11.1 The formal resolution of the Council Tax for 2016/17 (including preceptor amounts), as required by the Local Government Finance Act 1992, will be considered by Council on 2 March 2016. This report only considers the East Herts share of the Council Tax demand.

- 11.2 The income we receive from Council Tax is the net figure after paying Council Tax subsidies. It has been assumed that the amounts paid out in subsidies in 2016/17 will not change from the current financial year as the volume of claims has levelled off and is not increasing.
- 11.3 It is recommended that no change is made to the East Herts element of the Council Tax demand for 2016/17 with Band D Council Tax set at £155.97. An increase of 1% in the Council Tax demand would raise an additional £90k in 2016/17 and £360k cumulatively over the period of the MTFP. Consequently, a decrease of 1% in the Council Tax demand would cost the Council £90k in 2016/17 and £360k cumulatively over the period of the MTFP.

12.0 CAPITAL PROGRAMME 2015/16 (REVISED) TO 2019/20

- 12.1 **Revised Capital Forecast for 2015/16:** The forecast outturn for the 2015/16 capital programme is £23.4m of which £20.5m relates to the purchase of the Old River Lane site in Bishop's Stortford. Excluding this transaction, the forecast outturn is £2.9m which is £0.2m above the original budget approved by Council on 18 Feb 2015.
- 12.2 Details on the movement of the Capital Programme are monitored and reported quarterly to Executive via the Healthcheck report. A summary of the movements in 2015/16 are shown in Table 9.

Table 9: Capital Programme movements in 2015/16

	£'000
Original budget	2,718
Addition of capital schemes slipped from 2014/15	1,052
Slippage of capital schemes from 2015/16 into future years	(833)
New schemes approved during the year included in the 2015/16 capital programme	19,666
Savings made in capital scheme budgets	(150)
Overspends currently forecast in capital schemes	962
Forecast outturn:	23,415

- 12.3 Slippage on significant capital projects during 2015/16 include:
- Disabled Facilities Grants: £204k (34%) will slip into 2016/17. Based on recent trends and current referral rates from Hertfordshire County Council, the number of residents seeking funding has been lower than expected. Officers are working with Hertfordshire County Council to improve referral rates.

- Castle Weir: £201k (100%) will slip into 2016/17. Plans for the Castle Weir Hydro Scheme have been submitted to the Environment Agency. Negotiations are taking place to schedule works in 2016/17.
- Community Capital Grants: £40k (27%) will slip into 2016/17. The take up of grants in the first part of 2015/16 has been lower than expected. Successful applicants are expected to complete works within 1 year which may be limited to 6 months for smaller projects.
- Historic Buildings Grants; £37k (53%) will slip into 2016/17. Claimants have 6 months from grant offer date to complete works. Grants are usually limited to £1k; however, if a grant is approved for a property on the Buildings at Risk Register the maximum payment is £10k. The take up of grants in the first part of 2015/16 has been lower than expected.

12.4 Included within the forecast capital scheme overspends are costs associated with the purchase of the Old River Lane site in Bishop's Stortford of £946k. These extraordinary costs will be funded as revenue contributions to capital (RCCO) from the Commercial Property Fund and the New Homes Bonus Priority Fund Reserve.

12.5 **New capital schemes seeking approval:** The full details of schemes seeking Council approval are found in **Essential Reference Paper 'I'**.

12.6 New capital schemes proposed are summarised in Table 10 below.

Table 10: Capital Programme proposed additions

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Customer and Community Services	410	-	-	95
Neighbourhood Services	-	-	-	-
Finance and Support Services	80	-	-	-
Total:	490	-	-	95

12.7 The new capital schemes proposed include:

- Investment in a new car park management system (2016/17: £340k).
- A device responsive website (2016/17: £20k).
- Refurbishment of the café/bar at Hertford Theatre (2016/17: £50k).
- Compliance works at swimming pools (2016/17: £80k).
- Open space improvements at the Wash, Hertford (2019/20: £50k), Folly View, Hertford (2019/20: £15k) and Cannons Mill Lane, Bishop's Stortford (2019/20: £30k).

12.8 The complete proposed capital programme can be found in **Essential Reference Paper 'I'** comprising new schemes outlined above and schemes already approved in previous years. Table 11 describes how the capital programme will be funded and further details can be found in **Essential Reference Paper 'J'**.

Table 11: Capital Programme funding 2015/16 to 2019/20

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Capital Programme	23,414	4,608	2,258	1,992	2,000
To be funded by:					
Capital Receipts	2,387	1,640	1,270	800	500
Government Grants	293	293	293	293	293
Third party grants, contributions and Section 106	238	14	360	-	-
Revenue contribution	980	25	25	25	25
Internal funding	19,516	2,636	310	874	1,182
External borrowing	-	-	-	-	-
TOTAL:	23,414	4,608	2,258	1,992	2,000

12.9 The funding by capital receipts is reliant on the sale of council property which are reviewed on a regular basis. There is a risk that the council may not achieve the estimated receipt from the sale or that the receipt is delayed. In such cases there would be additional internal funding of the capital programme.

12.10 The council currently funds a large proportion of the capital programme through internal funding, i.e. the use of cash balances. This funding approach reduces the amount of cash available to invest and therefore costs the council approximately £14k in reduced interest income for every £1m spent on the capital programme.

12.11 **Prudential Code Implications:** The council is required under the Local Government Act 2003 to 'have regard' to the requirements of the CIPFA Prudential Code which requires that certain performance indicators and limits known as Prudential Indicators are calculated. The Prudential Indicators must be approved by Council before the beginning of each financial year. Their purpose is to help the council ensure that its capital investment plans are affordable, prudent and sustainable.

12.12 It is recommended that the capital programme being proposed in this budget report is affordable, prudent and sustainable. No new

borrowing is required to fund the capital programme. The relevant Prudential Indicators show that the ratio of finance costs (borrowing) to the net revenue stream is low (4.32% to 4.81%) and the incremental impact of financing the new capital programme is an average of £12.02.

Table 12: Prudential Indicators 3 and 4 estimates

	2016/17	2017/18	2018/19	2019/20
Ratio of finance costs to net revenue stream	4.81%	4.68%	4.47%	4.32%
Incremental impact of financing decisions on Band D Council Tax	£12.36	£12.13	£11.85	£11.73

13.0 MEDIUM TERM FINANCIAL PLAN

- 13.1 The MTFP is found in **Essential Reference Paper ‘B’**. The MTFP position was last reported to Executive on 4 August 2015.
- 13.2 The MTFP model and assumptions are assessed and revised throughout the year with particular attention being paid to the announcements made in the Budget on 8 July 2015, the Autumn Statement on 25 November 2015 and the Local Government Settlement on 17 December 2015.
- 13.3 The Council Tax base has been monitored throughout the year. Any emerging increases or decreases in the tax base have been modelled and the resultant impact included within the MTFP.
- 13.4 The Finance and Business Planning process has identified future funding proposals and potential savings that could be developed in future years. An assessment of historic trend patterns has been undertaken in order to reduce future underspends and ensure that resources are directed to reflect the priorities of the Council. Any growth or savings proposals that result from this process must be contained within the resources available to the Council as set out in the MTFP.
- 13.5 The Investment Strategy has been revised to ensure that the return on investment achieved is optimised based on market expectations and performance whilst maintaining the required security and liquidity within the council’s investment portfolio. The MTFP has been updated to reflect the impact on the interest income received in particular with reference to the investment of £20m in Property Fund Unit Trusts and the use of cash balances to fund the purchase of Old

River Lane.

- 13.6 There are likely to be significant changes over the period of the MTFP to the funding sources of local government as a result of changes announced by the Chancellor in the Autumn Statement. The MTFP has been prepared based on the best information available at the time and subject to expert advice. Once the details of these changes are known the MTFP will be updated.

14.0 REVIEW OF THE COUNCIL'S RESERVES

- 14.1 Reserves are either usable or unusable. Unusable reserves arise from statutory accounting transactions and cannot be used to fund revenue or capital expenditure. This report only considers the Council's usable reserves. The Council's Reserves Policy is included in **Essential Reference Paper 'K'**.
- 14.2 A summary of Earmarked Reserve balances forecast for 2015/16 and over the course of the MTFP are included in **Essential Reference Paper 'K'**.

15.0 ADVICE FROM THE SECTION 151 OFFICER

- 15.1 Section 25 of the Local Government Act 2003 requires the Statutory Section 151 Officer (Director of Finance and Support Services) to give advice to Council on the levels of reserves held and the robustness of the budgets at the time Council makes its decision on the budget proposals.
- 15.2 It is the advice of the Director of Finance and Support Services that these budget proposals are prudent, sensible and robust. In determining the budget proposals:
- Funding sources have been extensively modelled
 - A zero-based salary budget has been produced
 - The Housing Benefits Subsidy budget has been reviewed; the council's largest area of expenditure and income
 - The MTFP model and assumptions have been considered and refreshed
 - The council's Earmarked and General Reserves have been reviewed
 - The revenue impact of the capital programme has been considered
 - The key financial risks facing the council have been identified and assessed
 - The budget proposals meet the requirements of the Local

- Government Finance Act 1997 for a balanced revenue position
- Proposals have been made in line with council policy to try and minimise the financial impact of budget proposals on East Herts residents by proposing no Council Tax increase in 2016/17 and an increase of 1% each year for the remainder of the MTFP period. In addition the Council Tax Support scheme remains unchanged and increases to fees and charges are minimal.

15.3 Throughout this report attention has been drawn to the uncertainty of the local government funding regime and the potential impact on East Herts. The assumptions made in the preparation of this report and the MTFP are based on the best information available at the time.

15.4 East Herts has a relatively healthy financial position compared to many other councils and the proposals in this report aim to maintain this position.

16.0 IMPLICATIONS/CONSULTATIONS

16.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None.

Contact Member:

Councillor Geoff Williamson – Executive Member for Finance and Support Services. geoffrey.williamson@eastherts.gov.uk

Contact Officer:

Adele Taylor – Director of Finance and Support Services
Extn: 1401. adele.taylor@eastherts.gov.uk

Report Author:

Philip Gregory – Head of Strategic Finance
Extn: 2050. philip.gregory@eastherts.gov.uk

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS:

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</p> <p>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p>Place – Safe and Clean</p> <p>This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p>Prosperity – Improving the economic and social opportunities available to our communities</p> <p>This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.</p>
<p>Consultation:</p>	<p>Discussions have taken place with Directors, Heads of Service and external partners to construct an accurate financial model.</p>
<p>Legal:</p>	<p>There are no legal implications.</p>
<p>Financial:</p>	<p>Financial implications are included in the body of the report.</p>
<p>Human Resource:</p>	<p>There are no Human Resources implications.</p>
<p>Risk Management:</p>	<p>The Budget report considers emerging risks to the funding the Council receives and sets out the mitigation of those risks.</p>
<p>Health and wellbeing – issues and impacts:</p>	<p>There no Health and Wellbeing issues raised as part of this report.</p>

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ESSENTIAL REFERENCE PAPER B

REVENUE BUDGET - MEDIUM TERM FINANCIAL PLAN

Summary Model - December 2015

2014/15 Outturn	2015/16	2015/16 Forecast Outturn	2016/17	2017/18	2018/19	2019/20
£'000	£'000	£'000	£'000	£'000	£'000	£'000

Customer and Community Services	6,162	6,401	6,562	6,436	6,628	6,882	7,150
Neighbourhood Services	3,294	3,171	3,346	3,133	3,213	3,321	3,422
Finance and Support Services	5,841	4,904	4,886	4,528	4,376	4,504	4,639
Net Cost of Services	15,297	14,476	14,794	14,097	14,217	14,707	15,211

Financial Planning							
Growth Items	-	654	-	41	55	54	54
Efficiency Savings - Existing plans	-	(107)	-	-	(145)	(145)	(145)
Efficiency savings - to be identified	-	-	-	-	(728)	(1,689)	(1,338)
Fees & Charges	-	-	-	-	(124)	(249)	(376)
Likely Future Changes	-	-	-	-	(119)	70	(183)

Corporate Budgets							
New Homes Bonus Priority Spend	-	357	660	901	820	665	679
NHB Grants to Town & Parish Councils	551	697	699	901	820	665	679
Council Tax Support Scheme	127	-	-	-	-	-	-
Contingency Budget	-	370	41	150	150	150	150
Interest Payments	694	662	662	662	662	662	662
Interest & Investment Income	(741)	(867)	(417)	(902)	(956)	(1,089)	(1,183)
RCCO	-	25	980	25	25	25	25
Pension Fund Deficit Contribution	(88)	600	1,600	600	600	600	600
Net Expenditure	15,841	16,868	19,019	16,474	15,278	14,427	14,835

Reserves							
Contributions to Earmarked Reserves	3,290	144	691	1,107	47	47	47
Contributions from Earmarked Reserves	(625)	(1,831)	(4,274)	(2,153)	(237)	(61)	(150)
Use of General Reserve	(149)	-	(119)	-	-	-	-
Net Expenditure after reserves	18,357	15,181	15,316	15,428	15,088	14,413	14,732

Funding							
Revenue Support Grant	(2,823)	(2,057)	(2,057)	(1,145)	(351)	-	-
Council Tax Freeze Grant	(94)	-	(114)	-	-	-	-
NDR	(2,864)	(1,717)	(1,717)	(1,956)	(1,975)	(1,886)	(1,948)
Section 31 Grants	(1,317)	(1,060)	(1,060)	(712)	(522)	(533)	(548)
(Surplus)/Deficit on Collection Fund	(307)	1,244	1,244	917	149	-	-
Other general grants	(22)	-	(16)	-	-	-	-
New Homes Bonus	(2,190)	(2,790)	(2,798)	(3,602)	(3,279)	(2,662)	(2,716)
Demand on Collection Fund	8,738	8,800	8,800	8,930	9,109	9,333	9,520

Council Taxbase	55,469	56,425	56,425	57,254	57,827	58,655	59,239
Council Tax at Band D (£)	157.54	155.97	155.97	155.97	157.53	159.11	160.70

Percentage Increase in Council Tax (1.00%) (1.00%) 0.00% 1.00% 1.00% 1.00%

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KEY VARIANCES FROM THE 2015/16 ORIGINAL BUDGET

Customer and Community Services:

An increased customer base in Commercial Waste has resulted in anticipated additional income of £67k in 2015/16.

The contribution from Hertfordshire County Council linked to Recycling (Alternate Financial Model – AFM) is expected to be lower than budget by £60k.

Following the community right to challenge the management fee to Bishops Stortford Town council for running the Market will exceed the approved budget by £47k.

Following the sale of the lease for Bircherley Green Car Park in Hertford at the end of March 2015, the Council is no longer responsible for the running of the car park. Therefore a net overspend of £126k is reported mainly due to lost income.

Use of the RingGo pay by phone service in the pay and display car parks is expected to increase by 30% in 2015/16. The cost to the motorist of using this council are passed on to the Council, an additional cost of £14k is predicted.

The consultation for Bishop's Stortford Parking Futures has been expanded in agreement with the Portfolio holder, with additional costs of £7k in 2015/16.

Sawbridgeworth and Buntingford town Councils will no longer be subsidising Pay and Display parking, resulting in a £25k reduction in income. As approved by Executive on 8th June 2015, this is to be funded through use of the New Homes Bonus Priority Spend budget.

A rent review of the Causeway car park in Bishop's Stortford has been completed, this will increase the rental cost to the Council by £58k per year. This is currently being managed as a pressure within the service.

Penalty Charge Notice income will be £13k higher than previously reported, due to improved collection rates.

The cost of printing pay and display tickets will be £8k below 2015/16 budget due to a better price being negotiated with the suppliers.

Neighbourhood Services:

It is expected that an element of the 2015/16 local plan expenditure in the Planning Policy service will slip into 2016/17, although the amount is still uncertain at this stage of the financial year. This is funded through the Local Development Framework reserve therefore there will be a reduction in the amount drawn down in 2015/16.

£30k additional income is anticipated in the Development Management Service from pre application fees to be received in February 2016 in relation to the Bishop's Stortford Goods Yard Site. This will be offset by increased agency staff costs as detailed above.

An additional £19k of S106 income is anticipated in Development Management.

A contribution towards Public Health promotions of £100k has been received from Herts County Council. As agreed at Council on 18 February 2015 match funding of £100k from East Herts will be used to support this project funded from the New Homes Bonus priority fund.

The second receipt of £100k from Herts County Council as a contribution towards Public Health promotions will be in January 2016. This will be transferred to reserves as expenditure is programmed in 2016/17.

The budget for PCSO's (Police Community Support Officers) will overspend by £19k as 4 posts are being funded rather than the budgeted 3. Additional funding has been received reducing this overspend by £11k to £8k.

The appeals expenditure budget in Development Management is expected to be £40k above budget. This is due to the use of consultants at Public Inquiry to present the Council's case and the instruction from the Executive for all major residential schemes submitted from July onwards to be subject to rigorous financial assessment.

The 2015/16 budget for Planning Application fees was increased in line with historic trends. Whilst the volume of planning applications received to 31st August is consistent with previous years the size of these are small in financial value. An under achievement in income of £189k is currently forecast.

ESSENTIAL REFERENCE PAPER C

Based on current trends the Building Control income received from Safestyle will be £40k lower than budget, due to a lower number of applications than expected.

A underspend of £32k on rent deposits is reported. This is due to private landlords being unwilling to accept homeless tenants in a buoyant rental market.

Finance and Support Services:

The housing association lease at Charrington's House has expired and will not be renewed therefore there will be a shortfall in income of £41k in 2015/16. This is currently being managed as a pressure within the service whilst alternative tenants are identified.

External Audit fees are anticipated to be £30k lower than budget, due to a new External Auditor, EY, being appointed from 2015/16 with a lower fee agreed by PSAA (Public Sector Audit Appointments).

Worldpay transaction charges are forecast to be higher than budget, although this is offset by savings from bank charges, resulting in a £12k overspend. This is further offset by treasury management fees which are £5k lower than budget.

The purchase of the Old River Lane site in Bishop's Stortford will lead to a net increase in revenue in 2015/16. This is currently forecast to result in additional net income of £427k this financial year.

A collective action (APPS) was bought against the Council by Property Search Companies relating to a dispute on the terms by which the Council provided property search information. The settlement sum due to be paid is anticipated to be no greater than £188k. A Government Grant of £110k has been received to partially offset this. The balance of £78k will be funded through the General Reserve.

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Summary of Budgets

December 2015

		2014/15 Outturn	2015/16 Original Budget	2015/16 Forecast outturn	2016/17 Proposed Budget
		£'000	£'000	£'000	£'000
Customer and Community Services	Chief Executive and Director of Customer and Community Services	162	150	108	147
	Environmental Services	5,676	5,598	5,737	5,591
	Customer Services and Parking	(796)	(574)	(577)	(518)
	Communications, Engagement & Cultural Services	878	943	873	826
	Business Development	242	283	421	390
	Customer and Community Services Total:	6,162	6,401	6,562	6,436
Neighbourhood Services	Director of Neighbourhood Services	122	116	124	114
	Corporate Support Team	101	109	107	114
	Community Safety & Health	1,514	1,369	1,339	1,283
	Housing Services	568	490	564	585
	Planning & Building Management	989	1,087	1,212	1,036
	Neighbourhood Services Total:	3,294	3,171	3,346	3,133
Finance and Support Services	Director of Finance and Support Services	130	129	126	123
	Human Resources & OD	433	370	375	414
	Business & Technology Shared Services	1,367	1,284	1,294	1,299
	Strategic Finance	473	189	160	(553)
	Governance & Risk Management	1,416	1,401	1,536	1,509
	Democratic Services & Legal	475	619	1,198	603
	Revenues & Benefits Shared Service	680	105	165	270
	Other Corporate Budgets	867	807	32	864
	Finance and Support Services Total:	5,840	4,904	4,886	4,528
Net Cost of Services Total:		15,297	14,476	14,794	14,097

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Planning assumptions for 2016/17 MTFP:

FACTOR	NOTE	2016/17	2017/18	2018/19	2019/20
Council Tax Increase		0.00%	1.00%	1.00%	1.00%
Pay Settlement	1	1.75%	1.75%	1.75%	1.75%
Members Allowances	2	1.00%	1.00%	1.00%	1.00%
Price inflation	3	1.20%	1.70%	1.90%	2.00%
Contract inflation	4	1.20%	1.70%	1.90%	2.00%
Council Tax Base	5	1.00%	1.00%	1.00%	1.00%
Fees and Charges	6	2.50%	2.50%	2.50%	2.50%

Notes:

1. Based on continued pay restraint through the life of the MTFP period. Includes an annual 0.75% increase to allow for increments and local award.
2. Members allowances are set by an Independent Remuneration Panel but for MTFP planning purpose this is assumed to be in line with officer pay awards.
3. Price inflation is based upon OBR inflation forecasts for future years as at March 2015 (CPI).
4. Contract inflation is based upon OBR inflation forecasts for future years as at March 2015 (CPI).
5. Council Tax base increases have been calculated using trend information. Further revisions may occur once certainty around the scale and timing of future developments becomes clear.
6. Fees and Charges are assumed to increase by 2.5% year on year. This may be achieved through a combination of appropriate price increases or new sources of income being identified.

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REVENUE BUDGET GROWTH PROPOSALS

DESCRIPTION		2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
NEW GROWTH					
NEIGHBOURHOOD SERVICES					
Community Safety & Health					
	Additional hours to deliver the revised Empty Homes Strategy for a 2 year trial period.	21	-	-	-
Housing					
	2 year post in Housing Options to become permanent. Post originally agreed by CMT on a temporary basis for 2 years only at which point it should be reviewed & a growth item requested.	-	11	-	-
CUSTOMER AND COMMUNITY SERVICES					
Business Development					
	Overtime costs for Markets cover	6	-	-	-
Communications, Engagement & Cultural Services					
	Increased grant to Citizens Advice Bureau	20	-	-	-
	Initial market research to assess if there is a market to sell Engagement & Partnership services	5	-	-	-
	Increase in hours: Communications Officer	10	-	-	-
Information, Customer & Parking Services					
	Revenue costs of Capital scheme - New Pay & Display machines in Car Parks	-	-	-	-
FINANCE & SUPPORT SERVICES					
Business & Technology Services					
	Revenue costs of Capital scheme - Device Responsive Template (IT licences)	-	2	-	-
Total New Growth		62	13	-	-
GROWTH OVER £5K ALREADY AGREED AND BUILT INTO SERVICE BUDGETS					
NEIGHBOURHOOD SERVICES					
Planning & Building Control					
	Decrease in Safestyle Income - income from a new partnership which commenced in October 2014. East Herts undertaking plan checking for works across England & receiving income from other local authorities in return. The scheme has been running for just over a year, volumes are not as high as anticipated.	40	-	-	-
	Cessation of Development Management S106 Monitoring Fees due to a change in legislation.	16	-	-	-
Community Safety & Health					
	Air Pollution Monitoring - change of contract has led to an increase in charges.	6	-	-	-
	Emergency Planning - Lone Worker Fee	5	-	-	-
CUSTOMER & COMMUNITY SERVICES					
Communications, Engagement & Cultural Services					
	Increased expenditure due to Sunday opening and increased levels of business, particularly Cinema and Promotions	67	-	-	-
Business Development					
	Increased costs of markets due to Town Council now running Bishop's Stortford	45	-	-	-
	Economic Development funding for WENTA from reserves	20	-	-	-
Information, Customer & Parking Services					
Car Parks	Increased RingGo costs	27	-	-	-
FINANCE & SUPPORT SERVICES					
Strategic Finance					
	Accountant Post increased from 22 hrs to 37 (agreed at CMT 13.10.15)	17	-	-	-
	HCC finance graduate scheme	42	-	-	-
	Asset Management new post (Grade 6 post deleted, replaced with new Grade 10, agreed at CMT 13.10.15)	16	-	-	-
	Increased payment transaction charges	40	-	-	-
	Tree works	50	-	-	-



REVENUE BUDGET GROWTH PROPOSALS

DESCRIPTION		2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Human Resources & Organisational Development					
	New HR Officer 30 hours (agreed at CMT 14.7.15)	22	-	-	-
	Increase to support the outcomes and actions in the OD Strategy investing in learning & development (£7k) and to support ongoing corporate professional development (£10k)	17	-	-	-
Democratic & Legal Services					
	New post in Democratic Services (agreed at CMT 13.10.15)	31	-	-	-
Corporate Budgets					
	Chief Executive initiatives	20	-	-	-
	Leader of the Council initiatives	20	-	-	-
Growth already built into base Budget		604	26	-	-



REVENUE BUDGET SAVINGS PROPOSALS

DESCRIPTION		2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
SAVINGS over £5k ALREADY AGREED AND BUILT INTO SERVICE BUDGETS					
NEIGHBOURHOOD SERVICES					
Community Safety & Health					
	Government Grants Housing - Better Care Fund. £175k budget 15/16, assume replication of 15/16 actual of £293k. HCC to	(118)	-	-	-
CUSTOMER AND COMMUNITY SERVICES					
Environmental Services					
Public Conveniences	Reduced Contract Cleaning costs due to reduction in 2 units in Hertford and Sawbridgeworth	(20)	-	-	-
Recycling	Additional income from AFM	(35)	-	-	-
Environmental Coord	Reduced demand on grants budget	(7)	-	-	-
Leisure	Savings on contract cost due to capital investment in 3G pitches at Hartham	(15)	-	-	-
Information, Customer & Parking Services					
Car Parks	Additional Pay and Display income	(122)	-	-	-
Communications, Engagement & Cultural Services					
Hertford Theatre	Additional income due to Sunday opening and increased levels of business, particularly Cinema, Promotions and Pantomime	(168)	-	-	-
FINANCE AND SUPPORT SERVICES					
Strategic Finance					
Asset Management	Additional income from Old River Lane site	(910)	-	-	-
Finance	Reduced Audit fees	(25)	-	-	-
Finance	Reduced Treasury management fees	(5)	-	-	-
Total Savings already built into base Budget		(1,425)	-	-	-

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ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
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Environmental Health Licences

Riding Establishments (excl. vet fees)	Cost Recovery	per annum	9	406.00	416.00	2.46%	OS
Zoos - New Licence (excl. vet fees)	Cost Recovery	per 4 year registration	0	1,957.00	2,006.00	2.50%	OS
Zoos - Year 6 renewal licence inspection (excl. vet fees)	Cost Recovery	per 6 years	2	1,513.00	1,551.00	2.51%	OS
Zoos - Transfer of Licence	Cost Recovery	per transfer	0	660.00	677.00	2.58%	OS
Dangerous Wild Animals (excl. vet fees)	Cost Recovery	per annum	1	555.00	569.00	2.52%	OS
Dog breeding establishments (excl. vet fees)	Cost Recovery	per annum	0	240.00	246.00	2.50%	OS
Animal boarding establishments (exc. vet fees)	Cost Recovery	per annum	16	240.00	246.00	2.50%	OS
Home boarding establishments (excl. vet fees)	Cost Recovery	per annum	8	113.00	116.00	2.65%	OS
Pet Shops (excl. vet fees)	Cost Recovery	per annum	9	196.00	201.00	2.55%	OS
Registration for Skin Piercing (Static/Home Business)	Cost Recovery	per business	9	192.00	197.00	2.60%	OS
Registration for Skin Piercing (Person)	Cost Recovery	per person or premises	7	121.00	124.00	2.48%	OS
Registration for Peripatetic Skin Piercing (includes one operator)	Cost Recovery	per business	2	192.00	197.00	2.60%	OS
Update to an existing Skin Piercing registration	Cost Recovery	per update	0	121.00	124.00	2.48%	OS
Street Trading: Occasional Registered Charity (up to one month)	Cost Recovery	per month	0	57.00	58.00	1.75%	OS
Street Trading: Occasional (up to one month)	Cost Recovery	per month	1	111.00	114.00	2.70%	OS
Street Trading: Peripatatic (e.g. ice cream van)	Cost Recovery	per annum	7	321.00	329.00	2.49%	OS
Street Trading: Static (e.g. burger van)	Cost Recovery	per annum	29	326.00	334.00	2.45%	OS
Additional Licence fee for second reminder letter	Cost Recovery	per letter	0	22.00	23.00	4.55%	OS
Additional Licence fee for chasing applications after the expiry of current licence	Cost Recovery	per licence	0	49.00	50.00	2.04%	OS

Training Courses

Level 2 Food Safety Training	Cost Recovery	per person, per course	31	65.00	67.00	3.08%	E
Level 2 Health & Safety Training	Cost Recovery	per person, per course	0	65.00	67.00	3.08%	E
Level 2 Food Safety Refresher Training	Cost Recovery	per person, per course	6	41.00	42.00	2.44%	E
Level 2 Health & Safety Refresher Training	Cost Recovery	per person, per course	0	41.00	42.00	2.44%	E
Level 2 Food Hygiene Training (up to 14 places at customer's premises)	Cost Recovery	per course	5	620.00	540.00	-12.90%	E
Level 2 Food Hygiene Refresher Training (up to 14 places at customer's premises)	Cost Recovery	per course	30	380.00	620.00	63.16%	E
Cancellation Fee (less than 10 working days before course)	Cost Recovery	per person, per course	0	100% of fee paid	100% of fee paid	N/A	E

Miscellaneous Fees & Charges

Food register	Cost Recovery	per single entry	0	13.00	13.00	0.00%	n/a
Food register	Cost Recovery	per category	0	26.00	27.00	3.85%	n/a
Food register	Cost Recovery	per full copy	0	77.00	79.00	2.60%	n/a
Air quality data enquiries	Cost Recovery	per hour or part	4	62.00	nil		n/a
Additional Land charge enquiries	Cost Recovery	per hour or part	104	62.00	62.00	0.00%	n/a
Issue of certificate following surrender of food (excl. disposal costs)	Cost Recovery	per hour or part	1	49.00	50.00	2.04%	n/a
Food export health certificate	Cost Recovery	per hour or part	0	49.00	50.00	2.04%	n/a



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Replacement 'Scores on Doors' certificate	Cost Recovery	per certificate	1	37.00	38.00	2.70%	S
Replacement of any environmental health licence or registration documents	Cost Recovery	each	1	49.00	50.00	2.04%	S
Statement of fact for civil cases	Cost Recovery	per hour	0	49.00	50.00	2.04%	S
Standards inspection for immigration	Cost Recovery	per inspection	0	110.00	150.00	36.36%	S
Housing Notices	Cost Recovery	fixed charge	0	330.00	345.00	4.55%	S
Fixed penalty for failure to belong to an approved redress scheme	Cost Recovery	fixed charge	0	5,000.00	5,000.00	0.00%	n/a
Letter confirming food premises registration	Cost Recovery	per letter	1	37.00	38.00	2.70%	S
Attendance at Exhumations	Cost Recovery	per hour (or part)	0	49.00	50.00	2.04%	S

Private Water Supplies

Risk Assessment (smaller supplies - Regulation 10)	Cost Recovery	per assessment	0	331.00	up to £500	51.06%	n/a
Risk Assessment (larger supplies - Regulation 9)	Cost Recovery	per assessment	2	432.00	up to £500	15.74%	n/a
Risk Assessment (Desktop)	Cost Recovery	per assessment	0	111.00	up to £500	350.00%	n/a
Sampling Visit (excl. analysis costs)	Cost Recovery	per visit	50	83.33	83.33	0.00%	S
Investigation (excl. analysis costs)	Cost Recovery	per investigation	0	83.33	83.33	0.00%	S
Granting of Authorisation	Cost Recovery	per authorisation	0	100.00	83.33	-16.67%	n/a
Analysis Costs (Regulation 10)	Cost Recovery	per set of samples	0	up to £25	up to £25	0.00%	n/a
Analysis Costs (Check Monitoring)	Cost Recovery	per set of samples	27	up to £100	up to £100	0.00%	n/a
Analysis Costs (Audit Monitoring)	Cost Recovery	per set of samples	23	up to £500	up to £500	0.00%	n/a

HMO Licensing Fees

Licence for a HMO with no more than 5 bedrooms (initiated by applicant without LA intervention)	Cost Recovery	fixed charge	0	785.00	825.00	5.10%	n/a
Licence for a HMO with no more than 5 bedrooms (initiated by applicant with LA intervention)	Cost Recovery	fixed charge	1	1,064.00	1,120.00	5.26%	n/a
Additional bedrooms	Cost Recovery	each	11	14.00	15.00	7.14%	n/a
Production of drawings			0	49.00	delete	-100.00%	n/a
BACS refund on full licence fee for receipt of complete valid application within 21 days without further LA intervention			0	100.00	100.00	0.00%	n/a
Variation of licence, other than change of address	Cost Recovery		0	118.00	125.00	5.93%	n/a

HMO Licensing Fees

Fee reduction for additional HMO's with same applicant / landlord			2	55.00	delete	-100.00%	n/a
Renewal of HMO Licence	Cost Recovery		9	653.00	685.00	4.90%	n/a
BACS refund for receipt of complete valid renewal applications more than 3 months before current licence expires			0	100.00	100.00	0.00%	n/a
Confirmation of empty home status for VAT reduction	Cost Recovery		1	77.00	100.00	29.87%	n/a

Miscellaneous Engineering Fees

Street parties (non-commercial)				free			
Sewer Records/Plans		per item	4	27.00	28.00	3.70%	n/a

OTHER LICENCES

Sex Establishments	Cost Recovery	per annum	0	4,950.00	2,615.00	-47.17%	n/a
Sex Establishments	Cost Recovery	per renewal	0	4,950.00	2,315.00	-53.23%	n/a



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Sex Establishments	Cost Recovery	transfer	0	910.00	75.00	-91.76%	n/a
Hypnotism Act 1952 - Occasional licensed premises	Cost Recovery		0	140.00	140.00	0.00%	n/a
Hypnotism Act 1952 - Occasional unlicensed premises	Cost Recovery		0	540.00	540.00	0.00%	n/a
Scrap Metal Site Licence	Cost Recovery	per licence granted	0	246.00	246.00	0.00%	n/a
Scrap Metal Site Licence	Cost Recovery	per licence renewed	0	182.70	182.70	0.00%	n/a
Scrap Metal Site Licence - Variation, Name Change, Change of Site	Cost Recovery	per change	0	43.50	43.50	0.00%	n/a
Scrap Metal Collectors Licence	Cost Recovery	per licence granted	1	222.50	222.50	0.00%	n/a
Scrap Metal Collectors Licence	Cost Recovery	per licence renewed	0	159.20	159.20	0.00%	n/a
Scrap Metal Collectors Licence - Variation, Name Change	Cost Recovery	per change	0	43.50	43.50	0.00%	n/a

TAXI LICENSING

Hackney Carriage Vehicle/Proprietor Licence	Cost Recovery	per renewal	248	274.00	274.00	0.00%	n/a
Hackney Carriage Vehicle/Proprietor Licence	Cost Recovery	per new vehicle	15	308.00	308.00	0.00%	n/a
Private Hire Vehicle / Proprietor Licence	Cost Recovery	per renewal	44	274.00	274.00	0.00%	n/a
Private Hire Vehicle / Proprietor Licence	Cost Recovery	per new licence	14	308.00	308.00	0.00%	n/a
Private Hire drivers licence	Cost Recovery	per renewal 1 year	38	106.00		-100.00%	n/a
Private Hire drivers licence	Cost Recovery	per renewal 3 years			264.00	n/a	n/a
Private Hire drivers licence	Cost Recovery	per new licence	24	211.00	369.00	74.88%	n/a
Hackney Carriage Vehicle/Proprietor (renewal) where able to transport a person whilst remaining in a wheelchair	Cost Recovery	first year	0	100% discount	100% discount	n/a	n/a
Hackney Carriage Vehicle/Proprietor (renewal) where able to transport a person whilst remaining in a wheelchair	Cost Recovery	Subsequent years	0	50% discount	50% discount	n/a	n/a
Private Hire Business Operator - up to 6 vehicles	Cost Recovery	per licence	32	218.00	258.00	18.35%	n/a
Private Hire Business Operator - additional vehicles	Cost Recovery	per vehicle	0	30.00	30.00	0.00%	n/a
Dual Driver (Hackney/Private Hire)	Cost Recovery	per renewal	281	106.00		-100.00%	n/a
					264.00	n/a	
Dual Driver (Hackney/Private Hire) (Grant)	Cost Recovery	per new licence	14	211.00	369.00	74.88%	n/a
Change of vehicle	Cost Recovery	per change	41	78.00	78.00	0.00%	n/a
Initial Application for a drivers licence (reimbursed on grant of application)	Cost Recovery	per application	0	211.00	-	-100.00%	n/a
Change of Vehicle DVLA registration number	Cost Recovery	per change	2	45.00	45.00	0.00%	n/a
Change of Vehicle licence designation - Hackney to Private	Cost Recovery	per change	not known	45.00	45.00	0.00%	n/a
Change of Vehicle licence designation -Private to Hackney	Cost Recovery	per change	not known	85.00	45.00	-47.06%	n/a
Change of vehicle proprietor with unexpired licence	Cost Recovery	per change	not known	45.00	45.00	0.00%	n/a
Convert drivers licence to dual driver	Cost Recovery	per change	not known	45.00	45.00	0.00%	n/a
Knowledge Test	Cost Recovery	per test	76	91.00	91.00	0.00%	n/a
Roof light (complete)	Cost Recovery	per light	not known	68.33	68.33	0.00%	S
Roof light (cover or base plate separate)	Cost Recovery	per light	not known	36.67	36.67	0.00%	S
Charge for unusable/damaged returned roof light to be discounted from any refund	Cost Recovery	per light	not known	15.83	15.83	0.00%	S
Replacement badge	Cost Recovery	per badge	not known	22.50	22.50	0.00%	S



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Replacement plate/trailer plate	Cost Recovery	per plate	not known	36.67	36.67	0.00%	S
Roof light bulb	Cost Recovery	per bulb	not known	2.08	2.08	0.00%	S
Magnets (sold as pair)	Cost Recovery	per pair	not known	6.67	6.67	0.00%	S
Executive Private Hire Disc	Cost Recovery	per disc	not known	10.83	10.83	0.00%	S
Table of fares/windscreen badge				Free	Free		
Distribution of free literature	Cost Recovery	per distribution	not known	28.33	28.33	0.00%	S

PREMISES LICENCES

Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band A - rateable value £0-£4,300	Statutory Fee	per band A premises		100.00	100.00	0.00%	n/a
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band B - rateable value £4,301-33,000	Statutory Fee	per band B premises		190.00	190.00	0.00%	n/a
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band C - rateable value £33,001-£87,000	Statutory Fee	per band C premises		315.00	315.00	0.00%	n/a
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band D - rateable value £87,001-£125,000	Statutory Fee	per band D premises		450.00	450.00	0.00%	n/a
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band E - rateable value £125,000 and over	Statutory Fee	per band E premises		635.00	635.00	0.00%	n/a
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band A - rateable value £0-£4,300	Statutory Fee	per band A premises per annum	75	70.00	70.00	0.00%	n/a
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band B - rateable value £4,301-33,000	Statutory Fee	per band B premises per annum	326	180.00	180.00	0.00%	n/a
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band C - rateable value £33,001-£87,000	Statutory Fee	per band C premises per annum	75	295.00	295.00	0.00%	n/a
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band D - rateable value £87,001-£125,000	Statutory Fee	per band D premises per annum	18	320.00	320.00	0.00%	n/a
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band E - rateable value £125,000 and over	Statutory Fee	per band E premises per annum	22	350.00	350.00	0.00%	n/a
PERSONAL LICENCE	Statutory Fee	per licence	110	37.00	37.00	0.00%	n/a

OTHER FEES AND CHARGES

Supply of copies of information contained in register	Cost Recovery	per black & white A4 sheet		0.10	0.10	0.00%	S
Supply of copies of information contained in register	Cost Recovery	per black & white A3 sheet		0.20	0.20	0.00%	S
Supply of copies of information contained in register	Cost Recovery	per black & white A0 sheet		1.10	1.10	0.00%	S
Supply of copies of information contained in register	Cost Recovery	per colour A4 sheet		0.20	0.20	0.00%	S
Supply of copies of information contained in register	Cost Recovery	per colour A3 sheet		0.50	0.50	0.00%	S
Supply of copies of information contained in register	Cost Recovery	per colour A0 sheet		1.70	1.70	0.00%	S
Application for copy of licence or summary on theft, loss etc of premises licence or summary	Statutory Fee	per application		10.50	10.50	0.00%	n/a
Notification of change of name or address (holder of premises licence)	Statutory Fee	per change		10.50	10.50	0.00%	n/a
Application to transfer to another individual as premises supervisor	Statutory Fee	per application		23.00	23.00	0.00%	n/a



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Application to transfer premises licence	Statutory Fee	per application		23.00	23.00	0.00%	n/a
Interim authority notice	Statutory Fee	per notice		23.00	23.00	0.00%	n/a
Application for making of a provisional statement	Statutory Fee	per statement		315.00	315.00	0.00%	n/a
Application for copy of certificate or summary on theft, loss etc of certificate or summary	Statutory Fee	per copy		10.50	10.50	0.00%	n/a
Notification of change of name or alteration of club rules	Statutory Fee	per change		10.50	10.50	0.00%	n/a
Change of relevant registration address of club	Statutory Fee	per change		10.50	10.50	0.00%	n/a
Temporary event notice	Statutory Fee	per notice		21.00	21.00	0.00%	n/a
Application of copy of notice on theft, loss etc of temporary event notice	Statutory Fee	per copy		10.50	10.50	0.00%	n/a
Application of copy of licence on theft, loss etc of personal licence	Statutory Fee	per copy		10.50	10.50	0.00%	n/a
Notification of change of name or address (personal licence)	Statutory Fee	per change		10.50	10.50	0.00%	n/a
Notice of interest in any premises	Statutory Fee	per notice		21.00	21.00	0.00%	n/a

Gambling Act 2005

Bingo Premises	Cost Recovery	per licence		2,677.50	2,677.50	0.00%	n/a
Bingo Premises	Cost Recovery	per variation		1,339.00	1,339.00	0.00%	n/a
Bingo Premises	Cost Recovery	per transfer		918.00	918.00	0.00%	n/a
Bingo Premises	Cost Recovery	Annual Fee		765.00	765.00	0.00%	n/a
Adult Gaming Centre Premises	Cost Recovery	per licence		1,530.00	1,530.00	0.00%	n/a
Adult Gaming Centre Premises	Cost Recovery	per variation		765.00	765.00	0.00%	n/a
Adult Gaming Centre Premises	Cost Recovery	per transfer		918.00	918.00	0.00%	n/a
Adult Gaming Centre Premises	Cost Recovery	Annual Fee		765.00	765.00	0.00%	n/a
Betting Premises (Track)	Cost Recovery	per licence		1,913.00	1,913.00	0.00%	n/a
Betting Premises (Track)	Cost Recovery	per variation		957.00	957.00	0.00%	n/a
Betting Premises (Track)	Cost Recovery	per transfer		727.00	727.00	0.00%	n/a
Betting Premises (Track)	Cost Recovery	Annual Fee	1	765.00	765.00	0.00%	n/a
Betting Premises (Other)	Cost Recovery	per licence		2,300.00	2,300.00	0.00%	n/a
Betting Premises (Other)	Cost Recovery	per variation		1,148.00	1,148.00	0.00%	n/a
Betting Premises (Other)	Cost Recovery	per transfer		918.00	918.00	0.00%	n/a
Betting Premises (Other)	Cost Recovery	Annual Fee		300.00	300.00	0.00%	n/a
Family Entertainment Centre Premises	Cost Recovery	per licence		1,530.00	1,530.00	0.00%	n/a
Family Entertainment Centre Premises	Cost Recovery	per variation		765.00	765.00	0.00%	n/a
Family Entertainment Centre Premises	Cost Recovery	per transfer		727.00	727.00	0.00%	n/a
Family Entertainment Centre Premises	Cost Recovery	Annual Fee		574.00	574.00	0.00%	n/a
Temporary Use Notices	Cost Recovery	per notice		500.00	500.00	0.00%	n/a
Temporary Use Notices	Cost Recovery	per copy		25.00	25.00	0.00%	n/a
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per permit		50.00	50.00	0.00%	n/a
Club Gaming Machine Permit 5 years (Up to 3 machines)	Statutory Fee	per permit	3	100.00	100.00	0.00%	n/a



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Club Gaming Machine Permit	Statutory Fee	Annual Fee	27	50.00	50.00	0.00%	n/a
Small Lotteries	Statutory Fee	per setup	80	40.00	40.00	0.00%	n/a
Small Lotteries	Statutory Fee	per renewal		20.00	20.00	0.00%	n/a
CCTV Cameras							
Ware Town Council	Cost Recovery	per camera		2,911.00		n/a	n/a
Hertford Town Council	Cost Recovery	per camera		2,429.00		n/a	n/a
Bishop's Stortford Town Council	Cost Recovery	per camera		2,444.00		n/a	n/a
Ware Town Council	Cost Recovery	per annum			10,600.00	n/a	n/a
Hertford Town Council	Cost Recovery	per annum			21,330.00	n/a	n/a
Bishop's Stortford Town Council	Cost Recovery	per annum			21,800.00	n/a	n/a
Misc Building Control and Development Management Charges							
Copies of any documents	Discretionary	per black & white A4 sheet	limited	0.10	0.10	0.00%	n/a
Copies of any documents	Discretionary	per colour A4 sheet	limited	0.20	0.20	0.00%	n/a
Copies of any documents	Discretionary	per black & white A3 sheet	limited	0.20	0.20	0.00%	n/a
Copies of any documents	Discretionary	per colour A3 sheet	limited	0.40	0.40	0.00%	n/a
Copies of any documents	Discretionary	per black & white A2 sheet	limited	1.00	1.00	0.00%	n/a
Copies of any documents	Discretionary	per colour A2 sheet	limited	2.00	2.00	0.00%	n/a
Copies of any documents	Discretionary	per black & white A1 sheet	limited	1.50	1.50	0.00%	n/a
Copies of any documents	Discretionary	per colour A1 sheet	limited	3.00	3.00	0.00%	n/a
Copies of any documents	Discretionary	per black & white A0 sheet	limited	2.00	2.00	0.00%	n/a
Copies of any documents	Discretionary	per colour A0 sheet	limited	4.00	4.00	0.00%	n/a
Copies of documents provided on an electronic disc	Discretionary	per disc provided	limited	15.50	15.50	0.00%	n/a
Ordnance Survey Extracts	Cost Recovery	up to 6 copies	limited	-	-	0.00%	-
Historical Research (where records available)	Discretionary	per hour (or part)	limited	77.00	77.00	0.00%	n/a
Legal obligation agreements - clause monitoring fee	Cost Recovery	per obligation issue		310.00	nil	-100.00%	n/a
Legal obligation agreements - confirmation of compliance by third parties or where the monitoring fee has not been paid	Discretionary	per hour (or part of) after first hour	limited	77.00	77.00	0.00%	n/a
Certificate of no outstanding Building control regulated work or letter of comfort	Cost Recovery	per certificate / letter	limited	35.00	35.00	0.00%	n/a
Letter confirming exemption from Building Control regulations	Cost Recovery	per letter	limited	35.00	35.00	0.00%	n/a
Rejuvenation of closed Building Control file (not previously approved)	Cost Recovery	per file	limited	50.00	50.00	0.00%	n/a
High Hedge consultation and investigation	Cost Recovery	per consultation and investigation	v limited	515.00	515.00	0.00%	n/a



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Fee for discharge of or compliance with a condition	Statutory Fee	per request (any number of conditions) relating to works of extension or alteration to an existing dwelling	numerous	28.00	28.00	0.00%	n/a
Fee for discharge of or compliance with a condition	Statutory Fee	per request (any number of conditions) all other developments	v limited	97.00	97.00	0.00%	n/a
Retrieval of externally stored microfilmed records	Discretionary	per microfilmed record	v limited	4.60	4.60	0.00%	n/a

PRE-APPLICATION ADVICE

Householder proposals	Discretionary	Initial fee	numerous	25.00	25.00	0.00%	S
Householder proposals	Discretionary	Secondary fee	limited	12.50	12.50	0.00%	S
Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)	Discretionary	Initial fee	limited	41.60	41.60	0.00%	S
Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)	Discretionary	Secondary fee	limited	20.83	20.83	0.00%	S
Largescale Major Development Proposals	Discretionary	Initial fee	limited	833.33	1,000.00	120.00%	S
Largescale Major Development Proposals	Discretionary	Secondary fee	limited	416.67	500.00	120.00%	S
Smallscale Major Development Proposals	Discretionary	Initial fee	limited	600.00	700.00	117.00%	S
Smallscale Major Development Proposals	Discretionary	Secondary fee	limited	300.00	350.00	117.00%	S
Minor Development (single new or replacement dwellings and other development of less than 50sqm floorspace)	Discretionary	Initial fee	modest amount	250.00	300.00	20.00%	S
Minor Development (single new or replacement dwellings and other development of less than 50sqm floorspace)	Discretionary	Secondary fee	modest amount	125.00	150.00	20.00%	S
Minor Development (all other minor development)	Discretionary	Initial fee	modest amount	341.67	375.00	10.00%	S
Minor Development (all other minor development)	Discretionary	Secondary fee	modest amount	170.83	187.50	10.00%	S
Minor Development (all other minor development)	Discretionary	Initial fee	modest amount	341.67	375.00	10.00%	S
Minor Development (all other minor development)	Discretionary	Secondary fee	modest amount	170.83	187.50	10.00%	S
Any development where affordable housing is required by virtue of the Council's planning policies and is to be provided	Discretionary	Initial fee	modest amount	87.50	100.00	15.00%	S
Other Development	Discretionary	Initial fee	modest amount	87.50	100.00	15.00%	S
Other Development	Discretionary	Secondary fee	modest amount	43.75	50.00	15.00%	S
Advertisement proposals	Discretionary	Initial fee	limited	41.67	41.67	0.00%	S
Advertisement proposals	Discretionary	Secondary fee	limited	20.83	20.83	0.00%	S
Heritage advice	Discretionary	Initial fee	modest amount	41.67	41.67	0.00%	S
Heritage advice	Discretionary	Secondary fee	modest amount	20.83	20.83	0.00%	S

FEES IN RESPECT OF APPLICATIONS FOR PLANNING APPROVAL OF RESERVED MATTERS

TYPE OF DEVELOPMENT - OPERATIONS

1 Erection of Dwellinghouses (other than development within category 6)

a) i) Where application is for outline planning permission and site area does not exceed 2.5 hectares	Statutory Fee	per 0.1 hectare of site area	modest amount	385.00	385.00	0.00%	E/OS?
a) ii) Where application is for outline planning permission and site exceeds 2.5 hectares	Statutory Fee	per 2.5 hectare site	modest amount	9,527.00	9,527.00	0.00%	E/OS?



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT	
For each 0.1 hectares in excess of 2.5 hectares, to a maximum in total of £125,000	Statutory Fee	per additional 0.1 hectares	modest amount	115.00	115.00	0.00%	E/OS?
(b) i) where the number of dwelling houses to be created by development is 50 or fewer,	Statutory Fee	per dwelling house	numerous	385.00	385.00	0.00%	E/OS?
b) ii) where number of dwelling houses to be created by development exceeds 50, and	Statutory Fee	per 50 dwelling house site	limited	19,049.00	19,049.00	0.00%	E/OS?
for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum of £250,000	Statutory Fee	per additional dwelling house	limited	115.00	115.00	0.00%	E/OS?
2 Erection of buildings (not in categories 1, 3, 4, 5, or 7)							
a) i) Where application is for outline planning permission and site area does not exceed 2.5 hectares,	statutory Fee	per 0.1 hectare of site area	modest amount	385.00	385.00	0.00%	E/OS?
a) ii) Where application is for outline planning permission and site exceeds 2.5 hectares, and	statutory Fee	per 2.5 hectare site	modest amount	9,527.00	9,527.00	0.00%	E/OS?
for each 0.1 hectares in excess of 2.5 hectares, to a maximum in total of £125,000	statutory Fee	per additional 0.1 hectares	modest amount	115.00	115.00	0.00%	E/OS?
(b) i) in other cases where no floor space is to be created	statutory Fee	per case	limited	195.00	195.00	0.00%	E/OS?
b) (ii) where the area of gross floor space to be created does not exceed 40 sq metres	statutory Fee	per case	modest amount	195.00	195.00	0.00%	E/OS?
b) (iii) where the area of gross floor space to be created does exceed 40 sq metres but not 75 sq metres	statutory Fee	per case	modest amount	385.00	385.00	0.00%	E/OS?
b) (iv) where the area of gross floor space to be created exceeds 75 sq metres but not 3750 sq metres	statutory Fee	per 75 sq metres of area	modest amount	385.00	385.00	0.00%	E/OS?
(v) where the area of gross floor space to be created exceeds 3750 sq metres, and	statutory Fee	per case	modest amount	19,049.00	19,049.00	0.00%	E/OS?
for each 75 sq metres in excess of 3750, up to a maximum of £250,000	statutory Fee	per additional 75 sq metres	modest amount	115.00	115.00	0.00%	E/OS?
3 Erection on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4)							
(a) i) Where application is for outline planning permission and site area does not exceed 2.5 hectares,	Statutory Fee	per 0.1 hectares of site	limited	385.00	385.00	0.00%	E/OS?
a) ii) Where application is for outline planning permission and site exceeds 2.5 hectares, and	Statutory Fee	per 2.5 hectare site	limited	9,527.00	9,527.00	0.00%	E/OS?
for each 0.1 hectares in excess of 2.5 hectares, to a maximum in total of £125,000	Statutory Fee	per additional 0.1 hectares	limited	115.00	115.00	0.00%	E/OS?
b) (i) where the area of gross floor space to be created does not exceed 465 sq metres	Statutory Fee	per case	limited	80.00	80.00	0.00%	E/OS?
b) (iii) where the area of gross floor space to be created does exceed 465 sq metres but not 540 sq metres	Statutory Fee	per case	limited	385.00	385.00	0.00%	E/OS?
b) iii) where the area of gross floor space to be created exceeds 540 sq metres but not 4215	Statutory Fee	per case	limited	385.00	385.00	0.00%	E/OS?
for each 75 sq metres in excess of 540	Statutory Fee	per additional 75 sq metres	limited	385.00	385.00	0.00%	E/OS?
b) iv) where the area of gross floor space to be created exceeds 4215 sq metres, and	Statutory Fee	per case	limited	19,049.00	19,049.00	0.00%	E/OS?
for each 75 sq metres in excess of 4215, up to a maximum of £250,000	Statutory Fee	per additional 75 sq metres	limited	115.00	115.00	0.00%	E/OS?
4 Erection of glasshouses on land used for the purposes of agriculture							
a) where the area of gross floor space to be created does not exceed 465 sq metres	Statutory Fee	per case	v limited	80.00	80.00	0.00%	E/OS?
b) where the area of gross floor space to be created exceeds 465 sq metres	Statutory Fee	per case	v limited	2,150.00	2,150.00	0.00%	E/OS?
5 Erection, alteration or replacement of plant or machinery							
(a) where the site area does not exceed 5 hectares,	Statutory Fee	per 0.1 hectares	v limited	385.00	385.00	0.00%	E/OS?
(b) where the site area exceeds 5 hectares, and	Statutory Fee	per 5 hectare site	v limited	19,049.00	19,049.00	0.00%	E/OS?
for each 0.1 hectare in excess of 5 hectares, subject to a maximum of £250,000	Statutory Fee	per additional 0.1 hectares	v limited	115.00	115.00	0.00%	E/OS?
6 Enlargement, improvement or other alterations of existing dwellinghouses							
(a) where application relates to one dwellinghouse	Statutory Fee	per application	numerous	172.00	172.00	0.00%	E/OS?
(b) where application relates to two or more dwellinghouses	Statutory Fee	per application	limited	339.00	339.00	0.00%	E/OS?



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
7 Carrying out of operations within the curtilage of a dwelling for the purposes ancillary to the enjoyment of the dwelling (gates, fences, walls etc)	Statutory Fee	numerous	172.00	172.00	0.00%	E/OS?
8 Construction of car parks, service roads and other means of access on land used for a single undertaking, where the development is required for a purpose incidental to the existing use of the land.	Statutory Fee	limited	195.00	195.00	0.00%	E/OS?
9 Carrying out of any operations connected with exploratory drilling for oil or natural gas						
(a) where the site area does not exceed 7.5 hectares,	Statutory Fee	per 0.1 hectares	385.00	385.00	0.00%	E/OS?
(b) where the site area exceeds 7.5 hectares,	Statutory Fee	per site of 7.5 hectares	28,750.00	28,750.00	0.00%	E/OS?
for each 0.1 hectare in excess of 5 hectares, subject to a maximum of £250,000	Statutory Fee	per additional 0.1 hectares	115.00	115.00	0.00%	E/OS?
10 Carrying out of any operations not coming within any of the above categories						
(a) in the case of operations for the winning and working of minerals - (i) where the site area does not exceed 15 hectares	Statutory Fee	per 0.1 hectares	195.00	195.00	0.00%	E/OS?
(a) in the case of operations for the winning and working of minerals - (ii) where the site area exceeds 15 hectares	Statutory Fee	per 15 hectare site	29,112.00	29,112.00	0.00%	E/OS?
for each 0.1 hectare in excess of 15 hectares, subject to a maximum of £65,000	Statutory Fee	per additional 0.1 hectares	115.00	115.00	0.00%	E/OS?
(b) in any other case, subject to a maximum of £1,690	Statutory Fee	per 0.1 hectares	195.00	195.00	0.00%	E/OS?
11 Change of use of a building to use as one or more separate dwellinghouses						
(a) where change is from a previous use as a single dwellinghouse to be two or more dwellinghouses (i) Where the change of use is to use is 50 or fewer dwellinghouses	Statutory Fee	per additional dwellinghouse	385.00	385.00	0.00%	E/OS?
(a) where change is from a previous use as a single dwellinghouse to be two or more dwellinghouses (ii) where the change of use is to more than 50 dwellinghouses, and	Statutory Fee	per change	19,049.00	19,049.00	0.00%	E/OS?
for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum of £250,000	Statutory Fee	per dwellinghouse in excess of 50	115.00	115.00	0.00%	E/OS?
(b) in other cases (i) Where the change of use is to use is 50 or fewer dwellinghouses	Statutory Fee	per additional dwellinghouse	385.00	385.00	0.00%	E/OS?
(b) in other cases (ii) where the change of use is to more than 50 dwellinghouses, and	Statutory Fee	per change	19,049.00	19,049.00	0.00%	E/OS?
for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum of £250,000	Statutory Fee	per dwellinghouse in excess of 50	115.00	115.00	0.00%	E/OS?
12 Use of land for disposal of refuse or waste materials; or for the deposit of material remaining after minerals have been extracted from land; or use of land for storage of materials in the open						
(a) where the site area does not exceed 15 hectares,	Statutory Fee	per 0.1 hectares	195.00	195.00	0.00%	E/OS?
(b) where the site exceeds 15 hectares	Statutory Fee	per site	29,112.00	29,112.00	0.00%	E/OS?
for each 0.1 hectare in excess of 15 hectares, to a maximum in total of £65,000	Statutory Fee	per 0.1 hectares in excess of 15	115.00	115.00	0.00%	E/OS?
13 Making a material change for use of a building or land (other than above);	Statutory Fee		385.00	385.00	0.00%	E/OS?
14 a) Lawful Development Certificate - Existing Use - in breach of a planning condition	Statutory Fee	per certificate	as full planning application	as full planning application	0.00%	E/OS?
14 b) Lawful Development Certificate - Existing Use - lawful not to comply with a particular condition	Statutory Fee	per certificate	195.00	195.00	0.00%	E/OS?
14 c) Lawful Development Certificate - Proposed Use	Statutory Fee	per certificate	half the normal planning application fee	half the normal planning application fee	0.00%	E/OS?
15 Prior Approval						
(a) Agricultural and Forestry buildings & operations or demolition of buildings	statutory Fee	limited	80.00	80.00	0.00%	E/OS?
(b) Telecommunications Code Systems Operators	statutory Fee	limited	385.00	385.00	0.00%	E/OS?
(c) Prior Approval of Proposed Change of Use to State Funded School	statutory Fee	v limited	80.00	80.00	0.00%	E/OS?



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
(d) Prior Approval of Proposed Change of Use of Agricultural Building to flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hostels, or Assembly or Leisure	statutory Fee		limited	80.00	80.00	0.00%	E/OS?
(e) Notification of a Proposed Change of Use to Dwelling(s)	statutory Fee		limited	80.00	80.00	0.00%	E/OS?

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

(a) Applications in respect of major developments	statutory Fee		limited	575.00	575.00	0.00%	E/OS?
(b) Applications in respect of householder developments	statutory Fee		limited	57.00	57.00	0.00%	E/OS?
(c) Applications in respect of other developments	statutory Fee		limited	195.00	195.00	0.00%	E/OS?

Application for a Non-material Amendment Following a Grant of Planning Permission

(a) Applications in respect of householder developments	statutory Fee		limited	28.00	28.00	0.00%	E/OS?
(b) Applications in respect of other developments	statutory Fee		limited	195.00	195.00	0.00%	E/OS?

SCALE OF FEES IN RESPECT OF APPLICATIONS FOR CONSENT TO DISPLAY ADVERTISEMENTS

1 Advertisements displayed on business premises, on the forecourt of business premises or on other land within the curtilage of business premises, wholly with reference to all or any of the following matters:-

(a) the nature of the business or other activity carried out on the premises;	statutory Fee		limited	110.00	110.00	0.00%	E/OS?
(b) the goods sold or the services provided on the premises or;	statutory Fee		limited	110.00	110.00	0.00%	E/OS?
(c) the name and qualifications of the person carrying on such business or activity or supplying such goods or services.	statutory Fee		limited	110.00	110.00	0.00%	E/OS?
2 Advertisements for the purpose of directing members or the public to, or otherwise drawing attention to the existence of, business premises which are in the same locality as the site on which the advertisement is to be displayed but which are not visible from that site.	statutory Fee		limited	110.00	110.00	0.00%	E/OS?
3 All other advertisements.	statutory Fee		limited	385.00	385.00	0.00%	E/OS?

New Dwellings up to 300m² floor area and not more than 3 storeys

1 new dwelling, full plans	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
1 new dwelling, full plans	Cost Recovery	Inspection Fee	numerous	498.87	498.87	0.00%	S
1 new dwelling, full plans	Cost Recovery	Building Notice	numerous	679.15	679.15	0.00%	S
2 new dwellings, full plans	Cost Recovery	Plan Fee	limited	250.00	250.00	0.00%	S
2 new dwellings, full plans	Cost Recovery	Inspection Fee	limited	641.92	641.92	0.00%	S
2 new dwellings, full plans	Cost Recovery	Building Notice	limited	909.78	909.78	0.00%	S
3 new dwellings, full plans	Cost Recovery	Plan Fee	limited	333.33	333.33	0.00%	S
3 new dwellings, full plans	Cost Recovery	Inspection Fee	limited	811.35	811.35	0.00%	S
3 new dwellings, full plans	Cost Recovery	Building Notice	limited	1,168.51	1,168.51	0.00%	S
4 new dwellings, full plans	Cost Recovery	Plan Fee	limited	416.67	416.67	0.00%	S
4 new dwellings, full plans	Cost Recovery	Inspection Fee	limited	887.17	887.17	0.00%	S
4 new dwellings, full plans	Cost Recovery	Building Notice	limited	1,331.92	1,331.92	0.00%	S
5 new dwellings, full plans	Cost Recovery	Plan Fee	limited	500.00	500.00	0.00%	S
5 new dwellings, full plans	Cost Recovery	Inspection Fee	limited	990.22	990.22	0.00%	S
5 new dwellings, full plans	Cost Recovery	Building Notice	limited	1,521.70	1,521.70	0.00%	S
More than 5 new dwellings, full plans	Cost Recovery	Fees/Notice	limited	Individual Charge	Individual Charge	0.00%	S
Conversion of an existing dwelling into two flats	Cost Recovery	Plan Fee	modest amount	208.33	208.33	0.00%	S



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Conversion of an existing dwelling into two flats	Cost Recovery	Inspection Fee	modest amount	346.56	346.56	0.00%	S
Conversion of an existing dwelling into two flats	Cost Recovery	Building Notice	modest amount	554.89	554.89	0.00%	S
Conversion of an existing dwelling into three flats	Cost Recovery	Plan Fee	limited	208.33	208.33	0.00%	S
Conversion of an existing dwelling into three flats	Cost Recovery	Inspection Fee	limited	513.37	513.37	0.00%	S
Conversion of an existing dwelling into three flats	Cost Recovery	Building Notice	limited	721.70	721.70	0.00%	S
Supplementary charge if electrical or gas works are not carried out and registered by a person who is a member of a government approved competent persons scheme. This is increased where the number of electrical circuits involved excee	Cost Recovery		limited	200.00	200.00	0.00%	

Domestic extensions up to 3 storeys and 100m2 floor area and electrical work (inc. loft conversions and certain garages/ carports)

2a) Domestic Extensions, Loft Conversions, Garages and Car Ports

Certain garages and car ports under 30m2 may be exempt buildings. Please contact Building Control to discuss.

'Extension' includes attached garages and non-exempt conservatories

'Loft Conversion' is the formation of habitable accommodation in an existing loft space of a house or flat

'Garage Conversion' is the formation of habitable accommodation in an existing garage.

Extension internal floor area under 10m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Extension internal floor area under 10m2	Cost Recovery	Inspection Fee	numerous	272.40	272.40	0.00%	S
Extension internal floor area under 10m2	Cost Recovery	Building Notice	numerous	468.33	468.33	0.00%	S
Extension internal floor area under 10m2	Cost Recovery	Regularisation	numerous	585.42	585.42	0.00%	E/OS?
Extension internal floor area over 10m2 and under 40m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Extension internal floor area over 10m2 and under 40m2	Cost Recovery	Inspection Fee	numerous	385.49	385.49	0.00%	S
Extension internal floor area over 10m2 and under 40m2	Cost Recovery	Building Notice	numerous	589.41	589.41	0.00%	S
Extension internal floor area over 10m2 and under 40m2	Cost Recovery	Regularisation	numerous	736.76	736.76	0.00%	E/OS?
Extension internal floor area over 40m2 and under 100m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Extension internal floor area over 40m2 and under 100m2	Cost Recovery	Inspection Fee	numerous	498.58	498.58	0.00%	S
Extension internal floor area over 40m2 and under 100m2	Cost Recovery	Building Notice	numerous	710.48	710.48	0.00%	S
Extension internal floor area over 40m2 and under 100m2	Cost Recovery	Regularisation	numerous	888.10	888.10	0.00%	E/OS?
Loft Conversion internal floor area under 40m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Loft Conversion internal floor area under 40m2	Cost Recovery	Inspection Fee	numerous	338.93	338.93	0.00%	S
Loft Conversion internal floor area under 40m2	Cost Recovery	Building Notice	numerous	542.84	542.84	0.00%	S
Loft Conversion internal floor area under 40m2	Cost Recovery	Regularisation	numerous	678.55	678.55	0.00%	E/OS?
Loft Conversion internal floor area over 40m2 and under 100m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Loft Conversion internal floor area over 40m2 and under 100m2	Cost Recovery	Inspection Fee	numerous	471.98	471.98	0.00%	S
Loft Conversion internal floor area over 40m2 and under 100m2	Cost Recovery	Building Notice	numerous	707.83	707.83	0.00%	S
Loft Conversion internal floor area over 40m2 and under 100m2	Cost Recovery	Regularisation	numerous	884.78	884.78	0.00%	E/OS?
Extension Loft conversions and extensions where the total floor area exceeds 100m2	Cost Recovery	Fees/Notice	numerous	Individual Charge	Individual Charge	0.00%	Various
Erection (or extension) to form a garage or carport under 40m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Erection (or extension) to form a garage or carport under 40m2	Cost Recovery	Inspection Fee	numerous	94.11	94.11	0.00%	S
Erection (or extension) to form a garage or carport under 40m2	Cost Recovery	Building Notice	numerous	271.43	271.43	0.00%	S
Erection (or extension) to form a garage or carport under 40m2	Cost Recovery	Regularisation	numerous	339.28	339.28	0.00%	E/OS?



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Erection (or extension) to form a garage or carport between 40m2 and 100m2	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Erection (or extension) to form a garage or carport between 40m2 and 100m2	Cost Recovery	Inspection Fee	numerous	195.23	195.23	0.00%	S
Erection (or extension) to form a garage or carport between 40m2 and 100m2	Cost Recovery	Building Notice	numerous	367.22	367.22	0.00%	S
Erection (or extension) to form a garage or carport between 40m2 and 100m2	Cost Recovery	Regularisation	numerous	459.02	459.02	0.00%	E/OS?
Extensions where the total floor area exceeds 100m2	Cost Recovery	Fees/Notice	numerous	Individual Charge	Individual Charge	0.00%	Various

2a) Domestic Alterations

The below four alteration categories attract a 30% discount if undertaken at the same time as works listed in Table 2a. (Excluding Regularisations)

Alterations up to £2,000 estimated cost of works	Cost Recovery	Plan Fee	numerous	83.33	83.33	0.00%	S
Alterations up to £2,000 estimated cost of works	Cost Recovery	Inspection Fee	numerous	62.50	62.50	0.00%	S
Alterations up to £2,000 estimated cost of works	Cost Recovery	Building Notice	numerous	145.83	145.83	0.00%	S
Alterations up to £2,000 estimated cost of works	Cost Recovery	Regularisation	numerous	182.29	182.29	0.00%	E/OS?
Alterations over £2,000 and up to £5,000 estimated cost of works	Cost Recovery	Plan Fee	numerous	83.33	83.33	0.00%	S
Alterations over £2,000 and up to £5,000 estimated cost of works	Cost Recovery	Inspection Fee	numerous	154.17	154.17	0.00%	S
Alterations over £2,000 and up to £5,000 estimated cost of works	Cost Recovery	Building Notice	numerous	237.50	237.50	0.00%	S
Alterations over £2,000 and up to £5,000 estimated cost of works	Cost Recovery	Regularisation	numerous	296.88	296.88	0.00%	E/OS?
Alterations over £5,000 and up to £10,000 estimated cost of works	Cost Recovery	Plan Fee	numerous	83.33	83.33	0.00%	S
Alterations over £5,000 and up to £10,000 estimated cost of works	Cost Recovery	Inspection Fee	numerous	235.98	235.98	0.00%	S
Alterations over £5,000 and up to £10,000 estimated cost of works	Cost Recovery	Building Notice	numerous	319.32	319.32	0.00%	S
Alterations over £5,000 and up to £10,000 estimated cost of works	Cost Recovery	Regularisation	numerous	399.15	399.15	0.00%	E/OS?
Garage conversion	Cost Recovery	Plan Fee	numerous	166.67	166.67	0.00%	S
Garage conversion	Cost Recovery	Inspection Fee	numerous	110.78	110.78	0.00%	S
Garage conversion	Cost Recovery	Building Notice	numerous	277.45	277.45	0.00%	S
Garage conversion	Cost Recovery	Regularisation	numerous	346.81	346.81	0.00%	E/OS?
Alterations where the estimated cost of works exceeds £10,000	Cost Recovery	Fees/Notice	numerous	Individual Charge	Individual Charge	0.00%	Various
Installation of up to 20 replacement windows or external doors	Cost Recovery	Plan Fee	numerous	133.33	133.33	0.00%	S
Installation of up to 20 replacement windows or external doors	Cost Recovery	Building Notice	numerous	133.33	133.33	0.00%	S
Installation of up to 20 replacement windows or external doors	Cost Recovery	Regularisation	numerous	166.67	166.67	0.00%	E/OS?
Supplementary charge for the above categories if associated electrical or gas works are not carried out and registered by a person who is a member of a government approved competent persons scheme. This	Cost Recovery		numerous	290.00	290.00	0.00%	
Electrical works involving up to 12 circuits	Cost Recovery	Plan Fee	limited	241.67	241.67	0.00%	S
Electrical works involving up to 12 circuits	Cost Recovery	Building Notice	limited	241.67	241.67	0.00%	S
Electrical works involving up to 12 circuits	Cost Recovery	Regularisation	limited	302.08	302.08	0.00%	E/OS?
Electrical works involving more than 12 circuits	Cost Recovery	Fees/Notice	limited	Individual Charge	Individual Charge	0.00%	Various

Institutional residential, office, shop, assembly and recreational

Extension under 10m ²	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Extension under 10m ²	Cost Recovery	Inspection Fee	limited	281.84	281.84	0.00%	S
Extension under 10m ²	Cost Recovery	Regularisation	limited	560.64	560.64	0.00%	E/OS?



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Extension over 10m ² and under 40m ²	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Extension over 10m ² and under 40m ²	Cost Recovery	Inspection Fee	limited	431.63	431.63	0.00%	S
Extension over 10m ² and under 40m ²	Cost Recovery	Regularisation	limited	747.87	747.87	0.00%	E/OS?
Extension over 40m ² and under 100m ²	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Extension over 40m ² and under 100m ²	Cost Recovery	Inspection Fee	limited	812.06	812.06	0.00%	S
Extension over 40m ² and under 100m ²	Cost Recovery	Regularisation	limited	1,223.40	1,223.40	0.00%	E/OS?
Extension where the total floor area exceeds 100m ²	Cost Recovery	Fees	limited	Individual Charge	Individual Charge	0.00%	Variou
Internal alterations under £5,000 estimated cost of works	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Internal alterations under £5,000 estimated cost of works	Cost Recovery	Inspection Fee	limited	110.78	110.78	0.00%	S
Internal alterations under £5,000 estimated cost of works	Cost Recovery	Regularisation	limited	346.81	346.81	0.00%	E/OS?
Internal alterations over £5,000and under £10,000 estimated cost of works	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Internal alterations over £5,000and under £10,000 estimated cost of works	Cost Recovery	Inspection Fee	limited	222.27	222.27	0.00%	S
Internal alterations over £5,000and under £10,000 estimated cost of works	Cost Recovery	Regularisation	limited	486.17	486.17	0.00%	E/OS?
Installation of mezzanine floor up to 100m ²	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Installation of mezzanine floor up to 100m ²	Cost Recovery	Inspection Fee	limited	166.10	166.10	0.00%	S
Installation of mezzanine floor up to 100m ²	Cost Recovery	Regularisation	limited	415.96	415.96	0.00%	E/OS?
Shop refurbishment under £15,000 estimated cost of works	Cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Shop refurbishment under £15,000 estimated cost of works	Cost Recovery	Inspection Fee	limited	332.91	332.91	0.00%	S
Shop refurbishment under £15,000 estimated cost of works	Cost Recovery	Regularisation	limited	624.47	624.47	0.00%	E/OS?

Industrial and Storage

Extension under 10m ²	cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Extension under 10m ²	cost Recovery	Inspection Fee	limited	213.76	213.76	0.00%	S
Extension under 10m ²	cost Recovery	Regularisation	limited	475.53	475.53	0.00%	E/OS?
Extension over 10m ² and under 40m ²	cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Extension over 10m ² and under 40m ²	cost Recovery	Inspection Fee	limited	363.55	363.55	0.00%	S
Extension over 10m ² and under 40m ²	cost Recovery	Regularisation	limited	662.77	662.77	0.00%	E/OS?
Extension over 40m ² and under 100m ²	cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Extension over 40m ² and under 100m ²	cost Recovery	Inspection Fee	limited	730.36	730.36	0.00%	S
Extension over 40m ² and under 100m ²	cost Recovery	Regularisation	limited	1,121.28	1,121.28	0.00%	E/OS?
Extension where the total floor area exceeds 100m ²	cost Recovery	Fees	limited	Individual Charge	Individual Charge	0.00%	Variou
Internal alterations under £5,000 estimated cost of works	cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Internal alterations under £5,000 estimated cost of works	cost Recovery	Inspection Fee	limited	110.78	110.78	0.00%	S
Internal alterations under £5,000 estimated cost of works	cost Recovery	Regularisation	limited	346.81	346.81	0.00%	E/OS?
Internal alterations over £5,000and under £10,000 estimated cost of works	cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Internal alterations over £5,000and under £10,000 estimated cost of works	cost Recovery	Inspection Fee	limited	222.27	222.27	0.00%	S
Internal alterations over £5,000and under £10,000 estimated cost of works	cost Recovery	Regularisation	limited	486.17	486.17	0.00%	E/OS?



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Neighbourhood Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Installation of mezzanine floor up to 100m ²	cost Recovery	Plan Fee	limited	166.67	166.67	0.00%	S
Installation of mezzanine floor up to 100m ²	cost Recovery	Inspection Fee	limited	166.10	166.10	0.00%	S
Installation of mezzanine floor up to 100m ²	cost Recovery	Regularisation	limited	415.96	415.96	0.00%	E/OS?

HOSTELS

Hillcrest Hostel Single Room (excl. service charges)	Cost Recovery	per week	72	195.00	195.00	0.00%	E/OS?
Hillcrest Hostel Double Room (excl. service charges)	Cost Recovery	per week	218	220.00	220.00	0.00%	E/OS?
Hillcrest Hostel Family Room (excl. service charges)	Cost Recovery	per week	258	230.00	230.00	0.00%	E/OS?
Bed & Breakfast - Single person	Discretionary	per week		97.65	100.10	2.50%	E/OS?
Bed & Breakfast - Single person	Discretionary	per day	403	13.95	14.30	2.50%	E/OS?
Bed & Breakfast - Single person and one child	Discretionary	per week		129.50	132.72	2.50%	E/OS?
Bed & Breakfast - Single person and one child	Discretionary	per day	145	18.50	18.96	2.50%	E/OS?
Bed & Breakfast - Single person and two children	Discretionary	per week		140.70	144.20	2.50%	E/OS?
Bed & Breakfast - Single person and two children	Discretionary	per day	225	20.10	20.60	2.50%	E/OS?
Bed & Breakfast - Couple	Discretionary	per week		129.50	132.72	2.50%	E/OS?
Bed & Breakfast - Couple	Discretionary	per day	76	18.50	18.96	2.50%	E/OS?
Bed & Breakfast - Couple and one child	Discretionary	per week		151.90	155.68	2.50%	E/OS?
Bed & Breakfast - Couple and one child	Discretionary	per day	44	21.70	22.24	2.50%	E/OS?
Bed & Breakfast - Couple and two children	Discretionary	per week		164.15	168.28	2.50%	E/OS?
Bed & Breakfast - Couple and two children	Discretionary	per day	88	23.45	24.04	2.50%	E/OS?
Bed & Breakfast - Additional children up to 16	Discretionary	per week		13.30	13.65	2.50%	E/OS?
Bed & Breakfast - Additional children up to 16	Discretionary	per day	349	1.90	1.95	2.50%	E/OS?



Fees and Charges: Customer & Community Services

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge	2016/17 Charge	Year on Year Variance	VAT
			£	£	%	

HIRE CHARGES FOR HERTFORD THEATRE

WEEKDAYS Auditorium am (9am to 1pm)	Discretionary		256.00	264.00	3.00%	E
WEEKDAYS Auditorium am per hour	Discretionary		64.00	66.00	3.00%	E
WEEKDAYS Auditorium pm (1pm to 6pm)	Discretionary		395.00	405.00	2.50%	E
WEEKDAYS Auditorium pm per hour	Discretionary		79.00	81.00	2.50%	E
WEEKDAYS Auditorium Evening (6pm to midnight)	Discretionary		534.00	546.00	2.20%	E
WEEKDAYS Auditorium Evening per hour	Discretionary		89.00	91.00	2.20%	E
WEEKDAYS Auditorium 9am-6pm (discounted rate)	Discretionary		551.00	569.00	3.30%	E
WEEKDAYS Auditorium 1pm-midnight (discounted rate)	Discretionary		779.00	801.00	2.80%	E
WEEKDAYS Auditorium 9am-midnight (discounted rate)	Discretionary		985.00	1,015.00	3.00%	E
WEEKDAYS Studio am (9am to 1pm)	Discretionary		88.00	100.00	13.60%	E
WEEKDAYS Studio am per hour	Discretionary		22.00	25.00	13.60%	E
WEEKDAYS Studio pm (1pm to 6pm)	Discretionary		135.00	125.00	-7.40%	E
WEEKDAYS Studio pm per hour	Discretionary		27.00	25.00	-7.40%	E
WEEKDAYS Studio Evening (6pm to midnight)	Discretionary		162.00	150.00	-7.40%	E
WEEKDAYS Studio Evening per hour	Discretionary		37.00	25.00	-32.40%	E
WEEKDAYS Studio 9am-6pm (discounted rate)	Discretionary		193.00	200.00	3.60%	E
WEEKDAYS Studio 1pm-midnight (discounted rate)	Discretionary		307.00	250.00	-18.50%	E
WEEKDAYS Studio 9am-midnight (discounted rate)	Discretionary		375.00	350.00	-6.67%	E
WEEKDAYS River Room am (9am to 1pm)	Discretionary		88.00	100.00	13.60%	E
WEEKDAYS River Room am per hour	Discretionary		22.00	25.00	13.60%	E
WEEKDAYS River Room pm (1pm to 6pm)	Discretionary		135.00	125.00	-7.40%	E
WEEKDAYS River Room pm per hour	Discretionary		27.00	25.00	-7.40%	E
WEEKDAYS River Room Evening (6pm to midnight)	Discretionary		162.00	150.00	-7.40%	E
WEEKDAYS River Room Evening per hour	Discretionary		37.00	25.00	-32.40%	E
WEEKDAYS River Room 9am-6pm (discounted rate)	Discretionary		193.00	200.00	3.60%	E
WEEKDAYS River Room 1pm-midnight (discounted rate)	Discretionary		307.00	250.00	-18.50%	E
WEEKDAYS River Room 9am-midnight (discounted rate)	Discretionary		375.00	350.00	-6.67%	E
WEEKDAYS Foyer am (9am to 1pm)	Discretionary		88.00	100.00	13.60%	E
WEEKDAYS Foyer am per hour	Discretionary		22.00	25.00	13.60%	E
WEEKDAYS Foyer pm (1pm to 6pm)	Discretionary		135.00	125.00	-7.40%	E
WEEKDAYS Foyer pm per hour	Discretionary		27.00	25.00	-7.40%	E
WEEKDAYS Foyer Evening (6pm to midnight)	Discretionary		162.00	150.00	-7.40%	E
WEEKDAYS Foyer Evening per hour	Discretionary		37.00	25.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS Auditorium am (9am to 1pm)	Discretionary		316.00	324.00	2.50%	E
WEEKENDS AND BANK HOLIDAYS Auditorium am per hour	Discretionary		79.00	81.00	2.50%	E
WEEKENDS AND BANK HOLIDAYS Auditorium pm (1pm to 6pm)	Discretionary		445.00	455.00	2.20%	E



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
WEEKENDS AND BANK HOLIDAYS Auditorium pm per hour	Discretionary			89.00	91.00	2.20%	E
WEEKENDS AND BANK HOLIDAYS Auditorium Evening (6pm to midnight)	Discretionary			750.00	780.00	4.00%	E
WEEKENDS AND BANK HOLIDAYS Auditorium Evening per hour	Discretionary			125.00	130.00	4.00%	E
WEEKENDS AND BANK HOLIDAYS Auditorium 9am-6pm (discounted rate)	Discretionary			661.00	679.00	2.70%	E
WEEKENDS AND BANK HOLIDAYS Auditorium 1pm-midnight (discounted rate)	Discretionary			1,072.00	1,085.00	1.20%	E
WEEKENDS AND BANK HOLIDAYS Auditorium 9am-midnight (discounted rate)	Discretionary			1,311.00	1,359.00	3.70%	E
WEEKENDS AND BANK HOLIDAYS Studio am (9am to 1pm)	Discretionary			136.00	100.00	-26.40%	E
WEEKENDS AND BANK HOLIDAYS Studio am per hour	Discretionary			34.00	25.00	-26.40%	E
WEEKENDS AND BANK HOLIDAYS Studio pm (1pm to 6pm)	Discretionary			185.00	125.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS Studio pm per hour	Discretionary			37.00	25.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS Studio Evening (6pm to midnight)	Discretionary			282.00	150.00	-46.80%	E
WEEKENDS AND BANK HOLIDAYS Studio Evening per hour	Discretionary			47.00	25.00	-46.80%	E
WEEKENDS AND BANK HOLIDAYS Studio 9am-6pm (discounted rate)	Discretionary			291.00	200.00	-31.27%	E
WEEKENDS AND BANK HOLIDAYS Studio 1pm-midnight (discounted rate)	Discretionary			417.00	250.00	-40.00%	E
WEEKENDS AND BANK HOLIDAYS Studio 9am-midnight (discounted rate)	Discretionary			533.00	350.00	-34.30%	E
WEEKENDS AND BANK HOLIDAYS River Room am (9am to 1pm)	Discretionary			136.00	100.00	-26.47%	E
WEEKENDS AND BANK HOLIDAYS River Room am per hour	Discretionary			34.00	25.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS River Room pm (1pm to 6pm)	Discretionary			185.00	125.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS River Room pm per hour	Discretionary			37.00	25.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS River Room Evening (6pm to midnight)	Discretionary			282.00	150.00	-46.80%	E
WEEKENDS AND BANK HOLIDAYS River Room Evening per hour	Discretionary			47.00	25.00	-46.80%	E
WEEKENDS AND BANK HOLIDAYS River Room 9am-6pm (discounted rate)	Discretionary			291.00	200.00	-31.27%	E
WEEKENDS AND BANK HOLIDAYS River Room 1pm-midnight (discounted rate)	Discretionary			417.00	250.00	-40.00%	E
WEEKENDS AND BANK HOLIDAYS River Room 9am-midnight (discounted rate)	Discretionary			533.00	350.00	-34.30%	E
WEEKENDS AND BANK HOLIDAYS Foyer am (9am to 1pm)	Discretionary			136.00	100.00	-26.47%	E
WEEKENDS AND BANK HOLIDAYS Foyer am per hour	Discretionary			34.00	25.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS Foyer pm (1pm to 6pm)	Discretionary			185.00	125.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS Foyer pm per hour	Discretionary			37.00	25.00	-32.40%	E
WEEKENDS AND BANK HOLIDAYS Foyer Evening (6pm to midnight)	Discretionary			282.00	150.00	-46.80%	E
WEEKENDS AND BANK HOLIDAYS Foyer Evening per hour	Discretionary			47.00	25.00	-46.80%	E
WEEKLY Auditorium Mon - Sunday (amateur)	Discretionary			5,275.00	5,375.00	1.90%	E
WEEKLY Auditorium Mon - Sunday (professional)	Discretionary			6,600.00	6,750.00	2.30%	E
WEEKLY Studio Mon - Sunday	Discretionary			2,100.00	2,150.00	2.40%	E
WEEKLY River Room Mon - Sunday	Discretionary			2,600.00	2,150.00	-17.30%	E
Concert Grand Piano	Discretionary	per 3 hours	not available	130.00	135.00	3.80%	S
Piano Tuning	Discretionary		not available	64.50	70.00	8.50%	S
Electric Piano	Discretionary		not available	38.50	40.00	3.90%	S



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
LCD Projector & Screen	Discretionary		not available	50.00	55.00	10.00%	S
Portable PA Unit	Discretionary		not available	45.00	50.00	10.00%	S
Radio Mic	Discretionary		not available	29.17	30.00	2.80%	S
Hand Radio Mic	Discretionary		not available	5.00	5.50	10.00%	S
Cinema - Adults	Discretionary		20,560	5.83	5.83	0.00%	S
Cinema - Concessions	Discretionary			4.17	4.17	0.00%	S

PARKING

Off Street Resident Season Ticket - Port Vale	Statutory		13	229.17	229.17	0.00%	S
Off Street Resident Season Ticket - Crown Terrace	Discretionary		1	1,026.00	1,026.00	0.00%	S
Off Street Resident Season Ticket - Baldock Street - Ware	Statutory		1	800.83	800.83	0.00%	S
Off Street Business Permit - Charrington's House BS Long Stay	Discretionary		79			0.00%	
On Street Resident Season Ticket - 1st Permit	Cost Recovery		1,400	36.00	36.00	0.00%	n/a
On Street Resident Season Ticket - 2nd Permit	Cost Recovery		275	72.00	72.00	0.00%	n/a
On Street Resident Season Ticket - 3rd Permit (only available where possible in B1 (Stansted Rd, BS), B2 (Dunmow Rd, BS), B3 (Windhill BS), B7 Chantry BS), W2 (Coronation Rd Ware)	Cost Recovery		10	72.00	72.00	0.00%	n/a
On Street Resident Season Ticket - Motorcycle permit	Cost Recovery		4	19.00	19.00	0.00%	n/a
On Street Resident Season Ticket - Contractor permit	Cost Recovery	per week	20	21.00	21.00	0.00%	n/a
On Street Resident Season Ticket - Business permit	Cost Recovery	per annum	8	315.00	315.00	0.00%	n/a
On Street Resident Season Ticket - Carers/ Special permits (discretionary)	Cost Recovery		282	36.00	36.00	0.00%	n/a
On Street Resident Season Ticket - Visitors Vouchers	Cost Recovery	per hour	283,870	0.10	0.10	0.00%	n/a
On Street Resident Season Ticket - Visitors Vouchers	Cost Recovery	per hour pensioners	n/a	0.05	0.05	0.00%	n/a
On Street Resident Season Ticket - Charge for Temporary Dispensation from Parking Restrictions	Cost Recovery		436	15.00	15.00	0.00%	n/a
On Street Residents Parking Permits - Folly Island - 2nd Permit	Cost Recovery		26	55.00	55.00	0.00%	n/a
Penalty Charges issued under Regulation 9 of the General Regulations - Higher Level Penalty Charge - Paid within 21 days	Statutory	per PCN	5,220	35.00	35.00	0.00%	OS
Penalty Charges issued under Regulation 9 of the General Regulations - Higher Level Penalty Charge - Paid after 21 days	Statutory	per PCN	772	70.00	70.00	0.00%	OS
Penalty Charges issued under Regulation 9 of the General Regulations - Higher Level Penalty Charge - Paid after service of charge certificate	Statutory	per PCN	230	105.00	105.00	0.00%	OS
Penalty Charges issued under Regulation 9 of the General Regulations - Lower Level Penalty Charge - Paid within 21 days	Statutory	per PCN	9,365	25.00	25.00	0.00%	OS
Penalty Charges issued under Regulation 9 of the General Regulations - Lower Level Penalty Charge - Paid after 21 days	Statutory	per PCN	1,446	50.00	50.00	0.00%	OS
Penalty Charges issued under Regulation 9 of the General Regulations - Lower Level Penalty Charge - Paid after service of charge certificate	Statutory	per PCN	521	75.00	75.00	0.00%	OS
Penalty Charges issued under Regulation 10 of the General Regulations. - Higher Level Penalty Charge - Paid within 21 days	Statutory	per PCN	0	35.00	35.00	0.00%	OS
Penalty Charges issued under Regulation 10 of the General Regulations. - Higher Level Penalty Charge - Paid after 21 days	Statutory	per PCN	0	70.00	70.00	0.00%	OS
Penalty Charges issued under Regulation 10 of the General Regulations. - Higher Level Penalty Charge - Paid after service of charge certificate	Statutory	per PCN	0	105.00	105.00	0.00%	OS
Penalty Charges issued under Regulation 10 of the General Regulations - Lower Level Penalty Charge - Paid within 21 days	Statutory	per PCN	0	25.00	25.00	0.00%	OS
Penalty Charges issued under Regulation 10 of the General Regulations - Lower Level Penalty Charge - Paid after 21 days	Statutory	per PCN	0	50.00	50.00	0.00%	OS



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge	2016/17 Charge	Year on Year Variance	VAT
				£	£	%	
Penalty Charges issued under Regulation 10 of the General Regulations - Lower Level Penalty Charge - Paid after service of charge certificate	Statutory	per PCN	0	75.00	75.00	0.00%	OS
Bishop's Stortford market traders' tariff - Link Road	Discretionary	per Thursday or Saturday	not available	2.32	2.32	0.00%	S
Bishop's Stortford market traders' tariff - Northgate End	Discretionary	per Thursday or Saturday	not available	2.32	2.32	0.00%	S
Bishop's Stortford market traders' tariff - Apton Road	Discretionary	per Thursday or Saturday	not available	2.32	2.32	0.00%	S
Old London Road - Hertford - Market Traders	Discretionary	per day	not available	3.00	3.00	0.00%	S
Old London Road - Hertford - Coach / Lorry tariff	Discretionary	per visit	2	12.50	12.50	0.00%	S
Priory Street - Ware - Market Traders	Discretionary	per day	not available			0.00%	S
Stanstead Abbots - Short stay - 0 - 1 hrs	Discretionary	per ticket		0.33	0.33	0.00%	S
Stanstead Abbots - Short stay - 1 - 2 hrs	Discretionary	per ticket		0.67	0.67	0.00%	S
Stanstead Abbots - Short stay - 2 - 3 hrs	Discretionary	per ticket		1.00	1.00	0.00%	S
Stanstead Abbots - Long stay - 3hrs +	Discretionary	per ticket		2.08	2.08	0.00%	S
Buntingford - 0 - 1 hrs	Discretionary	per ticket	30,817	-	-	0.00%	S
Buntingford - 1 - 2 hrs	Discretionary	per ticket	290	-	-	0.00%	S
Buntingford - 2 - 3 hrs	Discretionary	per ticket	2,080	-	-	0.00%	S
Buntingford - 3hrs +	Discretionary	per ticket	n/a	1.67	1.67	0.00%	S
Bishop's Stortford - Short stay (7:30 - 16:00), 0 - 30 mins	Discretionary	per ticket	195,461	-	-	0.00%	S
Bishop's Stortford - Short stay (7:30 - 16:00), 30 - 90 mins	Discretionary	per ticket	505,206	0.67	0.67	0.00%	S
Bishop's Stortford - Short stay (7:30 - 16:00), 90 mins - 3 hrs	Discretionary	per ticket	227,046	1.67	1.67	0.00%	S
Bishop's Stortford - Short stay (7:30 - 16:00), 3 - 5 hrs	Discretionary	per ticket	150,406	3.00	3.00	0.00%	S
Bishop's Stortford - Short stay (16:00 - 18:30), 0 - 30 mins	Discretionary	per ticket	39,024	-	-	0.00%	S
Bishop's Stortford - Short stay (16:00 - 18:30), 30 mins & longer	Discretionary	per ticket	39,550	0.67	0.67	0.00%	S
Bishop's Stortford - Long stay, 5 hrs	Discretionary	per ticket	20,514	3.00	3.00	0.00%	S
Bishop's Stortford - Long stay, all day	Discretionary	per ticket	47,285	3.67	3.67	0.00%	S
Bishop's Stortford - Jackson Square - 7.30 - 18:30, 0 - 1 hrs	Discretionary	per ticket	83,913	0.67	0.67	0.00%	S
Bishop's Stortford - Jackson Square - 7.30 - 18:30, 1 - 2 hrs	Discretionary	per ticket	8,832	1.25	1.25	0.00%	S
Bishop's Stortford - Jackson Square - 7.30 - 18:30, 2 - 3 hrs	Discretionary	per ticket	4,336	1.83	1.83	0.00%	S
Bishop's Stortford - Jackson Square - 7.30 - 18:30, 3 - 4 hrs	Discretionary	per ticket	1,079	2.42	2.42	0.00%	S
Bishop's Stortford - Jackson Square - 7.30 - 18:30, 4 - 5 hrs	Discretionary	per ticket	801	3.00	3.00	0.00%	S
Bishop's Stortford - Elm Road - 7.30 - 16:00, 0 - 30 mins	Discretionary	per ticket	262	-	-	0.00%	S
Bishop's Stortford - Elm Road - 7.30 - 16:00, 30 mins - 5 hrs	Discretionary	per ticket	969	1.67	1.67	0.00%	S
Bishop's Stortford - Elm Road - 7.30 - 16:00, all day	Discretionary	per ticket	4,539	2.50	2.50	0.00%	S
Bishop's Stortford - Elm Road - 16:00 - 18:30, 0 - 30 mins	Discretionary	per ticket	63	-	-	0.00%	S
Bishop's Stortford - Elm Road - 16:00 - 18:30, 30 mins & longer	Discretionary	per ticket	72	0.67	0.67	0.00%	S
Bishop's Stortford - Grange Paddocks A (9:00 - 17:00), all day	Discretionary	per ticket	2,410	2.50	2.50	0.00%	S
Bishop's Stortford - Grange Paddocks B (9:00 - 17:00), 0 - 2.5 hrs	Discretionary	per ticket	50,217	-	-	0.00%	S
Bishop's Stortford - Grange Paddocks B (9:00 - 17:00), 2.5 - 5 hrs	Discretionary	per ticket	354	1.67	1.67	0.00%	S



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Bishop's Stortford - Grange Paddocks C (9:00 - 17:00), 0 - 2.5 hrs	Discretionary	per ticket	30,661	-	-	0.00%	S
Hertford - Short stay (7:30 - 16:00), 0 - 30 mins	Discretionary	per ticket	112,358	-	-	0.00%	S
Hertford - Short stay (7:30 - 16:00), 30 - 90 mins	Discretionary	per ticket	211,037	0.67	0.67	0.00%	S
Hertford - Short stay (7:30 - 16:00), 90 mins - 3 hrs	Discretionary	per ticket	123,298	1.67	1.67	0.00%	S
Hertford - Short stay (7:30 - 16:00), 3 - 5 hrs	Discretionary	per ticket	150,406	3.00	3.00	0.00%	S
Hertford - Short stay (16:00 - 18:30), 0 - 30 mins	Discretionary	per ticket	43,424	-	-	0.00%	S
Hertford - Short stay (16:00 - 18:30), 30 mins & longer	Discretionary	per ticket	34,349	0.67	0.67	0.00%	S
Hertford - Long stay, 5 hrs	Discretionary	per ticket	20,514	3.00	3.00	0.00%	S
Hertford - Long stay, all day	Discretionary	per ticket	47,285	3.67	3.67	0.00%	S
Hertford - Wallfields Visitor Car Park (Mon - Fri 9:00 - 17:00), 0 - 2 hrs	Discretionary	per ticket	n/a	-	-	0.00%	S
Hertford - Wallfields Visitor Car Park (Mon - Fri 9:00 - 17:00), 2 - 3 hrs	Discretionary	per ticket	n/a	0.67	0.67	0.00%	S
Hertford - Wallfields Visitor Car Park (Mon - Fri 9:00 - 17:00), 3 - 4 hrs	Discretionary	per ticket	n/a	1.25	1.25	0.00%	S
Hertford - Wallfields Visitor Car Park (Mon - Fri 9:00 - 17:00), 4 - 5 hrs	Discretionary	per ticket	n/a	1.83	1.83	0.00%	S
Ware - Short stay (7:30 - 16:00), 0 - 30 mins	Discretionary	per ticket	105,711	-	-	0.00%	S
Ware - Short stay (7:30 - 16:00), 30 - 90 mins	Discretionary	per ticket	103,452	0.50	0.50	0.00%	S
Ware - Short stay (7:30 - 16:00), 90 mins - 3 hrs	Discretionary	per ticket	39,193	1.25	1.25	0.00%	S
Ware - Short stay (7:30 - 16:00), 3 - 5 hrs	Discretionary	per ticket	24,299	2.25	2.25	0.00%	S
Ware - Short stay (16:00 - 18:30), 0 - 30 mins	Discretionary	per ticket	29,168	-	-	0.00%	S
Ware - Short stay (16:00 - 18:30), 30 mins & longer	Discretionary	per ticket	15,097	0.67	0.67	0.00%	S
Ware - Long stay, 5 hrs	Discretionary	per ticket	8,675	2.25	2.25	0.00%	S
Ware - Long stay, all day	Discretionary	per ticket	15,129	2.92	2.92	0.00%	S
Sawbridgeworth - Short stay, 0 - 1 hrs	Discretionary	per ticket	83,913	-	-	0.00%	S
Sawbridgeworth - Short stay, 1 - 2 hrs	Discretionary	per ticket	8,832	0.42	0.42	0.00%	S
Sawbridgeworth - Short stay, 2 - 3 hrs	Discretionary	per ticket	4,336	0.83	0.83	0.00%	S
Sawbridgeworth - Short stay, 3 - 4 hrs	Discretionary	per ticket	1,079	1.25	1.25	0.00%	S
Sawbridgeworth - Short stay, 4 - 5 hrs	Discretionary	per ticket	801	1.67	1.67	0.00%	S
Sawbridgeworth - Long stay, 5 hrs	Discretionary	per ticket	n/a	1.67	1.67	0.00%	S
Sawbridgeworth - Long stay, all day	Discretionary	per ticket	2,396	2.92	2.92	0.00%	S

ANIMAL CONTROL

Stray dog with ID chip (unless first offence and dog is collected the same day)	Statutory	per dog	1	25.00	25.00	0.00%	n/a
Stray dog without ID chip	Statutory		4	25.00	25.00	0.00%	n/a
Stray dog collected			29	21.00	21.00	0.00%	n/a
Kennel Charges	Discretionary	per night	21	15.00	15.00	0.00%	n/a
ID chipping dogs (Ind)	Discretionary	per chip	0	17.50	17.50	0.00%	S
ID chipping dogs (Campaign)	Discretionary	per chip	0	9.17	9.17	0.00%	S
Small dead animal removal	Discretionary	per animal	0	33.33	34.16	2.50%	S
Assistance to third party organisations	Discretionary	per hour	0	28.33	29.16	2.8%	S



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Provision of dog waste bag	Discretionary	per box of 5000	0	28.33	29.16	2.93%	S
Dog Fouling Sign	Discretionary	per sign	0	12.50	12.50	0.00%	S
Allotments							
Allotments (25.3m ²)	Discretionary	per annum	244	3.40	3.50	2.94%	n/a
Outdoor Exercise Group Activities *							
Charges for personal trainers and organisations are levied to commercial organisations and individuals using EHC owned land for organised group activities where a charge is levied to participants either directly or through a membership scheme. These are ceiling prices and may be reduced at the discretion of the Head of Environmental Services for shorter time periods or where activities are undertaken in partnership with the Council in pursuit of corporate objectives relating to health and well being. These charges do not apply to the Council's own Leisure Services contractor.							
Organisations - per site	Cost Recovery		4	1,200.00	1,230.00	2.50%	n/a
Personal Trainers - per trainer	Cost Recovery		2	450.00	461.25	2.50%	n/a
REFUSE COLLECTION - Commercial Refuse Collection							
Paid Collections (excl. HCC disposal costs)	Cost Recovery	medium	0	72.50	74.50	2.76%	S
Paid Collections (excl. HCC disposal costs)	Cost Recovery	large	0	150.00	154.00	2.67%	S
Mixed Hereditaments - charged according to the proportion of trade waste collected.	Cost Recovery		0	Individual charge			
Commercial Events - Cleansing / Refuse Collection	Cost Recovery	per hour	0	73.20	77.00	5.19%	S
REFUSE COLLECTION - Domestic Refuse Collection							
Bulky Waste Collection - 1 Item	Cost Recovery	per collection	675	23.50	25.00	6.38%	n/a
Bulky Waste Collection - 2 Items	Cost Recovery	per collection	412	33.50	35.00	4.48%	n/a
Bulky Waste Collection - 3 Items	Cost Recovery	per collection	158	44.50	45.00	1.12%	n/a
Bulky Waste Collection - 4 Items	Cost Recovery	per collection	83	54.50	55.00	1.00%	n/a
Bulky Waste Collection - Load - small	Cost Recovery	per collection	7	65.00	65.00	0.00%	n/a
Bulky Waste Collection - Load - medium	Cost Recovery	per collection	4	94.50	95.00	0.50%	n/a
Bulky Waste Collection - Load - large	Cost Recovery	per collection	3	141.00	142.00	1.00%	n/a
Bulky Collection Cancellation Fee	Cost Recovery	per cancellation		10.00	10.00	0.00%	n/a
REFUSE COLLECTION - Other							
Cleansing private land (Performance area - regular schedule)	Cost Recovery	per linear metre per annum		23.00	23.50	2.17%	S
Cleansing private land - ad hoc litter picking	Cost Recovery	per hour		72.15	74.00	2.56%	S
Abandoned Vehicles (end of life vehicles) surrendered and removed by LA	Cost Recovery	per vehicle	8	40.00	41.00	2.50%	S
Abandoned Vehicles (end of life vehicles) surrendered and removed by LA	Cost Recovery	per caravan	0	61.90	63.50	2.58%	S
Cleaning graffiti on private land (chemical cleaning only. Subject to damage waiver from land owner and site survey. Graffiti removal from private land is at the discretion of the Head of Environmental Services and will not be undertaken where there is a risk of damaging surfaces, traffic management requirements or significant health and safety implications. Individual charges may be waived at the discretion of the Head of Environmental Services as part of campaigns or in the interests of preventing or discouraging significant levels of crime and disorder)	Cost Recovery	per m ²		52.25	53.50	2.39%	n/a
Cleaning graffiti - small items	Cost Recovery	per item		31.50	32.50	3.17%	n/a
REFUSE COLLECTION - Clinical							
Charge per site	Statutory	per visit (max 26)	766	13.93	14.50	4.09%	S
Sharps containers	Statutory	per container	968	8.15	8.50	4.29%	S



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Sacks - trade (infectious waste)	Statutory	per sack	4,315	4.90	5.20	6.12%	S
Sacks - domestic (infectious waste)	Statutory	per sack	750	0.66	0.90	6.06%	n/a
Sacks - trade (Offensive waste)	Statutory	per sack	400	2.95	3.00	1.69%	S
Sacks - domestic (Offensive waste)	Statutory	per sack	350	0.66	0.70	6.06%	n/a
Extra Sacks delivery charge	Statutory	per occasion	0	25.00	25.50	2.00%	n/a

COMMERCIAL WASTE

Note: The below are 'ceiling' prices and subject to the discretion of the Head of Environmental Services. For these commercial waste collection services the minimum contract period is 3 months. A minimum of 3 months notice must be given by the customer to cancel the contract. In the event of the customer cancelling the contract or the Council terminating the contract for non-payment, no refund will be given for the service not supplied during the notice period

Commercial Waste Collection Services - sacks	Statutory	per 50	294	85.00	89.00	4.71%	E
Commercial Waste Collection Services - 240 litres	Statutory	per bin per annum	87	381.50	401.00	5.11%	E
Commercial Waste Collection Services - 340 litres	Statutory	per bin per annum	163	439.00	461.00	5.01%	E
Commercial Waste Collection Services - 660 litres	Statutory	per bin per annum	81	746.00	783.00	4.96%	E
Commercial Waste Collection Services - 1,100 litres	Statutory	per bin per annum	430	937.00	984.00	5.02%	E
Prescribed Waste Collection Service - Sacks	Statutory	per 50	4	49.00	51.00	4.08%	E
Prescribed Waste Collection Service - 240 litres	Statutory	per bin per annum	48	290.50	298.00	2.58%	E
Prescribed Waste Collection Service - 340 litres	Statutory	per bin per annum	48	309.50	318.00	2.75%	E
Prescribed Waste Collection Service - 660 litres	Statutory	per bin per annum	12	520.00	533.00	2.50%	E
Prescribed Waste Collection Service - 1,100 litres	Statutory	per bin per annum	177	562.50	577.00	2.58%	E
Prescribed Waste for Educational Establishments - Sacks	Statutory	per 50	0	49.00	51.00	4.08%	E
Prescribed Waste for Educational Establishments - 240 litres	Statutory	per bin per annum	0	263.50	270.00	2.47%	E
Prescribed Waste for Educational Establishments - 340 litres	Statutory	per bin per annum	0	295.00	302.00	2.37%	E
Prescribed Waste for Educational Establishments - 660 litres	Statutory	per bin per annum	2	481.00	493.00	2.49%	E
Prescribed Waste for Educational Establishments - 1,100 litres	Statutory	per bin per annum	214	520.00	533.00	2.50%	E
Bin removal & re-delivery charge following non-payment	Statutory	per occasion	3	25.00	25.50	2.00%	E
Extra sacks delivery charge	Statutory	per occasion	0	25.00	25.50	2.00%	E

PEST CONTROL

Payment for domestic premises is to be made by card at the time of booking. Cash/cheque payments are only to be offered if resident is unable to pay by card. Payment at the time of treatment is to be discouraged. This is due to the high cost of handling cash and cheque payments.

Commercial Premises - Rats & Mice	Discretionary	per hour or part hour	55	60.50	62.00	2.48%	S
Commercial Premises - Contract service available	Discretionary	per annum	20	individual price	individual price	n/a	S
Commercial Premises - Wasps	Discretionary	one nest job	11	49.50	51.50	4.04%	S
Commercial Premises - Ants	Discretionary	one nest job	1	49.50	51.50	4.04%	S
Commercial Premises - Additional nests	Discretionary	per add. nest	2	17.25	17.50	1.45%	S
Commercial Premises - Bed Bugs	Discretionary	per hour or part hour	40	60.00	62.00	3.33%	S
Commercial Premises - Fleas	Discretionary	per hour or part hour	3	60.00	62.00	3.33%	S
Commercial Premises - Cockroaches	Discretionary	per hour or part hour	4	60.00	62.00	3.33%	S
Commercial Premises - Squirrels	Discretionary	per hour or part hour	0	60.00	62.00	3.33%	S



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Commercial Premises - Cluster Fly Infestation	Discretionary	per hour or part hour	1	60.00	62.00	3.33%	S
Commercial Premises - Visit for Advice ONLY	Discretionary	per hour or part hour	0	60.00	62.00	3.33%	S
Commercial Premises - Servicing of electronic fly killers	Discretionary	per annum	0	individual price	individual price	n/a	S
Commercial Premises - Sale of electronic fly killers	Discretionary	per unit	0	individual price	individual price	n/a	S
Commercial Premises - Pigeon / Bird Proofing	Discretionary	per job	0	individual price	individual price	n/a	S
Commercial Premises - Installation of air vent covers, proofing small holes	Discretionary	per job	0	individual price	individual price	n/a	S
Commercial Premises - Installation of bristle strips	Discretionary	per job	0	individual price	individual price	n/a	S
Commercial Premises - Supply and fit insect screens	Discretionary	per job	0	individual price	individual price	n/a	S
Domestic Premises - Rats A call out charge of £25 per job will be levied irrespective of whether rats are found. A 'job' can include up to 3 visits included in the call out price. No charge is recoverable where rats are reported in public places.	Discretionary	per job	289	20.83	50.00	140.04%	S
Domestic Premises - Mice	Discretionary	per job	52	45.83	50.00	9.10%	S
Domestic Premises - Wasps	Discretionary	one nest job	191	41.67	45.83	9.98%	S
Domestic Premises - Ants	Discretionary	one nest job	1	45.83	45.83	0.00%	S
Domestic Premises - Additional nests	Discretionary	per add. nest	10	17.09	17.50	2.40%	S
Domestic Premises - Cluster Fly Infestation	Discretionary	one job (up to 3 visits)	6	58.96	62.00	5.16%	S
Domestic Premises - Bed Bugs	Discretionary	one job (up to 3 visits)	7	166.67	170.84	2.50%	S
Domestic Premises - Bed Bugs	Discretionary	additional visits	2	60.42	61.93	2.50%	S
Domestic Premises - Squirrels	Discretionary	per job	1	77.50	79.44	2.50%	S
Domestic Premises - Fleas	Discretionary	per hour	23	48.75	83.33	70.93%	S
Domestic Premises - Cockroaches	Discretionary	per hour	1	48.75	50.00	2.56%	S
Domestic Premises - Visit for Advice ONLY	Discretionary	per half hour	53	20.83	21.60	3.70%	S
Domestic Premises - Return Visit Charge (rats & mice)	Discretionary	per job	3	60.42	61.93	2.50%	S
Domestic Premises - Installation of air vent covers, proofing small holes	Discretionary	per job	0	individual price	individual price		S
Domestic Premises - Installation of bristle strips	Discretionary	per job	0	individual price	individual price		S
Domestic Premises - Additional charge for a smoke test in drain (rodents)	Discretionary	per occasion	4	29.17	50.00	71.41%	S
Concessionary fee for residents in receipt of income related benefit - waived in cases of hardship at the discretion of the Head of Environmental Services	Discretionary	per job	107	12.50	12.50	0.00%	S

Markets

Hertford & Bishop's Stortford - Standard pitch 3m x 2.1m (10' x 7') Bishop's Stortford only; Where five consecutive weeks are taken, the fifth week will be free.	Discretionary	per pitch	3,414	21.80	n/a	n/a	E
Hertford - Standard pitch 3m x 2.1m (10' x 7')	Discretionary	per pitch		21.80	21.80	0.00%	
Hertford & Bishop's Stortford - Casual Trader pitch 3m x 2.1m (10' x 7')	Discretionary	per pitch	408	26.00	n/a	n/a	E
Hertford - Casual Trader pitch 3m x 2.1m (10' x 7')	Discretionary	per pitch		26.00	26.00	0.00%	
Hertford & Bishop's Stortford - Additional space	Discretionary	per 0.3m (per sq ft)	1	1.20	n/a	n/a	E
Hertford - Additional space	Discretionary	per 0.3m (per sq ft)		1.20	1.20	0.00%	
Ware - Standard pitch 3m x 2.1m (10' x 7') Where five consecutive weeks are taken, the fifth week will be free.	Discretionary	per pitch	855	14.00	14.00	0.00%	E
Ware - Casual Trader pitch 3m x 2.1m (10' x 7')	Discretionary	per pitch	64	15.60	15.60	0.00%	E



Fees and Charges: Customer & Community Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Ware - Additional space	Discretionary	per 0.3m (per sq ft)		1.20	1.20	0.00%	E
Charity Stall - Any Market	Discretionary			10.90	10.90	0.00%	E
Electricity Fee Charges	Cost Recovery	per stall per day		3.00	3.10	3.00%	n/a
Market Licence - Commercial - up to 10 stalls	Discretionary			32.10	32.80	2.20%	n/a
Market Licence - Commercial - up to 11 - 30 stalls	Discretionary		93	53.55	54.90	2.50%	n/a
Market Licence - Commercial - up to 31plus stalls	Discretionary			111.45	114.25	2.50%	n/a
Market Licence - Charity	Discretionary			22.10	22.65	2.50%	n/a
Farmers Markets - Hertford (own stall)	Discretionary		0	23.00	23.55	2.40%	E
Farmers Markets - Hertford (East Herts stall)	Discretionary		188	27.00	27.70	2.60%	E
Farmers Markets - Jackson Square	Discretionary	per quarter	4	1,475.06	1,511.90	2.50%	E

Freedom of Information Act 2000 / Environmental Information Regulations 2004 / Reuse of Public Sector Information Regulations 2005 / Data Protection Act 1998

Freedom of Information / Data Protection - First 2.5 days free	Statutory	per case	566	-	-	0.00%	S
Freedom of Information / Data Protection - After 2.5 days	Statutory	per case	0	450.21	450.21	0.00%	S
and an additional	Statutory	per hour	0	25.00	25.00	0.00%	S
Environmental Information Regulations 2004 - Staff time	Statutory	per hour	10	25.00	25.00	0.00%	S
Reuse of Public Sector Information Regulations 2005 - Reuse of Public Sector Information Regulations 2005	Statutory	per hour	0	25.00	25.00	0.00%	S
Reuse of Public Sector Information Regulations 2005 - Information that has a commercial value -	Statutory		0	individual price	individual price	n/a	
Photocopying (black & white)	Statutory	per A4 sheet	0	0.10	0.10	0.00%	S
Photocopying (black & white)	Statutory	per A3 sheet	0	0.20	0.20	0.00%	S
Photocopying (black & white)	Statutory	per A0 sheet	0	1.10	1.10	0.00%	S
Photocopying (colour)	Statutory	per A4 sheet	0	0.20	0.20	0.00%	S
Photocopying (colour)	Statutory	per A3 sheet	0	0.50	0.50	0.00%	S
Photocopying (colour)	Statutory	per A0 sheet	0	1.70	1.70	0.00%	S
Printing (black & white)	Statutory	per hour	0	45.11	45.11	0.00%	S
Printing (colour)	Statutory	per hour	0	45.11	45.11	0.00%	S
CDs (if information is held electronically)	Statutory	per hour	0	24.68	24.68	0.00%	S
Converting to electronic or microfiche	Cost Recovery		0	individual price	individual price	n/a	
Postage	Cost Recovery		0	individual price	individual price	n/a	
Subject Access Requests (discretionary)	Statutory		0	10.00	10.00	0.00%	n/a



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Leisure (external contract)

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge	2016/17 Charge	Year on Year Variance	VAT
			£	£	%	

Wet Side
These are maximum prices the contractor may charge. However they expect to offer various discounts as part of ongoing marketing and promotion exercises

Swimming Pools - Casual pay & swim, all five sites - Adults	per session		4.30	4.30	0.00%	
Swimming Pools - Casual pay & swim, all five sites - Juniors (under 16 years old)	per session		2.20	2.20	0.00%	
Swimming Pools - Casual pay & swim, all five sites - 60+ and Concessionary	per session		2.20	2.20	0.00%	
Swimming Pools - Casual pay & swim, all five sites - Family Swim - 2 adults and up to 3 children	per session		9.75	9.75	0.00%	
Season Tickets- Casual pay & swim all pools - Adults	per 12 sessions		43.00	43.00	0.00%	
Season Tickets- Casual pay & swim all pools - Juniors (under 16 years old) and Concessionary	per 12 sessions		22.00	22.00	0.00%	
Season Tickets- Casual pay & swim all pools - 60+ and Concessionary	per 12 sessions		22.00	22.00	0.00%	
Monthly 'Swim Fit' scheme from - Ward Freman only - Adult monthly swim scheme	per month, by direct debit		20.00	20.00	0.00%	
Monthly 'Swim Fit' scheme from - Ward Freman only - Annual swim scheme	per annum		200.00	200.00	0.00%	
Club hire of 25m Pool weekdays - Grange Paddocks	per hour		76.00	76.00	0.00%	
Club hire of 25m Pool weekdays - Hartham	per hour		76.00	76.00	0.00%	
Club hire of 25m Pool weekdays - Fanshawe					0.00%	
Club hire of 25m Pool weekdays - Swim Club	per hour		72.00	72.00	0.00%	
Club hire of 25m Pool weekdays - Sub Aqua	per hour		72.00	72.00	0.00%	
Club hire of 25m Pool weekdays - Leventhorpe	per hour		72.00	72.00	0.00%	
Club hire of 25m Pool weekdays - Ward Freman	per hour		72.00	72.00	0.00%	
Club hire 25m pool weekends - Grange Paddocks	per hour		92.00	92.00	0.00%	
Club hire 25m pool weekends - Hartham	per hour		92.00	92.00	0.00%	
Club hire 25m pool weekends - Fanshawe					0.00%	
Club hire 25m pool weekends - Swim Club	per hour		84.00	84.00	0.00%	
Club hire 25m pool weekends - Leventhorpe	per hour		84.00	84.00	0.00%	
Club hire 25m pool weekends - Ward Freman	per hour		84.00	84.00	0.00%	
Pool Parties (inclusive) - Grange Paddocks (main pool, 3 lifeguards & inflatable)	per hour		155.00	155.00	0.00%	
Pool Parties (inclusive) - Grange Paddocks (Small pool)	per hour		105.00	105.00	0.00%	
Pool Parties (inclusive) - Grange Paddocks (main pool only)					0.00%	
Pool Parties (inclusive) - Hartham (main pool, 3 lifeguards & inflatable)	per hour		195.00	195.00	0.00%	
Pool Parties (inclusive) - Hartham (Small pool)	per hour		115.00	115.00	0.00%	
Pool Parties (inclusive) - Fanshawe (3 lifeguards & inflatable)	per hour		125.00	125.00	0.00%	
Pool Parties (inclusive) - Leventhorpe (3 lifeguards & inflatable)	per hour		125.00	125.00	0.00%	
Pool Parties (inclusive) - Ward Freman (3 lifeguards & inflatable)	per hour		125.00	125.00	0.00%	
Pool Parties (inclusive) - Ward Freman (3 lifeguards & inflatable)	per 90mins		175.00	175.00	0.00%	
Pool Parties (inclusive) - Hire of teaching/small pool at weekends for Galas	per hour		30.00	30.00	0.00%	
Hire of 25m pool for Large Charities / Sponsored swim	per hour		150.00	150.00	0.00%	
Hire of 25m pool for Commercial	per hour		150.00	150.00	0.00%	



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Leisure (external contract)

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge	2016/17 Charge	Year on Year Variance	VAT
			£	£	%	
Hire of 25m pool for Galas - including set up for competition , excl l/gs	per hour		150.00	150.00	0.00%	
Hire of 25m pool for Hire of teaching/small pool at weekends for Galas	per hour		30.00	30.00	0.00%	
Swimming Lessons - Single	per 30 min		5.85	5.85	0.00%	
Swimming Lessons - Monthly DD	per 30 min		24.40	24.40	0.00%	
Swimming Lessons - Schools (per pupil)	per 30 min		2.20	2.20	0.00%	
Swimming Lessons - Lifeguarding	per hour		30.00	30.00	0.00%	
Water Aerobics - Single			6.50	6.50	0.00%	
Holiday Courses - Crash Course Swim 5 days			29.25	29.25	0.00%	
Private Parties - Additional Lifeguard for parties or lessons etc	per hour		30.00	30.00	0.00%	
Private Parties - Hartham and Fanshawe	per hour		30.00	30.00	0.00%	

Dry Side
These are maximum prices the contractor may charge. However they expect to offer various discounts as part of ongoing marketing and promotion exercises

Leventhorpe - Junior (14 & 15 year olds)	joining fee and induction		15.00	15.00	0.00%	
Leventhorpe - Adult/Concession/Student (16+ in full time education)	joining fee and induction		20.00	20.00	0.00%	
Leventhorpe - Adult	per session		5.35	5.35	0.00%	
Leventhorpe - Junior (14 & 15 year olds)	per session		3.00	3.00	0.00%	
Leventhorpe - Concession/Student (16+ in full time education) casual user (off peak)	per session		3.30	3.30	0.00%	
Leventhorpe - East Herts Council staff	per session		3.10	3.10	0.00%	
Leventhorpe - Monthly (6 month contract)	per month by direct debit		17.00	17.00	0.00%	
Leventhorpe - Monthly DD (no contract)	per month by direct debit		26.00	26.00	0.00%	
Leventhorpe - East Herts Council staff	per month by direct debit		15.00	15.00	0.00%	
Leventhorpe - Annual membership	Annual		150.00	150.00	0.00%	
Leventhorpe - East Herts Council staff	Annual		150.00	150.00	0.00%	
Fanshawe - Junior (14 & 15 year olds)	joining fee and induction		20.00	20.00	0.00%	
Fanshawe - Adult/Concession/Student (16+ in full time education)/GP Referral DD membership	joining fee and induction		25.00	25.00	0.00%	
Fanshawe - Adult/Concession/Student (16+ in full time education) casual annual membership	joining fee and induction		30.00	30.00	0.00%	
Fanshawe - Adult (peak)	per session		7.20	7.20	0.00%	
Fanshawe - Adult (off peak)	per session		5.40	5.40	0.00%	
Fanshawe - Junior (14 & 15 year olds)	per session		3.10	3.10	0.00%	
Fanshawe - Concession/Student (16+ in full time education) casual user (off peak)	per session		5.00	5.00	0.00%	
Fanshawe - East Herts Council staff	per session		3.70	3.70	0.00%	
Fanshawe - Monthly DD (no contract)	per month by direct debit		36.00	36.00	0.00%	
Fanshawe - Concession/Student (16+ in full time education)/GP Referral (off peak)	per month by direct debit		25.00	25.00	0.00%	
Fanshawe - East Herts Council staff	per month by direct debit		20.00	20.00	0.00%	
Fanshawe - Fitness Adult - DD - NEW following the introduction of the new PT/Training room	per month by direct debit		36.00	36.00	0.00%	
Other (Fanshawe only) - GP Referral session (8 weeks)	per session		3.80	3.80	0.00%	



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Leisure (external contract)

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge	2016/17 Charge	Year on Year Variance	VAT
				£	£	%	
Other (Fanshawe only) - Ex-GP Referral		per session		5.00	5.00	0.00%	
Other (Fanshawe only) - Cardiac Re-hab session (8 weeks)		per session		3.90	3.90	0.00%	
Other (Fanshawe only) - Healthy Herts session		per session		3.90	3.90	0.00%	
Other (Fanshawe only) - Technogym Key - Fanshawe only		per key		20.00	20.00	0.00%	
GYM & STUDIO - Casual (annual fee) includes induction fee		joining fee		50.00	50.00	0.00%	
GYM & STUDIO - Adult/Concessionary (DD member) includes induction fee		joining fee		40.00	40.00	0.00%	
GYM & STUDIO - Casual User (peak)		per session		7.40	7.40	0.00%	
GYM & STUDIO - Casual User (off peak)		per session		5.60	5.60	0.00%	
GYM & STUDIO - Concessionary/Student Casual User (off peak)		per session		5.10	5.10	0.00%	
GYM & STUDIO - Active Junior 11 - 15 year old (off peak)		per session		3.70	3.70	0.00%	
GYM & STUDIO - East Herts Council staff		per session		3.70	3.70	0.00%	
GYM & STUDIO - Monthly (single)		per month		39.50	39.50	0.00%	
GYM & STUDIO - Monthly (couple)		per month		68.00	68.00	0.00%	
GYM & STUDIO - Corporate (single)		per month		33.00	33.00	0.00%	
GYM & STUDIO - Senior 60+ (single)		per month		30.00	30.00	0.00%	
GYM & STUDIO - Active Junior 11 - 15 year old		per month		22.00	22.00	0.00%	
GYM & STUDIO - Concession/Student Monthly/GP Referral (off peak only)		per month		30.00	30.00	0.00%	
GYM & STUDIO - East Herts Council staff		per month		24.00	24.00	0.00%	
GYM & STUDIO - Annual Membership (single)		annual		395.00	395.00	0.00%	
GYM & STUDIO - Annual Membership (couple)		annual		680.00	680.00	0.00%	
GYM & STUDIO - Annual Corporate (single)		annual		330.00	330.00	0.00%	
GYM & STUDIO - Annual Senior		annual		300.00	300.00	0.00%	
GYM & STUDIO - Annual 16 - 18 year old		annual		300.00	300.00	0.00%	
GYM & STUDIO - Annual Concession/Student (off peak only)		annual		300.00	300.00	0.00%	
GYM & STUDIO - East Herts Council staff		annual		240.00	240.00	0.00%	
Other - GP Referral session (8 weeks)		per session		3.80	3.80	0.00%	
Other - Ex-GP Referral		per session		5.00	5.00	0.00%	
Other - Cardiac Re-hab session (8 weeks)		per session		3.90	3.90	0.00%	
Other - Healthy Herts session		per session		3.90	3.90	0.00%	
Other - Creche - members		1 hr		2.90	2.90	0.00%	
Other - Creche - members		2hrs		5.60	5.60	0.00%	
Other - Creche - members		3hrs		8.20	8.20	0.00%	
Other - Creche - non-members		1 hr		4.40	4.40	0.00%	
Other - Creche - non-members		2hrs		8.40	8.40	0.00%	
Other - Creche - non-members		3hrs		13.00	13.00	0.00%	
Parties - Dance party (includes team leader & instructor)		8+		110.00	110.00	0.00%	



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Leisure (external contract)

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Studio Hire - Hartham		per hour		30.00	30.00	0.00%	
Studio Hire - Grange Paddocks		per hour		25.00	25.00	0.00%	
Studio Hire - Group Exercise		per session		6.00	6.00	0.00%	
Studio Hire - Creche hire (Grange Paddocks) includes team leader				60.00	60.00	0.00%	
Recreation Facilities - Hartham - Hertford, Open Space (Area A) - Commercial Organisations and Promoters		first day		650.00	650.00	0.00%	
Recreation Facilities - Hartham - Hertford, Open Space (Area A) - Commercial Organisations and Promoters		day thereafter		170.00	170.00	0.00%	
Recreation Facilities - Kingsmead, Open Space		first day		400.00	400.00	0.00%	
Recreation Facilities - Kingsmead, Open Space		day thereafter		120.00	120.00	0.00%	
Recreation Facilities - Buryfield - Ware, Open Space - Commercial Organisations and Promoters		per day		120.00	120.00	0.00%	
Recreation Facilities - Buryfield - Ware, Open Space - Commercial Organisations and Promoters		per week		415.00	415.00	0.00%	
Recreation Facilities - Buryfield - Ware, Open Space - All other hirers		per day		65.00	65.00	0.00%	
Recreation Facilities - Buryfield - Ware, Open Space - All other hirers		per week		215.00	215.00	0.00%	
Football Pitches - Hartham and Presdales including shower facilities, Senior pitch		per game		60.00	60.00	0.00%	
Football Pitches - Hartham and Presdales including shower facilities, Junior (16 years and under) pitch		per game		30.00	30.00	0.00%	
Football Pitches - Hartham and Presdales including shower facilities, Mini Soccer pitch		per game		25.00	25.00	0.00%	
Football Pitches - Grange Paddocks including shower facilities, Senior pitch		per game		60.00	60.00	0.00%	
Football Pitches - Grange Paddocks including shower facilities, Junior (16 years and under) pitch		per game		30.00	30.00	0.00%	
Football Pitches - Grange Paddocks including shower facilities, Mini Soccer pitch		per game		25.00	25.00	0.00%	
Football Pitches - Kingsmead - no changing facilities, Senior pitch		per game		40.00	40.00	0.00%	
Football Pitches - Kingsmead - no changing facilities, Junior (16 years and under) pitch		per game		20.00	20.00	0.00%	
Football Pitches - Kingsmead - no changing facilities, Mini Soccer pitch		per game		18.50	18.50	0.00%	
Football Pitches - Out of season training		per team		19.00	19.00	0.00%	
Tennis Court - Adult		per hour		6.00	6.00	0.00%	
Tennis Court - Junior (16 years and under) & OAP		per hour		3.00	3.00	0.00%	
Bowls - Season OAP/Junior (16 years and under)		per season		47.00	47.00	0.00%	
Bowls - Game		per game		4.50	4.50	0.00%	
Bowls - Game OAP/Junior (16 years and under)		per game		2.50	2.50	0.00%	
Bowls - 1/2 Season		per 1/2 season		50.00	50.00	0.00%	
Bowls - 1/2 Season OAP/Junior (16 years and under)		per 1/2 season		25.00	25.00	0.00%	



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Finance & Support Services

Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
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LAND CHARGES

Registration of a charge in Part II of the register	Statutory	per charge		67.00	67.00	0.00%	OS
Filing a definite certificate of the Lands Tribunal under rule 10 (3)	Statutory	per certificate		2.50	2.50	0.00%	OS
Filing a judgement or order, or written request for the variation or cancellation of any entry in Part 11 of the register	Statutory	per item		7.00	7.00	0.00%	OS
Inspection of documents filed in the register under rule 10, in respect of each parcel of land	Statutory	per parcel of land		2.50	2.50	0.00%	OS
Office copy of any plan or other document filed pursuant to the rules	Statutory	per copy		Individual Charge	Individual Charge	n/a	OS
Personal Search inclusive of printout		for print out	0	5.00	-		OS
Official search (including issue of official certificate of search) in the whole of the register		per search	2,928	21.00	21.00	0.00%	OS
And in addition, in respect of each parcel of land above one, where under rule II (3) more than one parcel is included in the same requisition (for a search in the whole or part of the register), subject to a maximum of £16.00		per additional search	<5	5.00	5.00	0.00%	OS
Answering form of enquiry - Part I Enquiries - One parcel of land - Residential / Commercial		per enquiry	2,844	66.00	66.00	0.00%	OS
Answering form of enquiry - Part I Enquiries - each additional parcel		per enquiry	not readily available	20.00	20.00	0.00%	OS
Answering form of enquiry - Part II Enquiries - Where relating to one parcel of land only or to several parcels and delivered on a single form - Each printed enquiry numbered in the form 4 - 21		per enquiry	not readily available	12.00	12.00	0.00%	OS
Answering form of enquiry - Part II Enquiries - Where relating to one parcel of land only or to several parcels and delivered on a single form - numbered in the form 22		per enquiry	not readily available	20.00	20.00	0.00%	OS
Answering form of enquiry - Part II Enquiries - Any and each further enquiry added by solicitors		per enquiry	<20	25.00	25.00	0.00%	OS
Abstract of Title		per abstract		15.40	20.00	30.00%	OS
and an additional		per sheet copied		0.21	0.25	20.00%	

LEGAL CHARGES

Notice of Transfer		per hour		110.00	120.00	9.00%	S
Deed of Variation		per hour		110.00	120.00	9.00%	S
Deed of Covenant Copy		per hour		110.00	120.00	9.00%	S
Deed of Covenant Engrossment		per hour		110.00	120.00	9.00%	S
Postponement of Charge		per hour		110.00	120.00	9.00%	S
Litigation, Conveyancing and Planning matters		per hour		110.00	120.00	9.00%	S
Sale of Council Minutes		per civic year		110.00	120.00	9.00%	Z

Extract of Electoral Register

Fee for sale of the Register	Statutory	per sale provided electronically		20.50	20.00	-3.00%	Z
and an additional	Statutory	per thousand or part thousand entries		1.50	1.50	0.00%	Z
Fee for sale of the Register	Statutory	per sale printed		10.00	10.00	0.00%	Z
and an additional	Statutory	per thousand or part thousand entries		5.00	5.00	0.00%	Z
Fee for sale of the list of overseas electors	Statutory	per sale provided electronically		20.50	20.00	-3.00%	Z
and an additional	Statutory	per thousand or part thousand entries		1.50	1.50	0.00%	Z



ESSENTIAL REFERENCE PAPER H

Fees and Charges: Finance & Support Services

	Basis of Charge	Unit of Charge	2014/15 Volume	2015/16 Charge £	2016/17 Charge £	Year on Year Variance %	VAT
Fee for sale of the list of overseas electors	Statutory	per sale printed		10.00	10.00	0.00%	Z
and an additional	Statutory	per thousand or part thousand entries		5.00	5.00	0.00%	Z
Revenues							
Council Tax penalty for failure to promptly notify or provide information	Statutory	per first offence	0	70.00	70.00	0.00%	n/a
Council Tax penalty for failure to promptly notify or provide information	Statutory	per subsequent offence	0	280.00	280.00	0.00%	n/a
Summons and Liability Order	Cost Recovery	per order	4,200	80.00	80.00	0.00%	n/a
Letting of Council Offices							
Council Chamber - Hertford	Discretionary	per hour		30.00	30.00	0.00%	n/a
Other Rooms - Hertford	Discretionary	per hour		20.00	20.00	0.00%	n/a

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CAPITAL PROGRAMME 2015/16 - 2019/20

	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
NEW SCHEMES:						
FINANCE & SUPPORT SERVICES			80,000	-	-	-
CUSTOMER & COMMUNITY SERVICES			410,000	-	-	95,000
NEIGHBOURHOOD SERVICES			-	-	-	-
SUB-TOTAL	-	-	490,000	-	-	95,000
EXISTING SCHEMES:						
FINANCE & SUPPORT SERVICES	1,009,280	21,734,270	1,358,800	720,000	814,950	727,010
CUSTOMER & COMMUNITY SERVICES	781,710	944,060	759,130	629,000	269,000	269,000
NEIGHBOURHOOD SERVICES	927,500	736,140	2,000,090	908,500	908,500	908,500
SUB-TOTAL	2,718,490	23,414,470	4,118,020	2,257,500	1,992,450	1,904,510
GRAND TOTAL	2,718,490	23,414,470	4,608,020	2,257,500	1,992,450	1,999,510



FINANCE AND SUPPORT SERVICES

	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
NEW SCHEMES							
Compliance Works to Swimming Pools							
Fabric improvements to Swimming Pools	S. Whinnett			40,000	-	-	-
Glazing & equalities access works to Swimming Pools	S. Whinnett			40,000	-	-	-
ICT Schemes							
New Asset Management System	P. Gregory			Included in IT Capital Rolling Programme			
TOTAL NEW SCHEMES		-	-	80,000	-	-	-
EXISTING SCHEMES							
Charringtons House 2nd Floor Suite Refurbishment							
Maximise return from Council assets by generating rental income & business rates income for the Council once the suite is refurbished	A. Osborne	-	-	300,000	-	-	-
Leventhorpe Swimming Pool, Sawbridgeworth *							
Renew main supply fan to the main pool area	S. Whinnett	-	-	25,000	-	-	-
Hartham Swimming Pool, Hertford							
Pool Hall Air Handling Renewal - to remove the existing unreliable air handling plant serving the pool hall & replace with a new energy efficient system	S. Whinnett	135,000	139,130	-	-	-	-
Refurbishment of Pool Filters to ensure the efficiency of the pools filtration plant operation & to maintain the pools water quality	S. Whinnett	-	-	25,000	-	-	-
Grange Paddocks Swimming Pool, Bishop's Stortford							
To treat laminated timber beams to ensure they are properly protected from high humidity & chemicals used in the treatment of the pool water	S. Whinnett & J. Earley	-	-	-	25,000	-	-
Replace existing handrail & tiles to walls, steps & base of pool	M. Kingsland & S. Whinnett	35,000	35,000	-	-	-	-
Renew Pool Heat Exchanger & defective pipework	S. Whinnett	-	35,000	-	-	-	-
Fanshawe Swimming Pool, Ware *							

FINANCE AND SUPPORT SERVICES

	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
Refurbish/Replace Pool Filters, to maintain efficient operation of the pool filter & pool water quality	S. Whinnett	-	-	20,000	-	-	-
Replace Pool Circulating Pumps	S. Whinnett	-	-	20,000	-	-	-
Joint Provision Pools (Ward Freman, Leventhorpe & Fanshawe) - Replacement Air Conditioning to Offices	S. Whinnett	15,000	-	15,000	-	-	-
Hartham & Grange Paddocks Swimming Pool - Resurfacing & Lining. To provide clearly marked out car parking bays to enable efficient & effective parking by the public	S. Whinnett	65,000	65,000	-	-	-	-
OPERATIONAL BUILDINGS							
Rolling programme for planned preventative capital maintenance of operational buildings	S. Whinnett & J. Earley	250,000	125,000	250,000	250,000	250,000	250,000
Hertford Theatre Entrance Lobby Roof - to replace the existing defective roof with new leak free, energy efficient roof and reduce overheating in the entrance lobby / foyer area in summer months	S. Whinnett & J. Earley	-	1,200	18,800	-	-	-
Hertford Theatre Energy Saving Auditorium Lighting - to replace the existing auditorium lighting with energy efficient / low maintenance LED lighting	S. Whinnett & J. Earley	-	50,690	-	-	-	-
Hertford Theatre - To replace the existing defective building service control system with a new fully integrated system to ensure that the Building Services systems in the Theatre are efficiently controlled & achieve energy efficient use of the building services	S. Whinnett & J. Earley	-	40,000	-	-	-	-
Buntingford Service Centre - Air Conditioning to Office - to improve the working conditions for staff located in the front offices of the Service Centre by reducing temperatures in the summer months	S. Whinnett & J. Earley	-	15,000	-	-	-	-
Wallfields Offices - Refurbishment of Windows, to ensure the efficient and safe operation of the windows so as to provide a comfortable environment for staff	S. Whinnett	-	15,000	-	-	-	-



FINANCE AND SUPPORT SERVICES

	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
Wallfields Offices - Refurbishment Works to Old Building, to include lighting replacement	S. Whinnett/T. Smith	-	1,070	-	-	-	-
Replacement of Chairs & Desks	T. Smith	10,000	13,000	10,000	10,000	10,000	10,000
Purchase of Old River Lane site, Bishop's Stortford	A. Taylor & S. Drinkwater	-	20,495,690	-	-	-	-
Footbridge over the River Stort, Bishop's Stortford	A. Osborne	-	37,620	-	-	-	-
North Drive, Ware							
Reconstruct road & drainage	A. Osborne	13,440	11,920	-	-	-	-
IT Schemes							
Revenues & Benefits Programme	H. Lewis	10,600	-	-	-	-	-
Replacement Infrastructure (Note 1)	P. Wain	35,000	44,280	35,000	35,000	154,950	67,010
Establishment of LES & internet links to replace MPLS	H. Lewis	-	63,000	-	-	-	-
BACS Software	P. Tyler	-	5,000	-	-	-	-
Funding for Applications	P. Tyler	16,070	16,330	40,000	-	-	-
Windows Server Licensing	P. Wain	5,000	-	-	-	-	-
Merging IT systems - Licensing & Env Health	B. Simmonds	-	68,000	-	-	-	-
Integrated Dev Mgt and Bldg Ctrl Systems	K. Steptoe	-	40,670	-	-	-	-
Service Desk & Utilities	H. Lewis	12,170	26,170	-	-	-	-
Shared service print investment costs 50%	H. Lewis	-	20,500	-	-	-	-
Shared service accommodation costs 50%	H. Lewis	7,000	-	-	-	-	-
New Desktop Software	H. Lewis	-	5,000	-	-	-	-
Rolling programme to be utilised on ICT projects subject to ITSG review	H. Lewis	400,000	114,380	600,000	400,000	400,000	400,000
Telephony Software Licensing	H. Lewis	-	3,200	-	-	-	-
Business Objects Licensing	H. Lewis	-	41,800	-	-	-	-
New HR & Payroll System	P. Tyler	-	55,000	-	-	-	-
Liberty Telephone Platform	P. Tyler	-	20,000	-	-	-	-
Wi-Fi Project	H. Lewis	-	77,000	-	-	-	-
Client Equipment	H. Lewis	-	35,000	-	-	-	-
Corporate Scanners	H. Lewis	-	18,620	-	-	-	-
TOTAL EXISTING SCHEMES		1,009,280	21,734,270	1,358,800	720,000	814,950	727,010
FINANCE AND SUPPORT SERVICES TOTAL		1,009,280	21,734,270	1,438,800	720,000	814,950	727,010

CUSTOMER AND COMMUNITY SERVICES	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
NEW SCHEMES							
Device Responsive Template							
Revised website templates including new navigation, enhanced accessibility and device responsiveness	A. McWilliams			20,000	-	-	-
Car Park Management System							
To implement a cost effective car park management system for the Council to manage its car parks for the next 10 years	A. Pulham			340,000	-	-	-
Open Space Improvements at the Wash, Hertford							
Improved amenity for local residents and visitors to the town by enhancing this key area at the centre of Hertford (Note 13)	I. Sharratt			-	-	-	50,000
Folly View Open Space Improvements, Hertford							
Improved amenity for local residents and visitors to the town by providing an attractive open space for people to sit and enjoy the historic river frontage (Note 13)	I. Sharratt			-	-	-	15,000
Cannons Mill Lane Open Space Improvements, Bishop's Stortford							
Improved amenity for local residents and future residents of Bishops Stortford North Development (Note 13)	I. Sharratt			-	-	-	30,000
Refurbishment of Hertford Theatre Café/Bar							
The layout, design and equipment provision is in need of upgrade in order to meet the needs of our customers and maximise the potential for revenue generation	B. Cannell			50,000	-	-	-
TOTAL NEW SCHEMES				410,000	-	-	95,000
EXISTING SCHEMES							
Hertford Theatre							
Hertford Theatre replacement of 6 lighting hoists	W. O'Neill			32,700	-	-	-



CUSTOMER AND COMMUNITY SERVICES

	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
Imp to common land open space - Llamas Land, Watton-at-Stone (Note 1)	W. O'Neill	-	4,000	-	-	-	-
Refuse Collection & Recycling							
Containers Replacement Programme	D. Allen	100,000	100,000	100,000	100,000	100,000	100,000
Replacement Litter Bins	D. Allen	5,500	6,030	5,500	5,500	5,500	5,500
Commercial Waste Bins	D. Allen	33,500	48,500	33,500	33,500	33,500	33,500
Bell Street, Sawbridgeworth							
Modernise the public convenience facilities, whilst providing storage space for Sawbridgeworth T C, relieving EHC of the ongoing revenue burden of this service	D. Allen	-	70,000	-	-	-	-
Provision of Play Equipment							
Play equipment & infrastructure replacement	I. Sharratt	50,000	90,940	50,000	50,000	50,000	50,000
Open space improvements at Bishop's Park, Bishop's Stortford							
Installation of a car park, footpath improvements & health/play facilities. (Note 2)	I. Sharratt	-	-	106,000	-	-	-
Woodland restoration at Presdales Recreation Ground, Ware							
Installation of a circular walk, car park improvements & woodland restoration. (Note 3)	I. Sharratt	-	-	-	85,000	-	-
Play Area Hartham Common, Hertford							
Installation of new play equipment, landscape enhancements and ancillary improvements, to include bespoke seating areas and tree & shrub planting. (Note 4)	I. Sharratt	-	-	-	275,000	-	-
Play Area The Bourne, Ware (Phase 2)							
Installation of a fitness & play facility for older children & open space access improvements to include new footpath, new play equipment & tree planting. (Note 5)	I. Sharratt	41,200	41,200	-	-	-	-
Play Area Grange Paddocks, Bishop's Stortford							
Install new play area, to include new activity equipment & surfacing. New footpath & installation of new seating. (Note 6)	I. Sharratt	-	-	95,500	-	-	-
The Bourne, Ware							

CUSTOMER AND COMMUNITY SERVICES	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
Replace existing equipment with natural play equipment & installation of new fencing around the play area.	I. Sharratt	-	110	-	-	-	-
Pishiobury Park, Sawbridgeworth							
Wetland Habitat Project - improvements to boardwalk/paths permitting safe access to the wetland area of the park (Note 7)	I. Sharratt	-	12,180	-	-	-	-
Hartham Common, Hertford							
Potential projects include development of water play area, improvements to car parking & pedestrian access	I. Sharratt	25,000	-	25,000	-	-	-
Southern Country Park, Bishop's Stortford							
Boardwalk installation across balancing pond to improve the functionality & attractiveness of this Green Flag award winning park (Note 9)	I. Sharratt	-	80,400	-	-	-	-
Buryfield Recreation Ground, Ware							
Installation of play area to encourage healthy activity for younger children (Note 10)	I. Sharratt	60,750	60,750	-	-	-	-
3G Artificial Turf Pitch development at Hartham Common, Hertford							
To replace the under utilised Hartham Common tennis courts with 3 floodlit 3G 5-a-side pitches (Note 11)	I. Sharratt	-	84,800	-	-	-	-
Energy Efficiency & Carbon Reduction Measures							
Installation of solar panels at Wallfields, Hertford	D. Thorogood/S. Whinnett	-	45,000	-	-	-	-
Castle Weir Micro Hydro Scheme							
To provide a small Hydro-electricity turbine in the river Lee at Hertford Weir. This is an invest to save project and will generate electricity providing power for Hertford Theatre and for sale to the Grid. The scheme is subject to a rigorous approval process by the Environment Agency for flood risk and protection of biodiversity	C. Cardoza	200,980	-	200,980	-	-	-
Economic Development							
Environmental Enhancements to East Herts town centres	P. Pullin	-	38,000	-	-	-	-
Bishop's Stortford Market Improvement Scheme	P. Pullin	45,300	22,650	22,650	-	-	-



CUSTOMER AND COMMUNITY SERVICES

	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
'My Incubator' - this project will enable WENTA (enterprise agency for Herts & Beds) to continue to deliver support, advice and incubation and services from premises at the Ware campus of Hertford Regional College to start-up businesses in East Herts	P. Pullin	-	10,000	-	-	-	-
Community Capital Grants							
Capital grants provide the right tools for people to get involved with projects that improve facilities such as green spaces or community buildings – inspiring ownership and pride.	C. Pullen	138,480	108,070	120,000	80,000	80,000	80,000
Presdales Pavilion, Ware							
New Paving & landscaping at the front of the pavilion	M. Kingsland	-	2,050	-	-	-	-
Hartham Pavilion Refurbishment							
Create new public toilet space, redevelop existing café area, create functional changing area for footballers & incorporate meeting/training room. (Note 12)	M. Kingsland	62,000	62,000	-	-	-	-
Replacement of Filming & Production Equipment							
Purchase of updated filming equipment to provide efficient & high quality digital video production services within the Council	A. McWilliams	19,000	19,000	-	-	-	-
Installation of Automated Telling Machines at Hertford & Bishop's Stortford	R. Ranford	-	5,900	-	-	-	-
TOTAL EXISTING SCHEMES		781,710	944,060	759,130	629,000	269,000	269,000
CUSTOMER AND COMMUNITY SERVICES TOTAL		781,710	944,060	1,169,130	629,000	269,000	364,000



NEIGHBOURHOOD SERVICES

	Project Manager	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £
NEW SCHEMES							
				-	-	-	-
TOTAL NEW SCHEMES		-	-	-	-	-	-
EXISTING SCHEMES							
River & Watercourse Structures							
Improve, maintain & renew structures along rivers and watercourses to alleviate possible flooding throughout the district.	G. Field	47,500	87,470	47,500	47,500	47,500	47,500
Repairs & Renewals Scheme (Flood Grants) Note 1	G. Field	-	20,350	-	-	-	-
Air Quality Capital Grant Scheme - Subway improvement works in Hertford to include bespoke artwork & signage (Note 1)	G. Field	-	31,320	-	-	-	-
Land Management Programme							
Land Management Asset Register & Associated Works	G. Field	20,000	50,000	50,000	50,000	50,000	50,000
Private Sector Improvement Grants							
Disabled Facilities (Note 2)	S. Winterburn	450,000	350,000	694,150	530,000	530,000	530,000
Disabled Facilities - Discretionary	S. Winterburn	90,000	50,000	100,000	60,000	60,000	60,000
Decent Home Grants	S. Winterburn	200,000	50,000	150,000	120,000	120,000	120,000
Energy Grants	S. Winterburn	39,000	39,000	20,000	20,000	20,000	20,000
Future Social Housing Schemes	S. Drinkwater	-	-	820,740	-	-	-
Capital Salaries	P. Gregory	26,000	26,000	26,000	26,000	26,000	26,000
Historic Building Grants							
Enable grants to be offered to the owners of historic buildings to encourage their maintenance and upkeep	K. Steptoe	55,000	32,000	91,700	55,000	55,000	55,000
TOTAL EXISTING SCHEMES		927,500	736,140	2,000,090	908,500	908,500	908,500
NEIGHBOURHOOD SERVICES TOTAL		927,500	736,140	2,000,090	908,500	908,500	908,500

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Capital Programme Funding Statement 2015/16 to 2019/20

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Proposed Capital Programme	23,414	4,608	2,258	1,992	2,000	34,272
To be funded by:						
Capital Receipts:						
Capital Receipts Bfwd	1,275	-	-	-	-	-
Capital Receipts New	1,112	1,640	1,270	800	500	5,322
Capital Receipts Sub-total	2,387	1,640	1,270	800	500	6,597
Government grants:						
DFG - specified capital grant (note 1)	293	293	293	293	293	1,465
Third Party contributions:						
R&R Flood Grants (DEFRA)	20	-	-	-	-	20
Station Rd W-at-S, Llama land	4	-	-	-	-	4
St Michael's M, Boardwalk SC Park	70	-	-	-	-	70
Cintel Site 106, Buryfield play area	51	-	-	-	-	51
Hartham Pavilion (s106 monies)	62	-	-	-	-	62
Presdales walk (s106)	-	-	85	-	-	85
Play Area Hartham (s106)	-	-	275	-	-	275
Play Facility - The Bourne (s106)	6	-	-	-	-	6
Play Area GP (s106)	-	14	-	-	-	14
3G Artificial Turf Pitch, Hartham (s106)	25	-	-	-	-	25
Third Party Sub-total	238	14	360	-	-	612
Revenue Contribution	981	25	25	25	25	1,081
Internal Funding	19,515	2,636	310	874	1,182	24,517
Total Funding	23,414	4,608	2,258	1,992	2,000	34,272

Notes:

- 1 With effect from 2015/16 Disabled Facilities Grant income will no longer be funded direct from the Government but will be distributed via Hertfordshire County Council under the Better Care Fund arrangements.

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East Herts Council Reserves Policy

1.0 The Council's Reserves Policy

- 1.1 The current Reserves Policy was approved by Council at its meeting in February 2011.
- 1.2 The Policy sets out a maximum and minimum level of General Reserves. There is no maximum or minimum level set for Earmarked Reserves but the Policy states that they generally will be expected to be used within the period of the MTFP.
- 1.3 General reserves are a working balance to manage cash flows and limit the need for temporary borrowing and to provide a contingency for unforeseeable events and emergency spending. Earmarked reserves are set aside for a defined purpose to meet known or predicted future liabilities.
- 1.4 The minimum level of General Reserves to be held under the Policy is £3m: to be specific the sum of the General Fund and General Reserve (less any amount in the Building Control Account) should not normally be less than £3m.
- 1.5 The maximum level of general reserves is based on adding a basket of figures and proportions to give a quantum figure, as follows:

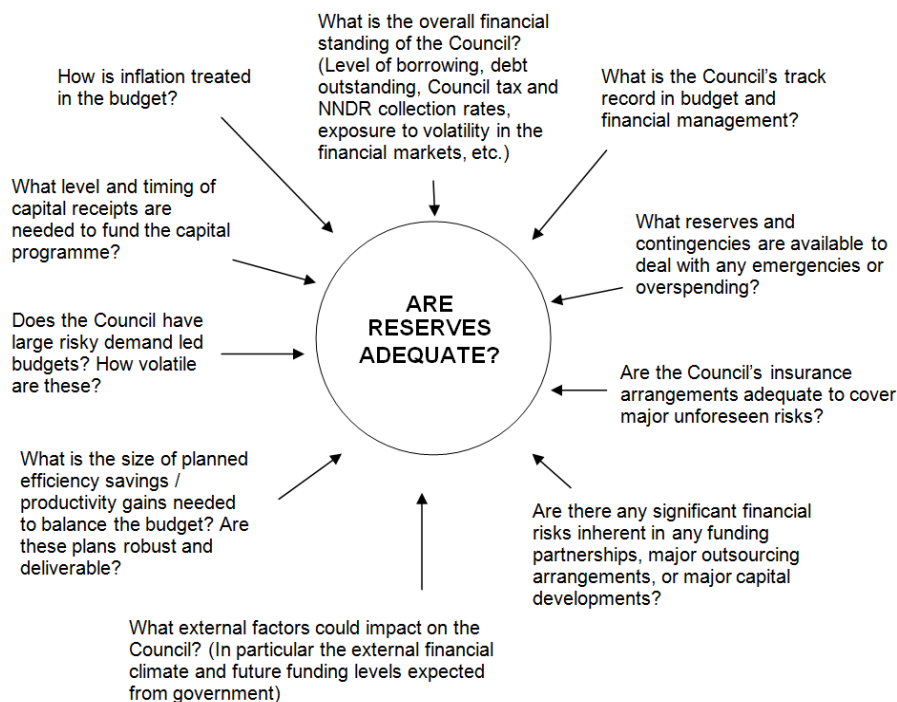
Table 1: Calculation of the maximum level of general reserves to be held

CALCULATION	POSITION AS AT 31/03/15 £m
40% of the budget requirement at start of year (2015/16: £8.800m)	3.520
2.5% of total assets in the last audited financial statements (2014/15: £130.878m)	3.272
The sum of future planned withdrawals and/or contributions to the general reserve in the last approved MTFP	0.000
Less any sum held as an insurance reserve (at 31/03/2015)	(1.010)
TOTAL:	5.782

- 1.6 General Reserves at the end of the 2014/15 financial year stood at £5.167m, £0.615m within the Policy threshold.

2.0 Why Councils need to hold Reserves

- 2.1 Reserves are an essential part of good financial management. They help Councils cope with unpredictable financial pressures, help them smooth the impact of known spending requirements over time, and help to fund any in-year overspending. The level, purpose, and planned use of reserves are important factors for elected Members and council officers to consider in developing medium-term financial plans and setting annual budgets.
- 2.2 There is no set formula for deciding what level of reserves is appropriate and councils are free to determine the level of reserves they hold. Where councils hold very low reserves there may be little resilience to financial shocks and sustained financial challenges. However where reserves are too high there may be opportunity costs involved in holding these reserves (for example a lack of investment in making service changes that could generate better outcomes for residents and/or increased savings or revenue generation for the Council).
- 2.3 The requirement for financial reserves is acknowledged in statute (Local Government Finance Act 1992). Full Council is responsible for approving the level of reserves and the Reserves Policy whilst the Section 151 Officer has a statutory duty to report publically to Council on the adequacy of reserves when calculating the annual budget requirement.
- 2.4 CIPFA issues guidance on reserves and the latest guidance (LAAP Bulletin 99) identifies the issues to consider in determining an appropriate level of reserves as follows:



3.0 Reporting of Reserves

3.1 As a minimum, the annual budget report and the final accounts report will set out opening balances, expected or actual transfers to and from reserves together with closing balances. The Director of Finance and Support Services as S151 officer will comment on the adequacy of reserves in those reports.

3.2 During the year the adequacy of reserves will be reviewed as part of the health check monitoring in the light of any significant budget variances. If the balance on general reserves appears likely to move outside of the minimum boundary the need for corrective action will be considered in the next planned health check report or earlier if the Council's S151 officer so requires.

4.0 Governance arrangements in respect of reserves (extracted from Financial Regulations (3.8))

4.1 In the event of a department underspend the Executive may establish an earmarked reserve and approve appropriations thereto where the purpose of that reserve is to defer expenditure included in a budget (or supplementary budget) approved by the Council where the expenditure in subsequent years will be in respect of the purpose for which the original budget (or supplementary budget) was approved.

4.2 Proposals to appropriate more than £100,000 to a single reserve or more than £500,000 in aggregate in any year beyond sums set out in the Medium Term Financial Plan shall be subject to the prior approval of the Council.

5.0 Current Reserve balances

5.1 Table 2 below summarises the balances currently held in Earmarked Reserves:

Table 2: Forecast Earmarked Reserve Balances

	Balance 31 March 2015 £'000	Forecast 31 March 2016 £'000	Balance 31 March 2017 £'000	Balance 31 March 2018 £'000	Balance 31 March 2019 £'000	Balance 31 March 2020 £'000
GENERAL RESERVES:						
General Fund	3,854	3,854	3,854	3,854	3,854	3,854
General Reserve	1,313	1,194	1,194	1,194	1,194	1,194
EARMARKED RESERVES:						
Interest Equalisation Reserve	1,503	1,203	903	903	903	903
Insurance Fund	1,010	1,136	1,136	1,136	1,136	1,136
Emergency Planning Reserve	37	37	37	37	37	37
LDF/Green Belt Reserve	519	273	83	22	0	0
Housing Condition Survey Reserve	93	64	68	82	96	60
Council Elections Reserve	77	5	32	60	87	15
Sinking fund - Leisure Utilities / Pension Reserve	231	231	231	231	231	231
Performance Reward Grant Reserve	22	9	9	9	9	9
Waste Recycling Income Volatility Reserve	300	300	300	300	300	300
Footbridge Reserve	150	150	150	150	150	150
Transformation Reserve	2,782	2,302	2,339	2,295	2,267	2,267
DCLG Preventing Repossessions	30	25	15	15	15	15
Environmental Pollution	14	14	14	14	14	14
New Homes Bonus Priority Spend	3,816	3,498	4,134	4,951	5,561	6,136
Collection Fund Reserve	1,551	747	130	0	0	0
DEFRA Flood Support	93	0	0	0	0	0
Commercial Property Fund	500	401	401	401	401	401
Pension Fund Additional Contribution Reserve	1,000	0	0	0	0	0
Single Person Homelessness	12	0	0	0	0	0
Neighbourhood Planning	45	45	18	18	18	18
IER	34	34	34	34	34	34
Traffic Regulation Order Consolidation	0	5	0	5	0	5
Total	18,986	15,527	15,082	15,711	16,307	16,779

STRESS TEST: FINANCIAL RISKS FACING THE COUNCIL

RISK CRITERIA USED IN ASSESSING ADEQUACY OF RESERVES	COMMENTARY ON EAST HERTS POSITION	RISK RATING
The treatment of pay and price inflation in the budget	Estimated pay and price inflation is fully provided in service budgets so low risk of services overspending due to inflationary pressures. A 1% increase in pay or price inflation equates to £110k.	LOW
Estimates of the level and timing of capital receipts to fund the capital programme	Capital receipts not yet received are taken into account when financing the capital programme. The anticipated use in 2016/17 is £1.6m which could be funded internally if the capital receipts are not generated.	MEDIUM
The level of demand led pressures and volatile/risky budgets	<p>Council Tax Support scheme: The number of claimants seems to be relatively stable at present. Medium term demand will depend a lot on the national/local economy and as the population ages the cost of the scheme will rise. Each 1% increase in CTS equates to £8k.</p> <p>CT Collection rate remains stable but dependent on state of local economy.</p> <p>NDR income remains volatile as the amount we collect is dependent on the number of appeals made.</p> <p>Housing Benefits: we get pound for pound subsidy from government to cover the benefits we pay out. The financial risk is in making overpayments (by mistake or through fraud) and the Council not collecting this back from the claimant. Predicting demand for housing benefits is also very difficult and future demands will partially depend on the type of new housing built in the area.</p> <p>Fees and charges: income budgets are reviewed annually as part of the budget setting and are based on the most up-to-date information available at the time. A 5% shortfall on car park income = £160k and in other income = £85k.</p>	<p>LOW AT THE MOMENT</p> <p>LOW to MEDIUM</p> <p>HIGH</p> <p>MEDIUM</p> <p>LOW / MEDIUM</p>

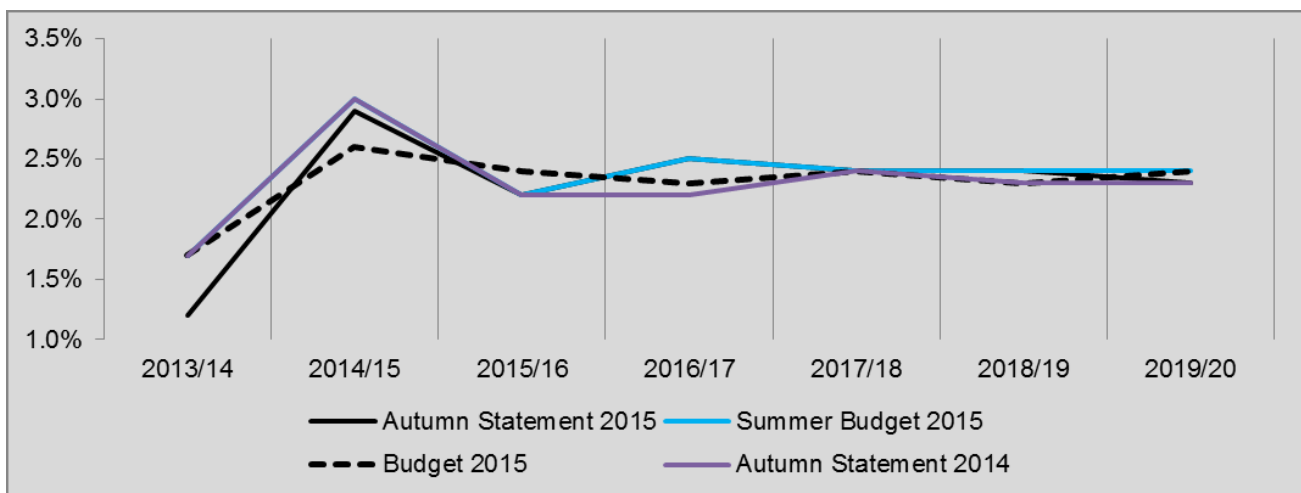
RISK CRITERIA USED IN ASSESSING ADEQUACY OF RESERVES	COMMENTARY ON EAST HERTS POSITION	RISK RATING
The robustness and level of planned efficiency savings / productivity gains	The savings yet to be identified in the MTFP from 2017/18 are significant and will require advance planning to achieve in order to set balanced budgets.	MEDIUM
The financial risks inherent in any significant funding partnerships, outsourcing contracts, or major capital developments	East Herts has an increasingly complicated model of service delivery. More services are procured through contract or through partnership delivery models. The Council could face short term financial risks if a partner/contractor pulls out of an arrangement (even though there would be an exist strategy written into the agreement). In addition, the increasing amount of budget contractually committed means there is less flexibility in the short term to divert resources towards a short term budget pressure.	MEDIUM
The overall financial standing of the Council (level of borrowing, debt outstanding, cash balances, exposure to volatility in the financial markets, etc.)	<p>Level of borrowing: The Council has loans totalling £7.7m of which £6.2m falls due in 2020. The likelihood of the Council not having sufficient investments to repay this debt is very low.</p> <p>The Council's cash and investment holdings as at end of 2014/15: were £70m. The Council's Treasury Management Strategy currently favours a risk adverse approach to its investments with a requirement that 50% of investments are in short term UK treasury bills or other short dated bank deposits in order for the Council to have ready access to cash. The biggest risk is a decrease in the UK bank base rate which is unlikely to fall.</p> <p>The move to property investment endorsed in the 2014/15 Treasury Management Strategy will increase the Council's risk exposure.</p> <p>There is a longer term risk that the Council may no longer be able to fund its capital programme from cash reserves/investments in the future. This depends on whether the amount invested in capital expenditure remains at its current level and other demands.</p>	LOW

ECONOMIC UPDATE:

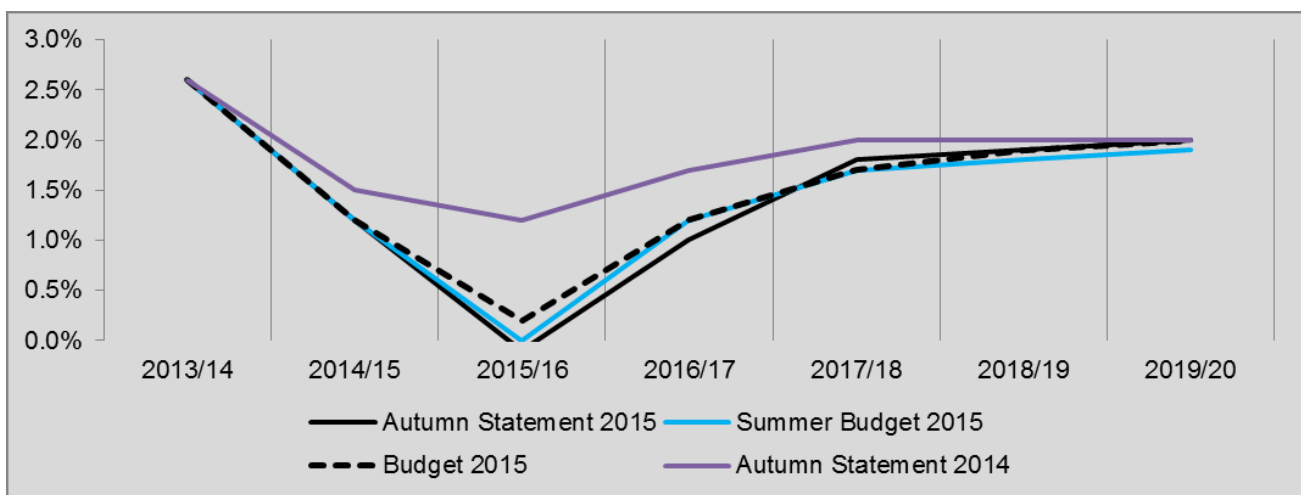
GDP growth has been slightly slower during 2015 than in 2014, and this pattern continued with quarter-on-quarter growth of 0.5% in the third quarter of 2015. Private spending on consumption and investment remained robust, but there was marked weakness in the contribution to growth from net overseas trade. GDP growth is close to the OBR's estimate of potential growth, suggesting that the output gap is narrowing slowly.

UK GDP is expected to grow at an average of around 2.4% from 2015/16 onwards. Consumer spending and business investment will be the main drivers of UK growth in these years. Risks to growth in the short term arise from international risks, particularly in relation to emerging markets. But there are also growth possibilities if the global environment improves and productivity growth rates accelerate in the UK.

The chart below shows the Office for Budget Responsibility (OBR) GDP Growth Forecast:



CPI inflation has been flat at close to zero for most of 2015. This is a step down from the average rate of inflation during 2014 and 2013. Current weakness is driven by falling prices in the goods element of the CPI basket, and while services inflation has remained steadier at around 2.5% during 2015, this too has fallen from rates in earlier years. The Bank of England Inflation Report highlighted that the Monetary Policy Committee (MPC) intends to focus policy on ensuring that growth and employment is sustained in order to meet the 2% inflation target. The MPC are expected to start to raise interest rates gradually during the first half of 2016, with rates forecast to be back to around 3% by 2020. The chart below shows the Office for Budget Responsibility (OBR) CPI Inflation Forecast:



Business Consultation 2015

The 2015 consultation was conducted by the Economic Development Manager in partnership with the Hertfordshire Chamber of Commerce and the Federation of Small Business. Working with organisations representative of business has the advantage of identifying business opinion from a wide range of members through a reliable methodology e.g. business surveys conducted by the organisations and regular ongoing direct consultation that the Council is not resourced to deliver. The disadvantage is that some of the local flavour can be lost. However, direct local consultation can sometimes result in an over emphasis on specific issues with car parking as a common example.

Consultation took place with business representatives from Bishop's Stortford, Hertford and Ware. The consultation took place in the context of informing the development of the Economic Development Strategy through the identification of current priorities of local businesses.

The Federation of Small Business has approximately 240 members from East Herts. The Hertfordshire Chamber of Commerce has a strong East Herts membership as a proportion of 1,000 members across the county. The headline summary of responses from each organisation is included below. It is worth stating that businesses are not always fully aware of the budget responsibilities of local authorities; however the results do provide a snapshot of the views of local businesses.

Emerging issues

The following issues were discussed and suggestions made by local businesses:

Bishop's Stortford

- A need for greater working between East Herts Council, Hertfordshire County Council, Uttlesford Council and Essex County Council to deliver economic objectives.
- East Herts Council should lobby for improvements in infrastructure vital for business growth, e.g. A120 improvements, broadband coverage, employment land.
- Work with local colleges to deliver employment skills.
- Parking; residents CPZ is not business friendly.
- Investigate partnerships with the Universities of Cambridge and Hertfordshire to bring in new businesses.

- Collaborate with partners to take a joined-up approach to market Hertfordshire.
- Support local businesses through appropriate marketing of growth hub, provide more incubation space for business start-ups, support growth of manufacturing and investigate Business Improvement Districts.

Hertford

- More promotion of local businesses by East Herts Council, particularly businesses located away from the town centre.
- Set up business groups to represent different areas of the town. These groups could facilitate business-to-business trading and networking within East Herts.
- Focus on boosting the daytime economy in the town centre. East Herts Council can facilitate this by running and/or supporting events, e.g. additional markets, boating activities on the river, tourism activity. Could East Herts Council fund activity to boost the economy?
- Explore how the retail offer could be improved.
- Communicate in a simple way the responsibilities of each council, i.e. East Herts, Hertfordshire County Council and Hertford Town Council.
- Measures to address skills shortages and business recruitment needs especially the development of technical skills including through apprenticeship and graduate schemes.

Ware

- The need for the right blend of workforce skills and qualities was raised, including support for apprenticeships.
- Access to business advice and support including signposting to available grants and finance. Improved communication on support available from the Local Enterprise Partnership and Growth Hub.
- Improved broadband in specific locations.
- Recognition of the importance of the visitor economy and destination management. Explore the potential to promote Hertfordshire as a whole rather than East Herts as a destination in its own right.
- The need for the Council to engage directly with local businesses on a regular basis and in a variety of ways, e.g. networking meetings, email updates and social media.

GLOSSARY OF FINANCIAL TERMINOLOGY

Budget:

A statement of an authority's plans for net revenue or capital expenditure over a specified period of time. The annual budget is prepared as part of the Council's Annual Council Tax setting process. The budget, once approved, is an instrument of delegation which is used to authorise, monitor and control expenditure (and income). Legally every Council must set a budget by the 11th March preceding the financial year.

Capital Charges:

Charges to services for the use of assets (property, land, equipment) needed to provide the service. Their purpose is to ensure that the cost of services reflects the true economic cost of financing and consuming the capital assets (property, vehicles, equipment and plant) used in the delivery of the service. The payment is a notional one i.e. it is not cash backed.

Capital expenditure:

Spend on assets that have a lasting value, for example, land, buildings and large items of equipment such as vehicles. This can also include indirect expenditure in the form of grants or loans to other persons or bodies.

Capital Programme:

The Council's plan of future spending on capital projects such as buying land, buildings, vehicles and equipment.

Capital Receipts:

The proceeds from the disposal of land or other assets. These receipts can be used to finance capital but not revenue expenditure.

Central Support Charges:

The transfer of costs from central services departments to service departments to reflect the support services provided, e.g. payroll

CIPFA:

The Chartered Institute of Public Finance and Accountancy are one of the UK accountancy institutes. Uniquely, CIPFA specialise in the public sector. Consequently CIPFA holds the responsibility for setting accounting standards for local government.

Collection fund:

A statutory account maintained by the Council recording the amounts collected from Council Tax and Business Rates and from which it pays the precept to Hertfordshire County Council, the Police Authority and various town and parish councils.

Collection Fund surplus (or deficit):

Any year-end balance of the council tax collection fund (which can be a deficit or a surplus) is shared between the county council (a precepting authority), the local police authority and East Herts. Any year-end balance of the business rates collection fund is shared between central government, East Herts and Hertfordshire County Council in the same proportions as their shares of business rates income.

Department for Communities and Local Government (DCLG):

A government department created in May 2006 that promotes community cohesion and equality and is responsible for housing, urban regeneration, planning and local government.

Contingency Budget:

This is money set-aside centrally in the Council's base budget to meet the cost of unforeseen items of expenditure, such as higher than expected inflation or new responsibilities. The Executive agrees all contingency funding requests through the Health Check monitoring process.

Corporate Budgets:

These are budget items that are not service specific and comprise the Council's interest payments, investment income, and annual contribution to the Pension Fund deficit. Corporate Budgets also include the Contingency Budget and the New Homes Bonus Priority Spend Fund which at the beginning of the year have not been allocated to specific services.

Council Tax Base:

The Council Tax base for a Council is used in the calculation of council tax and is equal to the number of Band D equivalent properties. To work this out, the Council counts the number of properties in each band and works out an equivalent number of Band D equivalent properties. The band proportions are expressed in ninths and are specified in the Local Government Finance Act 1992. They are: A 6/9, B 7/9, C 8/9, D 9/9, E 11/9, F 13/9, G 15/9 and H 18/9, so that Band A is six ninths of the 'standard' Band D, and so on.

CPI and RPI:

The main inflation rate used in the UK is the CPI (Consumer Price Index), the Chancellor of the Exchequer bases the UK inflation target on the CPI. The CPI inflation target is currently set at 2%. The CPI differs from the RPI (Retail Price Index) in that CPI excludes housing costs.

DEFRA:

Department for Environment, Food and Rural Affairs.

DWP:

Department for Work and Pensions.

Earmarked Reserves:

Reserves which are set aside for specific purposes: for example:

- To provide resilience against future risks such (e.g. Interest Equalisation Reserve and Insurance Fund)
- Smoothing the impact of uneven expenditure between years (e.g. local elections reserve)
- To create policy capacity for one-off priority funding (e.g. New Homes Bonus Priority Spend Reserve)

Fees and Charges:

Income raised from making charges for the provision of services such as licence permits, car parking and planning fees.

Financial Year:

The local authority financial year commences on 1st April and finishes on the following 31st March.

Forecast Outturn:

The estimated financial position at the end of the financial year.

General Reserves:

Amounts built up that are not set-aside for specific purposes but to meet any unforeseen pressures.

Gross Domestic Product (GDP):

GDP is defined as the value of all goods and services produced within the overall economy.

Net Cost of Services:

This is the cost of providing the Council's customer-facing and back-office services.

Non Domestic Rates (NDR):

Also known as 'business rates': a form of taxation on commercial and business properties (i.e. non-domestic properties). The Government determines the rate at which it is imposed nationally, but it is collected by billing authorities (district and borough councils). Up until 31 March 2013 business rates were all paid into a central national pool and then redistributed to authorities according to resident population numbers. From 2013/14 local authorities retain a "Local Share", (50%), the aim of which is to provide an incentive to help businesses set up and grow.

New Homes Bonus:

Under this scheme Councils receive a new homes bonus (NHB) per each new property built in the borough for the first six years following completion. Payments are based on match funding the council tax raised on each property with an additional amount for affordable homes. It is paid as a non ring-fenced grant.

Office for Budget Responsibility (OBR):

A non-departmental advisory body that provides independent forecasts on the UK economy.

Original Budget:

This is the budget for the new financial year agreed annually by Council in February.

Prudential Borrowing:

The Local Government Act 2003 replaced detailed central government controls over the level of local authority capital expenditure with a system of self-regulation based upon a requirement to ensure that capital expenditure plans are affordable, sustainable and prudent, as prescribed in CIPFA's prudential code.

Revenue Contribution to Capital Outlay (RCCO):

Use of the revenue budget to finance capital expenditure.

Revenue Expenditure:

The day-to-day running expenses on services provided by Council.

Revenue Support Grant (RSG):

A general non ring-fenced government grant to support councils' general revenue expenditure.

Section 31 Grants:

These are government awarded grants to compensate councils for central government policy decisions in respect of rate reliefs. These grants are not ring-fenced.

Section 106:

Section 106 agreements, also known as planning obligations, are agreements between developers and local planning authorities that are negotiated as part of a condition of planning consent.

The Town and Country Planning Act 1990 enables local authorities to negotiate contributions towards a range of infrastructure and services, such as community facilities, public open space, transport improvements and/or affordable housing.

Section 151 officer:

Legally Councils must appoint under section 151 of the Local Government Act 1972 a named chief finance officer to give them financial advice, in East Herts' case this is the post of the Director of Finance & Support Services.

Sources of Funding:

This term is used at East Herts to mean general and not service specific sources of income such as New Homes Bonus, NDR, and Revenue Support Grant.

Specific Grants:

As the name suggests funding through a specific grant is provided for a specific purpose and cannot be spent on anything else e.g. Housing Benefit Subsidy grant.

Spending Review:

The Spending Review is an internal Government process in which the Treasury negotiates budgets for each Government Department.

Treasury Management:

The process of managing the Council's cash flows, borrowing and cash investments to support East Herts' finances. Details are set out in the Treasury Management Strategy which is approved by Executive and Full Council in February each year.

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EAST HERTS COUNCIL

JOINT MEETING OF SCRUTINY COMMITTEES – 19 JANUARY 2016

AUDIT COMMITTEE – 20 JANUARY 2016

REPORT BY EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY 2016-17

WARDS AFFECTED: All

Purpose/Summary of Report:

- This report sets out proposals for Council approval on the following:
 - The Treasury Management Strategy and Annual Investment Strategy for 2016-17 including the 2016-17 Prudential Indicators.

<u>RECOMMENDATIONS FOR THE JOINT MEETING OF SCRUTINY COMMITTEES AND AUDIT COMMITTEE:</u>

That, in relation to the following items:
--

(A)	The Treasury Management Strategy and Annual Investment Strategy, paragraphs 2.1 – 2.2;
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(B)	The Prudential Indicators, paragraph 2.3;
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(C)	The counterparty and approved countries listing in paragraph 2.4;
------------	--

The Executive be advised that the Joint Meeting of Scrutiny Committees and Audit Committee has considered items (A), (B) and (C) and has no comments to make.
--

1.0 Background

- 1.1 Treasury management is defined as: 'The management of the Council's investments and cash flows, its banking arrangements, money market and capital transactions; the effective control of the risks associated with these activities; and the pursuit of optimum returns consistent with the Council's risk management policy for treasury management.'
- 1.2 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management (the Code) recommends that Members be updated on treasury management activities regularly through the Treasury Management Strategy Statement (TMSS), Annual Investment Strategy (AIS) and mid and year end reports. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.
- 1.3 The Council is required by the CIPFA Treasury Management Code of Practice to approve a Treasury Management Strategy and Annual Investment Strategy each year. The purpose of the Strategy is to ensure that there is adequate cash flow to fund the Council's revenue and capital aspirations in both short and longer term.
- 1.4 The Strategy sets out a risk management policy for the investment of surplus cash. The Strategy is designed to obtain the highest possible yield, contingent upon investments being secure, and there being sufficient liquidity to meet the Council's daily cash needs.
- 1.5 The Council is required by the CIPFA Prudential Code to approve each year a set of Prudential Indicators. The Indicators must be approved by Full Council before the beginning of each financial year. Their purpose is to help the Council ensure that its capital investment plans are affordable, prudent and sustainable.

2.0 Report

- 2.1 Please refer to the recommended Treasury Management Strategy and Annual Investment Strategy in **Essential Reference Paper 'B': Treasury Management Strategy and Annual Investment Strategy 2016-17**.
- 2.2 There have been no additional regulatory changes since those that were included in the revised Treasury Management Strategy

submitted to the Audit Committee on 21 January 2015. No additional changes to the 2016-17 Strategy have been proposed.

- 2.3 Prudential Indicators are included in **Essential Reference Paper ‘B’: Treasury Management Strategy and Annual Investment Strategy 2015-16** paragraphs 2.1, 2.2, 2.4, 2.6, 2.7, 3.1, 3.2 and 3.4.
- 2.4 Please refer to the recommended counterparty and approved countries for investments listings in **Essential Reference Paper ‘B’**:

Appendix 5.1. Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management Credit Rating Tables 2015-16. This is an updated format recommended by our Treasury Advisors Capita Asset Services. Instruments that are no longer in the market have been removed. There have been no further changes to listing provided with the Treasury Management Strategy 2015-16 submitted to the Audit Committee on 21 January 2015.

Appendix 5.2. Approved countries for investments

- 2.4 The Treasury Management Strategy also includes the Council’s Minimum Revenue Provision (MRP) policy. The Strategy recommends that the Council continue to have a nil MRP.
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper ‘A’**.

Background Papers

CIPFA Code of Practice on Treasury Management (2011)
CIPFA Prudential Code for Capital Finance in Local Authorities (2013)

Contact Member: Councillor Geoffrey Williamson – Executive Member for Finance and Support Services.
geoffrey.williamson@eastherts.gov.uk

Contact Officer: Adele Taylor – Director of Finance and Support Services, Extn: 1401. adele.taylor@eastherts.gov.uk

Report Author: Nicola Munro – Principal Accountant, Extn: 2044.
nicola.munro@eastherts.gov.uk

ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS:

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</p> <p>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p>Place – Safe and Clean</p> <p>This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p>Prosperity – Improving the economic and social opportunities available to our communities</p> <p>This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.</p>
<p>Consultation:</p>	<p>Not Applicable.</p>
<p>Legal:</p>	<p>The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (Treasury Management Strategy Statement, annual and midyear reports). This report therefore ensures this Council is implementing best practice in accordance with the Code.</p> <p>The report fulfils the following legislative requirements:</p> <ul style="list-style-type: none"> • Reporting of prudential Indicators in line with the requirements of the CIPFA Code of Practice. • Reporting to those charged with governance a mid-year treasury management report.
<p>Financial:</p>	<p>Within the body of the report.</p>
<p>Human Resource:</p>	<p>Not Applicable.</p>

Risk Management:	Within the body of the report.
Health and wellbeing – issues and impacts:	Not Applicable.

East Herts District Council

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement
and Annual Investment Strategy

2016/17 to 2018/19

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1 INTRODUCTION

1.1 Background

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

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

CIPFA defines treasury management as:

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

1.2 Reporting requirements

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

Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit Committee and Joint Meeting of Scrutiny Committees.

1.3 Treasury Management Strategy for 2016/17

The strategy for 2016/17 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

1.4 Training

The CIPFA Code requires the S151 officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Treasury Management training has been undertaken by members of the audit committee on 25th November 2015 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

1.5 Treasury management consultants

The Council uses Capita Asset Services, 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 our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2 THE CAPITAL PRUDENTIAL INDICATORS 2016/17 – 2018/19

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

2.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000	2019/20 Estimate £'000
Total	1,859	23,365	5,160	2,258	1,992	2,000

Other long term liabilities. The above financing need excludes other long term liabilities, such as leasing arrangements which already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital expenditure	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000	2019/20 Estimate £'000
Total	1,859	23,365	5,160	2,258	1,992	2,000
Financed by:						
Capital receipts	1,132	2,387	1,640	1,270	800	500
Capital grants	459	293	293	293	293	293
Capital reserves	243	238	14	360	-	-
Revenue	25	981	25	25	25	25
Net financing need for the year	0	19,466	3,188	310	874	1,182

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

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

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £888k of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£m	2014/15 Actual	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2018/19 Estimate
Capital Financing Requirement						
Total CFR	(43,082)	(23,904)	(21,012)	(21,008)	(20,134)	(18,952)
Movement in CFR	(280)	19,178	2,892	4	874	1,182
Movement in CFR represented by						
Net financing need for the year (above)	0	19,466	3,188	310	874	1182
Less MRP/VRP and other financing movements	(280)	(288)	(296)	(306)	0	0
Movement in CFR	(280)	19,178	2,892	4	874	1,182

2.3 Minimum revenue provision (MRP) policy statement

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

Following the disposal of the Council's Housing Stock and the retention of outstanding debt, the Council has a negative CFR. MRP has therefore been set as nil.

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

For authorities which participate in LAMS, LAPP or CSB using the cash backed option, the mortgage lenders require a 5 year cash advance from the local authority to match the 5 year life of the indemnity. The cash advance placed with the mortgage lender provides an integral part of the mortgage lending, and should therefore be treated as capital expenditure and a loan to a third party. The Capital Financing Requirement (CFR) will increase by the amount of the total indemnity. The cash advance is due to be returned in full at maturity, with interest paid annually. Once the cash advance matures and funds are returned to the local authority, the returned funds are classed as a capital receipt, and the CFR will reduce accordingly. As this is a temporary (5 year) arrangement and the funds will be returned in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP application. The position should be reviewed on an annual basis.

2.4 Core funds and expected investment balances

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

Year End Resources £m	2014/15 Actual	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Fund balances / reserves	18,986	15,545	14,362	14,148	14,138	14,080
Capital receipts	1,275	0	0	0	0	0
Provisions	2,675	2,675	2,675	2,675	2,675	2,675
Other	(2,969)	(3,142)	(3,142)	(3,142)	(3,342)	(3,342)
Total core funds	19,967	15,078	13,895	13,681	13,471	13,413
Working capital*	(703)	(703)	(703)	(703)	(703)	(703)
Under/over borrowing	50,582	31,404	28,512	28,008	27,364	26,452
Expected investments	69,846	45,779	41,704	40,986	40,132	39,162

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

2.5 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

2.6 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2014/15 Actual	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Ratio	4.54	4.70	4.81	4.68	4.47	4.32

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

2.7 Incremental impact of capital investment decisions on council tax

This indicator identifies the revenue costs associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

Incremental impact of capital investment decisions on the band D council tax

£	2014/15 Actual	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Council tax - band D	12.51	30.39	12.36	12.13	11.85	11.73

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 Current portfolio position

The Council's treasury portfolio position at 31 March 2015, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£m	2014/15 Actual £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000	2019/20 Estimate £'000
External Debt						
Debt at 1 April	7.5	7.5	7.5	7.5	7.5	7.5
Expected change in Debt	0	0	0	0	0	0
Other long-term liabilities (OLTL)	0.9	0.6	0.3	0	0	0
Expected change in OLTL	0	0	0	0	0	0
Actual gross debt at 31 March	8.4	8.1	7.8	7.5	7.5	7.5
The Capital Financing Requirement	(43,082)	(23,904)	(21,012)	(21,008)	(20,134)	(18,952)
(Under) / over borrowing	(43,073.6)	(23,895.9)	(21,004.2)	(21,000.5)	(20,126.5)	(18,944.5)

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2016/17 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 purposes.

The S151 Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.2 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Operational boundary	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Debt	9	9	9	9
Other long term liabilities	1	1	1	1
Total	10	10	10	10

The authorised limit for external debt. A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

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

Authorised limit £m	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate
Debt	12	12	12	12
Other long term liabilities	1	1	1	1
Total	13	13	13	13

3.3 Prospects for interest rates

The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives their central view.

Capita Asset Services Interest Rate View														
	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Capita Asset Services View	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.50%	1.50%	1.75%	1.75%	2.00%	2.00%	2.00%
5yr PWLB Rate	2.30%	2.40%	2.60%	2.70%	2.80%	2.80%	2.90%	3.00%	3.20%	3.30%	3.40%	3.50%	3.50%	3.60%
10yr PWLB View	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.10%
25yr PWLB View	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.10%	4.20%	4.30%	4.30%	4.40%	4.40%	4.40%	4.50%
50yr PWLB Rate	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%	4.20%	4.20%	4.30%	4.30%	4.30%	4.40%

UK: UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were the strongest growth rates of any G7 country; the 2014 growth rate was also the strongest UK rate since 2006 and the 2015 growth rate is likely to be a leading rate in the G7 again, probably being second to the US. However, quarter 1 of 2015 was weak at +0.4% (+2.9% y/y) though there was a rebound in quarter 2 to +0.7% (+2.4% y/y) before weakening again to +0.5% (2.3% y/y) in quarter 3. The November Bank of England

Inflation Report included a forecast for growth to remain around 2.5 – 2.7% over the next three years, driven mainly by strong consumer demand as the squeeze on the disposable incomes of consumers has been reversed by a recovery in wage inflation at the same time that CPI inflation has fallen to, or near to, zero since February 2015 this year. Investment expenditure is also expected to support growth. However, since the August Inflation report was issued, worldwide economic statistics have distinctly weakened and the November Inflation Report flagged up particular concerns for the potential impact on the UK.

The Inflation Report was notably subdued in respect of the forecasts for inflation; this was expected to barely get back up to the 2% target within the 2-3 year time horizon. However, once the falls in oil, gas and food prices over recent months fall out of the 12 month calculation of CPI, there will be a sharp tick up from the current zero rate to around 1 percent in the second half of 2016. The increase in the forecast for inflation at the three year horizon was the biggest in a decade and at the two year horizon was the biggest since February 2013. There is considerable uncertainty around how quickly inflation will rise in the next few years and this makes it difficult to forecast when the MPC will decide to make a start on increasing Bank Rate.

USA: The American economy made a strong comeback after a weak first quarter's growth at +0.6% (annualised), to grow by no less than 3.9% in quarter 2 of 2015, but then weakened again to 2.1% in quarter 3. The downbeat news in late August and in September about Chinese and Japanese growth and the knock on impact on emerging countries that are major suppliers of commodities, was cited as the main reason for the Fed's decision at its September meeting to pull back from a first rate increase. However, the nonfarm payrolls figure for growth in employment in October was very strong and, together with a likely perception by the Fed. that concerns on the international scene have subsided, has now firmly opened up the possibility of a first rate rise in December.

EZ: In the Eurozone, the ECB fired its big bazooka in January 2015 in unleashing a massive €1.1 trillion programme of quantitative easing to buy up high credit quality government and other debt of selected EZ countries. This programme of €60bn of monthly purchases started in March 2015 and it is intended to run initially to September 2016. This appears to have had a positive effect in helping a recovery in consumer and business confidence and a start to a significant improvement in economic growth. GDP growth rose to 0.5% in quarter 1 2015 (1.0% y/y) but came in at +0.4% (+1.5% y/y) in quarter 2 and +0.3% in quarter 3. However, the recent downbeat Chinese and Japanese news has raised questions as to whether the ECB will need to boost its QE programme if it is to succeed in significantly improving growth in the EZ and getting inflation up from the current level of around zero to its target of 2%.

Greece: During July, Greece finally capitulated to EU demands to implement a major programme of austerity and is now cooperating fully with EU demands. An €86bn third bailout package has since been agreed though it did nothing to address the unsupportable size of total debt compared to GDP. However, huge damage has been done to the Greek banking system and economy by the resistance of the Syriza Government, elected in January, to EU demands. The surprise general election in September gave the Syriza government a mandate to stay in power to implement austerity measures. However, there are major doubts as to whether the size of cuts and degree of reforms required can be fully implemented and so Greek exit from the euro may only have been delayed by this latest bailout.

- Investment returns are likely to remain relatively low during 2016/17 and beyond;
- Borrowing interest rates have been highly volatile during 2015 as alternating bouts of good and bad news have promoted optimism, and then pessimism, in financial markets. Gilt yields have continued to remain at historically phenomenally low levels during 2015. The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times, when authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt;
- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

3.4 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, caution will be adopted with the 2016/17 treasury operations. The S151 Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.*

Any decisions will be reported to Executive/Council at the next available opportunity.

Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

£m	2016/17	2017/18	2018/19
Interest rate exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	50%	50%	50%
Maturity structure of fixed interest rate borrowing 2016/17			
Under 12 months			0%
12 months to 2 years			0%
2 years to 5 years			80%
5 years to 10 years			0%
10 years to 20 years			0%
20 years to 30 years			0%
30 years to 40 years			20%
40 years to 50 years			0%
Maturity structure of variable interest rate borrowing 2016/17			
Under 12 months			0%
12 months to 2 years			0%
2 years to 5 years			0%
5 years to 10 years			0%
10 years to 20 years			0%
20 years to 30 years			0%
30 years to 40 years			0%
40 years to 50 years			0%

3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Debt rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Council, at the earliest meeting following its action.

3.7 Municipal Bond Agency

It is likely that the Municipal Bond Agency, currently in the process of being set up, will be offering loans to local authorities in the near future. It is also hoped that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority intends to make use of this new source of borrowing as and when appropriate.

4 ANNUAL INVESTMENT STRATEGY

Introduction: changes to credit rating methodology

The main rating agencies (Fitch, Moody's and Standard & Poor's) have, through much of the financial crisis, provided some institutions with a ratings "uplift" due to implied levels of sovereign support. Commencing in 2015, in response to the evolving regulatory regime, all three agencies have begun removing these "uplifts" with the timing of the process determined by regulatory progress at the national level. The process has been part of a wider reassessment of methodologies by each of the rating agencies. In addition to the removal of implied support, new methodologies are now taking into account additional factors, such as regulatory capital levels. In some cases, these factors have "netted" each other off, to leave underlying ratings either unchanged or little changed. A consequence of these new methodologies is that they have also lowered the importance of the (Fitch) Support and Viability ratings and have seen the (Moody's) Financial Strength rating withdrawn by the agency.

In keeping with the agencies' new methodologies, the rating element of our own credit assessment process now focuses solely on the Short and Long Term ratings of an institution. While this is the same process that has always been used for Standard & Poor's, this has been a change in the use of Fitch and Moody's ratings. It is important to stress that the other key elements to our process, namely the assessment of Rating Watch and Outlook information as well as the Credit Default Swap (CDS) overlay have not been changed.

The evolving regulatory environment, in tandem with the rating agencies' new methodologies also means that sovereign ratings are now of lesser importance in the assessment process. Where through the crisis, clients typically assigned the highest sovereign rating to their criteria, the new regulatory environment is attempting to break the link between sovereign support and domestic financial institutions. While this authority understands the changes that have taken place, it will continue to specify a minimum sovereign rating of AA+. This is in relation to the fact that the underlying domestic and where appropriate, international, economic and wider political and social background will still have an influence on the ratings of a financial institution.

It is important to stress that these rating agency changes do not reflect any changes in the underlying status or credit quality of the institution. They are merely reflective of a reassessment of rating agency methodologies in light of enacted and future expected changes to the regulatory environment in which financial institutions operate. While some banks have received lower credit ratings as a result of these changes, this does not mean that they are suddenly less credit worthy than they were formerly. Rather, in the majority of cases, this mainly reflects the fact that implied sovereign government support has effectively been withdrawn from banks. They are now expected to have sufficiently strong balance sheets to be able to withstand foreseeable adverse financial circumstances without government support. In fact, in many cases, the balance sheets of banks are now much more robust than they were before the 2008 financial crisis when they had higher ratings than now. However, this is not universally applicable, leaving some entities with modestly lower ratings than they had through much of the "support" phase of the financial crisis.

4.1 Investment policy

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in **Appendix 5.1** under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

4.2 Creditworthiness policy

This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- **Yellow:** 5 years *
- **Dark pink:** 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- **Light pink:** 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5

- **Purple:** 2 years
- **Blue:** 1 year (only applies to nationalised or semi nationalised UK Banks)
- **Orange:** 1 year
- **Red:** 6 months
- **Green:** 100 days
- **No colour:** not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

4.2 Creditworthiness policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Director of Finance will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

Credit rating information is supplied by Capita Asset Services, our treasury consultants, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to a counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Council will only use banks which:
 - i. are UK banks; or
 - ii. are non-UK and domiciled in a country which has a minimum sovereign Long Term rating of AAA

and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

- i. Short Term – F1
 - ii. Long Term – A-
- Banks 2 – Part nationalised UK bank – Royal Bank of Scotland. This bank can be included provided it continues to be part nationalised or it meets the ratings in Banks 1 above.
 - Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
 - Bank subsidiary and treasury operation - The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
 - Building societies - The Council will use all societies which meet the ratings for banks outlined above;
 - Money market funds (MMFs) – AAA
 - Enhanced money market funds (EMMFs) - AAA
 - UK Government (including gilts, Treasury Bills and the DMADF)
 - Bonds issued by a financial institution which is guaranteed by the UK government.
 - Sovereign bond issues (i.e. other than the UK Government)
 - Local authorities, parish councils etc.
 - Supranational institutions
 - Local Authority Mortgage Scheme (LAMS), Local Authority Partnership Purchase Scheme (LAPP) and Custom Build and Self Build Scheme (CSB). These are classified as being policy investments, rather than a treasury management investment, and are therefore outside of the specified / non specified categories.
 - Corporate Bonds
 - Floating Rate Notes
 - Property Funds

A limit of 60% will be applied to the use of non-specified investments.

Use of additional information other than credit ratings. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating Watches/Outlooks) will be applied to compare the relative security of differing investment counterparties.

Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments):

	Fitch Long term Rating (or equivalent)	Money and/or % Limit	Time Limit
Banks 1 higher quality	AAA	£10m / 80%	5yrs
Banks 1 medium quality	AA-	£10m / 75%	1yr
Banks 1 lower quality	A-	£10m / 70%	100 Days
Banks 2 – part nationalised	N/A	£20m / 75%	1yr
Limit 3 category – Council's banker (not meeting Banks 1)	N/A	N/A	1 day
Other institutions limit	-	£10m / 70%	1yr
DMADF	AAA	unlimited	6 months
Local authorities	N/A	unlimited / 60%	5yrs
	Fund rating	Money and/or % Limit	Time Limit
Money market funds	AAA	unlimited	liquid
Enhanced money market funds	AAA	unlimited	liquid
Property Funds	Based on external credit assessment by the Council's Treasury Management Advisors. UK asset investment.	£20 million at fund entry. Maximum of two Funds at any one time for viability.	Long Term investment

The proposed criteria for specified and non-specified investments are shown in **Appendix 5.1** for approval.

4.3 Country and sector limits

Due care will be taken to consider the country, group and sector exposure of the Council's investments.

The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA+ from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in **Appendix 5.2**. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

In addition:

- no more than 20% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

4.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

Investment returns expectations. Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 2 of 2016. Bank Rate forecasts for financial year ends (March) are:

- 2016/17: 1.00%
- 2017/18: 1.75%
- 2018/19: 2.00%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year for the next eight years are as follows:

- 2016/17: 0.90%
- 2017/18: 1.50%
- 2018/19: 2.00%
- 2019/20: 2.25%
- 2020/21: 2.50%
- 2021/22: 3.00%
- 2022/23: 3.00%
- Later years: 3.00%

The overall balance of risks to these forecasts is currently to the downside (i.e. start of increases in Bank Rate occurs later). However, should the pace of growth quicken and / or forecasts for increases in inflation rise, there could be an upside risk.

Investment treasury indicator and limit - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
£m	2016/17	2017/18	2018/19
Principal sums invested > 364 days	£30m	£30m	£30m

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

4.5 Investment risk benchmarking

This Council will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day, 1, 3, 6 or 12 month LIBID uncompounded.

4.7 End of year investment report

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

5 APPENDICES

5.1 APPENDIX: Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable.

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of 75% will be held in aggregate in non-specified investment

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria / colour band	** Max % of total investments/ £ limit per institution	Max. maturity period
Debt Management Account Deposit facility – UK Government	N/A	100%	6 months
UK Government gilts	UK sovereign rating	80%	12 months
UK Government Treasury bills	UK sovereign rating	80%	12 months
Fixed Bonds – Corporate, Financial, Supranational or Covered.	AAA	40%	12 months
Money market funds	AAA	100%	Liquid
Enhanced money market funds with a credit score of 1.25	AAA	100%	Liquid
Enhanced money market funds with a credit score of 1.5	AAA	100%	Liquid
Local authorities	N/A	100%	12 months
Term deposits with banks and building societies	Blue Orange Red Green No Colour	80%	12 months 12 months 6 months 100 days Not for use

CDs or corporate bonds with banks and building societies	Blue Orange Red Green No Colour	50%	12 months 12 months 6 months 100 days Not for use
Gilt funds	UK sovereign rating	100%	

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

NON-SPECIFIED INVESTMENTS: A maximum of 75% will be held in aggregate in non-specified investment

1. Maturities of ANY period

	Minimum Credit Criteria / Colour band	Use	Max % of total investments	Max. maturity period
Fixed term deposits with variable rate and variable maturities: -Structured deposits	Blue Orange Red Green No Colour	In-house	80%	12 months 12 months 6 months 100 days Not for use
Certificates of deposit issued by banks and building societies	Blue Orange Red Green No Colour	In-house and Fund Managers	80%	12 months 12 months 6 months 100 days Not for use
Fixed Bonds – Corporate, Financial, Supranational or Covered.	AAA	In-house and Fund Managers	10%	5 years
Floating rate notes	AAA	In house and Fund Managers	10%	5 years
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)				
Corporate bond fund	AAA	In house and Fund Managers	10%	5 years
Property fund	Based on external credit assessment from the Council's Treasury Management Advisors. UK asset investment.	In house and Fund Managers	£20m at fund entry. Maximum of two Funds at any one time for viability.	Long Term

2. Maturities in excess of 1 year

	Minimum Credit Criteria / Colour Band	Use	Max % of total investments	Max. maturity period
Term deposits – local authorities	N/A	In-house and Fund Managers	60%	5 Years
Term deposits – banks and building societies	Blue Orange Red Green No Colour	In-house and Fund Managers	80%	12 months 12 months 6 months 100 days Not for use
Certificates of deposit issued by banks and building societies	Blue Orange Red Green No Colour	In-house and Fund Managers	80%	12 months 12 months 6 months 100 days Not for use
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	80%	10 years
Fixed Bonds – Corporate, Financial, Supranational or Covered.	AAA	In-house and Fund Managers	10%	5 years
Sovereign bond issues (other than the UK govt)	AAA	Fund Managers	50%	10 years
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)				
Property fund	Based on external credit assessment from the Council's Treasury Management Advisors. UK asset investment.	In house and Fund Managers	£20m at fund entry. Maximum of two Funds at any one time for viability.	Long Term

5.2 APPENDIX: Approved countries for investments

This list is based on those countries which have sovereign ratings of AA+ or higher and also have banks operating in sterling markets which have credit ratings of green or above in the Capita Asset Services credit worthiness service.

AAA

- Australia
- Canada
- Denmark
- Germany
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- Netherlands
- U.K.
- U.S.A.

Note: This list is correct as at 11 November 2015

5.3 APPENDIX: Treasury management scheme of delegation

(i) Full board / Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Boards/committees/council/responsible body

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Body/person(s) with responsibility for scrutiny

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

5.4 APPENDIX: The treasury management role of the Section 151 Officer

The S151 (responsible) Officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.