

Public Document Pack

EAST HERTFORDSHIRE DISTRICT COUNCIL

NOTICE IS HEREBY GIVEN that a meeting of East Hertfordshire District Council will be held in the Council Chamber, Wallfields, Hertford on Wednesday 1st March, 2023 at 7.00 pm, for the purpose of transacting the business set out in the Agenda below, and you are hereby summoned to attend.

Date this 22 day of February 2023

James Ellis
Head of Legal and
Democratic Services

Note: Prayers will be said before the meeting commences. Those Members who do not wish to participate will be invited to enter the Chamber at their conclusion

This meeting will be live streamed on the Council's Youtube page:
<https://www.youtube.com/user/EastHertsDistrict>

AGENDA

1. Chairman's Announcements

To receive any announcements from the Chairman.

2. Leader's Announcements

To receive any announcements from the Leader of the Council.

3. Apologies for Absence

To receive any Members' apologies for absence.

4. Minutes - 18 January 2023 (Pages 5 - 32)

To approve as a correct record and authorise the Chairman to sign the Minutes of the Council meeting held on 18 January 2023.

5. Declarations of Interest

To receive any Members' declarations of interest.

6. Petitions

To receive any petitions.

7. Public Questions (Page 33)

To receive any public questions.

8. Members' Questions (Pages 34 - 35)

To receive any Members' questions.

9. Executive Report - 14 February 2023 (Pages 36 - 47)

To receive a report from the Leader of the Council and to consider recommendations on the matters below:

(A) Discretionary Council Tax Support Top Up 2023_(Pages 48 - 53)

(B) Asset Management Plan 2023 - 2028_(Pages 54 - 99)

10. Budget 2023/24 and Medium Term Financial Plan 2023/24 - 2027/28
(Pages 100 - 153)

11. Council Tax Setting Report 2023/24

Report to follow

12. Capital Strategy and Minimum Revenue Provision Policy (Pages 154 - 214)

13. Treasury Management and Annual Investment Strategy 2023/24 (Pages 215 - 273)

14. Pay Policy Statement 2023/2024 (Pages 274 - 289)

15. Review of the Constitution (Pages 290 - 340)

16. Protocol for the Appointment of Honorary Alderman (Pages 341 - 350)

17. Extension of the 2022/23 Member Allowance Scheme (Pages 351 - 366)

18. Motions on Notice

To receive Motions on Notice.

(A) Local Government Pay to Council - A Fully Funded, Proper Pay Rise for Council Workers_(Pages 367 - 368)

Disclosable Pecuniary Interests

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.

Public Attendance

Audio/Visual Recording of meetings

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

MINUTES OF A MEETING OF THE
COUNCIL HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
WEDNESDAY 18 JANUARY 2023, AT 7.00 PM

PRESENT: Councillor I Devonshire (Chairman).
Councillors D Andrews, R Bolton, M Brady,
E Buckmaster, J Burmicz, K Crofton,
B Crystall, A Curtis, B Deering, H Drake,
J Dumont, R Fernando, J Frecknall,
M Goldspink, J Goodeve, A Hall, L Haysey,
A Huggins, J Jones, J Kaye, I Kemp,
G McAndrew, S Newton, T Page, M Pope,
C Redfern, S Reed, P Ruffles, T Stowe,
N Symonds, A Ward-Booth, G Williamson,
C Wilson and J Wyllie.

OFFICERS IN ATTENDANCE:

Richard Cassidy	- Chief Executive
James Ellis	- Head of Legal and Democratic Services and Monitoring Officer
Jonathan Geall	- Head of Housing and Health
Steven Linnett	- Head of Strategic Finance and Property
Katie Mogan	- Democratic Services Manager
Helen Standen	- Deputy Chief Executive
Ben Wood	- Head of

Communications,
Strategy and
Policy

303 CHAIRMAN'S ANNOUNCEMENTS

The Chairman presented certificates to recipients of the King's New Year's Honours. Sarah Pickup was awarded a CBE for services to Social Care and Professor Sunil Shaunak was awarded an OBE for services to Infectious Diseases and Drug Discovery.

The Chairman reminded Members about the Holocaust Memorial Event taking place on Thursday 26 January 2023 at 6.30 pm and invited all Members to come along.

The Chairman announced that he would be holding a garden party on Saturday 15 April 2023 and would provide more information at the next meeting.

304 LEADER'S ANNOUNCEMENTS

The Leader thanked the recipients of the King's New Year's Honours and said they demonstrated the quality and the range of people who choose to live in East Herts and she said she was humbled to have such great people who lived in the district and who make major contributions to society.

The Leader said that she had received an email from a Hertford resident who had asked her to share its contents with the Council. The email recognised the

hard work of Clinton who was the gatekeeper for a housing development site. The resident said that he brought joy to everyone by waving and smiling at passers-by. The Leader said that housing developments often brought complaints but Clinton made the difference to being a well run organised site and it would be nice to replicate it across East Herts.

The Executive Member for Environmental Sustainability announced that East Herts had switched its vehicle fleet from diesel to electric vehicles. He said that this would reduce the council's carbon footprint, reduce leasing costs and was good news for the environment.

305 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Alder, Beckett, Bell, Boylan, R Buckmaster, Cutting, Hollebon, McMullen, Rutland-Barsby, Snowden, Stevenson and Townsend.

306 MINUTES - 14 DECEMBER 2022

Councillor Curtis said he asked at the last meeting if the council used the official definition of anti-Semitism and asked for it to be confirmed in the minutes.

Councillor Curtis referred to the 'North of Hertford – Land West of Wadesmill Road (HERT4, Phase 2) Masterplanning' item and said that he said he would vote in line with the ward members on the item, not that he wouldn't be voting at all.

Councillor Haysey proposed, and Councillor E Buckmaster seconded a motion that the Minutes of the meeting held on 14 December 2022 be approved as a correct record and be signed by the Chairman, subject to the amendments raised by Councillor Curtis. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Minutes of the meeting held on 14 December 2022 be approved as a correct record and signed by the Chairman, subject to the amendments raised by Councillor Curtis.

307 DECLARATIONS OF INTEREST

There were no declarations of interest.

308 PETITIONS

No petitions were submitted.

309 PUBLIC QUESTIONS

There were no public questions.

310 MEMBERS' QUESTIONS

Question 1

Cllr Joseph Dumont to ask Cllr Jan Goodeve, the Executive Member for Planning and Growth

The members of Neighbourhood Planning Group in my Ward and Parish Councillors have been working hard and doing their best to develop the neighbourhood plan for Stanstead Abbots. They have found it difficult, especially because it is being proposed that green belt land is released. There is strong local feeling against the requirement to build 94 new homes.

Will the Executive Member tell me whether it is or is not the case that Stanstead Abbots will be more susceptible to green belt development, and if the quota of 94 homes can be more easily exceeded by developers if a Neighbourhood plan is not adopted?

Response

We recognise and commend the hard work that is underway to develop a neighbourhood plan for Stanstead Abbots.

In the East Herts District Plan, Group 1 Villages are identified as the most sustainable villages in the district and are expected to accommodate growth as part of the housing strategy. The requirement for at least 94 new homes in Stanstead Abbots and St Margarets is set out in Policy VILL1 of the District Plan. In accordance with the policy, if the housing requirement is not met by the adoption of a Neighbourhood Plan, the Council will consider whether it is necessary to identify the site for development through a Site Allocations Development Plan.

In this scenario the parish council and neighbourhood plan group would have less control in the allocation

and design of proposed sites.

Without a neighbourhood plan, there is potential for speculative development in the Green Belt. Even if the Council refuse an application, it could potentially be allowed at appeal if an Inspector considers 'very special circumstances' have been justified, particularly if weight is given to the argument that the District Plan requirement for 94 homes in the village has not been met. There is also no certainty that 94 homes will not be exceeded because the figure is not a limit but a minimum requirement.

The Council would prefer development to be planned so that the impacts on local infrastructure and character can be fully considered through the plan-making system. Allocation in a neighbourhood plan will ensure that the design and community benefits of any proposed scheme best reflect the ambitions of the local community.

There was no supplementary question.

Question 2

Cllr Mione Goldspink to ask Cllr Linda Haysey, the Leader of the Council

What actions can East Herts Council take to demonstrate its support for Asylum Seekers and Refugees who are seeking safety within our District?

Response

I would like to thank Cllr Goldspink for her question.

I believe that the council and indeed communities across our district can be proud of how East Herts has come together in recent years to demonstrate support those seeking refuge in our area.

Since 2016, the council has worked with local housing associations and community groups, such as Herts Welcomes Refugees, to support seven Syrian families settle in East Herts. The council has commissioned the Refugee Council to provide the necessary support.

More recently, we have drawn on those same networks to provide homes for four Afghan families; so far, three families have settled here and we are currently identifying a fourth suitable property.

I know that Cllr Jonathan Kaye takes great care each year when leading the council's inclusive Holocaust Day commemorative event to recognise the often horrific circumstances refugees and asylum seekers are fleeing. I believe this demonstrates the genuine approach we have to welcoming people to East Herts. May I just take the opportunity, on Cllr Kaye's behalf, to invite you all to this year's commemorative event which will take place in person for the first time in three years at 6.30pm on Thursday, 26th January here in the Council Chamber.

Finally, let me turn to the council's response to the war in Ukraine. I find it quite humbling when I think about the number of local people who have opened their homes to Ukrainian people as part of the government's Homes for Ukraine programme. The council has worked with Hertfordshire County Council every step

of the way on this scheme. To date, our Environmental Health team has conducted 183 inspections of hosts' properties, with new inspections happening each week within a few days of being requested. Thus far, this has ensured that 320 Ukrainian people have already been able to settle in East Herts with another 61 people with visas waiting to arrive once their hosts are ready for them. Of the Ukrainians who have already arrived, there are 200 adults and 120 children. In addition, there will be a small number of Ukrainians who have joined family members who have lived here for some time but exact numbers are not collated.

It is worth noting that East Herts has the second highest number of placements through the Homes for Ukraine programme in Hertfordshire; only St Albans has more.

As I mentioned, work to inspect hosts' properties is continuing and furthermore officers in the Housing service are now working closely with colleagues across the county to provide high quality support and advice on housing options. To date, 15 Ukrainian *households* have turned to the council for advice. In most cases, the households are settled with host households and are simply asking 'what happens next' questions. However, the Housing service has matched two Ukrainian households with another host household and helped another three households access the private rented sector. Over this time, the Housing service has provided short-term temporary accommodation for four Ukrainian households while helping them find a new home.

May I remind you that the council's website includes a

whole range of useful information for those coming to our district and residents wishing to support.

So, I hope I have been able to assure all members that East Herts Council has and continues to demonstrate its practical support for people seeking a place of safety in our district.

Supplementary question

Councillor Goldspink asked if the Leader would issue a statement expressing the Council's support for asylum seekers.

Response

The Leader said she would liaise with County Council colleagues to find the appropriate wording.

Question 3

Cllr Chris Wilson to ask Cllr Peter Boylan, the Executive Member for Neighbourhoods

Last month, a report was published entitled "The Better Social Housing Review". This report was jointly commissioned by the National Housing Federation and the Chartered Institute of Housing, and both these organisations accepted its findings in their entirety. Its recommendations included that Housing Associations should carry out an audit of every single one of their housing stock and that improved housing standards should be adopted by the associations within six months and fully implemented by three years. This of

course is with particular reference to the prevalence of health-endangering damp in many of this country's social housing. I, like many other members, have been shocked by the state of some of the housing our residents are living in.

Does Cllr Boylan agree that it is right that the Housing Associations should conduct such an audit and apply the proposed standards? If so does he agree that this council needs to hold these associations to account and make every effort to ensure they comply with all the recommendations of the Better Social Housing Review?"

Response

Both myself and officers within the Housing service are aware of this important report produced by the two leading 'trade bodies' for the affordable housing sector, the National Housing Federation and the Chartered Institute of Housing. It is also reassuring to note that the National Housing Federation's G15 group of housing associations was involved in preparation of the report as both Clarion Housing and Network Homes are members of this group.

The council welcomes the recommendations that, in summary, urge housing associations to work closely with their tenants to provide excellent support, maintenance and other services, including adopting a standard approach to stock audits.

The report's authors recognise the roles of the national Regulator for Social Housing and Housing

Ombudsman in promoting and monitoring housing associations' standards and performance. While the report does not articulate a specific role for local authorities, I'd like to assure members that East Herts Council can and does seek to promote high standards in the district. Of note:

- we have been proactive in establishing cross-party strategic member liaison groups with our two largest housing associations, Network and Clarion
- our Environmental Health team works with housing associations to tackle damp, mould and disrepair issues and
- we have provided grant and other support to enable Network Homes to set up a community hub in a previously vacant shop in Sele Farm.

In response to the report, officers will promote the council's support for its recommendations through the regular housing association liaison meetings, including seeking updates on the extent to which the associations are acting on the report's findings.

Question 4

Cllr Chris Wilson to ask Cllr Graham McAndrew, the Executive Member for Environmental Sustainability

At the full council meeting on 16th November, one of my residents, Mr James Dean, asked if the council would consider the adoption of a permit-type system to discount parking after 6.30pm for local residents who lived near council-operated car parks. Mr Dean,

along with some other nearby residents have no other realistic place to park besides Crown Terrace Car Park. It was stated that this would be looked into by officers but the new late-parking charges have since been implemented and there has been no indication of whether such a scheme can be initiated. Can you please provide an update on what discussions and/or decisions have been made so that Mr Dean and other affected residents can be appropriately informed?

Response

I thank Cllr Wilson for his question. We have a permit option that is available for Crown Terrace residents to allow them to park in the Crown Terrace car park. The Traffic Regulation Order that provides the requisite authority defines eligibility criteria in respect of address and currently the cost of each permit is £1,494.00 per year. The benefits of the permit scheme are that no daily payment is required and therefore from a convenience perspective this may be considered beneficial. In response to your request, I have discussed the matter with the Parking Services Manager, who has advised me that there are discretionary powers to offer this car park permit type to your constituent on the existing terms. I appreciate this isn't a discounted rate, however there is currently no authority for concessions.

Alternatively, the London Road resident has other options to park near their home. We have looked into this and there are several roads providing permitted parking on street, that are available in the evenings and on Sunday. These roads provide adequate

capacity for parking and are all within 5 minutes' walk of the resident's address.

As you will be aware the Council agreed to implement the evening and Sunday charges to ensure that those customers using the council's facilities contribute towards the costs of operating and maintaining the assets. Crown Terrace is a very popular car park, serving a number of groups including local businesses, workers, shoppers, and residents.

Supplementary question

Councillor Wilson asked what authority would be needed to offer the discount and whether this would be a long process?

Response

The Executive Member said he would look into it and provide Councillor Wilson with a response outside the meeting.

311 EXECUTIVE REPORT - 10 JANUARY 2023

The Leader of the Council presented a report setting out recommendations to the Council made by the Executive at its meetings on 10 January 2023.

312 ANNUAL TREASURY MANAGEMENT REVIEW 2021/22

The Executive Member for Financial Sustainability presented the recommendation in the Executive report of 10 January 2023, regarding the Annual Treasury

Management Review 2021/22.

Councillor Williamson proposed that the recommendation in the report be supported.
Councillor Pope seconded the proposal.

The motion to support the recommendation having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED - That the Annual Treasury Management Review 2021/22 and the outturn Prudential Indicators be approved.

313 EAST HERTS UK SHARED PROSPERITY FUND AND RURAL PROSPERITY FUND

The Leader of the Council presented the recommendations in the Executive report of 10 January 2023, regarding the East Herts UK Shared Prosperity Fund and Rural Prosperity Fund. She said that this funding replaced the various funds from the European Union and East Herts had been allocated over £1 million to be spent over a three-year period.

Councillor Haysey said that the council had engaged with the local community and the local MPs as to where the money should be spent and some of the money needed to be spent by March 2023 so the council had identified projects that were ready to go.

Councillor Haysey proposed that the recommendations in the report be supported.
Councillor Fernando seconded the proposal.

Councillor E Buckmaster said he was happy to support the recommendations and said that the Cultural Strategy was really important and some of the funding would go towards carrying out asset mapping across the district to find out what activities were already taking place. He also said that the Climate Change strategy was important and said the projects were admirable things to support.

Councillor Goldspink said that the Liberal Democrat group supported the recommendations in the report but said she was surprised that it had taken such a long time for the government to put forward these grants considering the Brexit vote was in 2016. She said she was shocked that the Council was required to make a decision and spend the money by March 2023.

Councillor Curtis said that there was a lot to be celebrated in the report. He said that business support was crucial and said the council could learn a lot from its colleagues in Harlow and Broxbourne who had allocated land for business use. He said that it was important to speed up the process for determining planning applications so that businesses look to invest in the district.

Councillor Kaye said he welcomed that East Herts had one of the highest allocations in the country. He referred to Councillor Goldspink's point about having to spend the money quickly but highlighted that was only for this year's allocation and there were two more financial years to come where decisions can be more considered.

Councillor Crystall also welcomed the funding and said it was good news for the district. He thanked the officers involved in the report on behalf of the Green Group. He referred to Appendix B and the funding to measure footfall in the town centres and asked if it was possible for Members to receive regular reports on it.

Councillor Goodeve confirmed this would be possible.

Councillor Deering referred to Councillor Goldspink's earlier comments about the slowness of the funding and said it was the credit of the Conservative government that the district was getting the money.

Councillor Wilson said he also welcomed the funding, especially the funding to the Bishop's Stortford Pride event. He said he had spent time speaking the with LGBTQ+ community and they felt that they were being neglected so hoped the funding would go some way to them getting recognised. He said there had been an overall reduction of 40% from the EU Funding to the UK funding and asked how the size of the funding differed.

Councillor Haysey said she would find out the details for Councillor Wilson. She said that she used to chair the LEP and said there were advantages in this scheme in that it was simple to administer and easy to pick own projects and monitor what was needed in the district. She said that the EU funding required massive amounts of paperwork and assessments to be completed and it was used for larger infrastructure

projects as opposed to local ones.

Councillor Kemp said that although the announcement of this fund was relatively recent, it had been on the horizon for some time so the council was to be commended on their advanced planning of projects that could be recognised. He referred to Councillor Curtis' point about land for business and employment use and said that the 2018 District Plan set aside land for that purpose.

The motion to support the recommendations having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED – That (A) the following amounts from the East Herts UK Shared Prosperity Fund (UKSPF) and the Rural Prosperity Fund (RPF) be agreed:

- up to £290,000 allocated from the UKSPF for delivery of the Cultural Strategy
- up to £566,000 allocated from the UKSPF for delivery of the Climate Change Strategy
- up to £630,000 allocated from the UKSPF and up to £236,421 from the RPF for delivery of town and village centre improvements
- up to £287,000 allocated from the UKSPF and up to £236,421 from the RPF for delivery of business support activity

(B) the award of UKSPF and RPF funded grants and/ or contracts to deliver:

- Cultural Strategy objectives be delegated to the Head of Housing and Health acting in consultation with the Executive Member for Communities
- Climate Change Strategy objectives be delegated to the Head of Housing and Health acting in consultation with the Executive Member for Environmental Sustainability
- Town and village centre objectives be delegated to the Head of Communications, Strategy and Policy acting in consultation with the Executive Member for Planning and Growth
- Business support objectives be delegated to the Head of Communications, Strategy and Policy acting in consultation with the Executive Member for Planning and Growth.

(C) this year's (2022-23) UKSPF allocation of £215,186 be allocated to the projects set out in Appendix B.

314 BISHOP'S STORTFORD TOWN COUNCIL CEMETERY BILL

Councillor Wyllie presented the Bishop's Stortford Town Council Cemetery Bill as the local Ward Member. He said that the Council resolved to promote a Private Bill to enable the reuse of burial space in two cemeteries in Bishop's Stortford on 16 November 2022 and there was a statutory requirement for the Council to now confirm that resolution and this report seeks that confirmation. He said that in order to promote the

Bill a resolution needs to be passed by a majority of the whole number of the members of the authority.

Councillor Wyllie proposed that the recommendation in the report be supported. Councillor Ward-Booth seconded the proposal.

Councillor Ward-Booth said the private bill would provide much needed expansion of cemetery space in Bishop's Stortford.

Councillor Curtis said he sympathised with the challenge faced of not enough cemetery space but said he would not be able to vote in favour of the bill due to religious reasons.

The motion to support the recommendations having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED – That the resolution for the promotion of the Bill intituled the Bishop's Stortford Cemetery Bill be confirmed which has been deposited in Parliament pursuant to the resolution of this Council passed at a meeting held on Wednesday 16 November 2022 be and is by this resolution confirmed.

315 MILLSTREAM 30 YEAR BUSINESS PLAN 2023/24

The Executive Member for Financial Sustainability presented the Millstream 30 Year Business Plan for 2023/24. He said that the property investment company was established in 2018 and was currently in

its fifth year of trading. The company was required to present its business plan each year and the council, as a company shareholder, must approve it.

The Head of Housing and Health spoke to the meeting in his role as a Director of Millstream. He assured Members that the company had met its deadline to provide a draft business plan to the Shareholder Advisory Group which provided the appropriate checking and scrutinising role under the shareholder agreement. he said that Millstream was still able to maximise income to its shareholders in the most tax efficient way possible, providing cash flow to the council from interest on existing loans and payments for officers' time at cost recovery plus five percent.

The Executive Member for Financial Sustainability added that the company provided much needed income to the council in excess of £160,000. He said that the company helped local people with low rents whilst the council received much needed income.

Councillor Williamson proposed that the recommendation in the report be supported. Councillor Deering seconded the proposal.

Councillor Pope asked if current high inflation was a risk to the business.

The Director of Millstream said that the company model budget projection every year and take a range of adverse factors and feed them through the business plan. He said that high inflation had been previously considered and built in and the directors were

confident that they were able to model heightened inflation.

Councillor Crystall asked if there were any solar panels installed on the properties owned by Millstream or if there were plans to do so in the future.

The Director of Millstream said that there were not any solar panels currently. He said that any improvement works to properties would seek to improve energy performance.

The motion to support the recommendation having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED – That Millstream Property Investment Ltd's 2023/24 30 Year Business Plan, presented in the EXEMPT Appendix A, be approved.

316 PROTOCOL FOR THE SUBMISSION OF PLANNING APPLICATION REPRESENTATIONS

The Executive Member for Planning and Growth presented the Protocol for the submission of Planning Application Representations report. She said that the proposal was to ensure that the Development Management Committee continued to operate in an efficient manner and to avoid delays in decision making.

The Executive Member for Planning and Growth said that in most cases, representations were made and

received during the consultation period and officers were able to consider them in full and formulate a committee report. She said that further representations were often made after the agenda was published and some representations were so substantive that it was difficult to fully consider them and provide advice to Members which sometimes meant the meeting had to be adjourned or reconvened.

The Executive Member for Planning and Growth said that the report proposed that the council adopt a position that all representations should be received by 5pm, three working days before the meeting. She said that this would give Officers two working days to consider all representations. She said that there was no intention to curtail the legitimate right of all stakeholders to submit representations but was to encourage all parties to act in a reasonable way so the committee can be correctly advised.

Councillor Goodeve proposed that the recommendation in the report be supported. Councillor Huggins seconded the proposal.

Councillor Goldspink said she supported the idea behind the proposals but proposed an amendment to the deadline for submitting representations. She proposed that the words "should be received by the council not later than 5pm on the third working day prior to" with "should be received by the council not later than midnight on the Sunday before the DMC meeting on the Wednesday".

Councillor Dumont seconded the amendment.

Councillor Goodeve said that the addition of a Sunday deadline would not be transferable when a Development Management Committee was held on another weekday.

Councillor E Buckmaster said that he could not agree with the amendment and understood the substantial work that Officers and Members have when representations come in late.

Councillor Deering spoke as the Chairman of the Development Management Committee and said he was not supportive of the amendment. He said that it was crucial for officers to have enough time to consider the representation and to advise and guide Members. He said the proposal from Councillor Goodeve was sensible and reasonable.

Councillor Crofton said he was supportive of the original proposals. He said that in future it should be considered that more weight was given to local Members representations as they had local knowledge.

Councillor Kemp asked in what circumstances were late representations received and questioned how effective the protocol would be at stopping the late representations.

Councillor Goodeve said that it would not prevent late representations but it would send a strong message as to how the council would like things to operate. She

said that she suspected that the late submission of representations was being used on purpose to frustrate or delay applications.

Councillor Goldspink responded to the points made. She said she respected the amount of work undertaken by the planning officers but said many late representations were in response to the agenda being published and this deadline would not leave much time for the public to submit their comments. She said the Sunday deadline would make it fairer for the public.

The motion to support the amendments having been proposed and seconded was put to the meeting and upon a vote being taken, was declared LOST.

The meeting returned to debating the original proposal.

Councillor Crystall asked if it could be considered that the publication of the agenda could be brought forward a few days to give residents a fair chance at responding.

Councillor Goodeve said that it was not resident submissions that were presenting the department with challenges, it was the letters from legal firms.

The Head of Legal and Democratic Services said that the publishing of agendas was set out in legislation so was not something the council could change.

Councillor Curtis said that Councillor Goodeve had

outlined the issue faced with legal firms putting in representations to delay the decision. He said that applications had a long consultation period and the Development Management Committee was often many months after the consultation period. He said that he didn't want the council taking longer to determine planning applications than they already were.

Councillor Deering said the planning process was not responsive. He said the notification of a planning application was sent out a long time before the decision was made.

Councillor Haysey said she was aware of extraordinarily long legal letters that had previously been submitted for strategic sites and said that they were unlikely to have been written after the agenda had been published.

Councillor Redfern questioned if the time deadline would change if the meeting was held in the day.

Councillor Dumont asked if this protocol was enforceable.

Councillor Goodeve said that the protocol outlined how the council would like its committee to operate. She said the council could not refuse late representations but complex legal documents needed time to be considered. She said the protocol would ensure things operated fairly for both residents and members.

Councillor Drake referred to Councillor Redfern's comment regarding daytime meetings. She said the start time of the meeting was irrelevant because the three working day deadline did not include the day of the meeting.

The motion to support the recommendations having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED – That (A) the Council adopt a Protocol in relation to the submission of representations regarding planning and other related applications that are due to be reported to the Development Management Committee as set out in Appendix 1 to this report; and

(B) delegation be given to the Head of Planning and Building Control in consultation with the Executive Member for Planning and Growth to revise and amend the detailed wording of the Protocol, as set out in Appendix 1 to this report, prior to its publication.

317 REVIEW OF COUNCILLOR COMPLAINTS HANDLING PROCEDURE

The Chairman of the Standards Committee, Councillor Stowe, presented the Review of Councillor Complaints Handling Procedure. He said the procedure was last reviewed in 2011 and there were many things in it that need to be updated. He said that there was the addition of a local resolution stage to try and encourage town and parish councils to resolve

complaints before submitting to the Monitoring Officer.

Councillor Stowe proposed that the recommendations in the report be supported. Councillor Crofton seconded the proposal.

Councillor Goldspink said that the Liberal Democrat group were very happy to support the recommendations. She referred to Appendix A and the comments from the Standards Committee about a councillor acting 'in capacity'. She said she hoped that this would not be used as an excuse for poor behaviour.

Councillor Haysey said that it was important given the debate at the last Council meeting that all councillors should behave appropriately. She suggested that town and parish councils approached the Association of Herts Town and Parish Councils to provide training for councillors on the Code of Conduct.

Councillor Curtis said he was a member of the Executive at the Association of Herts Town and Parish Councils and said he was happy to feedback to them about engaging councils in training.

The motion to support the recommendations having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED – That (A) the comments from the Standards Committee and the Independent Person, as shown at Appendix A be considered,

and the recommended actions shown be endorsed; and

(B) the revised Councillor Complaints Handling Procedure, as amended by recommendation (a), contained at Appendix B be adopted.

318 MOTIONS ON NOTICE

There were no motions on notice.

The meeting closed at 8.40 pm

Chairman
Date

COUNCIL – 1 MARCH 2023

PUBLIC QUESTIONS

Question 1	Alastair Cook to ask Cllr Graham McAndrew, the Executive Member for Environmental Services
Have the cumulative effects of the traffic and therefore pollution being generated by 4000 plus houses, a new Aldi on the Gates site and two proposed logistics centres (St James, Wren) been assessed with regards to impact on the already unacceptable pollution levels at the Hockerill junction?	

Agenda Item 8

COUNCIL – 1 MARCH 2023

MEMBERS' QUESTIONS

Question 1	Cllr Rishi Fernando to ask Cllr George Cutting, the Executive Member for Corporate Services
<p>With the introduction of Voter ID being required in elections for the first time this May, I would like to ask the Executive Member for Corporate Services what steps East Herts has and is taking to make all residents and especially those groups most affected ie young people, older people and people with disabilities aware of this new requirement and would the Executive Member be able to give me specifics on how many applications there have been so far locally for the new Voter Authority Certificate.</p>	
Question 2	Cllr Ben Crystall to ask Cllr George Cutting, the Executive Member for Corporate Services
<p>What work is EHC doing with the groups most affected by the introduction of photo voter ID (young people, older people and people with disabilities), to raise awareness of this new requirement and how many applications so far have there been locally for the new Voter Authority Certificate (for people who don't have an approved Photo ID)?</p>	
Question 3	Cllr Ben Crystall to ask Cllr Jan Goodeve, the Executive Member for Planning and Growth

Please can councillors be updated on alterations made to the plans for Hertford Leisure Centre and Hertford Theatre since DMC approval? In particular can you provide information on any that will impact the public realm, sustainability and services which the buildings provide to the public?

Agenda Item 9

Council

Date of Meeting: 1 March 2023

Report by: Councillor Linda Haysey, Leader of the Council

Report title: Executive Report – 14 February 2023

Ward(s) affected: All

Summary

- This report details the recommendations to Council made by the Executive at its meeting on 14 February 2023.

1.0 Item considered and recommended to Council

1.1 Since the last Council meeting, the Executive met on 14 February 2023. At these meetings the Executive considered and supported a number of recommendations for Council on the following items:

- 1.1.1 Discretionary Council Tax Support Top Up 2023
- 1.1.2 Asset Management Plan 2023-2028

The Budget 2023/24 report and subsequent reports are featured later in the agenda.

- 1.2 This report sets out the recommendation for the above items. The full report, including the Appendix, may be viewed on the council's website.
- 1.3 The Minutes of the meeting are attached as **Appendix A**.
- 1.4 This report excludes items also considered by the Executive

where those reports are separate agenda items on the Council agenda.

2.0 Discretionary Council Tax Support Top Up 2023

- 2.1 The Executive was asked to review to Council's proposed discretionary Council Tax Support Top Up Scheme for 2023 following additional funding from the government to support households already receiving local Council Tax Support and funds to determine a local approach to support other vulnerable households in the district.

RECOMMENDATION TO COUNCIL:

- (a) To approve the discretionary 'Council Tax Support Top Up 2023' Scheme as detailed in the report; and**
- (b) To approve that the Head of Revenues and Benefits Share Service, in conjunction with the Executive Member for Financial Sustainability, amend the scheme criteria if funds would otherwise not be allocated in full.**

3.0 Asset Management Plan 2023-2028

- 3.1 The Executive was asked to review the council's Strategic Asset Management Plan 2023-2028.

RECOMMENDATION TO COUNCIL:

- (a) To approve the Council's Strategic Asset Management Plan 2023-2028.**

4.0 **Executive Decisions**

- 4.1 Other matters determined by the Executive are detailed in the Minutes of the meeting, at Appendix A to this report.

5.0 Background papers, appendices and other relevant material

- 5.1 Executive minutes – 14 February 2023
- 5.2 Executive report for Discretionary Council Tax Support Top Up 2023
- 5.3 Strategic Asset Management Plan

Contact Member

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MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 14 FEBRUARY 2023, AT 7.00 PM

PRESENT: Councillor Haysey (Chairman/Leader)
Councillors P Boylan, E Buckmaster,
G Cutting, J Goodeve, J Kaye, G McAndrew
and G Williamson.

ALSO PRESENT:

Councillors B Crystall, C Redfern and
P Ruffles.

OFFICERS IN ATTENDANCE:

Helen Standen	- Deputy Chief Executive
Carol Bulloch	- Systems and Support Manager
James Ellis	- Head of Legal and Democratic Services and Monitoring Officer
Steven Linnett	- Head of Strategic Finance and Property
Katie Mogan	- Democratic Services Manager
Su Tarran	- Head of Revenues and Benefits Shared Service

339 APOLOGIES

There were no apologies for absence.

340 LEADER'S ANNOUNCEMENTS

The Leader reminded Members that the meeting was being webcast on the council's Youtube page.

341 MINUTES - 10 JANUARY 2023

Councillor Haysey proposed, and Councillor Boylan seconded a motion that the Minutes of the meeting held on 10 January 2023 be approved as a correct record and be signed by the Leader. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Minutes of the meeting held on 10 January 2023 be approved as a correct record and signed by the Leader.

342 DECLARATIONS OF INTEREST

There were no declarations of interest.

343 DISCRETIONARY COUNCIL TAX SUPPORT TOP UP 2023

The Executive Member for Financial Sustainability presented the Discretionary Council Tax Support Top Up 2023 report. The government announced in December that they would be providing further funding to local authorities to provide further support

to households in receipt of Council Tax support. He said that the scheme was in two parts, the mandatory scheme was that all households on local Council Tax support would receive a £25 reduction on bills. If there was any funding left over once the £25 had been distributed, then the council could provide the same level of support to additional households until the funding was exhausted. Councillor Williamson said that the report was proposing that this funding be used for those under the Council Tax Hardship Scheme.

Councillor Haysey thanked the Revenues and Benefits Shared Service for their hard work.

Councillor Williamson proposed, and Councillor Goodeve seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – To recommend to Council that (A) the discretionary ‘Council Tax Support Top Up 2023’ Scheme as detailed at paragraph 2.7 of the report be approved; and

(B) the Head of Revenues and Benefits Share Service, in conjunction with the Executive Member for Financial Sustainability, amend the scheme criteria if funds would otherwise not be allocated in full.

344 QUARTERLY CORPORATE BUDGET MONITOR 2022/23 –
QUARTER 2 SEPTEMBER 2022

The Executive Member for Financial Sustainability presented the Quarterly Corporate Budget Monitor for Quarter 2. He said that Quarter 2 was predicting a £192k overspend which represented 1.7% of the council's net revenue budget.

Councillor Williamson said that the significant variances and their reasonings were given in Appendix B. He said that given the inflationary pressures in contract, utilities, and salary costs, he said it had been a considerable feat to contain the budget and thanked Officers for their hard work.

Councillor Buckmaster said that a £192k overspend on a £11.5 million revenue budget was not a bad result. He said that he was often asked by colleagues and residents why there was slippage on capital projects and he said that the last four years had been challenging with the pandemic and now the impact of the invasion of Ukraine had had on inflation. He said the council had taken a step back and looked at costs and he was proud of what the council had achieved at Grange Paddocks, Castle Park, Hartham Leisure Centre and Hertford Theatre.

Councillor Haysey agreed and said that there were not many districts who had the ability to deliver the capital projects that East Herts had. She said this was down to the hard work and dedication of the council's Officers.

Councillor Williamson proposed, and Councillor Goodeve seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared

CARRIED.

RESOLVED – that (a) the forecast net revenue budget forecast overspend of £192k be welcomed and that measures to contain the inflationary pressures in year have been successful be noted; and

b) the capital programme forecast outturn of £21.057m and the reasons for the scheme slippages be noted.

345 BUDGET 2023/24 AND MEDIUM TERM FINANCIAL PLAN
2023/24 - 2027/28

The Executive Member for Financial Sustainability presented the Budget 2023/24 and the Medium Term Financial Plan 2023/24 – 2027/28 report. Councillor Williamson ran through the key highlights which included the increase in Council Tax by 2.99% in line with the Chancellor's Autumn Statement which would provide the council with an extra £33,000 in revenue. He said that the council could deliver a balanced budget for 2023/24 despite the challenging background of high inflation and interest rates. He reminded Members that £6.7 million needed to be saved in 2024 – 2028 so further savings would need to be found.

Councillor Williamson said it was clear that further work was required to balance future budgets. He said the Leadership Team would be preparing a Reconciling Policy, Performance and Resources exercise for after the District elections in May 2023. He said that lower

priority capital spending had been moved into the approved but not committed category so that the council did not need to allow for financing of these items and they could be brought back into committed spending if funding was found for them.

Councillor Williamson proposed an amendment to Recommendation C to "That Executive Members consider the results of the full cost recovery calculations for their portfolio and approve the fees and charges to be recommended to Council."

Councillor Buckmaster said that the Council Tax increase equated to approximately £189 across the year for a Band D property. He said that considering the number and level of services the council provides, he felt this was good value for money.

Councillor Haysey said that although the District council collected the tax, most of it goes to the County Council and the Police.

Councillor McAndrew echoed Councillor Williamson's words about future budgets. He said that recommendation D referred to further efficiencies and every council across the country faced the same challenges and the next year would be difficult for councils across the country.

Councillor Williamson proposed, and Councillor McAndrew seconded a motion supporting the recommendations in the report and the amendment to recommendation C. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – To recommend to Council (A) The approval of the budget and Medium Term Financial Plan at Appendix A with a Council Tax increase of 2.99%, which will result in a Band D Equivalent Council Tax annual increase of £5.50;

(B) The approval of the Capital Programme at Appendix B;

(C) That Executive Members consider the results of the full cost recovery calculations for their portfolio and approve the fees and charges to be recommended to Council; and

(D) To note that the level of budget reductions required to balance the budget in the medium term is beyond further efficiency measures alone and that Leadership Team are preparing a Reconciling Policy, Performance and Resources exercise that the new Council, elected in May 2023, will need to undertake alongside the development of the new Corporate Plan, to balance the budget over the medium term.

346 CAPITAL STRATEGY AND MINIMUM REVENUE PROVISION POLICY

The Executive Member for Financial Sustainability presented the Capital Strategy and Minimum Revenue Provision Policy. He said that the Audit and Governance Committee had endorsed the policy.

Councillor Kaye said it had been a tough time with high

inflation and said that this was a sensible and pragmatic document.

Councillor Williamson proposed, and Councillor Kaye seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – To recommend to Council the approval of the Capital Strategy and Minimum Revenue Provision policy 2023/24 onwards.

347 ANNUAL TREASURY STRATEGY 2023/24

The Executive Member for Financial Sustainability presented the Annual Treasury Strategy 2023/24. He said the strategy guided the council on delivering programmes and provided a basis on which to manage funds. There were three treasury reports each year and this was the first report.

Councillor Williamson proposed, and Councillor Cutting seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – To recommend to Council the approval of the Treasury Management and Annual Investment Strategy 2023/24 at Appendix A and approve the Prudential Indicators at Appendix B.

348 ASSET MANAGEMENT PLAN 2023 - 2028

The Executive Member for Financial Sustainability presented the Asset Management Plan 2023-2028 which had been previously been presented to the Executive in December 2022.

Councillor Williamson proposed, and Councillor Boylan seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – To recommend to Council the approval of the Strategic Asset Management Plan 2023-2028.

349 URGENT BUSINESS

There was no urgent business.

The meeting closed at 7.20 pm

Chairman

Date

Agenda Item 9a

East Herts Council Report

Executive

Date of Meeting: 14 February 2023

Report by: Councillor Geoff Williamson - Executive
Member for Financial Sustainability

Report title: Discretionary Council Tax Support top up 2023

Ward(s) affected: All

Summary

To approve a discretionary scheme funded by Government.

RECOMMENDATIONS for Executive to recommend to Council:

(A) The approval of the discretionary 'Council Tax Support Top Up 2023' Scheme as detailed at paragraph 2.7; and

(B) That the Head of Revenues and Benefits Share Service, in conjunction with the Executive Member for Financial Sustainability, amend the scheme criteria if funds would otherwise not be allocated in full.

1.0 Background

1.1 On the 19th December 2022, the Government announced additional funding for local authorities to deliver support to households already receiving local Council Tax Support (LCTS), whilst also providing councils with funds to determine a local approach to support other vulnerable households in their area.

1.2 East Herts has been provisionally allocated £ 136,992. This is a

combined figure for both the mandatory and discretionary element. The final figure will be confirmed as part of the final local government settlement.

- 1.3 This is a cash limited allocated which will not be topped up, and unspent funds must be returned to the Government at the end of the scheme.
- 1.4 The funding is for the 2023-24 financial year. The guidance states *"The Government expects local authorities to use the majority of their funding allocations to reduce bills for current working age and pension age Local Council Tax Support (LCTS) claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with council tax bills."*
- 1.5 The Government guidance on the main scheme details;
 - I. Where a taxpayer's liability for 2023-24 is, following the application of council tax support, less than £25, then their liability would be reduced to nil. Where a taxpayer's liability for 2023-24 is nil, no reduction to the council tax bill will be available and those bills should not be credited.
 - II. There should be no need for any recipient of LCTS to make a separate claim for a reduction under this scheme. The billing authority should assess who is eligible for support and automatically apply the discount.
 - III. Council tax reductions should be applied from the beginning of the 2023-24 financial year for existing LCTS recipients and discounts should be reflected in council tax bills issued in March.
 - IV. **It is for local authorities to decide how to treat households that become eligible for LCTS during the financial year.**

- V. Authorities will want to make their local populations aware of how the grant support package will be delivered e.g. through providing information on their websites.
- VI. It is the Government's intention that any assistance provided from the Council Tax Support Fund will not affect the eligibility of recipients for other benefits

1.6 This report addresses the use of funds remaining **after** the mandatory scheme (above) has been completed, and includes consideration of 1.5 IV above.

2.0 Report

2.1 The current LCTS caseload (1.12.2022) is 5149 households. If all received the maximum £25.00 top up, it would leave just £8,267 for the discretionary scheme.

	Caseload at 1.12.2022		Potential awards
Elderly	2242		£ 56,050.00
Working age	2907		£ 72,675.00
	5149	@£25.00	£ 128,725.00

2.2 All Working age LCTS households will have a remaining liability in excess of £25.00, as they are required to pay 8.5% of their liability. As demonstrated below with a band A liability. This means they will all qualify for the maximum £25.00 award.

	Annual charge		8.50%
Band A	£ 1,344.82		£ 114.31
Band A with SPD	£ 1,008.62		£ 85.73

- 2.3 The Elderly caseload is subject to a national scheme for LCTS, and accordingly they have their entitlement calculated on 100% of their liability. Those households receiving maximum entitlement will therefore not have a residual balance to pay, and will therefore not receive a top up awards. It is not possible at this point to identify how many households are in this category.
- 2.4 The Government guidance states that it is for local authorities to decide how to treat households that become eligible for LCTS during the financial year.
- 2.5 The indicative funds available for the discretionary scheme (£8,267) would enable 330 households who become eligible for LCTS during the year to receive the £25.00 top up.
- 2.6 The guidance goes on to say;
- The Government recognises that existing support mechanisms vary locally, including LCTS schemes, discretionary council tax discount/hardship schemes and local welfare schemes. Councils will want to consider using a proportion of their allocation to establish their own local approach to helping economically vulnerable households with council tax bills. Local authorities should revisit their discretionary approach at intervals during the financial year, in order to ensure expenditure for 2023-24 remains within their allocation.*
- 2.7 It is therefore proposed that:

A	<p>In the first instance new LCTS cases awarded from 1 April 2023, with entitlement in 2023/24, (and not previously awarded funds from this or the mandatory scheme), be awarded up to £25.00 in accordance with the mandatory scheme allocation criteria, until the funding allocation is exhausted.</p> <p>The eligible liability being determined by the difference between the LCTS award and the liability relevant to the same period as the award in 2023/24 year.</p>
B	<p>If there are any funds remaining in March 2024, the balance be used on Council Tax hardship applications considered during the year until the allocation is exhausted.</p>

3.0 Implications/Consultations

No

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Only as referenced in the report

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

4.0 Background papers, appendices and other relevant material

<https://www.gov.uk/government/publications/council-tax-support-fund-guidance>

Contact Member

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Strategic Asset Management Plan

2023 to 2028

Version: 0.1

Geoffrey Hayden
Corporate Property Services Manager

Approved by Council [1 March 2023]

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1.0 Executive summary

The council owns a diverse range of assets that contribute to achieving our objectives as set out in the corporate plan. Our guiding principles are:

- a) asset objectives are aligned to Council policy and corporate plan objectives
- b) actions are taken in the best interests of the taxpayer
- c) efficiency and value for money are achieved, making the most of synergies between the council and other public sector organisations, taking account of the whole life of assets
- d) governance and management frameworks are proportionate and appropriate to the work and assessed levels of prevailing risk, and accountabilities and responsibilities for assets are clearly defined across the council
- e) we act as custodian of our heritage assets and the natural environment and we will act to adapt, maintain and protect both for the future
- f) construction, adaptation, operational management and disposal of property is undertaken sustainably
- g) continuous improvement is promoted through capturing, sharing and using experience and lessons learned
- h) professional standards, codes of ethics and codes of practice will be upheld at all times.

We proactively manage our assets to ensure they are fit for purpose and meet the changing needs of customers, councillors, staff and legislation. We also periodically review our entire asset base to make sure that we only keep assets that assist with delivering our corporate priorities. Assets that are surplus to requirements will be disposed of to reduce ongoing maintenance costs and to realise capital receipts that can be used to invest in assets that help us deliver our priorities.

As at 31st March 2022, the council had 120 'Operational Assets' plus 189 hectares of operational land (mainly parks and amenity land). These are the land and buildings that the council uses for service delivery purposes. In addition, the council has a range of 'Non-Operational Assets' including community assets, surplus assets and those held as investments, such as shops, offices and industrial units. The number of 'Non-Operational Assets' at 31st March 2022 was

169. The assets held as investments are forecast to generate an annual income in the region of £0.741 million in 2021/2022.

The content of this Strategic Asset Management Plan (SAMP) has been produced in accordance with the latest Guidelines on Property Asset Management 2nd edition issued by the Royal Institution of Chartered Surveyors (RICS).

2.0 Purpose of strategic asset management planning

There are three strands which together form the Strategic Asset Management Planning framework. These are detailed below and provide a clear statement of the purpose and performance levels expected from the property portfolio. The framework will have a medium term lifespan but will be reviewed, as required, as part of the Finance and Business Planning process.

1. **Property Strategy.** This is a business planning and communication summary which assesses the operational and financial contribution that property makes as a corporate resource. The strategy evaluates whether our property matches the aspirations of our corporate priorities and helps achieve our vision of *"East Herts: A place to grow"*
2. **Corporate Policy.** The policy is designed to make sure that the strategy is reflected in decisions made across the organisation. It sets out the 'rules of behaviour' for property related decision-making in order to deliver the strategy.
3. **Strategic Asset Management Plan.** The plan determines how each asset supports service delivery and corporate objectives. The plan sets out a strategy for each asset taking into account the operational, financial and physical contribution made. This will identify which assets are to be retained, used as community assets, redeveloped or earmarked for disposal.

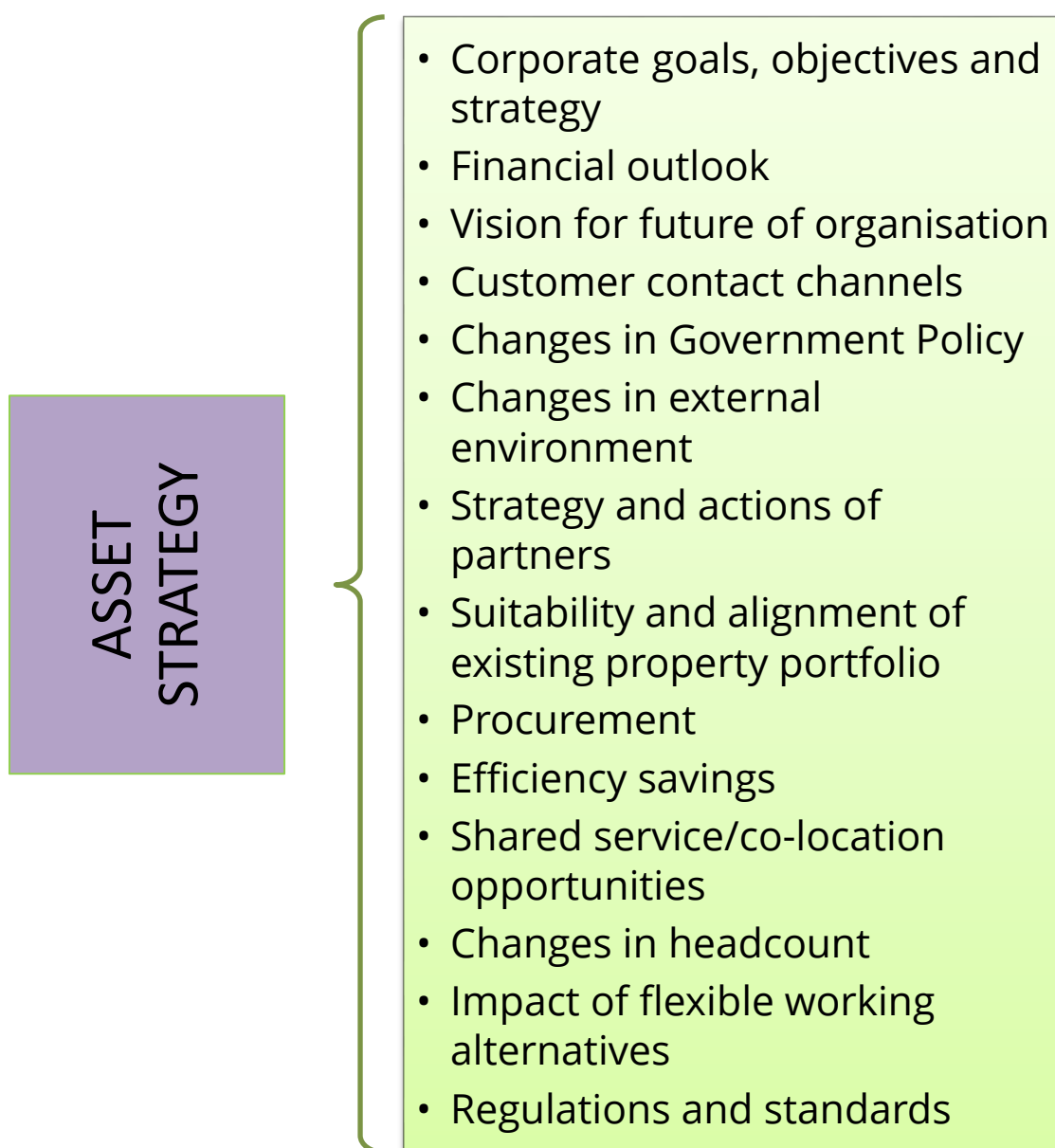
2.1 Property strategy

This strategy considers how the assets held by the council can be considered as corporate resources used in the delivery of services. The assets must serve a purpose in the achievement of the council's aims and objectives and must be aligned to the council's priorities and Corporate Plan. The council primarily holds assets that are necessary to deliver corporate priorities and services and aims to do this in an efficient and effective manner. In addition to this the council holds assets for financial rather than service requirements with the focus on maximising financial return on investment.

The aims of the property strategy are to:

1. hold and use property, freehold or leasehold, that is necessary to maintain and support the delivery of corporate priorities and services or which has strategic significance in the regeneration of the district.
2. ensure that all assets are fit for purpose, sustainable and well-maintained.
3. ensure that the investment property portfolio is well managed and delivers an optimised return on investment for the council.
4. work with others in the public, voluntary and private sectors to make the most efficient and effective use of assets.

2.2 Sources of information:



2.3 Strategic asset management plan alignment with corporate policy

East Herts Council has a co-ordinated approach to strategic planning focused on the outcomes of each service which in turn deliver the corporate priorities agreed by Council underpinning the corporate vision. The finance and business planning framework integrates corporate, directorate and service planning over the course of the medium term financial plan. The annual review cycle of finance and business planning provides an opportunity to review the fit of the asset strategy in the overall direction of the council.

Service and crosscutting strategies have been developed for the delivery of East Herts Council services and the asset management strategy should be read in conjunction with the following documents:

- The Corporate Plan
- Medium Term Financial Plan
- Capital Strategy
- Sustainable Community Strategy 2009-2024
- East Herts District Plan 2018
- Health & Wellbeing Strategy 2019-23
- The Homeless & Homeless Prevention Strategy 2019 – 2024
- Disability Equality Strategy
- East Herts Housing Strategy 2022 - 2027
- Parks and Open Spaces Strategy 2020 – 2025
- Climate Change Strategy 2022 - 2026

Strategies and service plans are assessed to take into account any property requirements and ensure that any opportunities are understood, co-ordinated and planned for the benefit of services and to make the best use of assets.

3.0 The Council's goals, objectives and drivers

The Council's vision in the Corporate Plan is "East Herts: A place to grow". The vision is promoted, in partnership with the Local Strategic Partnership, through four priorities.

Our priorities and how we will deliver them:



Sustainability at the heart of everything we do

We will make changes to how the Council manages its own premises, people and services

We will use our regulatory powers to promote action by others

We will influence and encourage others to be more environmentally sustainable

Enabling our communities

We will invest in our places

We will ensure all voices in the community are heard

We will support our vulnerable residents

Encouraging economic growth

We will develop new sources of income

We will support businesses growth

We will create viable places

Digital by design

We will improve the customer experience for those who use Council services

We will work with partners to ensure our communities are digitally enabled

From a Strategic Asset Management Plan perspective each of the Council's assets are aligned with these priorities and outcomes. We want to ensure that our assets are operated in an efficient manner and take opportunities, where possible, to minimise our impact on the environment.

3.1 Key objectives

There are a number of key asset management priorities which influence the decisions taken in relation to the council's assets. These are:

- improving town centre sites and infrastructure through the use of our strategic land holdings, planning powers and in line with the District Plan.
- improving the sustainability of the council's assets and making them resilient to the challenges of climate change in line with the Climate Change Strategy 2022 - 2026
- modernising the council's assets and making the best use of design and information technology to reduce the amount of office space required to the minimum
- enabling public sector partners and the third sector to have access to appropriate assets, including co-location to enable asset disposals
- exploring opportunities to work with the public and private sector to deliver better public services and improve economic growth
- securing additional income streams for the council to continue to be financially sustainable

4.0 Financial context

4.1 Overall financial position of the council

As at 31 March 2022 the council had Property, Plant and Equipment worth £111.5 million classified as follows:

Asset Type	As at 31 March 2022 £ millions	
Land and Buildings	71.6	
Plant and Equipment	1.5	
Infrastructure	1.5	
Community Assets ¹	3.5	
Surplus Assets	2.4	
Assets Under Construction	30.5	111.5
Investment Properties ²		9.2
		120.7

Notes

- 1 This includes nine Heritage Assets valued at £1 each (in accordance with accounting guidance) as they are held by the council as custodian for future generations.
- 2 Investment Properties are held for capital appreciation or income generation. The current Investment Properties are forecast to generate net income of £0.741 million in 2021/22.

The council had usable reserves and balances of £26.5 million as at 31st March 2022.

4.2 Property, Plant and Equipment as at 31 March 2022

Cost or Valuation	Other Land & Buildings	Vehicles, Plant, Furniture & Equip.	Infrastructure	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant & Equipment
	£000	£000	£000	£000	£000	£000	£000
2020/21							
As at 01/04/2020	77,673	20,381	8,540	3,056	2,571	5,740.00	117,961
Additions	2,768	197	20	328	3.00	25,003	28,319
Disposals	(29)	-	-	-	-	-	(29)
Reclassifications	0	-	-	-	0	-	0
Revaluations	(4,289)	-	-	-	(164)	0	(4,453)
Total as at 31/03/2021	76,123	20,578	8,560	3,384	2,410	30,743	141,798
2021/22							
As at 01/04/2021	76,123	20,578	8,560	3,384	2,410	30,743	141,798
Additions	655	151	-	231	-	23,864	24,901
Disposals	(2,742)	-	-	-	-	-	(2,742)
Reclassifications	23,734	-	-	-	-	(23,734)	0
Revaluations	6,452	-	-	-	6	-	6,458
Total as at 31/03/2022	104,222	20,729	8,560	3,615	2,416	30,873	170,415
Depreciation & Impairment							
2020/21							
As at 01/04/2020	30,899	18,230	6,545	91	0	0	55,765
Charge for Year	853	531	251	-	-	-	1,635
Acc depreciation w/o on revaluation	-	-	-	-	-	-	0
Disposals	-	-	-	-	-	-	0
Impairment (reversal) recognised in the service	-	-	-	-	-	-	0
Revaluations	-	-	-	-	-	-	0
Total as at 31/03/2021	31,752	18,761	6,796	91	0	0	57,400
2021/22							
As at 01/04/2021	31,752	18,761	6,796	91	0	0	57,400
Charge for Year	823	467	248	-	-	-	1,538
Acc depreciation w/o on revaluation	-	-	-	-	-	-	0
Disposals	-	-	-	-	-	-	0
Impairment (reversal) recognised in the service	-	-	-	-	-	-	0
Revaluations	-	-	-	-	-	-	0
Total as at 31/03/2022	32,575	19,228	7,044	91	0	0	58,938
Net Book Value							
Balance Sheet as at 31/03/21	44,371	1,817	1,764	3,293	2,410	30,743	84,398
Balance Sheet as at 31/03/22	71,647	1,501	1,516	3,524	2,416	30,873	111,477

4.3 Financial outlook

The Medium Term Financial Plan anticipates a reduction in the amount of funding received from central government throughout the period to 2026/27. The effects of a further round of austerity, inflation running at a 40 year high, rising interest rates and the substantial levels of borrowing incurred to fund the

major projects programme from 2019 onwards means that capital and revenue resources will be scarce. In this context of limited resources it is vital that assets deliver cost effective office and depot accommodation, maximise income and minimise cost and, if the asset is not in use for service provision and it is a net cost to the council, then it should be considered for disposal.

4.4 Financial context for asset decision making

The assets of the council are valued each year in order to be included in the Statement of Accounts. These valuations are subject to external audit each year, for which the council has received an unqualified opinion. In addition, the council has received a value for money conclusion from the external auditor confirming that proper arrangements are in place to secure economy, efficiency and effectiveness.

The full details of the capital programme can be found in the council's annual budget. The capital programme spend allocated to asset management priorities is shown below:

Capital Programme	2023/24 Original Budget £000	2024/25 Original Budget £000	2025/26 Original Budget £000	2026/27 Original Budget £000	2027/28 Original Budget £000
Land and Buildings	16,166	10,830	9,327	250	250
Vehicles and Equipment	612	1,360	450	450	450
Community Assets	1,630	133	50	50	50
Revenue Exp Funded as Capital Under Statute	323	308	308	308	308
TOTAL CAPITAL EXPENDITURE	18,731	12,631	10,135	1,058	1,058
FUNDED BY:					
Borrowing (Internal)	(368)				
Borrowing (External)	(12,564)	(4,100)	(9,577)	(500)	(500)
Capital Receipts	(3,160)	(5,140)	(250)	(250)	(250)
Capital Grants Applied	(2,276)	(83)			
Capital Expenditure Charged to a Revenue Account	(363)	(3,308)	(308)	(308)	(308)
TOTAL CAPITAL PROGRAMME FUNDING	(18,731)	(12,631)	(10,135)	(1,058)	(1,058)

5.0 Asset goals and ambitions

The goals and ambitions in terms of asset management will vary dependant on the type of asset. These are described in more detail in the following paragraphs.

5.1 Administrative offices

The goal is to offer an equally high standard environment for all council staff and visitors to work in and access services. These assets will be fully compliant with all relevant legislative requirements. Where feasible these assets will contribute to reducing the council's carbon footprint and energy consumption.

Wallfields: The council's main office building is used by all staff, with the vast majority of staff on blended working arrangements which require a minimum of 50% of contracted hours to be worked in the office. As a result of that blended working the amount of office space required by the council is much reduced and the conversion of the old building to meeting spaces provides the opportunity to market office space to potential tenants to reduce the council's running costs. Modernisation of the building layout and furniture has been largely achieved by re-using existing furniture and purchasing second hand furniture, such as lockers reducing financial costs and also environmental impact. The council has improved energy efficiency by using LED light panels and all lights operate with movement sensors so unoccupied spaces are not lit. We have implemented "hot desking" and staff are now required to book a workspace for when they are in the building. There is a need to continue to improve the design and furniture layout, so that modern ways of working practices can be implemented fully for all services, which should further reduce the number of workspaces the council requires in the future.

Charringtons: The Old River Lane project will result in the council giving vacant possession of this building for redevelopment. Customer Services will operate out of another Bishop's Stortford location once Charringtons is closed.

5.2 Depots

Buntingford Service Centre: The service centre is the council's depot for the council's waste, grounds maintenance and parking contractors. There is a small office provision for staff, enabling client officers to effectively manage their contractors. This building is leased from a private landlord with a lease expiring in 2026. A review of this property will need to be undertaken within this SAMP

period to ensure adequate time is available to explore future options for this building as well as provision of new facilities for fuel and battery charging.

5.3 Car Parks

Hertford – The Pandemic has changed demand for car parking with a reduction in demand for long stay parking but an increase in demand for short stay parking. Capital projects at Hertford Theatre and Hartham Leisure centre, once completed are likely to cause changes in demand for parking, particularly in the evenings. In order to address this the feasibility of the Wallfields office car park being made available to the public will be explored. The car park at Wallfields is available, free of charge, to businesses at weekends for the use of their staff but, despite promotion, use of the car park remains extremely low.

Ware – With the disposals of part of the car park in Mead Lane, for the new doctor's surgery, parking availability in the town has been reduced but there does not appear to be unmet demand.

Bishops Stortford – The completion of the Northgate End multi storey car park provides replacement parking for the Charringtons and Causeway car parks which the council's Development Management Committee required to be closed as a condition for opening Northgate End. Changes in demand for parking post pandemic presents an opportunity to concentrate parking in Northgate End thus freeing up surface car parking sites for potential redevelopment.

Provision across the district of public electric vehicle (EV) charging points will be increased, subject to the council working with commercial EV charging operators on a no cost to the council basis.

5.4 Parks and open spaces

Parks and open spaces are generally provided by the parish councils in rural areas, but the council has a substantial portfolio of parks, open spaces and playgrounds across the district. This situation gives rise to what is known as "double taxation" because the council taxpayers in some rural areas are paying for parks and open spaces for other areas in their district council tax and then being taxed again by their parish council for parks and open spaces in their own parish. Where double taxation is identified the council must consider either transferring the assets to the relevant Parish Council or levying a Special Expense on the parish council areas or to acknowledge and accept the double taxation.

5.5 Community assets

These assets utilise Council land and buildings to deliver benefits to the community through Voluntary and Community Services (VCS) organisations. These assets are subject to leases which are subsidised by the Council to realise the benefits for the community provided by VCS organisations. The community lettings policy will be reviewed to ensure it remains fit for purpose and to ensure fairness to the taxpayer.

Community Centres: The aim is to facilitate the local community running and managing their community centres, on the basis of a full repairing lease. The council will continue to monitor the performance of these organisations to assist and ensure that these assets are available for the use of all the community. If any new centres are constructed through the planning process, then they will be transferred to the town and parish councils or community interest companies. Where existing centres revert back to the council, as freeholder, the council will work with the local community to establish the best custodian to take the management of these assets on the basis of a full repairing lease. The council directly provides community centres in Ware, Bishop's Stortford and Hertford. The council has sold two community centres to Bishop's Stortford Town Council with an option to purchase the remaining one.

Sports and Social Centres: The aim and objective is to support the community and local clubs and organisations that encourage, physically active, educational and social interaction in the community. These clubs have been given discounted rent payments under the community lettings policy. The community lettings policy will be reviewed to ensure it remains fit for purpose and to ensure fairness to the taxpayer.

5.6 Leisure and culture

The council aims to continue to run leisure, culture and sports centres across the district. Grange Paddocks has a brand new £29 million leisure centre which opened in autumn 2021. Hartham leisure centre is being refurbished and extended. Hertford Theatre is being improved and a new arts centre at Old River Lane is part of the development agreement for the renewal of Old River Lane.

5.7 Investment properties

These assets are held in order to generate a return on investment for the council. The assets make a significant contribution to the ongoing financing of council services, ensuring the financial sustainability of the council as government funding reduces. These assets are subject to a review process to ensure that the return on investment is maximised and opportunities for development are actively explored to secure these returns in the medium to long term. Where opportunities to acquire further investment properties occur, these will be explored, subject to the relevant due diligence processes.

6.0 Key issues, gaps and future pressures

This section highlights the key issues, gaps in asset provision and opportunities for change and improvement that have been highlighted in Service Plans through the Finance and Business Planning process.

The identified issues and gaps include:

- Establish a Corporate Assets Group (CAG) so key officers can discuss operational property uses, requirements and projects. The previous officer working group has not met for many years, leaving a void and missing opportunities to communicate and share information on individual properties. The Corporate Assets Group will also be tasked with reviewing all the council's assets on a rolling basis.
- Establish an Assets Member Reference Group (AMRG), chaired by the Executive Member for Financial Sustainability, to give a wider Member view on the asset review process.
- As a priority all assets need to be placed onto the Estates module on IDOX and a three-way reconciliation to the Balance Sheet and the Property Terrier undertaken. The IDOX system will also, over time, hold condition survey information, grounds maintenance bill of quantities, component replacement schedules, planned and reactive maintenance records and insurance valuations and data. The IDOX system will become the master property record and the single repository of all key information on assets which at present is held in spreadsheets and legacy systems across the council.
- There is a need for Service Teams to take more responsibility for asset related issues, particularly health & safety. The Property Service will become more strategically focused and will be the gateway for all capital and change projects and control what projects are recommended to be included in the capital programme.
- Old River Lane, Bishop's Stortford: This project is ongoing and will be a major focus during the next five years. Land assembly and master planning continues with the development partner.
- Buntingford Service Centre - this operational depot is leased and the lease ends in 2026. A formal review will be required towards the end of this SAMP period to decide if the depot should remain in this location and

whether the partnership with North Herts will require capacity at this location.

- There is a continued need to understand the asset management strategies of partner organisations to identify opportunities to make best use of public sector assets (e.g. Hertfordshire County Council, Hertfordshire Police etc.). EHDC are an active member of the Herts Property Partnership (HPP). Officers are able to share information, resources, best practice and work collaboratively across central and local government bodies.
- We need to review all of our assets to ensure they are held to deliver the council's priorities. Assets are listed in Annex A.

In order to progress the aims of the Strategic Asset Management Plan it will be necessary to establish a rolling review of our assets. The review may include the acquisition and disposal of assets to ensure that the overall asset portfolio is fit for purpose for present needs but also taking into account the future direction of travel of service provision.

7.0 Critical success factors

The Council's key improvement priorities are detailed below and are the primary way in which we demonstrate that our asset portfolio is contributing to the corporate priorities of the Council over the period of the Medium Term Financial Plan (2023/24 – 2027/28).

Key Improvement Priorities	Service Outcomes	Key Milestones	Timescales	Corporate Priority
Establish a Corporate Assets Group (CAG)	Enable services to feed operational property changes, plans, requirements and projects to the CAG CAG to review assets and recommend acquisitions, improvements and disposals	Establish terms of reference for the CAG. Hold CAG meetings in: Jan, Mar, May, Jul, Sep, Nov, to fit with the preparation of the capital programme	Jan 2023 Mar 2023 onwards	All
Establish the Assets Member Reference Group (AMRG),	Provide wider Member views of the asset review process to inform decisions by the Executive	Agree terms of reference for the Assets Member Reference Group (AMRG). AMRG meetings to be look at asset review recommendations	Mar 2023 May 2023 onwards	All
Corporate Plan Objectives SEED action points	Energy efficiency	Undertake Energy Audits of corporate Buildings and maintain register/record as a baseline for future energy efficiency measures Possible bid for Public Sector Decarbonisation Scheme subject to confirmation the council will remain at Wallfields	Procure by May 2023 Decision on future office location dependent	All
Influencing and generating the development of our Towns	Using our strategic land holdings, planning powers and vision to influence the development of our town centres	Planning permission and development agreement likely to be forthcoming for Old River Lane Bishop's Stortford	October 2023	All
Reviewing and rationalising our assets	Reviewing all assets with a view to rationalising assets and realising capital receipts to reduce borrowing costs	CAG will seek to review the asset base of the council on a rolling basis	May 2023 onwards	All
Working with Services to deliver the capital projects	Hertford Theatre, Grange Paddocks, and Hartham Leisure Centres and The Old River Lane Project.	Completion of all projects on time, in budget within the SAMP period	Ongoing, until 2025/26	All

Key Improvement Priorities	Service Outcomes	Key Milestones	Timescales	Corporate Priority
Transforming East Herts	Either: reduced office space used by EHC with tenant(s) occupying space under lease; or Manage the process of moving to new office premises and sale of the Wallfields building	Decision on future office location dependent	Decision on future office location dependent	All
Climate Change	Ensuring that we adapt our property portfolio to deal with the effects of climate change, particularly prolonged hot weather and the risk of flooding from very intense rainfall.	Adaption strategy for the office building is dependent on future office location. Risk assess property portfolio for effects of climate change Adaption plans for top 10% by risk Capital Programme adaption works budget	2024/25 2024/25 2025/26	Sustainability

8.0 Resource implications of the asset strategy

The future contribution of the asset portfolio to provide capital receipts is essential in order to reduce the forecast revenue costs of borrowing. Where the council holds assets which are not strategically important, disposal may be considered as one option amongst others. Disposal will only take place after an asset has been considered surplus through the use of the methodology included in Annex B. The disposal list will be regularly reviewed by the CAG.

Where council owned assets are utilised for the benefit of the community, this is done in accordance with the community lettings policy. As this policy has not been reviewed in the last five years it is proposed that this is reviewed to ensure that it remains fit for purpose and to ensure fairness to the taxpayer.

Investment properties are held by the council as a class of investment and provide limited operational benefit for the council other than as a source of income. Some miscellaneous properties are held by the Council as residues of ownership and are held to help manage land uses in some areas.

9.0 Performance management for assets

The council has a responsibility to ensure that assets are fit for purpose, provide value for money and are still required by the organisation. In preparing the SAMP the council is able to assess whether it has the right assets and plan how assets are managed throughout the year.

The Strategic Asset Management Plan is approved by Full Council. The CAG, the Leadership Team, the AMRG, the Audit and Governance Committee and the Executive each have the opportunity to shape the plan before Full Council makes a decision.

9.1 Performance measures

The performance of the council is assessed in a variety of ways, including through the performance and budget monitoring reports.

Monitoring of the Capital Programme is carried out by Audit and Governance Committee and the Executive. The performance of the asset portfolio and all actions agreed through the asset review process is carried out by the Executive Member for Financial Sustainability, The Head of Strategic Finance and Property and the CAG.

Any decision to dispose of an asset or a key decision in relation to a property asset is formally approved by the Executive. The AMRG provide a wider Member view on the recommendations for disposal.

The revenue budget for the repair and maintenance of assets is programmed to allow for regular maintenance and survey work to take place for all assets. Capital bids are recommended by the CAG for works involving replacement or enhancement of operational assets.

Maintenance programmes are kept under review to respond to changing priorities and needs. A recent survey has been undertaken on Wallfields to assess maintenance requirements. Further condition surveys are required for all assets, to be recoded on the Uniform/IDOX system and a maintenance plan for each asset established and monitored to mitigate the council's exposure to risk. Stakeholder consultation and user satisfaction surveys are considered as part of the continuous performance review of operational buildings.

Once we have all the council's assets on the Uniform/IDOX system we will develop performance indicators for the assets in line with best practice. These will be along the lines of the following:

PPI 1 Condition & Required Maintenance Indicators

% of gross internal floor area (GIA) in condition categories A to D

Required maintenance in priority levels 1 to 3

Required maintenance expressed as a % in priority levels 1 to 3

Total required maintenance

Required maintenance per m2 of GIA

Annual change in required maintenance

Total annual maintenance spend

Total annual maintenance spend per m2

Ratio of spend on planned and responsive maintenance

PPI 2 Environmental Indicators

Annual energy costs and consumption per m2 GIA

Annual water costs and consumption per m2 GIA

Annual CO2 emissions per m2 GIA

Overall organisational CO2 emissions

PPI 3 Property Suitability Indicators

% of properties graded as 'good' or 'satisfactory'

PPI 4 Sufficiency, Capacity & Utilisation Indicators

Average office floor space per FTE staff member

Annual property costs per workstation

Annual workstation utilisation

PPI 5 Property Costs Indicators

Gross property costs as a % of gross revenue budget

Gross property costs per m2 GIA

Project Time & Cost Predictability Indicators

Project time predictability

Project cost predictability

10.0 Organisational arrangements for assets

10.1 Roles and responsibilities

The role of Corporate Property Officer is undertaken by the Head of Strategic Finance and Property Services, supported by the Corporate Property Services Manager ensuring consideration of the key strategic areas documented within the asset management plan.

The Head of Strategic Finance and Property Service is a member of the Leadership Team and is responsible for advising the Portfolio Holder for Financial Sustainability and the Executive on asset strategy matters.

The Corporate Property Service Manager reports to the Head of Strategic Finance and Property and manages the Property, Assets & Estates and Facilities Management teams.

The Assets and Estates Manager carries out the day-to-day role of property management, acquisition and disposal reporting to the Corporate Property Services Manager. Maintenance and improvement programmes are managed by the Property Manager also reporting to the Corporate Property Services Manager

10.2 Governance and decision making

New capital schemes will be considered at CAG and recommended to Leadership Team. Leadership team will recommend the overall capital programme to the Executive. Member briefings for the Executive Member for Financial Sustainability and the Executive Members for the relevant services prior to a report being submitted to Executive. The Executive consider all proposals for investment in assets and disposals.

The CAG will meet every 2 months, or as required, to discuss strategic asset management and the overall capital programme. The group will be chaired by the Head of Strategic Finance and Property and attended by nominated service representatives. The group will lead on the development of the future requirements of the capital programme, appraise capital business cases and ensure the Strategic Asset Management Plan is in line with corporate and service objectives. The group will also evaluate all assets over a set time period so that assets no longer required are listed for disposal prior to submission to the Executive.

The Strategic Asset Management Plan is recommended by the CAG to the Leadership Team who, after deliberation, will recommend it to the Executive and Council. Progress is subject to scrutiny by Audit and Governance Committee.

The diagram below shows the levels of approval in the Asset Management process.



10.4 Relationships with key stakeholders

The role of the CAG is to provide a forum to facilitate an effective dialogue on asset management issues within the council and our partners. The AMRG ensures that the needs of the local community are adequately considered in formulating asset management plans.

The council undertakes a resident's survey seeking views on the services delivered by the council. The outcomes of the survey inform the development of policy and priorities. The council is keen to engage with the local community and consultation with the community will take place formally on individual issues where appropriate.

The council has a number of key partners who work together on strategic asset management issues (e.g. neighbouring District Councils, Herts County Council, Herts Police, East and North Herts NHS Trust).

10.5 Data management

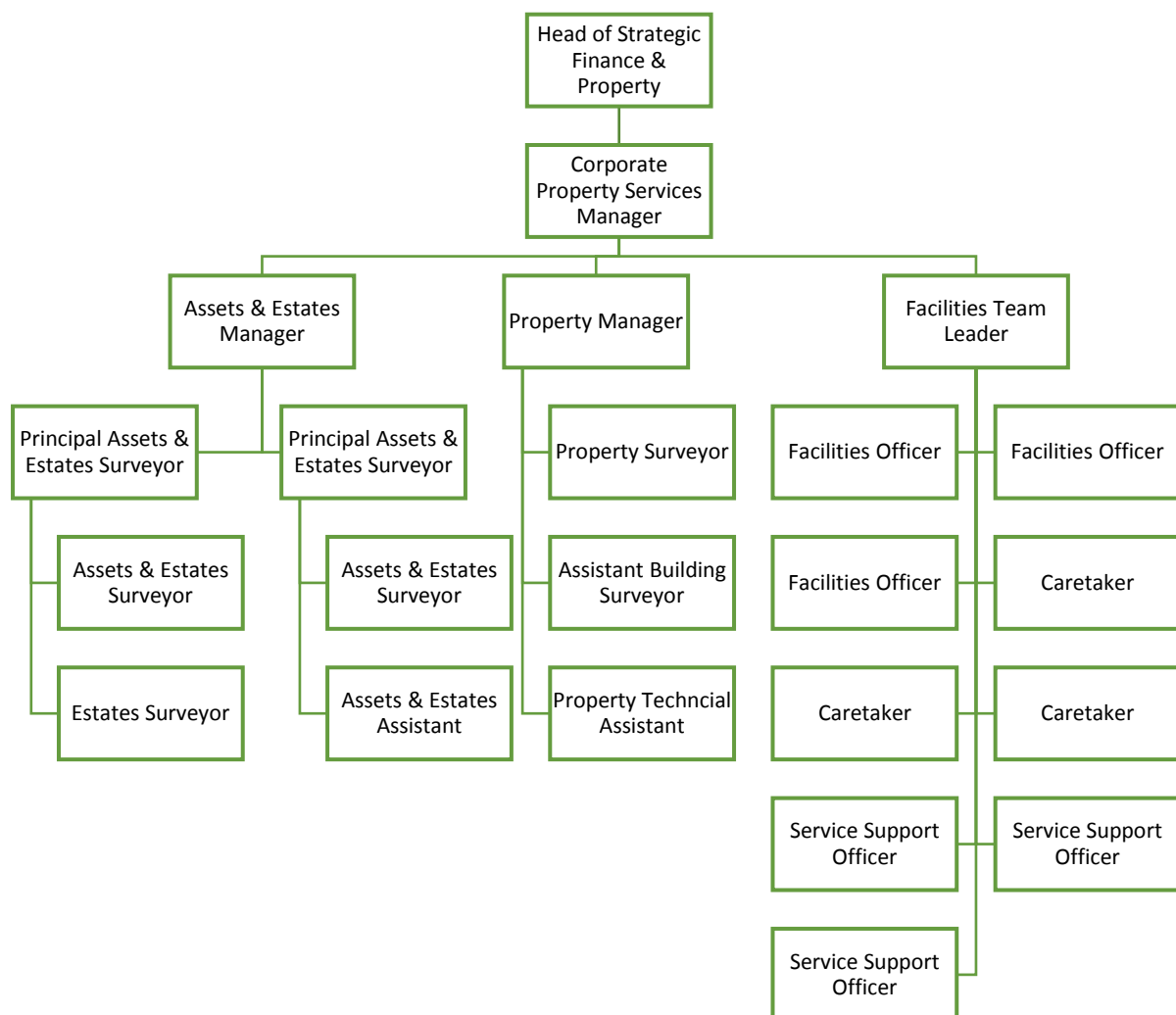
The use of the property terrier and part use of the asset register, maintained on the Uniform/IDOX asset system, as well as freehold and leasehold and grounds maintenance mapping layers on Map Info and a number of spreadsheets means there is "no single version of the truth" for asset information being available. Compiling the information in Annex A involves a lot of manual data collation and checking. In order to provide enhanced reporting functionality and synergy with other systems across the council, the Uniform/IDOX system will be fully implemented so that it is the single source for information relating to all council assets, including planned and reactive maintenance information, valuations, insurance, etc.

Key risk based maintenance works (e.g. Legionella testing) are held within the Compliance 365 system. This allows officers to identify outstanding issues via a traffic light system for key risk maintenance items.

10.6 Capacity management

Asset management is largely undertaken by the Assets and Estates team within Strategic Finance, supported by the Facilities and Property Teams. The in-house resources are supplemented as appropriate by the appointment of specialist external consultants.

The Structure of the team is shown in the diagram below:



11.0 Strategic asset management plan review

The success of the strategic asset management plan is measured by the reaction of customers to service delivery and on the bottom line operating costs. Reviews against pre-agreed performance metrics will take place regularly and recommendations made about changes to enhance service delivery to customers as well as improvements in property asset efficiency.

Investment properties will be reviewed over the period of the strategic asset management plan to safeguard the return on investment for the council.

Opportunities to acquire or dispose of investment properties is limited by rules which prohibit Public Works Loans Board borrowing for income generation.

The strategic asset management plan will be subject to review.

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Asset ID	Asset Classification	Asset Description	SEED Priority	Reason for holding	State	Site area	GIA	Comments	Income	Valuation	Val Basis	Balance Sheet
32	Allotments - Bishop's Stortford	Allotments	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A		N/A				£1 Hist Cost	Community Assets
833	Allotments - Bishop's Stortford	Allotment & amenity Land London Road	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	0.6 acres	N/A	Allotments managed by Town Council remainder tree maintained on Woodland Management Programme			£1 Hist Cost	Community Assets
578	Allotments - Bishop's Stortford	Allotments and Open space, Piggott's Way	1 & 2	Provide land for recreational, educational and amenity purposes	N/A	3.8 acres	N/A	Part managed by allotment holders playground on maintenance contract			£1 Hist Cost	Community Assets
200	Allotments - Hertford	Allotments, West Street	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	2.2 acres	N/A	Area of allotments and woodland maintained on Grounds Maintenance Contract and Woodland Management Programme			£1 Hist Cost	Community Assets
586	Allotments - Hertford	Allotments at Norwood Close	1 & 2	Provides amenity land	N/A	0.57 acres	N/A	Managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
766	Allotments - Rural	Allotments r/o 6-9 Ford Field, Little Hadham	1 & 2	Residue of ownership. Provide green open spaces for recreational and amenity purposes	N/A	0.36 acres	N/A	Managed by Parish Council and allotment holders			£1 Hist Cost	Community Assets
318	Allotments - Ware	Allotments		Provides green amenity space.				Allotments			£1 Hist Cost	Community Assets
	Closed Churchyard	Closed Church Yard, Holy Trinity Church Hertford Heath	2	Burial Act 1855 places statutory duty on council to maintain	N/A	N/A	N/A	Churchyard remains property of Church but Council under duty to maintain and repair the closed churchyard			£0 Not Council property	
	Closed Churchyard	Closed Church Yard, St Dunstans Church, Hunsdon	2	Burial Act 1855 places statutory duty on council to maintain	N/A	N/A	N/A	Churchyard remains property of Church but Council under duty to maintain and repair the closed churchyard			£0 Not Council property	
822	Closed Churchyard	Graveyard Froghall lane Walkern	1 & 2	Burial Act 1855 places statutory duty on council to maintain	N/A	0.09 acres	N/A	Duty to maintain and repair churchyard including safety of monuments			£1 Hist Cost	Community Assets
572	Commercial Property	Land at Copperbeach Villiers, The Thorley Centre, Bishop's Stortford	3	Held for strategic reasons to influence development of Thorley	N/A	0.24 acres	N/A	Land for local shopping and children's nursery. Good investment performing well		£142,500	EUV	Other Land & Buildings
199	Commercial Property	Land, Warehams Lane, Hertford - industrial land	3	Potentially surplus viability tested periodically	N/A	0.35 acres	N/A	Industrial storage land. Good investment currently performing well	£26,000	£380,000	EUV	Other Land & Buildings
188	Commercial Property	Land at The Golden Griffin, Hertford	3	Potentially surplus - possible marriage value scenario in future	N/A	0.6 acres	N/A	Ground lease for public house. Very secure low rent tied into long lease	£275	£5,200	EUV	Other Land & Buildings
221	Commercial Property	Doctors Surgery, Bell Street, Sawbridgeworth	3	Part of larger ownership	N/A	0.23 acres	N/A	Land for doctors surgery. Good investment currently performing well but under review for possible expansion of premises	£8,370	£159,000	EUV	Other Land & Buildings
260	Commercial Property	Church St Car Park, Ware	3	Strategic value	N/A	0.8 acres	N/A	Shoppers car park. Good investment performing well		£747,300	EUV	Other Land & Buildings
509	Commercial Property	Warrenwood Industrial Estate, Stapleford - 7 plots of industrial land	3	Potentially surplus viability tested periodically	N/A	4.2 acres	N/A	Industrial estate divided into 7 ground leases. Good investment currently performing well	£81,000	£1,768,900	EUV	Other Land & Buildings
25	Commercial Property	39 - 51 Elizabeth Road, Bishop's Stortford	1 & 3	Provision of local services	Poor	0.45 acres	660 sqm	Parade of 7 shops & 3 flats above. Planning application submitted for 9 flats, 1 town house (to and shops to re place current building. Was not possible to remodel and extend current building as foundations too shallow.	£45,050	£625,000	EUV	Other Land & Buildings
204	Commercial Property	17 - 19 Crouchfield, Hertford	1 & 3	Provision of local services	Satisfactory	0.18 acres	340 sqm	(to 2 shops and 2 flats above. Reasonable investment currently performing well.	£14,400	£153,300	EUV	Other Land & Buildings
206	Commercial Property	2 - 34 Fleming Crescent, Hertford	1 & 3	Provision of local services	Good	0.31 acres	575 sqm	(to Good parade of 8 shops, community office, 1 flat and stores performing well and providing good service	£90,300	£1,169,500	EUV	Other Land & Buildings
207	Commercial Property	1 - 5 Birdie Way, Hertford	1 & 3	Provision of local services	Satisfactory	0.06 acres	460 sqm	(to 1 shop and 2 flats above. Reasonable investment periodic review	£12,500	£213,800	EUV	Other Land & Buildings
299	Commercial Property	111 - 125 Cromwell Road, Ware	1 & 3	Provision of local services	Satisfactory	0.19 acres	372 sqm	(to Parade of 3 shops one shop marginal kept on periodic review.	£15,712	£197,200	EUV	Other Land & Buildings
416	Commercial Property	19 Birch Green	1 & 3	Provision of local services	Satisfactory	0.04 acres	75 sqm	Shop within housing block. Marginal investment will be reviewed when leases terminates	£3,500	£37,800	EUV	Other Land & Buildings
558	Commercial Property	21 Bullfields, Sawbridgeworth	1 & 3	Provision of local services	Satisfactory	0.07 acres	88 sqm	Shop, flat and garage. SOLD subject to contract to current tenant	£12,500	£148,400	EUV	Other Land & Buildings
99	Commercial Property	Vale House, Hertford	1 & 3	Supports health and wellbeing objective.	Currently being refurbished	0.32 acres	530 sqm	New lease granted Jan 2015 for addiction centre	£30,000	£259,100	EUV	Other Land & Buildings

Asset Ref	Asset Classification	Asset Description	SEED Priority	Reason for holding	State	Site area	GIA	Comments	Income	Valuation	Val Basis	Balance Sheet
608	Commercial Property	Stable Block (Courtyard Arts), Port Vale, Hertford	1 & 3	Supported service	Good	0.05 acres	155 sqm	Arts Centre and venue. Lease under discussion with Tenant	£5,000	£75,900	EUV	Other Land & Buildings
186	Commercial Property	Pinders Lodge, Hartham Common, Hertford	1 & 3	Part of larger ownership	Good	0.18 acres	200 sqm	Children's nursery adj to larger ownership. Good investment currently performing well	£50,000	£599,900	EUV	Other Land & Buildings
196	Commercial Property	Maidenhead Yard, Hertford	1 & 3	Strategic value	N/A	0.18 acres	N/A	Let on long ground lease for private parking in conjunction with new development	£11,400	£154,700	EUV	Other Land & Buildings
245	Commercial Property	1 The Maltings, New Road, Ware (Southern Maltings)	1 & 3	Residue of larger ownership	Fair	0.38 acres	620 sqm	Former maltings which is let to a community group as an arts centre. Community Group (to cannot meet lease and loan repayments. Deferral of lease for 1 year but prospect of lease payments being met is low. Requires review	£35,000	£251,700	EUV	Other Land & Buildings
585	Community Lettings	Land for Scout Hut, Heathrow, Bishop's Stortford	1 & 2	Residue of ownership provides community facility	N/A	0.3 acres	N/A	Community facility on ground lease		£470	EUV	Other Land & Buildings
21	Community Lettings	Scout building, Thorley Lane, Bishop's Stortford	1 & 2	Currently providing community facility due for review at end of lease in 2015	Satisfactory	0.25 acres	N/A	Community facility to be reviewed towards end of lease (2016) to fulfil potential	£275	£150,000	EUV	Other Land & Buildings
568	Community Lettings	ATC Hut, Waytemore Road, Bishop's Stortford	1 & 2	Residue of ownership provides community facility	N/A	0.11 acres	N/A	Community facility on ground lease	£150	£2,947	EUV	Other Land & Buildings
40	Community Lettings	Parsonage Community Hall Parsonage Lane, Bishop's Stortford	1 & 2	Community facility within open space	N/A	0.31 acres	N/A	Community facility on long ground lease on open space		£1	Hist Cost	Community Assets
572	Community Lettings	Thorley Manor Residents Ass, Friedberg Avenue, Bishop's Stortford	1 & 2	Community facility adj open space	N/A	0.90 acres	N/A	Community facility on long ground lease adj to open space	£9,000	£1	Hist Cost	Community Assets
570	Community Lettings	Bishop's Stortford Community Football Club, Friedberg Avenue, Thorley	1 & 2	Community facility within open space	Satisfactory	5.4 acres (cl 140 sqm		Football changing rooms with shared use of open space for pitches.		£1	Hist Cost	Community Assets
182	Community Lettings	Bowling Green & Pavilion, Pegs Lane, Hertford	1 & 2	Part of larger ownership providing community facility	Good	0.4 acres	120 sqm	Club facility with public use reserved adj to Wallfields Council offices - Lease extended until 2017	£1,450	£89,140	Hist Cost	Community Assets
97	Community Lettings	Sele Farm Bowling Club, Hartham Common, Hertford	1 & 2	Community facility within open space	Good	0.6 acres (cl 50 sqm		Small club building on public open space - under review	£50	£1	Hist Cost	Community Assets
97	Community Lettings	Tennis Club, Hartham Common, Hertford	1 & 2	Community facility within open space	Satisfactory	0.9 acres	45 sqm	Club facility on public open space	£500	£1	Hist Cost	Community Assets
97	Community Lettings	Canoe Club, Hartham Common Hertford	1 & 2	Community facility within open space	Satisfactory	0.04 acres	100 sqm	Club facility on public open space	£575	£1	Hist Cost	Community Assets
202	Community Lettings	Land for Scout Hut, Watermill Lane, Hertford	1 & 2	Community facility adj to open space	N/A	0.25 acres	N/A	Community facility adj. to public open space - site under review	£2,000	£1	Hist Cost	Community Assets
792	Community Lettings	Scouts at Keynton Court, Hertford	1 & 2	Residue of ownership provides community facility	N/A	0.17 acres	N/A	Community facility in housing estate - asset recently reviewed new lease to be granted.	£700	£1	Hist Cost	Community Assets
894	Community Lettings	WRVS, Baker Street, Hertford	1 & 2	Residue of ownership provides community facility	N/A	0.4 acres	N/A	Long ground lease for community service	£110	£1	Hist Cost	Community Assets
893	Community Lettings	Red Cross, Baker Street, Hertford	1 & 2	Residue of ownership provides community facility	N/A	0.13 acres	N/A	Long ground lease for community service	£350	£1	Hist Cost	Community Assets
208	Community Lettings	Hertford Football Club, West Street, Hertford	1 & 2	Community facility adj public amenity area	N/A	7.5 acres	N/A	Long ground lease granted 2014 for football and ancillary use	£400	£17,500	Hist Cost	Community Assets
349	Community Lettings	Bowling Club, Brookfield, Aston	1 & 2	Residue of ownership provides community facility	N/A	0.32 acres	N/A	Community use on ground lease		£14,249	Hist Cost	Community Assets
504	Community Lettings	Open space r/o High Street, Stanstead Abbots	1 & 2	Residue of ownership provides community facility	N/A	0.80 acres	N/A	Leased to Parish council as play and recreation area		£800	Hist Cost	Community Assets
864	Community Lettings	Scout and TA Huts, Broadmeads Ware	1 & 2	Residue of ownership provides community facility	N/A	0.7 acres	N/A	Community facilities under review to rationalise use of site	£2,700	£61,705	Hist Cost	Community Assets
314	Community Lettings	Scout hut Lower Bourne Gardens, Ware	1 & 2	Community facility adj to open space	N/A	0.3 acres	N/A	Community facility site adjacent to public open space	£200	£2,001	Hist Cost	Community Assets
309	Community Lettings	Bowling pavilion, The Priory, Ware	1 & 2	Community facility	Good	1.82 acres	100 sqm	Club facility with public use reserved	£2,500	£129,963	Hist Cost	Community Assets

Asset No	Asset Classification	Asset Description	SEED Priority	Reason for holding	State	Site area	GIA	Comments	Income	Valuation	Val Basis	Balance Sheet
252	Community Lettings	82 Park Road, Ware	1 & 2	Acquired after rationalising nearby ownerships to accommodate community facility	Good	0.14 acres	147 sqm	Community facility leased to Orchard Pre-School	£4,000	£9,500	Hist Cost	Community Assets
916	Community Lettings	Land for Scout Building, Reedings Way, Sawbridgeworth	1 & 2	Residue of ownership provides community facility	N/A	0.45 acres	N/A	New ground lease for provision of scout building	£400	£4,000	Hist Cost	Community Assets
541	Community Lettings	Land at Kingham Road, Babbs Green	1 & 2	Residue of ownership provides community facility	N/A	9 acres	N/A	Due to be leased to Parish Council as Play area		£10	Hist Cost	Community Assets
439	Community Lettings	Land at Tanners Way, Hunsdon	1 & 2	Residue of ownership provides community facility	N/A	2.2 acres	N/A	Leased to Parish council as play and recreation area	£50	£1	Hist Cost	Community Assets
	Community Lettings	Land for Scout Building, Mount Pleasant, Hertford Heath	1 & 2	Community facility adjacent to amenity woodland	N/A	0.46 acres	N/A	Lease to scout group	£200	£1	Hist Cost	Community Assets
824	Community Lettings	Land off Munden Road ,Dane End		Residue of ownership provides community facility				Leased to Great Munden Memorial Hall	£75	£1	Hist Cost	Community Assets
176	Cultural and Community Facilities	Hertford Theatre, The Wash, Hertford	1,2 & 3	Provides leisure, community and cultural facilities	Good	0.6 acres		Undergoing reconstruction - value shown is land plus retained main building structure		£1,840,900	DRC	Other Land & Buildings
879	Cultural and Community Facilities	Havers Community Centre, Waytemore Road, Bishop's Stortford	1,2 & 3	Provides community facilities	Good	0.35 acres	280 sqm	Community hall within housing estate leased to Town Council led Community Trust		£890,445	DRC	Other Land & Buildings
310	Cultural and Community Facilities	Drill hall, Amwell End, Ware	1,2 & 3	Provides community facilities	Good	0.27 acres	900 sqm	Function hall within town centre leased to Community Trust		£991,850	DRC	Other Land & Buildings
100	Cultural and Community Facilities	Pinehurst Community Centre, Birdie Way, Hertford	1,2 & 3	Provides community facilities	Good	0.04 acres	128 sqm	Community hall to be reviewed as part of larger ownership		£340,748	DRC	Other Land & Buildings
839	Cultural and Community Facilities	St.Michaels Mead Community Centre, Bishop's Stortford	1,2 & 3	Provides community facilities	Good	0.24 acres	400 sqm	Community hall leased to Town Council led Community Trust		£1,269,820	DRC	Other Land & Buildings
177	Cultural and Community Facilities	Hornsmill Community Centre, Cecil Road, Hertford	1,2 & 3	Provides community facilities	Good	0.1 acres	190 sqm	Community hall leased to residents association		£598,637	DRC	Other Land & Buildings
660	Cultural and Community Facilities	Sele Farm Community Centre, Hertford	1,2 & 3	Provides community facilities	Good	0.6 acres	210 sqm	Community hall leased to trustees		£915,553	DRC	Other Land & Buildings
	Heritage Assets	Chainsaw sculpture Pishiobury Park Sawbridgeworth	1,2 & 3	Heritage				Held in trust for future generations		£5,000	Hist Cost	Heritage Assets
	Heritage Assets	Castle walls Hertford	1,2 & 3	Heritage				Held in trust for future generations		£1	Hist Cost	Heritage Assets
	Heritage Assets	Church remains Hertford	1,2 & 3	Heritage				Held in trust for future generations		£1	Hist Cost	Heritage Assets
	Heritage Assets	Community land B/S Obelisk	1,2 & 3	Heritage				Held in trust for future generations		£1	Hist Cost	Heritage Assets
	Heritage Assets	Evolution sculpture at Hartham Common	1,2 & 3	Heritage				Held in trust for future generations		£9,000	Hist Cost	Heritage Assets
918	Hostels & Temporary Accomodation	Cedar Cottage, Thele Avenue, Stanstead Abbots	1 & 2	Provides temporary housing for vulnerable	Good	0.6 acres	45 sqm	House used as additional hostel accommodation		£898,100	DRC	Other Land & Buildings
	Hostels & Temporary Accomodation	Rectory Hall	1 & 2	Provides temporary housing	Good			Large house converted to provide self contained flats for homelessness provision needs		£1,162,300	DRC	Other Land & Buildings
571	Hostels & Temporary Accomodation	Hillcrest Hostel, Spellbrook	1 & 2	Provides temporary housing for vulnerable	Good	1.15 acres	500 sqm	Large house converted to provide self contained flats for homelessness provision needs		£910,500	DRC	Other Land & Buildings
	Hostels & Temporary Accomodation	Queens Road, Ware	1 & 2	Provides temporary housing	Poor			Currently property is stripped back to superstructrue pending conversion to 2 self contained flats		£365,917	DRC	Other Land & Buildings
573	Housing GF	Bungalow, Castle Gardens, Bishop's Stortford	1 & 3	Part of larger ownership former employee accommodation	Good	0.16 acres	90 sqm	Bungalow secure residential tenancy rents reviewed annually in line with housing association rents		£79,100	EUV-SH	Other Land & Buildings
611	Housing GF	6 Water Lane, Hertford Castle and Waterlane House	1 & 3	Adj Castle grounds - former employee accommodation and residue of operational asset.	Good	0.06 acres	255 sqm	Managed by Millstream Ltd on behalf of the council	£12,000	£205,800	FV	Surplus Assets

Asset Ref	Asset Classification	Asset Description	SEED Priority	Reason for holding	State	Site area	GIA	Comments	Income	Valuation	Val Basis	Balance Sheet
35	Investment Property	Jackson Square, Bishop's Stortford - shoppers multi-storey car park	3	Income and capital appreciation	Good	4 acres	N/A	Covered shopping centre. Good investment currently performing well. Rent shown is the ground rent as the council owns the freehold	£200,000	£3,333,300	FV	Investment Properties
22	Investment Property	Land for Shoppers Car Park Old River Lane	3	Revenue Income	Good	1.06 acres	N/A	Good investment acquired as part of Old River Lane Site. Discussions under way with Tenant to consider future options	£148,300	£2,966,000	FV	Investment Properties
928	Investment Property	Charrington's House, the Causeway, Bishop's Stortford		Provide revenue income for Council and part of larger land use in Town Centre	Poor	0.7 acres	3,700 sqm	Offices have been largely vacated ready for handover as part of land assembly. Key elements of the building need replacing including water pipes, lifts (machinery as well as cars)	£360,000	£1,115,600	FV	Investment Properties
	Investment Property	14 - 16 Water Lane (Previously known as the Lemon Tree)		Land Assembly Old River Lane. Let as restaurant	Fair			Defaulted on lease payments, repossession and money order being sort from court.	£35,000	£350,000	FV	Investment Properties
	Investment Property	The Meeting Hall, Water Lane, Bishop's Stortford		Land Assembly Old River Lane. Let as restaurant	Fair			Former URC Church Hall		£251,400	FV	Investment Properties
	Investment Property	Rapier House, 4-6 Crane Mead Business Park		Held for income purposes	Good			Purchased by Financial Sustainability Committee	£115,000	£1,150,000	FV	Investment Properties
311	Investment Property	Meade House, High Street, Ware	1 & 3	Strategic value - Residue of larger ownership	Good	0.04 acres	200 sqm	Office accommodation within larger ownership. Good investment working with partners to provide services				Investment Properties
929	Leased depot, offices and waste transfer station	Buntingford Waste Transfer Station and Depot for Refuse, Recycling, Street Cleansing, Grounds Maintenance and Car Parking contractors	2 & 3	Administrative offices for joint waste client team and operating base for contracted out services	Good	2.6 acres	3,300sqm	Buntingford is leased and not owned by the council. Administrative offices for joint waste client team.		£121,890	Cost	Intangible Assets
928	Offices	Ground Floor South, Charringtons House, The Causeway, Bishop's Stortford	1,2 & 3	Customer Service Centre	Poor	N/A	430 sqm	Customer Service Centre for Bishop's Stortford which will be relocated to Bishop's Stortford Town Council offices. Part of a larger freehold investment property which is being decommissioned prior to hand over for Old River Lane redevelopment.		£771,000	EUV	Other Land & Buildings
178	Offices	Wallfields Pegs Lane, Hertford	1,2 & 3	Main administrative offices and customer service centre	Satisfactory	4.3 acres	2,800 sqm	Minor refurbishment as principal office base in 2011 and minor refurbishment of first floor old building in 2022 to provide meeting rooms		£3,050,000	EUV	Other Land & Buildings
23	Parks & Open Spaces - Bishop's Stortford	Thorley Wedge Public Open Space and Playground, off Lower Park Crescent/Norfolk Way/Kent Crescent	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	16 acres	N/A	Large public open space; includes playgrounds which runs through residential areas. Managed on Grounds Maintenance Contract		£29,950	Hist Cost	Community Assets
26	Parks & Open Spaces - Bishop's Stortford	Rye Street Rear Gardens		Provide green open spaces for recreational, educational and amenity purposes						£300	Hist Cost	Community Assets
28	Parks & Open Spaces - Bishop's Stortford	Public Open Space and amenity land, Town Meads		Provide green open spaces for recreational and amenity purposes				Informal amenity land between Castle Gardens and Grange Paddocks (incl former town tip).		£940	Hist Cost	Community Assets
29	Parks & Open Spaces - Bishop's Stortford	Public Open Space and amenity land, Town Meads	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	17 acres	N/A	Informal amenity land between Castle Gardens and Grange Paddocks (incl former town tip).		£200	Hist Cost	Community Assets
30	Parks & Open Spaces - Bishop's Stortford	Formal Park, Castle Gardens, Bishop's Stortford	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	5.3 acres	N/A	Formal landscaped gardens which includes Grade I listed site of Waytemore Castle and tennis courts.		£281,141	Hist Cost	Community Assets
31	Parks & Open Spaces - Bishop's Stortford	Public Open Space, Cannons Mill Lane	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	4 acres	N/A	Large informal open space and meadowland. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
834	Parks & Open Spaces - Bishop's Stortford	Land in Parsonage Lane,	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	3.65 acres	N/A	Public open space and play area. Managed on Grounds Maintenance Contract		£69,501	Hist Cost	Community Assets
44	Parks & Open Spaces - Bishop's Stortford	Recreation Ground, Cricketfield Lane	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	2.2 acres	N/A	Recreation and play area. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
45	Parks & Open Spaces - Bishop's Stortford	Open Green, Mary Park Gardens	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	0.7 acres	N/A	Open amenity space. Managed on Grounds Maintenance Contract		£1,600	Hist Cost	Community Assets
46	Parks & Open Spaces - Bishop's Stortford	Open space adj Park Avenue	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	2.14 acres	N/A	A large ribbon of public open space running through residential areas. Managed on Woodland Management Programme		£1	Hist Cost	Community Assets
49	Parks & Open Spaces - Bishop's Stortford	Land at Cannons Mill Lane/Rye Street	1 & 2	Preserve amenity land used for seasonal grazing	N/A	19 acres	N/A	Informal area managed as conservation area with seasonal grazing to help maintenance		£20,000	Hist Cost	Community Assets
50	Parks & Open Spaces - Bishop's Stortford	Land of Jervis Road	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.6 acres	N/A	Play area. Managed on Grounds Maintenance Contract		£9,000	Hist Cost	Community Assets
560	Parks & Open Spaces - Bishop's Stortford	Open Space The Firs, Scott Road	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	3.2 acres	N/A	Woodland belt with footpath access. Managed on Grounds Maintenance Contract. Land on both sides of Scott Road		£2,947	Hist Cost	Community Assets
743	Parks & Open Spaces - Bishop's Stortford	Amenity Land Ward Crescent	1 & 2	Provides green amenity space	N/A	0.8 acres	N/A	Public open space. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets

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745	Parks & Open Spaces - Bishop's Stortford	Amenity Land adj 2 - 12 Elizabeth Road	1 & 2	Provides open green amenity space fronting houses	N/A	0.3 acres	N/A	Amenity land in housing estate. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
747	Parks & Open Spaces - Bishop's Stortford	Land r/o 61 Northolt Avenue	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.26 acres	N/A	Wooded area managed on Woodland Management Programme		£1	Hist Cost	Community Assets
748	Parks & Open Spaces - Bishop's Stortford	Land r/o 179 - 185 Northolt Avenue	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	1.8 acres	N/A	Public open space and play area. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
749	Parks & Open Spaces - Bishop's Stortford	Land at Dimsdale Crescent	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.96 acres	N/A	Open Green. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
751	Parks & Open Spaces - Bishop's Stortford	Land at Burley Road	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.68 acres	N/A	Recreation Ground. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
830	Parks & Open Spaces - Bishop's Stortford	Landscape Belt , Cricket Field lane	1 & 2	Provide green open for amenity purposes	N/A	0.5 acres	N/A	Landscape belt. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
831	Parks & Open Spaces - Bishop's Stortford	Open space junction of Elizabeth Road and Norfolk Way	1 & 2	Provides amenity land in front of shop parade	N/A	0.16 acres	N/A	Grassed area and shrub beds managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
835	Parks & Open Spaces - Bishop's Stortford	Amenity land Plaw Hatch Close	1 & 2	Provides amenity strip on edge of housing	N/A	0.1 acres	N/A	Grassed verge managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
836	Parks & Open Spaces - Bishop's Stortford	Play Area Cannons Close	1 & 2	Provides green open space for recreational and amenity purposes	N/A	3.5 acres	N/A	Public open space and playground. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
841	Parks & Open Spaces - Bishop's Stortford	Southern Country Park, St James Way	1 & 2	Provides green open space for recreational, educational and amenity purposes	N/A	55 acres	N/A	Areas of formal and informal recreation. Provides open space, play areas, balancing pond and picnic areas. Managed on Grounds Maintenance Contract and using seasonal grazing.		£110,038	Hist Cost	Community Assets
898	Parks & Open Spaces - Bishop's Stortford	Northern Parkland, Oriole Way,	1 & 2	Provides green open space for recreational and amenity purposes	N/A	27 acres	N/A	Open space providing informal recreation. Managed under grounds maintenance contract				
886	Parks & Open Spaces - Bishop's Stortford	Open Space, Bishop's Park, Burghley Avenue	1 & 2	Provides open space for recreational and amenity purposes	N/A	14 acres	N/A	Open space providing informal recreation. Managed on grounds maintenance contract				
842	Parks & Open Spaces - Bishop's Stortford	Amenity Land Windhill	1 & 2	Provide amenity land	N/A	0.06 acres	N/A	Small amenity verge. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
844	Parks & Open Spaces - Bishop's Stortford	Amenity land, Yeoman's close, Thorley ,	1 & 2	Provide land for amenity purposes	N/A	0.03 acres	N/A	Licensed and maintained by resident		£1	Hist Cost	Community Assets
846	Parks & Open Spaces - Bishop's Stortford	Land corner of Lindsey Road	1 & 2	Unused area of land with restricted access	N/A	0.03 acres	N/A	Not on contract but maintained when required		£1	Hist Cost	Community Assets
848	Parks & Open Spaces - Bishop's Stortford	Open Space The Ridings	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	1.25 acres	N/A	Informal open space managed on grounds maintenance contract		£1	Hist Cost	Community Assets
838	Parks & Open Spaces - Bishop's Stortford	Amenity Land Stansted Road	1 & 2	Provides land for amenity purposes at road junction	N/A	0.3 acres	N/A	Grassed area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
875	Parks & Open Spaces - Bishop's Stortford	Open space, Rhodes Avenue	1 & 2	Provides open space for recreational and amenity purposes	N/A	0.25 acres	N/A	Play area. Managed on Grounds Maintenance Contract				
914	Parks & Open Spaces - Bishop's Stortford	Amenity Land, Mill Street,	1 & 2	Provide land for amenity purposes	N/A	0.05 acres	N/A	Small wooded area fronting housing. Maintained on Woodland Management Programme		£1	Hist Cost	Community Assets
915	Parks & Open Spaces - Bishop's Stortford	Amenity Land Anchor Street/John Dyde Close	1 & 2	Amenity land adj to River	N/A	0.14 acres	N/A	Small area of amenity land on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
17	Parks & Open Spaces - Buntingford	Formal Gardens, Layston Gardens	1 & 2	Provide green open spaces for recreational, educational and amenity purposes		1.6 acres	N/A	Formal Gardens. Managed by Town Council		£30,000	Hist Cost	Community Assets
854	Parks & Open Spaces - Hertford	Hertford Castle Gardens,Castle Street	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	3.6 acres	N/A	Formal gardens and playground adj to The Castle. Managed on Grounds Maintenance Contract				
96	Parks & Open Spaces - Hertford	The Pines Woodland rear of Burleigh Road,	1 & 2	Provides woodland walks for recreational, educational and amenity purposes	N/A	2.44 acres	N/A	Woodland where improvements have been made as part of a joint project with Hertfordshire Groundwork and Herts County Council to improve public access.		£1,065	Hist Cost	Community Assets
97	Parks & Open Spaces - Hertford	Hartham Common	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	32 acres	N/A	Hertford's premier park which provides formal and informal recreation and forms part of a network of river walks, footpaths and cycleways. Managed on Grounds Maintenance Contract.		£625,951	Hist Cost	Community Assets

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561	Parks & Open Spaces - Hertford	The Warren and Hartham Meadow	1 & 2	Provide green open space for amenity and recreation purposes	N/A	23 acres	N/A	Woodland belt north of Hartham Common and River Beane which is maintained on Woodland Management Programme. Hartham Meadow adj to church which is seasonally grazed and managed as a wildlife habitat and woodland pasture.		£20,000	Hist Cost	Community Assets
181	Parks & Open Spaces - Hertford	Land at Sacombe Road	1 & 2	Provide green open space for amenity purposes	N/A	3.4 acres	N/A	Public open space and play area. Managed on Grounds Maintenance Contract		£32,500	Hist Cost	Community Assets
183	Parks & Open Spaces - Hertford	Open Space, The Knoll	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	1.8 acres	N/A	Public open space with scheduled ancient monument. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
185	Parks & Open Spaces - Hertford	Playground at Bentley Road	1 & 2	Provide green open space for recreational and amenity purposes	N/A	0.5 acres	N/A	Playground and recreation areas. Managed on Grounds Maintenance Contract		£2,065	Hist Cost	Community Assets
187	Parks & Open Spaces - Hertford	Land adj River Mimram, Willowmead	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	3.8 acres	N/A	Leased to Herts and Essex Wildlife Trust as nature reserve.		£1	Hist Cost	Community Assets
192	Parks & Open Spaces - Hertford	Land at Kingsmead, Mead Lane	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	45 acres	N/A	Public open space and football ptiches adj to Hartham Common managed on Grounds Maintenance Contract. Area beyond used for seasonal grazing and held under agricultural tenancy.	£345	£2,320	Hist Cost	Community Assets
201	Parks & Open Spaces - Hertford	Open space west side of Cecil Road	1 & 2	Provide green open space for recreational and amenity purposes	N/A	2.5 acres	N/A	Public open space with play and recreation areas. Managed on Grounds Maintenance Contract		£4,000	Hist Cost	Community Assets
202	Parks & Open Spaces - Hertford	Land at Watermill Lane North	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	3.3 acres	N/A	Public open space, play area and woodland. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
655	Parks & Open Spaces - Hertford	Open space at The Ridgeway	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	1.9 acres	N/A	Public open space and multi-use play area. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
777	Parks & Open Spaces - Hertford	Amenity Land, Revels Close	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.15 acres	N/A	Amenity land in housing estate. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
778	Parks & Open Spaces - Hertford	Playground Burleigh Road	1 & 2	Provide green open spaces for recreational purposes	N/A	0.13 acres	N/A	Playground managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
781	Parks & Open Spaces - Hertford	Landscape Belt, Links Avenue	1 & 2	Provide green open space for amenity purposes	N/A	1.16 acres	N/A	Amenity area on edge of housing area. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
784	Parks & Open Spaces - Hertford	Amenity Land Campfield Road	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.95 acres	N/A	Open space and amenity land managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
787	Parks & Open Spaces - Hertford	Land east side Cecil Road	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	2 acres	N/A	Strip of amenity land runs end of Cecil to rear of community centre. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
790	Parks & Open Spaces - Hertford	Amenity Land 1-7 Hutton Close	1 & 2	Provides green open space for amenity purposes	N/A	0.3 acres	N/A	Amenity green managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
791	Parks & Open Spaces - Hertford	Amenity Land 9-15 Hutton Close	1 & 2	Provides green open space for amenity purposes	N/A	0.3 acres	N/A	Amenity green managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
779	Parks & Open Spaces - Hertford	Play area adj Divot Place, Pinehurst	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.17 acres	N/A	Play area managed on Grounds Maintenance Contract		£79,211	Hist Cost	Community Assets
783	Parks & Open Spaces - Hertford	Play area adj 57 Hamels Drive	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.23 acres	N/A	Play area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
816	Parks & Open Spaces - Hertford	Land at Cherry Tree Green	1 & 2	Provides green open space for amenity purposes	N/A	0.6 acres	N/A	Amenity green managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
817	Parks & Open Spaces - Hertford	Amenity Land, Windsor drive	1 & 2	Provides green open space for amenity purposes	N/A	0.66 acres	N/A	Amenity land managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
818	Parks & Open Spaces - Hertford	Land adj 16 Welwyn Road	1 & 2	Amenity land	N/A	0.02 acres	N/A	Small area of land maintained as required		£1	Hist Cost	Community Assets
819	Parks & Open Spaces - Hertford	Land adj to 5 Lawrence Close	1 & 2	Provides green open space for amenity and recreational purposes	N/A	0.58 acres	N/A	Play area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
855	Parks & Open Spaces - Hertford	Land at Farm Close	1 & 2	Provide green open spaces for recreational, educational and amenity purposes	N/A	5.3 acres	N/A	Large area of informal recreation and woodland. Managed on Grounds Maintenance Contract				
856	Parks & Open Spaces - Hertford	Land at The Folly	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.12 acres	N/A	Area of open space adj to River Lea managed on grounds maintenance contract		£1	Hist Cost	Community Assets

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857	Parks & Open Spaces - Hertford	Land at Corner of Hertingfordbury Rd	1 & 2	Provides land for amenity purposes	N/A	0.04 acres	N/A	Area of green verge managed on grounds maintenance contract			£1 Hist Cost	Community Assets
861	Parks & Open Spaces - Hertford	Land adj 16 Tower Street	1 & 2	Provides green open spaces for amenity purposes	N/A	0.03 acres	N/A	Not on contract but maintained when required			£1 Hist Cost	Community Assets
872	Parks & Open Spaces - Hertford	Landscape belt adj to Welwyn Road	1 & 2	Provides green open spaces for amenity purposes	N/A	0.4 acres	N/A	Amenity land maintained on grounds maintenance contract				
820	Parks & Open Spaces - Hertford	Land adj. 29 Lawrence Close	1 & 2	Residue of ownership	N/A	0.17 acres	N/A	Area of unused land future use to be reviewed				
821	Parks & Open Spaces - Hertford	Foxholes Woodland	1 & 2	Provides areas of woodland, recreation and amenity areas around housing area	N/A	20 acres	N/A	Area of woodland managed on Woodland Management Programme.			£1 Hist Cost	Community Assets
889	Parks & Open Spaces - Hertford	Land at Millmead Way	1 & 2	Provides areas of woodland, recreation and amenity areas around housing area	N/A	6 acres	N/A	Area of open space, woodland and play areas managed on Grounds Maintenance Contract				
815	Parks & Open Spaces - Hertford	Land off Bramfield Road	1 & 2	Residue of ownership which provides a landscape belt on edge of housing area	N/A	0.5 acres	N/A	Grass verge split into 2 strips managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
	Parks & Open Spaces - Hertford	Playground, Brookside	1 & 2	Provides recreation area	N/A	0.7 acres	N/A	Playarea leased from Herts County Council maintained on Grounds Maintenance Contract		LEASED	LEASED	
	Parks & Open Spaces - Hertford	Playground, Iron Drive	1 & 2	Provides recreation area	N/A	0.16 acres	N/A	Playarea leased from Herts County Council maintained on Grounds Maintenance Contract		LEASED	LEASED	
	Parks & Open Spaces - Hertford	Playground, Rowleys Road	1 & 2	Provides recreation area	N/A	0.6 acres	N/A	Playarea leased from Thames Water Authority maintained on Grounds Maintenance Contract		LEASED	LEASED	
439	Parks & Open Spaces - Rural	Play Area, Off Tanners Way, Hunsdon	1 & 2	Provides green open space for recreational and amenity purposes	N/A	2.2 acres	N/A	Leased and managed by Parish Council	£125		£165 Hist Cost	Community Assets
	Parks & Open Spaces - Rural	Woodland, Mount Pleasant, Hertford Heath	1 & 2	Woodland belt with public access	N/A	0.41 acres	N/A	Managed as required				
450	Parks & Open Spaces - Rural	Land off London Road, Hertford Heath	1 & 2	Provides open space for recreational, educational and amenity purposes	N/A	9 acres	N/A	Two areas of adj woodland within farmland. Managed by Groundwork Herts			£500 Hist Cost	Community Assets
481	Parks & Open Spaces - Rural	Land at London Road/Spellbrook Lane East	1 & 2	Provides green amenity space	N/A	0.32 acres	N/A	Grassed area on junction of main road. Managed on Grounds Maintenance Contract			£250 Hist Cost	Community Assets
513	Parks & Open Spaces - Rural	Waterford Marsh, Vicarage Lane, Waterford	1 & 2	Provides informal recreation area and preserves wildlife habitat	N/A	27 acres	N/A	Large informal recreation area along river. Managed as part of Grounds Maintenance Contract			£1 Hist Cost	Community Assets
479	Parks & Open Spaces - Rural	Land at Ducketts Lane, Green Tye	1 & 2	Residue of ownership. Woodland area	N/A	0.7 acres	N/A	Managed on Woodland management Programme			£1 Hist Cost	Community Assets
758	Parks & Open Spaces - Rural	Amenity land adj 69 Nutcroft, Datchworth	1 & 2	Residue of ownership possible potential for development in future	N/A	0.5 acres	N/A	Grassed area managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
759	Parks & Open Spaces - Rural	Land adj 66 - 72 Nutcroft, Datchworth	1 & 2	Residue of ownership. Provides green open space for recreational and amenity purposes	N/A	1 acre	N/A	Play ground and amenity area managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
617	Parks & Open Spaces - Rural	Landscaped area, The Willows, Spellbrook Lane	1 & 2	Provides green open space for recreational and amenity purposes	N/A	0.24 acres	N/A	Grassed area managed on Grounds Maintenance Contract			£90,000 Hist Cost	Community Assets
765	Parks & Open Spaces - Rural	Land at Ridgeway, Little Hadham	1 & 2	Residue of ownership. Provides green open spaces for recreational and amenity purposes	N/A	0.15 acres	N/A	Managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
767	Parks & Open Spaces - Rural	Land adj 1-5 ford Field, Little Hadham	1 & 2	Residue of ownership. Provides amenity space maybe some potential for further development	N/A	0.11 acres	N/A	Managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
775	Parks & Open Spaces - Rural	Open space, Great Innings South, Watton at Stone	1 & 2	Provides green open space within housing area for recreational and amenity purposes	N/A	0.6 acres	N/A	Managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets
776	Parks & Open Spaces - Rural	Land off Station Road, Watton at Stone	1 & 2	Residue of ownership which provides landscape belt around housing area	N/A	0.9 acres	N/A	Managed on Grounds Maintenance Contract			£28,794 Hist Cost	Community Assets
618	Parks & Open Spaces - Rural	Little Marsh, Vicarage Lane, Waterford	1 & 2	Provides open space for recreational, and amenity purposes	N/A	0.9 acres	N/A	Village green managed on Grounds Maintenance Contract			£1 Hist Cost	Community Assets

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774	Parks & Open Spaces - Rural	Playground Gt. Innings North, Watton at Stone	1 & 2	Provides green open space for recreational and amenity purposes	N/A	0.9 acres	N/A	Play and recreation area managed on Grounds Maintenance Contract		£77,920	Hist Cost	Community Assets
804	Parks & Open Spaces - Rural	Amenity Land, Clusterbolts, Stapleford	1 & 2	Residue of ownership which provides open amenity space?	N/A	0.5 acres	N/A	Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
823	Parks & Open Spaces - Rural	Amenity Woodland, White Stubbs Lane, Bayford	1 & 2	Formerly cottage purchased under statutory powers	N/A	0.23 acres	N/A	Small ownership within larger woodland area. No active maintenance		£450	Hist Cost	Community Assets
755	Parks & Open Spaces - Rural	Land at Windy Rise, Dane End	1 & 2	Residue of ownership possible potential for development in future	N/A	0.23 acres	N/A	Leased by Parish Council for parking for adj hall		£1	Hist Cost	Community Assets
756	Parks & Open Spaces - Rural	Playground Gladstone Road, Dane End	1 & 2	Provides green space for recreational purposes	N/A	0.12 acres	N/A	Play area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
757	Parks & Open Spaces - Rural	Amenity Land Gladstone Road, Dane End	1 & 2	Residue of ownership provides green amenity space	N/A	0.08 acres	N/A	1. Amenity area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
796	Parks & Open Spaces - Rural	Land off Chaplefields Stanstead Abbotts	1 & 2	Residue of ownership which provides green amenity space and recreational area	N/A	0.6 acres	N/A	Grassed and wooded area. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
797	Parks & Open Spaces - Rural	Land adj 1 Chaplefields, Stanstead Abbotts	1 & 2	Residue of ownership provides small open amenity space within housing estate.	N/A	0.04 acres	N/A	Grassed area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
798	Parks & Open Spaces - Rural	Landscape belt, Folly View, Stanstead Abbotts	1 & 2	Residue of ownership which provides green open amenity space for recreational use	N/A	3 acres	N/A	Landscaped area and play area adj. to river managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
799	Parks & Open Spaces - Rural	Land r/o 46-56 Gilpins Gallop, Stanstead Abbotts	1 & 2	Residue of ownership which provides green open space in housing estate for recreational and amenity purposes	N/A	0.1 acres	N/A	Open green managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
800	Parks & Open Spaces - Rural	Green Hillside Crescent, Stanstead Abbotts	1 & 2	Residue of ownership which provides green open space within housing estate	N/A	0.4 acres	N/A	Open green managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
803	Parks & Open Spaces - Rural	Land r/o New River Avenue, Stanstead Abbotts	1 & 2	Residue of ownership provides 2 small amenity spaces in housing estate. May have potential for future small development.	N/A	0.16 acres	N/A	Small verge areas managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
806	Parks & Open Spaces - Rural	Land off Ware Road, Tonwell	1 & 2	Residue of ownership provides small amenity area but may have potential as small building plot	N/A	0.08 acres	N/A	Future to be reviewed		£1	Hist Cost	Community Assets
808	Parks & Open Spaces - Rural	Land adj 16 Dellfield Wadesmill	1 & 2	Residue of ownership. Provides green open space for amenity purposes	N/A	0.16 acres	N/A	Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
809	Parks & Open Spaces - Rural	Land adj 46 Kingham Road, Wareside	1 & 2	Provides green open space for recreational and amenity purposes	N/A	0.2 acres	N/A	Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
810	Parks & Open Spaces - Rural	Land off Appleton Avenue, Wareside	1 & 2	Residue of ownership provides amenity space	N/A	0.6 acres	N/A	Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
826	Parks & Open Spaces - Rural	Amenity Land 1-4 Rose cottages Meesden	1 & 2	Residue of ownership may give access to any development to rear	N/A	0.04 acres	N/A	Small access to land to the rear retained as possible ransom strip		£1	Hist Cost	Community Assets
828	Parks & Open Spaces - Rural	Amenity Land ,Watton Green, Watton at Stone	1 & 2	Provide green open spaces for recreational and amenity purposes	N/A	0.7 acres	N/A	Open green on edge of village. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
738	Parks & Open Spaces - Rural	Land at Ashdene Road, Bayford	1 & 2	Residue of ownership now used as conservation meadow	N/A	0.24 acres	N/A	Amenity area managed by resident on licence as wildlife meadow		£1	Hist Cost	Community Assets
213	Parks & Open Spaces - Sawbridgeworth	Amenity Land Sheering Mill	1 & 2	Provides green open space for recreational and amenity purposes	N/A	0.9 acres	N/A	Recreation ground managed on Grounds Maintenance Contract				
216	Parks & Open Spaces - Sawbridgeworth	Amenity Land, Harlow Mill	1 & 2	Originally held for drainage purposes now amenity woodland	N/A	2.5 acres	N/A	Small woodland within agricultural land limited pedestrian access only.				
217	Parks & Open Spaces - Sawbridgeworth	Landscape Belt, Cambridge Road	1 & 2	Provides green open spaces for amenity purposes	N/A	0.46 acres	N/A	Green verge along road. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
218	Parks & Open Spaces - Sawbridgeworth	Playground off Lawrence Avenue and Reedings Way	1 & 2	Provides green open space for recreational and amenity purposes	N/A	0.57 acres	N/A	Play area managed on Grounds Maintenance Contract		£1,055	Hist Cost	Community Assets
224	Parks & Open Spaces - Sawbridgeworth	Pishiobury Park, Harlow Road	1 & 2	Provides green open space for recreational, educational and amenity purposes	N/A	88 acres	N/A	Grade II listed enclosed park for informal recreation. Managed under 5 year management programme and seasonally grazed.		£92,883	Hist Cost	Community Assets

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225	Parks & Open Spaces - Sawbridgeworth	Recreation Ground, Vantorts Close	1 & 2	Provides green open space for recreational and amenity purposes	N/A	2.54 acres	N/A	Play and recreation space recently improved managed on Grounds Maintenance Contract		£350	Hist Cost	Community Assets
871	Parks & Open Spaces - Sawbridgeworth	Land at Fairway and Elmwood	1 & 2	Former tip now heavily wooded and overgrown with no public access	N/A	3.5 acres	N/A	Land currently under review to rectify encroachments and consider future management		£1	Hist Cost	Community Assets
253	Parks & Open Spaces - Ware	Buryfield Open Space, Park Road, Ware	1 & 2	Provides green open space for recreational and amenity purposes	N/A	2.8 acres	N/A	Recreation ground managed on Grounds Maintenance Contract		£600	Hist Cost	Community Assets
262	Parks & Open Spaces - Ware	Land at Heath Drive, Ware	1 & 2	Provides green open space for amenity purposes	N/A	0.25 acres	N/A	Amenity area with footpath to school to rear. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
314	Parks & Open Spaces - Ware	Open Space & Playground Lower Bourne Gardens, Ware	1 & 2	Provides green open space for recreational and amenity purposes	N/A	7.8 acres	N/A	Managed on Grounds Maintenance Contract		£100,424	Hist Cost	Community Assets
315	Parks & Open Spaces - Ware	Land at Vallans Close, Ware	1 & 2	Provides green open space for recreational and amenity purposes	N/A					£1	Hist Cost	Community Assets
316	Parks & Open Spaces - Ware	Land adj 81 Kingsway, Ware	1 & 2	Provides green amenity space	N/A	0.1 acres	N/A	Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
317	Parks & Open Spaces - Ware	Recreation Field, King George's Field	1 & 2	Provides green open spaces for recreational and amenity purposes. Gifted as part of national scheme on behalf of King George	N/A	5.5 acres	N/A	Multi-use games area and recreation land managed on Grounds Maintenance Contract		£6,750	Hist Cost	Community Assets
616	Parks & Open Spaces - Ware	Amenity Land off Rolleston Close and Delcroft, Ware	1 & 2	Provides green amenity space.	N/A	0.08 acres	N/A	Open space. Managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
319	Parks & Open Spaces - Ware	Land adj 100 High Street, Ware	1 & 2	Small amenity area within High Street	N/A	0.01 acres	N/A	Area of hard landscaping within high street used for parking		£1	Hist Cost	Community Assets
322	Parks & Open Spaces - Ware	Area of woodland, Post Wood, Ware	1 & 2	Woodland providing recreational, educational and amenity facility and preserving habitat for woodland plants and wildlife.	N/A	27 acres	N/A	Also known as Presdales Wood. Area of ancient woodland managed under Woodland Management Programme		£6,000	Hist Cost	Community Assets
326	Parks & Open Spaces - Ware	Land corner of Garland Road, Ware	1 & 2	Provides small green amenity space within built up residential area	N/A	0.04 acres	N/A	Green verge managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
331	Parks & Open Spaces - Ware	The Bourne, High Oak Road, Ware	1 & 2	Provides large open spaces for recreational and amenity purposes	N/A	6.5 acres	N/A	Informal play, recreation area and woodland managed on Grounds Maintenance Contract		£25	Hist Cost	Community Assets
814	Parks & Open Spaces - Ware	Open Space Presdales Drive	1 & 2	Provides green open space for recreational and amenity purposes	N/A	1.5 acres	N/A	An informal play and recreation area on both sides of Presdales Drive managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
302	Parks & Open Spaces - Ware	Town Square, Ware	1 & 2	Provides amenity area within town centre	N/A	0.18 acres	N/A	Pedestrianised area within shopping area. Lease to Ware Town Council being considered.		£1	Hist Cost	Community Assets
811	Parks & Open Spaces - Ware	Land r/o 32 Southall Close	1 & 2	Residue of ownership which provides green amenity space within residential area	N/A	0.06 acres	N/A	Small grassed area currently managed by resident future use under review		£1	Hist Cost	Community Assets
862	Parks & Open Spaces - Ware	Recreation Ground Beacon Road, Ware	1 & 2	Provides open space for recreational and amenity purposes	N/A	1.2 acres	N/A	Informal recreation and play area managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
866	Parks & Open Spaces - Ware	Flower Beds Crib Street	1 & 2	Residue of ownership provides visual amenity within built up area	N/A	0.03 acres	N/A	Raised flower beds managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
867	Parks & Open Spaces - Ware	9 Hampden Hill Ware	1 & 2	Small amenity area	N/A	0.01 acres	N/A	Maintained by resident		£1	Hist Cost	Community Assets
870	Parks & Open Spaces - Ware	Land adj St Mary's Church, West St Ware	1 & 2	Provides visual amenity within town centre area	N/A	0.14 acres	N/A	Landscaped area at front of church managed on Grounds Maintenance Contract		£1	Hist Cost	Community Assets
754	Public Car Parks	Car Park, Bowling Green Lane, Buntingford	1 & 3	Provide public car parking	Satisfactory	0.9 acres	N/A	Surfaced car park fulfilling service requirement managed by Town Council	£17,459	£130,700	EUV	Other Land & Buildings
33	Public Car Parks	Basbow Lane Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Satisfactory	0.5 acres	N/A	Surfaced car park fulfilling service requirement	£94,281	£605,300	EUV	Other Land & Buildings
36	Public Car Parks	Jackson Square Multi Storey Car Park, Bishops Stortford	1 & 3	Provide public car parking	Good	2.2 acres	17,800 sqm	Multi storey car park within shopping centre fulfilling service requirement	£922,445	£2,653,800	EUV	Other Land & Buildings
39	Public Car Parks	Crown Terrace Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Good	0.4 acres	N/A	Surfaced car park fulfilling service requirement	£73,188	£368,500	EUV	Other Land & Buildings

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41	Public Car Parks	Elm Road Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Good	0.2 acres	N/A	Surfaced car park fulfilling service requirement	£31,796	£96,900	EUV	Other Land & Buildings
615	Public Car Parks	Car Park, The Causeway, Bishop's Stortford	1 & 3	Provide public car parking	Satisfactory	1.5 acres	N/A	Surfaced car park which is closed as a DMC set condition for opening Northgate End MSCP. Part of Old River Lane redevelopment site. Asset due to transfer in next 12 months.	£266,183	£1,796,300	EUV	Other Land & Buildings
42	Public Car Parks	Northgate End Multistorey Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Good	1 acre	N/A	Multistorey car park with 56 x 7kW EV charge points. Valuation is estimate.		£28,000,000	EUV	Other Land & Buildings
622	Public Car Parks	Rye Street A Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Satisfactory	0.8 acres	N/A	First car park off Rye Street. Surfaced car parked fulfilling service requirement	£15,867	£103,800	EUV	Other Land & Buildings
	Public Car Parks	Link Road Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Satisfactory	0.6 acres	N/A	Leased from Bishop's Stortford Town Council Surfaced car park fulfilling service requirement	£123,682	LEASED	LEASED	
917	Public Car Parks	Rye Street B Car Park, Bishop's Stortford adj football pitches	1 & 3	Provide public car parking	Good	0.7 acres	N/A	Car park adj to leisure centre. Surfaced car park fulfilling service requirement for possible redevelopment.	£15,867	£259,600	EUV	Other Land & Buildings
905	Public Car Parks	Apton Road Car Park, Bishop's Stortford	1 & 3	Provide public car parking	Good	0.5 acres	N/A	Surfaced car park fulfilling service requirement	£105,810	£625,200	EUV	Other Land & Buildings
175	Public Car Parks	Gascoyne Way Multi Storey Car Park, Hertford	1 & 3	Provide public car parking	Good	0.8 acres		Multi-storey car park and parking office base. Refurbishment undertaken 2011 incl car park office & stores	£362,502	£2,366,100	EUV	Other Land & Buildings
194	Public Car Parks	St Andrews Street Car Park, Hertford	1 & 3	Provide public car parking	Good	0.75 acres	N/A	Surfaced car park fulfilling service requirement	£161,907	£1,077,200	EUV	Other Land & Buildings
193	Public Car Parks	Hartham Lane Car Park, Hertford	1 & 3	Provide public car parking	Satisfactory	1.55 acres	N/A	Surfaced car park. Fulfilling service requirement	£31,728	£628,200	EUV	Other Land & Buildings
197	Public Car Parks	London Road Car Park, Hertford	1 & 3	Provide public car parking	Good	0.6 acres	N/A	Surfaced car park refurbished in 2012 fulfilling service requirement but possible under review in conjunction with adjacent fire station	£32,863	£320,500	EUV	Other Land & Buildings
609	Public Car Parks	Car Park, Port Vale, Hertford	1 & 3	Provide public car parking	Good	0.4 acres	N/A	Surfaced residents car park fulfilling service requirement	£17,846	£76,800	EUV	Other Land & Buildings
226	Public Car Parks	Bell Street Car Park, Sawbridgeworth	1 & 3	Provide public car parking	Satisfactory	1.6 acres	N/A	Surfaced car park fulfilling service requirement	£57,948	£213,600	EUV	Other Land & Buildings
503	Public Car Parks	Car Park, High Street, Stanstead Abbotts	1 & 3	Provide public car parking	Good	0.5 acres	N/A	Surfaced car park fulfilling service requirement. Payment of £7500 from French and Jupps ceased 21/22 so charges will be introduced in 2023	£0	£67,300	EUV	Other Land & Buildings
301	Public Car Parks	Priory Street Car Park, Ware	1 & 3	Provide public car parking	Good	0.15 acres	N/A	Surfaced car park fulfilling service requirement	£10,803	£23,300	EUV	Other Land & Buildings
303	Public Car Parks	Kibes Lane Car Park, Ware	1 & 3	Provide public car parking	Satisfactory	1.1 acres	N/A	Surfaced car park. Fulfilling service requirement	£116,804	£690,800	EUV	Other Land & Buildings
304	Public Car Parks	Broadmeads Car Park & Rest Facilities, Ware	1 & 3	Provide public car parking	Good	0.6 acres	N/A	Surfaced car park and small buiding used as base for car park staff. Fulfilling service requirement	£62,886	£248,400	EUV	Other Land & Buildings
305	Public Car Parks	Car Park, High Street, Ware	1 & 3	Provide public car parking	Good - impro	0.75 acres	N/A	Surfaced car park fulfilling service requirement	£57,309	£234,800	EUV	Other Land & Buildings
906	Public Car Parks	Car Park, Baldock Street, Ware	1 & 3	Provide public car parking	Good	0.6 acres	N/A	Surface car park fulfilling service requirement	£47,722	£270,200	EUV	Other Land & Buildings
659	Public Car Parks	Car Park, Huntsman Close, Puckeridge	1 & 2	Provides local resident car parking	Satisfactory	0.18 acres	N/A	Surfaced car park. Provides for local car parking need - leased to Parish Council.	£0	£35,900	EUV	Other Land & Buildings
	Public Car Parks	Charrington's Car park (Zone A)		Provide revenue income for Council and part of larger land use in Town Centre	Good			Public part of Charrington's Car Park	£67,195	£636,600	EUV	Other Land & Buildings
19	Public Conveniences	Public Conveniences, Buntingford	1	Public facilities	Good	N/A	37 sqm	Closed.		£111,886	DRC	Other Land & Buildings
563	Public Conveniences	Public Conveniences Castle Gardens, Bishop's Stortford		Redevelopment as part of Castle Park HLF Scheme	Poor	N/A	60 sqm	Closed. Subsidence has caused structural crack. Being redeveloped as part of Castle Park HLF Scheme		£55,500	DRC	Other Land & Buildings
184	Public Conveniences	Car Park Office (Former Public Convenience) Broadmead, Ware	1	Public facilities	Satisfactory	N/A	45 sqm	Used as a car park office		£41,900	DRC	Other Land & Buildings

Asset Ref	Asset Classification	Asset Description	SEED Priority	Reason for holding	State	Site area	GIA	Comments	Income	Valuation	Val Basis	Balance Sheet
		Land at Park CottNes, Eastwick								£200		Other Land & Buildings
		Land at Poplar Close, High Cross								£24,000		Other Land & Buildings
		St.Leonards Garden								£3,503		
577	Parks & OS	Land Off Thornberra Gardens, B/S								£1		
581		Land adjoining High Wych Road								£85,000		
788	Parks & OS	Open Green Fleming Crescent Hertford								£1		
789	Parks & OS	Open Space Tudor Way, Hertford								£1		
849	Parks & OS	Amenity Land Bullfields Sawbridgeworth								£1		
850	Parks & OS	Amenity Land Burnside ,Sawbridgeworth								£1		
859	Land Other	Churchyard St.Leonards Road, Hertford								£1		
860	Land Other	Land at St Leonards Rd ,Hertford								£16,149		
	Parks & OS	Open space East Herts Hospital, Hertford								£1		
219		Reedings Way, Sawbridgeworth - transferred from Investment								£4,000		

Asset Review Framework

Part 1 Asset Challenge

- a) **Strategic purpose** - This part of the process determines whether an asset has an identified use and purpose which enables service delivery in line with the corporate plan.
- b) **Opportunities and risk** – This part of the assessment is understanding if there are any opportunities that could be exploited. It will overlay any planning policy issues, restrictive covenants or, if the asset was gifted, restrictions on any sale. It also deals with the cost and condition of the asset, whether it is fit for purpose and any investment required. Decarbonisation and climate adaption must be considered as part of the investment required
- c) **Performance appraisal** – This considers costs of running the asset, current levels of reactive maintenance and any known planned maintenance issues such as upcoming component replacement and known backlog maintenance. For significant assets the review process may need to commission a condition survey to inform this part of the evaluation. A discounted cashflow for the next 30 years should be included in this section and, where appropriate, the payback on any investment. The appraisal should examine under what Corporate Plan Priority the asset is held to deliver and what outcomes are delivered by that asset. There evaluation should consider how the asset helps or hinders service delivery now and also under the Future Operating Model defined by the Transforming East Herts Programme.

Part 2 Option Appraisal

- a) **Option Appraisal** – The “Do nothing” option **must** always be appraised alongside other potential options arising from Part 1

i.e. Retain and Maintain, Retain and Improve, Dispose and Replace, Dispose

- b) **Recommendation** – this should flow from the evidence in the evaluation

Strategic Asset Management Group

This group comprises Key Members and officers. The group will agree the appraisal programme and receive the options appraisal reports. The group will use their service knowledge and partnerships to ensure that we take into account partner's potential opportunities e.g. Social Housing Registered Providers may want first refusal on sites suitable for housing, however given the council's finances sales will be at the market valuation. This may therefore require s.106 commuted sums to be used to deliver social housing on those sites but this will be facilitated by the Strategic Asset Management Group.

The group will also sign off the Option Appraisals and recommend any disposals to Executive for decision.

Investment will be proposed as part of the capital programme and for the acquisition of new assets a business case will be required.

Agenda Item 10

East Herts Council Report

Council

Date of meeting: 1 March 2023

Report by: Councillor Geoffrey Williamson, Deputy Leader of the Council and Executive Member for Financial Sustainability

Report title: Budget 2023/24 and Medium Term Financial Plan 2023 – 2028

Ward(s) affected: All

Summary – This report sets out the Council's Medium Term Financial Plan (MTFP) which is based on the expectation of local government experiencing a further round of spending challenges. The council's financial position has been updated for the provisional Local Government Finance Settlement but cannot be finalised until the Business Rates income estimate has been completed, which has been delayed by system problems.

RECOMMENDATIONS FOR COUNCIL

- a)** To approve the budget and Medium Term Financial Plan at Appendix A with a Council Tax increase of 2.99%, which will result in a Band D Equivalent Council Tax annual increase of £5.50;
- b)** To approve the Capital Programme at Appendix B;
- c)** To approve the Fees and Charges at Appendix C noting that charges have been calculated on a full cost recovery basis in line with the Fees and Charges Policy.
- d)** To note that the level of budget reductions required to balance the budget in the medium term is beyond further efficiency

measures alone and that Leadership Team are preparing a Reconciling Policy, Performance and Resources exercise that the new Council, elected in May 2023, will need to undertake alongside the development of the new Corporate Plan, to balance the budget over the medium term.

1.0 Proposal(s)

- 1.1 The Medium Term Financial Plan (MTFP) presented to Council in March 2022 has been updated to reflect the Autumn Statement and the forecast recession. The revised MTFP position is shown in Appendix A. This takes into account the costs of the 2022/23 employer's pay offer to the unions which was £311,860 more than the budget provision in 2022/23 which causes compound increases in future years of the MTFP. Contract inflation was set at 4% for 2022/23 and actual inflation was much higher and the pressure of £529,632 and compound increases have been built into future years of the MTFP.
- 1.2 A number of key assumptions have been made in refreshing the MTFP and these are detailed in the following paragraphs.
- 1.3 The Council Tax Base was set at Council in December at 63,892.8. The assumption is that Local Council Tax Support cases will increase by 10% but there has been and is forecast to be additional growth from new properties. These assumptions provide for a prudent level of increase in tax base overall whilst avoiding a potential Collection Fund deficit in 2023/24 should the estimate of new properties fail to materialise or there is an upswing in Working Age Local Council Tax Support claims – the growth built into the taxbase has been suitably reduced to prevent optimism bias in the forecast. The 2008 financial downturn took until 2010 to have a marked effect on council taxbases with 2010 seeing almost zero growth across all of the English taxbases.

- 1.4 The Government announced at the Autumn Statement that they would allow flexibility on Council Tax increases and for referenda purposes with the Council being permitted the higher of £5 or 3%. The Provisional Local Government Financial Settlement set out the referendum principles and the actual maximum increase is 2.99% and a 3% increase will actually result in a referendum. MTFP assumptions are now that Council Tax increases will be at the rate of 2.98% for the MTFP period. This new increase will add 50 pence to the planned increase for 2023/24 so that the 2023/24 Band D equivalent Council Tax will now increase by 2.99% (£5.50) to £189.59 for the year. The additional Council Tax revenue generated is £31,946 which otherwise would be permanently foregone. The previous MTFP plan for Council Tax would have seen an increase of 2.7% (£5) to £189.09 for the year.
- 1.5 Although government have given a strong commitment to update the current local government funding regime, it is now unlikely that reforms will be implemented before the general election. The MTFP has therefore been updated to reflect the impact of a delay to funding reform and the current grant funding being rolled forward.
- 1.6 On 19 December 2022, the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC), Rt. Hon. Michael Gove MP, released a written statement to Parliament on the provisional local government finance settlement 2023/24. The main points were:
- 1.6.1 Council Tax referendum principal to be set at the greater of £5 or 2.99%
 - 1.6.2 Business Rates Retention – the government has changed the inflation measure used to increase the local government funding amount within the Settlement Funding Amount (SFA). CPI (September increase of

10.1%) has been used, instead of RPI (September increase of 12.6%). The increase of 10.1% is split between the business rates system (+3.74%) and the compensation grant for under-indexing (+6.36%). The under-indexing multiplier grant has increased (by £930m), in order that local authorities do not lose what would have been the increase to the multiplier. The amount for East Herts is £481k.

- 1.6.3 For those authorities still receiving RSG, this has been increased by 10.1%, in line with what would have been the increase to the multiplier; there have also been existing grants worth £78m rolled into the RSG amounts. East Herts does not receive RSG.
- 1.6.4 Negative RSG – As in previous years, the government has decided to eliminate the negative RSG amounts which advantages East Herts.
- 1.6.5 As per the previously published Policy Statement, the Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth will not be implemented in the next two years.
- 1.6.6 Reduced: Services Grant (Previously the 2022/23 Services Grant) – This grant has been reduced from £822m to £464m. This reduction is due to the cancellation of the increase in National Insurance Contributions and to move funding to the Supporting Families programme. The methodology for the grant remains unchanged. For East Herts the grant reduces from £188k to £106k.
- 1.6.7 Reduced: New Homes Bonus - The 2023/24 allocations have been announced at £291m; a reduction of £265m on 2022/23. There have been no changes to the design of the scheme for 2023/24, with a single year's new

allocation. The large reduction in funding from the scheme is due to all prior years' legacy payments having now been paid. For East Herts the New homes Bonus award for 2023/24 is £931k.

1.6.8 Abolished: Lower Tier Services Grant – This grant (worth £111m in 2022/23) has been removed and replaced by the Minimum Funding Guarantee of 3% for 2023/24. East Herts received £199k in 2022/23.

1.6.9 New: Funding Guarantee – This £136m grant replaces the Lower Tier Services Grant. This grant is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% (before assumptions on council tax rate increases, but includes those on Council Tax base). East Herts will receive £774k in 2023/24.

1.10 The Actuary is finalising the triennial revaluation of the Pension Fund and the actual deficit cash payment cash contribution to pay off the past service deficit arising in the pension fund will be reduced to £637k per year, a saving of £163k on previous assumptions.

1.11 Pay inflation, already increased by the 2022/23 employer's pay offer was originally set at 2% for 2023/24. In line with inflation forecasts this has been increased to 4% in 2023/24 but remaining at 2% in future years. Contract inflation was set at 4% in 2022/23 and 2.5% thereafter. Given the actual inflation in 2022/23 the inflation provision has been increased across each year to reflect the compound increase on the base. Contract inflation for 2023/24 has been increased from 2.5% to 4%. A further provision of £180k has been set aside for unavoidable service cost pressures that cannot be absorbed in budgets. For example, the business rates revaluation assessments are

starting to arrive, and the council faces substantial increases on rates bills for offices and multi-storey car parks. Pressures from energy cost increases are feeding through from the leisure contractor and we are negotiating ways to mitigate that pressure. Harlow and Gilston Garden Town co-ordination is currently grant funded by DLUHC and there is some doubt that this grant will continue. If the grant ceases partners in the project may need to find up to an additional £50k each to support the co-ordination work.

- 1.12 The delay in Hertford Theatre has meant that the net income stream for the theatre has been moved back to 2025/26. The £1 million additional funding for weekly food collections has been moved from 2024/25 to 2025/26 to reflect the anticipated start of the new refuse, recycling and cleansing contract. In addition, a further £1 million has been added to the budget to meet potential increases in the contract costs going forward.
- 1.13 There has been slippage on the capital programme and therefore the capital programme has been re-phased to reflect this. In addition, priority has been given to: completing the major projects; essential maintenance only on operational assets; essential investment for the new waste contract; and continuing to deliver means-tested statutory housing improvement loans. As a result of the prioritisation exercise £9.560 million of capital expenditure has been paused until such time as it is affordable for the council to start the projects back up again. The paused projects are shown in Approved but not yet committed section. Should the projects become affordable due to reductions in cost and interest rates then they are easily committed and transferred back to the main programme under delegation. The Elizabeth Road redevelopment will be progressed only as far as planning permission and, should

planning permission be granted, officers will undertake a final viability test but on current returns it is anticipated that the best return to the council will be to put it up for sale with planning permission, which will increase the capital receipt to the council. Elsewhere on the agenda is the draft Asset Management Plan which has an emphasis on reviewing land holdings and seeking disposal of land and assets no longer required to maximise capital receipts. Capital receipts will be used to replace borrowing thus reducing revenue costs – for every £100k of borrowing replaced by capital receipt the council avoids £7,503 in revenue costs per year for the next 30 years (borrowing £100k for 30 years costs £225k in total so generating capital receipts and reducing borrowing has both medium and long term advantages for the taxpayer.

- 1.14 The interest rate payable by capital schemes has been increased to the actual loans rates on 2 December 2022 which is an average of 4.17% Officers, on the advice of the Treasury Advisors, anticipate that rates will fall during 2023 and 2024 so it is likely that actual borrowing rates will be less. However, the Council cannot set a budget based on rate expectations and must use actual rates. Using the rate of 4.17% on the reduced capital programme results in an increase on the interest payable budget of £472k and a reduction in Minimum Revenue Provision of £207k resulting in an overall pressure of £265k
- 1.15 The current capital programme has effectively used up the borrowing headroom that the revenue account is able to sustainably resource in the medium term and it is vital that the capital programme is tightly controlled and that any additions should not increase revenue costs. Newly emerging policies and strategies should be framed in the light of capital resources being scarce and not creating a revenue pressure in future years.

In the current environment many councils are contemplating cancelling outright capital projects. East Herts has already prioritised and paused a number of projects, but the new Council elected in May will need to consider the capital programme and associated costs as part of the Reconciling Policy, Performance and Resources process alongside the formation of the new Corporate Plan. Members should be aware now that there is absolutely no further capacity for significant additional borrowing for new projects in the medium term and that the affordability of the current programme is being kept under constant review, in line with the Prudential Code, and that sustained upward movements in PWLB interest rates will require further reductions from the programme unless capital receipts can be generated to replace borrowing.

- 1.16 The Transforming East Herts Programme is designed to modernise the council and deliver services that are digital by default ensuring end to end services are available 24/7 on the web. To be clear, there will still be a customer contact centre with members of staff on the telephone for those residents who cannot use digital services and/or need a customer contact agent to deal with complex queries. Adopting hybrid working and adopting modern workspaces should result in space being available in Wallfields to rent out. Further savings from additional rental or enabling the Wallfields campus to be sold to generate a capital receipt are being considered by officers.
- 1.17 There are two possible significant sources of additional revenue not included in the MTFP due to the fundamental uncertainty of the amounts and timing. The Levelling Up Bill indicates a potential 35% increase in planning application fees that would yield about £460k of additional income. There is no New Burdens Funding in the MTFP for 25/26 onwards for changes to

refuse and recycling as part of the Government's requirement that all councils collect the same materials in the same container so that residents are either co-mingling the same materials or source separating the same material so there is a consistent national recycling system. New burdens funding would be due on the introduction of the changed system and any funding would assist to reduce the cost of the refuse contract.

1.18 After the changes to the capital programme and interest rates and increased inflation and other pressures have been reflected in the MTFP the savings requirement increases by £1.769 million. Reductions to the savings target can be achieved through asset sales and replacement of borrowing by capital receipts received on those sales. The savings delivery profile, without smoothing was front loaded almost entirely into 2024/25 and 2025/26. In order to smooth out delivery over the term of the MTFP it is proposed to use:

1.18.1 £800k from the Interest Equalisation Reserve to mitigate against higher borrowing costs;

1.18.2 £700k from the General Reserve to be repaid at £150k a year from 2027/28 onwards; and

1.18.3 £400k from the New Homes Bonus Priority Spend Reserve to be repaid at £200k a year from 2027/28 onwards.

1.18.4 The New Homes Bonus Grant in 2023/24 will, after £400k is set aside to fund the review of the District Plan, be used to support the budget.

1.18.5 The additional business rates retention from membership of the Hertfordshire Pool in 2022/23 will be used in full to support the budget in 2023/24.

1.19 After the delivery profile has been smoothed the council will need to identify budget reductions as shown in the table below:

2022/23 £'000		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
	Transforming East Herts Savings 2023/24	(822)	(822)	(822)	(822)	(822)
	Transforming East Herts Savings 2024/25		(2,170)	(2,170)	(2,170)	(2,170)
	Transforming East Herts Savings 2025/26			(2,146)	(2,146)	(2,146)
	Transforming East Herts Savings 2026/27				(1,758)	(1,758)
	Transforming East Herts Savings 2027/28					(594)
	Total Transforming East Herts Savings	(822)	(2,992)	(5,138)	(6,896)	(7,490)

1.20 Leadership Team has been working on proposals to close the budget gap for 2023/24 and the summary in the Table below shows savings that will be implemented by Leadership Team as they affect internal staff structures which are delegated to the Head of Paid Service and there are no impacts on residents and domestic customers from these proposals. Where there are impacts on non-domestic customers these are small and localised to a particular segment, for example the introduction of a charge for Section 61 notices for construction site noise. There are two proposals that require Member decision before they can be implemented and they are shown separately in the table.

Savings Type	2023/24 £(000)
Internal Structural changes	669
Supplies & Services reductions	83
Income generation	55
De-commissioning Charringtons House	29
Capital Financing change	20
Change to use external grant funding instead of council's funds	10
Sub Total	866

For Member decision:

Increase access to external grants to replace EHC's funds through a 'payment per results' agreement with CVS. As a result, external funding replaces council funding so reduce Community Grants from £94,000 to £40,000	54
Reduce general grants to Citizens Advice and CVS and use more payment by result service level agreements	10
Sub Total	64

Grand total	930
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- 1.21 Internal Structural changes mainly arise from changes in support service functions and expected progress on creating a centralised business support hub to provide administrative and support services for the whole council, replacing business support teams, where they exist, in service areas. As well as delivering a saving this will further embed the One Team ethos within the council.
- 1.22 Supplies and Services reductions are for small amounts across the Council. One example is Finance ending use of a separate software system by configuring the ledger system to do that work, saving £8k per year in software licence fees.
- 1.23 Income generation proposals are, in the main, new partnerships to share costs of Service Managers with neighbouring authorities who are experiencing difficulties recruiting. Another proposal is that there is a charge to Registered Providers for advertising properties on our Choice Based Lettings system, which will bring us into line with most local authorities.
- 1.24 The saving from the decommissioning of Charringtons house relates to the cost of the customer service centre located there. Due to the infrastructure in Charringtons being time-life expired we would not recover the costs of infrastructure renewal in the months before the building is handed over to CityHeart for

redevelopment as part of the Old River Lane renewal project. The main item of concern is the lift which, if it fails is beyond economic repair and would mean that tenants could not have Disability Discrimination Act compliant access and it would mean that moving tenants out would be more difficult and involve extra cost that we as landlord would be liable for. There are also particular issues with the way that mains water is supplied to the building with the pipework designed for a single occupancy building. There are several microfractures in the pipework that involve daily emptying of containers and monitoring of the fractures. In order to repair any leaks, the pipework design means that water is shut off to the whole building and we cannot isolate supply to a floor. Consequently, any repairs have to be at weekends or we have to close the building to tenants whilst repairs are undertaken. The timetable to handover to CityHeart has slipped into Autumn 2023 but Property are continuing to work to having the building vacant by 31 March 2023. Customer Services will be moving to another location in Bishop's Stortford for a trial period beginning in April 2023. Charringtons House, once vacant, will have services capped off and the managing agent will be discharged to save costs. The council will get 3 months empty exemption from business rates and alternative uses for the building which will not create a tenancy nor require the building to be deemed habitable are being pursued..

- 1.25 Capital Financing change relates to historic building loans which are being moved into the authorised but not committed part of the capital programme. When the council switched support from grants to loans, secured by a charge on the property, the number of historic building support applications has dropped to zero. As a result the Head of Planning and Building Control has suggested we do not include this and finance it in the capital

programme but move it to authorised and not committed and should an application be received, then committing the funding for an application can be quickly made by the Head of Strategic Finance & Property under delegation.

- 1.26 The final proposal is to apply for external grants and substitute using external funding instead of council taxpayers' funds. Analysis of funding available for, e.g. air quality projects shows that external funding bids could replace funding and more likely result in more being done via external funding than by being constrained by limited council resources.
- 1.27 The two savings proposals relating to grant changes require a Member decision. The proposals should be read in the context of additional grant being made via the UK Prosperity Fund allocations (which we are waiting for confirmation from DLUHC) which will initially provide an extra source of funding to bid for.
- 1.28 Our Social Value Policy is now in place and several social value priorities that bidders can choose to demonstrate social value are aimed at the voluntary community and social enterprise (VCSE) sector. Contracts over £75,000 must include social value as 10% of the award criteria and the council has listed priorities that bidders can choose to demonstrate social value. The Themes, Outcomes and Measures (TOMS) that relate to the VCSE sector are:
 - 1.28.1 Total amount (£) spent with VCSEs within your supply chain
 - 1.28.2 Provision of expert business advice to help VCSEs and MSMEs achieve net zero carbon
 - 1.28.3 Equipment or resources donated to VCSEs (£ equivalent value)
 - 1.28.4 Percentage of invoices on the contract paid to MSMEs and VCSEs within 30 days

- 1.28.5 Donations and/or in-kind contributions to specific local community projects (£ & materials)
- 1.28.6 Support provided internally and to MSMEs and VCSEs within the supply chain to adopt Circular Economy solutions - business case and leadership for circular economy.
- 1.29 In line with other local authorities using the social value portal we will be able to report annually on social value achieved and are confident that the VCSE sector will receive new funding from this source to replace council taxpayer's funds.
- 1.30 The changes to grant funding proposed will form an agreement with CVS for payments by result – CVS will leverage in funding from other external grant sources for community groups which will result in grant payments to CVS related to the amount of external funding achieved. This will speed the transition to community groups not being reliant on East Herts for funding and combined with the expected funding boost from the social value policy, will ensure that funding is secured from diverse sources and over time increases from those other sources ensuring the sustainability of the VCSE sector in East Herts.

2.0 Background

- 2.1 Significant uncertainty continues to dominate the context within which we are working towards delivering a balanced budget over the medium term. The financial outlook remains unclear with a further one-year financial settlement anticipated for 2023/24 and uncertainty whether key national reforms are subject to further delay. The national policy agenda continues to evolve rapidly, with legislative and policy changes that respond to the government's changing position as it seeks to deal with international and national issues as well as backbench MPs seeking to take advantage of the political situation to force policy

changes by co-ordinating amendments likely to cause Government defeats or having to rely on opposition votes to pass legislation.

2.2 The Council's business and financial planning is underpinned by the Corporate Plan and its four priorities, which provide a clear focus for decisions about spending and savings and direct activity across the Council.

2.3 The four priorities are:

2.3.1 **S**ustainability at the heart of everything we do;

2.3.2 **E**nabling our communities;

2.3.3 **E**ncouraging economic growth; and

2.3.4 **D**igital by default.

2.4 Officers will continue to explore options to further reduce net cost to meet the savings targets. The new Council which will be elected in May 2023 will set the new Corporate Plan and alongside that undertake a Reconciling Policy, Performance and Resources exercise. This will set out the overall resource envelope and align spending with corporate plan priorities. This will include: examining service provision levels; whether non-statutory services should be provided as part of the council tax or only provided as a charged for service; and reviewing and benchmarking contracts to reflect changes in service delivery and to ensure that prices and methods remain competitive. Given the financial position, which all the districts and boroughs in Hertfordshire are also facing, East Herts Council can no longer seek to protect the service offer to residents and hard decisions lie ahead for Members because of the current economic shocks.

3.0 Reason(s)

3.1 The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming

year from all sources, together with contributions from reserves, in order to determine a net budget requirement to be met by government grant, Business Rates and Council Tax.

4.0 Options

- 4.1 Given the financial outlook the Executive have very few options available to ensure a balanced budget. Any growth the Executive wish to propose must be balanced by reductions elsewhere.
- 4.2 The Executive may propose a lower rate of Council Tax but this will result in additional savings requirements which will require significant changes to the service offer and the compound revenue foregone from Council Tax will be lost in perpetuity.
- 4.3 In order to draw up the detailed budget and MTFP the Executive agreed, as guidance to officers, that the budget proposals should be based on a Council Tax increase of £5, contract inflation up to 4%, no inflation in other goods and services budgets and that the provision for the national pay award will be up to 4%. The Autumn Statement provided a level of flexibility on Council Tax to increase by £5 or 3%, whichever is the greater. The Deputy Leader and Executive Member for Financial Sustainability was consulted and agreed that budget proposals should be brought forward based on full use of that flexibility.

5.0 Risks

- 5.1 Significant uncertainty continues to dominate the context within which we are working towards delivering a balanced budget over the medium term. The financial outlook remains unclear with a further one-year financial settlement anticipated for 2023/24 and key national reforms having been subject to further delay. The national policy agenda continues to evolve rapidly, with legislative and policy changes that respond to the new government's agenda, the impacts of which are not yet fully clear.

- 5.2 The council faces recruitment and retention difficulties, particularly in services where there are national shortages of professionally qualified staff. The council is examining ways to deal with this which is affordable and sustainable to the council and factors in savings against more expensive agency staffing costs
- 5.3 The adequacy of the General Fund balance to meet unexpected expenditure will be considered by the Head of Strategic Finance and Property and be reported to Council as part of his report under Section 25 Local Government Act 2003 on the robustness of the estimates made in drawing up the budget and the adequacy of the proposed level of reserves.

6.0 Implications/Consultations

- 6.1 The council is required to consult with Business Ratepayers under s.34 Local Government Finance Act 1988.
- 6.2 Consultation with the public will involve asking about perceptions of value for money and the importance of services to them but not specifics of the budget proposals due to the technical nature of the budget papers and resource pressures within the council.

Community Safety

The budget underpins delivery of the Council's policies and priorities in relation to community safety.

Data Protection

No

Equalities

The Council has a statutory duty under the Equalities Act 2010, in particular s149. This includes the requirements on the Council to have due regard to the need to eliminate discrimination and harassment, to advance equality of opportunity, to foster good relations and to remove or minimise disadvantages suffered by persons who share protected characteristics.

Compliance with these duties in the Equalities Act does permit the Council to treat some persons more favourably than others, but only to the extent that such conduct is not otherwise prohibited.

In setting the budget, decisions on some matters may be particularly relevant to the discharge of this duty, particularly fees and charges concessions and an equalities impact assessment will be undertaken to assess and ensure compliance with this duty.

Environmental Sustainability

The budget underpins policies and priorities in relation to the environmental and sustainability areas.

Financial

These are contained in the main body of the report.

Health and Safety

No

Human Resources

The budget will provide a provision for a pay award of up to 3% but the actual award is subject to national NJC negotiations. This provision is set in the light of forward inflation estimates for September 2021 in the Bank of England Monetary Policy Report August 2021.

Human Rights

No

Legal

The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 (as amended by the Localism Act 2011) requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with government grant and contributions from reserves, in order to determine a basic Council Tax Requirement.

Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of the estimates and adequacy of reserves to the Council when it is considering the budget.

Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to the Full Council if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year. The issuing of a Section 114 report requires the Full Council to meet within 21 days to consider the report and during that period the Council is prohibited from entering into new agreements involving the incurring of expenditure.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A – Budget and Medium-Term Financial Plan

Appendix B – Capital Programme

Appendix C – Fees and Charges

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GENERAL FUND REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN

2022/23		2023/24	2024/25	2025/26	2026/27	2027/28
£'000		£'000	£'000	£'000	£'000	£'000
378	Chief Executive & PA's	349	359	370	381	393
1,423	Communications, Strategy & Policy	1,457	1,491	1,527	1,563	1,602
534	Human Resources & Org Development	546	531	542	553	564
1,770	Strategic Finance & Property	2,076	2,119	2,163	2,208	2,244
594	Corporate	795	999	1,207	1,421	1,641
1,482	Legal & Democratic Services	1,505	1,545	1,586	1,627	1,671
2,298	Housing and Health	2,270	2,336	2,407	2,481	2,558
238	Capital Expenditure Charged to a Revenue Account	238	3,238	238	238	238
1,945	Planning & Building Control	1,966	2,028	2,091	2,156	2,223
2,277	Operations	1,909	1,396	2,313	2,392	2,555
976	Shared Revenues & Benefits Service	1,021	1,066	1,112	1,160	1,208
2,213	IT Shared service	2,313	2,313	2,313	2,313	2,313
	Pay inflation including 2022/23 award pressure	624	949	1,288	1,642	2,012
	Audit Fee increase	115	117	120	122	124
	Unavoidable service costs pressures	180	180	180	180	180
	Contract inflation including 2022/23 pressure	740	784	830	877	926
	Contract renewal cost pressures	50	100	550	50	-
16,129	Net Cost of Services	18,153	21,551	20,836	21,363	22,451

Transforming East Herts Savings

2022/23		2023/24	2024/25	2025/26	2026/27	2027/28
£'000		£'000	£'000	£'000	£'000	£'000
	Transforming East Herts Savings 2023/24	(822)	(822)	(822)	(822)	(822)
	Transforming East Herts Savings 2024/25		(2,170)	(2,170)	(2,170)	(2,170)
	Transforming East Herts Savings 2025/26			(2,146)	(2,146)	(2,146)
	Transforming East Herts Savings 2026/27				(1,758)	(1,758)
	Transforming East Herts Savings 2027/28					(594)
	Total Transforming East Herts Savings	(822)	(2,992)	(5,138)	(6,896)	(7,490)

Corporate Budgets

2022/23		2023/24	2024/25	2025/26	2026/27	2027/28
£'000		£'000	£'000	£'000	£'000	£'000
-	Fees & Charges Annual Review	(100)	(150)	(200)	(250)	(300)
20	Minimum Revenue Provision	557	1,583	1,583	2,013	2,025
459	Interest Payable on Loans	979	1,519	1,773	2,046	2,061
(750)	Investment Income	(1,000)	(900)	(800)	(800)	(800)
754	Pension Fund Deficit Contribution	637	637	637	674	674
483	Total corporate budgets	1,073	2,689	2,993	3,683	3,660

Reserves

2022/23 £'000		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
438	Contributions to Earmarked Reserves	590	190	490	335	-
(1,555)	Contributions from Earmarked Reserves	(1,408)	(3,606)	(900)		200
-	Planned Use of General Fund Balance		(300)	(300)		150
1,383	New Homes Bonus Cont to Reserve		250	250	-	-
265	Total reserves	(818)	(3,466)	(460)	335	350

Funding

2022/23 £'000		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
(150)	Capital Salaries	(150)	(150)	(150)	(150)	(150)
(3,616)	NDR	(2,933)	(2,933)	(2,933)	(2,933)	(2,933)
-	Business Rates Pool 22/23 Pooling Gain	(511)				
(1,900)	Section 31 Grants	(1,169)	(1,169)	(1,169)	(1,206)	(1,206)
2,386	(Surplus)/Deficit on Collection Fund	1,583		-	-	-
(689)	Government Grant	(1,361)	(688)	(641)	(594)	(547)
(1,383)	New Homes Bonus	(931)	(250)	(250)	-	-
(5,352)	Total Funding	(5,472)	(5,190)	(5,143)	(4,883)	(4,836)

11,526	Net Expenditure financed by Council Tax	12,113	12,592	13,088	13,602	14,135
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(11,526)	Demand on Collection Fund	(12,113)	(12,592)	(13,088)	(13,602)	(14,135)
62,610	Council Taxbase	63,893	64,493	65,093	65,693	66,293
184.09	Council Tax at Band D (£)	189.59	195.24	201.06	207.05	213.22

**Percentage Increase in Council Tax
£ increase in Council Tax**

2.99% 2.98% 2.98% 2.98% 2.98%
5.50 5.65 5.82 5.99 6.17

EAST HERTS DISTRICT COUNCIL CAPITAL PROGRAMME 2023/24 TO 2027/28

APPROVED SCHEMES	Schemes expenditure to 31/03/22 £000	2022/23 Forecast Outturn £000	2023/24 Original Budget £000	2024/25 Original Budget £000	2025/26 Original Budget £000	2026/27 Original Budget £000	2027/28 Original Budget £000	Scheme Total £000
Land and Buildings								
Investment in operational assets		205	250	250	100	100	100	1,005
Buntingford Depot		-	-	800	-	-	-	800
Hartham Leisure Centre - Extension	4,713	4,280	2,078	-	-	-	-	11,071
Hertford Theatre	2,975	10,572	10,558	-	-	-	-	24,105
Northgate End Regeneration (MSCP, domestic and non-domestic units)	21,820	3,117	-	-	-	-	-	24,937
Old River Lane Regeneration and Arts Centre	2,815	500	2,000	12,000	6,077	-	-	23,392
Total Land and Buildings	32,323	18,674	14,886	13,050	6,177	100	100	85,310
Vehicles and Equipment								
Refuse & recycling containers		-	-	550	-	-	-	550
ICT Rolling programme		470	450	450	450	450	450	2,720
Total Vehicles and Equipment		470	450	1,000	450	450	450	3,270
Community Assets								
Open Space Improvements:								
Replacement play equipment across the district		-	50	50	50	50	50	250
Castle Park - HLF - Delivery Phase		1160	2,700	94	-	-	-	3,954
Total Community Assets		1,160	2,750	144	50	50	50	4,204

APPROVED SCHEMES	Schemes expenditure to 31/03/22 £000	2022/23 Forecast Outturn £000	2023/24 Original Budget £000	2024/25 Original Budget £000	2025/26 Original Budget £000	2026/27 Original Budget £000	2027/28 Original Budget £000	Scheme Total £000
Revenue Expenditure Funded as Capital Under Statute (REFCUS)								
Home Improvement Loans		20	120	120	120	120	120	620
Community Capital Grants		127	50	50	50	50	50	377
Green Deal Loans		20	20	20	20	20	20	120
Rivers and Watercourse Maintenance		48	48	48	48	48	48	288
Land Management Asset Register & Associated Works		50	50	50	50	50	50	300
Total REFCUS		265	288	288	288	288	288	1,705
TOTAL CAPITAL EXPENDITURE	32,323	20,569	18,374	14,482	6,965	888	888	94,489
FUNDED BY:								
Borrowing (Internal)		(1,658)	(368)	-	-	-	-	(2,026)
Borrowing (External)		(13,701)	(12,242)	(5,971)	(6,427)	(350)	(350)	(39,041)
Capital Receipts		(1,600)	(3,160)	(5,140)	(250)	(250)	(250)	(10,650)
Capital Grants Applied		(3,185)	(2,276)	(83)	-	-	-	(5,544)
Capital Expenditure Charged to a Revenue Account		(425)	(328)	(3,288)	(288)	(288)	(288)	(4,905)
TOTAL CAPITAL PROGRAMME FUNDING	(32,323)	(20,569)	(18,374)	(14,482)	(6,965)	(888)	(888)	(94,489)

APPROVED BUT NOT YET COMMITTED								
Schemes approved not yet committed								
Transformation Programme			1,000	2,000	2,000			5,000
Ward Freman Joint Use Facilities					1,100			1,100
Elizabeth Road Redevelopment				200	1,500			1,700
Historic Building Loans			20	20	20	20	20	100
Queens Road Ware Temporary Accomodation	377		180					557
								0
Capital Contingency - Major Projects			1,500	-	-	-	-	1,500
TOTAL APPROVED BUT NOT YET COMMITTED	377		2,700	2,220	4,620	20	20	9,957

Funded by:

Borrowing			(1,593)	(200)	(2,600)	-	-	(4,393)
Capital Receipts			-	-	-	-	-	-
Capital Grants Applied	-377		(87)	-	-	-	-	(464)
Use of Earmarked Reserves			(1,000)	(2,000)	(2,000)			(5,000)
Capital Expenditure Charged to a Revenue Account			(20)	(20)	(20)	(20)	(20)	(100)
TOTAL APPROVED BUT NOT YET COMMITTED	-377		(2,700)	(2,220)	(4,620)	(20)	(20)	(9,957)

NOTE:

Schemes Approved but not yet Committed are those schemes where past experience has indicated there are traditionally underspends or there are specific issues with a scheme proceeding that is outside the control of the Council. Approval by Council provides protection for the budgeted scheme for the year(s) indicated. Schemes are Committed by the Head of Strategic Finance in consultation with the Executive Member for Financial Sustainability. Virements are forbidden from these budgets without the authority of Council to prevent these budgets being committed to cover overspends or for immediate transfer to new schemes that do not have Council approval.



Housing & Health

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

Environmental Health Licences

Animal licences - Grant or renewal cost of one licensable activity (plus vet fees)	Cost Recovery	Every 1 to 3 years	382.00	461.00	OS
Animal licences - Grant or renewal cost per additional licensable activity	Cost Recovery	Every 1 to 3 years	243.00	243.00	OS
Animal licences - Hiring of horses annual inspection fee (plus hiring of horses additional charge below) (invoiced after each annual inspection)	Cost Recovery	Every 1 to 3 years	211.00	221.00	OS
Animal licences - Hiring of horses additional charge per horse - NEW CHARGE	Cost Recovery	Every 1 to 3 years	-	13.00	OS
Animal licences - Minor variation of a current licence (no site visit)	Cost Recovery	per variation	35.00	110.00	OS
Animal licences - Variation of a current licence (involving site visit) (plus vet fees)	Cost Recovery	per variation	211.00	249.00	OS
Animal licences - Re-evaluation of a licenced premises star rating (plus vet fees)	Cost Recovery	per inspection	211.00	461.00	OS
Zoos - New Licence (plus vet fees)	Cost Recovery	per 4 year registration	2,442.00	2,521.00	OS
Zoos - Year 3 periodical inspection (plus vet fees)	Cost Recovery	per inspection	1,888.00	2,291.00	OS
Zoos - Year 6 renewal licence inspection (plus vet fees)	Cost Recovery	per 6 years	1,888.00	2,322.00	OS
Zoos - Transfer of Licence (plus vet fees)	Cost Recovery	per transfer	959.00	959.00	OS
Dangerous Wild Animals (plus vet fees)	Cost Recovery	per 2 years	300.00	383.00	OS
Registration for Skin Piercing (Premises)	Cost Recovery	per business	240.00	240.00	OS
Registration for Skin Piercing (Person) - When registered at the time of premises registration - NEW CHARGE	Cost Recovery	per person	-	13.00	OS
Registration for Skin Piercing (Person) - When registered after / independently of premises registration	Cost Recovery	per person	150.00	165.00	OS
Registration for Peripatetic Skin Piercing	Cost Recovery	per business	240.00	240.00	OS
Update to an existing Skin Piercing registration (minor update not needing site visit). If visit needed see registration of premises and/or person cost - AMENDED SCOPE	Cost Recovery	per update	150.00	80.00	OS
Replacement of any environmental health licence, FHRS sticker or registration certificate	Cost Recovery	per licence	23.00	26.00	OS

Food Hygiene and Safety

Issue of certificate following surrender of food - first hour (plus disposal costs)	Cost Recovery	per hour or part	61.00	77.00	OS
Issue of certificate following surrender of food - additional hours (plus disposal costs)	Cost Recovery	per hour or part	-	51.00	OS
Food export health certificate (first hour)	Cost Recovery	per hour or part	61.00	79.00	OS
Food export health certificate (additional hours)	Cost Recovery	per hour or part	-	51.00	OS
Letter confirming food premises registration	Cost Recovery	per letter	23.00	30.00	OS
Food Hygiene Rating Scheme Rescoring Visit	Cost Recovery	per visit	180.00	185.00	OS

Miscellaneous Fees & Charges



Housing & Health

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT £	2023/24 Charge Ex. VAT £	VAT
Contaminated Land/ additional land charge enquiry (simple land search)	Cost Recovery	per enquiry	76.00	84.00	OS
Contaminated Land/ additional land charge enquiry (detailed land search)	Cost Recovery	per enquiry	188.00	199.00	OS
Statement of fact for civil cases (first hour)	Cost Recovery	First hour or part	61.00	81.00	S
Statement of fact for civil cases (additional hours)	Cost Recovery	per hour or part	-	51.00	S
Exhumations (first hour)	Cost Recovery	First hour or part	61.00	81.00	OS
Exhumations (additional hours)	Cost Recovery	per hour or part	-	51.00	OS
Public health burials (first hour)	Cost Recovery	First hour or part	61.00	79.00	OS
Public health burials (additional hours)	Cost Recovery	per hour or part	-	51.00	OS

Private Water Supplies

Risk Assessment (first hour) (plus costs incurred by specialist inspector)	Cost Recovery	per hour or part	61.00	77.00	S
Risk Assessment (additional hours) (plus costs incurred by specialist inspector)	Cost Recovery	per hour or part	-	45.00	S
Risk Assessment - Desktop (first hour)	Cost Recovery	per hour or part	61.00	77.00	S
Risk Assessment - Desktop (additional hours)	Cost Recovery	per hour or part	-	45.00	S
Sampling Visit - first hour (plus analysis costs)	Cost Recovery	per hour or part	61.00	71.00	S
Sampling Visit - additional hours (plus analysis costs)	Cost Recovery	per hour or part	-	45.00	S
Sampling - Desktop review of results (first hour)	Cost Recovery	per hour or part	-	71.00	OS
Sampling - Desktop review of results (additional hours)	Cost Recovery	per hour or part	-	45.00	OS
Investigation - first hour (plus analysis costs)	Cost Recovery	per hour or part	61.00	71.00	OS
Investigation - additional hours (plus analysis costs)	Cost Recovery	per hour or part	-	45.00	OS
Granting of Authorisation (first hour)	Cost Recovery	per hour or part	110.00	110.00	OS
Granting of Authorisation (additional hours)	Cost Recovery	per hour or part	61.00	61.00	OS

Private Sector Housing

Standards inspection for immigration	Cost Recovery	per inspection	183.00	183.00	S
Housing Notices (Plus any costs incurred for additional reports required to support notice service eg EICR, Structural Engineering Report, Damp Survey which will be charged separately)	Cost Recovery	fixed charge	410.00	410.00	OS
Housing Notices recovery of cost to arrange for professional reports (plus professional's costs)	Cost Recovery	per professional report	-	74.00	OS
Fixed penalty for failure to belong to an approved redress scheme		fixed charge	5,000.00	5,000.00	OS
Licence for a HMO with no more than 5 bedrooms - Full fee upon application	Cost Recovery	per licence	997.00	1,192.00	OS
Licence for a HMO with no more than 5 bedrooms - Part 1 Fee	Cost Recovery	per licence - initial at application	809.00	963.00	OS



Housing & Health

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT £	2023/24 Charge Ex. VAT £	VAT
Licence for a HMO - Part 2 Fee	Cost Recovery	per licence - final before issuing licence	242.00	254.00	OS
Additional bedrooms	Cost Recovery	each	19.00	25.00	OS
Renewal of HMO Licence - Full fee upfront.	Cost Recovery	per licence	834.00	991.00	OS
Renewal of HMO Licence - Two-part fee - Pt 1	Cost Recovery	per licence - initial at application	645.00	762.00	OS
Renewal of HMO Licence - Two-part fee - Pt 2	Cost Recovery	per licence - final before issuing licence	242.00	254.00	OS
HMO Confirmation Letters for licensable HMOs after application has been received	Cost Recovery	per letter	22.00	30.00	OS
Housing Advice Visit	Cost Recovery	per visit	315.00	336.00	S

OTHER LICENCES

Sex Establishments		per annum	3,104.00	3,418.00	OS
Sex Establishments		per renewal	2,749.00	3,027.00	OS
Sex Establishments		transfer	89.00	98.00	OS
Hypnotism Act 1952 - Occasional licensed premises			171.00	188.00	OS
Hypnotism Act 1952 - Occasional unlicensed premises			657.00	723.00	OS
Scrap Metal Site Licence		per licence granted	292.00	321.00	OS
Scrap Metal Site Licence		per licence renewed	217.00	349.00	OS
Scrap Metal Site Licence - Variation, Name Change, Change of Site		per change	52.00	57.00	OS
Scrap Metal Collectors Licence		per licence granted	264.00	291.00	OS
Scrap Metal Collectors Licence		per licence renewed	189.00	208.00	OS
Scrap Metal Collectors Licence - Variation, Name Change		per change	52.00	57.00	OS

TAXI LICENSING

Private Hire vehicle (new) - 1 year		per new licence	293.00	308.00	OS
Private Hire vehicle (renewal) - 1 year		per renewal	287.00	287.00	OS
Vehicle - either Hackney Carriage or Private Hire (new) HC only - 1 year	HC	per new licence	400.00	400.00	OS
Vehicle - either Hackney Carriage or Private Hire (renewal) HC only - 1 year		per renewal	318.00	318.00	OS
Dual Driver or Private Hire Driver (new) - 3 year PH			394.00	394.00	OS
Dual Driver or Private Hire Driver (renewal) - 3 year PH			284.00	284.00	OS
Dual Driver or Private Hire Driver (new) - 1 year			343.00	343.00	OS



Housing & Health

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT £	2023/24 Charge Ex. VAT £	VAT
Dual Driver or Private Hire Driver (renewal) - 1 year			234.00	234.00	OS
Private Hire Operator - 5 year (new)			302.00	302.00	OS
Private Hire Operator - 5 year (renewal)			296.00	296.00	OS
Private Hire Operator - 1 year (new)			266.00	266.00	OS
Private Hire Operator - 1 year (renewal)			266.00	266.00	OS
Each additional vehicle above 6			-	-	OS
Change of vehicle (new vehicle on old plate number)			59.00	59.00	OS
Change of vehicle (courtesy car)			91.00	91.00	OS
Vehicle Inspection (5 year check)			36.00	36.00	OS
Private Hire Driver converted to Dual Driver	Cost Recovery	Per driver	55.00	30.00	OS
Private Hire Driver converted to Hackney Carriage			108.00	108.00	OS
Change of vehicle proprietor			41.00	41.00	OS
Change of DVLA details (registration number etc.)			61.00	61.00	OS
Change of Drivers address			12.00	12.00	OS
Knowledge test and training day (all new applicants)			98.00	98.00	OS
Resit of both routes and rules & regulations tests			52.00	52.00	OS
Resit of routes test only			34.00	34.00	OS
Update training for existing drivers			62.00	62.00	OS
Enhanced DBS Online	Cost Recovery	Per person	94.00	94.00	OS
English Competency testing (in our offices)	Cost Recovery		-	97.00	OS
English Competency testing (remote)	Cost Recovery		-	78.00	OS
Roof light (complete)	Cost Recovery	per light	80.00	65.00	S
Roof light (top cover only)	Cost Recovery	per light	40.00	45.00	S
Roof Light (base)			30.00	30.00	S
Replacement driver's badges	Cost Recovery	Each	27.00	19.00	S
Hackney Carriage Replacement plate (or additional for a trailer)	Cost Recovery	Each	44.00	20.00	S
Private Hire Vehicle replacement plate	Cost Recovery	Each	44.00	22.00	S
Roof light bulbs			3.23	3.23	S



Housing & Health

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT £	2023/24 Charge Ex. VAT £	VAT
Magnets (sold as a pair)	Cost Recovery	Per pair	6.47	18.00	S
Executive Disc (private hire vehicles only)	Cost Recovery	Each	11.81	13.00	S
Refund per full calendar month of unexpired drivers licence PH (new)			2.10	2.10	OS
Refund per full calendar month of unexpired drivers licence PH (renewal)			1.00	1.00	OS
Refund per full calendar month of unexpired drivers licence HC (new)			2.10	2.10	OS
Refund per full calendar month of unexpired drivers licence HC (renewal)			1.00	1.00	OS
Refund per full calendar month of unexpired vehicle licence PH (new)			4.20	4.20	OS
Refund per full calendar month of unexpired vehicle licence PH (renewal)			4.20	4.20	OS
Refund per full calendar month of unexpired vehicle licence HC (new)			4.20	4.20	OS
Refund per full calendar month of unexpired vehicle licence HC (renewal)			4.20	4.20	OS
Refund per full calendar year of unexpired operators licence (new)			11.50	11.50	OS
Refund per full calendar year of unexpired operators licence (renewal)			11.50	11.50	OS

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	OS
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	OS
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	OS
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	OS
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	OS
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	70.00	70.00	OS
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	180.00	180.00	OS
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	295.00	295.00	OS
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	320.00	320.00	OS
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	350.00	350.00	OS
PERSONAL LICENCE	Statutory Fee	per licence	37.00	37.00	OS

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

OTHER FEES AND CHARGES

Supply of copies of information contained in register		per black & white A4 sheet	0.15	0.15	S
Supply of copies of information contained in register		per black & white A3 sheet	0.30	0.30	S
Supply of copies of information contained in register		per black & white A0 sheet	2.00	2.00	S
Supply of copies of information contained in register		per colour A4 sheet	0.30	0.30	S
Supply of copies of information contained in register		per colour A3 sheet	0.60	0.60	S
Supply of copies of information contained in register		per colour A0 sheet	2.30	2.30	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	OS
Notification of change of name or address (holder of premises licence)	Statutory Fee	per change	10.50	10.50	OS
Application to vary or to specify individual as premises supervisor	Statutory Fee	per application	23.00	23.00	OS
Application to transfer premises licence	Statutory Fee	per application	23.00	23.00	OS
Interim authority notice	Statutory Fee	per notice	23.00	23.00	OS
Application for making of a provisional statement	Statutory Fee	per statement	315.00	315.00	OS
Application for copy of certificate or summary on theft, loss etc. of certificate or summary	Statutory Fee	per copy	10.50	10.50	OS
Notification of change of name or alteration of club rules	Statutory Fee	per change	10.50	10.50	OS
Change of relevant registration address of club	Statutory Fee	per change	10.50	10.50	OS
Temporary event notice	Statutory Fee	per notice	21.00	21.00	OS
Application of copy of notice on theft, loss etc. of temporary event notice	Statutory Fee	per copy	10.50	10.50	OS
Application of copy of licence on theft, loss etc. of personal licence	Statutory Fee	per copy	10.50	10.50	OS
Notification of change of name or address (personal licence)	Statutory Fee	per change	10.50	10.50	OS
Notice of interest in any premises	Statutory Fee	per notice	21.00	21.00	OS

Gambling Act 2005

Bingo Premises		per licence	3,258.00	3,258.00	OS
Bingo Premises		per variation	1,629.50	1,629.50	OS
Bingo Premises		per transfer	1,117.00	1,117.00	OS
Bingo Premises		Annual Fee	931.00	931.00	OS
Adult Gaming Centre Premises		per licence	1,883.00	1,883.00	OS
Adult Gaming Centre Premises		per variation	931.00	931.00	OS
Adult Gaming Centre Premises		per transfer	1,095.00	1,095.00	OS



Housing & Health

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT £	2023/24 Charge Ex. VAT £	VAT
Adult Gaming Centre Premises		Annual Fee	931.00	931.00	OS
Betting Premises (Track)		per licence	2,328.00	2,328.00	OS
Betting Premises (Track)		per variation	1,165.00	1,165.00	OS
Betting Premises (Track)		per transfer	885.00	885.00	OS
Betting Premises (Track)		Annual Fee	931.00	931.00	OS
Betting Premises (Other)		per licence	2,799.00	2,799.00	OS
Betting Premises (Other)		per variation	1,397.00	1,397.00	OS
Betting Premises (Other)		per transfer	1,117.00	1,117.00	OS
Betting Premises (Other)		Annual Fee	365.00	365.00	OS
Family Entertainment Centre Premises		per licence	1,862.00	1,862.00	OS
Family Entertainment Centre Premises		per variation	931.00	931.00	OS
Family Entertainment Centre Premises		per transfer	885.00	885.00	OS
Family Entertainment Centre Premises		Annual Fee	698.00	698.00	OS
Temporary Use Notices		per notice	608.00	500.00	OS
Temporary Use Notices		per copy	30.00	25.00	OS
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per permit	150.00	150.00	OS
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per variation	100.00	100.00	OS
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per transfer	25.00	25.00	OS
Notification 2 gaming machines	Statutory Fee	per notice	50.00	50.00	OS
Club Gaming Machine Permit 5 years (Up to 3 machines)	Statutory Fee	per permit	100.00	100.00	OS
Club Gaming Machine Permit	Statutory Fee	Annual Fee	50.00	50.00	OS
Small Lotteries	Statutory Fee	per setup	40.00	40.00	OS
Small Lotteries	Statutory Fee	per renewal	20.00	20.00	OS

Street Trading

Street Trading: Occasional Registered Charity (up to one month)	Cost Recovery	per month	69.00	76.00	OS
Street Trading: Occasional (up to one month)	Cost Recovery	per month	135.00	149.00	OS
Street Trading: Peripatatic (e.g. ice cream van)	Cost Recovery	per annum	391.00	430.00	OS
Street Trading: Static (e.g. burger van)	Cost Recovery	per annum	397.00	437.00	OS

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT £	2023/24 Charge Ex. VAT £	VAT
Street Trading: Occasional (up to one month)	Cost Recovery	per month	28.00	31.00	OS
Street Trading: Annual	Cost Recovery	per annum	305.00	336.00	OS
Transfer of street trading consent	Cost Recovery	per transfer	27.00	30.00	OS
Variation of street trading consent	Cost Recovery	Per variation	27.00	30.00	OS
Street trading consent refund - greater than 6 months left on consent	Cost Recovery	per consent	25% of fee paid	25% of fee paid	OS
Street trading consent refund - between 3 and 6 months left on consent	Cost Recovery	per consent	10% of fee paid	10% of fee paid	OS

HOSTELS

Rectory and Hillside Hostels Single Room (excl. service charges)	Cost recovery	per week	200.00	250.00	Z
Rectory and Hillside Hostels Double Room (excl. service charges)	Cost recovery	per week	225.50	330.00	Z
Rectory and Hillside Hostels Family Room (excl. service charges)	Cost recovery	per week	235.80	375.00	Z
Cedar Cottage Support Hostel Self Contained Unit	Cost recovery	per week	200.00	377.00	Z
Bed & Breakfast - Single person	Benefit Cap	per week	129.33	129.33	Z
Bed & Breakfast - Single person	Benefit Cap	per day	15.80	15.80	Z
Bed & Breakfast - Single person and one child	Benefit Cap	per week	146.40	146.40	Z
Bed & Breakfast - Single person and one child	Benefit Cap	per day	20.90	20.90	Z
Bed & Breakfast - Single person and two children	Benefit Cap	per week	159.00	159.00	Z
Bed & Breakfast - Single person and two children	Benefit Cap	per day	22.80	22.80	Z
Bed & Breakfast - Couple	Benefit Cap	per week	146.40	146.40	Z
Bed & Breakfast - Couple	Benefit Cap	per day	20.90	20.90	Z
Bed & Breakfast - Couple and one child	Benefit Cap	per week	171.80	171.80	Z
Bed & Breakfast - Couple and one child	Benefit Cap	per day	24.50	24.50	Z
Bed & Breakfast - Couple and two children	Benefit Cap	per week	181.10	181.10	Z
Bed & Breakfast - Couple and two children	Benefit Cap	per day	26.60	26.60	Z
Bed & Breakfast - Additional children up to 16	Benefit Cap	per week	15.10	15.10	Z
Bed & Breakfast - Additional children up to 16	Benefit Cap	per day	2.10	2.10	Z



Legal and Democratic Services

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

LAND CHARGES

Registration of a charge in Part II of the register	Statutory	per charge	67.00	67.00	OS
Filing a definite certificate of the Lands Tribunal under rule 10 (3)	Statutory	per certificate	2.50	2.50	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	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	OS
Office copy of any plan or other document filed pursuant to the rules	Statutory	per copy	Individual Charge	Individual Charge	OS
Standard search fee: LLC1/CON29 VAT inclusive price	Cost Recovery	Per search	135.21	127.55	I
Extra parcel fee with standard search	Cost Recovery	Per search	21.00	23.79	I
Standard search including all CON290 questions	Cost Recovery	Per search	432.57		I
LLC1	Cost Recovery	Per search	22.05	28.25	Z
CON29	Cost Recovery	Per search	94.30	82.75	S
Con290 Qu.4 -21	Cost Recovery	Per search	12.60	31.20	S
Con29o Qu.22	Cost Recovery	Per search	21.00	32.28	S
Extra parcel fee (LLC1)	Cost Recovery	Per search	5.25	9.75	Z
Extra parcel fee (Con29)	Cost Recovery	Per search	15.75	11.70	S

LEGAL CHARGES

External legal advice (Non Public Law Partnership member)	Discretionary	Per hour	201.00	255.00	S
Authorised Guarantee Agreement	Discretionary	Fixed	570.00	628.00	S
Commercial lease assignment	Discretionary	Fixed	772.00	850.00	S
Leases	Discretionary	Fixed	891.00	981.00	S
Licences	Discretionary	Fixed	416.00	459.00	S
Deed of covenants	Discretionary	Fixed	£511.66 PLUS 3%	£511.66 PLUS 3%	S
Landlord licence	Discretionary	Fixed	651.00	717.00	S
Deed of variation (complex)	Discretionary	Fixed	1,187.00	1,307.00	S
Easements	Discretionary	Fixed	1,187.00	1,307.00	S
Drafting Rent Reviews	Discretionary	Fixed	297.00	327.00	S
s.106 TCPA 1990 – simple	Discretionary	Per Hour	1,187.00	255.00	S
s.106 TCPA – complex	Discretionary	Per Hour	220.00		S



Legal and Democratic Services

	Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
			£	£	
Deed of Surrender	Discretionary	Fixed	712.00	784.00	S
Transfer of Open Space	Discretionary	Fixed	950.00	1,046.00	S
Licence of alterations	Discretionary	Fixed	831.00	915.00	S
Licence to assign leasehold premises	Discretionary	Fixed	831.00	915.00	S
Notice of Assignment	Discretionary	Fixed	97.00	107.00	S
Nomination Agreement	Discretionary	Fixed	750.00	826.00	S
Leasehold Enquiry Forms	Discretionary	Fixed	175.00	193.00	S
Letter and Consent	Discretionary	Fixed	35.00	39.00	S
Residential Lease Extension	Discretionary	Fixed	500.00	551.00	S
Notice of charge	Discretionary	Fixed	97.00	107.00	S
Postponement of Charge	Discretionary	Fixed	97.00	107.00	S
Sale of land	Discretionary	Fixed	890.00	980.00	S
Footpath/Bridleway Creation or Diversion Agreement	Discretionary	Fixed	1,781.00	1,961.00	S

Street Name & Numbering

Change of house name or adding alias name	Cost Recovery	Per address	87.00	95.00	Z
Registering 1 plot	Cost Recovery	Per address	87.00	95.00	Z
Registering 2-24 plots	Cost Recovery	Per address	58.00	64.00	Z
Registering 25-49 plots	Cost Recovery	Per address	46.00	51.00	Z
Registering 50-74 plots	Cost Recovery	Per address	35.00	39.00	Z
Registering 75-99 plots	Cost Recovery	Per address	29.00	32.00	Z
Registering 100+ Plots	Cost Recovery	Per address	17.00	20.00	Z
Naming a new street/block where the Council Chooses a Name	Cost Recovery	Per road name	231.00	250.00	Z
Naming a new street/block where the developer chooses a name (Three names to be submitted with local connection and must conform to policy)	Discretionary	Per road name	289.00	350.00	Z
Renaming of street where requested by residents and/or the Town/Parish Council	Discretionary	Per address	87.00	95.00	Z
Change to new addresses due to development changing after the schedule has been issued (applies to all amended plots)	Discretionary	Per address	58.00	64.00	Z



Legal and Democratic Services

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

Basis of Charge	Unit of Charge	2022/23	Ex.	2023/24	Ex.	VAT
		Charge		Charge		
		VAT		VAT		
		£		£		

Electoral Registration Fees

Fee for sale of the full register and notices of alteration	Statutory	per sale provided electronically	20.00	20.00	Z
and an additional	Statutory	per thousand or part thousand entries	1.50	1.50	Z
Fee for sale of the full register and notices of alteration	Statutory	per sale printed	10.00	10.00	Z
and an additional	Statutory	per thousand or part thousand entries	5.00	5.00	Z
Fee for sale of the open Register	Statutory	per sale provided electronically	20.00	20.00	Z
and an additional	Statutory	per thousand or part thousand entries	1.50	1.50	Z
Fee for sale of the open Register	Statutory	per sale printed	10.00	10.00	Z
and an additional	Statutory	per thousand or part thousand entries	5.00	5.00	Z
Fee for sale of the list of overseas electors	Statutory	per sale provided electronically	20.00	20.00	Z
and an additional	Statutory	per hundred or part hundred entries	1.50	1.50	Z
Fee for sale of the list of overseas electors	Statutory	per sale printed	10.00	10.00	Z
and an additional	Statutory	per hundred or part hundred entries	5.00	5.00	Z
Fee for sale of the marked document (register or absent voters list)	Statutory	per sale provided electronically	10.00	10.00	Z
and an additional	Statutory	per thousand or part thousand entries	1.00	1.00	Z
Fee for sale of the marked document (register or absent voters list)	Statutory	per sale printed	10.00	10.00	Z
and an additional	Statutory	per thousand or part thousand entries	2.00	2.00	Z
Photocopies of Election expense returns	Statutory	Per side copied	0.20	0.20	Z
Certificate of Registration	Discretionary	per elector per year	22.00	22.00	Z
Voter Authority Certificate	Statutory	per elector per year	-	Free	Z

Basis of Charge	Unit of Charge	2022/23		2023/24		VAT
		Charge	Ex. VAT	Charge	Ex. VAT	
		£		£		

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

FOI Request	Statutory	Under 18 hours of staff time	No charge for email response. Other responses are charged disbursements only	No charge for email response. Other responses are charged disbursements only	
FOI Request	Statutory	In excess 18 hours of staff time	The Council will not provide information above the statutory requirements	The Council will not provide information above the statutory requirements	

- However, where possible, we will assist the applicant to refine the request and determine what might be achieved within the £450 limit.

Disbursements (photocopying, copying to different media, postage etc)			Photocopying monochrome 15p per side. Photocopying colour 30p per side. Postage actual cost incurred	Photocopying monochrome 15p per side. Photocopying colour 30p per side. Postage actual cost incurred	
EIR Request	Statutory	Under 18 hours of staff time	No charge other than disbursements	No charge other than disbursements	
EIR Request	Statutory	In excess 18 hours of staff time	The Council will not provide information above the statutory requirements	The Council will not provide information above the statutory requirements	



Finance & Support Services

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

Letting of Council Offices

Council Chamber - Hertford	Cost recovery	per hour	70.00	90.00	n/a
Lea Room - Hertford	Cost recovery	per hour	-	75.00	n/a
Other Rooms - Hertford	Cost recovery	per hour	50.00	55.00	n/a

Miscellaneous Engineering Fees

Sewer Records/Plans	Cost recovery	per item	33.00	50.00	OS
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Markets

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

Markets

Street Trading Consent (Static)			387.15	427.00	OS
Street Trading Consent (Static) (registered charity)			193.60	214.00	OS
Street Trading Occasional			132.20	146.00	OS
Street Trading Occasional (registered charity)			67.20	74.00	OS
Street Trading Occasional for one day only			33.00	37.00	OS
Street Food Market - up to 10 stalls	per event (includes electricity / promotion)		205.00	226.00	OS
Group consent - Commercial - up to 10 stalls	per event (excludes electricity / promotion)		36.20	40.00	OS
Group consent - up to 11 - 30 stalls	per event (excludes electricity / promotion)		60.60	67.00	OS
Group consent - up to 31plus stalls	per event (excludes electricity / promotion)		126.00	139.00	OS
Group consent - Charity market	per event (excludes electricity / promotion)		25.00	28.00	OS
Electricity - Cooking per trading day			5.70	7.00	OS
Electricity - Lighting/tills only	per trading day		2.95	4.00	S
Electricity - Lighting/tills only	monthly trader		38.10	42.00	S
Electricity - Lighting/tills only	weekly trader		152.50	168.00	S

VAT Key:

S - Standard (20%)

Z - Zero (0%)

E - Exempt

OS - Outside Scope of VAT

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

ANIMAL CONTROL

Stray dog with ID chip (unless first offence and dog is collected the same day)		per dog	26.00	29.00	n/a
Stray dog without ID chip	Statutory		25.00	28.00	n/a
Stray dog collected			22.00	25.00	n/a
Kennel Charges		per night	16.00	18.00	n/a
Assistance to third party organisations		per hour	Price on application	Price on application	S
Provision of dog waste bag		per box of 5000	53.00	59.00	S
Dog Fouling Sign		per sign	Price on application	Price on application	S

Allotments

Allotments (25.3m ²)		per annum	4.10	4.50	n/a
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Pest Control

Concessionary fee for residents in receipt of income related benefit - waived in cases of hardship at the discretion of the Head of Environmental Services		per job	20.00	22.00	S
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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			1,496.00	1,645.00	n/a
Personal Trainers - per trainer			564.00	620.00	n/a

Parking

Basis of Charge	Unit of Charge	2022/23 Charge Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£	£	

Parking

Off Street Resident Season Ticket - Port Vale			277.00	305.00	S
Off Street Resident Season Ticket - Crown Terrace			1,245.00	1,371.00	S
Off Street Resident Season Ticket - Baldock Street - Ware			973.00	1,072.00	S
Off Street Business Permit - Charrington's House BS Long Stay			1,255.00	1,382.00	S
On Street Resident Season Ticket - 1st Permit			72.00	72.00	OS
On Street Resident Season Ticket - 2nd Permit			144.00	144.00	OS
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))			144.00	144.00	OS
On Street Resident Season Ticket - Motorcycle permit			21.00	24.00	OS
On Street Resident Season Ticket - Contractor permit		per week	16.50	19.00	OS
On Street Resident Season Ticket - Business permit		per annum	360.00	397.00	OS
On Street Resident Season Ticket - Carers/ Special permits (discretionary)			36.00	40.00	OS
On Street Resident Season Ticket - Vistors Vouchers		per hour	0.11	1.00	OS
On Street Resident Season Ticket - Vistors Vouchers		per hour pensioners	0.06	1.00	OS
On Street Resident Season Ticket - Charge for Temporary Dispensation from Parking Restrictions			16.50	19.00	OS
On Street Residents Parking Permits - Folly Island - 2nd Permit			72.00	80.00	OS
Parking Northgate House		Per space per annum	-	1,000.00	OS
Bishop's Stortford market traders' tariff - Link Road		per Thursday or Saturday	3.20	4.00	S
Bishop's Stortford market traders' tariff - Apton Road		per Thursday or Saturday	3.20	4.00	S
Old London Road - Hertford - Coach / Lorry tariff		per visit	15.00	17.00	S

Electric Vehicle Charging

Fast chargers (up to 22 kWh)	Cost Recovery	per kWh	0.25	0.44	I
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Basis of Charge	Unit of Charge	2022/23 Charge VAT	Ex. VAT	2023/24 Charge Ex. VAT	VAT
		£		£	

Misc Development Management Charges

Copies of any documents	per black & white A4 side	0.15		0.15	n/a
Copies of any documents	per colour A4 side	0.30		0.30	n/a
Copies of any documents	per black & white A3 side	0.30		0.30	n/a
Copies of any documents	per colour A3 side	0.60		0.60	n/a
Copies of any documents	per black & white A2 side	1.00		1.00	n/a
Copies of any documents	per colour A2 side	2.00		2.00	n/a
Copies of any documents	per black & white A1 side	1.50		1.50	n/a
Copies of any documents	per colour A1 side	3.00		3.00	n/a
Copies of any documents	per black & white A0 side	2.00		2.00	n/a
Copies of any documents	per colour A0 side	4.60		4.60	n/a
Copies of documents provided on an electronic disc	per disc provided	19.00		19.00	n/a
Historical Research (where records available)	per hour (or part)	96.00		96.00	n/a
Legal obligation agreements - confirmation of compliance by third parties or where the monitoring fee has not been paid	per hour (or part of) after first hour	94.00		94.00	n/a
Retrieval of externally stored microfilmed records	per microfilmed record	5.00		5.00	n/a

Basis of Charge	Unit of Charge	2022/23	2023/24	VAT
		Charge Ex. VAT	Charge Ex. VAT	
		£	£	

PRE-APPLICATION ADVICE

Householder proposals (Includes meeting)	Initial Fee	140.00	168.00	S
	Secondary Fee	64.50	84.00	S
Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)	Per request	130.00	168.00	S
Minor Development (single new or replacement dwellings and other development of less than 50sqm floorspace) (includes meeting)	Initial Fee	350.00	360.00	S
	Secondary Fee	-	-	S
Minor Development (all other minor development) (includes meeting)	Initial Fee	434.00	450.00	S
	Secondary Fee	-	-	S
Applications 10-19 dwellings, 1000- 1999m2 commercial floorspace or change of use (excluding retail)	Per meeting	Individually Quoted Price	Individually Quoted Price	S
	Written advice	Individually Quoted Price	Individually Quoted Price	S
Applications 20-99 dwellings, 2000- 4999m2 commercial floorspace or change of use (excluding retail)	Per meeting	Individually Quoted Price	Individually Quoted Price	S
	Written advice	Individually Quoted Price	Individually Quoted Price	S
Applications 100+ dwellings, 5000m2 + commercial floorspace (excluding retail)	Per meeting	Individually Quoted Price	Individually Quoted Price	S
	Written advice	Individually Quoted Price	Individually Quoted Price	S
Application for retail stores 500 – 1499 m2	Per meeting	Individually Quoted Price	Individually Quoted Price	S
	Written advice	Individually Quoted Price	Individually Quoted Price	S
Application for retail stores 1500 – 2999 m2	Per meeting	Individually Quoted Price	Individually Quoted Price	S
	Written advice	Individually Quoted Price	Individually Quoted Price	S
Application for retail stores 3000+ m2	Per meeting	Individually Quoted Price	Individually Quoted Price	S
	Written advice	Individually Quoted Price	Individually Quoted Price	S
Meetings - all other development types	Per hour	41.16	45.00	S
Other Development (meeting extra)	Initial Fee	115.58	135.00	S
	Secondary Fee	57.83	67.50	S
Advertisement Proposals (meeting extra)	Initial Fee	96.33	112.50	S
	Secondary Fee	-	-	S
Heritage advice (meeting extra)	Initial Fee	125.25	180.00	S
	Secondary Fee	63.00	90.00	S
Provision of urgent advice	within 5 working days	2 X quoted fee	2 X quoted fee	S

Planning

Basis of Charge	Unit of Charge	2022/23 Charge VAT	Ex.	2023/24 Charge Ex. VAT	VAT
		£		£	

Self-build and Custom Housebuilding Register

Entry onto Part 1 of the Register (Individuals)	per officer rate	260.00	287.00	S
Entry onto Part 2 of the Register (Individuals)	per officer rate	120.00	133.00	S
Entry onto Part 1 of the Register (Groups and Associations)	per officer rate	240.00 + 56.00 per individual	265.00 + 62.00 per individual	S
Entry onto Part 2 of the Register (Groups and Associations)	per officer rate	95.00 + 56.00 per individual	105.00 + 62.00 per individual	S

Report of the section 151 Officer under Section 25 Local Government Act 2003

- 1 Section 25 of the Local Government Act 2003 requires the Council's section 151 Officer to report to Council on the following matters at the time the Council is making calculations under section 32 of the Local Government Finance Act 1992 (determination of the council tax requirement):
 - a. The robustness of the estimates made for the purpose of the calculation; and
 - b. The adequacy of the proposed level of reserves.
- 2 In coming to a conclusion about the robustness of the estimates, the Section 151 officer has to assess the risk of over or under spending the budget. Budgeting practices should ensure that sufficiently prudent provision is made for costs and income that are foreseeable and relatively certain.

Report Summary

- 3 The section 151 officer has concluded:
 - a. The estimates contained within the recommended budget to Council are robust for the purposes of the calculation of the Council Tax;
 - b. The forecast reserves are adequate to meet unforeseen events or emergencies arising during 2023/24;
 - c. Providing that the current savings plan incorporated in the base budget is on target to be delivered and, over the next 9 months, the Transforming East Herts Programme and a further savings plan realistically meets the £2.6 million MTFP savings targets, then, in the Section 151 officer's opinion, the forecast reserves are adequate in the medium to long term; and
 - d. The recommended minimum General Fund Balance is £3.0 million. The current balance is £3.854 million.

Employee Costs

- 4 The council, in common with most other local authorities, budgets for staff on the basis that all posts are fully funded for the year. This has the advantage of allowing posts to be advertised during the notice period of any employee and replacements to come into post quickly. It also provides flexibility should agency staff be required to temporarily fill posts. A percentage vacancy factor is used to take account of the time lag in filling vacant posts. The use of a vacancy factor carries the risk that if turnover falls there will be requirement for “vacancy freezes”. This is judged to be low risk.
- 5 Each post in the establishment is costed at actual spine column point with relevant on-costs being added. Where a post is vacant then that post is budgeted for at the mid-point of the salary range in order to provide flexibility around starting pay or to provide budgetary provision for temporary cover. In the opinion of the Section 151 officer, this is a robust calculation for the purposes of the estimates.
- 6 There is a provision for a pay increase of up to 4% built into the salary estimates. The council is part of the National Joint Committee (NJC) collective pay bargaining arrangements between local authorities and trade unions and therefore the final pay award is determined by the NJC. With the cost of living crisis and the cumulative below inflation pay increases of the last decade, which makes recruitment and retention difficult, there is a medium to high risk that the pay award may be for more than the provision in the budget and the council is contractually bound to pay the award. Part of the rationale for the minimum General Fund balance is to provide an amount that can be drawn upon in year to meet the additional costs.
- 7 The 2023/24 pay award for staff has just begun the process with the union side asking for a RPI + 2% on all spinal column points, a reduction in the working week of 2 hours and a further day's additional annual leave.

Running Expenses

- 8 The Council includes provision for price increases in service budgets. This is based on known inflation such as inflation clauses in contracts with the balance of cost increases being contained through procurement savings.

There is a risk that the continued disruption to global supply chains and the war in Ukraine may push inflation higher during the course of the financial year, but indications are that inflation will start to fall over the year once the significant increases in gas and electricity prices fall out of the 12 month rolling average. The Council maintains reserves and contingencies in order to mitigate the potential effect of this.

Major Contracts

- 9 There are agreed inflationary increases built into the major contracts and the estimates include inflation increases of up to 4%. Furthermore, some contracts have cost step changes linked to new properties, e.g. refuse and recycling collections. Contracts due for renewal do present a risk that costs may increase. Reserves are held for supplier failure risks and part of the General Fund Working Balance is retained to cushion any increases. Major contracts also stipulate non-performance bonds which the council would use to provide a temporary service until a procurement exercise had taken place.

Demand led expenditure budgets

- 10 The key demand led expenditure budgets are for housing benefits payments and Local Council Tax Support Scheme discounts. These budgets have been set on the best information available and projections using professional judgement. The Council is reimbursed by central government for housing benefit payments. With working age claimants transitioning to Universal Credit, over the medium term only pensioners will remain on housing benefit. Local Council Tax Support Scheme awards are given as a discount in the Collection Fund and increases in claimant numbers will result in the Council Tax Base reducing and lower income from Council Tax. For 2023/24 we have forecast an increase in Local Council Tax Support Scheme awards to reflect the balance of risks between economic growth and recession. The increase also balances out any potential optimism bias in growth estimates of new properties. Experience from the 2008 financial crash indicates that the main risk to the Tax Base will be in 2024/25 as housebuilders will have completed properties already under construction but may suspend build out of further phases until the market picks up.

Waste and Recycling

- 11 The garden waste service price was held at £49 in 2022/23 and will be held at the same price in 2023/24 for garden waste collection to those households that opt to have this service. The figures in the budget are based on 50% of households taking up this service. This percentage is based on initial take up of the charged for service in 2021/22 and there is a low to medium risk that take up could be lower.
- 12 In the medium term, there is a medium risk of substantial cost increases resulting from the Government's Waste Strategy which states:
- a. A consistent set of dry recyclable materials are to be collected from all households and businesses;
 - b. Reduce greenhouse gas emissions from landfill by ensuring that every householder and appropriate businesses have a weekly separate food waste collection, subject to consultation; and
 - c. Improve working arrangements and performance between local authorities.
- 13 The Government had originally stated that garden waste services should be provided to all households free of charge but has reversed this position and charging will be able to continue in the future. The Government has said that local authorities will be reimbursed for the additional costs of the new collection arrangements. Traditionally this has been via a formula based on civil servant estimates and not actual costs. This usually results in reimbursement of around 70% of the costs. However, as councils will mostly have contracts that may not allow these changes to be implemented without significant contract change costs the government may provide actual cost compensation in order to drive these changes through from their proposed start date. Food waste collections will cost in the region of £1 - £2 million per annum for the collections, as well as the one off set up costs of £550k for new containers. There is therefore a low to medium risk that the council will need to factor in further savings when the changes are implemented.

Income from car parking

- 14 The tariffs for car parking have been increased by 10.1% in line with the policy agreed last year of the higher of CPI inflation or 2%. The intention

of the policy is to eliminate the current subsidy for on street car parking from the Council Taxpayer. With the changeover post-pandemic to a mixture of home and office working and reductions in commuting there is a low to medium risk of the budget not being achieved in 2023/24 and additional income generation from the car park estate is being investigated to mitigate

Planning application fees

15 Planning application fee income is driven by market conditions. Current Construction Products Association forecasts for the construction industry are:

- a. 2023 – 4.7% decrease in output; and
- b. 2024 – 0.4% increase in output.

16 Fees for submitting planning applications are determined nationally by DLUHC and no changes to fees are expected in the medium term. The achievement of the budgeted income depends on activity in terms of the number and types of application. Based on the output forecasts it is reasonable to expect major application numbers to fall but during housebuilding recession the number of householder applications has usually increased. There is no guarantee this will be the case this time after substantial applications following the COVID pandemic. Given the forecasts for outputs there is a low to medium risk of this income budget not being achieved.

Property Portfolio

- 17 The council has a property portfolio of commercial premises within the district. Currently the rental income streams are holding up but Charringtons House will be vacant from 1 April 2023 pending transfer to City Heart as part of the Old River Lane redevelopment.
- 18 Over time consideration will need to be given to the balance of the council's resources invested in property and the risks that exposes the council to. For example, it is highly likely that retail property holdings will begin to decline in yield and value over the medium term as the market survivors shift from the traditional High Street store model to offer an enhanced on-line sales and delivery experience. The likely retail survivors are already announcing store closures, coinciding with the end of lease periods as well as some retailers actively seeking to sublet their current stores. New lease and lease renewal discussions are now based on substantially lower payments reflecting significant over supply of retail units.
- 19 Diversification out of investment property into other assets or investments funds will be considered on an on-going basis but the previous substantial yields once on offer from retail premises are in all probability on a downward curve until supply falls to the point where it reflects demand. Change of use of properties from retail to leisure or food and beverage may be required to meet new demand patterns in the future and the council will need to monitor and react to emerging trends in the market going forward.

Minimum Revenue Provision

- 20 The capital programme is now predominantly financed by external borrowing and from 2023/24 the council will need to make Minimum Revenue Provision (MRP) to repay the debt principal sum. The section 151 officer advises that the proposed MRP policy is prudent and the asset lives chosen are in line with guidance issued by Government.

Treasury Investment Income Management

21 Investment income has decreased to reflect changes in yield on the core investment of £20 million in property funds that are yielding returns of 4% per quarter. There is a medium risk that returns may not materialise if there are economic events affecting property in the medium term. In the short term the funds are performing well compared to the property market in general and other property funds. Other investment balances have been run down and the council has taken short term external borrowing of £20 million to mitigate against the rises in the PWLB rates.

Section 151 officer's Conclusion on the robustness of the estimates

22 The Section 151 officer considers that the estimates contained within the recommended budget to Council are robust for the purposes of the calculation of the Council Tax.

Assessment of the adequacy of the proposed level of reserves

23 The Section 151 officer has conducted a review of the strategic, operational and financial risks facing the Council. The key risks facing the Council are detailed in the Corporate Risk Register.

24 The Section 151 officer has conducted a review of the earmarked reserves held on the balance sheet and is satisfied that they are required to fund specific expenditure in future years or are required to provide risk finance.

25 The Section 151 officer has, in the light of the risks facing the Council, calculated the minimum level of General Fund Balance that the Council should hold as £3.050 million. The rationale for this calculation is shown in the table below.

Factor for the calculation	£000	Factor	£000
Average Annual Gross Revenue Expenditure	61,528	4%	2,461
Average Annual Gross Capital Expenditure	13,274	9%	1,195
Adjustment for Council Tax as a funding source	(12,113)	5%	(606)
Minimum General Fund Balance			3,050

26 In calculating the minimum balance the section 151 officer has used the following factors:

- a. Gross revenue expenditure, in the 2023/24 budget and allowed for 4% of that sum for: a cash flow management buffer; risks of cost increases and provision to meet 15% of costs arising from an emergency that would not be met by the Bellwin Scheme for emergencies. Although in recent years flood hit areas have received 100% of costs the base scheme terms are 85% of eligible expenditure and it is therefore prudent to rely on 85% reimbursement.
- b. Average annual capital expenditure over the next 3 years and allowed 3% for cost increases. The capital programme expenditure over the next three years is £39.821 million and a contingency of £1.250 million is included in the capital programme. However, that contingency in the programme is funded by borrowing and the total revenue impact of having to call on the contingency is £0.118 million per annum. In order to provide sufficient revenue contingency to meet any cost increases by revenue funding to reduce pressure on the revenue account in the medium term the 9% provision provides a suitable alternative risk contingency. Once the 3 year delivery period is over and capital expenditure levels fall significantly this part of the minimum recommended balance will no longer apply.
- c. An adjustment is made for the certainty of Council Tax as a funding source for the Council to meet its costs. Therefore, the Council Tax requirement for 2023/24 is taken and a 5% risk factor applied to produce a downward adjustment.

27 The General Fund Balance estimate at 31 March 2022, and used for the purposes of preparing the estimates is, £3.854 million and above the recommended minimum balance.

Section 151 officer's conclusion on the assessment of the adequacy of the proposed level of reserves

- 28 In the opinion of the Section 151 officer the forecast reserves are adequate to meet unforeseen events or emergencies arising during 2023/24.
- 29 The adequacy of reserves and balances in the medium to long term will be dependent on the financial position dictated by changes to government grants as the Fairer Funding Formula is introduced, economic conditions and operational factors such as changes to waste and recycling collections as a result of the new government waste strategy.
- 30 Providing that the current savings plan incorporated in the base budget is on target to be delivered and, over the next 9 months, the Transforming East Herts Reconciling Policy, Performance and Resources exercise with the newly elected Council meets the £5 million MTFP savings targets, then, in the Section 151 officer's opinion, the forecast reserves are adequate in the medium to long term. If the current savings plan is significantly off target and/or the future plans are unlikely to meet the £5 million further savings requirement in the MTFP by the end of 2028 at the latest then, in the medium to long term, the reserves are inadequate to meet unforeseen events or emergencies alongside meeting deficits as a result of measure to reduce net cost not being put in place or delivered and the section 151 officer would need to consider issuing a report under section 114 of the Local Government Finance Act 1988. The section 151 officer is confident, based on observation of the Executive and Leadership Team and the overall culture of East Herts Council, that the council will meet the current savings plan and that the Transforming East Herts Programme and further realistic savings proposals will be developed to meet the MTFP savings requirements.

Steven Linnett

Head of Strategic Finance & Property (section 151 officer)

21st February 2023

Agenda Item 12

East Herts Council Report

Council

Date: 1 March 2023

Report by: Councillor Geoffrey Williamson, Deputy Leader
& Executive Member for Financial Sustainability

Report title: Capital Strategy and Minimum Revenue
Provision Policy 2023/24 Onwards

Ward(s) affected: All

Summary

The report contains the Capital Strategy and Minimum Revenue Provision (MRP) policy for 2023/24 onwards for recommendation to Council

RECOMMENDATIONS FOR COUNCIL:

(a) To approve the Capital Strategy and Minimum Revenue Provision policy 2023/24 onwards.

1.0 Proposal(s)

1.1 This report presents the Capital Strategy and the Minimum Revenue Provision policy 2023/24 for approval by Council.

2.0 Background

2.1 The East Herts Council Capital Strategy provides a valuable opportunity for engagement with Full Council to ensure that overall strategy, investment ambition, risk appetite and governance procedures are fully understood by all elected Members and other Council stakeholders.

2.2 The East Herts Council Capital Strategy is intended to be a strategic corporate document which will both be influenced by and in turn influence policy and decision making in

respect of capital investment.

- 2.3 The Strategy will continue to develop and evolve as external influences do and will be updated as required in order that this Strategy is responsive to the challenges, opportunities, priorities and objectives that the Council must consider.
- 2.4 The current capital programme was formulated over the last three years. Since its formulation economic conditions have deteriorated significantly. Inflation has risen to 11.1%, interest rates are rising and the effects of the disastrous September “fiscal event” has increased Public Works Loans Board (PWLb) borrowing so that it is currently 4.24% compared to 2.55% in March. This increase in borrowing costs means that action needs to be taken to ensure the capital programme remains affordable. The action takes two forms. Firstly, assets are being identified for sale to raise capital; receipts, which reduce the need to borrow and reduce revenue costs to service debt. Secondly, the number of schemes proceeding in the programme has been reduced to concentrate on the major projects with other non-essential items being paused until resources are available to fund them.
- 2.5 As the council continues to deliver, review and update the capital programme, it will do so within the context of the council’s Climate Change commitments, most notably the commitment to the council itself becoming carbon neutral by 2030. To that end, the council has devised a carbon assessment tool which it is now beginning to use to assess its existing major projects. As new proposals for capital funding come forward, a carbon assessment will be included as an integral part of the business case to inform decision-making. The Public Sector Decarbonisation grant scheme presents an opportunity for the council to potentially make its buildings operate at zero carbon and with enhanced energy efficiency. A condition survey of Wallfields has been completed and the boiler system requires immediate replacement before winter 2023/24. It is hoped that a

further round of the public sector decarbonisation scheme will be opened around Spring 2023 and officers are working on a scheme that will decarbonise the heating system.

- 2.6 Progress updates on the council's Sustainability Action Plan are posted on the council's website each month, with greater detail on projects' carbon assessments and the overall assessment of progress against the council's schedule to achieve carbon neutrality to be added shortly.
- 2.7 The Capital Strategy and Minimum Revenue Provision Policy was scrutinised by Audit and Governance Committee at its meeting on 24 January 2023 and there were no comments to bring to the attention of Executive.

3.0 Reason(s)

- 3.1 Revised reporting was required from the 2019/20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes included the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011.
- 3.2 This report includes the fourth capital strategy since the revisions. The first three versions of the report were welcomed by Members and no comments or suggestions for improvement have been received from either internal or external audit.

4.0 Options

- 4.1 Endorse the updated strategy or suggest amendments because of the scrutiny process.

5.0 Risks

5.1 Risks are discussed in detail, within the Capital Strategy, including the uncertainty around future funding.

6.0 Implications/Consultations

6.1 None

Community Safety

Building and refurbishment schemes design out crime and safety issues and public realm works in particular are required to ensure that the community feel safe.

Data Protection

All investment in IT systems are required to check where data is held and that systems comply with data protection legislation.

Equalities

All capital schemes meet the necessary legislation and are subject to access audits. Design also takes into account dementia friendly design elements particularly around colour.

Environmental Sustainability

The council has established a carbon assessment tool that it is beginning to apply to existing capital projects. In the future, a carbon assessment of proposed capital projects will be included within the overall business case so as to inform decision-making. To date, individual schemes have sustainability features designed into them and may include, for example: meeting BREEAM ratings for buildings and refurbishments; flood resilience and sustainable underground drainage systems; opportunities for renewable energy generation; and carbon reduction such as replacement of the council's internal combustion engine vehicles with battery electric vehicles.

Financial

The strategy guides the capital programme and detailed financial implications are included with that in the budget report

Health and Safety

All contractors are required to have compliant health and safety policies. Where a health and safety issue requires capital expenditure it will be fast tracked to deal with the issue

Human Resources

None

Human Rights

None

Legal

A Capital Strategy is a requirement of the Prudential Code which the council is required to follow under the Local Government Act 2003.

Specific Wards

None

7.0 Background papers, appendices and other relevant material

- 7.1 Appendix A - East Herts District Council Capital Strategy and Minimum Revenue Policy 2023/24 Onwards

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Capital Strategy and Minimum Revenue Provision Policy

2023 onwards

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Introduction

The East Herts Council Capital Strategy provides a valuable opportunity for engagement with Full Council to ensure that overall strategy, investment ambition; risk appetite and governance procedures are fully understood by all elected Members and other Council stakeholders.

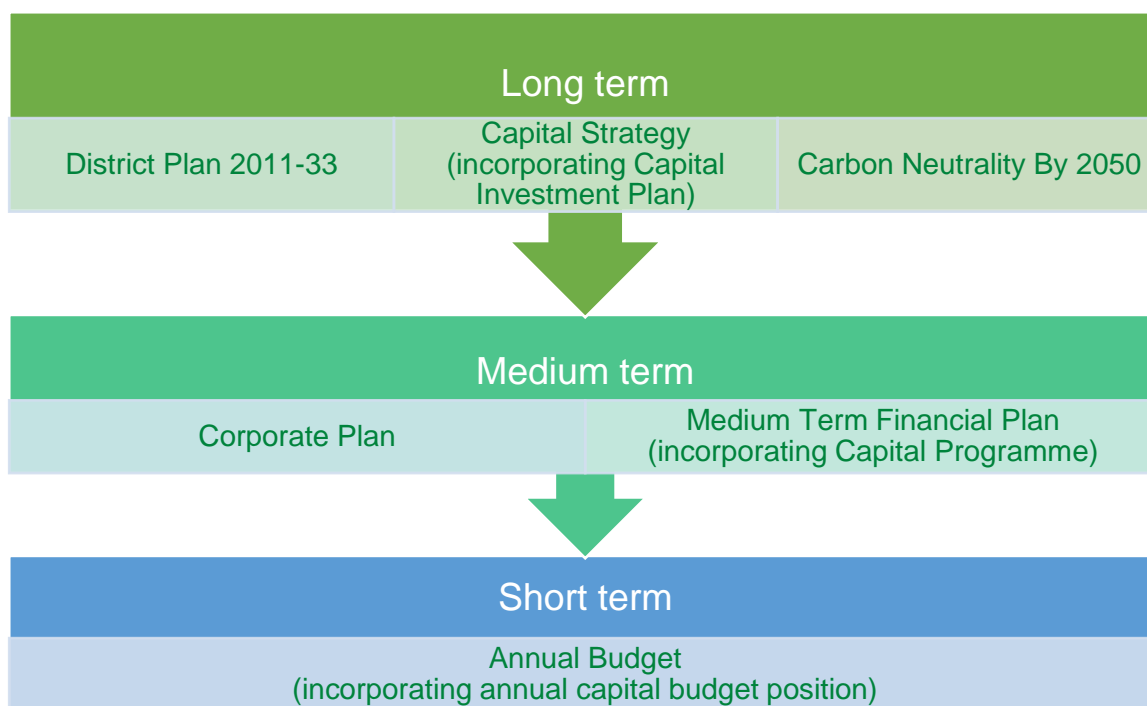
The East Herts Council Capital Strategy is intended to be a strategic corporate document which will both be influenced by and in turn influence policy and decision making in respect of capital investment.

The Strategy will continue to develop and evolve as external influences do and will be updated as required in order that this Strategy is responsive to the challenges, opportunities, priorities and objectives that the Council must consider.

The CIPFA Prudential Code, updated in 2017, includes the requirement for local authorities to produce a Capital Strategy.

The Capital Strategy has not been developed in isolation. The diagram below summarises the relationship between this Capital Strategy and other key corporate strategies and plans.

Figure 1: Long, medium and short term strategic planning at East Herts Council



The Capital Strategy is closely aligned with the priorities and objectives contained within the above, as well as a number of external strategies and plans, which will be explored further in Section 2 of this Strategy.

The East Herts Capital Strategy includes a number of important actions, which will help to implement the Capital Strategy across the organisation and improve overall financial planning in the long term. We recognise the benefits of long term strategic financial planning and therefore this Capital Strategy is seen as key to looking beyond the medium term to fully explore the opportunities which may lie ahead and the role the Council will play in shaping the future for our residents, communities and businesses.

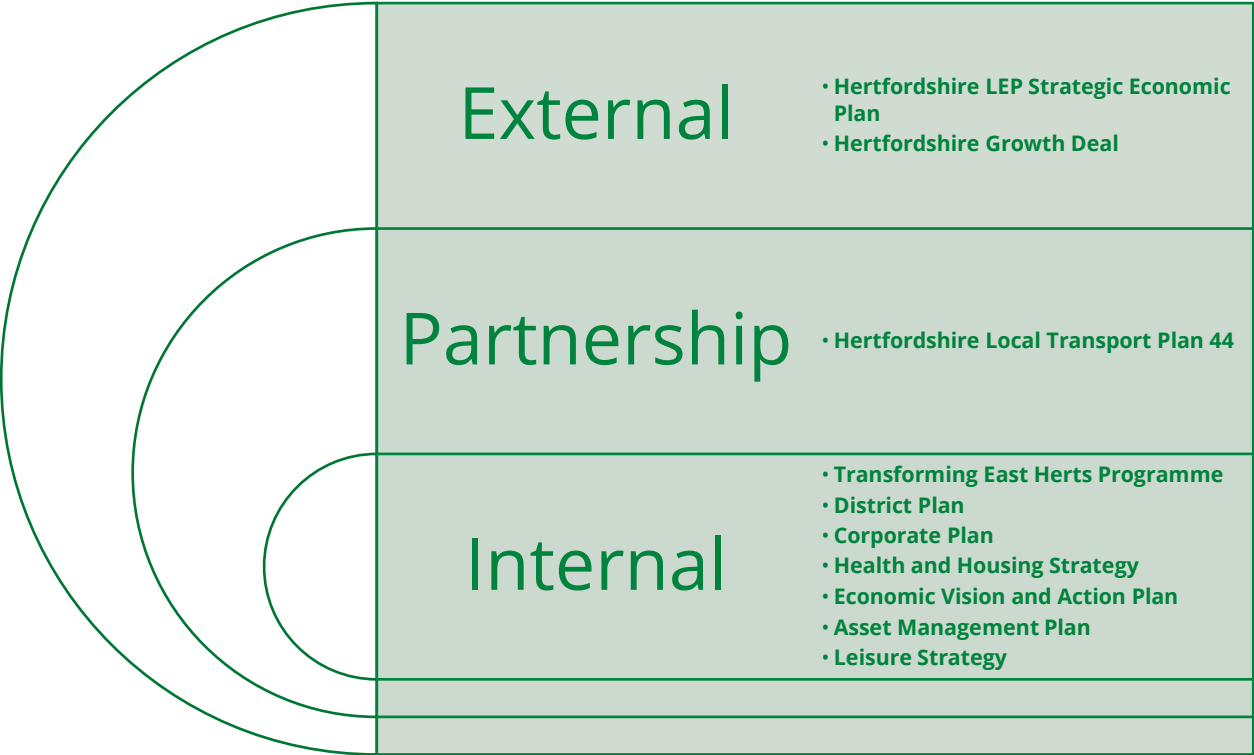
Influences on Capital Investment

The Capital Strategy is influenced by many different factors, which must be taken into account before establishing the appropriate strategy for contributing to the delivery of our corporate priorities.

Our Capital Strategy has considered external, partner and internal influences when shaping our approach. There are many strategies and plans that inform and influence our capital investment plan. It is important to ensure that consideration is given to the aims and objectives that could influence the Council's capital investment ambition over the longer term.

An examination of external and partner influences assists us with supporting decision making on individual capital investment schemes. In future we will therefore use external objectives / targets, alongside our own corporate priorities, to inform decision making when prioritisation needs to be applied to available funding.

Figure 2: Core influences on the Capital Strategy



Our Capital Strategy has taken account of the external, partner and internal influences in shaping our approach. The following sections provide a summary of main points for consideration in each case:

External influences
Hertfordshire LEP Strategic Economic Plan and Hertfordshire Growth Deal
<p>The strategic priorities, as set out in the Hertfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (SEP), influence the Council’s strategic financial planning direction.</p> <p>The Gilston Area Concept Framework is referenced as a key element of the SEP priorities, with the new Garden Town of Harlow & Gilston acknowledged by government as one of three new Garden Towns nationally.</p>

The new Garden Town initiative for Harlow & Gilston, links through to the now adopted District Plan, working to the detailed Gilston Area Concept Framework and the project governance that is in place via the Gilston Steering Group.

The Growth Deal expanded further in 2017, with additional investment of £43.95m. This is on top of £221.5m of government funding already awarded to Hertfordshire to date to invest in its people, places and businesses. The Council made a successful bid for Growth Deal funding for Bishop's Stortford Town Centre, an allocation of £9.6m in the form of grant and loan funding, now fully spent.

[Link to Hertfordshire LEP Strategic Economic Plan 2017-30](#)

[Link to Hertfordshire Growth Deal](#)

Partnership influences

Hertfordshire County Council Local Transport Plan 4

We acknowledge the Hertfordshire Local Transport Plan and its main objectives. The relationship with Hertfordshire County Council (HCC) is very important when considering the longer-term Capital Strategy for the Council. As a planning authority and billing authority, the Council is in a very influential position when it comes to setting the scene for the future development and growth in the area and considering the impact on funding streams at both the County and District level. Each year, we will examine any County capital schemes that are focused in the East Hertfordshire area, in order that the Council has sight of these schemes as they progress and any potential implications they may have for capital schemes being delivered by the Council, particularly related to our property partnership with the County and the green transport plan.

[Link to Hertfordshire County Council Local Transport Plan 4, 2018 to 2031](#)

Internal influences

Transforming East Herts Programme

The Transforming East Herts Programme is designed to modernise the council and produce at least £1 million in cashable savings. The overall vision of the programme is that 2025 East Herts Council will be a customer focused, financially sustainable and an effective organisation with flexible and empowered employees. The vision is delivered through a number of workstrands:



Each workstream has a number of projects under it which may require capital investment,, particularly around technology with the replacement of the telephony system with a cloud based solution and the potential investment in software that will enable a single view of the customer and deliver end to end digital services on the web.

It is anticipated that the council's office space requirements will reduce significantly with the closure of Charringtons, as part of the Old River Lane revitalisation and the freeing up of at least a floor of open plan office space at Wallfields, offering the potential to let out space to earn an income. However, there is a need to invest in modernising Wallfields to make it suitable for letting and to ensure the building is fit for the next 25 years. As the investment costs could potentially be quite large and are still subject to survey work being undertaken, consideration is also being given

to co-location with the County Council at County Hall, thus avoiding capital costs and leaving Wallfields vacant for disposal. The costs of remaining and modernising versus moving to county hall will be the predominate factor governing the future of Wallfields and that decision will have a major influence on this capital strategy.

Be Agile	Be Commercial	Be Digital
Service reviews & redesign	The future of Wallfields	ICON replacement to Civica cloud pay
Lean processes – Lean six sigma (LSS) change champions	Implementing the commercial strategy	Cloud financials
Leadership and talent development training	Commercial awareness training	Robotic Process Automation (RPA) proof of concept
Corporate support hub	Launchpad relocation proposals	RPA rollout
Blended working review		Implementing the new Customer Relationship Management (CRM) system
Culture change and change management		Laptop rollout and 365 deployment
		Maximising and embedding 365 at EHC

District Plan

The vision and strategic objectives contained within the District Plan influence the Council's investment ambition directly. It is important to provide a good view of the long-term impact of the District Plan in the Capital Strategy and the part that the Council's capital investment will play in contributing to meeting the long term needs of the local population and area.

The strategic objectives link to important regional activity, such as the London Stansted Cambridge Corridor Core Area, working with partner authorities, namely

Broxbourne, Epping Forest, Harlow and Uttlesford across Hertfordshire and Essex County boundaries.

The District Plan has strategic influence on the following areas of important investment for the Council:

- Housing
- Town Centres
- Provision of leisure facilities

We will ensure that the Capital Strategy demonstrates the links to the District Plan strategic objectives and specific projects, as part of the capital investment plan.

[Link to District Plan 2011-33 \(adopted October 2018\)](#)

Corporate Strategic Plan, Economic Vision and Action Plan

The Corporate Strategic Plan drives the Council's capital investment ambition. The Corporate Strategic Plan includes reference to strategic projects for each year against the aims that support the four priority areas. When the Corporate Strategic Plan is refreshed we will ensure that the Capital Strategy links the capital investment plan to the relevant strategic projects and will therefore demonstrate how the Council's capital investment will contribute to the achievement of the Plan priorities and more detailed aims.

This will help with the evaluation and prioritisation of future capital schemes, where a business case needs to consider the contribution to the achievement of priorities, as well as non-financial and financial benefits.

The Economic Vision for East Herts sets out the strategic areas of focus in order to achieve this vision. The Economic Vision is backed up by a detailed action plan, which assists with making links to the Hertfordshire LEP SEP, Corporate Strategic Plan and District Plan.

The Economic Vision picks up the thread for major projects, such as the development of a planning framework for Bishop's Stortford Town Centre, which has since resulted in a significant funding package via the Hertfordshire LEP from

the Growth Fund. Also, the London Stansted Cambridge growth corridor initiatives, where mention is made of lobbying for the right infrastructure.

The Council has already achieved success in lobbying and bidding for regional funding. As the Capital Strategy is developed it will further contribute strong evidence of local need and highlight where the Council cannot deliver as an individual authority and / or has not got sufficient available capital resources.

[Link to Action Plan](#)

[Corporate Plan 2020-2024](#)

Health and Housing Strategy

We recognise that it is important for the objectives in the Health and Housing Strategy to be reflected in the Council's Capital Strategy both from a direct capital investment perspective and an enabling perspective. The Council plays a vital role in ensuring that the District Plan is delivered in terms of projects, housing mix, health focus and timescale.

The Health and Housing Strategy highlights the importance of working in partnership, particularly related to affordable and suitable housing to meet identified needs. Any associated capital investment requirement can be put into this context in the Capital Strategy to demonstrate how this investment is contributing to the achievement of important health and housing targets.

[Link to Health & Wellbeing Strategy 2019-23](#)

Emerging Leisure Strategy

It is important to consider the Council's Leisure Facilities Strategy in the Capital Strategy to make the direct strategic link to the capital investment plan. This provides strong justification for the significant current investment and demonstrates why this service area is being prioritised.

These are very important initiatives, which are directed at the Council's community, to improve health and wellbeing across the area, working with health partners, town and parish councils, voluntary sector and community groups. This is important context for the significant capital investment by the Council, already included in the Capital Programme.

As the delivery of the Leisure Facilities Strategy progresses, we will reflect the emerging expected outcomes in future Capital Strategy updates, both from a financial and outcome perspective.

Vision for Leisure Facilities

In order to provide the guiding principles for the proposed direction of travel it was important to work with a vision for leisure centres across East Herts. It is proposed that the vision is one of enabling everyone to have the opportunity to participate. The Council has a pivotal role in providing pay and play opportunities which traditionally are not provided through other sectors. In this context the suggested vision is as follows:

"The Council will provide attractive facilities available to the whole community which complement the wider provision of recreation opportunities in the community and voluntary sector. In addition, it will ensure that leisure facilities contribute fully to the health and wellbeing objectives of the Council."

[Grange Paddocks Leisure Centre Development Project](#)

[Hartham Leisure Centre Redevelopment Project](#)

Asset Management Plan

The importance of the link between the Asset Management Strategy (AMS), and its constituent asset categories, is stressed in the CIPFA Prudential Code. There is no doubt that the Asset Management Plan should inform the Capital Strategy, but this also works both ways. The vision and ambition that is articulated in the Capital Strategy should set the scene for the direction that the asset management, in any particular area of operation, should take.

There is an emphasis on the investment property portfolio in the aims, priorities and ambitions in the AMS. Highlighting the Council's good management of the current portfolio and the approach to due diligence and strong decision making for new property investment. There is also an emphasis on town centre improvements, which links to major projects, such as the work in Bishop's Stortford and the master-planning in the District Plan.

The key improvement priorities have been mapped to corporate priorities, outcomes, key milestones and timescales in the current AMP. We will ensure that this links effectively with the capital investment plan as work gets underway to refresh the AMP over the coming year.

[Link to Asset Management Plan](#)

Environmental Sustainability



One of the council's corporate goals is *to put sustainability at the heart of everything we do*. Council unanimously made a Climate Change Declaration in July 2019. This was accompanied by nine specific commitments to tackling climate change including the council becoming carbon neutral by 2030.

As the council continues to deliver, review and update its capital strategy and programme, it will do so within the context of these nine Climate Change

commitments. Notably, the council has devised a carbon assessment methodology which it will use to assess its existing major projects. As new proposals for capital funding come forward, a carbon assessment will be included as an integral part of the accompanying business case to inform decision-making.

Progress updates on the council's Sustainability Action Plan are posted on the council's website each month, with greater detail on projects' carbon assessments and the overall assessment of progress against the council's schedule to achieve carbon neutrality to be added shortly.

Core influences action plan:

Action	Why is this required?	Responsibility	Timescale
The Transforming East Herts Programme will produce business cases for capital investment that will enable at least £1 million of revenue savings per annum	To demonstrate how the Council's capital investment will contribute to the achievement of the Transforming East Herts Programme	Deputy Chief Executive	During 2023/24
We will ensure that the Capital Strategy demonstrates the links to the District Plan strategic objectives and specific projects, as part of the development of the capital investment plan	In order to identify how we can strengthen our decision making and prioritisation process, informing what we are doing directly towards these objectives via capital investment	Leadership Team	During 2023/24

Action	Why is this required?	Responsibility	Timescale
When the Corporate Plan is refreshed we will ensure that the Capital Strategy links the capital investment plan to the relevant strategic projects	In order to continue to demonstrate how the Council's capital investment will contribute to the achievement of the Corporate Strategic Plan priorities and more detailed aims	Strategic Finance & Property, S151 Officer	During 2023/24
Completion of Major Projects	In order to demonstrate the importance of this major element of the capital investment plan and the intended outcomes for the future	Strategic Finance & Property, S151 Officer	During 2023/24
Implement the revised Asset Management Strategy , which will links effectively with the capital investment plan and also asset disposals.	In order to strengthen the influence of the AMS on the Capital Strategy and also enable the Capital Strategy to inform the refreshed AMS An important factor will be asset disposals to generate capital receipts	Leadership Team	During 2023/24

Action	Why is this required?	Responsibility	Timescale
In order to deliver the council's Climate Change commitments, the capital strategy will continue to be developed with regard to the nine commitments, including evaluating the carbon impact of existing and emerging capital projects.	This action is integral to achieving the council's Climate Change commitments, notably, that the council will become carbon neutral by 2030	Head of Housing & Health	During 2022/23 and ongoing in line with individual capital project timescales

Capital investment ambition by Corporate Priority

The intention of this section is to set out the long-term ambition for capital investment in terms of the contribution made towards achieving the priorities identified in the Council's Corporate Strategic Plan. The future intention will be to articulate the capital investment plan in terms of achievement of priorities, intended outcomes for all key stakeholders and intended timescales.

The Corporate Plan priority initiatives will apply until the new Council is elected in May 2023 and the Corporate Plan is rewritten to reflect the priorities of that new Council. To demonstrate our current approach we have set out the current Corporate Plan initiatives below which relate to capital investment:

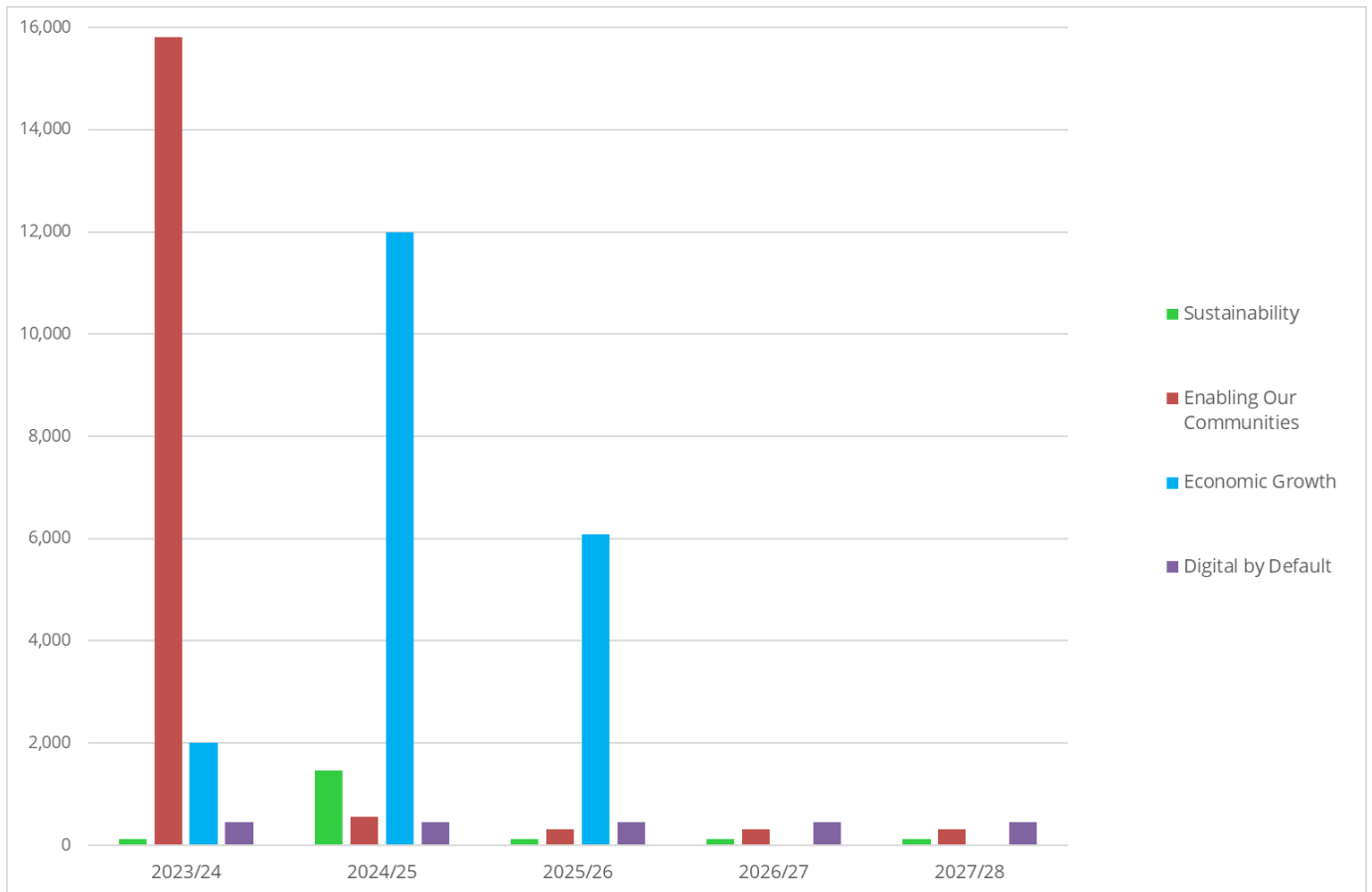
Priority	Aims and initiatives
Priority 1: Sustainability at the heart of everything we do	<p><i>We will make changes to our own premises, people and services</i></p> <ul style="list-style-type: none"> • Making direct investment in energy efficiency schemes: for example, energy efficiency measures in leisure capital schemes; installing/upgrading LED lighting in our buildings and car parks – Ongoing <p><i>We will use our regulatory powers to promote action by others</i></p> <p>Installing rapid e-chargers in support of move to more e-taxis – Ongoing</p> <p><i>We will influence and encourage behaviour change</i></p> <ul style="list-style-type: none"> • Providing financial incentives to increase sustainability: for example insulation grants and loans – Ongoing

Priority	Aims and initiatives
Priority 2: Enabling our communities	<p><i>We will invest in our places</i></p> <ul style="list-style-type: none"> Investing £36m in our Leisure Centres in Hertford, Bishop's Stortford and Buntingford – Ongoing Investing £24m in Hertford Theatre – Ongoing Delivering improvements in our green spaces (e.g. Castle Park) – Ongoing Providing community grants – Ongoing <p><i>We will ensure all voices in the community are heard</i></p> <ul style="list-style-type: none"> Growing our digital communication channels (twitter, Facebook, Instagram, network) to keep residents informed – Ongoing <p><i>We will support our vulnerable residents</i></p> <ul style="list-style-type: none"> Delivering affordable homes – Ongoing Increasing and improving our Homeless Accommodation – Ongoing
Priority 3: Encouraging economic growth	<p><i>We will develop new sources of income</i></p> <ul style="list-style-type: none"> Delivering Financial Sustainability through Green agenda investment purchases – Ongoing <p><i>We will support business growth</i></p> <ul style="list-style-type: none"> Delivering the Old River Lane project to improve Bishop's Stortford Town Centre – Ongoing Expanding the Launchpad – Ongoing <p><i>We will create viable places</i></p> <ul style="list-style-type: none"> Delivering the district plan – Ongoing Ensuring developer contributions are used effectively – Ongoing
Priority 4: Digital by default	<p><i>We will improve the customer experience for those who use council services</i></p> <ul style="list-style-type: none"> Increase our investment in digital technology – Ongoing

Priority	Aims and initiatives
	<p><i>We will work with partners to ensure our communities are digitally enabled</i></p> <ul style="list-style-type: none"> • Delivering Harlow and Gilston Garden Town as a fully sustainable and digital 'place' – Ongoing • Agreeing a countywide digital infrastructure strategy – Ongoing

The planned capital investment programme for 2023/24 onwards, from an expenditure perspective, has been significantly reduced as a result of inflation and supply chain shortages as a result of the pandemic, BREXIT and the war in Ukraine. We have undertaken a simple mapping exercise to demonstrate the contribution of planned capital investment to each Corporate Strategic Plan priority. This will be developed further as the Capital Strategy is aligned with the new Corporate Plan during 2023/24.

Figure 3: Capital Programme by Corporate Priority



Links between the 5-year capital programme and the corporate priorities are provided at Appendix 1.

Corporate priority action plan:

Action	Why is this required?	Responsibility	Timescale
As the longer-term capital investment plan emerges, we will undertake a revised detailed mapping exercise against each capital scheme – initially in the capital programme and eventually in the longer-term capital investment plan	This will assist Members and other key stakeholders recognise the contribution that the capital investment is making towards the achievement of the Council's corporate priorities	Strategic Finance & Property, S151 Officer	During 2023/24
As the refreshed Corporate Plan emerges, we will ensure that the existing capital investment plan is reviewed to ensure that all planned schemes align with the updated corporate priorities	This will ensure that existing investment plans still meet the identified needs of the District and emerging pipeline schemes are aligned to the newly approved priorities	Strategic Finance & Property, S151 Officer	In line with Corporate Strategic Plan refresh timescale

Commercial Investment Strategy

Millstream Property Investments Limited

In line with the Council's corporate priorities, and commercial investment ambition, Millstream Property Investments Limited was incorporated in February 2018.

The council, as the company's sole shareholder, has entered into a Shareholder Agreement with the company. The Shareholder Agreement obliges the company to annually review its business plan and produce a revised 30-year business plan, rebasing the forthcoming financial year as the first year of this 30-year period. The Millstream Business Plan is now to hold its current property portfolio but make no new acquisitions as the returns from the company would be insufficient to meet all the external borrowing costs on a new property.

To provide a strengthened balance sheet, the Shareholder Loans in Millstream Property Investments Ltd have been converted to Debenture Shares secured against residential property to mirror the loan charge over the properties. There was no cost to the Council Taxpayer from this conversion and it has no effect on the availability of capital resources. The only change in the balance sheet is the reduction in loans receivable and a corresponding increase in investments

Capital Investment Plan

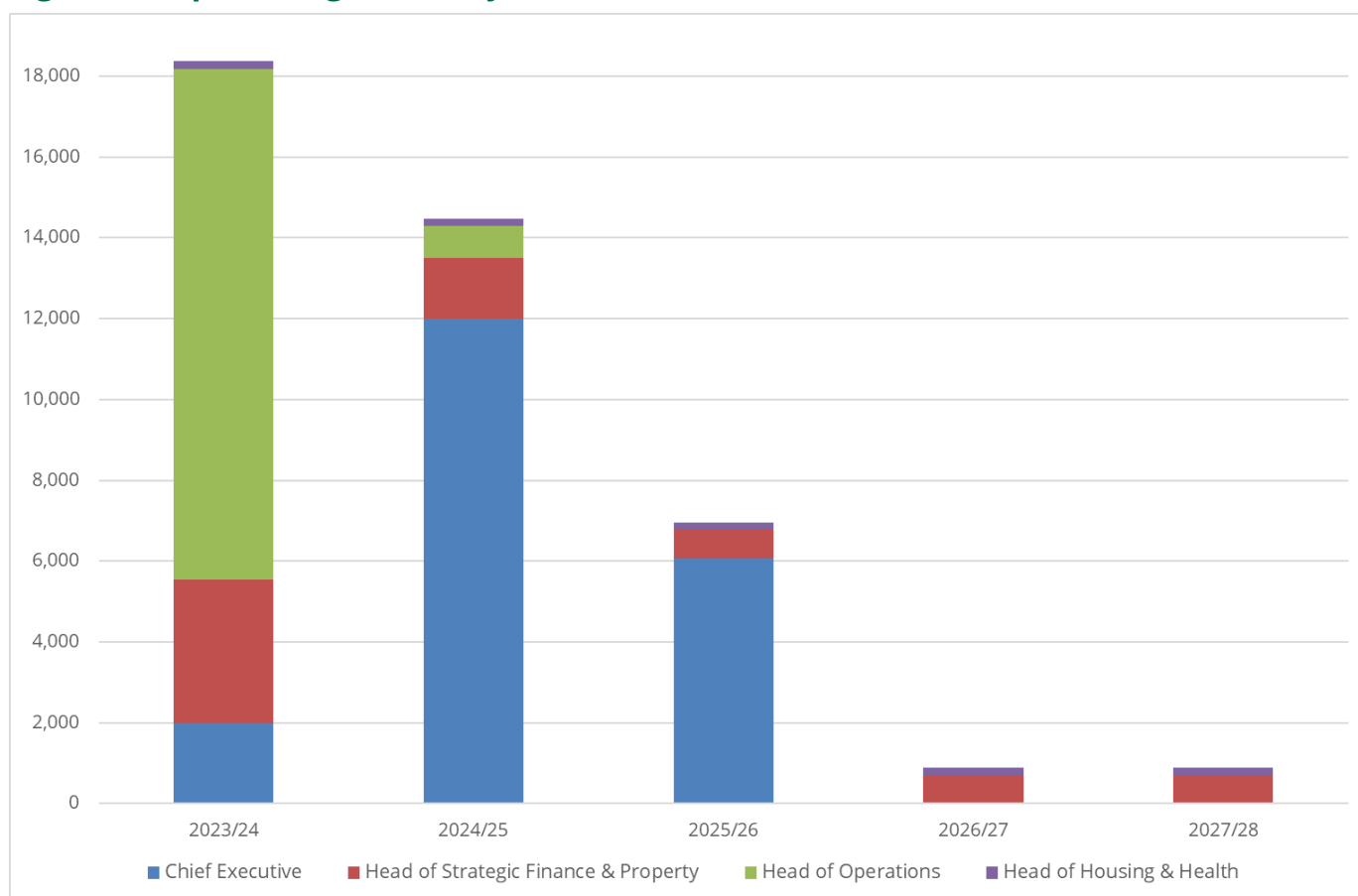
The following sections examine our starting point for a longer-term capital investment plan, the additional analysis that informs our Capital Strategy principles, our capacity to deliver and the potential options for addressing our capital investment ambition gap. We recognise that our Capital Programme currently plans for investment over a five-year period, which is a medium-term view and there is further work to do to extend our plans up to 10 years.

When our strategic planning becomes more mature, and we have identified our plans beyond the four-year horizon, we will update our process for evaluation and prioritisation, to ensure that there is clarity on the level of affordability, based on available capital resources, including a potential borrowing position. It is also important for the Council to establish its potential lobbying position to seek to secure future funding packages from appropriate funding bodies, building on successful bids to date.

We will ensure that our risk assessment examines the risk against the affordability and deliverability assumptions, as the longer-term capital investment plan emerges, and this will inform the ongoing review of performance and update of the capital investment plan to ensure that it is effectively managed.

The following charts provide a view of the current five-year investment plan from an expenditure perspective by Head of Service:

Figure 4: Capital Programme by Head of Service



Approach to capital investment prioritisation

The Medium Term Financial Plan (MTFP) is refreshed annually to accommodate changes in service delivery and financial landscape. Service and financial planning are combined in one report, which demonstrates that we have got an integrated approach to financial planning both from a revenue and capital perspective.

The MTFP is forecast over a 4-year period, in line with the Council's general corporate planning approach. The MTFP sets out the national policy context and describes the impact of this at a local level. It must be recognised that, when looking at a four-year period, the current level of uncertainty, combined with the highest inflation rate for 40 years and the increased cost of borrowing from the Public Works Loans Board, which is based on

government gilt yields which rose significantly following the September 2022 “fiscal event”. The four governments that have been formed during the latter half of 2022 have delayed reforms to the local government finance system, and the spending reductions announced during the Autumn Statement makes this an increasingly challenging exercise.

When considering an appropriate long-term period for the Capital Strategy, we are potentially looking at a 20-30 year period but a more realistic period for the capital investment plan, say up to 10 years. This longer-term approach enables a much more robust 5-year Capital Programme forecast and a strong annual budget.

We recognise that the MTFP should be able to articulate the Council’s revenue and capital investment plans in the context of a longer-term approach. On this basis, our view is that the MTFP approach needs to be dynamic and aligned to the Council’s Corporate Plan priorities, following an appropriately detailed business planning approach. We feel that the budget setting and service planning process goes a long way towards achieving this approach, however, when it comes to the capital planning process we recognise that we need the process to be less reactive and much more proactive. However, scarce capital resources also are an overriding factor in limiting capital investment plans for at least the next 5 years.

As stated in the Budget report, the capital programme for 2023/24 onwards contains several ongoing major projects and also the rolling capital schemes agreed in previous years.

Currently the review of the Capital programme is undertaken as part of the quarterly budget management and financial forecast report. Any additions to the programme require

a funding request to be made through the appropriate governance process. This process is defined by the value of the capital bid.

The council is likely to undertake a further significant capital scheme at the Old River Lane, Bishop's Stortford site, within the next year. The scope and funding arrangements for this scheme are being developed. However, it should be noted that East Herts may need to give careful consideration to its financial position should costs exceed the affordability test for the council.

As any new schemes are agreed and the funding requirements become more definite they will be included in the capital programme presented within the quarterly budget management and financial forecast report.

As we develop the Capital Strategy we intend this to become better informed over time and strengthened by the capital investment plan, which will stretch up to 10 years. We recognise that it is important to identify all required capital investment commitments, to ensure that all existing capital commitments are required, particularly in light of any refresh of the Corporate Strategic Plan, and those potential commitments from emerging new proposals and ideas are reflected.

We also recognise that, if we have any business as usual commitment missing from our capital investment plan, capital schemes that will no longer deliver against corporate priorities, known capital investment ambition not reflected and a short to medium term delivery profile, it is difficult for us to have a strong capital financing requirement, which in turn will not give us a good view of our potential borrowing requirement in the future.

As we develop our Capital Strategy further in the coming financial year we will make sure that our capital investment plan is comprehensive and profiled realistically, so that the revenue consequence, both positive and negative, are as robust and risk aware as possible, to feed into the budget and the medium term financial plan.

Capital investment plan action plan

Action	Why is this required?	Responsibility	Timescale
Agree an appropriate long-term period for the Capital Strategy – potentially up to 20 years, based on the timeframe of the Council’s current strategies, plans and commercial activity	To enable the Council to plan much more effectively for the future – affording time to be clear about risk appetite, management of risk and management of financial resilience	Council	During 2023/24
Develop a longer-term capital investment plan – potentially up to 10 years, based on an appropriate timescale to suit the agreed period of the Capital Strategy	To enable the Council to improve its capital planning process, strengthen the Capital Programme and assist the effectiveness of delivery against plan	Leadership Team	During 2023/24

Action	Why is this required?	Responsibility	Timescale
<p>Improve the integration with the Council's financial plans and strategies – particularly the MTFP, Treasury Management Strategy, Annual Investment Strategy and Reserves Strategy</p>	<p>To enable an overall view of the Council's delivery of a prudent, affordable and sustainable capital investment plan that contributes positively to the achievement of the Council's corporate priorities</p>	<p>Strategic Finance & Property, S151 Officer</p>	<p>During 2023/24</p>

Minimum Revenue Provision (MRP)

policy statement

Minimum Revenue Provision

Where the council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the council to have regard to the MHCLG Guidance on Minimum Revenue Provision, the most recent edition of which was issued in 2018.

The council is legally obliged to “have regard” to the guidance, which is intended to enable a more flexible approach to assessing the amount of annual provision than was required under the previous statutory requirements. The guidance offers four main options under which MRP could be made, with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. The requirement to ‘have regard’ to the guidance therefore means that:

1. Although four main options are recommended in the guidance, there is no intention to be prescriptive by making these the only methods of charge under which a local authority may consider its MRP to be prudent; and
2. It is the responsibility of each authority to decide upon the most appropriate method of making a prudent provision, after having had regard to the guidance.

There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.

The guidance also provides for the ability to reclaim any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision (VRP) or overpayments, if

The council's Capital Financing Requirement became positive in 2020/21. In arriving at decision on its MRP Policy, the council has assessed MRP in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003. The options available to the Council are as follows.

Option 1: Regulatory Method

Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the CFR on a reducing balance method (which in effect meant that MRP charges would stretch into infinity). This historic approach requires the council to operate as if the 2008 amending Regulations had not revoked Regulation 28 and is only really advantageous to those authorities operating a Housing Revenue Account (HRA) to allow them to take advantage of adjustments relating to HRA debt. It can also only be used for new capital expenditure up to the amount which is deemed to be supported through the Supported Capital Expenditure annual allocation which is no longer published by the Government.

Option 2: Capital Financing Requirement Method

This is a variation on option 1 which is based upon a charge of 4% of the aggregate CFR without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation. The CFR is the measure of an authority's outstanding debt liability as depicted by their balance sheet.

Option 3: Asset Life Method

This method may be applied to most new capital expenditure, including where desired that which may alternatively continue to be treated under options 1 or 2.

Under this option, it is intended that MRP should be spread over the estimated useful life of either an asset created, or other purpose of the expenditure. There are two useful advantages of this option:

1. Longer life assets e.g. freehold land can be charged over a longer period than would arise under options 1 and 2 subject to a maximum life of 50 year for undeveloped land but developed land can have the same life as the asset on it and that can exceed 50 years; and
2. No MRP charges need to be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use (this is often referred to as being an 'MRP holiday'). This is not available under options 1 and 2.

There are two methods of calculating charges under option 3:

1. equal instalment method – equal annual instalments; or
2. annuity method – annual payments gradually increase during the life of the asset.

Option 4: Depreciation Method

Under this option, MRP charges are to be linked to the useful life of each type of asset using the standard accounting rules for depreciation (but with some exceptions) i.e. this is a more complex approach than option 3. The same conditions apply regarding the date of completion of the new expenditure as apply under option 3.

Annual Minimum Revenue Provision Statement 2023/24

The Council, having evaluated the options for its MRP policy in respect of capital expenditure incurred, considers that the Asset Life - Equal Instalment Method is the most appropriate for it to use. This provides for a reduction in the borrowing need over approximately the useful life of the asset.

Estimated life periods will be determined by the Head of Strategic Finance and Property. To the extent that expenditure is not on the creation of an asset and is of a type that is subject

to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the council. However, the council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Repayments included in finance leases are applied as MRP.

Risk Management

Risk Management Strategy

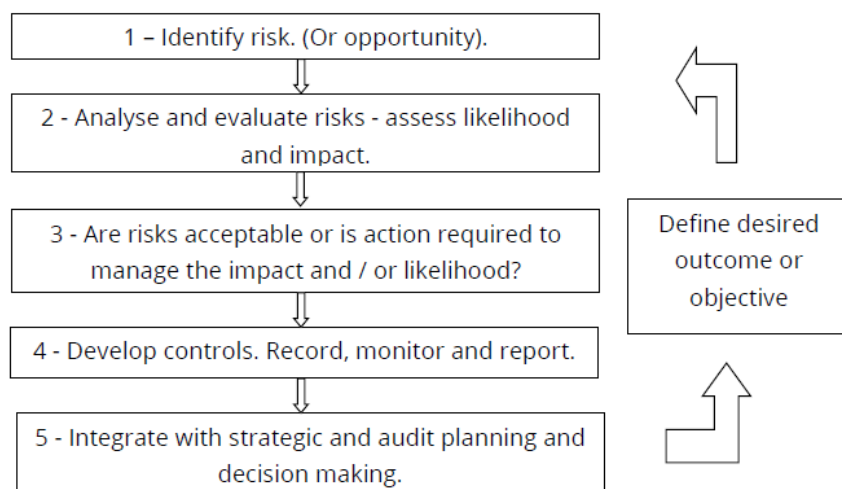
The Council's Risk Management Strategy is reviewed on an annual basis.

The Strategy contains a clear definition of risk management as follows:

The process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of their success and reducing the likelihood of their failure. (Source: The Institute of Risk Management).

The five stages of risk management are summarised in the diagram below, extracted from the Risk Management Strategy.

Figure 5: Stages of Risk Management



Risk Evaluation and Risk Appetite

The Risk Management Strategy includes a scoring matrix to be used in analysing and evaluating risks as outlined in the image overleaf.

Figure 6: Risk Scoring Mechanism

4 - HIGH >£300,000 and / or national criticism and / or catastrophic fall in service quality				
3 - MEDIUM £150,000 to £300,000 and / or regional criticism and / or major long term fall in service quality		CONTINGENCY	CRITICAL	
2 - LOW £50,000 to £150,000 and / or long term local media criticism and / or minor long term or major short term fall in service quality		CONTROL	CAUTION	
1 - NEGLIGIBLE <£50,000 and / or short term local media criticism and / or short term fall in service quality				
<div>IMPACT</div> <div>LIKELIHOOD</div>	1 - RARE The event could occur in exceptional circumstances	2 - UNLIKELY The event could occur less frequently than every three years	3 - POSSIBLE The event is likely to occur within, or more than one in three years	4 - PROBABLE The event is likely to occur within a year

The Strategy includes a definition of the Council's risk appetite i.e. the level of risk that it is prepared to tolerate without need for ongoing monitoring or reporting.

A material risk is deemed to be any risk rated higher than 2:2 on the scoring mechanism above. Where a risk rating exceeds this 'control' area of tolerance, demonstrable evidence of how risks are being mitigated will be required, together with proposals for future controls.

The Risk Management Strategy acknowledges that with increasing pressure on public finances, Local Authorities are obliged to have more appetite for risk. The Council cannot deliver everything it would ideally like to deliver and tough choices are necessary. The Council is therefore open to considering all delivery options, accepting increased levels of risk in order to secure the successful outcomes or rewards. Risk management is essential in supporting innovation and moving from a 'risk averse' to a more 'risk aware' approach. An example is the acquisition of Old River Lane, Bishop's Stortford. The financial commitment is significant but the acquisition provides an opportunity to shape the town centre, and an additional income stream.

Roles and responsibilities

Roles and responsibilities are contained within the Risk Management Strategy and summarised here for ease of reference:

Role	Responsibility
Elected Members	<p>Elected Members are responsible for governing the delivery of services to the local community. Members have a responsibility to understand the strategic risks that the Council faces and will be made aware of how these risks are being managed.</p> <p>All Members will have the responsibility to consider the risks associated with the decisions they undertake and will be informed of these risks in the reports that are submitted to them. They cannot seek to avoid or delegate this overall responsibility, as it is key to their stewardship responsibilities.</p> <p>All Members can access strategic risks on Pentana Performance (formerly called Covalent).</p>
Full Council	<p>Full Council recognises the importance of effective risk management and considers risk management issues when making decisions.</p>
Executive	<p>To receive an annual report regarding the content of the Strategic Risk Register, then three exception reports each year detailing any change in risk scoring and the reasons why.</p> <p>Agree the Risk Management Strategy on an annual basis, or if significant changes require a revision.</p>

Role	Responsibility
	<p>Agree / set the Council's risk appetite.</p> <p>Allocate sufficient resources to address top risks</p>
Audit and Governance Committee	<p>To develop policy options and to review and scrutinise the policies of the Council including Risk Management.</p> <p>To monitor the effective development and operation of risk management and corporate governance in the Council.</p> <p>Receive an annual report regarding the content of the Strategic Risk Register, then three reports each year detailing the strategic risks and actions taken to mitigate or control them.</p>
Chief Executive and Leadership Team	<p>To ensure that effective systems of risk management and internal control are in place to support the Corporate Governance of the Council.</p> <p>Take a leading role in identifying and managing the risks and opportunities to the Council and to set the example and standards for all staff. Advise the Executive and Council on the risk management framework, policy, strategy and processes.</p> <p>Advise on the management of strategic and other significant risks.</p> <p>Ensure that the Policy and Strategy are communicated, understood and implemented by all Members, managers and staff.</p> <p>To report to Members on the management of strategic risks.</p>

Role	Responsibility
	To ensure that the risk management process is part of all major projects, partnerships and change management initiatives.
Heads of Service	<p>To be individually responsible for their service risks.</p> <p>Be actively involved in the identification and assessment of risks through the service planning process.</p> <p>Ensure that all reports of a strategic nature written for Members include risk commentary.</p> <p>To implement the detail of the Risk Management Strategy and risk related corporate policies, e.g. Health and Safety, Data Protection.</p> <p>Ensure that significant service risks are considered by Leadership Team quarterly.</p>
Strategic Finance and Property	<p>Co-ordinate risk management activities and prepare related reports for management and Members.</p> <p>Review and develop the Risk Management Strategy and processes.</p> <p>Facilitate / arrange risk management training for staff and Members.</p> <p>To co-ordinate the Business Continuity Plan.</p> <p>Support the risk based audit planning process.</p>
Shared Internal Audit Service	To provide assurance to the Council through an independent and objective opinion on the control environment comprising risk management, control procedures and governance.

Role	Responsibility
	<p>To provide an annual Audit Plan that is based on a reasonable evaluation of risk, and to provide an annual assurance statement to the Council based on work undertaken in the previous year.</p> <p>Review and challenge the effectiveness of the risk management framework.</p>

Monitoring

Existing controls of strategic risks, their adequacy, new mitigation measures and associated action planning information are to be recorded on the Strategic Risk Register.

Strategic risks are subject to one detailed annual report with quarterly reports on an exception basis only.

Capital Risk Register

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
Political	Change in local government structures	Timetable for any reorganisation would fall outside the substantial capital programme proposed and as already committed would not be stopped by a reorganisation prohibition on items not programmed to use up resources and deny them to the successor authority	Quarterly	Chief Executive	6

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
Finance	There is uncertainty around future funding, both from Government and other areas such as income from commodities markets for recycled materials.	Funding situation is being carefully monitored.	Ongoing	Head of Strategic Finance & Property	7
Social					
Technological	Technological changes means that project overruns could result in obsolete technology or technology no longer aligned with business need being implemented	Project Management Controls. Strategy to move to Cloud based software provided by supplier so systems should be on latest technology	Ongoing	Deputy Chief Executive	5

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
Legislative / Legal	Challenges to legal powers being employed to deliver capital ambition	Robust technical, expert and legal advice to be sought as required in order to demonstrate that the Council's actions are justified	Ongoing	Head of Legal & Democratic Services	6
Continuity / service delivery	Risk of not having capacity / capability and flexibility to continue to deliver service levels over time.	Services are structured to ensure their service offers meet customer demand and are efficient and effective. The Transformation Programme will drive digital self-service for customers and agile working will reduce the	Ongoing	Heads of Service	4

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
		need for office accommodation space.			
	Risk of lack of defined process resulting in disrupted service delivery as decision making processes are impaired	Standard business cases, project evaluation and scoring mechanisms to aid decision making and prioritisation of resources	12 months	Head of Comms, Policy & Strategy	5
Environmental	Development of Old River Lane, Bishop's Stortford: impact on surrounding area	Site options being developed by urban designers and property	Ongoing	Head of Strategic	5

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
		consultants. Discussions ongoing with other partners such as Hertfordshire County Council, South Mills and Bishop's Stortford Town Council, to ensure any enabling parts of the site are ready		Finance & Property	
	Failure to adapt buildings and operational assets for climate change effects	Corporate Assets Group tasked with climate change risk assessment and adaption works programme for all council assets.	On going	Head of Strategic Finance & Property	6

Risk Management action plan

Action	Why is this required?	Responsibility	Timescale
Monitor operational and strategic risks and update relevant risk registers accordingly, reporting strategic risks annually or quarterly by exception	In order that opportunities are explored in full in a timely fashion, and that risks are acknowledged and managed effectively through project lifecycles	All	As required and at least on a quarterly basis

Capital Investment Appraisal

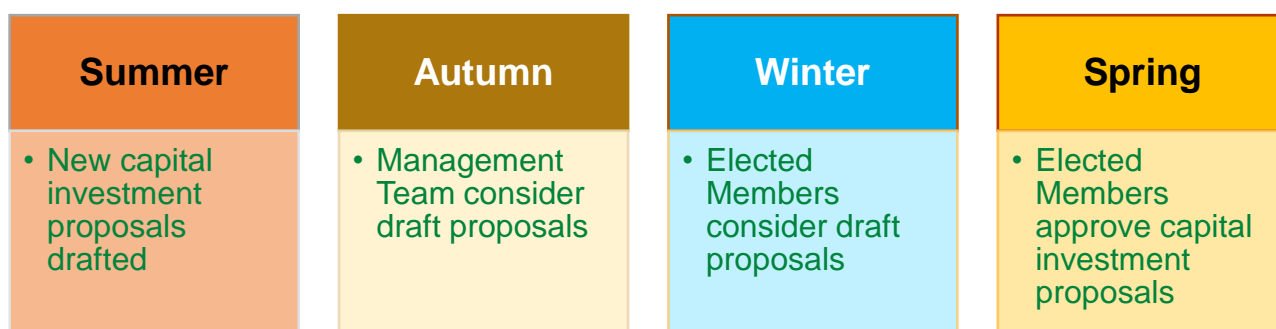
Process

Note: Due to the current high level of approved capital spend and affordability, there are currently no new capital schemes for approval and none expected, other than a potential re-configuration of the Old River Lane, Bishops Stortford, scheme.

Business planning process

The current business planning process for developing investment proposals to be included within the Council's future financial plans is summarised in the diagram below.

Figure 7: Business Planning Process



New proposals are developed by individual Project Managers, approved for consideration at service level by the Head of Service following which, the proposals will be considered by the Corporate Assets Group, then Leadership Team and successful proposals will progress for consideration and approval as part of the annual budget cycle.

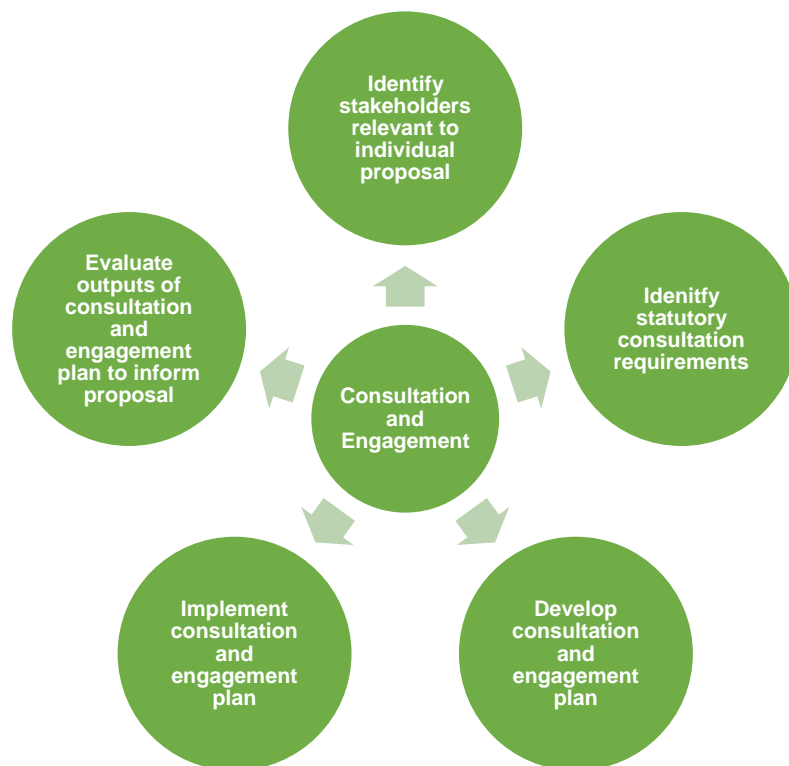
Investment proposals – consultation and stakeholder engagement

Consultation and engagement is a key part of developing individual proposals and will be tailored to the individual proposal and relevant stakeholders both internal and

external to the Council. Stakeholder engagement and consultation can take place throughout the lifecycle of a proposal (from initiation to close down) and the outputs of any engagement or consultation undertaken should be used to inform the proposal as this progresses.

The diagram overleaf summarises the elements to consider in developing capital investment proposals.

Figure 8: Stakeholder engagement and consultation in developing investment proposals



Developing capital investment proposals – description of current processes

Project and Service Managers are encouraged to consider a range of options in developing individual proposals to determine an appropriate way forward, and to capture project details as a business case. However, although new proposals are required to develop a business case, there is as yet no standardised business case template used consistently across the Council to capture key information. This can lead to gaps in information being captured.

The Council has therefore identified that a standardised business case template is required, to support Officers in recording and maintaining project information and inform decision making. Business case must include estimates of capital costs, revenue implications and how the individual proposal aligns with Council plans and strategies and any partnership or external plans and strategies as relevant. Risks should also be documented as part of developing the proposal, along with mitigating actions and relevant timescales.

Business cases would then be maintained throughout the lifecycle of a project to maintain accurate information relating to delivery and lessons learned should be captured as part of project closure reports.

Prioritising capital investment

The intention is for the standardised business cases referenced above to then be subject to a standardised evaluation process, the outcome of which will be the prioritised capital investment programme. Local authorities continue to face financial challenges and as a result, the need to prioritise and target investment is ever present.

The Council has identified that in order to effectively assess investment proposals against one another, a standardised evaluation process and scoring mechanism may be beneficial to help aid decision making and prioritise investment.

Project appraisal process action plan

Action	Why is this required?	Responsibility	Timescale
Embed the council's carbon assessment tool within standardised business case documentation so as to ensure sustainability issues inform decision-making	To support officers in capturing and maintaining project information, from proposal to project close down, in order to help inform decision making and prioritise investment	Head of Housing & Health	12 months

Governance

Description of existing approval mechanisms

The existing process for development and approval of the Council's Capital Strategy is summarised in the diagram below.

Figure 9: Capital Strategy Approval process



The internal governance structure will need to be mindful of partners' and external governance mechanisms and will need to communicate and engage with these structures through delivery of the Council's overall capital ambition.

Roles and responsibilities

All Officers and elected Members have a role to play in informing and delivering the Capital Strategy. These roles and responsibilities are summarised below:

Role	Responsibility
Elected members	To approve the Capital Strategy and monitor delivery of the Strategy through various scrutiny forums
Corporate Assets Group reporting via Leadership Team	To develop and propose the Capital Strategy for approval

Role	Responsibility
Programme / Directorate Managers	To help inform the Capital Strategy, identifying constraints and opportunities and communicate these to both Senior Management and Project Teams
Project Managers	To manage delivery of individual projects aligned to the Capital Strategy and to develop and maintain project information which will inform decision making processes and the direction and delivery of the Capital Strategy
Project Team members	To contribute to the delivery of individual proposals which align with the Capital Strategy

Skills and training

The Council benefits from the skills and experience possessed by both Officers and elected Members which will support delivery of individual capital proposals and the Council's overall capital ambition. The Council is also keen to support Officers and elected Members to continue to develop their skills sets and is therefore mindful of the implications capital proposals may have on the Council's workforce and future training opportunities and requirements.

The Council already has a programme of staff training available and will look to support that staffs who wish to continue their professional development appropriate to their role and subject to appropriate budget availability. Relevant training for elected Members is also undertaken on a routine basis and refreshed as required.

Any skills or experience required which are not already possessed ‘in-house’ should be identified through individual capital proposals or business cases and will be procured externally as necessary, and in accordance with the Council’s Corporate Procurement Strategy.

Capital Strategy engagement

The Capital Strategy is a corporate document which helps stakeholders understand the Council’s capital investment objectives and decisions. The Council is therefore keen that the Capital Strategy is informed by knowledge and experience from across the authority.

Capital Strategy date for review

The Capital Strategy is intended to be a dynamic document, responsive to changes in policy, strategic influences and delivery.

The Capital Strategy will therefore be updated as required and at least once on an annual basis.

Governance action plan

Action	Why is this required?	Responsibility	Timescale
Update the Capital Strategy as required and at least once annually	To maintain a dynamic and responsive Strategy which evolves as the Council's priorities do	Leadership Team	As required

Appendix 1: Capital Programme by Corporate Plan priority

	Sustainability at the heart of everything we do	Enabling our communities	Encouraging economic growth	Digital by design
Investment in operational assets	✓	✓	✓	
Hartham Leisure Centre	✓	✓		
Northgate End, MSCP, Residential and Commercial	✓	✓	✓	
Arts Centre – Old River Lane	✓	✓	✓	✓
Hertford Theatre	✓	✓	✓	✓
ICT Rolling Programme	✓			✓
Open Space Improvements	✓	✓		
Improve, maintain & renew structures along rivers and watercourses	✓	✓		

Appendix 1

	Sustainability at the heart of everything we do	Enabling our communities	Encouraging economic growth	Digital by design
Land Management Asset Register & Associated Works		✓		
Grants	✓	✓		

East Herts Council Report

Council

Date: 1 March 2023

Report by: Councillor Geoffrey Williamson, Deputy Leader &
Executive Member for Financial Sustainability

Report title: Treasury Management and Annual Investment
Strategy 2023/24

Ward(s) affected: None

Summary

The report contains the Council's Treasury Management and Annual Investment Strategy for 2023/24.

RECOMMENDATIONS FOR COUNCIL:

(a) To approve the Treasury Management and Annual Investment Strategy 2023/24 at Appendix A and approve the Prudential Indicators at Appendix B

1.0 Proposal(s)

1.1 This report proposes that Council approve the Treasury Management and Annual Investment Strategy 2023/24.

2.0 Background

2.1 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 security and adequate liquidity always before considering investment return.

- 2.2 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, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 2.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 2.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.
- 2.5 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

- 2.6 This activity is currently supported by the council's appointed independent advisors – Link Asset Services.
- 2.7 The strategy was scrutinised by Audit and Governance Committee at its meeting on 24 January 2023 and made no comments

3.0 Reason(s)

- 3.1 The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.
- 3.2 Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:
- the capital plans, (including prudential indicators);
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
 - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an investment strategy, (the parameters on how investments are to be managed).
- 3.3 A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.
- 3.4 An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within

the strategy.

- 3.5 The above reports are required to be adequately scrutinised before being recommended to the Council.
- 3.6 Prudential Indicators are included in Appendix 'A': Treasury Management Strategy and Annual Investment Strategy 2023-24 which are designed to assist members' overview and confirm capital expenditure plans.
- 3.7 Please also refer to the Credit and Counterparty Risk Management paragraph 5.4 and Approved Countries List paragraph 5.5.

4.0 Options

- 4.1 Update the Treasury Management Strategy as required, at least once annually.

5.0 Risks

- 5.1 Risks are discussed in detail, within the Treasury Management Strategy, including the uncertainty around future funding, both from Government and other areas.

6.0 Implications/Consultations

- 6.1 No.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

The Council's Treasury operations are limited by statute to term deposits, money market funds and banks. It is not possible to have an ethical investment strategy as there is no way to trace the use of, say, a five day Term Deposit with Barclays Bank who may use that cash to pay customers, some of whom would potentially be seen as unethical, e.g. oil companies, weapons manufacturers etc.

Financial

All financial implications are included in this report.

Health and Safety

No

Human Resources

No

Human Rights

The Council's Treasury operations are limited by statute to term deposits, money market funds and banks. It is not possible to have an ethical investment strategy as there is no way to trace the use of, say, a five day Term Deposit with Barclays Bank who may use that cash to pay customers, some of whom would potentially be seen as unethical, e.g. oil companies, weapons manufacturers etc.

Legal

All statutory requirements have been considered in preparing this report

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A - East Herts District Council Treasury

Management Strategy 2023/24 Onwards

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Treasury Management Strategy & Annual Investment Strategy

2023/24

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1.0 Introduction

1.1 Background

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

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

The Chartered institute of Public Finance and Accountancy (CIPFA) defines treasury management as:

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

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

1.2 Revised Treasury Management Code and Prudential Code

The Chartered Institute of Public Finance and Accountancy (CIPFA) published a revised Treasury Management Code and Prudential Code on 20th December 2021 and has stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Authority, therefore, has to have regard to these Codes of Practice when it prepares the Treasury Management Strategy and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

The revised Treasury Management Code requires all investments and investment income to be attributed to one of the following three purposes:

- i. **Treasury management** - arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.
- ii. **Service delivery** - investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".
- iii. **Commercial return** - investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to an authority's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without

unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

The revised Treasury Management Code will require an authority to implement the following:

- i. Adopt a new liability benchmark treasury indicator to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained.
- ii. Long-term treasury investments, (including pooled funds), are to be classed as commercial investments unless justified by a cash flow business case.
- iii. Pooled funds are to be included in the indicator for principal sums maturing in years beyond the initial budget year.
- iv. Amendment to the knowledge and skills register for officers and members involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each authority.
- v. Reporting to members is to be done quarterly. Specifically, the Chief Finance Officer (CFO) is required to establish procedures to monitor and report performance against all forward-looking prudential indicators at least quarterly. The CFO is expected to establish a measurement and reporting process that highlights significant actual or forecast deviations from the approved indicators. However, monitoring of prudential indicators, including forecast debt and investments, is not required to be taken to Full Council and should be reported as part of the authority's integrated revenue, capital and balance sheet monitoring.
- vi. Environmental, social and governance (ESG) issues to be addressed within an authority's treasury management policies and practices (TMP1).

The main requirements of the Prudential Code relating to service and commercial investments are:

- i. The risks associated with service and commercial investments should be proportionate to their financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services.
- ii. An authority must not borrow to invest for the primary purpose of commercial return.
- iii. It is not prudent for local authorities to make any investment or spending decision that will increase the CFR, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose.
- iv. An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt.
- v. A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream.
- vi. Create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

An authority's Capital Strategy or Annual Investment Strategy should include: -

- i. The authority's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the authority's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence.
- ii. An assessment of affordability, prudence and proportionality in respect of the authority's overall financial capacity (i.e. whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services).
- iii. Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed.

- iv. Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments).
- v. Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information contained in them will need to be periodically re-evaluated to inform the authority's overall strategy).

State compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that an authority must not borrow to invest primarily for financial return.

1.3 Reporting Requirements

1.3.1 Capital Strategy

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

- i. a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.
- ii. an overview of how the associated risk is managed.
- iii. the implications for future financial sustainability.

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

1.3.2 Treasury Management Reporting

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

- i. Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- a. the capital plans, (including prudential indicators)
 - b. a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
 - c. the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - d. an Annual Investment Strategy, (the parameters on how investments are to be managed)
- ii. A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Authority will receive quarterly update reports.
 - iii. An annual treasury report – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

1.3.3 Scrutiny

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

1.3.4 Quarterly Reports

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

1.4 Treasury Management Strategy for 2023/24

The strategy for 2023/24 covers the following Treasury management issues:

- i. the current treasury position
- ii. treasury indicators which limit the treasury risk and activities of the Authority
- iii. prospects for interest rates

- iv. the borrowing strategy
- v. policy on borrowing in advance of need
- vi. debt rescheduling
- vii. the investment strategy
- viii. creditworthiness policy; and
- ix. the policy on use of external service providers

1.5 Training

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

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

The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and board/council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- i. Record attendance at training and ensure action is taken where poor attendance is identified.
- ii. Prepare tailored learning plans for treasury management officers and board/council members.
- iii. Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- iv. Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”

In further support of the revised training requirements, CIPFA's Better Governance Forum and Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', which is available from the CIPFA website to download.

Members received training at the meeting of Audit and Governance on Tuesday 9 November 2021.

The training needs of treasury management officers are periodically reviewed. A formal record of the training received by officers central to the Treasury function will be maintained by Human Resources and Organisational Development. Similarly, a formal record of the treasury management/capital finance training received by members will be maintained by the Democratic Services Manager.

1.6 Treasury Management Consultants

The Authority uses Link Group, Link Treasury Services Limited as its external treasury management advisors.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority 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.

2.0 The Capital Prudential Indicators 2023/24 to 2027/28

The Authority'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 and Financing

This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The table below summarises the 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:

Year End Resources	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Services Total	20.569	18.374	14.482	6.965	0.888	0.888

Financing of capital expenditure	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Capital receipts	(1.600)	(3.160)	(5.140)	(250)	(250)	(250)
Capital grants and 3 rd party Contributions	(3.185)	(2.276)	(83)	0	0	0
Revenue	(425)	(328)	(3.288)	(288)	(288)	(288)
Net financing need for the year	15.359	12.610	5.971	6.427	0.350	0.350

Other long-term liabilities - the above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

2.2 The Authority's Borrowing Need (the Capital Financing Requirement)

The second prudential indicator is the Authority'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 Authority's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Capital Financing Requirement						
Services	15.359	12.610	5.971	6.427	0.350	0.350
Total CFR	20.352	32.405	36.794	41.639	39.977	38.303
Movement in CFR	15.168	12.053	4.389	4.845	-1.662	-1.674

Movement in CFR represented by						
Net financing need for the year (above)	15.359	12.610	5.971	6.427	0.350	0.350
Less MRP/VRP and other financing movements	-0.191	-0.557	-1.582	-1.582	-2.012	-2.024
Movement in CFR	15.168	12.053	4.389	4.845	-1.662	-1.674

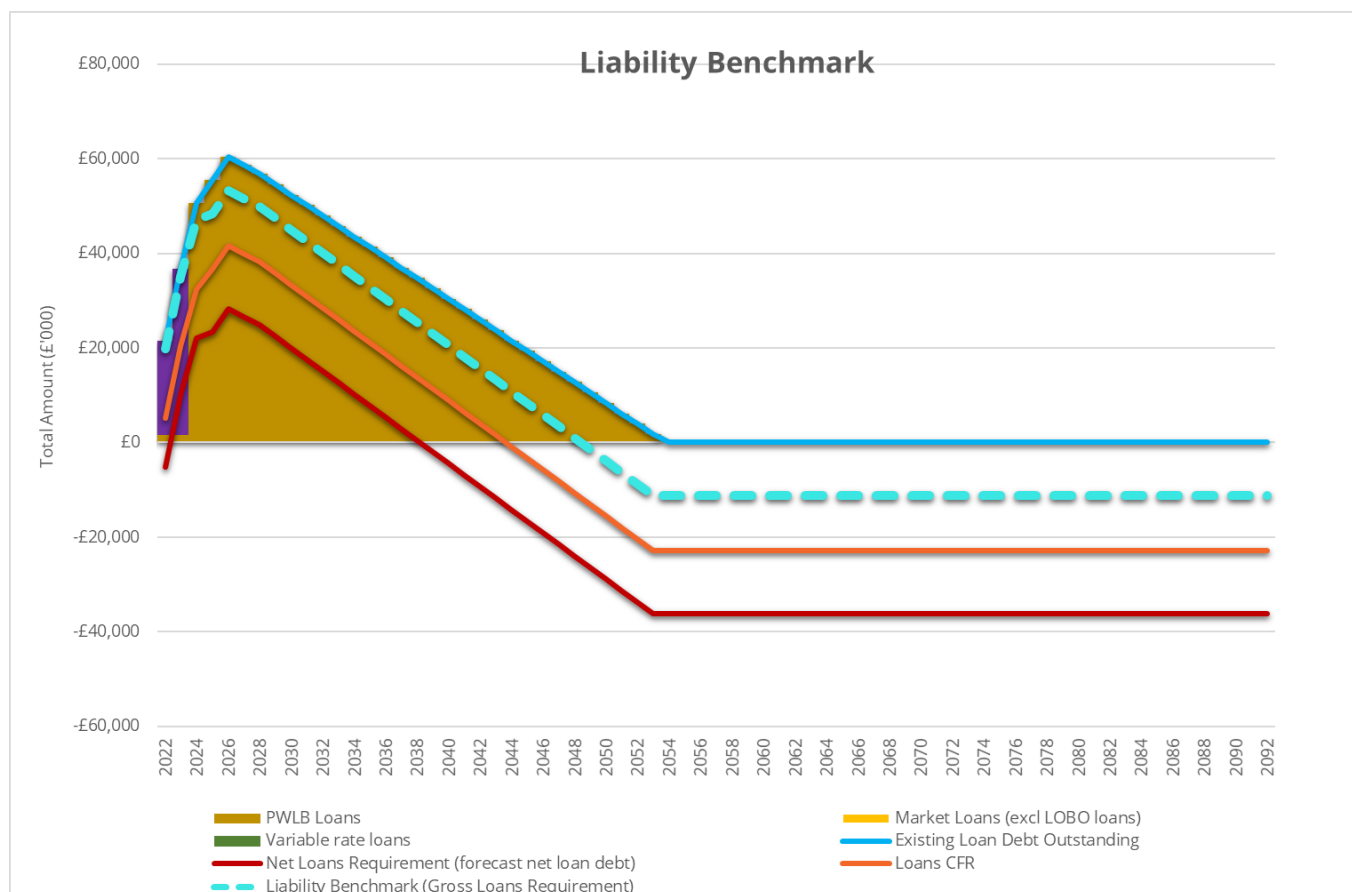
External borrowing	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate
	£m	£m	£m	£m	£m	£m
Service spend	13.469	12.610		0.350	0.350	0.350
Housing	0	0	0	0	0	0
Regeneration	1.890	0	5.971	6.077	0	0
Preventative action	0	0	0	0	0	0
Projects for yield	0	0	0	0	0	0
TOTAL	15.359	12.610	5.971	6.427	0.350	0.350

2.3 Liability Benchmark

A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB:

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



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	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Fund balances / reserves	31.660	28.540	21.020	21.210	21.210
Capital receipts	-	-	-	-	-
Other	-	-	-	-	-
Total core funds	31.660	28.540	21.020	21.210	21.210
Working capital*	3.000	3.000	3.000	3.000	3.000
Under/over borrowing	12.120	3.086	2.510	1.985	2.047
Expected investments	46.780	34.626	26.530	26.195	26.257

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

3.0 Borrowing

The capital expenditure plans set out in Section 2 provide details of the service activity of the Authority. The treasury management function ensures that the Authority's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Authority's Capital Strategy. 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 overall treasury management portfolio as at 31/03/2022 and for the position as at 31/12/2022 are shown below for both borrowing and investments.

	31/03/22	31/12/22
	£m	£m
Banks	13.71	13.38
Building Societies	5.4	5.4
Local authorities		
DMADF (H.M.Treasury)		
Money Market Funds	2.57	2.57
Certificates of Deposit		
Total Managed in-house	21.68	21.35
Bond Funds		
Property Funds	20	20
Total Managed Externally	20	20
Total Investments	41.68	41.35
Local Authorities	20.0	22.0
Public Works Loans Board	1.5	1.5
Market Loans		
Total External Borrowing	21.5	23.5

Net treasury investments / (borrowing)	20.18	17.85
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The Authority's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

	2023/24	2024/25	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
Debt at 1 April	36.701	45.983	54.924	60.431	59.281
Expected change in Debt	9.282	8.971	5.477	(1,150)	(1,750)
Other long-term liabilities (OLTL)					
Expected change in OLTL					
Actual gross debt at 31 March	45.983	54.924	60.431	59.281	57.531
The Capital Financing Requirement	50.535	58.010	62.494	61.266	59.578
Under / (over) Borrowing	12.121	3.086	2.510	1.985	2.047

Within the range of prudential indicators there are several key indicators to ensure that the Authority operates its activities within well-defined limits. One of these is that the Authority 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 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Head of Strategic Finance & Property reports that the Authority complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

3.2 Treasury Indicators: Limits to borrowing activity

3.2.1 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 and the ability to fund under-borrowing by other cash resources.

Operational boundary	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt	80.0	80.0	80.0	80.0	80.0
Other long term liabilities	10.0	10.0	10.0	10.0	10.0
Total	90.0	90.0	90.0	90.0	90.0

3.2.2 Authorised Limit for external debt

This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal 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.

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 local authority plans, or those of a specific authority, although this power has not yet been exercised.

Authorised Limit	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt	180.0	180.0	180.0	180.0	180.0
Other long term liabilities	10.0	10.0	10.0	10.0	10.0
Total	190.0*	190.0	190.0	190.0	190.0

3.3 Prospects for interest rates

The Authority has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

Our central forecast for interest rates was updated on 19 December and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. Bank Rate stands at 3.5% currently but is expected to reach a peak of 4.5% in the first half of 2023.

Further down the road, we anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but that timing will be one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.

The CPI measure of inflation looks to have peaked at 11.1% in Q4 2022 (currently 10.7%). Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market.

Regarding the plan to sell £10bn of gilts back into the market each quarter (Quantitative Tightening), this has started and will focus on the short, medium and longer end of the curve in equal measure, now that the short-lived effects of the Truss/Kwarteng unfunded dash for growth policy are firmly in the rear-view mirror.

In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but the on-going conflict between Russia and Ukraine. (More recently, the

heightened tensions between China/Taiwan/US also have the potential to have a wider and negative economic impact.)

On the positive side, consumers are still estimated to be sitting on over £160bn of excess savings left over from the pandemic so that will cushion some of the impact of the above challenges. However, most of those are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

On PWLB rates the yield curve movements have become less volatile of late and PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.10% to 4.80%. We view the markets as having built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the elevated inflation outlook.

The overall balance of risks to economic growth in the UK is to the Downside risks to current forecasts for UK gilt yields and PWLB rates include: -

- i. Labour and supply shortages prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, rising gilt yields).
- ii. The Bank of England acts too quickly, or too far, over the next year to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- iii. UK / EU trade arrangements – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- iv. Geopolitical risks, for example in Ukraine/Russia, China/Taiwan/US, Iran, North Korea and Middle Eastern countries, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- i. The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly and for a longer period within the UK economy, which then necessitates Bank Rate staying

higher for longer than we currently project or even necessitates a further series of increases in Bank Rate.

- ii. The Government acts too quickly to cut taxes and/or increases expenditure in light of the cost-of-living squeeze.
- iii. The pound weakens because of a lack of confidence in the UK Government's fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- iv. Longer term US treasury yields rise strongly and pull gilt yields up higher than currently forecast.
- v. Projected gilt issuance, inclusive of natural maturities and QT, could be too much for the markets to comfortably digest without higher yields consequently.

Our long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are currently above this level, borrowing strategies will need to be reviewed in that context. Better value can generally be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive whilst the market waits for inflation, and therein gilt yields, to drop back later in 2023.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are rounded to the nearest 10bps as follows:

Average earnings in each year	
2022/23 (remainder)	4.00%
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%
2026/27	2.50%
Years 6 to 10	2.80%
Years 10+	2.80%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

3.4 Borrowing Strategy

The Authority 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 Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate increases over the remainder of 2022 and the first half of 2023.

Against this background and the risks within the economic forecast, caution will be adopted with the 2023/24 treasury operations. The Head of Strategic Finance & Property will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- i. if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
- ii. if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

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

3.5 Policy on Borrowing in Advance of Need

The Authority 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 Authority can ensure the security of such funds.

3.6 Rescheduling

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

If rescheduling is to be undertaken, it will be reported to the Executive at the earliest meeting following its action.

3.7 New Financial Institutions as a Source of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- i. Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- ii. Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- iii. UK Municipal Bonds Agency.

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

3.8 Approved Sources of Long and Short Term Borrowing

Borrowing Source	Fixed	Variable
PWLB	✓	✓
UK Municipal Bond Agency	✓	✓
Local Authorities	✓	✓
Banks	✓	✓
Pension Funds	✓	✗
Insurance Companies	✓	✗
UK Infrastructure Bank	✓	✗
Market (long-term)	✓	✓
Market (temporary)	✓	✓
Market (LOBOs)	✗	✗
Stock Issues	✗	✗
Local Temporary	✗	✗
Local Bonds	✓	✗
Local Authority Bills	✗	✗
Overdraft	✓	✓
Negotiable Bonds	✗	✗
Internal (capital receipts & revenue balances)	✓	✓
Commercial Paper	✗	
Medium Term Notes	✗	
Finance Leases	✓	✓

4.0 Annual Investment Strategy

4.1 Investment Policy – Management of Risk

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

The Authority’s investment policy has regard to the following: -

- i. DLUHC’s Guidance on Local Government Investments (“the Guidance”)
- ii. CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
- iii. CIPFA Treasury Management Guidance Notes 2021

The Authority’s investment priorities will be security first, portfolio liquidity second and then yield (return). The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Authority’s risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- i. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
- ii. Other information: 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 achieve this consideration the Authority 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.
- iii. Other information sources used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- iv. This Authority has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Appendix 5.4 under the categories of ‘specified’ and ‘non-specified’ investments.
 - a. Specified investments are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.
 - b. Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- v. Non-specified and loan investment limits. The Authority has determined that it will set a limit to the maximum exposure of the total treasury management investment portfolio to non-specified treasury management investments of Y%.

- vi. Lending limits, (amounts and maturity), for each counterparty will be set through applying the matrix table in section 4.2.
- vii. Transaction limits are set for each type of investment in section 4.2.
- viii. This Authority will set a limit for its investments which are invested for longer than 365 days in section 4.4.
- ix. Investments will only be placed with counterparties from countries with a specified minimum sovereign rating shown in section 4.3.
- x. This Authority has engaged external consultants, (see section 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Authority in the context of the expected level of cash balances and need for liquidity throughout the year.
- xi. All investments will be denominated in sterling.
- xii. As a result of the change in accounting standards for 2022/23 under IFRS 9, this Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31March 2023. At the current juncture it has not been determined whether a further extension to the over-ride will be agreed by Government.

However, this Authority will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see section 4.5). Regular monitoring of investment performance will be carried out during the year.

The above criteria are unchanged from last year.

4.2 Creditworthiness Policy

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

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

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

Yellow	5 years *
Dark pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
Light pink	5 years for Ultra-Short Dated Bond Funds 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

The Link creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically, the minimum credit ratings criteria the Authority uses will be a short-term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Authority is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service:

- i. if a downgrade results in the counterparty / investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- ii. in addition to the use of credit ratings the Authority will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Senior Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

Sole reliance will not be placed on the use of this external service. In addition, this Authority will also use market data and market information, as well as information on any external support for banks to help support its decision-making process.

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

	Colour (and long-term rating where applicable)	Money and/or % limit	Transaction limit	Time limit
Banks *	Yellow	£10m	£10m	5yrs
Banks	Purple	£20m	£20m	2 yrs
Banks	Orange	£30m	£30m	1 yr
Banks – part nationalised	Blue	£20m	£20m	1 yr
Banks – council's own bank	Blue	£50m	£50m	1 yr
Banks	Red	£10m	£10m	6 mths
Banks	Green	£10m	£10m	100 days
Banks	No Colour	Not to be used	£Xm	
Limit 3 category – Authority's own banker (where "No Colour")	No Colour	£50m	£50m	1 day
DMADF	UK sovereign rating	unlimited	£50m	unlimited
Local authorities	n/a	£20m per local authority	£20m	unlimited
Lothbury Property Fund		£10m	£10m	Liquid within 2 months
Hermes Property Fund		£10m	£10m	Liquid within 2 months
	Fund rating**	Money and/or % Limit		Time Limit
Money Market Funds CNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds LVNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds VNAV	AAA	£10m (per fund)	£10m	liquid

Creditworthiness

Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, more recently the UK sovereign debt rating has been placed on Negative Outlook by the three major rating agencies in the wake of the Truss/Kwarteng unfunded tax-cuts policy. Although the Sunak/Hunt government has calmed markets, the outcome of the rating agency reviews is unknown at present, but it is possible the UK sovereign debt rating will be downgraded. Accordingly, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

CDS prices

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its Link-provided Passport portal.

4.3 Limits

Due care will be taken to consider the exposure of the Authority's total investment portfolio to non-specified investments, countries, groups and sectors.

- i. Non-specified treasury management investment limit. The Authority has determined that it will limit the maximum total exposure of treasury management investments to non-specified treasury management investments as being X% of the total treasury management investment portfolio.
- ii. Country limit. The Authority has determined that it will only use approved counterparties from the UK and 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 5.6. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Other limits

In addition:

- i. no more than 10% will be placed with any non-UK country at any time;
- ii. limits in place above will apply to a group of companies / institutions;
- iii. sector limits will be monitored regularly for appropriateness.

4.4 Investment Strategy

4.4.1 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). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the first half of 2023 and possibly reducing as early as the latter part of 2023 so an agile investment strategy would be appropriate to optimise returns.

Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

4.4.2 Investment returns expectations

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to reach 4.5% in Q2 2023.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Average earnings in each year	
2022/23 (remainder)	4.00%
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%
2026/27	2.50%
Years 6 to 10	2.80%
Years 10+	2.80%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

For its cash flow generated balances, the Authority 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.

4.4.3 Investment treasury indicator and limit - total principal funds invested for greater than 365 days

These limits are set with regard to the Authority'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.

Upper limit for principal sums invested for longer than 365 days			
£m	2023/24	2024/25	2025/26
Principal sums invested for longer than 365 days	£30m	£30m	£30m
Current investments as at 31/12/2022 in excess of 1 year maturing in each year	£20m	£20m	£20m

4.5 Investment Performance / Risk Benchmarking

This Authority will use an investment benchmark to assess the investment performance of its investment portfolio of overnight, 7 day, 1, 3, 6 or 12 month compounded / SONIA as appropriate.

4.6 End of Year Investment Report

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

4.7 External Fund Managers

£__m of the Authority's funds is externally managed on a discretionary / pooled basis by <<name of manager(s)>>

The Authority's external fund manager(s) will comply with the Annual Investment Strategy. The agreement(s) between the Authority and the fund manager(s) additionally stipulate guidelines on duration and other limits in order to contain and control risk.

These risk metrics are outlined below: -

Some clients may wish to just identify the fund manager contract which contains details of how investments can be made.

The Authority fully appreciates the importance of monitoring the activity and resultant performance of its appointed external fund manager. In order to aid this assessment, the Authority is provided with a suite of regular reporting from its manager. This includes: -

Outline details of reporting here... this may include monthly factsheets, quarterly / semi-annual and annual reports, statements, access to online fund reporting sites etc.

In addition to formal reports, the Authority also meets with representatives of the fund manager on an annual basis. These meetings allow for additional scrutiny of the manager's activity as well as discussions on the outlook for the fund as well as wider markets.

APPENDIX 1 - INTEREST RATE FORECASTS 2022-2025

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave eamings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave eamings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

APPENDIX 2 - ECONOMIC BACKGROUND

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps since the turn of the year. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	3.5%	2.0%	4.25%-4.50%
GDP	-0.2%q/q Q3 (2.4%y/y)	+0.2%q/q Q3 (2.1%y/y)	2.6% Q3 Annualised
Inflation	10.7%y/y (Nov)	10.1%y/y (Nov)	7.1%y/y (Nov)
Unemployment Rate	3.7% (Oct)	6.5% (Oct)	3.7% (Nov)

Q2 of 2022 saw UK GDP revised upwards to +0.2% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Nevertheless, CPI inflation has picked up to what should be a peak reading of 11.1% in October, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia's invasion of Ukraine on 22nd February 2022.

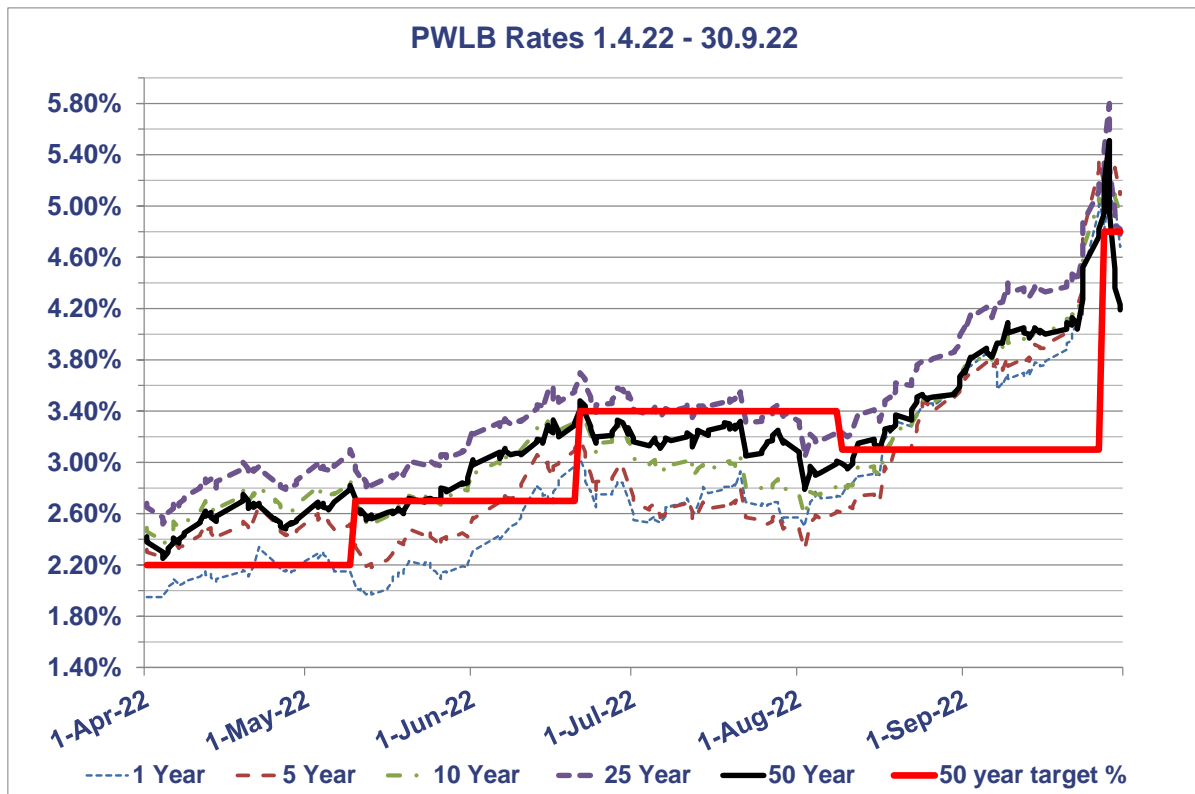
Throughout Q3 Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Q4 has seen rates rise to 3.5% in December and the market expects Bank Rate to hit 4.5% by May 2023.

Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17th November gave rise to a net £55bn fiscal tightening, although much of the “heavy lifting” has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have almost completely reversed the increases seen under the previous tenants of No10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term. The fall below 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China all point to at least one, if not more, quarters of GDP contraction. In November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be as bad as first anticipated by the Bank.

The £ has strengthened of late, recovering from a record low of \$1.035, on the Monday following the Truss government’s “fiscal event”, to \$1.22. Notwithstanding the £’s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

In the table below, the rise in gilt yields, and therein PWLB rates, through the first half of 2022/23 is clear to see.



However, the peak in rates on 28th September as illustrated in the table covering April to September 2022 below, has been followed by the whole curve shifting lower. PWLB rates at the front end of the curve are generally over 1% lower now whilst the 50 years is over 1.75% lower.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
High	5.11%	5.44%	5.35%	5.80%	5.51%
Date	28/09/2022	28/09/2022	28/09/2022	28/09/2022	28/09/2022
Average	2.81%	2.92%	3.13%	3.44%	3.17%
Spread	3.16%	3.26%	2.99%	3.28%	3.26%

After a shaky start to the year, the S&P 500 and FTSE 100 have climbed in recent weeks, albeit the former is still 17% down and the FTSE 2% up. The German DAX is 9% down for the year.

CENTRAL BANK CONCERNS – DECEMBER 2022

In December, the Fed decided to push up US rates by 0.5% to a range of 4.25% to 4.5%, whilst the MPC followed by raising Bank Rate from 3% to 3.5%, in line with market expectations. EZ rates have also increased to 2% with further tightening in the pipeline.

Having said that, the sentiment expressed in the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 4.5% - 4.75%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for eight quarters starting with Q3 2022 may prove to be a little pessimistic. Will the £160bn excess savings accumulated by households through the Covid lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

APPENDIX 3 - TREASURY MANAGEMENT PRACTICE (TMP1)

– CREDIT AND COUNTERPARTY RISK MANAGEMENT

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of ___% ** 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:

Specified Investments

	Minimum credit criteria / colour band	** Max % of total investments / £ limit per institution	Max. maturity period
DMADF – UK Government	Yellow	100%	6 months (max. is set by the DMO*)
UK Gilts	Yellow	100%	5 years
UK Treasury Bills	Yellow	100%	364 days (max. is set by the DMO*)
Bonds issued by multilateral development banks	Yellow	40%	5 years
Money Market Funds CNAV	AAA	100%	Liquid
Money Market Funds LNAV	AAA	95%	Liquid
Money Market Funds VNAV	AAA	95%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	100%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	100%	Liquid
Local Authorities	Yellow	100%	5 years
Term Deposits with Banks and Building Societies	Blue Orange Red Green No Colour	100%	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	100%	12 months 12 months 6 months 100 days Not for use
Gilt Funds	UK sovereign rating	100%	

* DMO – is the Debt Management Office of HM Treasury

Non Specified Investments

Maturities of any period

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Fixed term deposits with variable rate and variable maturities: - Structured deposits	Green	In-house	100%	As per Credit Criteria
Certificates of deposit issued by banks and building societies	Green	In-house	100%	As per Credit Criteria
Corporate bonds	AAA	In-house and Fund Managers	50%	5 Years
Floating rate notes	AAA	In house and Fund Managers	50%	5 Years
Collective Investment Schemes structured as Open-Ended Investment Companies (OEICs)				
Property Funds	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

. Maturities in excess of 1 year

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Term deposits – local authorities	N/A	In-house	75%	5 Years
Term deposits – banks and building societies	Green	In-house	75%	5 Years
Certificates of deposit issued by banks and building societies	Green	In-house	75%	5 Years
Certificates of deposit issued by banks and building societies	Green	Fund Managers	75%	5 Years
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	75%	10 Years
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	10%	5 Years
Sovereign bond issues (other than the UK govt)	AAA	In-house and Fund Managers	50%	10Years
Corporate bonds	AAA	In-house and Fund Managers	10%	5 Years
Collective Investment Schemes structured as Open-Ended Investment Companies (OEICs)				
Property Funds	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

APPENDIX 4 – APPROVED COUNTRIES FOR INVESTMENT

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- France

AA-

- Belgium
- **U.K.**

APPENDIX 5 – TREASURY MANAGEMENT SCHEME OF DELEGATION

Full Council

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

Executive

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

Audit & Governance Committee

1. reviewing the treasury management policy and procedures and making recommendations to the responsible body.
2. receiving and reviewing reports on treasury management policies, practices and activities

APPENDIX 6 – THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

1. recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
2. submitting regular treasury management policy reports;
3. submitting budgets and budget variations;
4. receiving and reviewing management information reports;
5. reviewing the performance of the treasury management function;
6. ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
7. ensuring the adequacy of internal audit, and liaising with external audit;
8. recommending the appointment of external service providers.
9. preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe (say 20+ years – to be determined in accordance with local priorities.)
10. ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
11. ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
12. ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
13. ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources
14. ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
15. provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
16. ensuring that members are adequately informed and understand the risk exposures taken on by the Authority

17. ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above
18. creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (TM Code p54): -
 - a. Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
 - b. Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
 - c. Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
 - d. Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
 - e. Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged

Prudential Indicators 2023/24 for Approval

1. Capital Expenditure and Financing

2. Year End	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Resources	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Services Total	20.569	18.374	14.482	6.965	0.888	0.888

Financing of capital expenditure	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Capital receipts	(1.600)	(3.160)	(5.140)	(250)	(250)	(250)
Capital grants and 3 rd party Contributions	(3.185)	(2.276)	(83)	0	0	0
Revenue	(425)	(328)	(3.288)	(288)	(288)	(288)
Net financing need for the year	15.359	12.610	5.971	6.427	0.350	0.350

3. Capital Financing Requirement

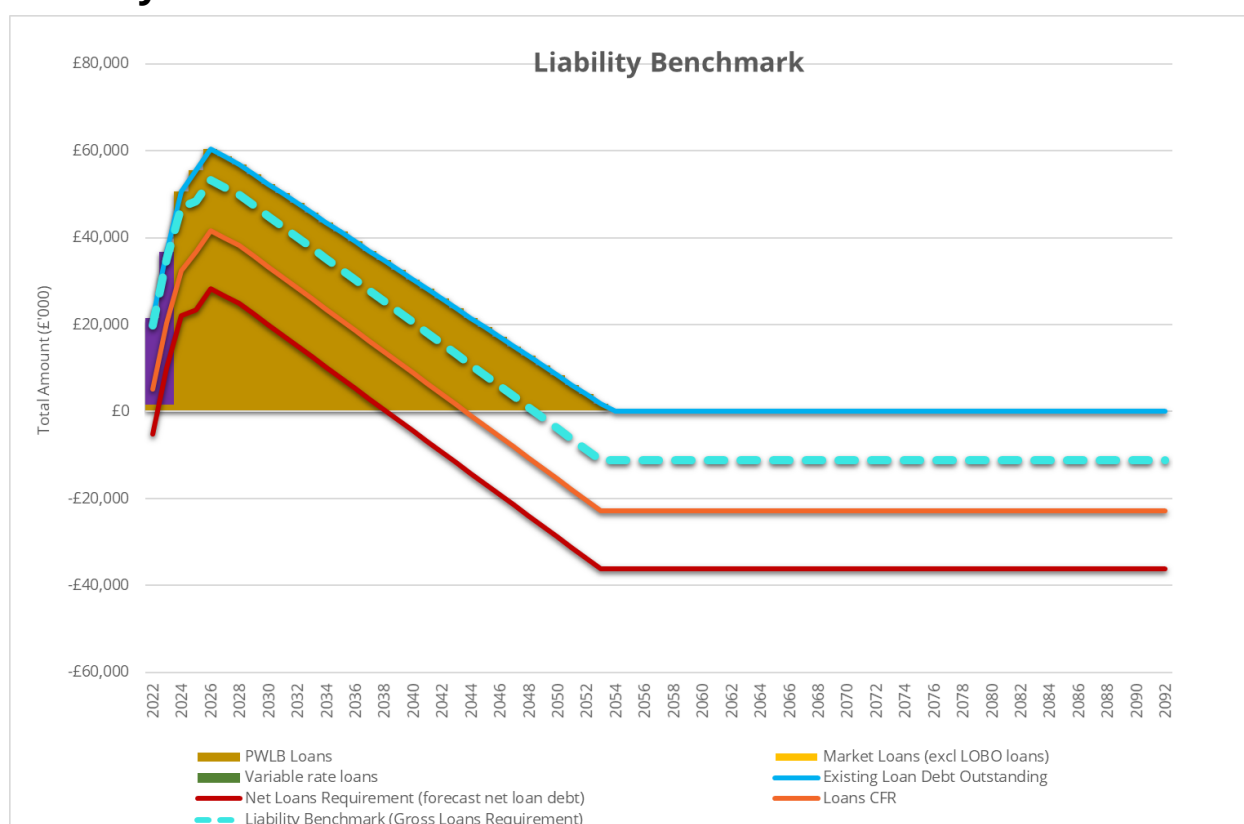
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Capital Financing Requirement						
Services	15.359	12.610	5.971	6.427	0.350	0.350
Total CFR	20.352	32.405	36.794	41.639	39.977	38.303
Movement in CFR	15.168	12.053	4.389	4.845	-1.662	-1.674

Movement in CFR represented by						
Net financing need for the year (above)	15.359	12.610	5.971	6.427	0.350	0.350
Less MRP/VRP and other financing movements	-0.191	-0.557	-1.582	-1.582	-2.012	-2.024
Movement in CFR	15.168	12.053	4.389	4.845	-1.662	-1.674

Appendix B

External borrowing	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate
	£m	£m	£m	£m	£m	£m
Service spend	13.469	12.610		0.350	0.350	0.350
Housing	0	0	0	0	0	0
Regeneration	1.890	0	5.971	6.077	0	0
Preventative action	0	0	0	0	0	0
Projects for yield	0	0	0	0	0	0
TOTAL	15.359	12.610	5.971	6.427	0.350	0.350

4. Liability Benchmark



5. Core Funds and Expected Investment Balances

Year End Resources	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Fund balances / reserves	31.660	28.540	21.020	21.210	21.210
Capital receipts	-	-	-	-	-
Other	-	-	-	-	-
Total core funds	31.660	28.540	21.020	21.210	21.210
Working capital*	3.000	3.000	3.000	3.000	3.000
Under/over borrowing	12.120	3.086	2.510	1.985	2.047
Expected investments	46.780	34.626	26.530	26.195	26.257

6. Actual External Borrowing

	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt at 1 April	36.701	45.983	54.924	60.431	59.281
Expected change in Debt	9.282	8.971	5.477	(1,150)	(1,750)
Other long-term liabilities (OLTL)					
Expected change in OLTL					
Actual gross debt at 31 March	45.983	54.924	60.431	59.281	57.531
The Capital Financing Requirement	50.535	58.010	62.494	61.266	59.578
Under / (over) Borrowing	12.121	3.086	2.510	1.985	2.047

7. Operational Boundary

Operational boundary	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt	80.0	80.0	80.0	80.0	80.0
Other long term liabilities	10.0	10.0	10.0	10.0	10.0
Total	90.0	90.0	90.0	90.0	90.0

8. Authorised Limit

Authorised Limit	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt	180.0	180.0	180.0	180.0	180.0
Other long term liabilities	10.0	10.0	10.0	10.0	10.0
Total	190.0*	190.0	190.0	190.0	190.0

9. Upper limit for principal sums invested for longer than 365 days

Upper limit for principal sums invested for longer than 365 days			
£m	2023/24	2024/25	2025/26
Upper Limit for Principal sums invested for longer than 365 days	£30m	£30m	£30m
Current investments as at 31/12/2022 in excess of 1 year maturing in each year	£20m	£20m	£20m

10. Creditworthiness policy and counter-party limits

	Colour (and long-term rating where applicable)	Money and/or % limit	Transaction limit	Time limit
Banks *	Yellow	£10m	£10m	5yrs
Banks	Purple	£20m	£20m	2 yrs
Banks	Orange	£30m	£30m	1 yr
Banks – part nationalised	Blue	£20m	£20m	1 yr
Banks – council's own bank	Blue	£50m	£50m	1 yr
Banks	Red	£10m	£10m	6 mths
Banks	Green	£10m	£10m	100 days
Banks	No Colour	Not to be used	£Xm	
Limit 3 category – Authority's own banker (where "No Colour")	No Colour	£50m	£50m	1 day
DMADF	UK sovereign rating	unlimited	£50m	unlimited
Local authorities	n/a	£20m per local authority	£20m	unlimited
Lothbury Property Fund		£10m	£10m	Liquid within 2 months
Hermes Property Fund		£10m	£10m	Liquid within 2 months
	Fund rating**	Money and/or % Limit		Time Limit
Money Market Funds CNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds LVNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds VNAV	AAA	£10m (per fund)	£10m	liquid

Agenda Item 14

Council

Date of Meeting: 1 March 2023

Report by: Councillor George Cutting – Executive Member
for Corporate Services

Report title: Pay Policy Statement 2023/24

Ward(s) affected: N/A

Summary

RECOMMENDATIONS FOR COUNCIL:

a) To approve the Pay Policy Statement for 2023/24.

1.0 Proposal

- 1.1 It is proposed that the council's existing Pay Policy Statement, which was last reviewed and approved by HRC in February 2022 and then full council in March 2022, be revised and updated.
- 1.2 The Pay Policy Statement 2023/24 contained at Appendix A should be reviewed by members, with suggested amendments, additions, deletions and/or clarifications raised for consideration by the Head of Human Resources and Organisational Development prior to the final proposed version, and accompanying report, be recommended for adoption by Council on 01 March 2023.
- 1.3 Members are therefore invited to approve the Pay Policy Statement 2023/24, taking into account any amendments which may be deemed appropriate.

2.0 Background

- 2.1 A pay policy statement is required to be produced annually under sections 38 of the Localism Act. Regard is to be had to guidance section 40 from the Secretary of State in producing this statement.
- 2.2 A pay policy statement for a financial year must set out the Authority's policies for the financial year relating to:
- the remuneration of chief officers
 - the remuneration of the lowest paid employees
 - the relationship between chief officers remuneration and that of other officers
- 2.3 "Remuneration" for the purposes of this statement includes three elements:
- basic salary
 - pension
 - all other allowances arising from employment
- 2.4 The objectives of the report are to:
- a) ensure a capable and high performing workforce;
 - b) ensure simplicity, clarity and fairness between employees and between the council and the community;
 - c) differentiate between remuneration and other employee related expenses.

3.0 Report

- 3.1 The Pay Policy Statement 2023/24 can be found at Appendix A.
- 3.2 The Pay Policy Statement framework for East Herts Council has not yet been updated in line with the pay award for 23/24 in terms of reference to salary scales, salary levels and multipliers (as this has not yet been agreed).

- 3.3 No significant changes to the overall framework it provides have been made.
- 3.4 The main update to the Pay Policy Statement has been to set out pay awards agreed for 2021-2022 and 2022-2023 that have been incorporated from the Joint Negotiating Committee (JNC) for Chief Officers and National Joint Council (NJC) for all other employees. The Annual Leave table in section 9.0 has been updated for NJC posts with the additional day of annual leave which was agreed as part of 2022-23 NJC award and comes into effect from 1 April 2023.

4.0 Options

N/A - publishing the Pay Policy Statement on an annual basis is a statutory requirement. The statement will be published on the Council Website once it is approved and will be formatted into an accessible document before publication.

5.0 Risks

N/A

6.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes – The Pay Policy Statement has been shared with the Head of Strategic Finance and Property and budgets set have been based on the pay changes agreed.

Health and Safety

No

Human Resources

Yes – Policy Statement is produced by Head of HR&OD

Human Rights

No

Legal

Yes – Head of Legal and Democratic Service has confirmed that statutory requirements have been met.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A – Pay Policy Statement 2023/24

Contact Officer

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Report Author

As above

Executive Member for Corporate Services

Cllr George Cutting - Portfolio Holder for HR &

OD

George.cutting@eastherts.gov.uk

Pay Policy Statement 2023/2024

April 2023

1.0 Introduction

- 1.1 A pay policy statement is required to be produced annually under Section 38 of the Localism Act 2011. Guidance from the Secretary of State has been taken into account when producing this statement.
- 1.2 Any decision under powers delegated in the council's Constitution with regard to remuneration from 1 April 2023 to 31 March 2024 will be bound by and must comply with this statement.
- 1.3 This statement supports the requirements under the Local Government Transparency Code to publish data on Senior Salaries and Pay Multiple.
- 1.4 The Head of Human Resources and Organisational Development must be consulted prior to any decision impacting on remuneration to ensure compliance with this pay policy statement.

2.0 Scope

- 2.1 This statement sets out the council's policy with regards to:
 - the remuneration of Chief Officers
 - the remuneration of the lowest paid employees
 - the relationship between Chief Officers' remuneration and that of other officers

"Remuneration" for the purposes of this statement includes three elements:

 - basic salary
 - pension
 - all other allowances arising from employment
- 2.2 The council's constitution regards the following as its "Chief Officers"

Chief Executive
Deputy Chief Executive
- 2.3 The council, also has Statutory officer roles (Head of Paid Service; S151 Officer; Monitoring Officer, Data Protection Officer)

- 2.3 There is a statutory requirement that for the purposes of producing this statement the following posts (Leadership Team) be covered by the policy statement as well as the above posts and statutory roles.

Head of Strategic Finance and Property (S151 Officer)
Head of Legal and Democratic Services (Monitoring Officer)
Head of Human Resources and Organisational Development
Head of Shared Revenues and Benefits Service
Head of Operations
Head of Communications, Strategy and Policy
Head of Housing and Health
Head of Planning and Building Control

In this policy statement the term “Chief Officers” refers to the Chief Executive and Deputy Chief Executive roles in that where there are any differences in terms of the policy it is between this group and all other employees.

- 2.4 This policy statement applies to all Council employees, but not to other workers such as casuals, agency workers, etc.
- 2.5 This pay statement does not include the Returning Officer payment. The fees payable to the Returning Officer are set by statute for national elections, and are paid by central government. Fees are, also, payable to the Councils’ Returning Officer for local elections. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Council. As Returning Officer, he/she is paid a separate fee, which includes expenses, for each election for which he/she is responsible. Regulations govern which elections the fee is pensionable and, if opted in, a separate pension will accrue in the Local Government Pension Scheme for each election type.

3.0 Objectives

- 3.1 East Herts Council recognises the importance of having a clear written policy statement on pay in order to ensure that employees are fairly rewarded and there is proper public accountability.
- 3.2 In respect of Chief Officers and all other employees the council’s policy is to set remuneration sufficient to attract and retain adequately experienced, trained and qualified individuals to deliver the council’s priorities.

- 3,3 The council aims to be transparent on pay to its employees, prospective employees and the wider community and uses and maintains an effective job evaluation system and procedures to provide equity and consistency in pay, whilst adhering to the basic principles of the national Local government Single Status pay agreement.

4.0 Remuneration subject to national and local determination

- 4.1 The council is a member of the Local Government Employers' Association for national collective bargaining in respect of Chief Officers and other employees.
- 4.2 Changes from national negotiations generally take effect from 1 April each year and are retrospective to 1 April if agreements are finalised after 1 April. It is the council's policy to implement national agreements.
- 4.3 The Chief Executive and Deputy Chief Executive are under the Joint Negotiating Committee for Chief Officers (JNC) conditions of service including pay. All other employees are under the National Joint Council (NJC) national agreement on pay and conditions of service.
- 4.4 The national pay award (the NJC national agreement) for 2023-2024 has not yet been considered following delays in both previous years. Currently the employers' side are awaiting the Trade Union Claim and regional pay consultation rounds are due to begin in February 2023. This Pay Policy Statement will therefore provide that the National Award will be implemented for both NJC and JNC once agreement is confirmed. East Herts will implement increments for applicable staff from the 1st of April 2023 but the national pay award is not expected (due to the delay in negotiations/agreement) to be implemented in this (April) payroll and will instead be processed as a backdated payment once the award is agreed.
- 4.5 Previous Awards for 2021-2022 and 2022-2023
As reported in previous Pay Policy Statement the final offers made for 2021-2022 of 1.75% for officers and 1.5% for chief officers had been made but rejected by the unions, agreement was finally reached in March 2022 when the majority of the Trade Unions accepted the final offer. East Herts Council were able to process the award, including back-pay, in the March 2022 payroll to ensure it stayed within the correct tax year and benefit from lower National Insurance rates. The NJC award was as above 1.75% and the JNC award was 1.5% (the JNC agreement was received in February and also processed in the March 2022 payroll). This was first year in some time that the JNC and NJC award differed, normally they have been aligned.

The national award for 2022-2023 was also delayed and was not agreed until November 2022. The award was not this time a percentage and instead a flat consolidated award for both NJC and JNC of £1925 on all

SCPs (and fixed salaries) this ensured that SCP 1 stayed above the National Living Wage and the award favoured the lower paid being the equivalent of a 10% increase on the lowest pay points.. East Herts Council Salaries start from SCP 4. The NJC award also included an additional day's annual leave applicable from 1 April 2023 to counter the union claim for a shorter working week.

5.0 General Pay Policy

- 5.1 All employees other than Chief Officers have their basic pay determined by a job evaluation scheme to ensure that different jobs which have the same value are paid on the same grade. Grades have between 4-7 spinal column points (increments) within them.
- 5.2 The Chief Executive is paid a fixed spot salary with no set incremental progression. Performance review is facilitated through the East of England Local Government Association .
- 5.3 Heads of Service and the Deputy Chief Executive's progression through the pay range (incremental points) is based on performance (measured through the LT 360° performance review process) rather than by annual time served increments and this can lead to a drop of one increment if poor performance has been established.
- 5.4 The Deputy Chief Executive is paid on incremental scale points between a pay range of £95,808 to £105,963 base pay (as at April 2022), with set incremental progression also based on performance.
- 5.5 There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, emergency call rota, etc, paid to these senior staff (Chief Officers and Leadership Team), as they are expected to undertake duties outside their contractual hours and working patterns without additional payment.
- 5.6 Basic pay is calculated on a pro-rata basis for part-time employees.
- 5.7 All employees (except chief officers) receive local weighting which is called an outer fringe payment which is determined by the NJC, for 2022-2023 this was £663pa for a full time employee but will be revised for 2023-2024 once the pay awards have been agreed and the increase will be backdated to 1 April 2023 as appropriate.

5.8 Setting Salaries

For the posts of

Chief Executive

Deputy Chief Executive

The council will use robust recruitment processes when making an appointment to these roles, ensuring the best candidate for the role is appointed. In determining the appropriate salary, market testing and bench marking from peer authorities will be considered. Both the Chief Executive and Deputy Chief Executive salaries were benchmarked for 2019-2020 and this has led to a revised spot salary for the Chief Executive appointed from 3 June 2019 in line with market expectations as advised by EELGA and a revised salary range for the Deputy Chief Executive.

5.9 Pay ceilings

For 2023/24 the basic pay ceiling for Chief Executive post will be £126,645 per annum (including an additional payment of £10,000 for Head of Paid Service) plus the percentage or award agreed by the JNC.

The basic pay ceiling (i.e. including additional payments, salary protection and professional fees where appropriate) for Deputy Chief Executive will be £105,963 plus the percentage or award agreed by the JNC.

As noted above national agreed pay settlements from the JNC will be applied to the Chief Officer posts with effect from 1 April 2023 once agreed.

For other posts covered by this statement the basic pay ceiling for grade 13 will be £78,564 plus the percentage or award agreed by the NJC (the outer fringe area allowance is paid in addition to these posts):

Grade 13 Posts:

Head of Legal and Democratic Services*

Head of Strategic Finance and Property*

Head of Human Resources and Organisational Development

Head of Operations

Head of Housing and Health

Head of Communications, Strategy and Policy

Head of Planning and Building Control

Head of Shared Revenue and Benefits Service **

* Both of these posts are statutory posts designated as the council's Monitoring Officer and S151 Officer respectively (see additional payments below for further details).

** Head of Shared Revenues and Benefits Service post receives an additional 10% of base salary per annum for shared services role.

5.10 Pay floor

The pay floor is the remuneration of the lowest paid employees. “Lowest paid” is defined as the average pay of employees paid on grade 2. Grade 2 are the lowest grades paid by the council. This year the figure is 0.32% (1 part-time employees) of the council’s employees. Where any employee is less than full time their pay is multiplied up to full time salary and the aggregate full time equivalent pay is determined.

As at 24 January 2023 this figure is £22,777 per annum (full time).

The council will not pay basic pay less than the amount applicable to the bottom point of the national pay scales as agreed from time to time by the Local Government Employers (apprenticeships are excluded). Employees in this group will be entitled to all other benefits – local weighting/fringe, pension, redundancy as all other employees.

5.11 Pay multiples

The council does not explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another post or group of posts.

In terms of overall remuneration packages the council’s policy is to differentiate by setting different levels of basic pay to reflect differences in responsibilities.

The council would not expect the remuneration of its highest paid employee to exceed 10 times that of the lowest group of employees. In the case of East Herts Council, the pay of the Chief Executive is 5.56 times the value of the lowest paid employee (calculated using salaries at 1st November 2022). (CEO salary plus statutory post holder allowance = £126,645 divided by average of lowest paid employees: £22,777 = 5.56)

5.12 Pay ranges are as follows as set on 1 November 2022 and still current (N.B. These will be adjusted by any Pay Award agreed by NJC)

Grade	Minimum £	Maximum £	Median £	Number of employees in the grade *
2	21,189	22,277	21,968	0.27
3	23,194	24,948	24,054	17.99
4	24,948	26,845	25,878	23.09
5	26,845	30,151	28,371	73.48
6	30,151	32,909	31,560	20.68
7	32,909	36,298	34,723	34.66
8	36,298	39,493	37,779	23.93
9	39,493	42,503	40,987	23.74

10	44,539	48,587	46,549	20.39
11	48,587	54,437	51,138	12.86
12	54,437	62,719	58,805	9.00
13	67,584	78,564	72,841	9.00
Deputy Chief Exec	95,808	105,963	100,755	1.00
Total				270.09

* Full Time Equivalent (excludes Casual staff as at 24 January 2023)

- 5.13 The minimum apprenticeship pay rate is in line with statutory rates and is currently £4.81 for year one, the national living wage rate is paid as appropriate to an individual's age range thereafter (i.e. from year 2).

6.0 Additional payments and Variations

6.1 Additional Payments

The council's policy is not to normally pay any form of "signing on" fee or incentive payment when recruiting. Exceptions may occasionally be agreed for hard to recruit posts.

The statutory posts designated as the council's S151 Officer, Monitoring Officer and Head of Paid Service will receive a payment of £10,000 per year. No officer will receive more than one additional statutory post payment.

6.2 Acting Up and Honorarium payments

The council will ensure that acting up and honorarium payments are paid in a fair and consistent manner across the council.

Acting up payments can be made when an employee undertakes either some or all of the duties of a senior post, for a continuous period of four weeks or more (payment will then be backdated to the beginning of the cover).

Acting up payments do not apply for periods of less than four weeks or when an employee is providing cover for another employee's annual leave

Honorarium payments (Responsibility Allowances) can be made where an employee is required to complete an important project or produce major work output to a high standard that is significantly above and beyond the scope of their normal duties or responsibilities, or for significant additional duties or responsibilities not commensurate with the employee's current job description/grade or for work which is

exceptionally onerous (e.g. difficult and/or demanding situations or working to extremely tight timescales).

Where an Honorarium payment is determined to be appropriate for additional work, any additional work time spent on the additional duties/responsibilities for which the honorarium is being awarded should not be accounted for on the flexi-time sheet.

Permanent changes to job roles should be dealt with through the job evaluation process.

The Head of Service in consultation with the Head of HR and OD have the responsibility for implementing and monitoring these arrangements.

6.3 Professional fees and subscriptions.

The council will meet the cost of a legal practicing certificate for all those employees where it is a requirement of their employment. No other professional fee or subscription is paid.

7.0 Market Supplements

Market supplements are only paid in exceptional circumstances where several attempts have been made to recruit and usual recruitment processes have not resulted in an appointment. Market rate will be established by reference to soft market testing, external advice and dialogue with peer authorities.

8.0 Pension

Pension provision is an important part of the remuneration package.

All employees (except those employees over the age of 75) may join the local government pension scheme. The scheme is a statutory scheme with contributions from the employee and from the employer.

All employees will automatically be enrolled into the LGPS pension scheme unless the contract of employment is less than 3 months' duration, although the employee does have the option to 'opt in'.

For more comprehensive details of the local government pension scheme see: <https://lgpsmember.org>

Neither the scheme nor the council adopt different policies with regard to benefits of employees, the same terms apply to the Chief Officers and other employees (although higher paid staff are required to pay a higher contribution in terms of the percentage of pay deducted as a pension contribution).

East Herts Council as an employer is under a legal duty to prepare and publish a written statement of its policy relating to certain discretionary powers under the Regulations which apply to the Local Government Pension Scheme (“the LGPS”). The scheme provides for the exercise of discretion that allow for retirement benefits to be enhanced. The council will consider each case on its merits but has determined that its usual policy is not to enhance benefits for any of its employees. The Policy on Exercise of Employer Discretions reaffirms this in respect of Chief Officers and other employees.

The pension scheme provides for flexible retirement. In applying the flexible retirement provision no distinction is made between the Chief Officers and other employees. The scheme requires that a minimum permanent reduction in working hours of 25% is made and/or there is a reduction in grade and that any consequential payments to the pension fund are recoverable in three years with the discretion to extend the three years in exceptional circumstances. The council’s Human Resources Committee will consider requests from a Chief Officer and Leadership Team will consider requests from other employees where there is a cost to the council, if there are no costs the Head of Service can approve in consultation with the Head of HR and OD.

9.0 Annual Leave

Annual leave entitlement is related to both an individual employee’s spinal column point and length of continuous service in local government. From 1 April 2023 the basic annual leave entitlement for staff covered by the NJC increases by 1 day in line with the 2022/23 pay award.

The council awards five days additional annual leave for employees that reach five years’ local government service.

Spinal Column Point (SCP)	Annual leave entitlement	Annual leave entitlement after 5 years in continuous local government service
4-22	26 days	31 days
23-25	27 days	32 days
26-28	28 days	33 days
29-59	29 days	34 days
Chief Officers	30 days	35 days

Annual leave entitlement is calculated on a pro-rata basis for part-time employees.

10.0 Occupational Sick Pay

Entitlement to sick pay is related to continuous service, measured in complete months or years at the start of the period of absence. Any

previous absences in the twelve months before the start of any absence are deducted from the entitlement.

Entitlement to sick pay is in accordance with the provisions of the NJC for Local Authorities, as follows:

During 1st Year	1 month's full pay and (after completing 4 months service) 2 months half pay
During 2nd Year	2 months full pay and 2 months half pay
During 3rd Year	4 months full pay and 4 months half pay
During 4th and 5th Year	5 months full pay and 5 months half pay
After 5 Years	6 months full pay and 6 months half pay

11.0 Expenses

- 11.1 The council will meet or reimburse authorised travel, accommodation and subsistence costs for attendance at approved business meetings and training events in accordance with the council's Expenses policy. The council does not regard such costs as remuneration but as non-pay operational costs. This policy is applied consistently to Chief Officers and other employees.
- 11.2 The council pays car mileage in accordance with HMRC approved rates which are the same for Chief Officers and other employees. The current rates are:

Mileage	HMRC Rates
Car* (first 10,000 business miles per annum)	45p per business mile
Car (after 10,000 business miles per annum)	25p per business mile
Electric Car Rate	4p per business mile
Motorcycle Rate	24p per business mile
Bicycle Rate	20p per business mile
Passenger Rate (employee/member)	5p per passenger per mile

*A Hybrid car falls under the Car HMRC rate of 45p per business mile.

12.0 Redundancy payments and payments on termination

- 12.1 The council has a single redundancy scheme which applies to all employees without differentiation. The council does not provide any

further payment to employees leaving the council's employment other than in respect of accrued leave which by agreement is untaken at the date of leaving.

- 12.2 The redundancy payment is based on the length of continuous local government service as set out in the employee contract, the council follows the statutory process in terms of age multipliers and a maximum of 20 years' service, however, no statutory cap is applied to weekly pay and actual weekly pay is used in all cases and the council then further enhances the redundancy payment by applying a multiplier of 2. Details of the full scheme can be found in the council's Redundancy Policy.

13.0 Future appointments

In the event of a vacancy to either a Chief Officer or other employee post the arrangements set out above in regards to pay will apply in respect of permanent appointments.

14.0 Publication and access to information

The publication of and access to information relating to remuneration of Chief Officers' is set out in this document and published on the council's website.

Agenda Item 15

East Herts Council Report

Council

Date of meeting: Wednesday 1 March 2023

Report by: Councillor Geoffrey Williamson – Chairman of the Member Constitution Review Group

Report title: Review of the Constitution

Ward(s) affected: All wards

Summary – In accordance with Council Procedure Rules 2.1.2 (k), which require Council to review and update the Constitution if necessary, the Member Constitution Review Group met on 11 January 2023 to consider amendments as detailed in this report. The amendments arising from this exercise are recommended for approval.

There are also a few minor amendments proposed by the Head of Legal and Democratic Services.

RECOMMENDATIONS FOR COUNCIL:

a) that the updates and amendments to the Constitution identified in Appendix A - F be approved.

1.0 Proposal(s)

1.1 As above

2.0 Background

- 2.1 The Council's procedure rules require that, if necessary, a review of the Constitution be approved at the annual meeting of Council. The Council may also approve updates and changes to the Constitution at ordinary meetings throughout the year.
- 2.2 A Member Constitution Review Group was set up in 2021 to complete a comprehensive review of the whole Constitution which was approved at the meeting on 11 May 2022. The Member Constitution Review Group continues to meet as and when required.
- 2.3 The Member Constitution Review Group met on 11 January 2023 to discuss Section 3 – Full Council, paragraph 3.19 – Questions by Members. There are conditions on what questions cannot be accepted that are submitted by the public (paragraph 3.18.5) but not for Members, especially in relation to submitting the same or a similar question within six months.
- 2.4 It was recommended by the Member Constitution Review Group to include the following wording under 'Questions by Members':
- “The Head of Legal and Democratic Services may reject a question if it:
- (a) is not about a matter for which the council has a responsibility or which affects the district;
 - (b) is defamatory, frivolous or offensive;

(c) is substantially the same as a question which has been put at a meeting of the Council in the past six months; or

(d) contravenes the rules around the Pre-Election Period of Sensitivity, where such rules are in place from time to time.”

The tracked changes can be found at Appendix A.

- 2.5 The Head of Legal and Democratic Services has also proposed minor amendments to the Constitution. These are in:

Section 3 – Full Council

Section 4 – The Executive

Section 8 – Other Committee

Section 9 – Finance, Contracts and Legal Matters

Section 10 – Officers’ Responsibilities for Functions

The tracked changes are shown in Appendix B – F and a full list of amendments and their reasons are listed at Appendix G.

3.0 Reason(s)

- 3.1 To ensure the Constitution is up to date to enable clarity of decision-making and procedures throughout the year.

4.0 Options

- 4.1 None

5.0 Risks

- 5.1 That decisions are not taken in accordance with correct authority, and risk challenge.

6.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

No

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

Yes, as indicated above.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 The suggested amendments are shown as tracked changes at Appendix A to F.

7.2 A complete list of the amendments and their reasons are at Appendix G.

Contact Member

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Appendix A – Tracked changes to Section 3 – The Council, paragraph 3.19, Questions by Members

3.19 Questions by Members

3.19.1 A Member of the Council may ask the Leader or Chairman of a Committee any question without notice upon an item of the report of the Executive or a Committee or statement by the Leader when that item is being received or under consideration by the Council.

3.19.2 A Member of the Council may ask:

- (a) the Chairman;
- (b) the Leader;
- (c) a Member of the Executive; or
- (d) the Chairman of any Committee or Sub-Committee

a question on any matter in relation to which the council has powers or duties or which affects the district.

3.19.3 A Member of a Committee or Sub-Committee may ask the Chairman of it a question on any matter in relation to which the council has powers or duties or which affect the district and which falls within the terms of reference of that Committee or Sub-Committee.

3.19.4 A Member may only ask a question under paragraph 3.19.2 or 3.19.3 if either:

- (a) they have given notice in writing of the question to the Head of Legal and Democratic Services, which has been received not later than midday, three working days before the meeting; or
- (b) the question relates to urgent matters, they have the consent of the Chairman to whom the question

is to be put and the content of the question is given to the Head of Legal and Democratic Services by midday on the day of the meeting.

3.19.5 Questions will be asked in the order notice of them was received, except that the Chairman may group together similar questions.

3.19.6 A Member may ask only two questions under 3.19.2 or 3.19.3 except with the consent of the Chairman of the Council, Committee or Sub-Committee.

3.19.7 The Head of Legal and Democratic Services may reject a question if it:

(a) is not about a matter for which the council has a responsibility or which affects the district;

(b) is defamatory, frivolous or offensive;

(c) is substantially the same as a question which has been put at a meeting of the Council in the past six months; or

(d) contravenes the rules around the Pre-Election Period" of Sensitivity, where such rules are in place from time to time

3.19.~~87~~ A Member asking a question under 3.19.2 and 3.19.3 and a Member answering such a question shall ensure that the question and the reply is succinct.

3.19.~~98~~ The time allowed for consideration of any questions submitted under 3.19.2 shall not exceed 15 minutes unless the Chairman consents to a longer period.

3.19.~~109~~ Any remaining questions shall be responded to in writing before the next Ordinary Meeting of the Council. Any

answers which cannot be given during the meeting due to lack of time will also be summarised in a supplementary document to be published as soon as practical after the meeting.

- 3.19.1~~10~~ Every question on notice will be answered without discussion. The Member who is asked the question on notice may ask another Member to answer. An answer may take the form of:
- (a) a direct oral answer;
 - (b) where the desired information is in a publication of the council or other published work, a reference to that publication;
 - (c) a written answer circulated later to the questioner; or
 - (d) a combination of any of the above
- 3.19.1~~24~~ If the Member who gave notice of a question is not present at the meeting, the question shall be noted and the Member to whom the question was asked shall reply.
- 3.19.1~~32~~ A Member asking a question under paragraph 3.19.2 or 3.19.3 may ask one supplementary question without notice of the Member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply. The Chairman has the right to prevent any Members from asking a protracted supplementary question or giving a protracted answer.
- 3.19.1~~43~~ If the Member who gave notice of a question is not present at the meeting, there will be no supplementary question after the Member to whom the question was asked has given their response.

Section 3 – Full Council

3.1 Meaning

The Council means every Member of East Hertfordshire District Council meeting together formally. By law, there are some things that only the Council has the power to do, such as setting the council's budget and the council's share of the Council Tax and approving a number of key plans and strategies, which together form the Policy Framework (listed below). It is responsible for all of the functions which are not the responsibility of the Executive. It will carry out some functions itself, but others will be delegated to Committees or named Officers.

3.2 Policy Framework and budget

3.2.1 **Policy Framework:** The Policy Framework is composed of the following plans, policies and strategies with the following titles or reasonably taken to be the following even if they have different titles:

- (a) Anti-Fraud and Anti-Corruption Policy;
- (b) Community Grants policies;
- (c) Corporate Equalities Policy;
- (d) Corporate Strategic Plan;
- (e) Crime and Disorder Reduction Strategy, including Community Safety Strategy;
- (f) Fees and Charges Strategy;

- (g) Gambling Statement of Principles;
- (h) Health and Wellbeing Strategy;
- (i) Housing Strategy, Allocations Scheme, Tenancy Strategy, Homelessness Strategy, and Private Sector Housing Assistance Policy;
- (j) ICT Strategy;
- (k) Licensing Statement of Policy;
- (l) Parking policies;
- (m) Pay Policy Statement;
- (n) Plans and strategies which together comprise the District Plan (and Harlow and Gilston Garden Town project), Supplementary Planning Documents, final Masterplans and associated development guidance;
- (o) Safeguarding Policy;
- (p) Taxi policies, including the Driver Suitability Policy;
- (q) Treasury Management Strategy; and
- (r) Whistleblowing Policy.
- (s) Council Tax Reduction Scheme

3.2.2 **The budget:** The Council will be responsible for the adoption of its annual budget. Once the annual budget is in place it will be the responsibility of the Executive to implement it. The budget consists of the:

- (a) revenue budget;
- (b) capital programme;
- (c) medium term financial strategy (covering revenue and capital);
- (d) prudential indicators including borrowing limits; and
- (e) treasury management and investment strategy.

3.2.3 The annual budget includes:

- (a) the allocation of financial resources to different services and projects and proposed contingency funds;
- (b) ~~the Council Tax base and~~ setting the Council Tax;
- (c) decisions relating to the control of the council's borrowing requirements, investments and capital expenditure; and
- (d) the setting of virement limits.

3.2.4 Any additional budget requirements during the course of the year will be approved according to thresholds set out in the Financial Procedure Rules Appendix 1.

3.3 Functions of the Council

3.3.1 Only the Council may exercise the following functions:

- (a) adopting and changing the Constitution in line with Section 2;

- (b) approving and adopting the Policy Framework;
- (c) approving and adopting the council's annual Budget;
- (d) considering a referendum on Council Tax increases and associated matters;
- (e) approving for the purposes of public consultation draft proposals associated with the preparation of, alterations to, or the replacement of the plans and strategies which together comprise the District Plan;
- (f) subject to the urgency procedure set out in the Budget and Policy Framework Procedure Rules in Section 13 of the Constitution, making decisions about any matter in the discharge of an executive function which is covered by the Policy Framework or budget where the decision maker is minded to make it in a manner which would be contrary to the Policy Framework or contrary to or not wholly in accordance with the budget;
- (g) electing the Leader;
- (h) removing the Leader by resolution and electing a replacement in accordance with Section 4;
- (i) determining the political balance of the Council and the allocation of seats in accordance with it or by unanimous vote in some other way as the Council sees fit;
- (j) deciding which Committees of the Council to establish for the Civic Year and the size and Terms of Reference for those committees;
- (k) with regard to Committees of the Council, deciding the allocation of seats and substitutes to Political Groups in

accordance with the political balance rules;

- (l) receiving, or arranging the delegation of, nominations of Members to serve on each Committee of the Council and any outside body for which a new appointment or re-appointment is required;
- (m) considering recommendations from the Independent Remuneration Panel and adopting a Members' Allowance Scheme;
- (n) appointing Members to Outside Bodies unless this is a function of the Executive or has been delegated by the Council;
- (o) the ratification of the appointment or notice of dismissal to the Head of Paid Service, Chief Finance Officer or Monitoring Officer, prior to such action being taken (and in respect of dismissal, having taken into account any advice, views or recommendations, conclusions of any investigation from the Panel and representations of the Officer concerned);
- (p) any electoral matters requiring a decision by the Council including the appointment of an Electoral Registration Officer and a Returning or Acting Returning Officer (to act in connection with Parliamentary, District, County, Police Commissioner, and referenda);
- (q) conferring the title of Honorary Alderman or the Honorary Freedom of the District;
- (r) making, amending, revoking, re-enacting or adopting bylaws and promoting or opposing the making of local legislation or personal bills;

- (s) all Local Choice Functions set out in paragraph 3.42 of this Section which the Council decides should be taken by itself rather than the Executive;
- (t) review and agree proposals on polling districts, polling places and polling stations, district boundaries, electoral Wards and the number of District Councillors;
- (u) to consider, make, amend or withdraw compulsory purchase orders;
- (v) appointing the Chairman and Vice-Chairman of the Council;
- (w) agreeing an Annual Schedule of meetings;
- (x) changing the name of the district; and
- (y) all other matters which, by law, must be reserved to the Council.

3.4 Council meetings

3.4.1 There are three types of Council meeting:

- (a) the Annual Meeting;
- (b) Ordinary Meetings; and
- (c) Extraordinary Meetings.

3.4.2 For all purposes of the Constitution the term “meeting” is not limited in meaning to a meeting of persons all of whom, or any of whom, are present in the same place and may be wholly or partly through remote means including (but not limited to) video conferencing, live webcast, and live interactive streaming provided such remote means are

legally permissible under relevant legislation.

- 3.4.3 Each type of Council meeting will be conducted in accordance with the Council Procedure Rules at paragraphs 3.6 – 3.34 of this Constitution.

3.5 Responsibility for functions

- 3.5.1 The Council will maintain the tables setting out the responsibilities for the Council's functions which are not the responsibility of the Executive.

3.6 Chairman of the Council

- 3.6.1 The Chairman and Vice Chairman will be elected annually by the Council.
- 3.6.2 Neither the Chairman nor the Vice Chairman may be a member of the Executive.
- 3.6.3 The Chairman and in their absence the Vice Chairman have the following roles.

3.7 Ceremonial role

- 3.7.1 The Chairman will:
- (a) chair meetings of the Council so that its business can be carried out efficiently and with regard to the rights of Members and the interests of the community;
 - (b) uphold and promote the purposes of the Constitution and interpret the rules of procedure at Council meetings;

- (c) ensure that Council meetings are a forum for the debate of matters of concern to the community and one of the places at which Members who are not on the Executive are able to hold the Executive to account; and
- (d) exercise a casting vote in the event of a tie at a Council meeting with complete freedom of conscience.

3.7.2 The Chairman is the ceremonial head of the council and will be its representative at civic and ceremonial events. They must maintain an apolitical stance, especially when chairing Full Council meetings.

3.7.3 This ceremonial role includes:

- (a) representing and promoting the whole District during their term of office;
- (b) enhancing the image of the district;
- (c) encouraging understanding of the council's role, priorities and partnerships; and
- (d) promoting public involvement in the council's activities.

4.26 Executive Portfolio Holder Structure

4.26.1 Executive functions will be determined by Executive Members whether acting collectively or individually in line with the delegations in paragraph 4.26.2 of this section below. These functions will be grouped together in the form of portfolios, the number and scope of which will be determined by the Leader. The Leader will also allocate responsibility for the portfolios among the individual Executive Members on an annual basis and shall have the ability to amend these in year as required. The Leader has allocated a “Portfolio” to each Executive Member and delegated to each “Portfolio Holder” responsibility for the discharge of functions set out below in line with the delegations in paragraph 4.26.2 of this section below.

4.26.2 The Portfolios and areas of responsibility are as follows:

Portfolio	Areas of Responsibility
Leader of the Council	Strategic Growth Master Planning Regeneration
Planning and Growth	Development Management Planning Policy Conservation Urban Design Section 106

	Planning Enforcement Neighbourhood Planning Operational Economic Development Digital Infrastructure Licensing Policy
Corporate Services	Human Resources and Organisation Development Health and Safety Customer Services Risk Management Legal and Democratic Services Procurement Communications
Financial Sustainability and Deputy Leader	Budget Annual accounts Treasury Management Financial Sustainability Committee Asset Management Property management Millstream ICT Performance

	Revenues and Benefits
Environmental Sustainability	Climate Change Air Quality Transport Strategy Community Transport Parking Waste
Wellbeing	Public Health Leisure Culture Green Space Environmental Health
Neighbourhoods	Housing Community Safety CCTV Emergency Planning Safeguarding
Communities	Resident Engagement and Consultation Partnerships and Development Grants Councillor Support and Development

4.26.3 The following responsibilities have been delegated to each individual Executive Member to exercise within their portfolio and service area:

- (a) to exercise the Executive powers and duties of the Council for strategic development, policy direction, partnership working, Key Decisions, programme and performance management, in accordance with the council's procedure rules, for their portfolio areas;
- (b) to be responsible for ensuring the successful delivery of business transformation in relation to their portfolio areas;
- (c) to request the Overview and Scrutiny Committee to review changes to policy and strategy within their areas of responsibility;
- (d) to have oversight of budget planning and monitoring in their service area, including minor in-year changes to fees and charges;
- (e) to act as the Council's lead spokesperson and representative on strategic bodies for their areas of responsibility and to respond to relevant consultations by Central Government and other agencies;
- (f) where there are implications for policies of the council, to agree responses to consultation papers from the Government (including Green and White papers) or any regional or professional body;

- (g) to determine priorities in conjunction with the relevant member of the council's Leadership Team and other Executive members (within the policy framework and budget);
- (h) to make suggestions for policy initiatives (within the Budget and/or Policy Frameworks) and for amendments to the Budget and/or Policy Framework, for agreement by the Executive and Council;
- (i) to recommend to the Executive a response to reports from the Overview and Scrutiny Committee or Audit and Governance Committee in respect of the allocated services;
- (j) to review customer satisfaction, results of consultation with stakeholders and the efficiency of service provision generally and to agree arrangements for continuous improvements to be made;
- (k) to consider and recommend plans in respect of the portfolio allocated;
- (l) to promote effective relationships and partnerships between the council and all other bodies and agencies affecting the community;
- (m) to consult any advisory bodies as directed by the Executive;
- (n) to agree minor matters and non-material amendments to policy;

- (o) to approve the allocation of grant funding provided by the council to third parties within approved overall budgets for this purpose; and
- (p) to approve all in year changes to both fees and charges.

4.26.4 The Executive Member for Neighbourhoods has been delegated authority:

- (a) to approve all Community Safety Partnership Strategies arising under the Crime and Disorder Act or other related legislation.

4.26.5 The Executive Member for Financial Sustainability has been given delegated authority:

- ~~(a)~~ ~~(a)~~ to consider the needs for particular properties and/or other assets held by the council and to make recommendations to the Executive regarding their use, improvement and/or disposal.

- ~~(b)~~ To authorise the sale of any single asset held by the council up to the value of £500k

4.26.6 Under Section 4 of this constitution, the Leader may exercise any of the functions delegated to individual Executive Member.

4.26.7 The Leader may delegate other functions not expressly set out herein to individual Executive Members provided they are Executive functions and provided due notice of the exact terms of the delegation and the name of the Executive Member is lodged with the Proper Officer.

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Section 8 – Other Committees

8.1 Audit and Governance Committee

- 8.1.1 The Audit and Governance Committee will have the specific role of monitoring the Budget, approving the council's Statement of Accounts and acting as the council's audit committee. The Committee also carries out the treasury management functions.
- 8.1.2 The number and arrangements for this Committee are as follows:
- (a) the Committee will consist of a maximum of seven Members of the Council;
 - (b) the Committee may appoint Sub-Committees;
 - (c) no Member of the Executive may be a Member of the Committee;
 - (d) Substitute Members to the committee shall be appointed by the Council in accordance with the wishes of the political group to whom the seats have been allocated.
- 8.1.3 Meetings of the Committee shall be programmed in each year. There will normally be between four and six meetings annually. In addition, Extraordinary Meetings may be called from time to time as and when appropriate. A Committee meeting may be called by the Chairman, by any four Members of the Committee or by the Monitoring Officer if they consider it necessary or appropriate.
- 8.1.4 Quorum

The Quorum for the Committee shall be three Members.

8.1.5 Appointment of Chairman and Vice Chairman

The Chairman of the Audit and Governance Committee will be appointed by the Council at its annual meeting. The Vice-Chairman will be appointed by the Committee at its first meeting of the Civic Year.

8.1.6 Subject to 8.1.5 above, the Chairman and Vice-Chairman will hold office during that Civic Year until, in each case:

- (a) they resign from the office of Chairman or Vice-Chairman;
- (b) they are no longer a Councillor; or
- (c) they are removed by a resolution of the Council.

8.1.7 Upon the occurrence of a vacancy in the office of Chairman, the Council shall appoint a Chairman at its next meeting. In the case of a vacancy in the office of Vice Chairman, the Committee shall fill the vacancy at its next meeting.

8.1.8 Terms of Reference

The Audit and Governance Committee has the following functions:

- (a) assist the Council and the Executive in the development of the annual Budget;
- (b) approving the Council's statement of accounts;

- (c) consider the effectiveness of the council's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements;
- (d) seek assurances that action is being taken on risk-related issues identified by auditors and inspectors;
- (e) be satisfied that the council's assurance statements, including reviewing the Annual Governance Statement against the good governance framework, properly reflect the risk environment and any actions required to improve it;
- (f) approve internal audit's strategy, its plan and monitor its performance;
- (g) approve the shared anti-fraud service strategy, its plan and monitor its performance;
- (h) review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary;
- (i) consider the annual report of the head of internal audit;
- (j) consider the reports of external audit (including the annual audit letter) and inspection agencies, and monitor management action in response to the issues raised;
- (k) ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies and that the value of the audit process is actively promote;

(l) review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit; ~~and~~

~~(m)~~ have oversight of the council's commercial projects; ~~and~~

~~(m)(n)~~ consider reports relating to the authority's Data Protection policies and procedures.

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8.1.9 Audit function

As an integral part of its role as the council's audit committee, undertake the following areas:

- (a) consider budget monitoring reports and risk management reports;
- (b) lead the cross Member scrutiny and consideration of the council's draft annual budget and medium term finance strategy;
- (c) scrutinise the council's Annual Investment Strategy, Annual Capital Strategy, Mid-Year Treasury Management Report and Annual Treasury Management Report and through review gain assurance that systems of governance and control for Treasury Management are effective;
- (d) where appropriate, assisting the Council and the Executive in the development of its budget and policy framework by in-depth analysis of financial, procurement and governance related policy issues;

- (e) review anti-fraud and corruption controls and arrangements, including the whistleblowing process

9.2 Financial Procedure Rules

- 9.2.1 These Financial Procedure Rules (FPR) have been issued in accordance with Section 151 of the Local Government Act 1972, the Accounts and Audit (England) Regulations Act 2011, the provisions of Section 114 of the Local Government Finance Act 1988 and Sections 4 and 5 of the Local Government and Housing Act 1989.
- 9.2.2 The FPR have been adopted by East Herts District Council to provide a framework of control, responsibility and accountability for the administration of the council's financial affairs. The FPR are, in many of the areas detailed below, supported by more detailed guidance and procedures which set out how they will be implemented.
- 9.2.3 The FPR are intended to clarify the powers and duties to be exercised with regard to the principles of good financial management. All Officers must comply with the FPR. Officers must ensure that any Agents, consultants and contractual partners acting on the council's behalf also comply. Any queries regarding the interpretation of the FPR should be directed to the Chief Financial Officer.
- 9.2.4 For the purposes of these FPR there is a requirement for all communication to be in writing except where otherwise specified. This requirement shall be deemed to include electronic communication.
- 9.2.5 Where inconsistencies arise the order of precedence shall be:
- (a) legislation;
 - (b) other rules of procedure in this Constitution;

- (c) Scheme for the Responsibility for Functions (Section 10 of this Constitution); then
- (d) Financial Procedure Rules.

9.2.6 Financial delegations

All Officers must operate within the council's Scheme of Financial Delegations as listed in Appendix 1. As a general principle, financial decisions will be taken at the lowest level allowable within the officer and Member hierarchy in the scheme.¹

9.2.7 Officer responsibilities for financial management

The Chief Financial Officer is responsible for administering the financial affairs of the council and for establishing proper systems of internal control.

9.2.8 The Chief Financial Officer shall:

- (a) ensure that the policies of the council and statutory requirements are adhered to;
- (b) ensure that the business of the council is carried out in an orderly, efficient and effective manner;
- (c) ensure that the council's records are complete and accurate;
- (d) ensure financial information and reporting is timely and accurate;

¹ It should also be noted that the council has an authorised signatory list which lists specific values for delegated Council staff.

- (e) ensure the assets of the council are safeguarded;
- (f) make and control arrangements for the payment of the council's creditors and for the collection, custody and accounting of all monies received by the council;
- (g) establish an adequate and effective internal audit of the council's accounting records and system(s) of internal control;
- (h) have access to all records, cash or other council property as required for audit purposes. If required the Chief Financial Officer may also request access to such information and explanations from any officer or Member as may be necessary for audit purposes;
- (i) prepare and publish the annual accounts of the council in accordance with statutory requirements and the policies of the council; and
- (j) have responsibility for making all statutory returns and the like to HM Revenues and Customs in relation to Value Added Tax, and for the obtaining and giving of advice and guidance to the council and Heads of Service on all tax matters.

9.2.9 The Chief Financial Officer is the Officer designated by the Council as being responsible under section 151 of the Local Government Act 1972 for the proper administration of the council's financial affairs.

9.2.10 The role of budget holders

Budget holders are Officers who are responsible for monitoring a budget, including determining expenditure

from and/or income posted to that budget. Budget holders may be at any level within the council.

9.2.11 Budget holders shall:

- (a) maintain financial records and accounts that can be accessed by the Chief Financial Officer when required. The financial records shall be retained by budget holders for such periods as required for council or statutory purposes. Records should, wherever possible, be stored on the financial management system;
- (b) in consultation with the Chief Financial Officer ensure that all financial affairs of the council are managed in a properly controlled environment and compliant with the council's Information Security Policy;
- (c) manage budgets, including forecasting annual spend, using the council's financial management system. This will enable the Chief Financial Officer to maintain effective control and audit of the financial affairs of the council;
- (d) designate Officers to be responsible for authorising financial transactions on their behalf if and when required. Budget holders must inform the Chief Financial Officer of all Officers with delegated financial responsibilities; and
- (e) be responsible for ensuring the correct treatment of Value Added Tax on all accounts payable and all invoices raised.

9.2.12 Officer roles regarding financial reporting and investigation

Any officer who suspects any financial irregularity should raise his or her concerns with his or her line manager or a member of the council's Leadership Team in accordance with the Whistleblowing Policy. The Chief Executive, the Monitoring Officer and the Chief Financial Officer will take such steps as they consider necessary by way of investigation and report.

- 9.2.13 The Chief Financial Officer shall control the issue and use of controlled stationery. Controls on the use of such stationery must be adequate to enable usage to be traced and to prevent incorrect or fraudulent usage.
- 9.2.14 Budget holders shall be responsible for the security and use of controlled stationery and are not permitted to obtain controlled stationery other than in accordance with the internal arrangements set out by the Chief Financial Officer.

9.3 Banking arrangements

- 9.3.1 The Chief Financial Officer shall make and control arrangements as necessary for the operation of banking services for the council.
- 9.3.2 All monies received on behalf of the council should be brought to the attention of the Chief Financial Officer and banked in accordance with their instructions.
- 9.3.3 The Chief Financial Officer shall arrange payments or transfers to and from the council's bank accounts by the use of electronic methods.
- 9.3.4 The Chief Financial Officer shall ensure that all bank accounts and credit cards operated by the council are reconciled at intervals of no longer than one calendar month.

9.4 Forward financial planning

- 9.4.1 The Chief Financial Officer will prepare for the Executive, a timetable each year for the preparation, submission and approval of the forward financial plan covering revenue budgets and capital expenditure.
- 9.4.2 The Chief Financial Officer will ensure that the forward financial plan is prepared in accordance with the timetable and any guidelines issued by the Executive.
- 9.4.3 The Executive shall consider the proposed forward financial plan and each year shall submit appropriate recommendations to the Council. The report shall include a recommendation as to the council tax to be levied in the following financial year.
- 9.4.4 The Chief Financial Officer shall provide financial information in an appropriate form for the continuous monitoring and control of financial activities of the council by the Executive and each Committee with finances allocated to it.
- 9.4.5 The Chief Financial Officer shall inform the Executive of any significant variation to the financial plan during the financial year. If for any reason any budget of approved expenditure may be exceeded or the estimated income not reached, the Chief Financial Officer shall inform the Executive or relevant Committee together with a proposal to address the situation.
- 9.4.6 Any proposal to incur expenditure, either capital or revenue, above those limits set out in the council's budget and policy rules, that is not included in the existing financial plan or

budget shall be delegated to the relevant Committee or Officer as stated in Appendix 1.

9.5 Expenditure

9.5.1 Official orders

Official orders shall be issued using the council's financial system, for all works, goods or services to be supplied to the council except for supplies of public utility services, for periodical payments such as rent or rates, for petty cash purchases or other exemptions approved by the Chief Financial Officer.

9.5.2 Procurement of works, goods or services to be supplied to the council shall be completed in accordance with the council's Contract Procedure Rules.

9.5.3 Official orders shall specify the nature and quantity of goods, services, or works required, any relevant contract, and the agreed prices.

9.5.4 Official orders shall not be issued for works, goods or services unless the cost is within an approved estimate or other financial provision.

9.5.5 Certificates for payment

All certificates for payment shall be authorised for payment by the signature, or electronic signature, or via the approval facility on the council's financial management system, of the appropriate budget holder or other authorised signatory, as agreed by the Chief Financial Officer. Such authorisation shall imply that:

- (a) the expenditure is within an approved estimate or other financial provision;
- (b) the expenditure has been coded to the correct financial heading;
- (c) the goods, services or works have been supplied and are satisfactory;
- (d) appropriate prices have been charged for the goods, services or works;
- (e) all conditions imposed by the order or contract agreement have been substantially complied with;
- (f) where applicable Value Added Tax, Construction Industry Tax or any other relevant taxation requirements are complied with;
- (g) the certificate for payment has not previously been passed to the Chief Financial Officer for payment; and
- (h) appropriate entries have been made in all relevant inventories, stock records or asset registers.

9.5.6 To reduce multiple certificates for payment, budget holders should aim to agree payment within 30 days of receipt of invoice. Invoices will be paid by BACS or other electronic funds transfer.

9.5.7 The Chief Financial Officer shall examine accounts passed for payment and shall make such enquiries and receive such information as necessary to establish that the payments are in order.

- 9.5.8 The Chief Financial Officer may provide advance accounts to designated Officers for petty cash or for change float purposes.
- 9.5.9 The maximum limit of advance accounts shall be agreed with the Chief Financial Officer and not exceeded without permission of the Chief Financial Officer. Appropriate safes and other receptacles shall be provided as required.
- 9.5.10 The Officers responsible for advance accounts shall maintain a record of their transactions in the form and manner required by the Chief Financial Officer.
- 9.5.11 Payments from advance accounts shall be limited to minor items of expenditure not exceeding £20. The claim must be supported by a receipted voucher and properly authorised claim form.
- 9.5.12 Officers with responsibility for an advance account shall be required to provide information about the state of the account to the Chief Financial Officer as necessary.
- 9.5.13 If the advance account is no longer required or an officer ceases to be responsible for holding an account, the relevant budget holder shall ensure that the balance of the advance account is returned to the Chief Financial Officer.

9.6 Income

- 9.6.1 Budget holders shall notify the Chief Financial Officer of all money due to, or expected by, the council. This includes sponsorship or grant income, contracts, leases and other agreements entered into which involve the receipt of monies.

- 9.6.2 Where cheques are paid in, the amount of each cheque and a reference to enable the cheque to be traced shall be recorded on the banking paying-in-slip or a format agreed with the Chief Financial Officer.
- 9.6.3 An official receipt is a written or printed acknowledgement given on behalf of the council for monies received. Such acknowledgement shall be given from a cash receipting system which has been approved for use by the Chief Financial Officer.
- 9.6.4 All monies shall be held and transported securely in accordance with any requirements from the Chief Financial Officer.
- 9.6.5 Each budget holder is responsible for ensuring that accounts are promptly and accurately raised in respect of charges for work done or goods or services supplied. This includes cases where sponsorship money or grant income is due.
- 9.6.6 The Chief Financial Officer may write off irrecoverable debts up to a limit of £50,000 in any one case. Irrecoverable debts in excess of this amount shall be referred to the Executive.

9.7 Contracts

- 9.7.1 All contracts made for and on behalf of the council shall be subject to the Contract Procedure Rules, these Financial Procedure Rules and any other statutory provision, except in circumstances where the council is acting as an Agent for another organisation which specifically directs otherwise.
- 9.7.2 The Chief Financial Officer shall maintain a register of payments due and made under formal contracts over £50,000 to show the state of account on each contract

between the council and the contractor, together with any other payments.

- 9.7.3 Payment on account of the contract sum shall be made only on a certificate signed by the appropriate budget holder. The certificate shall show, as a minimum, the total amount of the contract, the value of work executed to date, retention money, amount paid to date and the amount now certified.
- 9.7.4 Before a certificate for final payment under a contract is paid, the appropriate budget holder shall produce to the Chief Financial Officer a detailed written statement of account, together with such other documents as may be required.
- 9.7.5 Subject always to the council's Contract Procedure Rules in paragraphs 9.12 – 9.30 of this Constitution, the appropriate budget holder shall be empowered to authorise a variation or addition to a contract. Where the variation or addition is estimated to result in a material increase, that is the higher of 5% of the contract value or £10,000, it must be approved in advance by the Chief Financial Officer.
- 9.7.6 Where completion of a contract is delayed, except for reasons qualifying for an extension of the contract, it shall be the duty of the budget holder to supply the Chief Financial Officer with all necessary information to allow the correct amount of Liquidated and Ascertained Damages to be claimed.

9.8 Treasury Management

- 9.8.1 The council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) Code for Treasury Management in Local Authorities. If deemed necessary, the

Chief Financial Officer shall advise the Executive of any significant amendment to the CIPFA Code.

- 9.8.2 The Chief Financial Officer shall be authorised to make investment, borrowing and financing decisions on behalf and in the name of the council. All decisions shall be taken in accordance with the council's Treasury Management Investment Strategy.
- 9.8.3 All monies held by the council shall be aggregated for the purposes of treasury management and shall be under the control of the Chief Financial Officer.
- 9.8.4 All investments and borrowing, including for any trust administered by the council, shall be made in the name of the council and any deeds relating to such funds shall be deposited with the Monitoring Officer or otherwise as deemed appropriate by the Chief Financial Officer.
- 9.8.5 The Chief Financial Officer is given the authority to deal with any emergency situation that may arise in relation to any matters not already delegated within the Treasury Management Policy. Use of emergency authority will be reported at the next meeting of the Executive.

9.9 Staffing

- 9.9.1 The Head of Human Resources and Organisational Development shall make and control arrangements for the payment of salaries, wages, expenses and benefits to Officers in accordance with the approved salary scales and wage rates.
- 9.9.2 The Head of Human Resources and Organisational Development shall be provided with the appropriate

documentation required to ensure the payment of salaries, wages, pensions and other expenses due to Officers.

9.9.3 All claims for payment must be made as soon as possible and in no circumstances should a claim be delayed for more than three months after the date on which the work was done or the expenses incurred.

9.9.4 Matters which affect officer payments shall be referred directly to the Head of Human Resources and Organisational Development. Notification shall include:

- (a) details of all appointments, resignations, dismissals, suspensions, secondments and transfers;
- (b) details of any training;
- (c) changes in remuneration except for national pay increases;
- (d) absence from duty for sickness or other reason, apart from approved leave; and
- (e) information necessary to maintain records for pension, income tax, national insurance and the like.

9.9.5 The Head of Human Resources and Organisational Development shall maintain appropriate records and make arrangements for the payment of sums due to Members in accordance with the Allowance Scheme approved by the Council.

9.10 Insurance

- 9.10.1 The Chief Financial Officer shall make and control arrangements for the provision of necessary insurance cover and for the negotiation of any insurance claims.
- 9.10.2 The Chief Financial Officer shall obtain competitive quotations from insurers for the provision of insurance at least every five years unless otherwise determined by the current contract term or the Executive.
- 9.10.3 All budget holders shall notify the Chief Financial Officer of all insurable risks arising from the activities carried out in their area of operation. Such notification shall include:
- (a) the acquisition of any property which is capable of insurance against fire or other risks;
 - (b) any amendment to the value of any council-owned asset likely to affect the insurable risk; and
 - (c) any insurable risk which may arise through the activities of Members or Officers of the council.
- 9.10.4 All Heads of Service shall notify the Chief Financial Officer of the occurrence of any event which may give rise to a claim under any policy of insurance held by the council or to an ex gratia payment.
- 9.10.5 The Chief Financial Officer shall be authorised to make the appropriate reimbursement of any insurance claim up to the excess limit of the insurance policy concerned.
- 9.10.6 The Chief Financial Officer shall in consultation with the Head of Human Resources and Organisational Development be authorised to make appropriate ex gratia payments and write off the loss of any stores, equipment and other assets up to £1,000.

- 9.10.7 All appropriate Officers of the council shall be included in a suitable fidelity guarantee insurance.
- 9.10.8 Officers shall consult the Chief Financial Officer in respect of the terms of any indemnity which the council is requested to give.

9.11 Assets

- 9.11.1 The Chief Financial Officer is the council's ~~Asset Registrar~~ Corporate Property Officer and shall maintain an asset register and associated records of all land, buildings, vehicles and equipment owned, leased or managed by the council.
- 9.11.2 An annual report of vacant and underused properties owned by the council shall be made to the Executive.
- 9.11.3 Where land or buildings are no longer required for their intended use the ~~Asset Registrar~~ Corporate Property Officer shall report to the Executive on the suggested future use, or disposal, of the asset.
- 9.11.4 The Monitoring Officer shall have custody of and keep all title deeds in a secure manner.
- 9.11.5 All Officers shall be responsible for maintaining proper security of the assets under their control.
- 9.11.6 The Chief Financial Officer shall be responsible for ensuring that adequate controls and security procedures are maintained in connection with the council's information technology systems and installations.

Appendix 1: Scheme of Financial Delegations

Financial action	Council	Executive	Chief Executive / Deputy	Chief Financial Officer / Deputy	Heads of Service	Service Managers	Budget holders
Budget setting							
Annual approval of the budget, the Medium Term Financial Plan and setting the Council Tax	No financial limit and no delegation of authority	No delegated authority	No delegated authority	No delegated authority	No delegated authority	No delegated authority	No delegated authority
In year capital funding approval	No financial limit	Up to £500,000	Up to £250,000	Up to £100,000	No delegated authority	No delegated authority	No delegated authority
Management of approved budgets							
Expenditure within approved capital and revenue budgets	Delegated to officers	Delegated to officers	Delegated to budget holders	Delegated to budget holders	Delegated to budget holders	Delegated to budget holders	Up to approved budget
Authority to use earmarked reserves	Delegated to officers	Delegated to officers	Delegated to Chief Financial Officer	No financial limit	No delegated authority	No delegated authority	No delegated authority
Purchase order approval and/or contract award	Delegated to officers	Delegated to officers	No financial limit	No financial limit	Up to £1,000,000 & delegated to Service Managers, Budget Holders & Service Officers as per Authorised Signatory list	No authority unless delegated by Head of Service – Up to £250,000	No authority unless delegated by Head of Service – Up to £100,000
Payment of grants	Delegated to officers	Delegated to officers	No financial limit	No financial limit	Up to £500,000 & delegated to Service Managers, Budget Holders & Service Officers as per Authorised Signatory list	No authority unless delegated by Head of Service – Up to £100,000	No authority unless delegated by Head of Service – Up to £100,000

Virements within a service's approved budgets	Delegated to officers	Delegated to officers	Delegated to Chief Financial Officer	No financial limit	Up to £100,000	No authority unless delegated by Head of Service – Up to £100,000	No authority unless delegated by Head of Service – Up to £100,000
Virements across services, within overall approved budget levels	Delegated to officers	Delegated to officers	Delegated to Chief Financial Officer	No financial limit	No delegated authority	No delegated authority	No delegated authority
Write offs / waivers of income due	No financial limit	Up to £100,000	Delegated to Chief Financial Officer / Heads of Service	Up to £50,000	Up to £5,000 & delegated to Service Managers, Budget Holders & Service Officers as per Authorised Signatory list	No authority unless delegated by Head of Service – Up to £1,000	No authority unless delegated by Head of Service – Up to £1,000
Insurance and other settlements	No financial limit	No financial limit	Up to £100,000	Up to £50,000 & up to £10,000 delegated to Insurance team for small claims	No Delegated authority	No delegated authority	No delegated authority

Section 10 – Officers’ Responsibilities for Functions

10.13 Head of Strategic Finance and Property

- 10.13.1 To deliver, direct and manage the medium term financial planning of the organisation ensuring it is monitored and reported in a timely accurate fashion.
- 10.13.2 To deliver unqualified Statement of Accounts in accordance with legislative requirements.
- 10.13.3 To review listing decisions and compensation decisions for assets of community value.
- 10.13.4 To represent the council on the Management Board for the Hertfordshire Shared Audit Service (SIAS) and the Shared Anti-Fraud Service (SAFS).
- 10.13.5 Appoint Debt Recovery Agents for the whole or part of the district as the need arises.
- 10.13.6 Authorise and sign bank transfers and other payment types, including cheques and amendments to cheques.
- 10.13.7 Wherever necessary, to amend and agree affected charges for services to take account of changes in VAT or other forms of taxation, provided (in respect of Enforcement Agents), that any action taken shall be reported to the next convenient meeting of the Executive.
- 10.13.8 To be responsible for the rate of interest for any of the council’s borrowing activities and issue notices to the council’s mortgages of any changes in the council’s rate of interest.

- 10.13.9 To administer and manage the council's Collection Fund.
- 10.13.10 To set precept dates in agreement with precepting partners.
- 10.13.11 To administer the council's insurances fund.
- 10.13.12 To make determinations within approved budget as are required under Part IV of the Local Government and Housing Act 1989 in respect of the funding of expenditure capital (but not in respect of borrowing limits) and report the action taken to the Executive for information.
- 10.13.13 To take day-to-day decisions in respect of the investment of council funds in accordance with the Annual Treasury Management strategy last approved by the Council.
- 10.13.14 To be responsible for the custody of any document required to be published and kept available for public inspection under the Audit Commission Act 1998.
- 10.13.15 To manage the council's property portfolio.
- 10.13.16 Lettings of all properties including council offices; consents to assignments and sub-lettings; the granting of easements and licences; entering into leases, sub-leases, licences and easements on behalf of the council as lessee or lessor, sub-lessee, licensee or grantee as appropriate; consent to modification or release of restrictive covenants; rent reviews under existing and future leases, including the approval of terms, subject to reporting transactions half-yearly to the Executive.
- 10.13.17 To pursue appeals against rating assessments on council-owned and council-occupied property which, in his or her judgement, are incorrect or excessive, and agree either

new or revised rating assessments on council-owned and/or occupied property on behalf of the council.

- 10.13.18 In consultation with the appropriate Executive Member and Head of Legal and Democratic Services to prosecute or authorise the prosecution of persons committing malicious damage to council property.
- 10.13.19 To convey the freehold of electricity sub-station sites and to grant the necessary easements to electricity suppliers/distributors in respect of developments.
- 10.13.20 The appointment of Debt Recovery Agents (Enforcement Agents) and the issue of warrants to those appointed and taking such steps as may be necessary, including the levying of distress upon the goods and chattels of the tenant concerned, for the recovery of arrears of rent owing to the council in respect of the occupation of any Council dwelling.
- 10.13.21 To authorise Officers to discharge land drainage functions under the Public Health Act 1936 and the Land Drainage Act 1991.
- 10.13.22 To approve and submit the annual National Non-Domestic Rates (NNDR1) return to the Government.

Amendments to the Constitution

Section 3	Full Council
Para 3.2.3(b)	Remove 'the Council Tax Base and'
	Reason: Function for the Executive not Council
Para 3.19.7	<p>Add new paragraph</p> <p>"The Head of Legal and Democratic Services may reject a question if it:</p> <p>(a) is not about a matter for which the council has a responsibility or which affects the district;</p> <p>(b) is defamatory, frivolous or offensive;</p> <p>(c) is substantially the same as a question which has been put at a meeting of the Council in the past six months; or</p> <p>(d) contravenes the rules around the Pre-Election Period" of Sensitivity, where such rules are in place from time to time."</p> <p>Reason: Proposed by the Member Constitution Review Group to align with the rules for Public Questions at Council</p>
Section 4	The Executive
Para 4.26.5(b)	<p>Add new section (b)</p> <p>"To authorise the sale of any single asset held by the council up to the value of £500k"</p> <p>Reason: To regularise the ability of the Executive Member for Financial Sustainability to take a delegated decision to sell a single asset up to a value of £500k to improve and speed up the efficiency of the process.</p>
Section 8	Other Committees
Para 8.1.8(n)	Add new section (n)

	“consider reports relating to the authority’s Data Protection policies and procedures”
	Reason: To update the Audit and Governance Committee’s Terms of Reference.
Section 9	Finance, Contracts and Legal Matters
Para 9.11.1 and 9.11.3	Replace “Asset Registrar” with “Corporate Property Officer”
	Reason: Correct terminology
Section 10	Officers’ Responsibilities for Functions
Para 10.13.16	Add words “and lessor”
	Reason: To complete the delegation to allow the Head of Strategic Finance and Property to make a decision to enter a lease as a lessor as well as a lessee.

East Herts Council Report

Council

Date of meeting: Wednesday 1 March 2023

Report by: Councillor Geoffrey Williamson, Chairman of the Member Constitution Review Group

Report title: Honorary Alderman Policy

Ward(s) affected: (All Wards);

Summary – To approve the Protocol for the Appointment of Honorary Alderman as proposed by the Member Constitution Review Group.

RECOMMENDATIONS FOR COUNCIL:

a) To approve the Protocol for the Appointment of Honorary Alderman.

1.0 Proposal(s)

1.1 To approve the Protocol for the Appointment of Honorary Alderman.

2.0 Background

2.1 [Section 249 of the Local Government Act 1972](#) states that the Council “may confer the title of Honorary Alderman on any person who, in the opinion of the Council, has rendered

eminent services to the Council as a past member of the Council”.

- 2.2 Although the criteria for appointing Honorary Alderman is not contained in the Constitution, it was felt appropriate that the Member Constitution Review Group should consider the current arrangements for conferring the title of Honorary Alderman to previous councillors. The current arrangements can be found [here](#).
- 2.3 The Local Government Act 1972 does not specify a qualifying term limit to be nominated for the award and it is for the council to set a time limit they feel is appropriate. The current qualifying term limit is five full terms of office.
- 2.4 The Member Constitution Review Group has proposed a change to the term limit to reduce it to two full terms of office/eight years of service on East Hertfordshire District Council. The Group felt that five full terms was a high threshold, and a Member could have rendered eminent service to the council in a shorter time period that was deserved of recognition.
- 2.5 The protocol for conferring the title of Honorary Alderman is attached at Appendix A. The Leader of the Council, in consultation with the Chairman, will recommend to Council the award of Honorary Alderman to a previous Member of the authority who meets the criteria. Any Member may approach the Leader with a nomination for consideration. Any person nominated must meet the following criteria:

- a) Has made significant contribution to public life
- b) Has given notable service on behalf of the Council, which has enhanced the reputation of Councillors and the Council itself
- c) Has rendered a minimum of eight years' service/two full terms of office as a Member of East Hertfordshire District Council
- d) Is no longer an elected Member

2.6 The award of Honorary Alderman shall take place during an extraordinary meeting of the Council, called for this specific purpose. The resolution needs to be passed by not less than two thirds of the Members present.

3.0 Reason(s)

3.1 Legislation states that the Council may confer the title of Honorary Alderman to previous Members who have rendered eminent services to the Council. It is for the council to determine any further criteria for the award.

3.2 The reduction in the term limit for nomination means that more Members who might have made a valuable and eminent contribution to the council and the community will be eligible for the title of Honorary Alderman.

4.0 Options

4.1 To not approve the proposed protocol would mean the existing arrangements would stay in place and nominations for the title of Honorary Alderman would need to have served five full terms.

5.0 Risks

5.1 None

6.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

No

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

Section 249 of the Local Government Act 1972 states that the Council “may confer the title of Honorary Alderman on any person who, in the opinion of the Council, has rendered eminent services to the Council as a past member of the Council”.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Protocol of the Appointment of Honorary Alderman

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Protocol for the Appointment of Honorary Alderman

May 2023

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1.0 Background

[Section 249 of the Local Government Act 1972](#) states that the Council “may confer the title of Honorary Alderman on any person who, in the opinion of the Council, has rendered eminent services to the Council as a past member of the Council”.

The award must be subject of a resolution passed by not less than two thirds of the Members present at a meeting specially convened for that purpose.

2.0 The Role of Honorary Alderman

An Honorary Alderman of the Council may attend and take part in such civic ceremonies as the Council may decide. Honorary Aldermen are entitled to wear the badge of ‘Honorary Alderman’ at Civic events within the District.

Those awarded the title of Honorary Alderman are entitled to use the title of ‘Honorary Alderman of the District of East Hertfordshire’.

An Honorary Alderman does not carry any right to attend meetings of the Council or its committees or to claim any allowances payable under the Members’ Allowance Scheme.

No Honorary Alderman shall, while serving as a councillor, be entitled to be addressed as an Honorary Alderman or to attend or take part in any civic ceremonies of the council as an Honorary Alderman.

3.0 Criteria for appointment

The Leader of the Council, in consultation with the Chairman will recommend to Council the award of Honorary Alderman to a previous Member of the authority who meets the criteria. Any Member may approach the Leader with a nomination for consideration.

The appointment of Honorary Alderman is to confer recognition on Members who, over a period of time, made a significant contribution to the Council in particular, and public service in general.

Any person nominated must meet the following criteria:

- a) Has made significant contribution to public life
- b) Has given notable service on behalf of the Council, which has enhanced the reputation of Councillors and the Council itself
- c) Has rendered a minimum of eight years' service/two full terms of office as a Member of East Hertfordshire District Council
- d) Is no longer an elected Member

4.0 Presentation Ceremony

The award of Honorary Alderman shall take place during an extraordinary meeting of the Council, called for this specific purpose. The Chairman shall preside.

During the meeting, the nomination to confer the title of Honorary Alderman on the nominee(s) to recognise their services to the Council and the community will be proposed and seconded. The

resolution needs to be passed by not less than two thirds of the Members present.

If the Resolution is passed, those being awarded the title of Honorary Alderman will be presented with:

- i) A 'Certificate of Conferral of the Status of Honorary Alderman' which will carry the Council's Coat of Arms and the Common Seal of the Council, witnessed by the Chairman and the Chief Executive. The Certificate will be framed for presentation.
- ii) A Badge of Office, incorporating the Coat of Arms on a blue ribbon. The badge will be presented in an official presentation box.

Following the presentation, those appointed Honorary Alderman will be asked to sign the 'Roll/Book of Honorary Alderman'.

5.0 Removing the title of Honorary Alderman

There may be occasions where, due to the past or future behaviour of individuals who have been appointed as Honorary Alderman, the Council may wish to remove the title of Honorary Alderman from an individual in order to protect the reputation of the Council.

Removal of the title of Honorary Alderman will follow the same process as appointment (proposed and seconded, and then a resolution of two thirds of those present must be passed). However, it may take place at any meeting of the Council rather than a specially convened meeting.

East Herts Council Report

Council

Date of meeting: Wednesday 1 March 2023

Report by: James Ellis, Head of Legal and Democratic Services

Report title: Extension of the 2022/23 Member Allowance Scheme

Ward(s) affected: (All Wards);

Summary – To extend the 2022/23 Scheme for Members' Allowances into the 2023/24 Civic Year to allow the Independent Remuneration Panel to meet the new Council after the District elections on 4 May 2023.

RECOMMENDATIONS FOR COUNCIL:

- a) **To approve the extension of the 2022/23 Scheme of Members' Allowances until the Council meeting held on 26 October 2023.**

1.0 Proposal(s)

1.1 As above

2.0 Background

2.1 [The Local Authorities \(Members' Allowances\) \(England\) Regulation 2003](#) states that an Independent Remuneration

Panel should be established and produce a report making recommendations to the Scheme of Members' Allowances.

- 2.2 The council's Independent Remuneration Panel usually meet every year to consider the Scheme of Members' Allowances and recommend changes to Council. The Panel last met in early 2022 and the Council agreed some of their recommendations at the Annual Council meeting on 11 May 2022.
- 2.3 Paragraph 20.1.2 of the current Scheme states that the arrangements apply for the civic year from the next day after the meeting of the Council (12 May 2022) to the date of the next annual meeting of the Council (17 May 2023), unless the Council decided otherwise.
- 2.4 The Panel usually meet January - March each year to prepare a report for Annual Council. This report is recommending that the current Scheme be extended so that the Panel can meet after the election to allow them to interview the new Council.

3.0 Reason(s)

- 3.1 To ensure Members continue to receive their allowances into 2023/24 and to allow the Independent Remuneration Panel to complete their review into the current scheme with the new Council post-election.

4.0 Options

- 4.1 To not approve an extension – NOT RECOMMENDED as this will mean Members will not be paid their allowances after 17 May 2023.

5.0 Risks

- 5.1 If the Scheme is not extended, it becomes invalid and Members will not be paid their allowances.

6.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

No – arrangements will remain the same until the Independent Remuneration Panel meet again in summer 2023.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

Yes, the scheme of allowances must comply with the Local Government and Housing Act 1989 and The Local Authorities (Members' Allowances) (England) Regulations 2003. The regulations require the Council to have a scheme of allowances, and the current scheme was in place for the 2022/23 Civic Year and therefore must be extended until the Panel makes recommendations for 2023/24.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 The current Members Allowance Scheme is attached.

Contact Officer

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Section 20 – Members’ Allowances **Scheme**

LOCAL GOVERNMENT AND HOUSING ACT 1989

AND

**LOCAL AUTHORITIES (MEMBERS’ ALLOWANCES)
REGULATIONS 2003 (AS AMENDED)**

**MEMBERS’ ALLOWANCES SCHEME
(including Special Responsibility Allowances)**

(Revised May 2022)

20.1 Introduction

- 20.1.1 This scheme is made by East Hertfordshire Council ("the Council") pursuant to the Local Authorities (Members' Allowances) (England) Regulations 2003. It was approved by the Council on 11 May 2022 after consideration of the recommendations from the Independent Remuneration Panel.
- 20.1.2 The Scheme will apply for the civic year from the next day after the meeting of the Council to the date of the next annual meeting of the Council, unless the Council decides otherwise.

20.2 Basic Allowance

- 20.2.1 Subject to paragraphs 20.9 and 20.10 below, for each year a basic allowance shall be paid to each Member as set out in Schedule 1 to the scheme.
- 20.2.2 The basic allowance includes incidental costs such as stationery, printing telephone and broadband.
- 20.2.3 The basic allowance is to be paid in equal instalments on the 15th day of each month.

20.3 Special Responsibility Allowance (SRA)

- 20.3.1 Subject to paragraphs 20.9 and 20.10 below, for each year a SRA shall be paid to those Members who hold the special responsibilities that are set out in Schedule 1 to the scheme.
- 20.3.2 Members will be restricted to receiving only one SRA (that of the higher value) if they occupy two or more posts which attract SRAs.

- 20.3.3 The SRA is to be paid in equal instalments on the 15th day of each month.

20.4 Indexation

- 20.4.1 Neither the basic allowance nor the SRAs are index linked.

20.5 Travel and Subsistence Allowance

- 20.5.1 Members may claim travel allowance in respect of their travel to and from the following approved duties:
- (a) meetings covered by the list of duties referred to in Schedule 2;
 - (b) meetings of outside bodies and organisations to which they have been appointed by the Council as set out in Schedule 3, provided that no other arrangements for payment exist in respect of such bodies to which the Authority makes appointments or nominations; and
 - (c) meetings with the Chief Executive, Deputy Chief Executive and/or Heads of Service/Service Managers, subject to such meetings having been pre-arranged and not relating specifically to a Member's ward work or activities.
- 20.5.2 Travel allowances in connection with attendance at approved duties may be claimed, subject to the following:

- (a) the claim must be for actual mileage incurred/actual public transport used; and
- (b) the base for starting and finishing all journeys will normally be regarded as the member's home address, provided that the home address is within the District or an adjacent District/Borough.

20.5.3 Subsistence allowances in connection with attendance at approved duties may be claimed, subject to the following. Members are able to claim subsistence allowances where they are prevented by official duties from taking a meal at home or other place where normally taken. Claims will not be permitted where refreshment has been provided by the meeting organiser.

20.5.4 VAT receipts for the purchase of fuel must be provided with all claims for travel expenses. Receipts must be provided for all subsistence/hotel accommodation/public transport claims and for any expenditure incurred on parking fees when using a vehicle on an approved duty.

20.5.5 Details of the rates of travel and subsistence allowances are set out in Schedule 1. The rates are index linked to the rates payable to officers.

20.6 Child Care and Dependant Carers' Allowance

20.6.1 Contribution towards costs incurred for the provision of care may be claimed, at the rates set out in Schedule 1, in respect of care costs incurred due to attendance at approved duties. Claims are subject to the following.

20.6.2 The principle of providing the allowance is to allow members who are carers to undertake their duties and to allow others who might otherwise be deterred from Council membership by virtue of caring responsibilities to consider standing for election. Contributions in 20.6.1 above will be paid towards care in respect of:

- (a) children aged 14 or under;
- (b) a dependant, that is, someone who relies on the member for care (the member's spouse, partner, child, parent, dependant relative or someone who lives in the same household as the member but who is not his or her employee, tenant, lodger or boarder);

In each case, the dependant must normally live with the Member as part of the family and be unable to be left unsupervised. The carer can be any responsible mature person who does not normally live with the claimant as part of the family. The allowance should not be payable in respect of members of the member's immediate and close family.

20.6.3 Receipts must be provided for all carer claims.

20.7 Broadband Allowance

20.7.1 Contribution toward the cost incurred in providing broadband connection is included within the basic allowance.

20.8 Pensions

- 20.8.1 No Members be admitted to the Local Government Pension Scheme.

20.9 Renunciation

- 20.9.1 A Member may by notice in writing given to the Head of Legal and Democratic Services elect to forego any part of their entitlement to an allowance under this scheme.

20.10 Part Year Entitlements

- 20.10.1 Where a Member's term of office begins or ends, or the holding of a special responsibility begins or ends, part way in the year, then the entitlement to any allowances due to a Member will be in the same proportion as the number of days served in the year.
- 20.10.2 When an amendment to this scheme changes the amount to which a Member is entitled, then the existing rates are payable ending with the day before the amendment takes effect.
- 20.10.3 The s151 Officer be authorised to determine allowance entitlements in circumstances where:
- (a) the scheme of allowances is amended at any time throughout the year;
 - (b) an individual ceases to be a Member, or an individual is elected to the office of Councillor of East Hertfordshire Council;
 - (c) in the event that a new chairmanship of a Committee or Panel is created the s151 Officer be authorised to determine the allowance

entitlement by reference to the lowest relevant comparable allowance until review by the Panel.

20.11 Claims

- 20.11.1 Claims should be made using method prescribed by the Council, on a monthly basis. Claims submitted by the fifth day of the month will be processed for payment on the 15th day of that month. Claims received after the 5th day will be processed for payment in the following month.
- 20.11.2 Receipts as described in paragraphs 20.5.4 and 20.6.3 above, must accompany each claim.
- 20.11.3 In accordance with the Council's Financial Regulations, claims for duties performed more than three months ago are not permitted.

20.12 Record of Allowances

- 20.12.1 The Head of Human Resources and Organisational Development shall keep a record of all payments made to all Members in accordance with the scheme and the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003. Such records shall be available for public inspection free of charge at all reasonable times during usual office hours.
- 20.12.2 The Head of Legal and Democratic Services will issue the required notice under the Regulations providing summary information on the payments made under the scheme each year.

SCHEDULE 1

	£
<u>Basic Allowance :</u>	5,428.79
<u>Civic Allowances:</u>	
Chairman	6,500
Vice Chairman	1,450
<u>Special Responsibility Allowances:</u>	
Leader of the Council	19,767
Deputy Leader	12,225.96
Executive Member	9,780.96
Committee Chairman (Development Management)	7,336
Committee Chairman (Licensing)	6,051
Committee Chairman (Human Resources)	4,842
Committee Chairman (Overview and Scrutiny)	6,464.04
Committee Chairman (Audit and Governance)	6,646.04
Committee Chairman (Standards)	2,421

Committee Vice Chairman (Development Management)	2,200
Leader of a minority political group	A factor of 0.1 of the Basic Allowance multiplied by the number of members
<u>Mileage allowance:</u>	
Motor vehicles (<i>incl. motor cycles</i>)	£0.45 per mile for the first 10,000 miles of a (return) journey
Electric vehicle	£0.04 per mile
Bicycles	£0.20 per mile
<u>Public Transport:</u> (including the use of taxis for short journeys where public transport is not convenient)	Reimbursement of actual cost or ordinary standard fare, whichever is the lesser, upon production of a receipt
<u>Carer's Allowance – Dependent care:</u>	Maximum of £25 per hour
<u>Childcare Allowance</u>	Maximum of £12.50 per hour

<u>Subsistence Allowance</u> in the case of an absence from the member's normal base, not involving an absence overnight from the usual place of residence:	
of more than 4 hours before 11 am Breakfast*	£7.21
of more than 4 hours, including the period between noon and 2.30 pm Lunch*	£9.95
of more than 4 hours ending after 7 pm Evening Meal*	£15.20
* Not claimable where refreshments have been provided at the meeting/event attended.	
<u>Subsistence Allowance</u> in the case of an absence involving an absence overnight from the usual place of residence:	
The actual cost of the most cost effective overnight accommodation and where meals are not included, subsistence allowance as detailed above.	

APPROVED DUTIES

1. The following shall be recognised as approved duties:
 - attendance at meetings of the Council, the Executive, a Committee, Sub-Committee, Panel, Working Party or Task and Finish Group of the Authority;
 - attendance at any other meeting which has both been authorised by the Authority (Executive, Scrutiny or Regulatory Committee) and to which representatives of more than one political group have been invited;
 - the attendance at a meeting of a Local Authority Association of which the Council is a Member;
 - carrying out any other duty connected with the Authority's functions approved by the Council (Executive);
 - the following conferences, approved for the purposes of Section 175 of the Local Government Act 1972:
 - i. Local Government Association
 - ii. Chartered Institute of Housing - Housing Conference
 - iii. Royal Town Planning Institute - Summer School
 - any other conference not mentioned above, or a training course or seminar shall be considered as an approved duty provided that such attendance

has been authorised in advance by either the Executive or the Chief Executive.

- attendance relating to site visits in respect of Development Management Committee business for members and substitutes of the Development Management Committee.
2. A member attending any conference, training course or seminar shall be entitled to receive the relevant allowance for travelling and subsistence.
 3. The Chief Executive may, upon application to him/her by any Member of the Council, subject to consultation with the Leader of the Council for the time being, designate the attendance of that Member at any other meeting, training session, seminar or conference or other attendance not hereinbefore specifically referred to as an approved duty for the purpose of this scheme.

SCHEDULE 3 – OUTSIDE BODIES

1. Attendance at any meeting of an outside body on which the Member is appointed to represent the Council.
2. Attendance at any conferences, seminars or training events, the attendance at which is approved by the Council, or the Executive or a Committee of either, or the Chief Executive.
3. Attendance at any meetings of a Local Government Association or any Joint or Liaison Committee for Members of Local Authorities.

MOTION ON LOCAL GOVERNMENT PAY TO COUNCIL: A FULLY FUNDED, PROPER PAY RISE FOR COUNCIL

This council notes:

Local government has endured central government funding cuts of more than 50% since 2010. Between 2010 and 2020, councils lost 60p out of every £1 they have received from central government. Councils across England are now facing a collective funding gap of £2.4bn for the financial year 2023/24 and a cumulative funding gap of £4.08bn for 2024/25 according to UNISON research.

Councils led the way in efforts against the Covid-19 pandemic, providing a huge range of services and support for our communities. Local government has shown more than ever how indispensable it is. But Covid has led to a massive increase in expenditure and loss of income, and as we emerge from the pandemic, local authorities need far more support from Westminster.

Council workers kept our communities safe through the pandemic, often putting themselves at considerable risk as they work to protect public health, provide quality housing, and look after older and vulnerable people.

Since 2010, the local government workforce has endured years of pay restraint with the majority of pay points losing at least 25 per cent of their value since 2009/10. Staff are now facing the worst cost of living crisis in a generation, with inflation hitting 10% and many having to make impossible choices between food, heating and other essentials. This is a terrible situation for anyone to find themselves in.

At the same time, workers have experienced ever-increasing workloads and persistent job insecurity. Across the UK, 900,000 jobs have been lost in local government since June 2010 – a reduction of more than 30 per cent. Local government has arguably been hit by more severe job losses than any other part of the public sector.

There has been a disproportionate impact on women, with women making up more than three-quarters of the local government workforce.

Recent research shows that if the Government were to fully fund the unions' 2023 pay claim, around half of the money would be recouped thanks to increased tax revenue, reduced expenditure on benefits and tax credits, and increased consumer spending in the local economy.

This council believes:

Our workers are public service super-heroes. They keep our communities clean and safe, look after those in need and keep our towns and cities running.

Without the professionalism and dedication of our staff, the council services our residents rely on would not be deliverable.

Local government workers deserve a proper real-terms pay increase. The Government needs to take responsibility and fully fund this increase; it should not put the burden on local authorities whose funding has been cut to the bone and who were not offered adequate support through the Covid-19 pandemic.

This council resolves to:

Support the pay claim submitted by UNISON, GMB and Unite on behalf of council workers, for an increase of RPI + 2%

Call on the Local Government Association to make urgent representations to central government to fund the NJC pay claim

Write to the Chancellor and Secretary of State to call for a pay increase for local government workers to be funded with new money from central government

Meet with local NJC union representatives to convey support for the pay claim and consider practical ways in which the council can support the campaign

Encourage all local government workers to join a union.

Proposed by Councillor Carolyn Redfern

Seconded by Councillor Mary Brady