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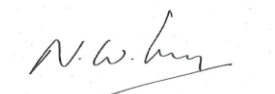
Please ask for:
Graham Seal

26 January 2018

Dear Councillor

You are requested to attend a meeting of the WELWYN HATFIELD BOROUGH COUNCIL to be held on Monday 5 February 2018 at 7.30pm in the Council Chamber, Council Offices, The Campus, Welwyn Garden City, Herts, AL8 6AE.

Yours faithfully



Executive Director
Public Protection, Planning and Governance

AGENDA
PART 1

1. **APOLOGIES**

To receive apologies for absence, if any.

2. **MINUTES**

To confirm as a correct record the Minutes of the meeting held on 20 November 2017 (previously circulated).

3. **PETITIONS**

The Mayor will receive petitions (limited to the first three petitions presented).

4. **QUESTIONS FROM THE PUBLIC**

A period of thirty minutes will be made available for questions to be put by Members of the public to Members of the Cabinet on matters for which the Council has a responsibility or which affect the Borough.

5. DECLARATIONS OF INTERESTS BY MEMBERS

To note declarations of Members' disclosable pecuniary interests, non-disclosable pecuniary interests and non-pecuniary interests in respect of items on the Agenda.

6. ANNOUNCEMENTS

To receive any announcements from the Mayor, Leader of the Council, Member of the Cabinet or the Head of Paid Service.

7. QUESTIONS BY MEMBERS (Pages 5 - 6)

For a period of up to thirty minutes, a Member of the Council who has given prior notice in accordance with Council Procedure Rule 45, may ask (a) the Mayor, (b) the Leader of the Council or (c) a Member of the Cabinet a question on any matter in relation to which the Council has powers or duties or which affects the Borough.

Details of questions received in accordance with Procedure Rule 45 will be tabled at the meeting. A Member asking a question may ask, without giving notice, one supplementary question of the Member to whom the first question was asked. The supplementary question must arise directly out of the reply.

8. BUDGET 2018/19 (Pages 7 - 152)

Report of the Executive Director (Resources, Environment and Cultural Services) setting out the proposals for approval of the 2018/19 budgets for revenue (General Fund and Housing Revenue Account) and capital and also asking the Council to approve the Borough element of the Council Tax for 2018/19 (final approval would be sought at the special Council meeting on 21 February 2018).

9. PAY POLICY STATEMENT 2018/19 - ANNUAL REVIEW (Pages 153 - 164)

Report of the Executive Director (Public Protection, Planning and Governance) submitting the Pay Policy Statement 2018/19 prepared in accordance with the Localism Act 2011.

10. OVERVIEW AND SCRUTINY PROCEDURE RULES (Pages 165 - 176)

Report of the Monitoring Officer proposing a change to the Call-In Procedure.

11. APPOINTMENTS TO COMMITTEES

To agree the appointment of Councillor S.Elam as a Member of the Social Overview and Scrutiny Committee in place of Councillor T.Bailey. and the Development Management Committee in place of former Councillor R.Basch.

12. NOTICES OF MOTIONS UNDER PROCEDURE RULE 50 (Pages 177 - 178)

To consider notices of motions submitted under Procedure Rule 50 in such order as the Mayor shall direct. Details of motions received by the deadline of 12noon on 29 January 2018 will be circulated separately.

13. URGENT MATTERS

To consider any matters of urgency subject to the agreement of the Mayor in accordance with Procedure Rule 13(r).

Circulation: The Mayor and Members of the Welwyn Hatfield Borough Council
Executive Board
Press and Public (except Part II Items)

If you require any further information about this Agenda please contact Graham Seal, Governance Services Unit on 01707 357444 or email – g.seal@welhat.gov.uk / democracy@welhat.gov.uk

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Agenda Item 7

Part I
Item No: 7

WELWYN HATFIELD COUNCIL
COUNCIL MEETING – 5 FEBRUARY 2018

COUNCIL PROCEDURE RULE NO. 45 QUESTIONS – QUESTIONS BY MEMBERS

Notice of the following question has been received in accordance with Council Procedure Rule No 45:-

1. Question to the Leader from Councillor Malcolm Cowan

“Are you content with the current level of service of the enforcement team in dealing with illegal advertisements, which appear to be at epidemic levels or do they require additional resources?”

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Part I

Item No: 8

Main authors: Ka Ng

Richard Baker

Executive Member: Cllr. D. Bell

All Wards

WELWYN HATFIELD BOROUGH COUNCIL

COUNCIL – 5 FEBRUARY 2018

REPORT OF THE EXECUTIVE DIRECTOR (RESOURCES, ENVIRONMENT AND CULTURAL SERVICES)

Budget Proposals and Medium Term Forecasts 2018/19

1 Executive Summary

1.1 Following the consideration of the 2018/19 budget proposals at Cabinet on the 9 and 23 January, the purpose of this report is to present to Council the budget proposals for approval, specifically:

- Revenue Budgets 2018/19
- Capital Programme 2018/19 – 2022/23
- Use of Reserves 2018/19
- Treasury Management Strategy 2018/19
- Fees and Charges for 2018/19
- Medium Term forecasts 2018/19 – 2020/21
- Special Expenses 2018/19

1.2 The 2018/19 budget proposals and the updated Medium Term Financial Forecasts have been produced to ensure that the Council maintains a sustainable financial position over the planning period to 2020/21. The following Council strategies and policies have informed the budget-setting process:

- The Council's Vision and Priorities, as stated in the Business Plan
- The Medium Term Financial Strategy (MTFS)
- The Housing Revenue Account 30 year Business Plan
- Service Strategies and Plans

1.3 In accordance with the Medium Term Financial Strategy, the Executive Board, and the Cabinet has met to review and monitor emerging budget proposals throughout the budget preparation period.

1.4 There has been a series of budget briefings and planning meetings throughout the budget cycle involving Portfolio Holders and members of the Council's leadership team.

1.5 This covering report provides members with the details of key assumptions and updates, and is supported by the following appendices:

- Appendix A – General Fund Summary 2018/19
- Appendix B – General Fund Head of Service Summaries 2018/19
- Appendix C – General Fund Savings Summary 2018/19 – 2020/21
- Appendix D – General Fund Growth Summary 2018/19 – 2020/21

- Appendix E – General Fund Fees and Charges 2018/19
- Appendix F – Housing Revenue Account Summary 2018/19
- Appendix G – Housing Revenue Account Summary of Changes 2018/19
- Appendix H – Housing Revenue Account Fees and Charges 2018/19
- Appendix I – Capital Programme 2017/18 – 2022/23
- Appendix J – Capital Financing Summary 2018/19 – 2022/23
- Appendix K – Capital Reserves Summary 2018/19 – 2022/23
- Appendix L – Medium Term Financial Strategy 2018/19 – 2020/21
- Appendix M – Treasury Management Strategy 2018/19
- Appendix N – Statement of the Chief Financial Officer
- Appendix O – Special Expenses 2018/19

2 Recommendations

That Council note the recommendations from Cabinet, and the Statement of The Chief Financial Officer on the robustness of budgets and adequacy of reserves (Appendix N).

That Council also note the following amounts for the year 2018/19 have been set in accordance with regulations made under Sections 31A and 31B of the Local Government Finance Act 1992 and agreed by the Cabinet on 9 January 2018:

- (1) That the 2018/19 taxbase is 41,363.2, which has incorporated an overall collection rate of 99.40% (the in-year target remained at 97.7%).
- (2) That in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012, the amount calculated by the Borough Council as its taxbase for the year 2018/19 shall be 41,363.2 and its constituent elements shall be:

	<u>100%</u> <u>TAXBASE</u>	<u>99.40%</u> <u>TAXBASE</u>
Welwyn Garden City	16,901.5	16,800.1
Hatfield	11,507.7	11,438.7
Welwyn	4,622.8	4,595.1
Ayot St Lawrence	70.8	70.4
Ayot St Peter	115.1	114.4
North Mymms	4,367.1	4,340.9
Essendon	433.2	430.6
Northaw & Cuffley	3,059.7	3,041.3
Woolmer Green	534.9	531.7
Total	41,612.8	41,363.2

That Council approve the following budget proposals:

2.1 General Fund

2.1.1 The General Fund Budget as summarised in Appendix A, and detailed in appendix B.

2.1.2 The savings and growth proposals as detailed in appendices C and D.

- 2.1.3 The 2018/19 fees and charges which have been incorporated into the budget proposals, as set out in appendix E.
- 2.1.4 The increase in the Council's Band D Tax of £5.00 (2.48%), taking the average Band D Tax to £206.61 for 2018/19.
- 2.1.5 The Special Expenses Scheme as set out in section 3.6 of this report continue into 2018/19, and the Special Expenses detailed in Appendix O be approved for inclusion in setting the Council Tax for 2018/19.

2.2 Housing Revenue Account (HRA)

- 2.2.1 That dwelling rents are reduced by 1% in accordance with Government legislation, resulting in an average rent of £104.42 per week (based on a 52 week year).
- 2.2.3 The continuation of the policy charge formula rent minus 1% when vacant properties are re-let.
- 2.2.4 The Housing Revenue Account budget for 2018/19 as shown in appendix F.
- 2.2.5 The 2018/19 fees and charges which have been incorporated into the budget proposals, as set out in appendix H.
- 2.2.6 The change to the Medium Term Financial Strategy (MTFS) to maintain HRA working balances of between 5% and 10% percent of income.

2.3 Capital Programme

- 2.3.1 The Capital Programme for 2018/19 to 2022/23 as set out in Appendix I.
- 2.3.2 The Capital Financing for the Capital Programme, for 2018/19 to 2022/23 as set out in Appendix J.

2.4 Medium Term Financial Strategy

- 2.4.1 The Medium Term Financial Strategy for 2018/19 – 2020/21 as set out in appendix L.

2.5 Treasury Management Strategy

- 2.5.1 The approval of the Treasury Management Strategy and Minimum Revenue Provision Policy for 2018/19 as set out in appendix M.

3 Explanation

3.1 General Fund Revenue Account

- 3.1.1 The Government's austerity measures to bridge the national deficit continue to impact significantly on local authorities. The Council is facing a decline in the grant income from central government, and funding for services is increasingly being derived from local funding (i.e. Council Tax, Business Rates and charges for services); at the same time local demand on Council services has increased.

3.1.2 The requirement to set a balanced budget demands a stringent process to deliver efficiencies, preserve as far as possible the quality of front line services, and retain the ability to generate income and to recognise the increasing demand on key services.

3.1.3 The proposed net cost of services budget for 2018/19 totals £14.530m and is £0.234m (1.6%) lower than the 2017/18 original budget of £14.764m. The movement between years is summarised in the following table.

	£'000
2017/18 Original Budget	14,764
Less: 2017/18 one-off growth	(479)
Add: 2018/19 one-off growth	440
Add: 2018/19 ongoing growth	604
Less: 2018/19 savings	(1,781)
Add: Pay inflation	392
Add: Contract inflation	619
Add: Recharge to HRA	(30)
2018/19 Original Budget	14,530

3.1.4 A breakdown of savings and growth are included in appendices C and D, and are also detailed in the reconciliation of controllable expenditure in the Head of Service summaries in appendix B.

3.1.5 Whilst budget proposals are firm for the net cost of services, the Council awaits confirmation on two areas:

- Although the Council was awarded a multi-year Government settlement, it awaits the final settlement confirmation for 2018/19 (expected early February). This will include its New Homes Bonus funding and other grant income.
- Parish Precept proposals, although these changes will have a net nil impact on the summary shown in appendix A.

Multi Year Settlement – Business Rates and Revenue Support Grant

3.1.6 In December 2017, the Council received the provisional settlement for 2018/19 budget proposals have been based on the figures provided by the Government. Government austerity measures mean the council continues to face funding reductions:

	Final Finance Settlement 2017/18 £'000	Provisional Finance Settlement 2018/19 £'000	% Change
Revenue Support Grant	558	104	-81%
Business Rates Baseline	2,716	2,800	+3%
Total: Settlement Funding Assessment	3,274	2,904	-11%

- 3.1.7 Although the Government has set a baseline level of income for Business Rates, the amount of funding received will depend on the actual amount billed for Business Rates which will be influenced by other factors including the collection rate, business growth across the District and the provision for successful appeals.
- 3.1.8 The income budget for Business Rates was estimated on data at the end of November, with a small level of growth assumed, inflationary increases for the business rates multiplier, and pooling gains. Since the Cabinet meeting, the NNDR1 return has been completed, and this exercise confirmed that there are no adjustments required to the proposed budget.
- 3.1.9 The Council submitted an application to enter a pooling arrangement with Broxbourne, Hertsmere, Hertfordshire County Council, North Hertfordshire and Three Rivers. It was confirmed as part of the Provisional Settlement in December 2017 that the Pooling application was successful.
- 3.1.10 It should be noted that there is no guarantee that the business rates pooling arrangement will continue in future years, and there is also a risk that Welwyn Hatfield may not be selected to join the business rates pool going forward, therefore any additional income from the pooling regime should not all be used to support the Council's base budget. An element of the additional gain from business rates pooling has been set aside for one off projects in 2018/19, along with a contribution of £47k to the Pensions Earmarked Reserve.
- 3.1.11 As part of the announcements for the provisional settlement, the Government confirmed its intention to allow Councils to increase planning fees by 20%. The legislation came into force in December, with fees being allowed to increase from 17 January 2018. The Fees and Charges Schedule (appendix E) reflects these increased fees.

Autumn Statement

- 3.1.12 As part of the autumn statement, the Chancellor announced the following items, which could impact on the Council's budget:
- From April 2018, CPI will be used to uprate the multiplier for business rates, for which the Council will be fully compensated for.
 - From April 2018, Local authorities will be given the power to increase the council tax empty homes premium from 50% to 100%. A change to the Council's policy would impact on around 67 properties in the Borough. Full consideration and recommendations will be made on this once the legislation has been published.
 - A number of changes were announced for universal credit, mainly around improving waiting times, and interest free loans, and other changes to improve concerns raised by claimants. The government said that they will also make it easier for claimants to have the housing element of their award paid directly to their landlord, which may reduce some of the risks highlighted on HRA rent arrears.

New Homes Bonus

- 3.1.13 On the 15 December 2016 the government announced the results of the consultation on reforms to the New Homes Bonus Grant, and reduced the length of payments to 4 years from 2018/19, only awarding for a growth in homes above 0.4% per annum.

- 3.1.14 The Government was considering payments to be withheld from local authorities that are not “planning effectively, by making positive decisions on planning applications and delivering housing growth”. Whilst the proposed changes did not materialise for the calculation for New Homes Bonus Grant in 2018/19, it will remain as a risk for the Council until its Local Plan is formally adopted.
- 3.1.15 The Council aims to reduce reliance on New Homes Bonus income to support base budget expenditure, with the transfer of 25% in 18/19, 25% in 2019/20 and then 50% in each year thereafter, to the Strategic Earmarked Reserve. This is to fund one off growth for projects which will create capacity for service transformation, deliver improved efficiency and generate sustainable additional income.

Collection Fund

- 3.1.16 The Council’s Council Tax requirement for 2018/19 is calculated as £8.546m (exclusive of parish precepts). The proposed taxbase for 2018/19 is 41,363.2.
- 3.1.17 The income due from Council Tax goes into the Collection Fund. Throughout the year the actual number of properties (as well as allowances for exemptions, discounts or appeals) inevitably varies from the figure estimated at the start of the year. This leads to a change in the amount of Council Tax due, and therefore a surplus or deficit on the Collection Fund.
- 3.1.18 In 2017/18 there is a forecast surplus position on the Collection Fund, primarily due to an increase in the number of new properties built, coupled with in a change to the collection rate used in the calculation. This surplus is shared between the Major Preceptors, i.e. the County, the Police Authority and the Borough, in proportion to their precepts for the year.
- 3.1.19 The proportion of the surplus that each of the Major Preceptors will receive from the Collection Fund when calculating the Council Tax for 2018/19 is as follows:

Welwyn Hatfield Borough Council	£280,394.70
Hertfordshire County Council	£1,427,064.03
<u>Hertfordshire Police & Crime Commissioner</u>	<u>£175,447.87</u>
Total Surplus	£1,882,906.59

- 3.1.20 The Localism Act 2011 abolished Council Tax capping in England and instead allows local residents to reverse ‘excessive’ Council Tax increases by means of referendum. The Government has set the 2018/19 referendum threshold for district Council’s at the higher of £5 or 3%. The proposed increase of £5 for Welwyn Hatfield in 2018/19 is therefore within the threshold, and below the rate of inflation.

Budget Assumptions

3.1.21 The 2018/19 budget proposals include the following key assumptions:

Employee Costs	2% general pay inflation. Actual increases will depend on national pay negotiations* 18.3% of employee pay as contribution to the pension fund 3% Vacancy factor
Contractual Inflation	Inflation has been included in line with agreed contractual indices, mostly RPI or RPIX
Utilities	Inflation has been included in line with agreed contractual indices
Fees and Charges	Maximised where possible in line with the Fees and Charges Strategy. Proposed fees and charges are set out in appendix E
Council Tax	£5 for 2018/19. This equates to 2.48%, lower than inflation, which was 4.1% at December 2017.
Investment income	0.6%

* The NJC for Local Government provided proposals for pay increases for 2018/19 in early December. As with previous years, their proposals include higher increases on the lower spinal points for the Council, which is estimated to cost around £50k. This has been included centrally, pending the formal outcome of the consultation with Trade Unions.

Reserves

3.1.22 It is important that the Council maintains a reasonable level of reserves to cushion against unanticipated budget pressures. The Council holds two types of reserve:

- Working balances, which are required as a contingency against unforeseen events, and to ensure that the Council has sufficient funds available to meet its cash flow requirements. The Local Government Act 2003 requires the Section 151 Officer to report on the adequacy of financial reserves when setting the General Fund budget requirement for the year.
- Earmarked reserves, which are funds approved by Members to finance specific items of future expenditure. The Council's Financial Regulations dictate that Earmarked Reserves can be created only with Member approval, and that all subsequent transfers to and from those reserves also require Member approval.

3.1.23 The Council's MTFS recommends a minimum working balance of £1.6 million. This budget proposal leaves a balance of £8.1m in working balances, well maintained above the requirements of the MTFS.

3.1.24 The following table shows the justification for balances currently held by the Council within Earmarked Reserves, along with the forecast closing balances at the end of each financial year.

Earmarked Reserve	Main Purpose of Reserve	31 March 2017 £'000	31 March 2018 £'000	31 March 2019 £'000
<i>Strategic</i>	For use on one-off specific General Fund projects across the General Fund Services.	1,045	1,077	1,399
<i>Resources</i>	To manage volatility in Business Rates income and changes to the Business Rates funding	1,627	1,429	1,243
<i>Planning</i>	Previous year surplus put aside for Development control projects.	23	23	23
<i>Performance Reward Grant</i>	Held for community inclusion projects as and when required	57	57	57
<i>Governance</i>	The electoral registration grant to be used for individual registration.	82	50	45
<i>Public Health and protection</i>	Public Health Grant received from HCC held for relevant projects.	63	63	63
<i>Hackney Carriages</i>	The reserve is necessary to account for in year surplus/deficit positions. The service must break-even over time.	(38)	(51)	(38)
<i>Pensions Reserve</i>	This reserve is necessary to help mitigate the impact of additional costs arising in the triennial review cycle	0	100	147
<i>Other minor Earmarked Reserves (less than £7k each)</i>	Any unconditional grant received in advance of need will need to be held in an earmarked reserve.	10	10	10
	Total Earmarked Reserves	2,869	2,758	2,948

3.1.25 The Council's Section 151 Officer has reviewed the reserve position and advises that the current anticipated balances, together with the Council's plans for addressing the on-going and increasing budget gap, are adequate to ensure continued financial sustainability and a protection against unforeseen events. A formal statement from the Chief Financial Officer is included in appendix N. Priority area that Members may wish to consider for future contributions to Earmarked Reserves, subject to outturn, include:

- Pensions – As with previous years, the triennial pensions review (next due early 2019) may bring an opportunity to the Council to make a one off payment, to reduce the pensions deficit and mitigate any increases to the on-going burden of funding the deficit. There is a contribution planned to the reserve in 2017/18, and the proposed 2018/19 budget includes a contribution to this reserve.

3.2 Housing Revenue Account Budgets

3.2.1 The budget and 30 year forecasts have been prepared on the basis of the following high level principles, as detailed in the Council's forthcoming 30 Year HRA business plan:

- The Council will continue to maintain existing stock to at least decent homes standard.
- The Council will aim to maintain stock levels at around 9,000 dwellings.
- The Council will continue with the Affordable Housing Programme, to fully make use of the retained right to buy receipts available to it.
- The Council will continue to take a balanced approach to reducing its level of Housing debt, whilst ensuring some flexibility is maintained for any future legislative or policy changes.

3.2.2 The HRA expenditure and income have been realigned, to bring the Council's monitoring reports in line with the Council's annual statutory reporting (the Statement of Accounts). In order to enable year on year comparison, 2017/18 has also been restated in appendix F. In addition, items only included for accounting purposes have been removed, as these do not impact on decision making or the balances of the HRA.

3.2.3 The budget proposal for 2018/19, leads to a deficit on the HRA of £3.350m, with working balances forecast at £2.665m at the end of 2018/19. The closing position on the working balances equates to 5.2% of turnover, and is within the range of 5%-15% considered to be best practice.

3.2.4 The Council's current MTFs (approved February 2017) recommends a HRA working balance of £5m, with no link to income or expenditure. In order to minimise exposure to borrowing costs, whilst maintaining adequate reserves proportionate to the size of the HRA, it is recommended that the MTFs be updated to maintain HRA working balances between 5% and 10%.

3.2.5 Key changes to the budget are set out in Appendix G.

3.2.6 The Council's current plans for the HRA, and forecast borrowing, are affordable in the medium to longer which will be shown in the forthcoming 30 year Business Plan.

Rent Setting

3.2.7 As detailed in previous budget reports, the Government announced in 2015, a statutory requirement for Local Authorities to reduce rents by 1% for the financial years 2016/17 to 2019/20. The proposed budget represents the third year of this rent reduction period.

3.2.8 On the 4th October, the Government confirmed its intention to end the rent reduction policy after the fourth year, by stating that "increases to social housing rents will be limited to the Consumer Price Index (CPI) plus 1% for 5 years from 2020".

3.2.9 This announcement gives the Council more stability in its longer term planning for the Housing Revenue Account. The 30 year business plan includes CPI plus 1% from 2020.

- 3.2.10 The introduction of the rent reduction policy, saw not only a reduction in the income for the HRA, but also meant an end to rent convergence. This means that neighbouring tenants, with identical properties, could be paying different rent levels. The legislation does not allow the Council to make changes to current tenancies in order to continue with convergence.
- 3.2.11 The Council may however, change rent levels on when a property becomes vacant, and re-let these at the target rent level. In order for the Council to maximise the income from its assets, and to continue to work towards a fair approach for tenants, it is recommended that the Council continue with the policy to move to formula rent minus 1% when vacant properties are re-let.

Universal Credit

- 3.2.12 On 6 December 2017, Universal Credit was rolled out in the Borough for new single claimants, working age claimants with less than three children, and current claimants in these categories will be migrated where there is a change of circumstances.
- 3.2.13 Based on feedback from other Local Authorities, and the Department of Communities and Local Government (DCLG), there is evidence that the Council will see an increase in current rent arrears levels. It is expected that this initial increase will be followed by a plateau in arrears levels, creating a new baseline for the rent arrears performance.
- 3.2.14 An exercise has been undertaken to review the provision for bad debts budget in the HRA in light of these changes, and an increase proposed. This will be monitored closely over the coming year, with any variance to assumptions being built into the 2019/20 budget and 30 year business plan.

National Context

- 3.2.15 In the Chancellor of the Exchequers Autumn Budget 2017, it was announced that to enable the delivery of more homes, the Government would lift the HRA borrowing caps for Local Authorities in areas of high affordability pressure.
- 3.2.16 Local Authorities will be invited to bid for increases to their caps from 2019/20. The Government intends to monitor how authorities respond to this opportunity and consider if any further action is required.
- 3.2.17 Based on the Council's Capital Programme and 30 year HRA business plan, the Council will not reach its current borrowing cap, with around £60m of headroom in 2020/21.
- 3.2.18 Given the continuing trend in the number of Right to Buy sales, there may be pressures in future years to fund additional investment in new stock, in order to fully utilise the retained right to buy receipts. As the Council will be undertaking new borrowing, although unlikely, this may place restrictions on its ability to do so.
- 3.2.19 Additional analysis will be undertaken when the full details of the announcement are published to understand if the Council should apply to lift its borrowing cap.

- 3.2.20 It is not unusual for Government application processes to have short timeframes, and as such it was agreed at 9 January 2018 Cabinet that delegated authority be given to the Executive Director (Resources, Environment and Cultural Services), in consultation with the Executive Members for Resources to make an application to lift its borrowing cap. Any decision to apply, and the outcome of an application process will be reported to the next available Cabinet following the outcome of an application.
- 3.2.21 As part of the 2017 budget setting report, it was highlighted that there were a range of government initiatives that may have potentially impacted on the financial position of the HRA in the future. These included the sale of high value void properties to fund the extension of the right to buy scheme to housing associations tenants, and increasing rents towards market rates for those households with income over a set value. These policies have currently been shelved by the Government and there are no further updates. No assumptions have been made for these policies in the budget or 30 year HRA Business Plan.

30 Year HRA Business Plan

- 3.2.22 The Council's proposed 30 year HRA Business Plan Proposals will be coming to Cabinet in early 2018. This is being informed by the proposed 2018/19 budget, the capital budget proposals for 2018/19 – 2022/23, and the high level aims set out in paragraph 3.2.1.
- 3.2.23 Key assumptions used in the 2018/19 budget, and being incorporated into the business plan are:

Budget	Assumptions
Pay award	2% from 2018/19
Pensions and NI	Current rates included, no assumptions for increases or reductions
Rents	1% Reductions until 2019/20 CPI plus 1% from 2020/21
CPI	2.3%
RPI	3.0%
Working Balance	Minimum 5% of turnover
Major Repairs Reserve	Fully utilised each year to reduce borrowing requirement and avoid additional borrowing costs
Right to Buy	70 each year until 2021/22 30 each year from 2022/23
Affordable Housing Programme	Continuation of the Council's existing programme and an additional 30 per year from 2026/27

3.3 Capital Programme

- 3.3.1 The Capital Programme has been structured to enable delivery of the Council's Business Plan and the HRA Business Plan over the medium to long term. The Programme includes all of the capital schemes within both the General Fund and the Housing Revenue for 2018/19 to 2022/23, and is detailed in appendix I. The financing of the programme is shown in appendix J.

- 3.3.2 These appendices show total expenditure on the General Fund Capital Programme of £23.090m for 2018/19 to 2022/23, of which £22.290m is supported by direct financing, and the remainder of £0.8m is supported through a net increase to the General Fund borrowing requirement.
- 3.3.3 The Housing Revenue Account Capital Programme shows total expenditure of £144.322m for 2018/19 to 2022/23 and borrowing repayments of £100m, of which £146.923m is supported by direct financing, and the remainder of £97.399m is supported through a net increase to the Housing Revenue Account borrowing requirement.
- 3.3.4 The Council complies with the Prudential Code for controlling Local Government Capital Finance, and the Budget for 2018/19 has been prepared in the context of these plans and controls (more details of the Prudential Code are included within the Treasury Management Strategy in Appendix M). The key objectives of the Code are to ensure that:
- Capital Investment Plans are affordable, prudent, and sustainable;
 - All external borrowings and other long term liabilities are within prudent and sustainable levels;
 - Treasury Management decisions are taken in accordance with good practice and in a manner that supports prudence, affordability and sustainability; and,
 - The Council is accountable for its decisions.
- 3.3.5 Key areas of investment included in the General Fund Programme, totalling the £23.090m for 2018/19 to 2022/23 are:
- £5.001m on property investment. This is the second year, with £5m also allocated in 2017/18. This aim of this scheme is invest in property which will generate additional revenue to support the General Fund.
 - £5.027m for the Hatfield multi storey car park. This scheme has been partly funded through the LEP, with the Council funding only 20% of the scheme. This scheme will provide additional car parking into the town centre, allowing the Council to rationalise its car parks and supporting the Council's regeneration aims for Hatfield
 - £4.889m on regeneration schemes including further investment into Hatfield Town Centre and Flats, Link Drive, Hatfield Market Place, investment into Welwyn Town Centre North, and other smaller schemes.
 - £2.355m for Disabled Facilities Grants and home assistance loans. These Council receives Government funding towards these £2.205m of grants, which currently covers the cost of the scheme. The aid essential adaptation work to make a home accessible for a child or adult with a disability. The Council funds its own rolling programme of £150k for housing assistance grants and loans.
 - £1.731m investment into our buildings. This includes a £1.395m investment programme for our garage stock, along with other required investment into our land and building to ensure compliance with health and safety requirements, legislative changes and general improvements.

- £1.027m investment into Lemsford Road Car Park to facilitate additional parking whilst works on regeneration and other car parks are completed.
- £1.105m on systems, equipment and technology to ensure the Council makes the best use of new technologies, that it is protected against cyber-attacks and that it upgrades and improves systems where possible to ensure working practices are as efficient as possible. This includes the Council's £0.575 rolling programme for replacing IT, the infrastructure upgrade of £0.175m, along with other corporate and more service specific system improvements.
- £1.100m investment into enhancing parking throughout the Borough. This is a rolling programme item, aimed at increasing the number of parking bays and availability of off road parking throughout the borough.
- £0.855 on other investment priorities, such as litter and dog bin replacement, the construction of memorial plinths, the refuse improvement programme, and CCTV upgrades.

3.3.6 Key areas of investment included in the Housing Revenue Account Programme, totalling the £144.322m are:

- £58.811m of investment into people's homes and communal areas. This includes the replacement of major components, such as kitchens, bathrooms, windows and roofs. It also includes those items which the Council must deliver to ensure the safety of its tenants, such as the boiler replacement programme.
- £78.863m on delivering new affordable homes. This is funded 30% through the use of retained right to buy receipts, with the remainder coming from capital reserves or borrowing. This enables to the Council to maintain its stock levels with the continuing high levels of right to buys, and supports the Council in meeting the housing needs of its community.
- £6.648m of grants to registered providers of housing, towards the delivery of new homes. This is fully funded through the use of retained right to buy receipts, and supports the Council in meeting the diverse housing needs its community.

3.3.7 A forecast of the Council's Capital Reserves and Grant Balances is included in appendix K. Key assumptions around the Council's capital reserves and resources are:

- Capital Grants and Contributions

Wherever possible, the Council will seek to identify external funding sources to meet its investment aspirations. If grants are awarded, these will be the first source of financing the relevant schemes.

- Retained Right to Buy / 1 for 1 Receipts

The Council continues to see a high number of Right to Buy Sales each year. An element of these receipts can be retained when the Council commits to spend the receipt within three years on increasing Social and Affordable Housing numbers. The receipts can be used to fund up to 30% of the Council's Affordable Housing Programme, and this will be utilised first, prior to any other financing.

- Capital Receipts Reserves

Capital receipts have been forecast based on the likely asset disposals, and fair value of the disposals. This reserve will be utilised to finance the Council's general programme, after any use of grants and Retained Right to Buy Receipts. Borrowing will be undertaken, where affordable, for longer term assets, and this reserve will be utilised as much as possible to ensure that the borrowing requirement, and associated costs, are kept as low as possible, whilst maintaining an adequate level of reserves for the Council's rolling programme.

- Major Repairs Reserves

This reserve is funded by the depreciation charge to the Housing Revenue Account. This reserve will firstly be used for the Council's investment in existing stock, with any balance being utilised for the repayment of debt, to reduce the burden of refinancing costs.

- Revenue Contribution to Capital

General Fund – there are no Revenue Contributions to Capital in the budget for 2018/19. This may be an area for consideration in future policy setting, for example using volatile funding streams (New Homes Bonus, Business Rates Growth), or for the use of Earmarked Reserves to support the Capital Programme and reduce the associated costs of the borrowing requirement on the General Fund Revenue Budget.

Housing Revenue Account – Each year, the balance on the Housing Revenue Account above that required for the minimum working balance, will be contributed to capital programme to reduce the borrowing requirement and thereby reduce the associated costs of borrowing.

- Borrowing

The Council will only look to increase its capital financing requirement, and undertake associated borrowing, where affordable and for long term assets. The proposed Capital Programme identifies a need for the Council to increase its borrowing requirement by £97.399m between 2018/19 and 2022/23. The majority of this borrowing is for the HRA, which is affordable within the upcoming 30 Year HRA Business Plan.

This borrowing requirement will be kept under close review to ensure that further external borrowing is undertaken when required, to minimise the associated revenue costs. All new borrowing will be undertaken in line with the Council's Borrowing Strategy, set out in section 11 of its Treasury Management Strategy (Appendix M).

Cash Balances and Borrowing Requirement

3.3.8 As shown in 3.3.13, the council is forecasting an overall net negative cash balance, which means it will need to undertake further external borrowing.

- 3.3.9 The majority of the borrowing requirement is generated through the Housing Revenue Account, which is continuing to see a high level of right to buy sales. In order to maximise the use of the receipts it can retain, the Council is committed to the continuation of the Affordable Housing Programme (AHP). This programme will create income generating assets, which will cover the cost of external borrowing.
- 3.3.10 In addition to this, the Governments rent reduction policy has impacted on the Council's ability to repay loans as quickly as it intended. This means that loans in the medium term of the 30 Year HRA Business Plan, will in part, need to be refinanced.
- 3.3.11 For these reasons, the Council will seek to borrow externally for the HRA to support the continuation of the AHP, and to refinance part of its current debt.
- 3.3.12 Taking the Council's finances as a whole, the General Fund borrowing requirement makes up a much smaller proportion of its overall borrowing requirement. Given the HRA will be borrowing to finance the AHP and refinancing needs, the General Fund requirement can continue to be managed through internal borrowing. This will mean an interest payment on any negative cash position to the HRA, which will be calculated in line with its interest policy, set out in section 17 of its Treasury Management Strategy (appendix M).
- 3.3.13 A summary of the Council's cash position, before and after any new proposed borrowing is shown in the following table. The Capital Financing Requirement (CFR) has been adjusted to exclude finance leases:

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
General Fund					
Reserves	23,277	23,398	23,489	24,167	24,748
Less CFR	(33,943)	(33,093)	(32,242)	(31,392)	(30,542)
Net Cash	(10,664)	(9,695)	(8,753)	(7,225)	(5,794)
HRA					
Reserves	26,107	29,666	32,238	38,335	37,569
Existing Loans	219,499	200,699	180,699	159,299	136,599
Less CFR	(241,332)	(244,156)	(250,877)	(248,304)	(242,506)
Net Cash	4,274	(13,790)	(37,940)	(60,670)	(68,338)
Council					
Net Cash	(6,390)	(23,485)	(46,693)	(57,895)	(74,133)
Cumulative New Borrowing	21,833	43,457	70,177	89,004	105,908
Net Cash	15,443	19,972	23,484	31,109	31,775

3.4 Medium Term Financial Strategy

- 3.4.1 The Medium Term Financial Strategy (MTFS), detailed in appendix L, sets out the Council's strategy for maintaining financial sustainability and a commitment to provide the best possible value for money for the community. It provides a framework for the Council to plan and manage its resources over the current Comprehensive Spending Review period in order to meet the Council's overall corporate objectives. The MTFS as well as the proposed 18/19 revenue and capital budgets were also consulted with key stakeholders including business ratepayers.

- 3.4.2 The Council is currently in a good overall financial position with general fund revenue estimated reserves at £10m at the start of 2018/19 and a housing revenue account (HRA) balance of £6m. This is a direct result of robust financial management and a prolonged period of achieving efficiencies to balance the budget as government funding has reduced.
- 3.4.3 However, in line with other local authorities, the Council is facing further severe financial constraints as central government grants continue to reduce. At the same time the demand on some of the Council's services continue to grow and further responsibilities will be transferred from central government.
- 3.4.4 In line with Government expectations, the Council aims to be more self-sufficient, with less reliance on Government Grants and more reliance on local income streams and taxation.
- 3.4.5 Forecasts suggest the Council is required to find a further £2.1m of savings on the general fund by 2020/21 in order to live within its means and maintain a reasonable cushion in reserves. This is a significant challenge and whilst the focus remains on safeguarding services it may not be possible to find efficiencies of this magnitude and guarantee no impact upon frontline services.
- 3.4.6 The budget for 2018/19 includes the identification of £1.58m of efficiency proposals. Further efficiency proposals have been identified potentially delivering around £1.245m of savings for 2019/20 and 2020/21. This currently leaves an estimated budget gap of £2.1m by 2020/21 to be found from other longer term projects. Initiatives could include the outcome of work on the Customer Services strategy, and identifying alternative ways of working. Working in this planned way should reduce the need for hasty cuts to services in order to balance the budget over the medium term.
- 3.4.7 The current healthy general fund reserve balance provides an opportunity for some longer term planning and delivery of significant transformational projects over the medium term to help deliver the savings target.
- 3.4.8 The capital programme includes some allowance for investment to help alleviate the pressure on the general fund and the delivery of new facilities needed by residents of the Borough, including a substantial affordable housing programme to replace properties lost through the Government's Right to Buy scheme.
- 3.4.9 Despite confirmation from the Secretary of State that the Council was successful in its application for a multi-year settlement, the MTFS has been written at a time of unprecedented uncertainty in local government funding. Forecasting the Council's likely level of income over the next three years has required a large degree of judgement and estimation.
- 3.4.10 The Government has also announced further proposed changes to the New Homes Bonus scheme and there is work continuing on the fundamental review of the Local Government funding regime.

- 3.4.11 The government's rent reduction programme and other housing related government policy proposals do create challenges for the sustainability of the HRA over the medium term. A savings programme is being developed to offset some of the reduction in rental income but it is clear that it will be necessary to effectively restructure the debt repayment schedule by taking out further borrowing over a longer time frame in order to maintain the HRA in a sustainable position.
- 3.4.12 There remains a number of uncertainties and risks to the Council's finances in the medium term, the details of which are contained within this strategy. The Council will continue to experience pressure on services arising from demographic and government policy changes and continued high expectations of service delivery.
- 3.4.13 The Council will be reviewing its Corporate Business Plan in the coming months, and the MTFS will be reviewed following the adoption of the new plan. The Council will also be required to adopt a new Capital Strategy prior to its Capital budget process for 2019/20. The MTFS, a Capital Strategy and a review of the reserves policy and strategy will be presented to Cabinet in the summer of 2018 following adoption of the new Corporate Business Plan.

3.5 Treasury Management Strategy

- 3.5.1 In accordance with the CIPFA Treasury Management in the Public Services: Code of Practice 2011 and CLG guidance on local authority investments, this report presents the proposed Treasury Management Strategy for 2018/19.
- 3.5.2 The proposed Treasury Management Strategy for 2018/19 is attached at Appendix M. No significant changes are proposed to last year's strategy.
- 3.5.3 Limits on longer term investments are proposed to be reduced, in line with the Council's forecast of reducing cash balances due to an ambitious capital programme use of both internal and external borrowing.
- 3.5.4 The Strategy takes into account the all of the Council's capital and revenue forecasts, and reserve balances as set out in this report. It seeks to protect the balances held by the Council whilst generating a return, minimise borrowing costs where possible, and determines the borrowing and lending strategies.

Regulatory changes

- 3.5.5 Both CIPFA and the DCLG are currently reviewing their guidance on treasury management practices, with consultations in various stages at the time of writing. CIPFA anticipate issuing a revised Prudential Code and Code of Practice for Treasury Management in January 2017, with no date currently set for the revised DCLG guidance.
- 3.5.6 It is therefore likely that an amended Treasury Management Strategy will need to be submitted to Cabinet at some point prior to the start of the new financial year, or as soon as possible thereafter, to ensure compliance with any new requirements.

3.6 Special Expenses

- 3.6.1 In 1994/95, the Council, in agreement with Town and Parish Councils, introduced a scheme of Special Expenses, whereby some of the expenses of the Council, are charged specially to certain parts of the Borough. These areas of expenditure include open spaces, playing fields, community centres, allotments and public conveniences.
- 3.6.2 The calculation takes the cost of providing these items of expenditure, and apportions the costs to the specific areas where the expenditure is incurred.
- 3.6.3 The recommendation is to continue with this scheme, and the methodology previously agreed for the calculation of the Special Expenses.
- 3.6.3 The proposed amount included in the budget for special expenses is £572,314. Details of this expenditure, and an apportionment to the specific areas, is included in appendix O for approval.

4 Financial Implications

- 4.1 Financial implications are contained in the recommendations and explanations to this report.

5 Link to Corporate Priorities

- 5.1 The Council's budget proposals directly support all of the Council's Corporate Priorities.

6 Legal Implication(s)

- 6.1 The Council is required by the Local Government Finance Act 1992 to make estimates of gross revenue expenditure and anticipated income, leading to a calculation of a budget requirement and the setting of an overall budget and Council Tax. The amount of the budget requirement must be sufficient to meet the Council's legal and financial obligations, ensure the proper discharge of its statutory duties, and lead to a balanced budget. The Council should be satisfied that the proposals put forward are a reasonably prudent use of resources in both the short and long term, and that the interests of both Council Tax payers and ratepayers on the one hand and the users of Council services on the other are both taken into account.
- 6.2 The principal statutory provision governing the fixing of rent for council property is contained in section 24 of the Housing Act 1985. This has now been supplemented by provisions in the Welfare Reform and Work Act 2016 that details enforced rent reductions by local authorities and was passed in March 2016.
- 6.3 Sub-section (1) provides that authorities may "...make such reasonable charges.... as they may determine". This section should be considered with regard to section 76 of the Local Government and Housing Act 1989. This act put a duty on local housing authorities to prevent a debit balance arising in their HRA and also imposed ring-fence restrictions on the use of the account. It is now no longer possible for a local housing authority to subsidise rents from its general fund, or use HRA resources for non-specified activities.

- 6.4 The MTFS sets out the framework for setting future budgets and levels of Council Tax. Members are reminded that Council must take into account the advice of the Corporate Director (Finance and Operations) (Chief Finance Officer) on the robustness of future budget proposals and the adequacy of the proposals for reserves. The Council has a legal duty to set a lawfully balanced budget.
- 6.5 The MTFS sets out how the Council will fulfil its Best Value Duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In doing so the MTFS also acknowledges the Duty to Consult representatives of a wide range of local persons.
- 6.6 The treasury Management Strategy and prudential indicators have been produced in line with the Local Government Act 2003, and with regards to Section 151 of the Local Government Act 1972 which states that “every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.”
- 6.7 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to make a formal report to the Council on the robustness of the budget and the adequacy of reserves (appendix N)

7 Security & Terrorism Implication(s)

- 7.1 There are no implications for security and terrorism arising from this report.

8 Procurement Implication(s)

- 8.1 There are no direct procurement implications arising from this report.

9 Climate Change Implication(s)

- 9.1 None

10 Risk Management Implications

- 10.1 The budget is an important part of the Council's risk management process. There are always considerable risks to the council's short and medium term budget strategies including inflation, changes in the national economy, expenditure exceeding budgets, operational pressures on existing budgets, reductions in grant and legislative changes that require new spend. The budget setting process includes the recognition of these risks in determining the 2018/19 budget and relevant risk provisions are set out in the body of the report.
- 10.2 A working balance is maintained for both revenue accounts to cushion against known and unknown financial risks. Risk management in the financial context is set out in the Medium Term Financial Strategy set out in appendix L.

11 Equality and Diversity

11.1 In developing individual budget proposals officers have, in line with the Equality Act 2010, completed assessments on any proposals which are likely to affect some groups with protected characteristics more than others.

Name of author Ka Ng – Executive Director (Resources, Environment and Cultural Services)
Richard Baker – Head of Resources
Date 24 January 2018

Description	Original Budget 2017/18 £ '000	Proposed Budget 2018/19 £ '000	Variance £ '000
Head of Resources	3,123	2,536	(587)
Head of Environment	5,136	5,323	187
Head of Policy and Culture	2,902	2,590	(312)
Executive Director (Resources, Environment & Cultural Services)	11,160	10,448	(712)
Head of Law and Administration	2,097	2,193	96
Head of Planning	2,000	1,756	(243)
Head of Public Health and Protection	1,035	1,077	43
Executive Director (Public Protection, Planning and Governance)	5,131	5,027	(105)
Head of Community & Housing Strategy	1,935	2,067	132
Executive Director (Housing and Communities)	1,935	2,067	132
Budgets directly managed by Chief Executive and Executive Directors	1,562	2,042	480
Net Controllable Income and Expenditure	19,788	19,583	(178)
Net Recharge to the Housing Revenue Account	(5,024)	(5,054)	(30)
Net Cost of Services	14,764	14,530	(235)
Taxation and non-specific grants			
Income from Council Tax	(9,762)	(10,178)	(416)
Business Rates Income	(3,763)	(4,600)	(837)
Plus/Less collection fund deficit/(surplus)	198	(379)	(577)
Revenue support grant	(558)	(104)	454
New Homes Grant	(2,042)	(1,529)	513
Council Tax Support Admin Subsidy Grant	(117)	(105)	12
Transition Grant	(78)	0	78
Other Operating Income and Expenditure			
Interest & Investment Income	(273)	(65)	208
Capital Financing (Leases, MRP and interest costs)	320	603	283
Parish Precepts	1,632	1,632	0
Payment to Parishes for Council Tax Support (subject to confirmation)	28	5	(23)
Net Total before movements in reserves	350	(191)	(541)
Other Movements in reserves			
Contribution (from) / to Earmarked Reserves	(211)	191	(402)
Contribution (from) / to GF balances	(139)	0	(139)

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Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	4,093	3,708	3,643	3,353
Premises Related	1,448	1,655	1,685	1,829
Transport Related	9	13	13	13
Supplies and Services	1,528	1,419	1,433	1,385
Third Party Payments	4,442	2,693	3,006	2,695
Transfer Payments	38,905	40,507	38,440	40,553
Income	(47,105)	(46,872)	(45,464)	(47,293)
Controllable Costs	3,321	3,123	2,757	2,536
IAS 19	(1,246)	(34)	(174)	0
Support Cost Recharges	(5,512)	(3,425)	(3,359)	(3,826)
Capital Charges	5,449	1,665	1,665	1,751
Non-Controllable costs	(1,309)	(1,795)	(1,868)	(2,074)
Head of Resources	2,012	1,328	889	461

Analysis of Controllable Costs

Original Budget 2017/18	£'000 3,123
Less 2017/18 one-off Growth	
Early retirement costs	(100)
Add 2018/19 one-off Growth items	
Windows 10 Licensing	15
Add 2018/19 Growth items	
Housing Benefit administration annual grant reduction	56
Firewall Maintenance	15
Credit Card Surcharging - Change in EU Legislation	10
Other growth (under £5k)	1
Less 2018/19 Efficiencies/savings	
Estates rental income	(250)
Increase in garage rents	(50)
One off support for Private Businesses	(20)
Other efficiencies (under £5k)	(6)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	207
Contract inflation	269
Budget Virements	(140)
Pensions backfunding	(343)
Capital Salaries	(251)
Original Budget 2018/19	2,536

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	675	709	715	804
Premises Related	359	453	448	471
Transport Related	31	29	28	30
Supplies and Services	488	351	394	355
Third Party Payments	6,931	7,046	6,995	7,241
Income	(3,587)	(3,452)	(3,452)	(3,578)
Controllable Costs	4,896	5,136	5,128	5,323
IAS 19	0	(10)	0	0
Support Cost Recharges	529	40	32	418
Capital Charges	2,021	759	759	428
Non-Controllable costs	2,549	789	791	846
Head of Environment	7,445	5,925	5,919	6,169

Analysis of Controllable Costs

Original Budget 2017/18	£'000 5,136
Add 2018/19 one-off Growth	
IT (Plot Box) for cemetery administration	5
Add 2018/19 Growth items	
Parking Services Officer	45
Provision of waste collection for new homes	25
Less 2018/19 Efficiencies/savings	
Garden Waste Charging - assumed increase in customer base	(50)
On street parking enforcement additional income	(40)
Waste Income from HCC - linked to recycling levels and reduction in waste to landfill	(30)
Parking Permits scheme - additional income	(5)
Other efficiencies (under £5k)	(2)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	45
Contract inflation	190
Budget Virements	5
Capital Salaries	(1)
Original Budget 2018/19	5,323

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	1,785	1,895	1,931	1,798
Premises Related	796	881	835	839
Transport Related	1	3	3	3
Supplies and Services	2,250	2,200	2,232	2,088
Third Party Payments	630	652	619	645
Income	(2,659)	(2,730)	(2,784)	(2,784)
Controllable Costs	2,803	2,902	2,836	2,590
IAS 19	0	(26)	0	0
Support Cost Recharges	(232)	(448)	(556)	(699)
Capital Charges	945	1,104	1,104	874
Non-Controllable costs	713	630	548	175
Head of Policy and Culture	3,516	3,532	3,384	2,765

Analysis of Controllable Costs

Original Budget 2017/18	£'000 2,902
Less 2018/19 Efficiencies/savings	
CW Entertainment review and restructure of the service	(200)
Provisional estimate for contractual savings	(200)
Other efficiencies (under £5k)	(14)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	37
Contract inflation	124
Budget Virements	(59)
Original Budget 2018/19	2,590

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	1,399	1,427	1,471	1,510
Premises Related	5	5	5	5
Transport Related	29	33	33	34
Supplies and Services	728	716	718	745
Third Party Payments	144	140	135	136
Income	(349)	(225)	(215)	(237)
Controllable Costs	1,957	2,097	2,147	2,193
IAS 19	0	(23)	0	0
Support Cost Recharges	379	(963)	(1,019)	(777)
Capital Charges	0	0	0	2
Non-Controllable costs	379	(986)	(1,019)	(775)
Head of Law and Administration	2,335	1,111	1,128	1,418

Analysis of Controllable Costs

Original Budget 2017/18	£'000 2,097
Less 2017/18 one-off Growth	
Proposed transfer of Land Charges function to HM Land Registry	(34)
Add 2018/19 Growth items	
Planning/Regulatory Solicitor	56
Webcasting and Recording of Meetings	8
Less 2018/19 Efficiencies/savings	
Further reduction of internal audit (SIAS) fee	(5)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	48
Contract inflation	5
Budget Virements	30
Capital Salaries	(12)
Original Budget 2018/19	2,193

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	1,943	1,646	1,713	1,815
Premises Related	79	83	83	80
Transport Related	23	20	21	21
Supplies and Services	600	691	722	367
Third Party Payments	948	461	549	497
Income	(1,489)	(901)	(979)	(1,023)
Controllable Costs	2,103	2,000	2,108	1,756
IAS 19	0	(26)	0	0
Support Cost Recharges	886	437	437	598
Capital Charges	42	92	92	33
Non-Controllable costs	928	503	530	631
Head of Planning	3,031	2,503	2,637	2,387

Analysis of Controllable Costs

	£'000
Original Budget 2017/18	2,000
Less 2017/18 one-off Growth	
Local Plan & CIL Examinations	(255)
WGC Estate Management Scheme	(90)
Add 2018/19 one-off Growth	
Planning Advisory Service Review - Consultancy for 2018/19	40
Add 2018/19 Growth items	
Planning Advisory Service Review - New Principal, S106 On Costs, Self Build Officer On costs and Training	108
Planning/Regulatory Solicitor	(13)
Less 2018/19 Efficiencies/savings	
Increased planning applications and Section 106 Officer	(113)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	(40)
Contract inflation	21
Virements	107
Capital Salaries	(9)
Original Budget 2018/19	1,756

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	1,084	1,136	1,115	1,180
Premises Related	3	2	2	2
Transport Related	19	22	22	22
Supplies and Services	189	132	139	133
Third Party Payments	29	37	37	38
Income	(406)	(293)	(298)	(298)
Controllable Costs	917	1,035	1,016	1,077
IAS 19	0	(19)	0	0
Support Cost Recharges	1,036	465	465	317
Capital Charges	3	3	3	5
Non-Controllable costs	1,038	449	468	321
Head of Public Health and Protection	1,956	1,484	1,484	1,399

Analysis of Controllable Costs

Original Budget 2017/18	£'000 1,035
Add 2018/19 Growth items	
Risk and Resilience Apprentice	28
Less 2018/19 Efficiencies/savings	
Increase in Licensing Fees	(5)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	5
Contract inflation	4
Budget Virements	11
Original Budget 2018/19	1,078

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	869	896	907	1,540
Premises Related	20	34	34	32
Transport Related	10	11	11	28
Supplies and Services	1,000	985	1,275	395
Third Party Payments	171	196	283	382
Income	(320)	(187)	(469)	(311)
Controllable Costs	1,750	1,935	2,041	2,067
IAS 19	0	(14)	0	0
Support Cost Recharges	605	124	124	250
Capital Charges	(17)	935	935	(524)
Non-Controllable costs	588	1,045	1,058	(273)
Head of Community & Housing Strategy	2,338	2,980	3,099	1,793

Analysis of Controllable Costs

Original Budget 2017/18	£'000 1,935
Add 2018/19 Growth items	
Additional Licensing of HMOs	160
HMO mandatory licensing scheme	32
Community Safety Partnership working budget	5
Private Accredited Landlord - UoH contribution	5
Less 2018/19 Efficiencies/savings	
Additional Mandatory Licensing HMOS	(160)
Housing Development post	(20)
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	48
Contract inflation	4
Budget Virements	40
Capital Salaries	18
Original Budget 2018/19	2,067

Description	Outturn 2016/17 £'000	Original Budget 2017/18 £'000	Period 8 Forecast 2017/18 £'000	Proposed Budget 2018/19 £'000
Employees	1,364	1,227	1,233	1,325
Transport Related	4	8	8	8
Supplies and Services	184	327	131	708
Controllable Costs	1,551	1,562	1,372	2,042
IAS 19	0	(22)	0	0
Support Cost Recharges	(1,406)	(1,263)	(1,303)	(1,335)
Non-Controllable costs	(1,406)	(1,285)	(1,303)	(1,335)
Chief Executive Service	145	276	70	707

Analysis of Controllable Costs

Original Budget 2017/18	£'000 1,562
Add 2018/19 one-off Growth	
Corporate Projects	380
Add 2018/19 Growth	
Provisional Pay Award Impact over 2%	50
Inflation and other Changes	
Salary changes (including pay awards, increments, pensions and NI)	42
Contract inflation	2
Budget Virements	6
Original Budget 2018/19	2,042

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000	Anticipated start Date
Corporate	Reduction in payment to Parishes for Council Tax Support	<p>Upon the implementation of the Localisation of Council Tax Support in 2013/14 the government provided a grant to Councils to support the reduction in Parish Tax Base. This grant was subsequently rolled into the Councils Revenue Support Grant.</p> <p>The reduction in RSG over the past 4 years and its future reduction to £0 by 2019/20 has resulted in the support provided to the Town and Parish Councils being reduced.</p>	(23)	(28)	(28)	Apr 2018
TOTAL - Corporate			(23)	(28)	(28)	
Head of Resources	Increase in garage rents	Increase in garage rent reflects increased demand and a 2.5% increase in rent is proposed (most of the garages are currently being charged at £12.13 per week). A further 2.5% in 2019/20 is also proposed.	(50)	(111)	(111)	Apr 2018
Head of Resources	One off support for Private Businesses	This reflects the agreed phasing out of ongoing support for private businesses acquired from St.Modwen affected by significant rent increases	(20)	(20)	(20)	Apr 2018
Head Of Resources	Rental Income	Rental Income following development of 1 & 3-9 Town Centre Hatfield	0	(80)	(160)	Apr 2019

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000	Anticipated start Date
Head of Resources	Highview rental income	Highview rents	0	(20)	(40)	Apr 2019
Head of Resources	CE Windows replacement phase 2	Estimated utility savings as a result of improved thermal insulation from new windows (C/E south wing)	(2)	(2)	(2)	Apr 2018
Head of Resources	Blade Infrastructure renewal	Our network blade infrastructure renewal will include 5 years maintenance. This means that we will have a reduction in our current blade infrastructure maintenance charge for this period of time. (4 x SAN fibre switches & 13 blades)	(3)	(3)	(3)	Apr 2018
Head of Resources	Rental income (commercial property)	Increased income as a result of purchasing new properties in Hatfield Town Centre and rent reviews on existing properties	(250)	(250)	(250)	Apr 2018
Head of Environment	Bereavement Services provision	Additional income from increased provision of bereavement services within the Borough.	0	(400)	(400)	Apr 2019

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000	Anticipated start Date
Head of Environment	Garden Waste Charging	Projected estimated increase in net income in anticipation of a higher number of subscribers in later years	(50)	(140)	(140)	Apr 2018
Head of Environment	HCC Waste Payment	Reflects additional payment for the reduction of waste going to landfill and/or processing	(30)	0	0	Apr 2018
Head of Environment	Permit scheme	Increased levels of permit payment schemes across the Borough.	(5)	(5)	(5)	Apr 2018
Head of Environment	On street parking enforcement	The current level of Civil Enforcement Officers (CEOs) has improved further the coverage of the Borough's roads with Traffic Regulation Orders (TROs).	(40)	(40)	(40)	Apr 2018
Head of Environment	Renewal of Car Park Contract	Review of the car park management contract when it expires in October 2019	0	(15)	(30)	Apr 2018

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000	Anticipated start Date
Head of Policy & Culture	Outside printing	To move all digital printing across all council and housing trust services back in-house rather than through external framework contractors, offset by leasing costs.	(5)	(5)	(5)	Apr 2018
Head of Policy & Culture	CW Entertainment review	Revenue savings to be achieved following a review of the Campus West Entertainment operation	(200)	(200)	(200)	Apr 2018
TOTAL - Resources, Environment and Cultural Services			(655)	(1,291)	(1,406)	
Head of Law and Admin	Further reduction of internal audit (SIAS) fee	The current budget allocation has already been reduced in previous years. The estimated spend in 17/18 is approx £100,800.	(5)	(5)	(5)	Apr 2018
Head of Planning	Reduce Planning Policy budget	It is anticipated that following the adoption of the local plan, there will be a review on the workload of the Planning Policy team.	0	(30)	(30)	Apr 2019
Head of Planning	Increased planning applications and Section 106 Officer	It is estimated that there would be an increase in planning application income following the adoption of the local plan	(113)	(113)	(113)	Apr 2018

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000	Anticipated start Date
Head of Public Health and Protection	Increase in Licensing Fees	Increase in Licensing Fees based on historic over achievement of the target	(5)	(5)	(5)	Apr 2018
TOTAL - Public Protection, Planning and Governance			(123)	(153)	(153)	
Head of Housing & Community	Housing Development post	Recharge to Affordable Housing Programme for staff managing current capital schemes	(20)	(20)	(20)	Apr 2018
Head of Housing & Community	Additional Mandatory Licensing income from Houses of Multiple Occupation (HMO)	The government has signalled their intention to extend mandatory licensing for HMOs and the indication is that this could be implemented in 2018/19; We estimate that this would bring between 1000 to 1500 additional HMOs into mandatory licensing, It is estimated that this would require 4 additional Private Sector Housing Technician posts plus one full time support officer. A growth bid has been submitted. However these additional costs can be covered by setting an appropriate fee for the license and we would expect to cover the costs of this growth via the license fee income.	(160)	(160)	(160)	Sep 2018
TOTAL - Housing and Communities			(180)	(180)	(180)	
TOTAL EFFICIENCY SAVINGS			(981)	(1,652)	(1,767)	

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General Fund Budget Growth Summary 2018/19 - 2020/21

Appendix D

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000
Head of Resources	Housing Benefit Grant	Estimated 10% reduction in administration grant reduction from DWP	56	72	137
Head of Resources	Windows 10 Licensing	Windows 10 is the latest release of Microsoft's Windows operating system and the successor to Windows 8. Across the Council we are generally using Windows 7 & 8, but all the recent new PCs and laptops we have purchased have come with Windows 10. In time Microsoft will no longer support Windows 7 and we will have to upgrade all our devices using this operating system. There is a full operating system Microsoft licensing requirement with the use of Windows 10 which we must accept to use the product. We need to purchase a number of licenses to upgrade some PCs across the Council which will not be replaced over the next few years. We estimate that this will apply to around 100 machines.	15	0	0
Head of Resources	Firewall Maintenance & Network Switches Maintenance	A firewall is a network security system that uses rules to control incoming and outgoing network traffic into the Council. We currently have two firewalls and these prevent unauthorised access to our network. This means all network traffic in and out of the Council is load balanced across the 2 firewalls and in the event of a failure of one unit the other will automatically take on the load. The maintenance agreement on the firewall purchased in April 2014 will run out at the end of 17/18.	16	16	16

General Fund Budget Growth Summary 2018/19 - 2020/21

Appendix D

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000
Head of Resources	Corporate Envelope, Folding & Inserting Machine	The envelope machine we currently use is now 8 years old and is coming to end of life. It is frequently breaking down and needs to be replaced. This machine is used by a number of service areas for inserting, folding and enveloping documents they need to send out and is critical for processing documents in a reliable and timely fashion. We will purchase a new machine rather than lease it as this is a cheaper option. The machine we are looking at can deal with A3 paper and has the intelligence necessary for secure variable page insertion, as well as the option to merge documents if they are coming out of different print streams but going to the same recipient.	0	2	2
Head of Resources	Credit Card Surcharging	A change in EU legislation, means that from January 2018 the Council can no longer charge a surcharge for any customers paying by credit card .	10	10	10
Head of Environment	Provision of waste collection for new homes	A few hundred homes are built in the Borough every year that require waste and recycling collection services -	25	65	65
Head of Environment	IT (Plot Box) for cemetery administration	The Council hold thousands of records for interments in the Borough's cemeteries. The IT is to help in managing these documents and information more efficiently	5	0	0

General Fund Budget Growth Summary 2018/19 - 2020/21

Appendix D

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000
Head of Environment	Parking Services Officer	The demand on Parking Services to consult on parking in residential areas is significant and it currently takes many years to consult the whole of the Borough. Further to this the Council has plans for some major changes in its two main retail centres.	45	45	45
Head of Policy and Culture	Welwyn Garden City Centenary - 2020	Budget to assist with the costs of delivering the Garden City's Centenary programme in 2020 in partnership with the Centenary Foundation and others. Details of the programme have yet to be finalised so the extent of the council's commitment is not yet known.	0	50	0
Head of Policy and Culture	Intranet & file share document management software maintenance	Maintenance costs relating to the upgraded intranet and document management system	0	12	12
TOTAL - Resources, Environment and Cultural Services			172	272	287
Head of Law and Administration	Webcasting and Recording of Meetings	Cost of providing a webcasting and recording service for Council meetings in the Council Chamber	8	8	8
Head of Law and Administration	Planning/ Regulatory Solicitor	To recruit a Planning and Regulatory Solicitor to assist in legal cases, attendance at Committees and hearings and to provide advice and guidance to the Public Health & Protection Team and the Planning Service. Cost to be split 50/50 between each service	56	56	56

General Fund Budget Growth Summary 2018/19 - 2020/21

Appendix D

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000
Head of Planning	PAS Review - New Principal, Retaining Consultancy Staff for 2018/19, S106 On Costs, Self Build Officer On costs and Training	To determine planning applications for strategic sites in Local Plan. £40k one-off growth for 2018/19 to appoint additional staff or retain existing specialist staff in order to resolve backlog of plan apps in order to put planning service on solid footing beyond that timeframe. To ensure that planning contributions from development are collected and spent as intended. Postholder currently appointed until Feb 2018. Planning Service likely to be securing significant Section 106 contributions from Local Plan sites (including approx £130 million from Panshanger, Birchall, HAT1 and Symondshyde). CIL Charging Schedule timetabled to come into force mid 2018 and expected to yield approx £30 million from other Local Plan sites over period to 2032. To adminster self build register and brownfield register and increase training budget	148	108	108
Head of Public Health and Protection	Risk and Resilience Apprentice	To recruit a Risk and Resilience Apprentice.	28	28	28
Head of Public Health and Protection	Software licence and maintenance	Software licence and maintenance support for mobile working, LAGAN interface, self service web interface	0	8	8
TOTAL - Public Protection, Planning and Governance			240	208	208

General Fund Budget Growth Summary 2018/19 - 2020/21

Appendix D

Head of Service	Title of the proposal	Full Description of the proposal	2018/19 £'000	2019/20 £'000	2020/21 £'000
Head of Housing & Community	Community Safety Partnership working budget	The PCC is no longer providing annual funding to facilitate activity within the partnership. Previously this money has been used for Community Information Days, Crucial Crew, Safer Together and one off initiatives which are identified as a priority for the partnership.	5	5	5
Head of Housing & Community	Additional Licensing of Houses of Multiple Occupation (HMO)	The government has signalled their intention to extend mandatory licensing for HMOs and the indication is that this could be implemented in 2018/19; We estimate that this would bring between 1000 to 1500 additional HMOs into mandatory licensing, It is estimated that this would require 4 additional Private Sector Housing Technician posts plus one full time support officer. These costs will be recovered through license fee income.	160	160	160
Head of Housing and Community	HMO mandatory licensing scheme	HMO income is received on a cyclical basis. Savings estimated based on cyclical year on year income trend.	32	92	93
Head of Housing and Community	Private Accredited Landlord - University of Hertfordshire contribution	Reduction from the contribution from University of Herts for a staff member	5	5	5
TOTAL - Housing and Communities			202	262	263
TOTAL - One Off			20	50	0
TOTAL - Ongoing			594	692	758
TOTAL GROWTH BIDS			614	742	758

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Description	2017-18			2018-19		
	Fee £	Vat 20% £	Total Fee £	Fee £	Vat 20% £	Total Fee £
Environmental Services						
Cemetery Fees - Burial Fee						
Baby Grave - Child under 1	0.00	-	0.00	0.00	-	0.00
Common Grave	550.00	-	550.00	550.00	-	550.00
Private Grave	650.00	-	650.00	650.00	-	650.00
Shallow Grave	1,000.00	-	1,000.00	1,000.00	-	1,000.00
Right to construct vaulted Grave	500.00	-	500.00	500.00	-	500.00
Cremated remains (Below Ground)	250.00	-	250.00	250.00	-	250.00
Cremated remains (Below Ground) Eco container				150.00	-	150.00
Cremated remains (Scattering)	150.00	-	150.00	150.00	-	150.00
Immurement of Remains into Mausoleum Chamber	400.00	-	400.00	400.00	-	400.00
Immurement of Cremated Remains	100.00	-	100.00	100.00	-	100.00
Cemetery Fees - Exclusive Rights and Licence Fee						
Grant of rights of burial - 75 years	550.00	-	550.00	550.00	-	550.00
Premium Plot		-		800.00	-	800.00
Licence to reserve adjacent grave for 10 years	1,500.00	-	1,500.00	1,500.00	-	1,500.00
Extension of Exclusive Right - additional 10 years (grave)				550.00	-	550.00
Renewal of Licence - additional 10 years	200.00	-	200.00	200.00	-	200.00
Transfer of Exclusive Right of Burial	50.00	-	50.00	50.00	-	50.00
Copy of Exclusive rights of Burial Deed	50.00	-	50.00	50.00	-	50.00
Licence for Mausoleum Chamber - 75 Years	7,000.00	-	7,000.00	7,000.00	-	7,000.00
Licence for Premium Mausoleum Chamber - 75 Years	7,500.00	-	7,500.00	7,500.00	-	7,500.00
(Bespoke additional art and design work will incur an additional charge)						
Cemetery Fees - Cremated Remains Plots						
Standard Rose Garden (WHLC)						
Rose Garden licence - 10 years	450.00	-	450.00	450.00	-	450.00
Renewal of licence for each additional 10 years	200.00	-	200.00	200.00	-	200.00
Memorial Garden (WHLC)						
Memorial Garden Licence - 10 years	400.00	-	400.00	400.00	-	400.00
Renewal of licence for each additional 10 years	200.00	-	200.00	200.00	-	200.00
Garden Tablet (WHLC)						
Granite tablet Licence - 10 years	300.00	-	300.00	350.00	-	350.00
Renewal of licence for each additional 10 years	200.00	-	200.00	200.00	-	200.00
Half Grave Cremated Remains Plots (WHLC)						
Half Grave Licence - 75 years	400.00	-	400.00	400.00	-	400.00
Renewal of licence for each additional 10 years	200.00	-	200.00	550.00	-	550.00
Sanctum 2000 Vault (HH)						
Sanctum vault Licence - 10 years	700.00	-	700.00	700.00	-	700.00
Renewal of licence for each additional 10 years	200.00	-	200.00	200.00	-	200.00
(Bespoke additional art and design work will incur an additional charge)						

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Communal Cremated Remains Garden (HH)						
Garden Kerb Licence - 10 years	300.00	-	300.00	300.00	-	300.00
Renewal of licence for each additional 10 years (Bespoke additional art and design work will incur an additional charge)	200.00	-	200.00	200.00	-	200.00
Memorial Bench						
Wooden Memorial Bench (Individual) - 10 Years	700.00	-	700.00	900.00	-	900.00
Granite Memorial Bench (Plaque Only) - 10 years (Bespoke additional art and design work will incur an additional charge)	300.00	-	300.00	750.00	-	750.00
Cemetery Fees - Memorial Permissions						
Permit for Monumental Vase	100.00	-	100.00	100.00	-	100.00
Permit for Monumental Tablet (max 600mm x 375mm)	100.00	-	100.00	100.00	-	100.00
Permit for Monumental Headstone	200.00	-	200.00	200.00	-	200.00
Any additional inscriptions after the first	100.00	-	100.00	100.00	-	100.00
Kerb Setting (Hatfield Hyde only)	250.00	-	250.00	250.00	-	250.00
Miscellaneous						
Wooden Shoring	250.00	-	250.00	250.00	-	250.00
Contravention to Memorial Regulations	500.00	-	500.00	500.00	-	500.00
Late costs	150.00	-	150.00	150.00	-	150.00
Chapel - use of chapel (incl.CD system & organ) *	200.00	-	200.00	100.00	-	100.00
Search fees (30 minutes plus)	50.00	-	50.00	50.00	-	50.00
Hourly rate for exhumations of Cadavar	200.00	-	200.00	200.00	-	200.00
Hourly rate for exhumations of Cremated Remains (Some occasions may be subject to EHO hourly rate)	150.00	-	150.00	150.00	-	150.00
Memorial Plaque				300.00	-	300.00
Ceramic Photo Plaque small	200.00	-	200.00	90.00	-	90.00
Ceramic Photo Plaque small	200.00	-	200.00	120.00	-	120.00
Turf Grave	60.00	-	60.00	60.00	-	60.00
Non Residential fees - treble standard rate						

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Environmental Services						
Abandoned Vehicles						
Abandoned Vehicles - off private property	41.67	8.33	50.00	41.67	8.33	50.00
Abandoned Vehicles - Return of vehicle	104.17	20.83	125.00	104.17	20.83	125.00
Abandoned Vehicles - Storage rate per day	10.83	2.17	13.00	10.83	2.17	13.00
General						
Benches (refurbished)	300.00	60.00	360.00	300.00	60.00	360.00
Benches (new)	600.00	120.00	720.00	600.00	120.00	720.00
Waste Collection Services						
Bulky Household Collections	33.58	-	33.58	35.00	-	35.00
Bulky Household Collections - OAP's	17.06	-	17.06	17.75	-	17.75
Bulky Household Collections - Benefits	17.06	-	17.06	17.75	-	17.75
Bulky Bag Waste Collection	-	-	-	75.00	15.00	90.00
Insurance charge for collections within homes	15.14	3.03	18.17	15.14	3.03	18.17
Collection of Hazardous Electrical items	31.98	-	31.98	31.98	-	31.98
Clinical Waste collections (5 sacks/resident)	4.88	0.98	5.86	5.00	1.00	6.00
Kitchen Caddie delivery charge	4.40	0.88	5.28	4.60	0.92	5.52
Emptying of a contaminated wheeled bin	15.53	-	15.53	15.53	-	15.53
Emptying of 2 contaminated wheeled bins (at same address)	20.70	-	20.70	20.70	-	20.70
Cost of a first standard replacement (180/240L) bin	11.25	2.25	13.50	11.75	2.35	14.10
Cost of a subsequent standard (180/240L) bin	23.33	4.67	28.00	24.25	4.85	29.10
Cost of a first standard replacement (360L) bin	20.00	4.00	24.00	20.75	4.15	24.90
Cost of a subsequent standard (360L) bin	33.33	6.67	40.00	34.50	6.90	41.40
Cost of a mini-bank unit	560.00	112.00	672.00	560.00	112.00	672.00
Garden Waste Collection						
First bin per property per annum	35.00	0.00	35.00	35.00	0.00	35.00
Second bin per property per annum	60.00	0.00	60.00	60.00	0.00	60.00
Dog Warden Services						
Collection / release fee for dog	25.00	-	25.00	25.00	-	25.00
Dog Kennelling per night	11.25	2.25	13.50	11.25	2.25	13.50
Administration of stray dog	6.67	1.33	8.00	6.67	1.33	8.00
Deliver dog from kennels to home	35.00	7.00	42.00	35.00	7.00	42.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Environmental Services						
Schedule of Offences						
Nuisance Parking - paid within 10 days	60.00	-	60.00	60.00	-	60.00
- full amount of penalty	100.00	-	100.00	100.00	-	100.00
Abandoning a vehicle - paid within 10 days	120.00	-	120.00	120.00	-	120.00
- full amount of penalty	200.00	-	200.00	200.00	-	200.00
Depositing Litter - paid within 10 days	50.00	-	50.00	50.00	-	50.00
- full amount of penalty	75.00	-	75.00	75.00	-	75.00
Failure to comply with a street litter control notice - paid within 10 days	60.00	-	60.00	60.00	-	60.00
- full amount of penalty	100.00	-	100.00	100.00	-	100.00
Failure to comply with a litter clearing notice - paid within 10 days	60.00	-	60.00	60.00	-	60.00
- full amount of penalty	100.00	-	100.00	100.00	-	100.00
Unauthorised distribution of free printed matter - paid within 10 days	50.00	-	50.00	50.00	-	50.00
- full amount of penalty	75.00	-	75.00	75.00	-	75.00
Defacement by graffiti and flyposting - paid within 10 days	50.00	-	50.00	50.00	-	50.00
- full amount of penalty	75.00	-	75.00	75.00	-	75.00
Failure to comply with a dog control order - paid within 10 days	50.00	-	50.00	50.00	-	50.00
- full amount of penalty	75.00	-	75.00	75.00	-	75.00
Failure to produce authority (waste carriers licence) - paid within 10 days	180.00	-	180.00	180.00	-	180.00
- full amount of penalty	300.00	-	300.00	300.00	-	300.00
Failure to furnish documentation (waste transfer notes) - paid within 10 days	180.00	-	180.00	180.00	-	180.00
- full amount of penalty	300.00	-	300.00	300.00	-	300.00
Offences relating to waste receptables (e.g. bins, boxes, bags etc) - paid within 10 days	40.00	-	40.00	40.00	-	40.00
- full amount of penalty	80.00	-	80.00	80.00	-	80.00
Roundabout Sponsorship						
High Profile						
1 year sponsorship	2,500.00	500.00	3,000.00	2,500.00	500.00	3,000.00
3 year sponsorship	5,250.00	1,050.00	6,300.00	5,250.00	1,050.00	6,300.00
5 year sponsorship	7,500.00	1,500.00	9,000.00	7,500.00	1,500.00	9,000.00
Medium Profile (main road)						
1 year sponsorship	2,000.00	400.00	2,400.00	2,000.00	400.00	2,400.00
3 year sponsorship	4,200.00	840.00	5,040.00	4,200.00	840.00	5,040.00
5 year sponsorship	6,000.00	1,200.00	7,200.00	6,000.00	1,200.00	7,200.00
Medium Profile (residential road)						
1 year sponsorship	1,500.00	300.00	1,800.00	1,500.00	300.00	1,800.00
3 year sponsorship	3,150.00	630.00	3,780.00	3,150.00	630.00	3,780.00
5 year sponsorship	4,500.00	900.00	5,400.00	4,500.00	900.00	5,400.00
Low Profile						
1 year sponsorship	750.00	150.00	900.00	750.00	150.00	900.00
3 year sponsorship	1,570.00	314.00	1,884.00	1,570.00	314.00	1,884.00
5 year sponsorship	2,250.00	450.00	2,700.00	2,250.00	450.00	2,700.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Northaw Great Wood						
Annual car parking permit	15.00	3.00	18.00	15.00	3.00	18.00
	1.00	-	1.00	1.00	-	1.00
Parking Permits						
Resident motorcycle (per annum)	10.00	-	10.00	10.00	-	10.00
Resident first vehicle (per annum)	25.00	-	25.00	25.00	-	25.00
Resident second vehicle (per annum)	40.00	-	40.00	40.00	-	40.00
Resident third vehicle (per annum)	60.00	-	60.00	60.00	-	60.00
HTC Permit (per annum)	50.00	-	50.00	50.00	-	50.00
Carers permit (per annum)	20.00	-	20.00	20.00	-	20.00
Contractors permit (per month)	18.00	-	18.00	18.00	-	18.00
Business Vehicle (per annum)	225.00	-	225.00	225.00	-	225.00
Pack of 20 daily visitor vouchers	10.00	-	10.00	10.00	-	10.00
Refund request (admin fee)	5.00	-	5.00	5.00	-	5.00
Change of address/vehicle (admin fee)	5.00	-	5.00	5.00	-	5.00
Car Parking						
Hunters Bridge (Monday - Sunday)						
0 - 30 minutes	-	-	-	0.00	0.00	0.00
30 minutes - 2 hours	1.25	0.25	1.50	1.25	0.25	1.50
2 - 3 hours	2.08	0.42	2.50	2.08	0.42	2.50
3 - 4 hours	2.92	0.58	3.50	2.92	0.58	3.50
Daily tickets 4 + hrs (Mon - Sat)	4.17	0.83	5.00	4.17	0.83	5.00
Sunday (daily)	0.83	0.17	1.00	0.83	0.17	1.00
Campus West (Monday - Sunday)						
0 - 30 minutes	-	-	-	0.00	0.00	0.00
30 minutes - 2 hours	1.25	0.25	1.50	1.25	0.25	1.50
2 - 3 hours	2.08	0.42	2.50	2.08	0.42	2.50
3 - 4 hours	2.92	0.58	3.50	2.92	0.58	3.50
Daily tickets 4 + hrs (Mon - Sat)	4.17	0.83	5.00	4.17	0.83	5.00
Sunday (daily)	0.83	0.17	1.00	0.83	0.17	1.00

Description	2017-18			2018-19		
	Fee £	Vat 20% £	Total Fee £	Fee £	Vat 20% £	Total Fee £
Car Parking						
Cherry Tree (parking available Saturday and Sunday)						
Saturday:						
0 - 1 hours	0.42	0.08	0.50	0.42	0.08	0.50
1 - 2 hours	1.25	0.25	1.50	1.25	0.25	1.50
2 - 3 hours	2.08	0.42	2.50	2.08	0.42	2.50
3 - 4 hours	2.92	0.58	3.50	2.92	0.58	3.50
Daily tickets 4 + hrs	4.17	0.83	5.00	4.17	0.83	5.00
Sunday (all day)	0.83	0.17	1.00	0.83	0.17	1.00
Campus East (Monday - Sunday)						
Campus East Lower - Mon-Fri (entry before 11am)	4.17	0.83	5.00	4.17	0.83	5.00
Campus East Lower - Mon-Fri (entry from 11am)	2.50	0.50	3.00	2.50	0.50	3.00
Campus East Lower - Saturday	2.50	0.50	3.00	2.50	0.50	3.00
Campus East Lower - Sunday	0.83	0.17	1.00	0.83	0.17	1.00
Campus East Upper - Saturday	2.50	0.50	3.00	2.50	0.50	3.00
Campus East Upper - Sunday	0.83	0.17	1.00	0.83	0.17	1.00
Season Tickets:						
Campus West:						
3 month season ticket - standard	211.25	42.25	253.50	211.25	42.25	253.50
3 month season ticket - worker / student	190.42	38.08	228.50	183.33	36.67	220.00
3 month season ticket - bulk purchase (20+ tickets)	168.33	33.67	202.00	183.33	36.67	220.00
Campus East Lower						
3 month season ticket - standard	202.50	40.50	243.00	202.50	40.50	243.00
3 month season ticket - worker / student	182.50	36.50	219.00	175.00	35.00	210.00
3 month season ticket - bulk purchase (20+ tickets)	162.92	32.58	195.50	175.00	35.00	210.00
Hunters Bridge						
3 month season ticket - standard	203.33	40.67	244.00	211.25	42.25	253.50
3 month season ticket - worker / student	183.33	36.67	220.00	183.33	36.67	220.00
3 month season ticket - bulk purchase (20+ tickets)	162.92	32.58	195.50	183.33	36.67	220.00
Cancellation Fees relating to Season Tickets given up before their expiry date	10.00	-	10.00	10.00	-	10.00
Civil Parking Enforcement : Dispensations	15.00	-	15.00	15.00	-	15.00
Transactional charges for using debit and credit cards (online/telephone payment)	0.25	-	0.25	0.25	-	0.25

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Financial Services						
Data protection request (per hour or per part hour)	25.00	-	25.00	25.00	-	25.00
Estates Management						
Freehold Reversions - 999 year lease	415.00	83.00	498.00	425.00	85.00	510.00
Freehold Reversions - 99 year lease	415.00	83.00	498.00	425.00	85.00	510.00
Freehold Reversions - 99 year lease - valuation	100.00	20.00	120.00	105.00	21.00	126.00
Residential Long Lease Extensions - Houses	415.00	83.00	498.00	425.00	85.00	510.00
Residential Long Lease Extension Valuations - Houses	100.00	20.00	120.00	105.00	21.00	126.00
Residential Long Lease Extensions - Flats	825.00	165.00	990.00	850.00	170.00	1,020.00
Residential Long Lease Extension Valuations - Flats	150.00	30.00	180.00	155.00	31.00	186.00
Document copying - If from paper copy	50.00	10.00	60.00	50.00	10.00	60.00
Document copying - if from e-copy and provided by e-mail	0.00	0.00	0.00	0.00	0.00	0.00
Residential Leasehold Information + Ground Rent queries	42.50	8.50	51.00	45.00	9.00	54.00
Local Searches - with Inspection	65.00	13.00	78.00	65.00	13.00	78.00
Land Sale Request	-	-	-	100.00	20.00	120.00
Assignments or Change of use or deed of Variation.	815.00	163.00	978.00	840.00	168.00	1,008.00
Grant of licences / land sales - HRA and GF	815.00	163.00	978.00	840.00	168.00	1,008.00
New Letting Fee	250.00	50.00	300.00	250.00	50.00	300.00
New letting fee at Fiddlebridge	300.00	60.00	360.00	300.00	60.00	360.00
Housing Garage Valuations	175.00	35.00	210.00	180.00	36.00	216.00
Restrictive Covenant Releases - RTB's	5,500.00	1,100.00	6,600.00	5,500.00	1,100.00	6,600.00
Former Landowners Consent - minor works	60.00	12.00	72.00	60.00	12.00	72.00
Former Landowners Consent - major works + Deed of covenan	815.00	163.00	978.00	835.00	167.00	1,002.00
Garage Rents						
Owner occupier en bloc garage charges (52 week charge) - popular sites per week	10.11	2.02	12.13	10.36	2.07	12.43
unpopular sites per week	8.27	1.65	9.92	8.48	1.70	10.18
Campus East Lower Car Park Garages Rents per week	15.58	3.12	18.70	15.58	3.12	18.70

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Policy and Culture - CW Entertainment	£	£	£	£	£	£
WGC Cinema - Monday to Thursday						
- Full Price	4.83	0.97	5.80	6.67	1.33	8.00
- U16/Seniors/Student	4.83	0.97	5.80	5.83	1.17	7.00
- Full Price 3D	6.50	1.30	7.80	8.33	1.67	10.00
- U16/Seniors/Student	6.50	1.30	7.80	7.50	1.50	9.00
- Fri to Sun						
- Full Price	7.00	1.40	8.40	7.50	1.50	9.00
- U16/Seniors/Student	6.17	1.23	7.40	6.67	1.33	8.00
- Full Price 3D	8.67	1.73	10.40	9.17	1.83	11.00
- U16/Seniors/Student	7.83	1.57	9.40	8.33	1.67	10.00
Family Film - Monday to Thursday						
- All Tickets	4.83	0.97	5.80	3.33	0.67	4.00
- All Tickets 3D	6.50	1.30	7.80	5.00	1.00	6.00
Family Film - Friday to Sunday						
- All Tickets	7.83	1.57	9.40	3.33	0.67	4.00
- All Tickets 3D	8.67	1.73	10.40	5.00	1.00	6.00
Wheel Chair + Carer				Carer goes free		
Registered Disabled + Carer				Carer goes free		
Event Cinema						
Live Broadcasts	16.46	3.29	19.75	16.46	3.29	19.75
- U16/Seniors/Student	-	-	-	15.63	3.13	18.75
Encore of the Live	13.13	2.63	15.75	14.79	2.96	17.75
- U16/Seniors/Student	-	-	-	13.96	2.79	16.75
Pre-recorded	11.46	2.29	13.75	13.13	2.63	15.75
- U16/Seniors/Student	-	-	-	12.29	2.46	14.75
Film with Q&A	9.79	1.96	11.75	12.29	2.46	14.75
- U16/Seniors/Student	-	-	-	11.46	2.29	13.75
Hawthorne Theatre Theatrical Hire Fee						
Mon to Wed 8am to 4pm	800.00	160.00	960.00	880.00	176.00	1,056.00
4pm to midnight	900.00	180.00	1,080.00	990.00	198.00	1,188.00
Thurs to Sun 8am to 4pm	1,000.00	200.00	1,200.00	1,100.00	220.00	1,320.00
4pm to midnight	1,200.00	240.00	1,440.00	1,320.00	264.00	1,584.00
Screen Hire						
Screen 1						
8am to 1pm	300.00	60.00	360.00	360.00	72.00	432.00
1pm - 4pm	300.00	60.00	360.00	360.00	72.00	432.00
4pm - 11pm	300.00	60.00	360.00	360.00	72.00	432.00
Screen 2						
8am to 1pm	500.00	100.00	600.00	550.00	110.00	660.00
1pm - 4pm	500.00	100.00	600.00	550.00	110.00	660.00
4pm - 11pm	500.00	100.00	600.00	550.00	110.00	660.00
Roller City						
- Skate Admission Only	5.58	1.12	6.70	5.00	1.00	6.00
- Skate Hire	2.00	0.40	2.40	2.00	0.40	2.40
- Spectator	2.92	0.58	3.50	2.92	0.58	3.50
- Upgrade from Spectator with Zebra Card	4.08	0.82	4.90	4.49	0.90	5.39
- Upgrade from Spectator without Zebra Card	4.08	0.82	4.90	4.08	0.82	4.90
Zebra Card discounts may apply to some services provided please check the Campus West Website for details						

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Policy and Culture - CW Entertainment	£	£	£	£	£	£
Softplay City						
Children 12 month or under	Free			Free		
Children 1 Year to 3 years	2.92	0.58	3.50	2.92	0.58	3.50
Children 4 to 9 years	4.17	0.83	5.00	4.17	0.83	5.00
Accompanying Adults	2.92	0.58	3.50	2.92	0.58	3.50
Campus West / Vineyard Barn						
Carpet bowls (per session)	3.50	0.70	4.20	4.17	0.83	5.00
Table Tennis (per session)	3.50	0.70	4.20	4.17	0.83	5.00
Keep Fit (per session)	3.50	0.70	4.20	4.17	0.83	5.00
Medau (per session)	3.50	0.70	4.20	4.17	0.83	5.00
- Bridge & scrabble (per session)	3.50	0.70	4.20	4.17	0.83	5.00
- Art Basics & Beyond per Class	9.09	1.82	10.91	10.00	2.00	12.00
- Line Dancing (1 hour)	3.50	0.70	4.20	4.17	0.83	5.00
- Line Dancing (1.5 hours)	5.00	1.00	6.00	5.67	1.13	6.80
- Childrens Parties	80.00	16.00	96.00	90.00	18.00	108.00
Room Hire - Vineyard Barn Room 1 (per hr)	14.00	-	14.00	15.00	-	15.00
- Vineyard Barn Room 2 (per hr)	14.00	-	14.00	15.00	-	15.00
- Hazel Grove Community Centre (per hr)	14.00	-	14.00	15.00	-	15.00
- Sheridan Studio (per hr)	13.00	2.60	15.60	15.00	3.00	18.00
Zebra Card discounts may apply to some services provided please check the Campus West Website for details						

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Community & Leisure Services	£	£	£	£	£	
Mill Green Museum						
- Adult entry fee - single	3.50	-	3.50	3.50	-	3.50
- Adult entry fee - annual pass	20.00	-	20.00	20.00	-	20.00
- Joint Adult entry fee - annual pass	30.00	-	30.00	30.00	-	30.00
- Special Events for Children (max. charge)	5.00	-	5.00	5.00	-	5.00
- Childrens drop-in activity (min charge)	3.00	-	3.00	3.50	-	3.50
- General School visit informal session	1.50	-	1.50	2.00	-	2.00
- Extra Charge for Miller on non milling day	50.00	-	50.00	50.00	-	50.00
- Adult Group visit - out of opening hours - both sites	50.00	-	50.00	50.00	-	50.00
Plus Adult admission fee (min 20 adults)						
Children's Groups - out of opening hours	45.00	-	45.00	50.00	-	50.00
Plus £2 per child Plus £3.50 each Adult (2 Free)						
Children's Groups - out of opening hours	45.00	-	45.00	50.00	-	50.00
Plus Taught Session std rates apply						
illustrated talk by curator off site	60.00	-	60.00	60.00	-	60.00
- Taught lesson (standard) per child	3.50	-	3.50	4.00	-	4.00
charge (up to 28 children)	98.00	-	98.00	112.00	-	112.00
- Additional children added to standard lesson	3.50	-	3.50	4.00	-	4.00
- Combined visit to Museum and Roman Bath House - per child	6.00	-	6.00	7.00	-	7.00
- Combined visit to Museum and Roman Bath House - minimum charge upto 28 children	154.00	-	154.00	196.00	-	196.00
- Additional children added to combined visit	6.00	-	6.00	7.00	-	7.00
Hire of study area (1/2 day)	90.00	-	90.00	90.00	-	90.00
Hire of study area (full day)	175.00	-	175.00	175.00	-	175.00
With free delegate access to Mill and Museum						
- loan boxes per 2 week period	20.00	-	20.00	20.00	-	20.00
discounted with visits				5.00	-	5.00
Photocopying - single sheet	0.25	0.05	0.30	0.42	0.08	0.50
Photocopying - double sided	0.35	0.07	0.42	0.83	0.17	1.00
Digital Capture (by Staff) up to 5 images	10.00	2.00	12.00	20.00	4.00	24.00
Email of each Digital Image	2.00	0.40	2.40	2.00	0.40	2.40
* Commercial Requests upon application						
Archaeology Deposits (single item/box)	7.50	1.50	9.00	POA	POA	POA
Welwyn Roman Baths						
Entry fee - adults	3.50	-	3.50	3.50	-	3.50
Adult Group visits (minimum of 14)						
Either inside or o/side the borough	49.00	-	49.00	49.00	-	49.00
School Visits (minimum of 14 children both inside/outside borough)	49.00	-	49.00	56.00	-	56.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	
Community Services						
CCTV charge	103.00	-	103.00	103.00	-	103.00
Filming charge	POA	POA	POA	0.00	-	0.00
Hatfield Stage Hire Fees*						
Charities, voluntary and community organisations/events -Organisations that are hosting events outside of postcode AL9 & AL10 but within Welwyn Hatfield				225.00	45.00	270.00
Charities or voluntary organisations/events - Organisations hosting events outside of the borough (but within 12miles radius)				375.00	75.00	450.00
Commercial (with the aim of the organisation or event to make a profit for private gain) - Organisations that are hosting events outside of postcode AL9 & AL10 but within Welwyn Hatfield				525.00	105.00	630.00
Commercial (with the aim of the organisation or event to make a profit for private gain) - Organisations that are hosting events outside of the borough but within a 12 mile radius				750.00	150.00	900.00

* Please note there is a full report given to exec board with regards to the charging proposals that were agreed by the Hatfield Town Centre Forum, organisations hosting events in AL9 & AL10 for the benefit of the community will not be charged beyond the actual costs of transporting the stage and putting the stage up and taking it down

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Local land searches						
Residential searches (now comprising searches LLC1 & Con 29R) *partly VATable	75.00	11.60	86.60	75.00	11.60	86.60
Residential searches - Con29R only	58.00	11.60	69.60	58.00	11.60	69.60
Commercial / Industrial Land and /or non-residential (now comprising LLC1 & Con29R) *partly VATable	75.00	11.60	86.60	75.00	11.60	86.60
Commercial / Industrial Land and /or non-residential - Con29R only	58.00	11.60	69.60	58.00	11.60	69.60
Optional Enquiries	8.00	1.60	9.60	8.00	1.60	9.60
Extra Parcels of Land	8.00	1.60	9.60	8.00	1.60	9.60
Optional Enquiry No. 22	15.00	3.00	18.00	15.00	3.00	18.00
LLC1 search only	17.00	-	17.00	17.00	-	17.00
Legal						
Certificate of Compliance	-	-	-	75.00	-	75.00
DS1 or DS2 Land Registry Forms	-	-	-	75.00	-	75.00
Postponement of Discount	-	-	-	75.00	-	75.00
Legal Photocopying Charges	42.50	-	42.50	42.50	-	42.50
Reports on Title	125.00	25.00	150.00	125.00	25.00	150.00
Boundary enquires	75.00	-	75.00	75.00	-	75.00
Electoral Services						
Sale of electoral registers (data) plus per 1000 entries	20.00	-	20.00	20.00	-	20.00
Sale of electoral registers (printed) plus per 1000 entries	10.00	-	10.00	10.00	-	10.00
	5.00	-	5.00	5.00	-	5.00
Democratic Services						
Freedom of Information requests						
Photocopying of information per A4 sheet	0.10	0.02	0.12	0.10	0.02	0.12

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Licensing						
Animal Boarding Establishments	216.30	-	216.30	217.00	-	217.00
Home Animal Boarding Establishments	169.95	-	169.95	170.00	-	170.00
Ear Piercing	206.00	-	206.00	206.00	-	206.00
Tattooing/Other	257.50	-	257.50	258.00	-	258.00
Change of details on registration certificate	25.75	-	25.75	26.00	-	26.00
Dangerous Wild Animals	298.70	-	298.70	299.00	-	299.00
Zoos	478.95	-	478.95	479.00	-	479.00
Dog Breeding Establishments	180.25	-	180.25	181.00	-	181.00
Gaming Machine Permits						
Two machines on licensed premises	50.00	-	50.00	50.00	-	50.00
Grant	150.00	-	150.00	150.00	-	150.00
More than two machines existing	100.00	-	100.00	100.00	-	100.00
More than two machines other cases	150.00	-	150.00	150.00	-	150.00
More than two machines variation	100.00	-	100.00	100.00	-	100.00
More than two machines transferred	25.00	-	25.00	25.00	-	25.00
Annual Fees	50.00	-	50.00	50.00	-	50.00
Substitute Name	25.00	-	25.00	25.00	-	25.00
Copy of Permit	15.00	-	15.00	15.00	-	15.00
Club Gaming Permits Club machine permits						
Two machines on licensed premises	50.00	-	50.00	50.00	-	50.00
Grant	200.00	-	200.00	200.00	-	200.00
Grant (Club premises certificate holder)	100.00	-	100.00	100.00	-	100.00
More than two machines variation	100.00	-	100.00	100.00	-	100.00
Renewal	200.00	-	200.00	200.00	-	200.00
Renewal (Club premises certificate holder)	100.00	-	100.00	100.00	-	100.00
Annual Fees	50.00	-	50.00	50.00	-	50.00
Substitute Name	25.00	-	25.00	25.00	-	25.00
Copy of Permit	15.00	-	15.00	15.00	-	15.00
Gambling Premises new application						
New Small Casino	8,240.00	-	8,240.00	8,240.00	-	8,240.00
New Large Casino	10,300.00	-	10,300.00	10,300.00	-	10,300.00
Regional Casino	15,450.00	-	15,450.00	15,450.00	-	15,450.00
Bingo Club	1,648.00	-	1,648.00	1,648.00	-	1,648.00
Betting premises (excluding tracks)	1,545.00	-	1,545.00	1,545.00	-	1,545.00
Tracks	2,575.00	-	2,575.00	2,575.00	-	2,575.00
Family Entertainment Centre	1,236.00	-	1,236.00	1,236.00	-	1,236.00
Adult Gaming Centre	1,236.00	-	1,236.00	1,236.00	-	1,236.00
Gambling Premises annual fee						
New Small Casino	5,150.00	-	5,150.00	5,150.00	-	5,150.00
New Large Casino	10,300.00	-	10,300.00	10,300.00	-	10,300.00
Regional Casino	15,450.00	-	15,450.00	15,450.00	-	15,450.00
Bingo Club	515.00	-	515.00	515.00	-	515.00
Betting premises (excluding tracks)	309.00	-	309.00	309.00	-	309.00
Tracks	1,030.00	-	1,030.00	1,030.00	-	1,030.00
Family Entertainment Centre	309.00	-	309.00	309.00	-	309.00
Adult Gaming Centre	515.00	-	515.00	515.00	-	515.00
Gambling Premises application for a provisional statement						
New Small Casino	8,240.00	-	8,240.00	8,240.00	-	8,240.00
New Large Casino	10,300.00	-	10,300.00	10,300.00	-	10,300.00
Regional Casino	15,450.00	-	15,450.00	15,450.00	-	15,450.00
Bingo Club	1,648.00	-	1,648.00	1,648.00	-	1,648.00
Betting premises (excluding tracks)	1,339.00	-	1,339.00	1,339.00	-	1,339.00
Tracks	2,575.00	-	2,575.00	2,575.00	-	2,575.00
Family Entertainment Centre	1,339.00	-	1,339.00	1,339.00	-	1,339.00
Adult Gaming Centre	1,339.00	-	1,339.00	1,339.00	-	1,339.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Licensing	£	£	£	£	£	£
Gambling Premises application for transfer						
New Small Casino	1,854.00	-	1,854.00	1,854.00	-	1,854.00
New Large Casino	2,214.50	-	2,214.50	2,215.00	-	2,215.00
Regional Casino	6,695.00	-	6,695.00	6,695.00	-	6,695.00
Bingo Club	721.00	-	721.00	721.00	-	721.00
Betting premises (excluding tracks)	721.00	-	721.00	721.00	-	721.00
Tracks	978.50	-	978.50	979.00	-	979.00
Family Entertainment Centre	515.00	-	515.00	515.00	-	515.00
Adult Gaming Centre	618.00	-	618.00	618.00	-	618.00
Gambling Premises application to vary						
New Small Casino	4,120.00	-	4,120.00	4,120.00	-	4,120.00
New Large Casino	5,150.00	-	5,150.00	5,150.00	-	5,150.00
Regional Casino	7,725.00	-	7,725.00	7,725.00	-	7,725.00
Bingo Club	1,545.00	-	1,545.00	1,545.00	-	1,545.00
Betting premises (excluding tracks)	1,339.00	-	1,339.00	1,339.00	-	1,339.00
Tracks	1,287.50	-	1,287.50	1,288.00	-	1,288.00
Family Entertainment Centre	618.00	-	618.00	618.00	-	618.00
Adult Gaming Centre	618.00	-	618.00	618.00	-	618.00
Gambling Premises application for reinstatement						
New Small Casino	1,854.00	-	1,854.00	1,854.00	-	1,854.00
New Large Casino	2,214.50	-	2,214.50	2,215.00	-	2,215.00
Regional Casino	6,695.00	-	6,695.00	6,695.00	-	6,695.00
Bingo Club	721.00	-	721.00	721.00	-	721.00
Betting premises (excluding tracks)	721.00	-	721.00	721.00	-	721.00
Tracks	978.50	-	978.50	979.00	-	979.00
Family Entertainment Centre	515.00	-	515.00	515.00	-	515.00
Adult Gaming Centre	721.00	-	721.00	721.00	-	721.00
Gambling Premises provisional statement holders						
New Small Casino	3,090.00	-	3,090.00	3,090.00	-	3,090.00
New Large Casino	5,150.00	-	5,150.00	5,150.00	-	5,150.00
Regional Casino	8,240.00	-	8,240.00	8,240.00	-	8,240.00
Bingo Club	721.00	-	721.00	721.00	-	721.00
Betting premises (excluding tracks)	721.00	-	721.00	721.00	-	721.00
Tracks	978.50	-	978.50	979.00	-	979.00
Family Entertainment Centre	772.50	-	772.50	773.00	-	773.00
Adult Gaming Centre	772.50	-	772.50	773.00	-	773.00
Sex Shop or Sex Cinema	1,442.00	-	1,442.00	1,442.00	-	1,442.00
Sexual Entertainment Venue	648.90	-	648.90	649.00	-	649.00
Hypnotism application	159.65	-	159.65	160.00	-	160.00
Gambling Premises notification of change	51.50	-	51.50	52.00	-	52.00
Gambling Premises copy of Licence	25.75	-	25.75	26.00	-	26.00
Lottery Registration	40.00	-	40.00	40.00	-	40.00
Lottery Renewal	20.00	-	20.00	20.00	-	20.00
Pet Shops	169.95	-	169.95	170.00	-	170.00
Scrap Metal						
Site Licence Application	751.90	-	751.90	752.00	-	752.00
Collectors Licence Application	628.30	-	628.30	629.00	-	629.00
Site Licence Renewal	509.85	-	509.85	510.00	-	510.00
Collectors Licence Renewal	484.10	-	484.10	485.00	-	485.00
Variation (site licence to collectors licence)	82.40	-	82.40	83.00	-	83.00
Variation (collectors licence to site licence)	149.35	-	149.35	150.00	-	150.00
Change of site	82.40	-	82.40	83.00	-	83.00
Change of site manager	66.95	-	66.95	67.00	-	67.00
Change of name or address	46.35	-	46.35	47.00	-	47.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Licensing	£	£	£	£	£	£
Premises & Clubs - new applications						
Rateable value :- Band A	100.00	-	100.00	100.00	-	100.00
:- Band B	190.00	-	190.00	190.00	-	190.00
:- Band C	315.00	-	315.00	315.00	-	315.00
:- Band D	450.00	-	450.00	450.00	-	450.00
:- Band E	635.00	-	635.00	635.00	-	635.00
:- Minor variations	89.00	-	89.00	89.00	-	89.00
Additional fees for premises holding more than 5000 persons						
5,000 - 9,999	1,000.00	-	1,000.00	1,000.00	-	1,000.00
10,000 - 14,999	2,000.00	-	2,000.00	2,000.00	-	2,000.00
15,000 - 19,999	4,000.00	-	4,000.00	4,000.00	-	4,000.00
20,000 - 29,999	8,000.00	-	8,000.00	8,000.00	-	8,000.00
30,000 - 39,999	16,000.00	-	16,000.00	16,000.00	-	16,000.00
40,000 - 49,999	24,000.00	-	24,000.00	24,000.00	-	24,000.00
50,000 - 59,999	32,000.00	-	32,000.00	32,000.00	-	32,000.00
60,000 - 69,999	40,000.00	-	40,000.00	40,000.00	-	40,000.00
70,000 - 79,999	48,000.00	-	48,000.00	48,000.00	-	48,000.00
80,000 - 89,999	56,000.00	-	56,000.00	56,000.00	-	56,000.00
90,000 and over	64,000.00	-	64,000.00	64,000.00	-	64,000.00
Premises & Clubs - Annual Fee (Renewals)						
Rateable value :- Band A	70.00	-	70.00	70.00	-	70.00
:- Band B	180.00	-	180.00	180.00	-	180.00
:- Band C	295.00	-	295.00	295.00	-	295.00
:- Band D	320.00	-	320.00	320.00	-	320.00
:- Band E	350.00	-	350.00	350.00	-	350.00
Additional fees for premises holding more than 5000 persons						
5,000 - 9,999	500.00	-	500.00	500.00	-	500.00
10,000 - 14,999	1,000.00	-	1,000.00	1,000.00	-	1,000.00
15,000 - 19,999	2,000.00	-	2,000.00	2,000.00	-	2,000.00
20,000 - 29,999	4,000.00	-	4,000.00	4,000.00	-	4,000.00
30,000 - 39,999	8,000.00	-	8,000.00	8,000.00	-	8,000.00
40,000 - 49,999	12,000.00	-	12,000.00	12,000.00	-	12,000.00
50,000 - 59,999	16,000.00	-	16,000.00	16,000.00	-	16,000.00
60,000 - 69,999	20,000.00	-	20,000.00	20,000.00	-	20,000.00
70,000 - 79,999	24,000.00	-	24,000.00	24,000.00	-	24,000.00
80,000 - 89,999	28,000.00	-	28,000.00	28,000.00	-	28,000.00
90,000 and over	32,000.00	-	32,000.00	32,000.00	-	32,000.00
Personal Licence	37.00	-	37.00	37.00	-	37.00
Application for the grant or renewal of a personal licence	37.00	-	37.00	37.00	-	37.00
Temporary Event Notice	21.00	-	21.00	21.00	-	21.00
Replacement of premises licence or summary	10.50	-	10.50	10.50	-	10.50
80,000 - 89,999						

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Environmental Health	£	£	£			
Level 2 - Food Safety in Catering (residents or	65.00	-	65.00	65.00	-	65.00
Level2 -Food Hygiene in Catering (outside of WH)	New			70.00	-	70.00
Level 3 - Food safety in Catering (rsidents/businesses of W	270.00			275.00	-	275.00
Level 3 - Food safety in Catering (outside of WH))	New		270.00	285.00	-	285.00
Level 3 - Refresher Course	150.00	-	150.00	155.00	-	155.00
Level 3 - Refresher Course (outside WH)				165.00	-	
Resilience awareness training (organisation)	500.00	-	500.00	500.00	-	500.00
Small Business Support course (part day)	65.00	-	65.00	65.00	-	65.00
Small Business Support course (full day)	130.00	-	130.00	130.00	-	130.00
Small Food Business workshops	45.00	-	45.00	45.00	-	45.00
Replacement food hygiene/safety certificate	40.00	-	40.00	40.00	-	40.00
Cancellation of attendance at courses listed above:						
Cancellation within 1 month of course :					75%refund	
Cancellation within 1 week of course:					No refund	
Failure to attend without notification:					Course fees payable	
EPA prescribed processes - application fees						
these fees are subject to change by statute						
EPA part B installation	1,579	-	1,650.00	1,650.00	-	1,650.00
Additional fee for operating without a permit	1,137	-	1,188.00	1,188.00	-	1,188.00
Reduced Fee activities	148	-	155.00	155.00	-	155.00
PVR I & II	246	-	257.00	257.00	-	257.00
Vehicle Refinishers	346	-	362.00	362.00	-	362.00
Reduced Fee activities : Additional fee for						
operating without a permit.	68	-	71.00	71.00	-	71.00
Mobile screening & crushing plant	1,579.00	-	1,650.00	1,650.00	-	1,650.00
for the 3rd to 7th applications	943	-	985.00	985.00	-	985.00
for the 8th & subsequent applications	477	-	498.00	498.00	-	498.00
Where an application for any of the above is for a combined Part B and waste application, add an extra £104, (low risk)						
£156 (medium risk) or £207 (high risk) to the above amounts.						
Annual Subsistence Charges						
Annual Subsistence Charge - low risk *	739	-	739.00	772.00	-	772.00
Annual Subsistence Charge - medium risk *	1,111.00	-	1,111.00	1,161.00	-	1,161.00
Annual subsistence Charge - high risk *	1,672:00	-	1,672.00	1,747.00	-	1,747.00
Annual Subsistence Charge - petrol stations,	146					
Reduced fee activities - low	76.00	-	76.00	79.00	-	79.00
Reduced fee activities - medium	151.00	-	151.00	158.00	-	158.00
Reduced fee activities - high	227.00	-	227.00	237.00	-	237.00
PVR I & II - low	108.00	-	108.00	113.00	-	113.00
PVR I & II - medium	216.00	-	216.00	226.00	-	226.00
PVR I & II - high	326.00	-	326.00	341.00	-	341.00
Vehicle Refinishers - low	218.00	-	218.00	228.00	-	228.00
Vehicle Refinishers - medium	349.00	-	349.00	365.00	-	365.00
Vehicle Refinishers - high	524.00	-	524.00	548.00	-	548.00
Mobile screening & crushing plant - low	618.00	-	618.00	626.00	-	626.00
Mobile screening & crushing plant - medium	989.00	-	989.00	1,034.00	-	1,034.00
Mobile screening & crushing plant - high	1,484.00	-	1,484.00	1,551.00	-	1,551.00
for the 3rd to 7th applications - low	368.00	-	368.00	385.00	-	385.00
for the 3rd to 7th applications - medium	590.00	-	590.00	617.00	-	617.00
for the 3rd to 7th applications - high	884.00	-	884.00	924.00	-	924.00
for the 8th & subsequent applications - low	189.00	-	189.00	198.00	-	198.00
for the 8th & subsequent applications - medium	302.00	-	302.00	314.00	-	314.00
for the 8th & subsequent applications - high	453.00	-	453.00	473.00	-	473.00
If subsistence charge is paid in installments the total amount of subsistence charge payable in that financial year is increased by £38.						
An extra £104 is required where the operator carries on an operation that falls within the reporting obligations of the EC Regulation						
* these additional amounts must be charged where a permit is for a combined Part B and waste installation						
Low Risk	99.00	-	99.00	104.00	-	104.00
Medium risk	149.00	-	149.00	156.00	-	156.00
High Risk	198.00	-	198.00	207.00	-	207.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Environmental Health	£	£	£	£	£	£
Transfer & Surrender						
Standard process transfer	162.00	-	162.00	169.00	-	169.00
Standard process partial transfer	476.00	-	476.00	497.00	-	497.00
Surrender : all Part B activities						
Reduced fee activities : transfer						
Reduced fee activities : partial transfer	75.00	-	75.00	47.00	-	47.00
Substantial change S10 & S11						
Standard process	1,005.00	-	1,005.00	1,050.00	-	1,050.00
Standard process where the substantial change results in a new PPC activity.	1,579.00	-	1,579.00	1,650.00	-	1,650.00
Change due to implementing an upgrading plan (applies to LAPC only)	141.00	-	141.00	147.00	-	147.00
Reduced fee activities	98.00	-	98.00	102.00	-	102.00
Application fee for grant of A2 permit				3,363.00	-	3,363.00
Application fee for transfer of A2 permit full				235.00	-	235.00
Partila transfer				698.00	-	698.00
Surrender of permit				698.00	-	698.00
Application for Variation				1,368.00	-	1,368.00
Variation for Small Waste Incineration plant				3,363.00	-	3,363.00
Late Application fee for A2				1,188.00	-	1,188.00
Subsistence Charges A2						
Low Risk				1,343.00	-	1,343.00
Meduim Risk				1,507.00	-	1,507.00
High Risk				2,230.00	-	2,230.00
If subsistence charge is paid in installments the total subsistence charge payable in that financial year is increased by £38.						
An extra £103 is required if the operator carries on an operation that falls within the reporting obligations of the EC Regulation						
Certificate of Voluntary Surrender of Food (plus Officer & Disposal Costs)	160.00	-	160.00	0.00	-	0.00
Sale of Food Safety Act Register	235.00	-	235.00	0.00	-	0.00
Food Safety Export check	60.00	-	60.00	0.00	-	0.00
Food FHRS Revisit	-	-	-	180.00	-	180.00
Storage of noise making equipment following seizure (plus officer cost)	555.00	-	555.00	555.00	-	555.00
Fixed penalty notice for smoking in a smoke free place	50.00	-	50.00	50.00	-	50.00
Discounted to if paid within 30 days	30.00	-	30.00	30.00	-	30.00
Failure to display smoking signs	200.00	-	200.00	200.00	-	200.00
Discounted to if paid within 30 days	150.00	-	150.00	150.00	-	150.00
Private Water Supplies & Distribution Systems						
Risk Assessment	500.00	-	500.00	500.00	-	500.00
Sampling - each visit (maximum fee)	100.00	-	100.00	100.00	-	100.00
Investigation (each investigation)	100.00	-	100.00	100.00	-	100.00
Granting an Authorisation	100.00	-	100.00	100.00	-	100.00
Analysing a sample taken under regulation 10	25.00	-	25.00	25.00	-	25.00
taken during check monitoring	100.00	-	100.00	100.00	-	100.00
taken during audit monitoring	500.00	-	500.00	500.00	-	500.00
Environmental Search for Contaminated Land	90.00	-	90.00	90.00	-	90.00

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Environmental Health	£	£	£	£	£	£
Officer time for work in default - Head of Service	65.69	13.14	78.83	64.55	12.91	77.46
Officer time for work in default - Team Leader	46.01	9.20	55.21	50.51	10.10	60.61
Officer time for work in default - EHO	42.15	8.43	50.58	43.63	8.73	52.36
Officer time for work in default - EHTO	29.52	5.90	35.42	32.60	6.52	39.12
Officer time for work in default - EHTSO	19.74	3.95	23.69	19.83	3.97	23.80
charges for works carried out during the following times						
Monday - Friday 7pm - 8am time and a half						
Saturday - time and a half						
Sunday & Bank Holidays - time and half						
Provision of a factual statement to the victim of an accident	POA	POA	POA	POA	POA	POA

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Planning						
Residential properties enlargement, improvement/alteration of dwellings for domestic purposes - 1 dwelling	172.00	-	172.00	206.00	-	206.00
Residential properties enlargement, improvement/alteration of dwellings for domestic purposes - 2 or more dwellings	339.00	-	339.00	407.00	-	407.00
Operations with residential curtilage for domestic purposes (including buildings, gates & fences etc.)	172.00	-	172.00	206.00	-	206.00
Car park, road & access to serve single undertaking where associated with existing use.	195.00	-	195.00	234.00	-	234.00
New dwellings outline permission :-						
Site less than 2.5ha - price per 0.1ha	385.00	-	385.00	462.00	-	462.00
Site greater than 2.5ha - plus price per 0.1ha above 2.5ha (maximum £150,000)	9,527.00	-	9,527.00	11,432.00	-	11,432.00
	115.00	-	115.00	138.00	-	138.00
Upto 50 new dwellings - price per dwelling	385.00	-	385.00	462.00	-	462.00
51 or more new dwellings - plus fee per additional dwelling above 50 (maximum £300,000)	19,049.00	-	19,049.00	22,859.00	-	22,859.00
	115.00	-	115.00	138.00	-	138.00
Buildings outline permission (other dwellings, agricultural buildings or plant & glass houses etc) :-						
Site less than 2.5ha - price per 0.1ha	385.00	-	385.00	462.00	-	462.00
Site greater than 2.5ha - plus fee per additional 0.1ha above 2.5ha (maximum £150,000)	9,527.00	-	9,527.00	11,432.00	-	11,432.00
	115.00	-	115.00	138.00	-	138.00
Where the application is for permission in principle price per 0.1 hectare of the site area	-	-	-	402.00	-	402.00
Commercial Planning fees - other cases :-						
No floor space created	195.00	-	195.00	234.00	-	234.00
If less than 40sqm	195.00	-	195.00	234.00	-	234.00
If between 40sqm - 75sqm gross floor space	385.00	-	385.00	462.00	-	462.00
If between 75sqm - 3750sqm, price per each 75sqm of gross floor space created	385.00	-	385.00	462.00	-	462.00
If greater than 3750sqm gross floor space plus additional fee per each 75sqm over 3750sqm (maximum £300,000)	19,049.00	-	19,049.00	22,859.00	-	22,859.00
	115.00	-	115.00	138.00	-	138.00
Prior approval applications comprising of a material change of use of any buildings or other land	80.00	-	80.00	96.00	-	96.00
Prior approval applications comprising of associated operational development	172.00	-	172.00	206.00	-	206.00
Commercial outline planning fees - Agricultural buildings on agricultural land (other than glasshouses) :-						
Site less than 2.5ha - price per 0.1ha	385.00	-	385.00	462.00	-	462.00
Site greater than 2.5ha - plus fee per additional 0.1ha (maximum £150,000)	9,527.00	-	9,527.00	11,432.00	-	11,432.00
	115.00	-	115.00	138.00	-	138.00
Where the application is for permission in principle price for each 0.1 hectare of the site area	-	-	-	402.00	-	402.00

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Planning	£	£	£	£	£	£
Commercial planning fees - Other Agricultural Cases :-						
If less than 465sqm gross floor space created	80.00	-	80.00	96.00	-	96.00
If between 465sqm - 540sqm gross floor space created	385.00	-	385.00	462.00	-	462.00
If between 540sqm - 4215sqm gross floor space created	385.00	-	385.00	462.00	-	462.00
plus fee per additional 75sqm above 540sqm	385.00	-	385.00	462.00	-	462.00
If over 4215sqm floor space created	19,049.00	-	19,049.00	22,859.00	-	22,859.00
plus fee per additional 75sqm above 4215sqm (maximum £300,000)	115.00	-	115.00	138.00	-	138.00
Commercial planning fees - Glasshouses & poly tunnels agricultural land :-						
up to 465sqm	80.00	-	80.00	96.00	-	96.00
exceeding 465sqm	2,150.00	-	2,150.00	2,580.00	-	2,580.00
Commercial planning fees - Erection, alteration or replacement of plant & machinery where site area does not exceed 5ha - fee per 0.1ha	385.00	-	385.00	462.00	-	462.00
where site area exceeds 5ha -	19,049.00	-	19,049.00	22,859.00	-	22,859.00
plus fee per additional 0.1 ha (maximum £300,000)	115.00	-	115.00	138.00	-	138.00
Commercial planning fees - Operations connected with exploratory drilling for oil and gas :-						
Where site area does not exceed 7.5ha - fee for each 0.1 ha	385.00	-	385.00	508.00	-	508.00
Where site area exceeds 7.5ha	28,750.00	-	28,750.00	38,070.00	-	38,070.00
plus additional fee for each 0.1ha above 7.5ha (maximum £300,000)	115.00	-	115.00	151.00	-	151.00
Commercial planning fees - operations not within the above categories :-						
Where site area does not exceed 15ha - fee per 0.1ha	195.00	-	195.00	234.00	-	234.00
Where site area exceeds 15ha -	29,112.00	-	29,112.00	34,934.00	-	34,934.00
plus additional fee per 0.1ha above 15ha (maximum £78,000)	115.00	-	115.00	138.00	-	138.00
Change of use of a building to one or more dwellings :-						
Where change is from a single dwelling to 50 or fewer dwellings - fee per dwelling	385.00	-	385.00	462.00	-	462.00
51 or more dwellings -	19,049.00	-	19,049.00	22,859.00	-	22,859.00
plus additional fee per dwelling over 50 (maximum £300,000)	115.00	-	115.00	138.00	-	138.00

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Planning						
Other cases :-						
To 50 or fewer dwellings - fee per dwelling	385.00	-	385.00	462.00	-	462.00
51 or more dwellings - plus additional fee per dwelling over 50 (maximum £300,000)	19,049.00 115.00	- -	19,049.00 115.00	22,859.00 138.00	- -	22,859.00 138.00
Use of disposal of refuse or waste materials and open mineral storage :-						
Where site area does not exceed 15ha - fee for each 0.1ha	195.00	-	195.00	234.00	-	234.00
Where site area exceeds 15ha - plus additional fee per 0.1ha above 15ha (maximum £78,000)	29,112.00 115.00	- -	29,112.00 115.00	34,934.00 138.00	- -	34,934.00 138.00
Other operations (not coming within any of the above categories) any site area each 0.1 hectare (or part there of) up to a maximum of £2,028	195.00	-	195.00	234.00	-	234.00
Material change of use in land or buildings other than above	385.00	-	385.00	462.00	-	462.00
Advertisements :-						
A1 - Business premises or other land within business curtilage relating to nature of business goods sold, services provided or name of persons undertaking business.	110.00	-	110.00	132.00	-	132.00
A2 - Sign relating to business in the same locality as the site but not visible from that site	110.00	-	110.00	132.00	-	132.00
A3 - All other advertisements	385.00	-	385.00	462.00	-	462.00
Variation of a Condition	195.00	-	195.00	234.00	-	234.00
Discharge of a Condition (for each request)						
Householder	28.00	-	28.00	34.00	-	34.00
Other	97.00	-	97.00	116.00	-	116.00
Non-material changes to Planning Permission						
Householder	28.00	-	28.00	34.00	-	34.00
Other	195.00	-	195.00	234.00	-	234.00
Retrospective Estate Management Consent	242.00	-	242.00	242.00	-	242.00
Pre-application advice :- Annual Fee	4,500.00	900.00	5,400.00	4,500.00	900.00	5,400.00
S106/legal agreements / obligations (excludes any legal costs incurred by the Council which are paid by the applicant).						
Confirmation of compliance with clause(s)	257.14	51.43	308.57	257.14	51.43	308.57
Discharge or modification of obligation to householder	0.00	0.00	0.00	0.00	0.00	0.00
Discharge or modification of obligation (all except householder)	482.32	96.46	578.78	482.32	96.46	578.78
New householder related with associated planning application	172.00	34.40	206.40	172.00	34.40	206.40
New for housing developments between 10 - 24 houses	618.46	123.69	742.15	618.46	123.69	742.15
New for housing developments between 25 - 100 houses	699.46	139.89	839.35	699.46	139.89	839.35
New for housing developments between 101 - 300 houses	957.56	191.51	1,149.07	957.56	191.51	1,149.07
Monitoring and Administration of s106 planning obligations - 5% of the total value of the contributions up to a maximum of £5,000						
All legal costs for Section 106 Agreements and Unilateral Undertakings will be paid for by the Applicant. The Applicant will be provided with an hourly rate and an estimate of the total legal costs when Legal is first instructed. The Applicant is responsible for paying any abortive legal costs even if the matter is not proceeded with or if planning permission is ultimately refused						

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Planning	£	£	£	£	£	£
Pre-application advice						
Householder						
Level 1 advice	41.67	8.33	50.00	41.67	8.33	50.00
Level 2 advice	62.50	12.50	75.00	62.50	12.50	75.00
Level 2 follow-up advice	41.67	8.33	50.00	41.67	8.33	50.00
Level 3 advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 3 follow-up advice	62.50	12.50	75.00	62.50	12.50	75.00
Single dwelling						
Level 1 advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 2 advice	125.00	25.00	150.00	125.00	25.00	150.00
Level 2 follow-up advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 3 advice	250.00	50.00	300.00	250.00	50.00	300.00
Level 3 follow-up advice	145.83	29.17	175.00	145.83	29.17	175.00
2- 5 dwellings						
Level 1 advice	229.17	45.83	275.00	229.17	45.83	275.00
Level 2 advice	416.67	83.33	500.00	416.67	83.33	500.00
Level 2 follow-up advice	208.33	41.67	250.00	208.33	41.67	250.00
Level 3 advice	583.33	116.67	700.00	583.33	116.67	700.00
Level 3 follow-up advice	333.33	66.67	400.00	333.33	66.67	400.00
6-9 dwellings						
Level 1 advice	333.33	66.67	400.00	333.33	66.67	400.00
Level 2 advice	541.67	108.33	650.00	541.67	108.33	650.00
Level 2 follow-up advice	250.00	50.00	300.00	250.00	50.00	300.00
Level 3 advice	708.33	141.67	850.00	708.33	141.67	850.00
Level 3 follow-up advice	500.00	100.00	600.00	500.00	100.00	600.00
10 – 24 dwellings						
Level 1 advice	458.33	91.67	550.00	458.33	91.67	550.00
Level 2 advice	750.00	150.00	900.00	750.00	150.00	900.00
Level 2 follow-up advice	333.33	66.67	400.00	333.33	66.67	400.00
Level 3 advice	1,000.00	200.00	1,200.00	1,000.00	200.00	1,200.00
Level 3 follow-up advice	583.33	116.67	700.00	583.33	116.67	700.00
25 – 50 dwellings						
Level 1 advice	708.33	141.67	850.00	708.33	141.67	850.00
Level 2 advice for 25 dwellings	833.33	166.67	1,000.00	833.33	166.67	1,000.00
+ for each additional 5 dwellings or part thereof	83.33	16.67	100.00	83.33	16.67	100.00
Level 2 follow-up advice	666.67	133.33	800.00	666.67	133.33	800.00
Level 3 advice for 25 dwellings	1,250.00	250.00	1,500.00	1,250.00	250.00	1,500.00
+ for each additional 5 dwellings or part thereof	83.33	16.67	100.00	83.33	16.67	100.00
Level 3 follow-up advice	833.33	166.67	1,000.00	833.33	166.67	1,000.00
51 + dwellings	POA	POA	POA	POA	POA	POA
Walls, fences (boundaries) (not householder)						
Level 1 advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 2 advice	125.00	25.00	150.00	125.00	25.00	150.00
Level 2 follow-up advice	62.50	12.50	75.00	62.50	12.50	75.00
Level 3 advice	208.33	41.67	250.00	208.33	41.67	250.00
Level 3 follow-up advice	125.00	25.00	150.00	125.00	25.00	150.00
Listed buildings (householders) where planning permission is not required						
Level 2 advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 2 follow-up advice	41.67	8.33	50.00	41.67	8.33	50.00
Level 3 advice	125.00	25.00	150.00	125.00	25.00	150.00
Level 3 follow-up advice	83.33	16.67	100.00	83.33	16.67	100.00
Listed buildings (commercial) where planning permission is not required						
Level 2 advice	208.33	41.67	250.00	208.33	41.67	250.00
Level 2 follow-up advice	125.00	25.00	150.00	125.00	25.00	150.00
Level 3 advice	250.00	50.00	300.00	250.00	50.00	300.00
Level 3 follow-up advice	166.67	33.33	200.00	166.67	33.33	200.00

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Planning	£	£	£	£	£	£
Proposed Floor Areas (m²)						
Up to 100						
Level 1 advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 2 advice	125.00	25.00	150.00	125.00	25.00	150.00
Level 2 follow-up advice	83.33	16.67	100.00	83.33	16.67	100.00
Level 3 advice	250.00	50.00	300.00	250.00	50.00	300.00
Level 3 follow-up advice	166.67	33.33	200.00	166.67	33.33	200.00
101-500						
Level 1 advice	166.67	33.33	200.00	166.67		
Level 2 advice	416.67	83.33	500.00	416.67	83.33	500.00
Level 2 follow-up advice	208.33	41.67	250.00	208.33	41.67	250.00
Level 3 advice	583.33	116.67	700.00	583.33	116.67	700.00
Level 3 follow-up advice	291.67	58.33	350.00	291.67	58.33	350.00
501-1000						
Level 1 advice	250.00	50.00	300.00	250.00	50.00	300.00
Level 2 advice	666.67	133.33	800.00	666.67	133.33	800.00
Level 2 follow-up advice	291.67	58.33	350.00	291.67	58.33	350.00
Level 3 advice	916.67	183.33	1,100.00	916.67	183.33	1,100.00
Level 3 follow-up advice	416.67	83.33	500.00	416.67	83.33	500.00
1001 – 5000						
Level 1 advice	416.67	83.33	500.00	416.67	83.33	500.00
Level 2 advice	1,250.00	250.00	1,500.00	1,250.00	250.00	1,500.00
Level 2 follow-up advice	333.33	66.67	400.00	333.33	66.67	400.00
Level 3 advice	2,083.33	416.67	2,500.00	2,083.33	416.67	2,500.00
Level 3 follow-up advice	625.00	125.00	750.00	625.00	125.00	750.00
5000+ individually calculated based on the proposal	POA	POA	POA	POA		
Change of Use (not for the creation of dwellinghouses)						
Level 1 advice	125.00	25.00	150.00	125.00	25.00	150.00
Level 2 advice	250.00	50.00	300.00	250.00	50.00	300.00
Level 2 follow-up advice	333.33	66.67	400.00	333.33	66.67	400.00
Level 3 advice	375.00	75.00	450.00	375.00	75.00	450.00
The following would be in addition to the cost for drawing up and agreeing the Planning Performance Agreements. The list is indicative and some developments may require an assessment which is not listed below. This will not prevent the local planning authority from seeking to recover its costs in these areas.						
The Local Planning Authority will, for each development, keep a record of the costs and/or hours worked for each issue and will either refund to the developer any amount overpaid, or will require further funds should the sum paid not cover the costs.						
The following charges are given for a development of 100 houses and is indicative of the level and type of charges that could be						
Officer Time						
Principal Development Management Officer*	4,166.67	833.33	5,000.00	4,166.67	833.33	5,000.00
Senior Development Management Officer *	12,500.00	2,500.00	15,000.00	12,500.00	2,500.00	15,000.00
*These charges are on the basis of a Senior Planning Officer leading the discussions for WHBC and upon four meetings. Different officers / number of meetings might result in a different charge. The appropriate officer to deal with a scheme will be determined by the Development Management Department.						
Assessments						
Viability assessment	16,666.67	3,333.33	20,000.00	16,666.67	3,333.33	20,000.00
Legal – re obligations/ advice	4,166.67	833.33	5,000.00	4,166.67	833.33	5,000.00
Marketing assessment	8,333.33	1,666.67	10,000.00	8,333.33	1,666.67	10,000.00
Daylight/Sunlight assessment	6,250.00	1,250.00	7,500.00	6,250.00	1,250.00	7,500.00
Economic/Employment Statement	8,333.33	1,666.67	10,000.00	8,333.33	1,666.67	10,000.00
Consultees						
Environmental Health –						
- Contaminated Land	833.33	166.67	1,000.00	833.33	166.67	1,000.00
- Air Quality	416.67	83.33	500.00	416.67	83.33	500.00
- Noise	333.33	66.67	400.00	333.33	66.67	400.00
- Vibration	333.33	66.67	400.00	333.33	66.67	400.00
- Odour	625.00	125.00	750.00	625.00	125.00	750.00

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Planning	£	£	£	£	£	£
- Lighting	416.67	83.33	500.00	416.67	83.33	500.00
- Health Impact Assessments	416.67	83.33	500.00	416.67	83.33	500.00
Landscaping (arboricultural implications)	416.67	83.33	500.00	416.67	83.33	500.00
Conservation – Heritage	625.00	125.00	750.00	625.00	125.00	750.00
Conservation – Biodiversity	416.67	83.33	500.00	416.67	83.33	500.00
Archaeology	416.67	83.33	500.00	416.67	83.33	500.00
Client Services	208.33	41.67	250.00	208.33	41.67	250.00
Policy	833.33	166.67	1,000.00	833.33	166.67	1,000.00
Housing Department (Affordable Housing)	833.33	166.67	1,000.00	833.33	166.67	1,000.00
Amenity, Playspace, Open Space	833.33	166.67	1,000.00	833.33	166.67	1,000.00
Structural Assessment of Building	416.67	83.33	500.00	416.67	83.33	500.00
Planning Policy Documents						
Emerging Core Strategy November 2012	11.00	-	11.00	11.00	-	11.00
postage & packing	2.00	0.40	2.40	2.40	0.48	2.88
Emerging Core Strategy Summary	Free	-	Free	Free	-	Free
postage & packing	0.83	0.17	1.00	1.25	0.25	1.50
Land for Housing Outside Urban Areas	Free	-	Free			
postage & packing	0.83	0.17	1.00	1.25	0.25	1.50
Draft Infrastructure Delivery Plan 2012	5.00	1.00	6.00	6.00	1.20	7.20
postage & packing	1.25	0.25	1.50	1.25	0.25	1.50

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Planning Policy Documents						
Local Plan Consultation Document 2015	15.00	-	15.00	15.00	-	15.00
postage and packing	2.17	0.43	2.60	3.00	0.60	3.60
Sustainability Appraisal Report and Appendices	45.00	-	45.00	45.00	-	45.00
postage & packing	3.33	0.67	4.00	4.00	0.80	4.80
Infrastructure Delivery Plan 2015	15.45	-	15.00	15.00	-	15.00
postage & packing	1.29	0.26	1.55	1.24	0.25	1.49
Draft Infrastructure Delivery Plan 2012	6.00	-	6.00	6.00	-	6.00
postage & packing	1.04	0.21	1.25	1.24	0.25	1.49
Habitat Regulatory Assessment of the Welwyn Hatfield	7.00	-	7.00	7.00	-	7.00
postage & packing	1.03	0.21	1.24	1.24	0.25	1.49
Sustainability Appraisal Report Sept 2012	11.00	-	11.00	11.00	-	11.00
postage & packing	1.67	0.33	2.00	2.47	0.49	2.96
Sustainability Appraisal Report Appendix						
A1: Matrices - Vision and Objectives Sept 2012	5.00	-	5.00	5.00	-	5.00
postage & packing	1.04	0.21	1.25	0.67	0.13	0.80
Sustainability Appraisal Report ~Appendix						
Sept 2012	8.00	-	8.00	8.00	-	8.00
postage & packing	1.04	0.21	1.25	1.24	0.25	1.49
Alternatives Sept 2012	6.00	-	6.00	6.00	-	6.00
postage & packing	1.04	0.21	1.25	0.94	0.19	1.13
Matrices - Emerging Core Strategy Policies	10.00	-	10.00	10.00	-	10.00
postage & packing	1.67	0.33	2.00	2.00	0.40	2.40
2009	11.00	-	11.00	11.00	-	11.00
postage & packing	1.75	0.35	2.10	2.47	0.49	2.96
Housing Target consultation 2011	10.00	-	10.00	10.00	-	10.00
postage & packing	2.58	0.52	3.10	2.57	0.51	3.08
Core Strategy Issues & Options	20.00	-	20.00	20.00	-	20.00
postage & packing	2.58	0.52	3.10	2.57	0.51	3.08
District Plan Written Statement & Proposal Maps	55.00	-	55.00	55.00	-	55.00
postage & packing	3.33	0.67	4.00	3.00	0.60	3.60
Written Statement only	35.00	-	35.00	35.00	-	35.00
postage & packing	2.58	0.52	3.10	3.00	0.60	3.60
Proposal Maps only	20.00	-	20.00	20.00	-	20.00
postage & packing	1.04	0.21	1.25	1.24	0.25	1.49
postage & packing	1.04	0.21	1.25	0.00	0.00	0.00
Parking Standards adopted January 2004	20.00	-	20.00	20.00	-	20.00
postage & packing	1.04	0.21	1.25	1.04	0.21	1.25
Open Space Survey plus 2001 & 2002	30.00	-	30.00	30.00	-	30.00
revisions						
postage & packing	2.17	0.43	2.60	1.55	0.31	1.86
Draft Local Plan Proposed Submission document August	15.00	3.00	18.00	15.00	3.00	18.00
postage & packing	3.00	0.60	3.60	3.00	0.60	3.60
Draft Local Plan Proposed Submission Policies Maps August	30.00	6.00	36.00	30.00	6.00	36.00
postage & packing	3.00	0.60	3.60	3.00	0.60	3.60
Summary and Guide	Free	-	-			
postage & packing	1.00	0.20	1.20	1.20	0.24	1.44
Sustainability Appraisal Non Technical Summary 2016	17.00	0.00	17.00	17.00	-	17.00
postage & packing	1.40	0.28	1.68	1.40	0.28	1.68
Sustainability Appraisal Report 2016	35.00	0.00	35.00	35.00	-	35.00
postage & packing	3.00	0.60	3.60	3.00	0.60	3.60

Where applicable, planning fees have increased from 17 January 2018 to the values shown in 2018/19 in line with regulations

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
	£	£	£	£	£	£
Sustainability Appraisal Appendices 1-5 2016	32.00	0.00	32.00	32.00	-	32.00
postage & packing	3.00	0.60	3.60	3.00	0.60	3.60
Sustainability Appraisal Annex 2016	40.00	0.00	40.00	40.00	-	40.00
postage & packing	14.00	2.80	16.80	14.00	2.80	16.80
Habitats Regulatory Assessment 2016	17.00	0.00	17.00	17.00	-	17.00
postage & packing	1.40	0.28	1.68	1.40	0.28	1.68
Green Corridor Strategic Framework Plan 2016	9.00	0.00	9.00	9.00	-	9.00
postage & packing	1.34	0.27	1.61	1.61	0.32	1.93
British Aerospace Supplementary Planning Guidance	10.00	-	10.00	10.00	-	10.00
postage & packing	1.04	0.21	1.25	1.25	0.25	1.50
Broadwater Road Supplementary Planning Document	15.00	-	15.00	15.00	-	15.00
postage & packing	0.83	0.17	1.00	1.00	0.20	1.20
Digswell Character Appraisal 2004	25.00	-	25.00	25.00	-	25.00
postage & packing	0.83	0.17	1.00	1.00	0.20	1.20
Welwyn Garden City Conservation Area Appraisal	15.00	-	15.00	15.00	-	15.00
postage & packing	0.83	0.17	1.00	1.00	0.20	1.20
High View Supplementary Planning Document	15.00	-	15.00	15.00	-	15.00
postage & packing	0.83	0.17	1.00	1.00	0.20	1.20

Description	2017-18			2018-19		
	Fee	Vat 20%	Total Fee	Fee	Vat 20%	Total Fee
Housing and Community Services	£	£	£	£	£	£
Immigration Inspection	262.65	-	262.65	270.00	-	270.00
Housing Act Notice*	303.85	-	303.85	310.00	-	310.00
*A fixed charge of £295 will applied for any single notice served. In addition an hourly rate of £40 will be added where multiple notices are served, and for the total amount of time taken to produce the single notice when it exceeds £295 (7.4 hours).						
Application for basic 5 person HMO*	906.40	-	906.40	930.00	-	930.00
Application for an HMO between 6 - 10 persons*	1,014.55	-	1,014.55	1,040.00	-	1,040.00
Application for an HMO with 11 or more persons*	1,117.55	-	1,117.55	1,145.00	-	1,145.00
* a discount of £200 will be applied for those applications which are valid for licenses that are received without a request from the Local Authority. This will also apply for licence renewals received within a specified time given by the Local Authority.						
Also, a discount of 10% will apply to accredited landlords. This will be applied following any other discount that is agreed.						
Officer time for work in default - Head of Service	67.66	13.53	81.19	68.34	13.67	82.01
Officer time for work in default - Private Sector Housing Manager	47.39	9.48	56.87	47.90	9.58	57.48
Officer time for work in default - Senior Housing Technician	43.41	8.68	52.10	43.85	8.77	52.62
Officer time for work in default - Housing Technician	30.41	6.08	36.49	30.71	6.14	36.85
Officer time for work in default - Support Officer	20.96	4.19	25.15	21.18	4.24	25.42
charges for works carried out during the following times						
Monday - Friday 7pm - 8am time and a half						
Saturday - time and a half						
Sunday & Bank Holidays - double time						
Allotments						
Plot with water per 25 sqm	11.37	-	11.37	11.37	-	11.37
Plot without water per 25sqm	6.92	-	6.92	6.92	-	6.92
Plot with water per 25 sqm - OAP` s	5.69	-	5.69	5.69	-	5.69
Plot without water per 25sqm - OAP` s	3.46	-	3.46	3.46	-	3.46
Landscape & Ecology						
High Hedge Enforcement Fee	525.00	-	525.00	525.00	-	525.00

Description	Original Budget (Restated) 2017/18 £'000	Proposed Budget 2018/19 £'000	Variance £'000
Dwelling Rents	(48,903)	(48,286)	617
Non Dwelling Rents	(463)	(513)	(50)
Tenants Charges for Services and Facilities	(1,610)	(1,621)	(11)
Leaseholders Charges for Services & Facilities	(863)	(939)	(76)
Contributions towards Expenditure	(239)	(251)	(12)
Other Income	(9)	(8)	1
Total Income	(52,086)	(51,618)	469
Repairs and Maintenance	9,103	9,117	14
Supervision and Management	7,217	7,838	621
Special Services	3,892	3,610	(281)
Rents, Rates, Taxes and Other Charges	738	852	114
Increase in Bad Debts Provision	350	725	375
Depreciation	13,465	14,273	808
Debt Management Expenses	34	39	5
Sums directed by Secretary of State	50	50	0
Total Expenditure	34,848	36,504	1,657
HRA share of corporate and democratic core	598	705	106
Interest Payable and Similar Charges	6,242	6,443	201
HRA Investment Income	(180)	(138)	42
Net Income after Interest and Other Items	(10,579)	(8,104)	2,475
Revenue Contribution to Capital	15,300	11,454	(3,846)
(Surplus) / Deficit	4,721	3,350	(1,371)

Forecast Opening HRA Working Balance	(10,736)	(6,015)
In-year (Surplus) / Deficit	4,721	3,350
Forecast Closing HRA Working Balance	(6,015)	(2,665)

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Dwelling Rents - Reduction in income of £617k

Rental income has decreased mainly as a result of the statutory rent reduction of 1% and adjusting for loss of rent from right to buys. Some of loss in rent from right to buy sales will be mitigated through buyback of properties and those coming on-stream from the new build projects. In addition to these changes, additional vacant properties have been factored in for the redevelopment of Minster House.

Non Dwelling Rents - Increase in income of £50k

An increase in garage rent charges of 2.5% will generate around £10k. The balance of £40k, is additional rental income to be realised from letting part of the JMC premises for a childrens' nursery which commenced in March 2017.

Leaseholders Charges for Services & Facilities - Increase in income of £76k

The budget reflects the service charge and major works that are expected to be billed by March 2019. In addition to roofing works, door entry and rewiring, it will include works recently completed on Woodhall House.

Supervision & Management - Increase in Expenditure of £621k

Special Services - Reduction in Expenditure of £271k

Corporate & Democratic Core - Increase in Expenditure of £106k

Net Increase in Management Costs of £456k

These three headings encompass total management costs but are disclosed separately according to accounting regulations. A restatement exercise has been undertaken to ensure costs are correctly allocated. The larger movements have been explained below:

The pay award at 2% has increased the overall salaries budget by about £75k. A review of vacant posts and recruitment thereafter in both repairs and maintenance and in housing management has resulted some of this increase being mitigated.

The pension triannual valuation in early 2017, resulted in higher costs for the HRA. An increase of £150k is required for the 2018/19 budget.

An additional £273k has been factored in for special projects and structural reviews (transformation programme).

The provision for legal fees has been increased by £30k to reflect current level of cases and average costs. This total budget is now £90k.

Inflation on utilities on housing estates has been increased by 5% equating to £15k.

Bi annual expenditure of £17k has been provided for towards the Electoral Reform service, which is every alternate year.

Expenditure on gas budget has been lower than budgeted in 2017/18. After allowing for inflation the budget has been reduced by £19k.

Rents, Rates, Taxes and Other Charges - Increase in expenditure of £114k

An increase of has been recommended for 2018/19 in the insurance budgets. This is based on the historical value and volume of claims.

Increase in Bad Debts Provision - Increase in expenditure of £375k

Universal Credit has been introduced at Welwyn Hatfield from 6 December 2017. Based on feedback and evidence from other authorities, it is likely the Council will see an increase in current rent arrears levels, and the bad debt assumptions have been increased accordingly.

Depreciation - Increase in expenditure of £880k

The depreciation charge to the HRA is a statutory charge based on the value of the Councils housing stock, and increases in line with its stock value. This charge is credited to the capital account and is used towards funding the HRA capital programme and repayment of borrowing.

Revenue Contribution to Capital - Reduction in expenditure of £3.846m

The revenue contribution to capital is the balancing item on the HRA. The remaining balance available, whilst leaving an adequate working balance, is contributed towards the capital programme to reduce any borrowing requirement for the year. A breakdown of the capital financing and loan repayments is included in appendix J.

Welwyn Hatfield Borough Council
Housing Revenue Account Fees and Charges 2018/19

Appendix H

Description	2017/18 Unit Charge £	2018/19 Unit Charge £
Data Protection Request*	10.00	10.00
Community Bus Hire		
Community Bus Hire - Local,*	25.50	26.75
Community Bus Hire - Hertford, Hoddesdon, Knebworth, St Albans*	33.00	34.50
Community Bus Hire - Potters Bar, Stevenage, Ware*	38.00	40.00
Community Bus Hire - Hemel Hempstead, Hitchin, Letchworth, Crews Hill, Whitewebbs, Waltham Cross/Abbey*	55.00	58.00
Community Bus Hire - Buntingford, Cheshunt, Harlow, Luton, Watford*	62.00	65.00
Community Bus Hire - Dunstable, Walthamstow, Wembley, Whipsnade*	77.00	80.00
Community Bus Hire - Aylesbury, Bedford & M.Keynes, Cambridge, Lakeside, London, Romford, Woburn, Chelmsford, Tiptree*	106.00	110.00
Community Bus Hire - Bluewater (no toll with registered blue badge and tax exempt)*	111.00	115.00
Community Bus Hire - Huntingdon, Northampton, Southend*	122.00	126.00
Community Bus Hire - Peterborough, Clacton*	134.00	138.00
Community Bus Hire - Voluntary. Note fuel usage from start of trip charged at 0.92p per mile*	25.50	26.75
Lunch Club Ryde Once a week term time only, £1 Trip from October 6 passengers*	1.10	1.20
Lunch Club *	1.10	1.20
Shopper Hopper*	3.00	3.00
Jim McDonald Centre and Kitchen (Hourly Rate)		
Jim McDonald Centre - Sports Hall*	25.00	25.00
Jim McDonald Centre - Sports Hall Charity/Local Authority Rate*	20.00	20.00
Jim McDonald Centre - Dining Room*	25.00	35.00
Jim McDonald Centre - Dining Room Charitiy/Local Authority Rate*	20.00	20.00
Jim McDonald Centre - Games Room*	15.00	15.00
Jim McDonald Centre - Games Room Charitiy/Local Authority Rate*	10.00	10.00
Jim McDonald Centre - Meeting Room*	8.00	10.00
Jim McDonald Centre - Meeting Room Charitiy/Local Authority Rate*	6.00	8.00
*VAT Charge included at prevailing rate		

**Welwyn Hatfield Borough Council
Housing Revenue Account Fees and Charges 2018/19**

Appendix H

Description	2017/18 Unit Charge £	2018/19 Unit Charge £
Jim McDonald Centre Foyer Refreshment		
Jim McDonald Kitchen		
Jim McDonald Kitchen - Main Meal*	4.00	4.00
Jim McDonald Kitchen - Pudding*	0.50	0.50
Jim McDonald Kitchen - Soup and Roll*	2.00	2.00
Jim McDonald Kitchen - Tea*	0.50	0.50
Jim McDonald Kitchen - Coffee*	0.60	0.80
Jim McDonald Kitchen - Orange Juice*	0.50	0.50
Jim McDonald Centre - Freddie's Den		
Child Entry*	3.00	3.00
Hot Food Kids Meal*	3.50	3.50
Freddie's Snack Packet*	3.00	3.00
Toasted Sandwich*	2.50	2.50
Coffee Regular*	1.60	1.70
Coffee Large*	2.00	2.20
Latte Regular*	1.60	1.80
Latte Large*	2.00	2.20
Cappuccino Regular*	1.70	1.80
Cappuccino Large*	2.10	2.30
Mocha Regular*	1.70	1.80
Mocha Large*	2.10	2.30
Hot Chocolate Large*	2.00	2.20
Babyccino Regular*	1.20	1.20
Tea Regular*	1.20	1.20
Herbal Tea Regular*	1.50	1.50
Fruit Shoot*	0.80	0.80
Pepsi & Diet*	1.00	1.00
Drench*	1.00	1.00
Water*	0.70	1.00
Squash Cup*	0.25	0.25
Squash Jug*	1.00	1.00
Cake*	1.30	1.30
Muffin*	1.30	1.30
Donut*	0.70	0.70
Cookie*	0.70	0.70
Gingerbread Man*	1.00	1.00
Flapjack*	1.15	1.15
Millionaire Shortbread*	1.15	1.15
Bronze Party*	99.00	99.00
Silver Party*	159.00	159.00
Gold Party*	204.00	204.00
*VAT Charge included at prevailing rate		

**Welwyn Hatfield Borough Council
Housing Revenue Account Fees and Charges 2018/19**

Appendix H

Description	2017/18 Unit Charge £	2018/19 Unit Charge £
Council Tenants Lifeline Charge	2.20	3.00
Non-Council Tenants Lifeline Charge	3.07	3.50
Replacement Key Fob	15.00	15.00
Communal Facilities Charge Neighbourhood Schemes	9.25	10.05
Communal Facilities Charge Communal Schemes	9.80	10.60
Pre 2003 tenants CFC Neighbourhood Schemes - 2nd year increase	3.08	6.70
Pre 2003 tenants CFC Communal Schemes - 2nd year increase	3.27	7.07
Communal Heating	7.28	7.28
Garage Rent	10.00	10.25
Garage Rent en bloc*	12.00	12.30
Hostel Washing Machine Use *	2.00	3.00
Hostel Tumble Dryer Use*	1.00	1.50
Howlands House - 1 Bedsit Running Cost	57.91	59.06
Howlands House - 1 Bedsit Utilities	14.83	15.13
Howlands House - 2 Bedsit Running Cost	62.57	63.82
Howlands House - 2 Bedsit Utilities	16.71	17.04
Howlands House - 2 ABC(Self Contained) Running Cost	57.91	59.07
Howlands House - 2 ABC(Self Contained)Utilities	14.83	15.13
Howlands House - 3 Bedsit Utilities Running Cost	68.36	69.73
Howlands House - 3 Bedsit Utilities	18.56	18.93
Hazel Grove House - 1 Bedroom Running Cost	39.36	40.15
Hazel Grove House - 1 Bedroom Utilities	16.71	17.04
Hazel Grove House - Bedsit Running Cost	40.55	41.36
Hazel Grove House - Bedsit Utilities	14.83	15.13
Hazel Grove House - 2 Bedroom Running Cost	39.36	40.15
Hazel Grove House - 2 Bedroom Utilities	18.56	18.93
*VAT Charge included at prevailing rate		

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Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
GENERAL FUND CAPITAL PROGRAMME							
5	Garage Renovations	214	214	214	214	214	214
6	Garage Forecourt Resurfacing	65	65	65	65	65	65
7	Garages Re-roofing	184	0	0	0	0	0
8	Ludwick Way Garages Preparation for Sale	0	0	30	0	0	0
9	Woodhall Redevelopment	0	0	0	170	0	0
10	Campus East Offices	80	0	0	0	0	0
11	Financial Management System Upgrade	89	0	0	0	0	0
12	Huntersbridge Car Park Lighting	40	0	0	0	0	0
13	Campus East Council Chamber	30	0	0	0	0	0
14	Cherry Tree Car Park Resurfacing	9	0	0	0	0	0
15	Campus East Garages	200	0	0	0	0	0
16	Building Management System Upgrade (Campus East)	33	0	0	0	0	0
17	Building Management System Upgrade (Campus West)	37	0	0	0	0	0
18	Huntersbridge Car Park Concrete Waterproofing	600	0	0	0	0	0
19	Campus East Chillers to Swegon System	60	0	0	0	0	0
20	Maizefield House Tile Replacement	75	0	0	0	0	0
21	Mill Green Museum Toilet Refurbishment	15	0	0	0	0	0
22	Haldens Flat Roof Refurbishment	50	0	0	0	0	0
23	Moors Walk Balcony Resurfacing	0	75	0	0	0	0
24	Air Conditioning Replacement Campus West	25	0	0	0	0	0
25	Campus East Fire Compartmentalisation	150	0	0	0	0	0
26	Campus East Toilet Refurbishments	100	0	0	0	0	0
27	Cole Green Lane Refurbishment	23	0	0	0	0	0
28	Litteridge Industrial Area Resurfacing	20	0	0	0	0	0

Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
29	Window Replacement Campus East (phase 2)	200	0	0	0	0	0
30	Stanborough Lakes Public Changing Block	80	0	0	0	0	0
31	Email Protective Marking	12	0	0	0	0	0
32	Telephone System Enhancements	32	0	0	0	0	0
33	Purchase of Culpit House 74-78 and 80-84 Hatfield	215	0	0	0	0	0
34	HTC Redevelopment of of 1 and 3-9	361	473	0	0	0	0
35	Hatfield Town Centre Public Realm	400	815	0	0	0	0
36	Highview Shops	499	384	0	0	0	0
37	Hatfield Town Centre Commons Multi Storey Car Park	1,000	5,027	0	0	0	0
38	Lemsford Road car park - new level build	300	1,027	0	0	0	0
39	Hatfield Town Centre 2030 & Link Drive	0	438	227	227	0	0
40	Hatfield Town Centre 2030 + Market Place	0	0	277	277	0	0
41	HTC Acquisitions	32	0	0	0	0	0
42	HTC Regeneration Phase 2	40	0	0	0	0	0
43	HTC Refurb of Flat 2	40	0	0	0	0	0
44	HTC Phase 2 Fees / Charges	6	0	0	0	0	0
45	Hatfield Market Replacement of Wiring	5	0	0	0	0	0
46	Ground Remediation at HRC (Wellfield Road)	9	0	0	0	0	0
47	HTC Fees for Redevelopment	107	0	0	0	0	0
48	HTC Flat Refurbishments	54	0	0	0	0	0
49	HTC Acquisition	49	0	0	0	0	0
50	HTC Residential Units Creation	116	0	0	0	0	0
51	HTC Shop Fronts 4&6 The Arcade	20	0	0	0	0	0
52	HTC Flat Roof Refurbishments	60	0	0	0	0	0
53	Property Investment	5,000	5,001	0	0	0	0

Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
54	Hatfield pop up Market Stalls	0	57	0	0	0	0
55	Campus East kitchen refurbishments	0	38	0	0	0	0
56	Welwyn Garden City Town Centre North	100	560	327	277	0	0
57	Salisbury Square	7	0	0	0	0	0
58	Mill Green Museum Window Replacement	0	50	0	0	0	0
59	Coronation Fountain refurbishment	0	35	0	0	0	0
60	Hatfield Swim Centre AC unit replacement gas	0	45	0	0	0	0
61	Hatfield Leisure Centre AC unit replacement gas	0	38	0	0	0	0
62	Christmas Lighting	0	30	0	0	0	0
63	Fiddlebridge/Little Ridge/Shops/Others	0	150	100	100	0	0
64	Multi Functional Devices - Replacement programme	22	15	15	15	15	15
65	ICT Rolling Programme / Refresh	114	100	100	100	100	100
66	Blade Infrastructure hardware renewal	0	175	0	0	0	0
67	SQL 2008 Server Upgrade	0	35	35	0	0	0
68	Corporate Envelope, Folding & Inserting Machine	0	21	0	0	0	0
69	VPN Connection (Remote Working)	30	0	0	0	0	0
70	Income Management System Upgrade and Licences	0	57	0	0	0	0
71	Meeting Room Projectors	0	16	0	0	0	0
	Sub-total - Head of Resources	11,009	14,941	1,390	1,445	394	394
73	Litter and dog bin replacement programme	20	20	20	20	25	25
74	Parking Programme	80	210	220	220	220	230
75	Play Area Replacement Scheme	50	50	50	50	50	55
76	Refuse and Recycling improvement programme	15	15	15	15	15	20
77	Replacement of sports equipment	0	15	0	0	15	0
78	Vehicle permit online payment system	0	15	0	0	0	0

Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
79	PLAN Off Street Parking	262	0	0	0	0	0
80	Bereavement Services	4,189	0	0	0	0	0
81	Permit Scheme Software	22	0	0	0	0	0
82	Waste Collection Software and Equipment	4	0	0	0	0	0
83	Campus West Car Park Improvements	150	0	0	0	0	0
84	Street Warden Replacement Vehicles	48	0	0	0	0	0
85	Construction of memorial plynths	0	50	0	50	0	50
	Sub-total - Head of Environment	4,840	375	305	355	325	380
87	Replacement of the Council's Intranet	0	75	0	0	0	0
88	Fire Safety Improvements to Mill Green Study Area	0	25	0	0	0	0
89	Splashlands Development	2,299	0	0	0	0	0
90	Development of Mobile Website and Systems Integration	29	0	0	0	0	0
91	King George V Football Pitches	137	0	0	0	0	0
92	Parks & Playing Fields - New Play Area Safety Surfacing	38	0	0	0	0	0
93	Netcall System (phase 3)	30	0	0	0	0	0
94	Campus West Toilet Refurbishment	160	0	0	0	0	0
95	King George V Refurbishment	124	0	0	0	0	0
96	Leisure Capital Programme	144	50	0	0	0	0
	Sub-total - Head of Policy & Culture	2,961	150	0	0	0	0
	Sub-total - Executive Director (Resources Environment and Cultural Service)	18,810	15,466	1,695	1,800	719	774
99	Community Infrastructure Levy Software	26	0	0	0	0	0
100	Replacement of Fastplanning, Fastcontrol and Fastcharges	231	0	0	0	0	0
101	Replacement Gazeteer	10	0	0	0	0	0
102	Angerland Football Improvement Schemes - Hatfield	800	0	0	0	0	0

Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
103	Angerland Rugby Improvement Schemes - Hatfield	200	0	0	0	0	0
	Sub-total - Head of Planning	1,267	0	0	0	0	0
105	Replacement of Courier Vehicle	15	0	0	0	0	0
	Sub-total - Head of Law and Administration	15	0	0	0	0	0
107	Infrastructure for electric pool cars	20	0	0	0	0	0
108	Northgate case management system - replace and enhance	0	75	0	0	0	0
109	Purchase of Air Quality Monitoring Equipment	0	26	0	0	0	0
	Sub-total - Head of Public Health and Protection	20	101	0	0	0	0
	Sub-total - Executive Director (Public Protection, Planning and Governance)	1,302	101	0	0	0	0
112	Decent Homes Private Sector	102	0	0	0	0	0
113	WGC Football Development Scheme	53	0	0	0	0	0
114	PRG Health	6	0	0	0	0	0
115	PRG Sunflower	20	0	0	0	0	0
116	PRG Community Inclusion	23	0	0	0	0	0
117	CCTV upgrades (WGC, Urban and Hatfield)	12	60	0	60	0	60
118	Housing Assistance Grants and Loans	30	30	30	30	30	30
119	Disabled Facilities Grant	732	441	441	441	441	441
	Sub-total - Head of Community and Housing Strategy	978	531	471	531	471	531
	Sub-total - Executive Director (Housing and Communities)	978	531	471	531	471	531
	Sub-total - General Fund	21,090	16,098	2,166	2,331	1,190	1,305

Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
HOUSING ACCOUNT CAPITAL PROGRAMME							
124	Electronic Document Management System	0	58	0	0	0	0
125	Orchard Mobile Working Solution	0	58	0	0	0	0
	Sub-total - Head of Housing Operations	0	116	0	0	0	0
127	Affordable Housing Programme - General	135	3,064	4,562	6,590	3,355	279
128	Affordable Housing Programme - Garden Avenue	2,437	192	3	0	0	0
129	Affordable Housing Programme - Furzen Grescent	2,193	140	2	0	0	0
130	Affordable Housing Programme - Little Mead	280	1,564	38	0	0	0
131	Affordable Housing Programme - Northdown Road	872	1,520	1	0	0	0
132	Open Market Purchases	11,464	8,668	5,417	5,417	5,417	5,417
133	Affordable Housing Programme - Grants to Registered Providers	767	1,198	1,950	3,125	375	0
134	Howlands House Redevelopment and Additional Units	68	122	4,120	6,490	880	0
135	Minster House Redevelopment and Additional Units	0	78	3,655	3,542	3,540	4,240
	Sub-total - Head of Community and Housing Strategy	18,216	16,546	19,748	25,164	13,567	9,936
137	Queensway House Refurbishment/Fire Works	188	200	0	0	0	0
138	Sheltered Refurbishment	954	350	0	0	0	0
139	Major Repairs	9,175	7,339	7,353	7,537	7,725	7,918
140	HSG Aids and Adaptations	1,140	849	861	874	887	901
141	Capital Project Management	345	352	359	366	373	381
142	HSG Insulation Improvements	15	30	31	32	33	34
143	HSG Carbon Monoxide	49	68	70	72	74	76
144	Gas Central Heating Replacement Program	1,910	1,713	1,764	1,808	1,853	1,900
145	Other Contractors Component Replacement Schemes	607	277	285	292	299	307
146	Door entry systems	590	483	497	510	523	536
147	Electricity mains	201	129	133	136	139	143

Proposed Capital Expenditure Programme 2017/18 - 2022/23

Appendix I

Ref	Project Title	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
148	Energy Improvement Works	408	0	0	0	0	0
149	Lift replacement	122	171	77	79	81	83
	Sub-total - Head of Housing Property Services	15,704	11,961	11,429	11,706	11,986	12,278
	Sub-total - Executive Director (Housing and Communities)	33,920	28,507	31,177	36,870	25,553	22,214
	Sub-total - Housing Account	33,920	28,507	31,177	36,870	25,553	22,214
	Total	55,010	44,721	33,343	39,201	26,743	23,519

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Capital Financing Summary

Appendix J

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
GENERAL FUND						
Total Expenditure	21,090	16,098	2,166	2,331	1,190	1,305
Capital Receipts and Reserves	(8,801)	(5,781)	(2,590)	(2,755)	(1,614)	(1,729)
Capital Grants and Contributions	(3,189)	(6,056)	(441)	(441)	(441)	(441)
Borrowing Requirement for Year	9,100	4,261	(865)	(865)	(865)	(865)
Cumulative Borrowing Requirement at year end	31,856	36,117	35,252	34,386	33,521	32,656
Capital Reserves and Grants Balance at year end	7,858	3,987	3,745	3,265	3,943	4,524
HOUSING REVENUE ACCOUNT						
Total Expenditure	33,920	28,507	31,177	36,870	25,553	22,214
Loan Repayment	15,300	17,100	18,800	20,000	21,400	22,700
Capital Receipts and Reserves	(19,832)	(16,003)	(16,495)	(17,031)	(17,751)	(18,305)
Restricted 141 Capital Receipts	(5,459)	(4,946)	(5,208)	(6,660)	(3,619)	(2,523)
Revenue Contribution to Capital	(15,300)	(11,334)	(6,650)	(6,457)	(6,756)	(7,184)
Borrowing Requirement for Year	8,629	13,324	21,624	26,721	18,827	16,903
Cumulative Borrowing Requirement at year end	251,899	245,228	241,332	244,156	250,877	248,304
Capital Reserves and Grants Balance at year end	20,130	23,507	27,066	29,638	35,735	34,969

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Statement of Capital Reserves and Grant Balances

Appendix K

	Capital Receipts Reserve (General Fund) £'000	Capital Grants and Contributions £'000	Total GRF Capital Reserves £'000	Capital Receipts Reserve (Housing Revenue Account) £'000	141 Receipts Reserve £'000	Major Repairs Reserve £'000	Total HRA Capital Reserves £'000	Total Capital Reserves £'000
Opening balance April 2017	14,035	1,860	15,895	0	17,692	4,661	22,353	38,248
Receipts	1,509	1,995	3,504	1,706	7,897	13,465	23,068	26,572
Use of reserves to finance capital spend	(8,352)	(3,189)	(11,541)	(1,706)	(5,459)	(18,126)	(25,291)	(36,832)
Forecast Closing Balance March 2018	7,192	666	7,858	0	20,130	0	20,130	27,988
Receipts	2,034	5,192	7,226	1,730	8,323	14,273	24,326	31,552
Use of reserves to finance capital spend	(6,056)	(5,041)	(11,097)	(1,730)	(4,946)	(14,273)	(20,949)	(32,046)
Forecast Closing Balance March 2019	3,170	817	3,987	0	23,507	0	23,507	27,494
Receipts	1,332	592	1,924	1,755	8,768	14,740	25,263	27,187
Use of reserves to finance capital spend	(1,725)	(441)	(2,166)	(1,755)	(5,208)	(14,740)	(21,703)	(23,869)
Forecast Closing Balance March 2020	2,777	968	3,745	0	27,066	0	27,066	30,811
Receipts	1,259	592	1,851	1,780	9,232	15,251	26,263	28,114
Use of reserves to finance capital spend	(1,890)	(441)	(2,331)	(1,780)	(6,660)	(15,251)	(23,691)	(26,022)
Forecast Closing Balance March 2021	2,146	1,119	3,265	0	29,638	0	29,638	32,903
Receipts	1,276	592	1,868	1,805	9,716	15,946	27,467	29,335
Use of reserves to finance capital spend	(749)	(441)	(1,190)	(1,805)	(3,619)	(15,946)	(21,370)	(22,560)
Forecast Closing Balance March 2022	2,673	1,270	3,943	0	35,735	0	35,735	39,678
Receipts	1,294	592	1,886	1,779	1,757	16,526	20,062	21,948
Use of reserves to finance capital spend	(864)	(441)	(1,305)	(1,779)	(2,523)	(16,526)	(20,828)	(22,133)
Forecast Closing Balance March 2023	3,103	1,421	4,524	0	34,969	0	34,969	39,493

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WELWYN HATFIELD BOROUGH COUNCIL
MEDIUM TERM FINANCIAL STRATEGY

2018/19 TO 2020/21



WELWYN
HATFIELD

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1 KEY MESSAGES FROM FINANCE PORTFOLIO HOLDER AND EXECUTIVE DIRECTOR

- 1.1 The medium term financial view for the Council has been prepared in unprecedented times of economic uncertainty and declining levels of public sector funding. Grant funding for local government in the traditional sense of revenue support grant will disappear completely over the current Parliament and local authorities will become more reliant on the more volatile income source of business rates.
- 1.2 Following an application in 2016, the Government confirmed the Council would be granted a multi-year settlement, with a view to providing more certainty to the levels of funding over the term of the Parliament.
- 1.3 Business Rates have become a more volatile source of funding, with changes to the appeals process, and proposals for a more regular revaluation cycle. The Government is also piloting the 100% business rates retention scheme and final details of how the scheme will work is yet to be finalised. This may bring further funding reductions, or additional burdens to the Council when the scheme is adopted nationally.
- 1.4 The New Homes Bonus scheme may also be subject to further changes and with the continuing fundamental review into local government funding, the level of resources available to the Authority over the medium term is actually much less than certain than would have been hoped through a multi-year settlement.
- 1.5 The Council has needed to deliver around £12m of savings since the start of public austerity in 2010 and so many quick win saving opportunities have been exhausted. The council will face some major decisions when considering its budget in the medium term. The priority has always been to safeguard frontline services where possible, but inevitably there have been and will continue to be some difficult decisions that result in changes to services for our residents, customers and businesses.
- 1.6 The Medium Term Financial Strategy (MTFS) sets out the Council's commitment to provide the best possible value for money for the community. It provides a framework for the Council to plan and manage its revenue resources up to 2020/21; the Council also operates a five-year capital programme (2018/19 – 2022/23) which details our long term investment plan.
- 1.7 The Council starts the next three years in a reasonably strong financial position with over £10m in general fund revenue reserves forecast at the start of 2018/19. Capital reserve balances for general fund activity were £15.9m at the start of 2017/18 but are reducing, and borrowing is being used to support some capital schemes. The ongoing sustainability of the capital investment programme will continuously need to be reviewed and prioritisation given to projects which are "invest to save" in nature and have a business plan which demonstrates a reasonable pay back of resources.
- 1.8 The HRA will have a good level of reserves going into 2017/18, amounting to around £6m; however, a number of significant changes such as the impact of welfare reform, the changes to the national rent setting policy as well as the uncertainty on the supporting people grant will continue to have a material impact on the HRA balance going forward. In addition, the Council's affordable housing programme, which aims to provide new affordable homes and maintain the councils stock levels, will require external borrowing to support it.

- 1.9 It is with this context that after a long period of seven years, with no increase in council tax (ending in 2016/17), our strategy over the medium term is to increase council tax by a small amount each year but below the level of inflation where possible.
- 1.10 As we move forward we are determined to continue with our successes and the medium term financial strategy provides the resources needed to achieve the ambitions set out in the Council's Business Plan.
- 1.11 There remain a number of uncertainties and risks to the Council's finances in the medium term, the details of which are contained within this strategy. Local government is being compelled to become financially self-sustainable and over the term of this MTFS it is expected that local tax, fees and charges for services and other locally driven income sources will become yet more important. We will continue to experience significant pressures on our services arising from demographic changes and an increasing population, the uncertainties surrounding the economy and continued high expectations of service delivery. We will keep our MTFS under review and make changes accordingly to reflect the rapidly changing environment in which we work.

Duncan Bell

Ka Ng

Executive Member for Resources

Executive Director

2 INTRODUCTION

- 2.1 Medium term financial planning is an important component of the Council's strategic planning framework. Key financial decisions need to be set in the context of a plan that looks beyond the next financial year. Forward planning offers the opportunity to link service and financial planning, as decisions taken on an annual basis are constrained in what they can achieve.
- 2.2 The Medium Term Financial Strategy (MTFS) provides the foundation against which the Council will strive to deliver the best possible value for money in the provision of efficient and cost effective services across the Borough. Through the effective development and delivery of the Authority's financial and other resource strategies it seeks to build upon past achievements as well as provide clear direction to the attainment of the Council's longer-term goals.
- 2.3 The medium-term financial planning process is an established part of the budget setting process. It provides a forecast of the cost of continuing to provide existing levels of service and the resources that are likely to be available to the Council over the period. It identifies any shortfalls and sets out how this will be managed. This document is reviewed at least annually; regular review and update is essential to ensure the MTFS takes full account of any changes in the Council's aspirations, strategic and service delivery priorities, changes in government legislation, financial regulation and funding streams.
- 2.4 The Medium Term Financial Strategy (MTFS) sets out how the Council will manage its revenue finances up to 2020/21 and also covers a five-year capital programme. The MTFS supports the delivery of the Council's objectives and priorities as set out in the Council's Business Plan.
- 2.5 Underpinning the Business Plan are the individual service plans and a number of other key strategies and plans as set out below. In each case, these set out the detail of how the Council will achieve its objectives and the relevant milestones that will measure progress.
- Asset Management Strategy
 - Capital Strategy
 - Climate Change Strategy
 - Information Technology Strategy
 - People Strategy
 - Procurement Strategy
 - Risk Management Strategy
 - Treasury Management Strategy
- 2.6 The development of the 2018/19 budget has taken place within the context of a longer term strategic and resource planning process. In particular it takes account of the latest Spending Review and the uncertain economic climate.
- 2.7 The Council's future financial outlook was likely to be more challenging over the next few years, because of reductions in overall public spending and the continued high expectation of public service delivery from the public. Given that the relatively easy wins for finding efficiency have already been taken meeting new cost pressures would require an increasingly rigorous and innovative approach to new ways of working, identifying efficiencies, enhanced productivity, and re-prioritisation of spending within services.

3 OBJECTIVES

3.1 The objectives of the Medium Term Financial Strategy are:

- To provide a financial plan of the resources available to deliver the Council's priorities and objectives.
- To ensure priorities identified as part of the Corporate Planning process inform the MTFS including importance, timing and financial implications
- To provide projections of spending, including spending pressures and income; and set expectations on council tax increases, over the next three years
- To provide projections for our investment in assets, (our capital spend) and its impact on general day to day revenue spending
- To test sensitivity of, and apply risk analysis, to projections.
- To provide a framework for consultation with the public and partners about our service priorities and resources allocated to them.

4 VISION FOR WELWYN HATFIELD

4.1 The MTFS supports the Council's overall vision of what it aims to achieve:

"To make Welwyn Hatfield a great place to live, work and study with a vibrant, growing economy."

5 LOCAL CONTEXT

5.1 Welwyn Hatfield contains two new towns. The borough also comprises a variety of large villages and small settlements.

5.2 A large part of the borough is open countryside and nearly 80 per cent of the area is Metropolitan Green Belt. Welwyn Hatfield is highly accessible by both road and rail. Motorway connections are good with the A1(M) passing through the borough north-south and connecting to the M25 to the south.

5.3 Welwyn Hatfield is estimated to have a resident population of just over 114,000. The Borough is regarded as one of the areas with the highest population growth within England and Wales.

6 WELWYN HATFIELD BUSINESS PLAN

6.1 The delivery of the Business Plan is supported by a number of strategic documents which shape the council's work in the borough. These documents are listed below:

- The Local Plan
- The Medium Term Financial Strategy
- Service Team Plans
- The Community Strategy
- The Equality and Diversity Delivery Plan

In addition the Plan is supported through partnerships with:

- Welwyn Hatfield Alliance Community Partnership
- Hertfordshire Forward Community Partnership.

6.2 Welwyn Hatfield has a list of Corporate Priorities which are

- Maintain a safe and healthy community
- Protect and enhance the environment
- Meet the Borough's housing needs
- Help build a strong local economy
- Engage with our communities and provide value for money

6.3 These priorities also represent the challenges faced by the council as it seeks to improve local quality of life for everyone who lives, works or visits the borough.

6.4 Everything we do is under pinned by our values. Our values demonstrate what is important to us in our dealings with residents, businesses, partners and staff. These are:

- We will be honest, clear and consistent about what we do
- We will be approachable, accountable and transparent in the way we communicate and conduct our business
- We will have respect for residents, businesses, partners and employees
- We will be fair in a policies and decision making, listening to the views and feedback we receive

6.5 The budget setting process takes into account the priority framework and the priorities have a direct implication on the acceptability of the budget.

6.6 The People Strategy sets out the key priorities for improving the way in which the Council manages its workforce in order to achieve the Corporate & Community targets. Our greatest asset is our employees and we must have committed, skilled and empowered employees in order to provide the best possible service standards to the residents of the Borough.

6.7 The medium term financial strategy sets out the resources required to deliver the priorities stated within the Business Plan and how those resources will be obtained.

7 CONSULTATION STRATEGY, APPROVAL AND COMMUNICATION PROCESS

- 7.1 The council has a Duty to Consult¹ and as such will carry out regular consultation with local people, customers, stakeholders, and partner organisations to establish current and future needs, the priorities of the community and how the Authority should fulfil its Best Value Duty² to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.2 The council will consult in a variety of ways including postal questionnaires (e.g. My Council survey), public meetings, attendance at community events, service feedback forms, and online consultation via the council's website. As well as listening to local views, service teams recognise the importance of providing timely and meaningful feedback to local communities on what can be, or has been done, to address any issues raised. In some instances, issues raised are turned into measurable targets which help the council demonstrate a positive outcome for local people.
- 7.3 The MTFS is submitted to Cabinet in January of each year for approval. It is subject to challenge and scrutiny through the Resources Overview and Scrutiny Committee before final approval by Full Council alongside the budget and tax setting decisions in February.
- 7.4 Once approved, the MTFS will be communicated to all stakeholders and staff. This will include using the internet/intranet and newsletters to staff and customers.
- 7.5 It is reviewed at least annually against the outturn and forecasts and updated as necessary.

Consultation with Business Ratepayers and local community and voluntary organisations

- 7.6 The Council will consult annually on its budget proposals with business ratepayers in accordance with statutory requirements
- 7.7 The Council will also consult with local community and voluntary organisations at appropriate times where there is likely to be interest in a proposed service change and in particular where the authority is considering the decommissioning of a service or funding.

¹ Section 3(2) of the Local Government Act 1999

² Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government and Public Involvement in Health Act 2007)

8 FINANCIAL PLANNING FRAMEWORK

- 8.1 The Council operates a medium to long term revenue and capital investment programme. The revenue plan covers a three year period, whilst the capital programme takes a five year view. The programme is revised annually to roll forward so as to incorporate a new year, as well as to review and revise for the outturn of financial years.
- 8.2 The future impact of all known issues have been considered as part of the 2018/19 budget setting process, including those which we already know about which may not impinge on our budgets until after the first year (2018/19). Outlined in the table below are the key stages involved in producing the budget.

June	Strategic priorities for the following year agreed by Members and Officers. Cabinet approves the framework for the budget setting process for the following year.
July / August	Officers are asked to submit bid forms requesting schemes to be incorporated into the capital and put forward efficiency and growth proposals for the revenue programme.
September/October	The MTFS budget is updated to reflect the new schemes submitted / amendments made to existing schemes. All of the schemes are initially challenged by Director (Finance & Operations) to ensure that the bids submitted have complied with the approved budget guidance.
October / November	All capital and revenue bids are then challenged and scrutinised by the Executive Board, then to a Members forum (Strategic Leadership Group) for comments and recommendations. Budget consultation with the public is also analysed and fed into the budget decision process.
December	Provisional Local Government Finance Settlement announced by the Government (this indicates the levels of capital and revenue grant given to the Council).
January	The draft capital and revenue programme is presented to the Executive Board, Resources and Overview Scrutiny Committee, then Cabinet for approval.
February	Full Council approves next financial year's capital and revenue budget, and the remaining years budget is noted and acknowledged as part of the Council's medium financial strategy for further investment needs
April	The new financial year commences and the budget approved is then assessed under the monitoring process.

9 ECONOMIC OUTLOOK

- 9.1 The Chancellor's Autumn Statement provided an updated forecast for growth in GDP, as shown in the table below. Against previous forecasts, which were around 2%, this is a marked reduction in forecast growth, resulting from a national reduction in productivity and sluggish investment.

Year	Economic Growth
2017/18	1.5%
2018/19	1.6%
2019/20	1.6%

- 9.2 The Consumer Price Inflation (CPI) and Retail Price Index (RPI) forecasts published in November 2017 are shown below:

Year	CPI	RPI
2017/18	2.7%	3.6%
2018/19	2.6%	3.4%
2019/20	2.1%	3.1%
2020/21	2.1%	3.2%

- 9.3 Many of the Council's contracts are linked to either RPI or RPIX as an inflationary increase. Low inflation means the pressure on contract budgets is lower but as can be seen from the table below inflation is expected to rise to over three per cent. As such, an assumption of annual inflation to reflect the above forecasts is built into the medium term estimates.
- 9.4 The Bank of England base rate was raised in November, to 0.5%, the first rise since 2007. The forecasts assume a low base rate will continue until 2019 which is consistent with the forecasts from our treasury advisors. The steady reduction in cash balances will result in a decline in investment income over the period.

10 GENERAL FUND REVENUE BUDGET

Financial Context

- 10.1 The development of the 2018/19-20120/21 Medium Term Financial Strategy has taken place in an era which continues to be one of the most challenging periods for Local Government.
- 10.2 The economic outlook has declined slightly as set out in 9.1, and the continuing austerity measures have led to unprecedented reductions in Local Authority funding. The austerity programme is likely to last until at least 2019/20.

Risks and Opportunities

- 10.3 This section highlights the risks and opportunities facing the Council in the medium term.
- Demographic
 - External Income
 - Inflation
 - Service Demand
 - Business Rates Retention and multi-year settlement
 - Other Developments

Demographic

- 10.4 Demographic factors affect the Council's planning in a number of ways:
- Changes in the number of households affect the tax base for Council Tax purposes, and hence the total amount which will be raised from this source
 - The characteristics of both population and households can help identify specific implications for the type and nature of many services provided by the Council
 - The above factors affect the level of demand for, and use of, services provided by the Council

The Office for National Statistics (ONS) estimated in previous Census that the population in Welwyn Hatfield was around 97,600 in 2001. This had increased substantially by 17% to 114,061 (based on mid-2013).

The Local Plan, subject to the outcome of the consultation, suggests a significant level of growth in the Borough over the life of the plan, to accommodate a growing population.

The tax base is calculated using the latest property data and an assumption for growth and a rate of non-collection. For 2018/19 our estimates suggest an increase in tax base of around 2.6% compared to 2016/17, bringing the total number of properties for tax setting purposes to 41,363.2. This increase reflects the number of properties delivered during 2017 and also an improved collection rate. In future years an assumed growth in the tax base of 0.8% is assumed.

External Income

10.5 The Council relies on a number of external income sources. The economic downturn had an adverse impact on some of our income streams, although in recent times the economic recovery has resulted in a corresponding improvement.

- The service areas affected by falling income during the economic downturn were principally planning, building control, and income from the sale of recyclables.
- The low bank rate, means that investment income is no longer a key income stream for the Council. The actual interest earned will be affected by the level of cash balances. The Council is in a borrowing position, and any decisions around investments and holding cash balances will take into consideration against the cost to carry of external debt, as set out in the Councils Treasury Management Policy.

10.6 The Council has a policy to maximise income from fees and charges where possible and practicable, however the current economic climate has in some areas, restricted the amount of income that could be generated externally.

Inflation

10.7 The financial impact of a 1% movement in pay inflation represents around a £0.12m change in the general fund employee budget. A 2% pay increase is anticipated for each year of the MTFS and will be subject to the national local government pay negotiations.

10.8 Budgets for contract payments are uplifted by appropriate indices as stated in the conditions of the contracts. The financial impact of a 1% movement in contractual inflation is around £0.11m. An allowance is also made for changes to business rates incurred by the Authority and also insurance costs. No inflationary increase has been applied to the general services budget, except specific items such as contracts and utilities.

Service demand

10.9 The demand for Council services remains high compared to historic levels. There is also an imposed demand by Central Government on local authorities to play a major part in revitalising the local economy and at the same time bear a significant part of the governments overall austerity measures in the form of reduced funding.

10.10 The increase in the demand on our services coupled with the loss of external income will restrict our ability to make radical improvements to our discretionary services.

Business rates retention and the multi-year settlement

10.11 Since April 2013 business rates are no longer pooled and redistributed in full nationally. Local authorities retain a proportion of business rates instead and get to keep a share in any growth in the baseline position.

10.12 The Multi Year Settlement was announced on in 2016. The Council's Efficiency plan was published in October 2016 and the Government has confirmed the Authority met the criteria for the multi-year settlement. As can be seen in the table below Revenue Support Grant is expected to fall to zero in 2019/20 and effectively go into the negative as a further

“adjustment” is introduced to the tariff. The total settlement is expected to continue to reduce over the period.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Revenue Support Grant	1.307	0.558	0.104	(0.403)
Business Rates Baseline	2.664	2.718	2.800	2.906
Total Settlement	3.971	3.276	2.904	2.503
Year on year change	-17%	-18%	-11%	-15%

10.13 Confirmation of the multi-year settlement should mean that the indicative settlement figures in the above table represent the minimum level of funding over the medium term. However, this level of funding is dependent on the amount of business rates actually collected and so there is a risk this will not be achieved, as well as an opportunity that funding will be greater if the collection of business rates is better than expected.

10.14 On 5 July 2016, DCLG published the consultation paper, “Self-sufficient local government: 100% Business Rates Retention”. Government intends to introduce 100% Business Rates Retention to local government by 2020. It is expected that, at the same time, the government will update the relative needs formulae (i.e. that determine the amount of resources that an authority will have if it collects at its business rates target).

10.15 There were a number of questions asked in the consultation about the principles underlying the system including the additional responsibilities that will be transferred to local government. While there are many unknowns at the moment about how this will impact on the Council’s funding it is clear that the system will have to include a means of redistribution and so while the sector may retain all the business rates collected it will not be possible for each individual Council to retain all the business rates collected in its particular area.

10.16 In the absence of any alternative system to model, our current forecasts assume the continuation of the current business rate retention scheme. In this scheme of the business rates collected the Council pays 50% to Central Government, 10% to Hertfordshire County Council and then a further “tariff” to central government before a levy is calculated on the growth above the “baseline”. This levy is then also paid to Central Government. The calculation in the table below, is the baseline position, without any gains from pooling arrangements.

10.17 The amount of business rates collected has grown above the Government’s assessed “baseline” for the Borough. This means the amount forecast to be retained is more than the amount indicated in the financial settlement as the baseline and a levy is due to be paid. This is demonstrated in the following table.

Total forecasted amount of business rates retained by Welwyn Hatfield Borough Council

		Original Budget 2017/18 £000	Estimate 2018/19 £000
A	Business Rates Collectable	58,810	60,640
B	Government share @ 50%	(29,405)	(30,320)
C	HCC share @ 10%	(5,882)	(6,064)
D	Tariff payable to Government	(19,157)	(19,574)
E1	Welwyn Hatfield share before Levy (A+B+C+D)	4,366	4,682
E2	Adj. for Small Business Rate Relief and Shops and Empty Property reliefs'	319	320
E3	Welwyn Hatfield adjusted share	4,686	5,002
F	Baseline funding level	2,716	2,800
G	Welwyn Hatfield adj. share less baseline funding level (E3-F)	1,970	2,202
H	Levy payable to Government @ 50% (G * 0.5) (*)	(985)	(1,101)
J	Retained business rate income (E1+H)	3,381	3,581

10.18 The Council is now exposed to the risk of successful appeals which reduce the rateable value of properties. As such, it is necessary to estimate the level of success for current and future appeals and make an appropriate provision. This is done by applying a success and likelihood factor to the list of current outstanding appeals based on past experience. By nature there is significant scope for variation in the actual amount of successful appeals and so it is likely the collection fund will either be in surplus or deficit at each year end, which has to be charged to the general fund in the following financial year. To help mitigate this potential volatility the Council will hold a reserve balance of over-achieved retained business rates to use to cushion against future deficits.

Council tax support grant for parish and town councils

10.19 Direct identifiable funding for the provision of our Local Council Tax Reduction Scheme ended in 2013/14. Since then the Authority has had to manage the cost of the scheme through the tax base and the collection fund.

10.20 Previous Local Government Ministers have stated that billing authorities should carry on passing on a local council tax support grant to town councils and parishes to help mitigate any reduction in their tax base due to the local Council Tax support scheme even though this funding to the Borough Council ended and was wrapped into the reducing financial settlement.

10.21 There is no legislative duty for billing authorities to pass down funding to Parish and Town Councils. The policy is to continue to reduce the level of grant each year over the term of the MTFs by the same amount as the reduction in revenue support grant from central government. As such the grant to be apportioned to parishes will be £5,000 in 2018/19 and then will cease completely in 2019/20.

New Homes Bonus Scheme

- 10.22 The New Homes Bonus Scheme was introduced in 2011/12 as a way to encourage local authorities to facilitate housing growth. In essence, for every additional property built or brought back into use, the government match funds the additional council tax, with an additional amount for affordable homes, for the following six years. The grant has been paid as an un-ringfenced grant and split 80% to lower tier Authorities and 20% to the upper tier. Welwyn Hatfield received a New Homes Bonus grant of £2.042 in 2017/18.
- 10.23 The Government consulted during 2016 on proposed changes to the scheme and changes were confirmed as part of the 2017/18 final settlement announcement in February 2017. In anticipation of further reductions in this funding, a proportion of the annual amount received will be transferred into the strategic reserve for one-off strategic projects. This will ensure that in the short term funds are available for innovative projects and capital schemes, and will reduce the financial reliance on uncertain funds for the general running expenditure of the Council. This will help the Council to become financially self-sustainable over the course of the MTFS.

Other Developments

Pension

- 10.24 The most recently published actuarial draft valuations (2016) for the whole fund show that the Welwyn Hatfield Council element of the fund continues to be in deficit. The overall deficit position of the pension fund had improved slightly compared to valuation 2013, however the fund was only 78% funded.
- 10.25 The actuary has agreed to the smoothing of funding the structural deficit over a 20 year timeline. The recent valuation for the Council requires employer contributions of 18.3% of pensionable pay plus an annual lump sum payment of £1.1 million in years 2017/18 to 2019/20 (total for General Fund and HRA).
- 10.26 Automatic Enrolment has been established by the Government as a requirement for employers to provide a pension scheme for employees. The Local Government Pension Scheme (LGPS) is a qualifying scheme for the purposes of Automatic Enrolment within the terms set out by the Pension Regulator. The MTFS assumes employees will be part of the pension scheme.
- 10.27 It should be noted the employee can still choose to opt out of the scheme, but the Council must not mention any option of how to opt out of the scheme during enrolment as it could be seen as an inducement not to join the scheme and could expose the council to a fine from the pensions regulator.

Universal Credits

- 10.28 Universal Credits has been introduced through the Welfare Reform Bill and was expanded in December 2017 for working age claimants in the Borough.
- 10.29 Universal Credits are an integrated working-age credit that will provide a basic allowance with additional elements for children, disability, housing and caring. It will support people both in and out of work, replacing Working Tax Credit, Child Tax Credit, Housing Benefit, Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance. For local authorities, this means the link between Housing Benefit and Council Tax Support will be broken and that universal credits will be administered by

the Department for Work and Pensions. Although current plans do not change the delivery of housing benefit for pensioners.

10.30 At this stage the indications are that the Council will continue to have a role in delivering housing benefit to pensioners for the foreseeable future, although it is less clear whether there is a role for local authorities to deal with non-mainstream Housing Benefit cases (e.g. people living in supported or temporary accommodation) and what role the Council will have to play in delivering face-to-face contact for those who cannot use other channels to claim. The transition to universal credit will have profound implications for many council employees, councils systems and contractual arrangements with private suppliers.

10.31 For the purpose of the General Fund forecasts, it is assumed that the costs resulting from the reform will be fully met by the government under the new burdens doctrine. For the HRA, based upon evidence from other local Authorities, it is assumed that there will be an increase in the level of debt arising from changes to Universal Credit, and as such the bad debts provision has been increased.

Land Charges (transfer of responsibility to Land Registry)

10.32 Section 34 of the 2015 Infrastructure Act enables the transfer of responsibility for all local land charges searches from local authorities to Land Registry, creating a single and central electronic register. The transfer will happen in stages and we will be notified of relevant dates following the necessary secondary legislation. Local Authorities will continue to be responsible for collecting and updating information and also for making CON29 searches. The Government has suggested that the Land Registry will meet all costs for the transfer.

2018/19 General Fund Budget

10.33 As part of the budget setting process, Members have examined information provided by Directorates relating to the level of existing resources in each service areas, including the number of staff employed and comparisons have been drawn with historical expenditure data to identify savings areas. All budget options have been considered in the context of current service performance and priorities and all the growth bids went through a challenge process.

10.34 The net general fund budget consists of expenditure incurred to deliver the wide range of services provided by the Borough Council and income directly generated for those specific services. This can be in the form of fees and charges, rental income, government grants etc. For 2018/19 the estimated net general fund cost of services is budget of £14.530 million.

10.35 The net general fund budget is funded by non-specific government grants, local taxation and use of earmarked and general reserve balances. Over recent years government funding has been reducing, council tax has been frozen and so income generated via fees and charges and retained business rates has become more critical areas of funding for the Authority.

11 RISK MANAGEMENT

11.1 Risk Management is a key feature of the Council's financial planning process

11.2 The Council is very aware of the need for effective risk management and considers that the assessment and minimisation of all types of risk to be vital. It has a Risk Management

Strategy in place, and the financial risks to the Council are assessed in the context of the overall approach to risk management.

- 11.3 To mitigate risk the Council regularly monitors its budgets, the Clearview system is used by Welwyn Hatfield to identify, monitor and reports on risks. The quarterly performance clinics provide a platform for the Members to scrutinise the financial and non-financial performance (e.g. local and national indicators)
- 11.4 Details of some of the key financial the risks facing the Council are highlighted in section 10 and the table below summarises the financial implications if assumptions made in the MTFS change in the future (the details of which are included in section 10 also). This gives some indications to the kind of risks which need to be allowed for in considering the level of reserves in future years.

Scenario	Estimated Cumulative financial impact		
	2018/19	2019/20	2020/21
	£m	£m	£m
Inflation - Pay award 1% higher than assumed	0.12	0.12	0.12
Inflation on contracts - 1% higher than assumed	0.11	0.11	0.11
Ongoing growth (10% higher than forecasted)	0.06	0.08	0.08
Savings (10% of savings not delivered)	0.10	0.16	0.18
Corporate Income - 5% lower than assumed	0.28	0.25	0.21
Income from fees and charges (5% lower)	0.66	0.68	0.69
Budget requirement - 1% overspent	0.28	0.28	0.28
Total	1.61	1.68	1.67

12 COUNCIL TAX

- 12.1 The Council is committed to do all it can to reduce the financial burdens placed upon its residents during a period of difficult economic circumstances. The Council froze its average band D council tax for seven consecutive years, which resulted in a cumulative erosion in the income from council tax. A tax increase of £5 per annum was approved for 2017/18.
- 12.2 For 2018/19, the Council will be allowed increases of less than 3% or up to and including £5, whichever is higher, without triggering the need for a referendum. If Welwyn Hatfield chose to increase the average band D council tax by £5, this increase alone would result in an extra £626k income by 2020/21. This would support the Council in delivering its saving requirements, and to becoming more self-reliant during the term of the MTFS.
- 12.3 The local growth plan is likely to suggest a continuing upward trend in the population growth and this should be reflected in the council's tax base. To summarise, the projection of tax base is estimated to be increased by 0.8% per annum after 2018/19.
- 12.4 A copy of the medium term financial forecast on the general fund is attached in appendix A.

Effect of a £5 increase followed by 1.5% increase			
	2018/19	2019/20	2020/21
Council Tax Band D increase (WHBC portion only)	2.48%	1.50%	1.50%
Increase	£5.00	£3.09	£3.15
Average Band D tax	206.61	209.70	212.85
Adjusted tax base taking into account council tax support scheme	41,363.20	41,714.30	42,048.00
Additional Amount Raised from 2018/19 Increase (£'000)	207	209	210
Additional Amount Raised from 2019/20 Increase (£'000)		129	130
Additional Amount Raised from 2020/21 Increase (£'000)			132
Total Additional precept as a result of increases (£'000)	207	337	473
Council Tax Precept (£000)	8,546	8,747	8,950

13 VALUE FOR MONEY AND EFFICIENCY

- 13.1 Value for Money (VFM) is an assessment of whether or not we obtain the maximum benefit from the goods and services we both acquire and provide, within the resources available to achieve it. This assessment includes considerations about suitability, quality, whole life costs and the relationship between economy, efficiency and effectiveness.
- 13.2 Value for money remains an integral part of the external audit opinion. Although the Use of Resources regime has been abolished a considerable amount of work had been input by both officers and the external audit team. The general feedback was that the council had consolidated previous improvements and demonstrates good value for money across our services.
- 13.3 The Council's Value for Money Strategy provides a framework on how the Council will optimise the use of its resources.

Efficiencies

- 13.4 A key part of the Council's ethos is its focus on achieving efficiencies. This is a main driver during the budget and planning process; ensuring resources are directed in the appropriate areas and is embedded across the whole authority. Service efficiencies are monitored and reviewed highlighting where savings can be made.

- 13.5 The Council is committed to delivering efficiencies to drive costs down and improve services.
- 13.6 It is evident from the spending review that finding efficiencies to deliver a balanced budget will be a significant challenge as well as looking for opportunities to invest in improving services. Our approach to source efficiencies beyond 2018/19 will be via:
- Exploring new areas of income generation activities
 - Asset use optimisation and seeking commercial opportunities
 - Effective use of assets – challenging the asset base and the use of assets and looking to manage and plan maintenance in the most effective way
 - Working in partnership with both private, charitable and public bodies to improve quality and scope of service and reduce costs, including models for sharing
 - Improving efficiency where possible but the scale of the financial constraint will almost certainly require reductions in services.
 - Smarter procurement processes and ways of working.
- 13.7 While the budget setting process is focused on the preparation of the budget for the following financial year it is clear from government funding forecasts that the Authority is facing a growing budget gap over the medium term period. In order to ensure the Council looks to future and takes the necessary action to maintain financial sustainability the annual budget process also focusses on the delivery of longer term projects to deliver efficiencies and increased income in future years.
- 13.8 Longer term projects are likely to require some upfront investment and so an annual allowance for corporate projects will be maintained in the base budget and a strategic reserve maintained with contributions of the New Homes Bonus to ensure resources are available as and when required.
- 13.9 The Council's efficiency plan is annually updated with progress against the longer term projects to inform the budget setting process.

14 INCOME GENERATION

Forecasting Income

- 14.1 The assumptions built into the MTFs regarding grants from central government are highlighted in section 10, this section covers the income from fees and charges.

Policy on Fees and Charges

- 14.2 The Council is looking to maximise the potential from fees and charges. A significant proportion of our income is from fees and charges and a balance has to be struck between meeting our statutory responsibilities and our subsidies on providing discretionary services. The Council takes the view that raising charges to recover costs is more preferable to removing the service completely. Charges are set after taking into account

local circumstances (including economic conditions) and the user's ability to pay. The Council's fees and charges will normally increase at least in line with inflation or where appropriate statutory defined fees and charges increases. Increased or reduced income due to volume changes or charge proposals above or below inflation are addressed through the budget setting process.

- 14.3 The full list of fees and charges is shown in the General Fund January Cabinet report.
- 14.4 It is recognised that in developing a strategy for specific charges it is important to consider a number of factors on an options appraisal basis i.e. considering affordability, comparability and the implications of changing charges on forecasted income levels.
- 14.5 Concessionary charges should be as appropriate to the circumstances of the customer while encouraging increased participation for less advantaged groups. This should not lead to unjustifiable preferential treatment.
- 14.6 The Council's longer term policy has three fundamental principals:
- Services should raise income wherever there is a power or duty to do so.
 - The income raised should cover the full costs of providing the service including all overheads.
 - Any departures from this policy must be justified in a transparent manner with reference to the Council's priorities and policies.
- 14.7 When the Council does not raise income in areas where it has the power to do so, it foregoes the opportunity to raise money to improve services and leaves less money available for spending on high priority services. Members must be supplied with information to allow them to make decisions in a structured and explicit manner. A decision to forego income or to subsidise a service is a policy decision about resources as significant as any decision made in the budget setting process.

Developing the New Trading and Charging Powers

- 14.8 The Council has developed a number of partnership arrangements for delivery of services, and would not view extension of its own provision of services as a high priority. However, there are a number of possibilities that could be considered as Local Government provides more examples of models of this form of service provision.

Income and Debt Management

- 14.9 The Council has a good history of debt collection. The Council continues to build on this to maximise income received and minimise income written off. Monitoring information which is produced monthly has been enhanced to provide information on evaluating the effectiveness of debt recovery actions, associated costs, and the cost of not recovering debt promptly.

15 USE OF RESERVES

- 15.1 The Council will retain its approved minimum reserve level of £1.6m, reviewing this regularly in the light of changing financial risk assessment. Based on previous guidance

from the Audit Commission (that reserves should be at least 5% of turnover), the Council should set an absolute minimum level of around £0.8m.

- 15.2 Risks to the Council's financial position could derive potentially from budget overspend, loss of income, contractual/legislative failure or challenge and emergency events. Historically, the Council has a very good record of outturn financial position being within budget. However, local government finance reform is continuing to transfer greater risk and opportunity to Local Authorities with regard to the retention of business rates. This key source of income is uncertain (unlike the previous regime when grant funding was certain for the year) and so holding additional provision in reserves is prudent.
- 15.3 The level of risk posed by contractual or legislative failure and emergency events is difficult to predict, but it would be a low probability with a potentially high impact. However, it is not appropriate to set aside large amounts of reserve against the possibility of this happening. Therefore it is felt prudent to set aside a further amount of £0.8m that is similar to the previously recommended minimum level.
- 15.4 In setting budgets and projections for individual years, it is important that the use of reserves is not increasing and creating an unsustainable future problem. To achieve this it is important to note the requirement to meet the budget gap savings identified in Appendix A.
- 15.5 A summary of the General Fund reserves is shown in the table below and is based on a budget projection that includes aspects such as inflation, pension fund contributions and a number of priority and statutory growth pressures offset by savings identified. The overall aim is ensure that reserves do not fall below £1.6m and the current projections keep well within this target. A copy of the policy for reserves and balances can be found in appendix B.

Reserves Summary (taking into account 16/17 out-turn)	2017/18	2018/19	2019/20	2020/21
Balance b/f				
General Fund Reserves	8,329	8,190	8,190	8,190
Strategic Reserves	1,045	1,077	1,399	1,762
Ring-fenced/Earmarked Reserves	1,824	1,681	1,550	1,550
Total	11,198	10,948	11,139	11,502
Projected Movement				
General Fund Reserves	(139)	0	0	0
Strategic Reserves	32	322	363	571
Ring-fenced/Earmarked Reserves	(143)	(131)	0	0
Total	(250)	191	363	571
Balance c/f				
General Fund Reserves	8,190	8,190	8,190	8,190
Strategic Reserves	1,077	1,399	1,762	2,333
Ring-fenced/Earmarked Reserves	1,681	1,550	1,550	1,550
Total	10,948	11,139	11,502	12,073

16 CAPITAL

Capital spend and funding

16.1 The Council's Capital Strategy sets out how the Council will manage its capital investments in the future. It is agreed on an annual basis and serves the following purposes:

- It sets out how capital contributes to the achievement of the Council's corporate objectives.
- It establishes the criteria for the allocation of capital resources.
- It provides a framework for the administration of capital projects and monitoring of outcomes.

16.2 The Council's capital programme has in general always been funded by the use of capital receipts, contributions, major repairs reserve or from capital grants. However, levels of capital receipts have fallen over time as the number of assets identified for the disposal list has reduced. This has meant it has been necessary to internally borrow cash balances to fund some of the capital programme.

16.3 The current five year capital programme is underpinned by capital receipts generated through the sale of homes through the right to buy programme as well as further internal borrowing.

16.4 The extent of the capital programme will be influenced by the ongoing affordability of the level of internal borrowing needed to fund the programme. A minimum level of revenue provision is charged to the general fund to repay the borrowing over the life of the asset. New capital schemes for the programme will, therefore, be prioritised if there is a financial business case which can demonstrate a revenue return on the investment to the general fund and/or the Housing Revenue Account.

16.5 The Council is able to use receipts from sales of General Fund assets and limited income from Council House sales to fund any type of capital expenditure. In addition there are ring-fenced funds for capital spend and repayment of borrowing on housing from the Major Repairs Allowance.

16.6 The current programme for 2018/19 to 2022/23 has been set out in detail and is deemed to be affordable.

Revenue implications of capital programme

16.7 The key driver for the Council's approach to capital expenditure is revenue affordability.

16.8 Most Capital Projects have financial implications on the annual Revenue Budget. The revenue implications can take a variety of forms and they include:

- Capital financing costs
- Loss of investment income
- Annual non-capital financing costs, e.g.
 - Salaries
 - Rent
 - Rates
 - Energy costs
 - On-going maintenance costs
 - Income generated from the scheme or project

16.9 The revenue implication of the capital programme has been built into the general fund forecasts in the MTFs.

17 HOUSING REVENUE ACCOUNT (HRA) BUDGET

17.1 The HRA is a ring-fenced account relating to the council's landlord function. The self-financing system introduced in 2012 for the HRA removed the uncertainty caused by the old annual subsidy announcements and has allowed for better longer term financial planning for the ring fenced account. Since April 2016 the government have decided to implement direct control over council rent setting and have instigated a four year programme of 1% reductions for social housing rents. This is a reversal of previous policy and has led to a revision of the debt strategy for the HRA moving forward.

17.2 The core constituents of the account are rent income; both capital and revenue maintenance of the housing stock; management costs; and debt repayments. As the account has been carrying a fairly high balance, the council has also been making revenue contributions to capital expenditure as well. This has been most recently used for the provision of new properties, supplementing retained right to buy receipts. However, with the incorporation of the new government rent strategy into the projections these contributions will reduce. As a ring fenced account, any balances at the year-end are accumulated and carried forward for use in future years.

17.3 A large proportion of the expenditure on the account relates to services provided through long-term partnering contracts, linked to maintaining the decent homes standard and sound asset management. These contracts are aimed at improving value for money and generating ongoing efficiency savings. This is particularly true of the 15 year maintenance contract, with Mears, which commenced in October 2007. The council have also let a long term gas maintenance contract to TSG in 2014 that is expected to deliver an improved and more efficient service over a contract term of 10 years. While these two contracts form the bulk of maintenance spending, further procurement work has continued on some of the smaller electrical and specialist maintenance areas, with the expectation of greater value for money and efficiency gains.

17.4 The process for setting financial targets for HRA services is the same as for general fund services in terms of links to the Business Plan, Corporate Objectives and service planning and setting the approved budget.

17.5 The HRA projection is set with regard to the council's overall Housing Business Plan.

17.6 The table after paragraph 17.9 shows the HRA position to 2022/23 based on projected activity and including the government's planned rent reductions. The table also includes restructured debt payments, necessary due to reducing rent levels and for investment in new stock, in support of the affordable housing programme. This will enable the HRA to

replace some of the sold stock and continue to meet the council's legal duty regarding qualifying homelessness cases and is well within the headroom available.

- 17.7 In previous years the council has taken the position of a managed reduction of the balances held in the HRA, with the intention of leaving a reasonable reserve in the accounts of £5m. For 2018/19, this will be amended to 5% income, to minimise borrowing costs and maintain reserves directly linked to the size of the service. The HRA will then remain at a breakeven position over the rest of the projected period, due to the inclusion of further borrowing to support capital spending.
- 17.8 Right to buy sales continue to reduce stock numbers, but this is being mitigated by the affordable housing programme. In the longer term continued reduction in stock numbers would damage the economies of scale within the account and this is considered as part of the HRA business planning process.
- 17.9 As reported last year, welfare reform continues to be a large threat to the sustainability of the account, mainly as many of the changes are still not finalised or fully implemented and some have not had time to take full effect. To date financial performance has remained strong and rent collection levels have continued to be very high. Further reductions to the benefit cap, wider roll out of universal credit payments direct to customers and the cumulative impact of previous reforms make this a continued area of concern. For these reasons an increased bad debt provision charge has been assumed.

	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000
Rental Income	49,277	48,672	47,896	49,191
Void Losses	(374)	(370)	(366)	(377)
Service Charges	2,473	2,544	2,621	2,699
Non-Dwelling Income	463	513	528	544
Grants & Other Income	247	259	262	265
Total Income	52,086	51,618	50,941	52,321
General Management	(7,217)	(7,838)	(7,821)	(8,071)
Special Management	(3,892)	(3,610)	(3,718)	(3,829)
Other Management	(1,420)	(1,645)	(1,695)	(1,745)
Rent Rebates	0	0	0	0
Bad Debt Provision	(350)	(725)	(716)	(737)
Responsive & Cyclical Repairs	(9,103)	(9,116)	(9,187)	(9,447)
Total Revenue Expenditure	(21,980)	(22,934)	(23,137)	(23,830)
Interest Paid	(6,242)	(6,443)	(6,698)	(7,156)
Finance Administration	0	0	0	0
Interest Received	167	138	280	363
Depreciation	(13,465)	(14,273)	(14,740)	(15,251)
Net Operating Income	10,566	8,107	6,646	6,448
Revenue Contribution to Capital	(15,300)	(11,454)	(6,650)	(6,457)
Net surplus/(deficit)	(4,734)	(3,347)	(4)	(9)
Opening HRA Balance	10,737	6,003	2,656	2,652
Closing HRA Balance	6,003	2,656	2,652	2,643

- 17.10 The Major Repairs Allowance (MRA) will continue to be a primary source of capital funding for the housing stock. The current asset management plan has been funded within this allowance. The statutory changes to depreciation, have resulted in a higher contribution to the Major repairs reserve and a balance over and above that needed for the capital programme. As such, the remaining balance will be used towards loan repayments.
- 17.11 Overall, the HRA and its supporting capital programme are projected to be in a sustainable position over the next five years, but this is only possible by re-financing the current debt on the account for the continuation of the affordable housing programme. There are also still significant risks in the medium term, particularly to income streams, from the changes to the welfare system and the potential of large payments to the government to support the extension of the right to buy programme.

18 TREASURY MANAGEMENT LINKS WITH FINANCIAL STRATEGY

- 18.1 The Council will continue to invest in accordance with the Treasury Management Strategy and will plan any consideration of borrowing closely through the financial strategy and Asset Management Plan and five year Capital Budget.
- 18.2 Investment income is used to support the budgets of the authority and movements in interest rates can result in significant changes. This is considered in more detail in the Treasury management and Investment strategy which is submitted for Cabinet Approval.

19 WORKING WITH PARTNERS

- 19.1 The council works with partners and other key stakeholders to deliver services within Welwyn Hatfield.
- 19.2 Some of the significant financial arrangements are with:

Serco

The Council has a £5.3m per annum contract for provision of street scene activities, grounds maintenance and refuse collection. The contract expires on 31 March 2020.

Mears

This is a 15 year contract for provision of housing maintenance for council dwellings, to the value of £14m per annum. The contract expires on 30 September 2022.

Sopra Steria

The Council has a 12 year contract for the delivery of Council Tax, Housing Benefits, ICT and Customer Services to the value of £3m per annum. This contract expires on 31 December 2022.

Local Strategic Partnership

- 19.3 A well organised Local Strategic Partnership exists to promote strong partnership working in areas where we are not the lead organisation.

Shared Services

- 19.4 Some shared arrangements exist for providing services within the organisation. The Authority is a partner of the Hertfordshire Shared Internal Audit Service and in 2016

became one of 7 Authorities to start a joint Building Control service across Hertfordshire. The Council also shares a Procurement Officer with other Hertfordshire districts and works with North Hertfordshire District Council in the provision of the Local Land and Property Gazetteer service.

20 EQUALITY IMPACT ASSESSMENTS (EIA)

- 20.1 The council is committed to ensuring equality and diversity issues are given proper consideration. Equality Impact Assessments an important part of our decision making to enable us to asses the impact of decisions on our residents, stakeholders and customers. Where the impact is high mitigation plans can be developed to reduce the impact of decisions. These are completed in accordance with national guidance and best practice.
- 20.2 In developing individual budget proposals officers are requested to undertake an equality impact assessment.

21 CONCLUSION

21.1 The MTFS should be considered in the context of the following issues:

- The unprecedented reductions to local government funding as indicated in the Chancellor's Autumn Statement.
- The Council's robust financial management as shown by the healthy General Fund balances, robust financial controls and excellent track record in achieving efficiency savings
- That challenging decisions will still need to be made to safeguard frontline services and maintain a balanced budget.

21.2 The next three years will see the Council use some cash balances for internal borrowing for the General Fund capital programme. Key schemes included in the capital programme have been designed to improve the position of the general fund over the medium term, which currently has an anticipated £2.1m gap to be closed. The HRA can no longer support the both the ambitious affordable housing programme and current debt repayment schedule without undertaking further borrowing.

List of Appendices

Appendix A sets out medium term projections for the General Fund

Appendix B shows the Policy on reserves and balances

Appendix A - Medium term financial strategy 2019/20 - 2020/21

MTFS Forecast Savings Requirement Based on 2018/19 Budget

	2019/20	2020/21
	£000	£000
Net cost of services	14,530	14,436
Remove one off budgets	(410)	(50)
Base budget	14,120	14,386
Pay Inflation	258	263
Contractual Inflation	361	384
Income Inflation	(342)	(351)
One off growth items	50	0
Ongoing growth	138	66
Savings	(885)	(360)
Interest payable and MRP	374	0
Budget before transfers to/from reserves	14,073	14,388
Transfer (from)/ to Strategic Initiative Reserve	363	208
Corporate income (Retained Business Rates + RSG + New Homes Bonus + other grants)	(5,001)	(4,268)
Council Tax Income	(8,747)	(8,950)
Budget (Surplus) / Deficit	688	1,378

Appendix B – Policy on Reserves and Balances

Purpose

A Policy for Reserve and Balances represents good financial management and should be reviewed annually.

CIPFA guidelines were reissued in November 2008 under LAAP Bulletin No. 77. The main issues covered in the guidelines are set out below together with Welwyn Hatfield's approach.

Application

The general principles set out in this Reserves and Balances Policy apply to the General Fund and to the Housing Revenue Account for Welwyn Hatfield Council. It applies to reserves only and not provisions.

The Existing Legislative/Regulatory Framework

The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

The Local Government Finance Act 1992 and Local Government Act 2003 set out that a range of safeguards to mitigate against local authorities over-committing themselves financially. These include:

- the balanced budget requirement
- Chief Finance Officers' duty to report robustness of estimates and adequacy of reserves when considering the budget requirement.
- Requirement for local authority to make arrangements for proper administration of their financial affairs and that the Chief Finance Officer is that responsible person (section 151 duties)
- the requirements of the prudential code.
- the auditor will consider whether audited bodies have established adequate arrangements to ensure that their financial position is soundly based.

Generally, the balanced budget requirement is sufficient discipline for the majority of local authorities. This requirement is reinforced by section 114 of the Local Government Finance Act 1988 which requires the Chief Finance Officer in England and Wales to report to all the authority's councillors 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 issue of a section 114 notice by the Chief Finance officer cannot be taken lightly and has serious operational implications.

The prudential code requires chief finance officers to have full regard to affordability when making recommendations about future capital programmes.

Guidance on specific levels of reserves and balances is not given in statute, by CIPFA or the Auditors. There is no statutory minimum level of reserves. It is up to local authorities themselves to set their own level of reserves and balances on the advice of the Chief Finance Officer.

The Role of the Section 151 Officer

Within the existing statutory and regulatory framework, it is the responsibility of the Section 151 Officer to advise the Council about the level of reserves that it should hold and to ensure that there are clear protocols for their establishment and use. For WHBC, the Section 151 Officer is the Executive Director (Resources, Environment and Cultural Services).

The Council then, acting on the advice of the Section 151 Officer must make its own judgements on the level of reserves and balances taking into account all the relevant local circumstances. These include the operational and financial risks, and the arrangements in place to manage them, including adequate and effective systems of internal control. The duties of the Chief Finance Officer in relation to the level of reserves are covered by the legislative framework described in 3 above. Under the Local Government Act 2003, the Chief Finance Officer must report to the Council on the adequacy of reserves (section 27) and reserve transactions must be taken account of within the required budget monitoring arrangements (section 28).

Types of Reserves

Reserves can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

The Council also holds other reserves that arise out of the interaction of legislation and proper accounting practice. These reserves are not resource backed and cannot be used for other purposes :

- Pensions Reserve (required under IAS19). This is a specific accounting mechanism used to recognise the Council's share of pension fund liabilities in its balance sheet. As this is a reserve which arises from an accounting standard it is not available to finance Council expenditure.
- Revaluation Reserve – this records unrealised gains in the value of fixed assets.
- Capital Adjustment Account – this is a specific accounting mechanism used to reconcile different rates at which assets are depreciated under proper accounting practice and financed through the capital controls system.

For each earmarked reserve held by the Council there should be a clear protocol setting out:

- the reason for/purpose of the reserve

- how and when the reserve can be used
- procedures for the reserve's management and control
- a process and timescale for review of the reserve to ensure continuing relevance and adequacy.

This Reserves and Balances Policy ensures that when establishing reserves, Welwyn Hatfield Council complies with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and in particular the need to distinguish between reserves and provisions.

Policy and Principles to Assess the Adequacy of Reserves

The principles used by the Chief Finance Officer to assess the adequacy of unallocated general reserves when setting the budget, ensure that account is taken of the strategic, operational and financial risks facing the authority.

Setting the level of reserves is just one of several related decisions in the formulation of the medium term financial strategy and the budget for a particular year. This is carried out as part of the four year Service and Resource Planning Process. Account is taken of the key financial assumptions underpinning the budget alongside a consideration of the authority's financial management arrangements. In addition to the cash flow requirements of the authority the following factors are considered:

- The treatment of inflation and interest rates
- Estimates of the level and timing of capital receipts
- The treatment of demand led pressures
- The treatment of planned efficiency savings / productivity gains
- The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments
- The availability of other funds to deal with major contingencies and the adequacy of provisions.
- The economic situation, unforeseen events etc.
- The risks identified by the authority as part of its risk management arrangements

The Council holds two types of reserves

- General non earmarked reserves (the Council's General Fund Balances)
- Earmarked reserves held for specific purposes

It is the current policy of Welwyn Hatfield Council for the *General Fund non earmarked reserves* (the General Fund Balances) to be held at a level of, at least, £1.6M. This is reviewed at least annually, during the setting of the budget. Factors which are taken into account during the review include; the level of balances as a percentage of the net revenue requirement, budget management and monitoring procedures, risk levels and financial projections for future years. The HRA balance is also reviewed annually.

One earmarked reserve is referred to as our strategic reserve. The strategic approach has been to draw down on this reserve to meet one-off items of spending in the budget.

Reserves can be created or increased to ensure that the Service and Resource Planning Process takes account of any need to increase due to factors which may arise and to fully account for these factors.

In addition, the regular budget monitoring process carried out by the Council throughout the year will report on any changes in the level of balances or reserves.

The Reserves and Balances Policy is set in the context of the authority's Medium Term Financial Strategy and does not focus exclusively on short-term considerations. Balancing the annual budget by drawing on general reserves may be viewed as a legitimate short-term option. However, where reserves are to be deployed to finance recurrent expenditure this will be made explicit. Advice will be given by the Chief Finance Officer on the adequacy of reserves over the lifetime of the medium term financial projections. This is addressed in the Medium Term Financial Strategy.

Reporting Framework

The Chief Finance Officer has a fiduciary duty to local taxpayers, and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds. Compliance with this Reserves and Balances Policy assists in allowing the Chief Finance Officer to be satisfied that there is proper stewardship of public funds. The level and utilisation of reserves is determined formally by the Council at its meetings to approve the annual budget and the final accounts. These decisions are informed by the advice and judgement of the Chief Finance Officer.

The Reporting Policy for Welwyn Hatfield Council is:

- The Medium Term Financial Strategy report to the Council includes a statement showing the proposed use of, or contribution to, general and earmarked reserves for the year ahead. Reference should be made as to the extent to which such reserves are to be used to finance recurrent expenditure
- The budget report itself includes a statement from the Chief Finance Officer on the adequacy of reserves in respect of the forthcoming financial year and the authority's medium term financial strategy.
- The Councils' annual statement of accounts includes a schedule of all reserves in the balance sheet, showing opening balance, net movement in year and year-end balance. Notes to individual reserves are given in the accounts and significant reserve movements are explained in the Chief Finance Officer's foreword to the accounts and the covering report to Council which accompanies the presentation of the accounts.
- The regular in-year Budget Monitoring reports to Cabinet include details of any transactions affecting the Council's reserves.

Good Governance

It is important that local authority councillors take responsibility for ensuring the adequacy of reserves and provisions when they set the budget. This will be subject to the advice of the Chief Finance Officer and the arrangements for reviewing and reporting on the level of reserves and balances as set out above.

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Welwyn Hatfield Borough Council

Treasury Management Strategy and
Minimum Revenue Provision Policy



**WELWYN
HATFIELD**

1 Introduction

- 1.1 In accordance with the CIPFA Treasury Management in the Public Services: Code of Practice (2011) and the Guidance on Local Government Investments issued by the Department for Communities and Local Government (2010) the Council sets out in this document its treasury management strategy for 2018/19.
- 1.2 The strategy has three prime objectives:
- to set clear policies and practices to enable the effective management and control of treasury activities
 - to establish the importance of prudent management and control of risk within those activities, giving priority to security and liquidity
 - to reflect the benefit of pursuing value for money and the use of suitable performance measures in support of business and service objectives, within the risk management framework.

2 Balance sheet summary and forecast

- 2.1 To take a view on likely treasury activity in 2018/19 it is necessary to look at the Council's balance sheet to estimate the level of funds available for investment purposes and any borrowing requirements, as shown in the table below:-

	31.3.17 Actual £000	31.3.18 Estimate £000	31.3.19 Forecast £000	31.3.20 Forecast £000	31.3.21 Forecast £000
General Fund CFR	22,756	31,856	36,116	35,252	35,386
HRA CFR	251,899	245,228	241,332	244,156	250,877
Total CFR	274,655	277,084	277,448	279,407	285,263
Less: Other debt liabilities	(2,668)	(2,333)	(2,174)	(2,159)	(2,144)
Borrowing CFR	271,987	274,751	275,274	277,248	283,119
Less: External borrowing	(251,899)	(236,599)	(219,499)	(200,699)	(180,699)
Under/(over) borrowing	20,088	38,152	55,775	76,549	102,420
Less: Usable reserves	(60,180)	(44,379)	(41,384)	(45,064)	(47,727)
Less: Working capital	(8,053)	(8,000)	(8,000)	(8,000)	(8,000)
New Borrowing (Cumulative)	-	(8,629)	(21,833)	(43,457)	(70,178)
Investments	48,145	22,856	15,442	19,972	23,485

3 Investment Strategy

- 3.1 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held and it is expected that investment balances are likely to range between £15 and £35 million in the 2018/19 financial year.

- 3.2 Both the CIPFA Code and the CLG guidance require that funds be invested prudently and regard be given to the security and liquidity of investments before seeking the highest rate of return, or yield. The Council's objective when investing is therefore to strike a balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 3.3 Although investments balances are forecast to reduce in 2018/19, given the increased risk and low returns from short-term unsecured bank investments, it is the intention to continue to look for opportunities to diversify into more secure and/or higher yielding asset classes and to identify core cash that can be invested for longer periods to improve yield.

4 Approved investment counterparties

- 4.1 The Council may invest its surplus funds with any of the counterparties in the following table, subject to the cash limits (per counterparty) and time limits shown. The table must be read in conjunction with the notes below.

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£3m 5 years	£4m 20 years	£4m 50 years	£3m 20 years	£3m 20 years
AA+	£3m 5 years	£4m 10 years	£4m 25 years	£3m 10 years	£3m 10 years
AA	£3m 4 years	£4m 5 years	£4m 15 years	£3m 5 years	£3m 10 years
AA-	£3m 3 years	£4m 4 years	£4m 10 years	£3m 4 years	£3m 10 years
A+	£3m 2 years	£4m 3 years	£4m 5 years	£3m 3 years	£3m 5 years
A	£3m 13 months	£4m 2 years	£4m 5 years	£3m 2 years	£3m 5 years
A-	£3m 6 months	£4m 13 months	£3m 5 years	£3m 13 months	£3m 5 years
None	£1m 6 months	n/a	£3m 25 years	n/a	£3m 5 years
Pooled funds	£4m per fund				

- 4.2 **Credit Rating:** Investment limits are set by reference to the lowest published long term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. Investment decisions, however, are never made solely based on credit ratings and all other relevant factors, including external advice, will be taken into account.
- 4.3 **Banks Unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

- 4.4 **Banks Secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks or building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
- 4.5 **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- 4.6 **Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in but are exposed to the risk of the company going insolvent.
- 4.7 **Registered Providers:** Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.
- 4.8 **Pooled Funds:** Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short term Money Market Funds that offer same-day liquidity and very low or no volatility will be used alongside instant bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 4.9 Bond, equity and property funds offer enhanced returns over the longer term but are more volatile in the short term. These allow diversification into asset classes other than cash without the need to own and manage the underlying investments. As these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 4.10 **HSBC Group:** As an exception to the criteria in the table above, the maximum limit for unsecured deposits in HSBC banking group is increased to £4m, subject to the bank's lowest long term credit rating remaining at A+ or above. This is to allow balances up to £1m to be invested in an interest bearing call account when it is not cost effective to place the funds elsewhere. Overnight balances in the Council's operating bank accounts at HSBC will not count towards their investment limit, on the basis that they cannot always be controlled and unexpected payments are often received.

- 4.11 **Limits:** The maximum that will be lent to any one organisation (other than the UK government) will be £4m in order that no sum in excess of available reserves is put at risk in the case of a single default. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Investment in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.
- 4.12 The Council's treasury consultants, Arlingclose Ltd, generally recommend a secured bank deposit limit of 30% of general fund reserves and unsecured limit of 15%, to ensure resilience in the event of a default. On the basis GF reserves are anticipated to be £15m at 31.3.18, this would mean limits of £4.5m and £2.25m respectively. Due to the short dated nature of the majority of the Council's investments and reserves being able to absorb more than one default, it is believed that the limits in the above table are currently acceptable. The situation will, however, be kept under continuous review.

5 Specified investments

- 5.1 The CLG Guidance defines specified investments as those:
- denominated in pound sterling,
 - due to be repaid within 12 months of arrangement,
 - not defined as capital expenditure by legislation, and
 - invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of "high credit quality".
- 5.2 The Council defines "high credit quality" organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

6 Non-specified investments

- 6.1 Any investment not meeting the definition of a specified investment is classed as non-specified. The Council will not to make any investments denominated in foreign currencies. Non-specified investments will therefore comprise long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, investments with bodies and schemes not meeting the definition of high credit quality and pooled property funds that may be defined as capital expenditure by legislation.
- 6.2 The limits on non-specified investments are shown in the table below. It is to be noted that certain investments may count towards the limit of more than one category.

	Cash limit
Total long-term investments	£20m
Total investments without credit ratings or rated below A- (except UK Government and local authorities)	£20m
Total investments deemed as capital expenditure	£10m
Total investments (except pooled funds) in foreign countries rated below AA+	£6m
Total non-specified investments	£30m

7 Non-Treasury Investments

- 7.1 Although not classed as treasury management activities and therefore not covered by the CIPFA Code or DCLG Guidance, the Council may also purchase property for investment purposes and may also make loans and investments for service purposes.
- 7.2 Such loans and investments will be subject to the Council's normal approval process for revenue and capital expenditure and need not comply with this treasury management strategy.

8 Risk assessment and use of credit ratings

- 8.1 Credit ratings are obtained and monitored by the Council's treasury advisors, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to recall or sale of all other existing investments with the affected counterparty.
- 8.2 Where a credit rating agency announces that a rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it is likely to fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made in that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long term direction of travel rather than an imminent change of rating.

9 Other information on the security of investments

- 9.1 The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the approved rating criteria.
- 9.2 When deteriorating financial market conditions affect the creditworthiness of all organisations, as in 2008 and 2011, this is not generally reflected in credit

ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of “high credit quality” are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

10 Liquidity management

- 10.1 The Council uses cash flow analysis to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long term investments are set with reference to the Council’s medium term financial strategy and cash flow forecast.

11 Borrowing strategy

- 11.1 At 1 April 2018 the Council will hold £236.6m of long term HRA loans, having repaid £68.2m of the original self financing debt. The debt portfolio was structured to mirror projected cash surpluses arising from the HRA business plan at that point in time and provide for all loans to be repaid by 2028. The impact of changes in government policy, particularly the four year rent reduction policy, means that the Council will need to refinance part of its existing borrowing in future years. This refinancing is fully incorporated into the Council’s 30 Year HRA Business Plan.
- 11.2 The majority of the borrowing requirement is generated in the Housing Revenue Account, which is continually seeing a high level of right to buy sales. In order to maximise the use of the receipts it can retain, the Council is committed to the continuation of the Affordable Housing Programme (AHP). This programme will create income generating assets, which will cover the cost of external borrowing costs.
- 11.3 In addition to this, the Governments rent reduction policy has impacted on the Council’s ability to repay loans as quickly as it intended. This means that loans in the medium term of the 30 Year HRA Business Plan, will in part, need to be refinanced.
- 11.4 For these reasons, the Council will seek to borrow externally for the HRA to support the continuation of the AHP, and to refinance part of its current debt.
- 11.5 Taking the Council’s finances as a whole, the General Fund borrowing requirement makes up a much smaller proportion of its overall borrowing requirement. Given the HRA will be borrowing to finance the AHP and

refinancing needs, the General Fund requirement can continue to be managed through internal borrowing. This will mean an interest payment on any negative cash position to the HRA, which will be calculated in line with the Interest Policy in section 17.

- 11.6 Borrowing for short periods of time to cover unexpected cash flow shortages may also be undertaken.
- 11.7 Approved sources of long-term and short-term borrowing will be:
- Public Works Loan Board and any successor body
 - any institution approved for investments (see above)
 - any other bank or building society authorised to operate in the UK
 - UK public and private sector pension funds (except Hertfordshire Pension Fund)
 - capital market bond investors
 - UK Municipal Bonds Agency and other special purpose companies created to enable local authority bond issues
- 11.8 In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- operating and finance leases
 - hire purchase
 - Private Finance Initiative
 - sale and leaseback
- 11.9 The Council has previously raised all of its long-term borrowing from the PWLB but will consider other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates.
- 11.10 **Debt Rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

12 Treasury Management Indicators

12.1 The Council measures and manages its exposures to treasury management risks using the following indicators:

12.2 Interest rate exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest exposures, expressed as an amount of net principal borrowed will be:

	2018/19	2019/20	2020/21
Upper limit on fixed interest rate exposures	£320m	£319m	£319m
Upper limit on variable interest rate exposures	£0m	£0m	£0m

Fixed rate investments and borrowings are those where the interest rate is fixed for at least 12 months from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate. Investments count as negative borrowing.

12.3 Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper Limit	Lower Limit
Under 12 months	20%	0%
12 months and within 24 months	30%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	80%	0%
10 years and within 20 years	100%	0%
20 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

12.4 Principal sums invested for periods longer than 364 days

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2018/19 £'000	2019/20 £'000	2020/21 £'000
Limit on principal invested beyond year end	20,000	10,000	10,000

12.5 Borrowing Limits

The Council is being asked to approve these Prudential Indicators as part of its requirement to set limits on borrowing activity,

Authorised Limit for External Debt			
	2018/19	2019/20	2020/21
	£000	£000	£000
Borrowing	13,000	12,000	11,500
Other Long Term Liabilities	2,103	2,103	2,103
Housing Self Financing Borrowing	304,799	304,799	304,799
TOTAL	319,902	318,902	318,402

The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the

Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Operational Boundary for External Debt			
	2018/19	2019/20	2020/21
	£000	£000	£000
Borrowing	11,000	10,000	9,500
Other Long Term Liabilities	2,103	2,103	2,103
Housing Self Financing Borrowing	245,228	241,332	244,156
TOTAL	254,028	255,911	262,192

The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

13 Policy on Use of Financial Derivatives

- 13.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The CIPFA Code does however require authorities to clearly detail their policy on the use of derivatives in the annual strategy.
- 13.2 The Council will therefore only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 13.3 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

14 Treasury Management Advisors

- 14.1 The Council recognises that there is value in employing external providers of treasury management services in order to access specialist skills and resources. The Council will ensure that the terms of appointment and methods

by which their value will be assessed are properly agreed and documents, and are subject to regular review.

- 14.2 The Council's current treasury management advisors, Arlingclose Limited, provide advice and information on investment, debt and capital finance issues. The Council recognises that responsibility for final decision making remains with the Council and its officers. The quality of this service is controlled by quarterly review meetings with the Head of Resources, Finance Manager and treasury staff.

15 Investment training

- 15.1 The needs of the Council's treasury management staff for training in investment management are assessed every year as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Officers attend, as required, training courses, seminars and conferences provided by Arlingclose and CIPFA.

16 Investment of money borrowed in advance of need

- 16.1 Any borrowing the Council undertakes may be done so in advance of need where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be considered as part of the Council's overall management of its treasury risks.
- 16.2 The Council will ensure that its gross external debt does not exceed its total capital financing requirement in the preceding year, plus estimates for current and the next two financial years.

17 Policy on apportioning interest to the Housing Revenue Account

- 17.1 On 1 April 2012, the Council assigned the entire long term loans portfolio to the HRA pool and in the future, new long-term loans borrowed will also be assigned in their entirety to either the General Fund or the HRA pool. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/credited to the respective revenue account.
- 17.2 Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Council's average rate on investments, adjusted by credit risk.

18 Policy on the Council's Minimum Revenue Position

- 18.1 Where the Authority 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 Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the CLG Guidance) most recently issued in 2012.
- 18.2 The Government is currently consulting on the guidance, and any significant revisions to the guidance will mean the Council may need to review its policy later this year.
- 18.3 The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 18.4 The CLG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.
- 18.5 The Council's policy for the calculation of MRP shall be the Asset Life Method (Option 3 of the guidance), the principal (capital) element reflects the true nature of the rent/ charge over the life of the assets.
- 18.6 For newly created assets that will attract a rental income, the annuity method of allocating the MRP will be used. This method reflects the fact that more income will be received in later years of the asset life due to inflationary increases.
- 18.7 All other financed assets will have the MRP calculated on an equal instalment basis, where a charge is made equal to the element of the charge that goes to write down the balance sheet liability.
- 18.8 The Council's policy is to charge MRP in the financial year following completion of the capital scheme / purchase.
- 18.9 Based on these policies, the Council's estimated MRP for 2018/19 is £449k which is included in the budget as part of the Capital Financing Costs.

19 Economic Update provided by Arlingclose Ltd (External Content)

19.1 The following section has been provided by the Council's Treasury Management Advisors to provide some economic context to support the Council's Strategy.

Underlying assumptions:

- In a 7-2 vote, the MPC increased Bank Rate in line with market expectations to 0.5%. Dovish accompanying rhetoric prompted investors to lower the expected future path for interest rates. The minutes re-emphasised that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.
- Further potential movement in Bank Rate is reliant on economic data and the likely outcome of the EU negotiations. Policymakers have downwardly assessed the supply capacity of the UK economy, suggesting inflationary growth is more likely. However, the MPC will be wary of raising rates much further amid low business and household confidence.
- The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. While recent economic data has improved, it has done so from a low base: UK Q3 2017 GDP growth was 0.4%, after a 0.3% expansion in Q2.
- Household consumption growth, the driver of recent UK GDP growth, has softened following a contraction in real wages, despite both saving rates and consumer credit volumes indicating that some households continue to spend in the absence of wage growth. Policymakers have expressed concern about the continued expansion of consumer credit; any action taken will further dampen household spending.
- Some data has held up better than expected, with unemployment continuing to decline and house prices remaining relatively resilient. However, both of these factors can also be seen in a negative light, displaying the structural lack of investment in the UK economy post financial crisis. Weaker long term growth may prompt deterioration in the UK's fiscal position.
- The depreciation in sterling may assist the economy to rebalance away from spending. Export volumes will increase, helped by a stronger Eurozone economic expansion.
- Near-term global growth prospects have continued to improve and broaden, and expectations of inflation are subdued. Central banks are moving to reduce the level of monetary stimulus.
- Geo-political risks remains elevated and helps to anchor safe-haven flows into the UK government bond (gilt) market.

Forecast:

- The MPC has increased Bank Rate, largely to meet expectations they themselves created. Future expectations for higher short term interest rates are subdued. On-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions.
- Our central case for Bank Rate is 0.5% over the medium term. The risks to the forecast are broadly balanced on both sides.

- The Arlingclose central case is for gilt yields to remain broadly stable across the medium term. Upward movement will be limited, although the UK government's seemingly deteriorating fiscal stance is an upside risk.

Statement of the Chief Finance Officer

Introduction

The 'Chief Finance Officer' within the meaning of section 151 of the Local Government Act 1972, and known as the S151 Officer, is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the 2003 Local Government Act which states the following:

(1) Where an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major precepting authority) or section 85 of the Greater London Authority Act 1999 (c.29) (Great London Authority) applies is making calculations in accordance with that section, the chief finance officer of the authority must report to it on the following matters-

- (a) The robustness of the estimates made for the purposes of the calculations, and*
- (b) The adequacy of the proposed financial reserves.*

(2) An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.

This includes reporting and taking into account:

- The key assumptions in the proposed budget and to give a view on the robustness of those assumptions.
- The key risk areas in the budget and to assess the adequacy of the Council's reserves when reviewing the potential financial impact of these risk areas on the finances of the Council. This should be accompanied by a Reserves Strategy.

This report has to be considered and approved by Council as part of the budget approval and Council Tax setting process.

This document concentrates on the 2018/19 General Fund and Housing Revenue budgets, the Capital Programme, Treasury Management, and also considers key medium term issues faced by the Council.

Assurance Statement of the Council's Section 151 Officer

The following are the summary assurances and recommendations of the Council's Section 151 Officer.

In relation to the 2018/19 Budgets I have examined the proposals and I believe that they are achievable, given the political and management will to implement them. The Council has a history of strong financial management, along with sound and robust monitoring of performance and budgets. A comprehensive budget planning process has ensured the robustness of the budget proposals, and I believe the estimates are reasonable, given the inherent uncertainties and climate of economic change.

The forecast reserve levels in 2018/19 are appropriate and adequate, given the amount of known financial risks and future volatility, along with the potential for unknown financial risks. Over the medium term (2019/20 to 2020/21) I will continue to closely monitor the achievement of savings targets which need to be delivered, to ensure reserve balances continue to be maintained at an adequate level.

I, as the Council's Section 151 Officer, consider the estimates for 2018/19 to be sufficiently robust, and that the level of reserves adequate for approval by the Council. This statement is conditional upon the agreement of the budget proposals, appendices, strategies and policies contained within the budget report for 2018/19.

Ka Ng
Executive Director (Finance, Environment and Cultural Services)

Summary of Special Expenses Impact on Band D Council Tax

Parish	Tax Base @ 99.4% Collection Rate	Expenditure	Reduction in Council Tax	Additional Council Tax	Net Inc/(Dec) in Council Tax 2018/2019	Net Inc/(Dec) in Council Tax 2017/2018
		£	£	£	£	£
Ayot St Lawrence	70.4	0	(13.84)	0.00	(13.84)	(14.38)
Ayot St Peter	114.4	0	(13.84)	0.00	(13.84)	(14.38)
Essendon	430.6	2,960	(13.84)	6.87	(6.96)	(8.61)
Hatfield	11,438.7	85,660	(13.84)	7.49	(6.35)	(7.71)
North Mymms	4,340.9	0	(13.84)	0.00	(13.84)	(14.38)
Northaw & Cuffley	3,041.3	19,960	(13.84)	6.56	(7.27)	(8.21)
Welwyn	4,595.1	37,882	(13.84)	8.24	(5.59)	(11.92)
Welwyn Garden City	16,800.1	425,852	(13.84)	25.35	11.51	14.66
Woolmer Green	531.7	0	(13.84)	0.00	(13.84)	(14.38)
	41,363.20	572,314				

Additional Council Tax, per area, for each element of the Special Expenses

Parish / Area	Open Spaces	Play Areas	Public Conveniences	Community Centres	Allotments	Playing Fields	Total
	£	£	£	£	£	£	£
Ayot St Lawrence	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ayot St Peter	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Essendon	6.87	0.00	0.00	0.00	0.00	0.00	6.87
Hatfield	1.44	2.79	2.13	0.00	1.13	0.00	7.49
North Mymms	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Northaw & Cuffley	6.56	0.00	0.00	0.00	0.00	0.00	6.56
Welwyn	11.08	0.00	0.00	-5.45	0.22	2.39	8.24
Welwyn Garden City	2.67	2.48	0.44	0.99	1.75	17.02	25.35
Woolmer Green	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Opens Spaces

Total maintenance costs and ground rent for Opens Spaces, excluding capital charges, are allocated directly based on information from the Landscape & Ecology team. The remainder of associated costs (equipment, overheads etc) are apportioned on a pro-rata basis to maintenance costs

Open Spaces	£	Essendon	Hatfield	Northaw & Cuffley	Welwyn	WGC		
Category of Expenditure	2018/19	Essendon	Hat General	Northaw	Danesbury	Mardley Heath	WGC General	Total
Maintenance	10,290	210	930	2,430	2,330	1,240	3,150	10,290
Maintenance Directly Apportioned	51,570	1,170	5,250	7,350	13,100	7,000	17,700	51,570
Maintenance Directly Apportioned (1)	6,340	0	0	6,340	0	0	0	6,340
Employees	35,720	720	3,240	8,440	8,080	4,320	10,920	35,720
Premises	2,080	40	190	490	470	250	640	2,080
Ground rent	3,200	0	3,200	0	0	0	0	3,200
Equipment	23,470	470	2,130	5,550	5,310	2,840	7,170	23,470
Income	-14,730			-14,730				-14,730
Departmental Overheads	17,310	350	1,570	4,090	3,920	2,090	5,290	17,310
Grand Total	135,250	2,960	16,510	19,960	33,210	17,740	44,870	135,250
Cost		2,960	16,510	19,960	33,210	17,740	44,870	135,250
Tax Base		430.6	11,438.7	3,041.3	4,595.1	4,595.1	16,800.1	41,363.2
Council Tax Charge for Special Expenses - Open Spaces		6.87	1.44	6.56	7.22	3.86	2.67	-3.27

Play areas

The costs from Play areas general budget (6421) are proportionately allocated between Welwyn Garden City and Hatfield based on the number of play areas in the each area.

	Sites	
Hatfield	15	40.5%
WGC	22	59.5%
	<u>37</u>	

Play Areas	£			
Category of Expenditure	2018/19	Hatfield	WGC	Total
Maintenance	8,550	3,470	5,080	8,550
Employees	31,480	12,760	18,720	31,480
Premises	480	190	290	480
Equipment	21,350	8,660	12,690	21,350
Income	-5,000		-5,000	-5,000
Departmental Overheads	16,730	6,780	9,950	16,730
Grand Total	73,590	31,860	41,730	73,590

Cost	31,860	41,730		73,590
Tax Base	11,438.7	16,800.1		41,363.2
Council Tax Charge for Special Expenses - Play Areas	2.79	2.48		-1.78

Public Conveniences

The costs from Public Conveniences budget (6492) are proportionately allocated between the number of sites within Welwyn Garden City and Hatfield. Specific costs, such as Business Rates, are apportioned directly to the specific site

	NNDR	
Hatfield	1,654	22.7%
WGC	5,628	77.3%
	7,283	

Public Conveniences	£			
Category of Expenditure	2018/19	Hatfield	WGC	Total
Maintenance	1,500	0	1,500	1,500
Premises	22,660	22,660	0	22,660
Rent/Rates	7,570	1,720	5,850	7,570
Grand Total	31,730	24,380	7,350	31,730

Cost	24,380	7,350		31,730
Tax Base	11,438.7	16,800.1		41363.2
Council Tax Charge for Special Expenses - Public Conveniences	2.13	0.44	-	0.77

Community Centres

The net costs of running community centres, excluding the capital charges, are directly allocated to area where community centre is located. Each community centre has its own cost centre which is fully allocated to the relevant area.

Cost Centre Description	Category of Expenditure	2018/19	Welwyn	WGC	Total
Hazel Grove Community Centre	Maintenance	3,100	0	3,100	3100
	Premises	6,480	0	6,480	6480
	Rent/Rates	1,940	0	1,940	1940
	Equipment	2,500	0	2,500	2500
	Income	-5,200	0	-5,200	-5200
	Departmental Overheads	2,640	0	2,640	2640
Vineyard Barn CC	Maintenance	8,750	0	8,750	8750
	Premises	11,590	0	11,590	11590
	Rent/Rates	5,070	0	5,070	5070
	Equipment	5,780	0	5,780	5780
	Income	-32,490	0	-32,490	-32490
	Departmental Overheads	7,400	0	7,400	7400
Welwyn CC	Premises	2,160	2,160	0	2160
	Income	-33,010	-33,010	0	-33010
	Departmental Overheads	5,810	5,810	0	5810
Panshanger CC	Premises	970	0	970	970
	Income	-2,000	0	-2,000	-2000
6428 Total		-1,030	0	-1,030	-1030
Grand Total		-8,510	-25,040	16,530	-8510

Cost	-25,040	16,530		-8510
Tax Base	4,595.1	16,800.1		41363.2
Council Tax Charge for Special Expenses - Community Centres	-5.45	0.99		0.21

Allotments

The total net costs from the Allotments general budget (6080), is allocated proportionately based upon the number of plots within each area

	Plots	
Hatfield	128	29.8%
WGC	292	67.9%
Welwyn	10	2.3%
	<u>430</u>	

Allotments	£
Category of Expenditure	2018/19
Maintenance	11,660
Employees	19,300
Premises	2,180
Income	-12,000
Departmental Overheads	22,190
Grand Total	43,330

Hatfield	Welwyn	WGC		Total
3,470	270	7,920		11,660
5,750	450	13,110		19,310
650	50	1,480		2,180
-3,570	-280	-8,150		-12,000
6,610	520	15,070		22,200
12,910	1,010	29,430		43,350

Cost	12,910	1,010	29,430		43,350
Tax Base	11,438.7	4,595.1	16,800.1		41,363.2
Council Tax Charge for Special Expenses - Allotments	1.13	0.22	1.75		-1.05

Playing Fields

The total net costs of running playing fields (6080), is provided by the contractor for this service, apportioned directly to the relevant areas

Playing Fields	£	WGC		Welwyn	Total
		KGV	Moneyhole	Digswell	
Category of Expenditure	2018/19				
Maintenance	178,509	169,777	6,430	2,302	178,509
Maintenance (work plan)	-	- 20,484	13,394	7,090	-
Premises	32,120	28,955	1,595	1,570	32,120
Equipment	38,529	38,529	-	-	38,529
Income	- 30,679	- 27,561	- 3,118	-	- 30,679
Direct Overheads	8,190	8,190	-	-	8,190
Departmental Overheads	70,235	70,235	-	-	70,235
Grand Total	296,904	267,641	18,301	10,962	296,904

Cost	267,641	18,301	10,962		296,904
Tax Base	16,800.1	16,800.1	4,595.1		41,363.2
Council Tax Charge for Special Expenses - Playing Fields	15.93	1.09	2.39	-	7.18

WELWYN HATFIELD BOROUGH COUNCIL

COUNCIL – 5 FEBRUARY 2018

REPORT OF THE EXECUTIVE DIRECTOR (PUBLIC PROTECTION, PLANNING & GOVERNANCE)

PAY POLICY STATEMENT 2018 /19

1 Executive Summary

- 1.1 The Localism Act 2011 requires the Council to publish information relating to the pay of its senior managers by producing a Pay Policy Statement.

2 Recommendation(s)

- 2.1 That the Pay Policy Statement, for the period 2018 /19 be adopted.

3 Explanation

- 3.1 Section 38(1) of the Localism Act 2011 requires English and Welsh local authorities to produce a Pay Policy Statement for 2012/13 and for each financial year after that.

- 3.2 The legislation requires the Pay Policy Statement to cover disparate aspects of Remuneration Policy. For this reason, the Joint Negotiating Committee (JNC) strongly recommends local authorities use the opportunity to set out their overall rewards strategy for the whole workforce, and not to limit themselves to matters specifically required by the Act and statutory guidance. Consequently, the attached policy document is designed to extend beyond legal requirement and be more transparent about all aspects of remuneration.

- 3.3 The specific matters, which must be included in the Council's statutory pay policy are as follows:

- The level and elements of remuneration for each chief officer;
- The remuneration of its lowest paid employees (together with a definition of 'lowest paid employees' and its reasons for adopting that definition);
- The relationship between the remuneration of its chief officers and other officers; and
- Other specific aspects of chief officers' remuneration: (i.e. remuneration on recruitment increases and additions to remuneration, any use of performance related pay and bonuses, termination payments and transparency)

- 3.4 For the purposes of the Pay Policy Statement, senior management means 'chief officers' as defined by s43 of the Localism Act. The definition of chief officer is not limited to Heads of Paid Service and statutory chief officers. It also includes those who directly report to them (non-statutory chief officers) and to their direct reports (deputy chief officers). The posts falling within the statutory definition are set out below, with details of their basic salary as at 1 April 2018 included in section 6 of the appended Pay Policy Statement:

- a) Chief Executive;

- b) Executive Directors;
- c) Heads of Service.

3.5 Pay Multiples

- 3.5.1 The current pay levels within the Council define the multiple between the mean pay and the Chief Executive as a ratio of 5.35:1 and; between the mean pay and average Chief Officer as a ratio of 3.49:1. The multiple between the median (average) full time equivalent earnings and the Chief Executive is a ratio of 5.75:1 and; between the median (average) full time equivalent earnings and average Chief Officer is a ratio of 3.55:1.

Implications

4 Financial Implication(s)

- 4.1 The financial implications of this report have been budgeted for the financial year 2018 / 19.

5 Legal Implication(s)

- 5.1 The Localism Act requires full Council approval of the Pay Policy Statement.
- 5.2 The Council is required to produce the information detailed in paragraph 3.3 of this report in order to comply with the requirements of the Localism Act 2011. There are no impacts on the pay and conditions of employees arising from this report.

6 Risk Management Implications

- 6.1 There are no other risks associated with this report.

7 Security & Terrorism Implications

- 7.1 There are no security and / or terrorism implications arising from this report.

8 Procurement Implications

- 8.1 There are no procurement implications arising from this report.

9 Climate Change Implication(s)

- 9.1 There are no environmental implications directly arising from this report.

10 Link to Corporate Priorities

- 10.1 There is a legal requirement to produce and publish this report.

11 Equality and Diversity

- 11.1 An EqIA was completed on 15 January 2018 and no negative impact was identified on any of the protected groups under Equalities legislation.

Name of author	Janet Pilbeam
Title	Human Resources Manager
Date	15 January 2018

Welwyn Hatfield Borough Council Pay Policy Statement 2018/19

1. Introduction

- 1.1. This statement sets out the Council's position in relation to pay for its senior managers and lowest paid employees in compliance with the Localism Act 2011 (the Act) section 38 and the statutory and supplementary guidance on Openness and Accountability issued under section 40 of the Act.
- 1.2. The policy sets out the Council's approach to the pay and remuneration of its senior managers.
- 1.3. This statement covers the financial year 2018/19. The statement is updated and approved annually by full Council. This statement is published on the Council's website.

2. Scope of Pay Policy

- 2.1. The policy applies to all Chief Officers.
- 2.2. The definition of Chief Officers (as set out in section (43(2)) of the Act is not limited to heads of paid service or statutory chief officers. It also includes those who report directly to the head of paid service or statutory chief officers (non-statutory chief officers), and those who report directly to non-statutory chief officers
- 2.3. The Council's post holders who fall within the definition of Chief Officers are defined within the Council's Constitution and are shown in the following table:

Head of Paid Service	Chief Executive
Directors	Executive Director, Public Protection, Planning and Governance Executive Director, Housing and Communities Executive Director, Resources, Environment and Cultural Services (Section 151 Officer)
Heads of Service	Head of Environment Head of Resources (deputy Section 151 Officer) Head of Law and Administration (Monitoring Officer) Head of Public Health and Protection Head of Housing and Community Head of Planning Head of Policy and Culture Head of Property Services Head of Housing Operations

3. General Terms and Conditions of Employment and Remuneration of Employees

- 3.1. All employees of the Council are employed as part of the Single Status Agreement, under either the National Agreement on Pay and Conditions of Service of the National Joint Council (NJC) for Local Government Services

(commonly known as the 'Green Book'), or the Joint Negotiating Committee (JNC) for Chief Officers and Chief Executives.

- 3.2. The Council uses a pay spine that commences at national Spinal Column Point (SCP) 6 and ends at local SCP 50. This pay spine is divided into 12 pay bands, with each containing four incremental points with the exception of Scale A, containing only one. Scale A is the lowest and Scale M is the highest of these pay grades. Posts are allocated to a pay scale through a process of job evaluation. We use the National Local Government Job Evaluation Scheme for this purpose.
- 3.3. For the purpose of this Policy Statement, employees on Scale A are defined as our lowest paid employees. At 1 February 2018, the annual value of SCP 6 is £16,228 and is inclusive of Outer Fringe Allowance, currently £585 per annum.
- 3.4. The values of the SCPs in pay grades are increased in line with the national pay awards agreed by the NJC for Local Government Services.
- 3.5. The pay award effective from 1 April 2018 has not been agreed nationally and negotiations are still underway. The National Employers have offered a two percent increase. The Outer Fringe Allowance is also subject to national negotiations. Pay scales will be adjusted accordingly, once agreement has been reached.

4. General Principles Applying to Remuneration of Employees

- 4.1. On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. This decision will be made by the appropriate Director and will take various factors into account, including the experience of the candidate, the level of competition for the post and the difficulty of recruiting to the post.
- 4.2. Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. In exceptional circumstances (e.g. examination success), individuals will receive accelerated increments. Again, this is subject to the top of their grade not being exceeded.
- 4.3. The Council does not apply performance related pay or bonuses.
- 4.4. The minimum point of a pay grade will not be lower than the maximum point of the preceding pay grade.
- 4.5. On ceasing to be employed by the Council, individuals will only receive compensation:
 - a) in circumstances that are relevant (e.g. redundancy); and
 - b) that is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), (Annex A); and/or
 - c) that complies with the specific term(s) of a settlement agreement.

- 4.6. Under the circumstances of a settlement agreement the compensation will not exceed the amount that would have been paid under a redundancy situation.
- 4.7. The Council allows flexible retirement under its pension discretions. This is where an employee draws their pension and carries on working at a lower grade and/or on reduced hours. It is available to LGPS members who are aged 55 or over, and who, with the Council's consent, permanently reduce their hours and/or reduce their grade. The employee's pension is actuarially reduced if paid before normal state pension age. This policy applies to all grades including Chief Officers, however, this is at the Council's discretion giving due regard to the implications for succession planning.
- 4.8. The employees within the scope of this Statement are entitled to join the Local Government Pension Scheme (LGPS). Employees contribute between 5.5% and 12.5% of their salary. For the purpose of this statement, employees included with the table in section 4.0 contribute between 8.5% and 12.5%, depending on where they are within the salary range.
- 4.9. Any decision to re-employ an individual, who was previously employed by the Council and, on ceasing to be employed was in receipt of a severance or redundancy payment, will be made on merit. The Council will not however, normally engage such an individual under a contract for services.
- 4.10. Any Market Supplement and honorarium will only be paid in exceptional circumstances as agreed by Directors.
- 4.11. Employees that need to use their cars on a frequent basis for work related travel receive a car user allowance of £846 per annum irrespective on their car's engine size. This rate was applied for existing employees following a review in 2012. Employees who met the following criteria 'Essential users' are those staff who are required to have a motor car at their disposal because it is necessary for them to leave the office to undertake frequent visits, monitoring or inspection activities, often at short notice. New employees, from 1 April 2012, are not eligible to receive the essential user allowance.
- 4.12. These employees are able to claim the essential user mileage rates of:
- | | | | |
|-----------------|-----------|-------------|---------|
| Essential Users | 451-999cc | 1000-1199cc | 1200cc+ |
| Rate per mile: | 36.9p | 45.p | 45.p |
- 4.13. Employees that only use their cars on an occasional basis are refunded mileage only at the rate of 45 pence irrespective of their car's engine size.
- 4.14. The Housing Trust were not subject to the 2012 car allowance review. Housing staff in roles that meet the eligibility criteria are paid an allowance in line with the NJC agreement.
- 4.15. Employees that joined the Council from the Trust under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE), receive car allowances at the following rates:

ESSENTIAL USERS	451-999cc	1000-1199cc	1200cc+
Lump Sum:-	£846	£963	£1,239
Rate per mile:-			
Up to 8500 miles	36.9p	40.9p	50.5p
Over 8500 miles	13.7p	14.4p	16.4p

CASUAL USERS

Rate per mile:-			
Up to 8500 miles	46.9p	52.2p	65.0p
Over 8500 miles	13.7p	14.4p	16.4p

4.16. Subsistence allowances are no longer agreed nationally. The Council pays the allowance at the rates below, which have remained static since those last agreed nationally in 2011.

Breakfast £7.21
Lunch £9.95
Tea £3.94
Evening Meal £12.33

5. Apprenticeships

5.1. The Council is committed to offering apprenticeships to local people wishing to gain experience whilst working towards a qualification. Apprentices are contracted under a learning agreement and receive a minimum of £312 per week, depending on the qualification they are undertaking.

6. Remuneration of Executive Board

6.1. The remuneration of the Chief Executive and Directors was subject to a full and wide ranging review carried out by independent specialist consultants in 2009. The recommendations of the consultants were considered by Council Members (including both Leaders of the Opposition) and formed the basis of the agreement made by Members in October 2009. Chief Officers are currently paid in line with those recommendations.

7. Chief Executive

7.1. The Chief Executive is the Council's Head of Paid Service. As at 31 March 2018, the annual FTE range for the grade of this post is £116,430 - £126,960. There are three incremental points in this grade. Figures are inclusive of Outer Fringe Allowance currently £585 per annum.

7.2. With effect from 1 April 2018, the Chief Executive salary range will be enhanced as per the national agreement for Chief Executives.

7.3 The Chief Executive also receives a Returning Officer fee in respect of Borough and Parish Council Elections. These fees are currently £305 for each contested ward and £76 for each uncontested ward, and £252 for each contested Town/Parish ward and £63 for each uncontested Town/Parish ward. If a Town/Parish ward is contested along with a Borough ward the fee is £354 for the first Borough ward that is combined with a Parish ward election where one Borough Councillor is being elected. Fees for conducting Parliamentary Elections, European and Police and Crime Commissioners are determined by way of a Statutory Instrument.

8. Directors

8.1. There are three Executive Directors reporting to the Chief Executive namely;

- Public Protection, Planning and Governance
- Housing and Communities
- Resources, Environment and Cultural Services (Section 151 Officer).

8.2 The annual range for the Directors grades, as at 31 March 2018 is £87,467 - £95,366. There are three incremental points in the grade. Figures are inclusive of Outer Fringe Allowance, currently £585 per annum.

9. Remuneration of other Chief Officers

9.1. There are nine Heads of Service reporting to the three Executive Directors. In addition, there are ten Service Managers reporting to the Heads of Service. These posts are evaluated using the HAY job evaluation methodology to ensure roles are graded fairly, accurately and consistently. The job evaluation methodology allocates each role a grade. Each grade is matched to a broad salary range. These salary ranges are set locally. Salary ranges aim to ensure that salaries for senior managers are positioned at the median level for the market. Salary ranges are reviewed annually in April each year against an assessment of the local and national market.

9.2. The roles occupied by the Heads of Service are; Head of Environment, Head of Resources (deputy Section 151 Officer), Head of Law and Administration (Monitoring Officer), Head of Public Health and Protection, Head of Housing and Community, Head of Planning, Head of Policy and Culture, Head of Property Services and Head of Housing Operations.

9.3. As at 31 March 2018, the annual salary range for the Head of Service posts is £58,500 - £69,375. There are seven incremental points in the grade. Figures are inclusive of Outer Fringe Allowance of £585 per annum.

9.4. With effect from 1 April 2018 the salary for the Directors and Heads of Service will be enhanced as per the national agreement.

9.5. In addition to their role, the Head of Law and Administration undertakes the duties of the Monitoring Officer for the authority. These duties attract a fixed annual payment of £5000.

9.6. Both the Section 151 Officer and the Monitoring Officer have appointed deputies. The deputy Monitoring Officer receives a fixed annual payment of £3000 in relation to these duties. For one of the deputy Section 151 officers these duties are in addition to their role, and they receive a fixed annual payment of £3000 in relation to these duties.

9.7. An organisation chart is attached as appendix A, covering staff in the top three levels in the organisation including:

- Grade
- Job Title
- Department & Team
- Employment Status (Permanent or Fixed Term Temporary)
- Contact Details
- Salary in £5,000 brackets, consistent with the details published under section 34 of the Transparency Code, and
- Salary Ceiling (the maximum salary for the grade).

10. Pay Multiples

10.1. The relationship between the remuneration of Chief Officers and all other staff for the year 2018/19 is given below:

	2018/19
Ratio Chief Executive's pay to the mean pay for the Council	5.35:1
Ratio of average Chief Officers' pay to mean pay for the Council	3.49:1
Ratio of the highest paid salary (which is currently paid to the Chief Executive) to the median pay for the Council "The pay multiple"	5.75:1
Ratio of average Chief Officers' pay to median pay for the Council	3.55:1

10.2. The Council is satisfied that these ratios fairly reflect the different levels of responsibility of the various posts and the pay multiple will be monitored and reported annually as part of this policy statement.

11. Other Benefits Relating to Pay

11.1. The employees within the scope of this policy are entitled to participate in the Council's Salary Sacrifice Scheme, which includes a Childcare Voucher scheme, whereby any employee can sacrifice part of their salary for childcare vouchers. These vouchers are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase childcare. A similar scheme is also open to employees to allow them to purchase bicycles.

11.2. The Council has an eye care voucher scheme in place to fulfil its obligation to provide those employees using a VDU with an annual eye test and payment

for a prescription required solely for VDU work. Vouchers are issued in accordance with the Councils' Eye Test Policy.

12. Trade Union Facility Time

12.1. The Data Transparency Code 2014 requests that local authorities publish the following information on Trade Union Facility Time:

- Total number (absolute number and full time equivalent) of staff who are union representatives (including general, learning and health and safety representatives); 4 representatives, 3.6 FTEs
- Total numbers (absolute number and full time equivalent) of union representatives who devote at least 50 per cent of their time to union duties; Nil
- Names of all trade unions represented in the local authority;
Unison and GMB
- A basic estimate of spending on unions (calculated as the number of full time equivalent days spent on the union duties multiplied by the average salary); 33 days
- A basic estimate of spending on unions as a percentage of the total pay bill (calculated as the number of full time equivalent days spent on unions duties multiplied by the average salary divided by the total pay bill); 0.026% of total pay bill

13. Review

13.1. The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each financial year. Our next Statement is scheduled to be for 2019/20 and will be submitted to Full Council for approval by 31 March 2019.

13.2. If it should be necessary to amend this 2018/19 Statement during the year that it applies, an appropriate resolution will be made by Full Council.

13.3. A copy of the Pay Policy will be published on the Council's website and the Corporate Governance group will be responsible for the implementation and publication of the Pay Policy.

13.4. Paragraph 35 of the Data Transparency Code 2014 requires local authorities to place a link on their website to this published data or place the data itself on its website, together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits-in-kind', for all employees whose salary exceeds £50,000. The key differences between the requirements under this Code and the Regulations referred to above is the addition of a list of responsibilities, the inclusion of bonus details for all senior employees whose salary exceeds £50,000 and publication of the data on the authority's website.

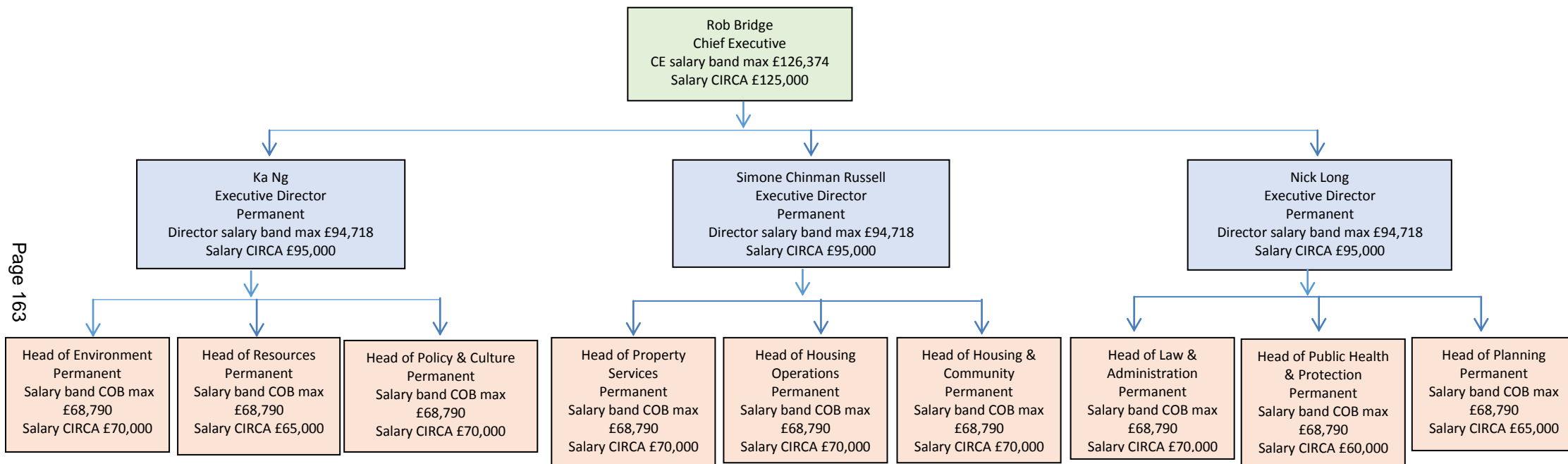
14. Equality

14.1. This policy has been Equality Impact Assessed. The policy aims to meet the diverse needs of the workforce, ensuring that none are placed at a

disadvantage over others. The Equality Impact Assessment confirms that this policy meets the standards.

15. Background Documents

- The Code of Recommended Practice for Local Authorities on Data Transparency.
- Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act.
- Welwyn Hatfield Borough Council Constitution
- Welwyn Hatfield Borough Council LGPS Discretionary Policy
- Car Mileage Allowances
- Flexible Retirement Policy
- Redundancy and Redeployment Policy



Key

- Chief Executive
- Executive Directors
- Heads of Service

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WELWYN HATFIELD BOROUGH COUNCIL
COUNCIL – 5 FEBRUARY 2018
REPORT OF THE MONITORING OFFICER

OVERVIEW AND SCRUTINY PROCEDURE RULES – REVIEW OF CALL-IN

1. Executive Summary

- 1.1. The Overview and Scrutiny Procedure Rules in Part 4 of the Constitution provide that those Cabinet decisions which meet the criteria are subject to pre-implementation review through a call-in procedure.
- 1.2. The current call-in procedure for pre-implementation of Cabinet decisions has been reviewed and this report proposes that a change is made to make call-in more effective.

2. Recommendations

- 2.1. That Council approves the changes to the call-in procedure for pre-implementation of Cabinet decisions in the Overview and Scrutiny Procedure Rules in Part 4 of the Constitution so that a called-in item is considered by the appropriate Overview and Scrutiny Committee instead of a Scrutiny Sub-Committee being set up to deal with the item, as indicated in the Appendix to this report.
- 2.2. That Council authorises the Head of Law and Administration as Monitoring Officer to amend the Overview and Scrutiny Procedure Rules in Part 4 of the Constitution to make this change.

3. Explanation

3.1. Current Procedure

The Cabinet publishes decisions it has made at a meeting within three working days and these are circulated to all Members of the Council in the Cabinet Publication of Decision List which gives notice that decisions will come into force within ten working days of the decision being published unless it is called in.

Decisions that involve expenditure of over £100,000 can be called in. Call-in requires at least a quarter of the Members of the appropriate Overview and Scrutiny Committee to request the call-in, in writing, within four working days of the publication of the decision by the Cabinet, to be effective.

The Chairman of the appropriate Overview and Scrutiny Committee, in consultation with the Opposition Group Leaders, has delegated authority to set up a Scrutiny Sub-Committee to deal with the called-in item.

The Scrutiny Sub-Committee must meet to consider the called-in item within twenty working days of publication of the decision by the Cabinet.

If the Scrutiny Sub-Committee decides it is unhappy with the decision, it can refer it back to the Cabinet for reconsideration.

The Scrutiny Sub-Committee comprises up to four Members with no overall majority from any political group. The Chairman is appointed by the Sub-Committee and is a Member of the Opposition and does not have a casting vote. Consequently for any recommendation of a Scrutiny Sub-Committee to be agreed, a majority decision is required.

This means that a Sub-Committee can only make a decision to refer the called-in item back to the Cabinet for reconsideration if the Administration Group Members are in agreement with the Opposition Group Members.

This was demonstrated when a Social Overview and Scrutiny Sub-Committee met following the call-in of the decision made at the Cabinet meeting on 11 July 2017 to approve the transfer of the freehold of Goldings House, Hatfield to Paradigm Housing Group (Minute 24 refers).

Having considered all of the information provided and having put a series of questions to the Portfolio Holders who had been invited to attend the meeting, the Sub-Committee was unable to reach a majority decision to refer the decision back to the Cabinet for reconsideration. This meant that the original Cabinet decision stood and the transfer of the freehold of Goldings House, Hatfield to Paradigm Housing Group with the capital receipt being used to support the Council's Affordable Housing Programme proceeded.

3.2 Proposed Change to the Procedure

It is proposed that instead of the appointment of a Scrutiny Sub-Committee, a special meeting of the appropriate Overview and Scrutiny Committee will be convened to consider the called-in item(s) within three working days of the request to call-in the item(s) or place the called-in item(s) on the Agenda of the next available meeting of that Committee, depending on which can be achieved earliest.

The appropriate Overview and Scrutiny Committee may, after consideration of the matter, decide to refer it back to the Cabinet for reconsideration.

The change is designed to facilitate more effective post-implementation scrutiny of Cabinet decisions and provide for improved engagement of the Opposition Groups in the call-in process.

No change is proposed to the composition of Scrutiny Sub-Committees appointed by an Overview and Scrutiny Sub-Committee to scrutinise a Cabinet decision post-implementation or to carry out a specific piece of scrutiny work.

These Scrutiny Sub-Committees will still comprise up to four Members, with no overall majority from any political group. The Chairman will be appointed by the Sub-Committee and will be a Member of the Opposition and will not have a casting vote. Consequently for any recommendation of a Scrutiny Sub-Committee to be agreed, a majority decision will be required in these cases.

This is provided for in the Procedure for the Operation of the Overview and Scrutiny Function.

The proposed changes to the Overview and Scrutiny Procedure Rules are shown tracked in red on the attached Appendix. These include a minor update to paragraph 3.1 Co-optees.

Implications

4 Legal Implication(s)

The Procedure Rules in the Constitution are regularly reviewed and their operation monitored to ensure that they are relevant, effective, up to date and fit for purpose.

5 Financial Implication(s)

There are no financial implications arising directly from the recommendations in this report.

6 Risk Management Implications

If the Procedure Rules in the Constitution are not regularly reviewed and their operation monitored to ensure that they do remain relevant, up to date taking account of legislation and fit for purpose there is a risk that the basic rules governing the Council's business will not be effective and could give rise to legal challenge.

7 Security and Terrorism Implication(s)

There are no security and terrorism implications inherent in relation to the proposals in this report.

8 Procurement Implication(s)

There are no procurement implications inherent in relation to the proposals in this report.

9 Climate Change Implication(s)

There are no climate change implications inherent in relation to the proposals in this report.

10 Link to Corporate Priorities

The subject of this report is linked to statutory requirements under the Local Government Act 1972 and other relevant legislations. The proposals in this report make changes to the Procedure Rules in the Council's Constitution which will be updated and republished.

11 Equality and Diversity

An Equality Impact Assessment (EIA) has not been carried out in connection with the proposals that are set out in this report. It is considered that there are no differential impacts.

12 Background Papers

None other than the Appendix to this report.

Name of author	Graham Seal 01707 357444
Title	Governance Services Manager
Date	23 January 2018

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Appendix

OVERVIEW AND SCRUTINY PROCEDURE RULES

1. ARRANGEMENTS FOR OVERVIEW AND SCRUTINY

The Council will have three Overview and Scrutiny Committees as set out in Article 6 of this Constitution.

- 1.1 The Council will appoint three Overview and Scrutiny Committees to be involved in policy review and development, and the scrutiny of decision making.
- 1.2 The general and specific roles (terms of reference) of the Overview and Scrutiny Committees are set out in Article 6 of this Constitution.
- 1.3 The Overview and Scrutiny Committees will operate in accordance with the Procedures for the operation of the Overview and Scrutiny which are set out in Part 4 of this Constitution.

2. MEMBERSHIP OF THE OVERVIEW AND SCRUTINY COMMITTEES

- 2.1 All Councillors except Members of the Cabinet may be Members of the Overview and Scrutiny Committees. However, no Member may be involved in scrutinising or reviewing a decision in which he/she has been directly involved.
- 2.2 Cabinet Members may attend meetings of Overview and Scrutiny Committees, except when these Committees are dealing with “called in” items detailed in paragraph 14 of these rules or deciding whether items should be scrutinised.

3. CO-OPTTEES

- 3.1 Each Overview and Scrutiny Committee shall be entitled to appoint up to five non-voting co-opted [Members \(co-optees\)](#), at any time to assist the relevant Committee in the performance of its policy review and development functions.
- 3.2 The Social Overview and Scrutiny Committee is the Council's designated crime and disorder scrutiny Committee with power to review or scrutinise the discharge by the responsible authorities of their crime and disorder functions. Members of the public and representatives of community groups are able to sit on this Committee as co-opted Members with a view to holding Community Safety Partnerships to account. This is subject to the discretion of the Committee where it believes that co-opting members of the public would be of benefit.

4. MEETINGS

- 4.1 There shall be five meetings scheduled for each Overview and Scrutiny Committee in each municipal year. In addition, meetings may be called as part of the process for developing the budget and policy framework as set out in paragraph 2 of the Budget and Policy Framework Procedure Rules or as required for policy review or development. Meetings may also be called to consider called-in items in accordance with the procedure set out in paragraph 14 of these rules.
- 4.2 A meeting of an Overview and Scrutiny Committee may be called by the Chairman of the relevant Committee or by the Governance Services Manager if he/she considers it necessary or appropriate.

5. QUORUM

The quorum for the Overview and Scrutiny Committees shall be as set out for Committees in the Council's Procedure Rules in Part 4 of this Constitution.

6. CHAIRMAN OF OVERVIEW AND SCRUTINY COMMITTEES

The Chairmen of Overview and Scrutiny Committees will be determined in accordance with the rules set out in the Council's Procedure Rules in Part 4 of this Constitution.

7. WORK PROGRAMME

Overview and Scrutiny Committees will conduct those policy reviews set annually by full Council, be involved in the process for developing the budget and policy framework as set out in paragraph 2 of the Budget and Policy Framework Procedures Rules, be involved in detailed working on policy development, conduct best value reviews and assist in the Community Planning process. In addition they will be involved in pre and post implementation scrutiny of decision making through task and finish Scrutiny Sub-Committees.

8. AGENDA ITEMS

Any Member of an Overview and Scrutiny Committee shall be entitled to give notice to the Governance Services Manager that he/she wishes an item relevant to the functions of that Committee to be included on an agenda of a meeting of that Committee. Such a request shall be dealt with in accordance with the process specified in the Procedures for the operation of the Overview and Scrutiny function which are set out in Part 4 of this Constitution.

9. CONSIDERATION OF OVERVIEW AND SCRUTINY COMMITTEE REPORTS

The agenda for Cabinet meetings shall include an item entitled "Issues arising from Overview and Scrutiny". The reports of the Overview and Scrutiny Committee referred to the Cabinet shall be included at this point in the agenda.

10. POLICY REVIEW AND DEVELOPMENT

- 10.1 The role of the Overview and Scrutiny Committees in relation to the development of the Council's budget and policy framework is set out in paragraph 2 of the Budget and Policy Framework Procedure Rules.
- 10.2 In relation to the development of the Council's approach to other matters not forming part of its policy and budgetary framework, Overview and Scrutiny Committees may make proposals to the Cabinet for developments in so far as they relate to matters within their terms of reference.
- 10.3 Overview and Scrutiny Committees may hold enquiries and investigate the available options for future direction in policy development and may appoint consultants to assist them in this process. They may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask witnesses to attend to address them on any matter under consideration and may pay consultants and witnesses a reasonable fee and expenses for doing so.
- 10.4 Overview and Scrutiny Committees can set up from within their respective Membership sub groups of Members to carry out specific tasks and report back with the outcomes and any recommendations.
- 10.5 Where a Committee decides an issue should be reviewed, a Review Group (ratio 3:2 with an Administration Chairman) should be appointed to review the specific item. Review Groups are in place of Task and Finish Working Groups and carry out "lighter-touch" exercises.
- 10.6 Once it has formed recommendations on proposals for development, the appropriate Overview and Scrutiny Committee will prepare a formal report and submit it to the Governance Services Manager for consideration by the Cabinet.
- 10.7 The Cabinet shall consider the reports of the Overview and Scrutiny Committees within one month of them being submitted to the Governance Services Manager.

11. SCRUTINY

- 11.1 Overview and Scrutiny Committees will set up task and finish Scrutiny Sub-Committees which may scrutinise and review decisions made or actions taken in connection with the discharge of any Council function except those decisions made in respect of development management, licensing, registration, consents and other permissions or in the determination of any matter which concerns individual rights or responsibilities. As well as reviewing documentation, in fulfilling this scrutiny role, Scrutiny Sub-Committees may require any Member of the Cabinet and/or the Chief Executive or any Director or Head of Service to attend before them to explain in relation to matters within their remit:-
 - (a) any particular decision or series of decisions; and/or
 - (b) the extent to which the actions taken implement Council policy;

and it is the duty of those persons to attend if so required.

- 11.2 Scrutiny Sub-Committees will comprise four Members in the ratio 2:2 and be chaired by an Opposition Member. Scrutiny Sub-Committees will make recommendations direct to the Cabinet. The agreement of a majority of the Members of a Sub-Committee is required in order for recommendations to be made to the Cabinet. The Chairman has no casting vote.
- 11.3 Where any Member or Officer is required to attend a Scrutiny Sub-Committee under this paragraph, the Chairman of the relevant Sub-Committee will inform the Governance Services Manager. The Governance Services Manager shall inform the Member or Officer in writing giving at least seven working days' notice of the meeting at which he/she is required to attend. The notice will state the nature of the item on which he/she is required to attend to give account and whether any papers are required to be produced for the Sub-Committee. Where the account to be given to the Sub-Committee will require the production of a report, then the Member or Officer concerned will be given sufficient notice to allow for preparation of that documentation.
- 11.4 Where, in exceptional circumstances, the Member or Officer is unable to attend on the required date, then the Governance Services Manager shall in consultation with the Member or Officer arrange an alternative date for attendance to take place within a maximum of fourteen working days from the date of the original request, or if there are reasons why this is not possible for a deputy to attend in his/her place.
- 11.5 For the avoidance of doubt these powers do not apply to pre-implementation call-in detailed in paragraph 14.2.
- 11.6 The Administration and Opposition Groups each have the right within the Municipal Year to have one scrutiny topic referred to a Scrutiny Sub-Committee by each of the three Overview and Scrutiny Committees, with other topics by agreement.

12. ATTENDANCE BY OTHERS

A Scrutiny Sub-Committee may invite other persons to address it and/or answer questions relevant to the discharge of the Sub-Committee's powers detailed in paragraph 11.

13. CONDUCT OF INVESTIGATIONS

- 13.1 Where a Scrutiny Sub-Committee conducts investigations, pursuant to its powers referred to in paragraph 11, it may also ask people to attend to give evidence at a Sub-Committee meeting which are to be conducted in accordance with the following principles:-
- (a) that the investigation be conducted fairly and all Members of the Sub-Committee be given the opportunity to ask questions of attendees, and to contribute and speak;
 - (b) that those assisting the Sub-Committee by giving evidence be treated with respect and courtesy; and

- (c) that the investigation be conducted so as to maximise the efficiency of the investigation or analysis.
- 13.2 Following any investigation or review, the Scrutiny Sub-Committee shall prepare a report, for submission to the Cabinet and/or Council as appropriate and shall make its report and findings public.
14. CALL-IN
- 14.1 Post-Implementation - An Overview and Scrutiny Committee has the power to scrutinise all Cabinet decisions post-implementation. It will appoint a Scrutiny Sub-Committee to do this.
- 14.2 Pre-Implementation - Cabinet decisions will be subject to pre-implementation review through the following call-in procedure:-
- (a) the Cabinet publishes decisions it has made either at a Cabinet meeting or which have been taken by an individual Cabinet Member within three working days; publication will be effected by appropriate notice on the notice board and by posting notice to each Member of Overview and Scrutiny Committees;
- (b) it gives notice that decisions will come into force within ten working days of the decision being published unless the appropriate Overview and Scrutiny Committee calls it in;
- (c) decisions that are clearly within the budget or policy framework and involve expenditure of less than £100,000 cannot be called in, they would be subject to post-implementation scrutiny only;
- (d) decisions that involve expenditure over £100,000 can be called in. "Call-in" requires at least a quarter of the Members of the appropriate Overview and Scrutiny Committee to request the "call-in", in writing to the Governance Services Manager, within four working days of the publication of the decision by the Cabinet, to be effective. The Governance Services Manager will inform the Cabinet of the call-in and the decision will not be implemented until the conclusion of the call-in procedure. The Chairman of the appropriate Overview and Scrutiny Committee, in consultation with the Opposition Group Leaders, has delegated authority, to set up the Scrutiny Sub-Committee to deal with the item. The Governance Services Manager will convene a special meeting of the appropriate Overview and Scrutiny Sub-Committee must meet to consider the "called-in" item(s) within threewenty working days of the request to "call-in" the item(s) or place the "called-in" item on the agenda of the next available meeting of that committee, depending on which can be achieved earliest. publication of the decision by the Cabinet.
- (e) if tThe appropriate Overview and Scrutiny Sub-Committee may, after consideration of the matter, decide s it is unhappy with the decision, it can to refer it back to the Cabinet for reconsideration, specifying the reasons for doing so;

- (f) if the matter is referred back to the Cabinet, the Cabinet must reconsider the decision as quickly as possible and may or may not amend it before adopting a final decision;
- (g) if the appropriate Overview and Scrutiny Committee wants to challenge any decision yet to be made or made but not yet implemented and reasonably believes it is not in accordance with the budget or policy framework then it must follow the procedure set out in paragraph 7 of the Budget and Policy Framework Procedure Rules;
- (h) decisions which are required to be made as a matter of urgency cannot be called in and can only be subject to post-implementation scrutiny.

14.3 Limitations to call-in

In order to ensure that call-in is not abused, nor causes unreasonable delay, certain limitations are placed on pre-implementation call-in. These are:-

- (a) only decisions involving expenditure over a value of £100,000 may be called in;
- (b) a quarter of the Members of the appropriate Overview and Scrutiny Committee are needed for a decision to be called-in; and
- (c) to avoid a conflict of interest an Overview and Scrutiny Committee should not call-in a decision in which they have been involved in developing as part of its policy review and development function. In such instances another Overview and Scrutiny Committee will be permitted to exercise the right of call-in.

14.4 Call-in and Urgency

- (a) The call-in procedure set out above shall not apply where the decision being taken by the Cabinet is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests. The record of the decision shall state that in the opinion of the decision making person or body, the decision is an urgent one. The Mayor must agree to it being treated as a matter of urgency. In the absence of the Mayor, the Deputy Mayor's consent shall be required. In the absence of both, the Head of Paid Service or his/her nominee's consent shall be required. Decisions taken as a matter of urgency must be reported to the next meeting of the Council, together with the reasons for urgency.
- (b) The operation of the provisions relating to call-in and urgency shall be monitored annually by the Monitoring Officer and a report submitted to Council with proposals for review if necessary.

14.5 Councillor Call for Action

Overview and Scrutiny Committees will receive any request from a Councillor for a discussion on behalf of residents on an issue affecting a single Council Ward where local problems have arisen and other methods of resolution have been exhausted. The request must be made to Governance Services by

2.00pm at least three clear working days before the date of the relevant Overview and Scrutiny Committee meeting.

15. THE PARTY WHIP

- 15.1 Any instruction given by or on behalf of a political group to any Councillor who is a Member of that group as to how that Councillor shall speak or vote on any matter before the Council, the Cabinet or any Committee, or the application or threat to apply any sanction by the group in respect of that Councillor should he/she speak or vote in any particular manner is referred to as “the party whip”.
- 15.2 There will be no whipping of Overview and Scrutiny Committee or Scrutiny Sub-Committee Members when exercising scrutiny functions. Any evidence of whipping must be referred to the Monitoring Officer as soon as possible.

16. RIGHTS OF OVERVIEW AND SCRUTINY COMMITTEE MEMBERS TO DOCUMENTS

- 16.1 In addition to their rights as Councillors, Members of the Overview and Scrutiny Committees have the additional right to documents, as set out in paragraph 17 of the Access to Information Procedure Rules in part 4 of this Constitution.
- 16.2 Nothing in this paragraph prevents more detailed liaison between the Cabinet and the Overview and Scrutiny Committees as appropriate depending on the particular matter under consideration.

17. OFFICER SUPPORT

Appropriate senior Officers will prepare reports and attend Overview and Scrutiny Committees to assist the Committees with policy review or development. Officer support in respect of the scrutiny function is detailed in paragraph 11 of these rules.

18. ATTENDANCE BY OTHERS

- 18.1 The Overview and Scrutiny Committees may in connection with policy development and review work, invite other persons to address them, discuss issues of local concern and/or answer questions. They may for example wish to hear from residents, stakeholders and Members and officers in other parts of the public sector and shall invite such people to attend.
- 18.2 Each Overview and Scrutiny Committee must specifically consider whether and how to involve the public before commencing a policy development or review matter.

19. PROCEDURE AT MEETINGS

The Overview and Scrutiny Committees shall consider the following business:-

Part 1

Section A

- (a) Minutes of last meeting;

- (b) Declarations of interest;
- (c) Public question time and petitions;
- (d) Scheduled items;
- (e) Overview and scrutiny work programme.

Section B

- (a) Consideration of items for scrutiny and appointment of Scrutiny Sub-Committee(s).
- (b) Call in of any Cabinet decisions or potential Cabinet decisions.

Part 2

- (a) Any confidential items.

Council 05.02.2018

Part I

Item No: 12

WELWYN HATFIELD COUNCIL
COUNCIL – 5 FEBRUARY 2018

NOTICE OF MOTIONS UNDER PROCEDURE RULE 50

To consider the following notice of motion submitted under Procedure Rule 50:-

- 1. The following motion has been submitted by Councillor Malcolm Cowan and will be seconded by Councillor Helen Quenet:-**

“As part of the streetscene/waste and recycling procurement process, this council should investigate using a provider to an adjacent authority, in order to help bring about the savings found elsewhere in Herts from such an approach.”

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