

REPORT TO: EXTRAORDINARY COUNCIL 21 FEBRUARY 2023**PORTFOLIO: LEADER & DEPUTY LEADER****REPORT FROM: SECTION 151 OFFICER****SUBJECT: BUDGET 2023/24 AND MEDIUM TERM FINANCIAL STRATEGY****1 PURPOSE OF THE REPORT**

- 1.1 This report sets out the proposed Medium Term Financial Strategy (MTFS) for the period 2023/24 to 2025/26, including the 2023/24 Budget and Council Tax level. The MTFS outlines the anticipated budget changes over the next three years, including assumptions regarding changes to funding levels, inflation, pressures, and savings.

2 INTRODUCTION

- 2.1 The Council is legally obliged to set a budget each year which must balance service expenditure against available resources. It is a key element of effective financial management for the Council to put together a financial strategy that ensures it is well placed to meet future challenges, such as changes to funding levels, demographic and legislation changes, and other external risk factors outside the Council's direct control.

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4 EXECUTIVE SUMMARY

- 4.1 This report sets out Rochford District Council's Medium Term Financial Strategy (MTFS) which provides a financial forecast of revenue budgets and capital programme over a rolling three-year timeframe from 2023/24 to 2025/26.
- 4.2 The Government has announced a Final Settlement for 2023/24 only. It proposes to maintain its commitment to remove any negative Revenue Support Grant adjustments in 2023/24.
- 4.3 The Council's strategic context is set out in Section 5. The strategic objectives form the basis of the Business Plan and drive the allocation of resources.
- 4.4 This report provides feedback on the public budget survey which ran from 12th September to 23rd October 2022 and is outlined in Section 7.
- 4.5 Substantial budget pressures have been identified for 2023/24; these are offset by new savings / efficiencies (including income generation), including an assumption of an increase in the district's share of Council Tax of 2.97%. This equates to £7.29 per year or an extra 14 pence per week on a Band D property in 2023/24.
- 4.6 The Council's Business Rates income is projected to increase, following a revaluation exercise. There remains significant uncertainty about the level of Business Rates income the Council will be able to retain in future years.
- 4.7 There is a net contribution to reserves in 2023/24 which ensures minimum working balances and a projected balanced budget in 2024/25 and 2025/26. However, these projections are subject to change as assumptions are updated, additional information becomes available about Business Rates Retention and Fair Funding Review and as further proposals are developed.
- 4.8 The Council aims to retain a minimum General Fund balance (which acts as a contingency for unexpected or emergency costs) of 10% (£1.2m) in 2023/24.
- 4.9 The New Homes Bonus scheme has been extended for one further year in 2023/24 with an allocation for the Council of £839,687, but no further legacy payments expected. There is also a further year of Services Grant of £70,284 for 2023/24 and a Revenue Support Grant allocation replacing the Local Council Tax Subsidy payment of £80,051. An element of these grants has been required to bridge the funding gap, and the remainder is proposed to be a contribution to General Fund Balances to enable the MTFS to be balanced for the next two years.

5 STRATEGIC CONTEXT**Local Government Finance Outlook**

- 5.1 There remains significant uncertainty about the future of local government finance. Potential changes to the Business Rates Retention Scheme and a Fair Funding Review have been delayed again, meaning that the future allocation of funding within local government also remains unclear pending consultation with the sector and further detail on the Government's 'Levelling Up' agenda. This uncertain funding position makes it difficult to plan for the long term.
- 5.2 A summary of the main announcements within the Local Government Settlement is set out below.

Headlines from the Local Government Settlement 2023/24

- The Government published the draft settlement on 19 December 2022 and the final settlement on 6 February 2023.
- The Settlement increases local authorities' spending power by 3%. It has been assumed that authorities will increase Band D Council Tax levels by the maximum amount without a referendum.,
- The core council tax referendum principle for shire districts is to permit an increase of 3% or £5 (whichever is higher) without a referendum.
- The 2023/24 settlement maintains the Government's commitment to remove any negative Revenue Support Grant.
- There is a Services Grant allocation of £70,284 in 2023/24. The Services Grant has reduced nationally, and for Rochford, primarily because local authorities as employers will not have to continue to pay higher National Insurance Contributions.
- There is a freeze in the business rates multiplier, which reduces costs to businesses in England. Local authorities will be fully compensated for the loss of income.
- Continuation of Business Rates Pooling arrangements for a further year. Rochford will continue to be part of an Essex Business Rates Pool in 2023/24.
- New Homes Bonus of £839,687 will be paid to the district in 2023/24 based on housing growth above 0.4%, although no legacy payments will be received in future. It is anticipated that this will be the last year of the current scheme.
- The district will receive a Homelessness Prevention Grant, designed to tackle homelessness and rough sleeping of £287,448.

Budgetary Pressures

5.3 The Council faces pressures due to:

- During the past year, inflation and interest rates have risen, to a degree that was not predicted this time last year. The Consumer Price Index rose above 10% in the summer of 2022 and stands at 10.5% now. These high rates were, and are, partly due to substantial increases in energy costs. Inflation means the council pays more for all its goods and services, including via payments to contractors, and its staff.
- **Demographic Pressures on services:** Demand on services is driven by a growing and changing population. Early results from the 2021 census show that in Rochford, the population size has increased by 2.8% over the last ten years from around 83,300 to 85,600, with an increase of 18.7% in people aged 65 years and over.
- **Increasing public expectations:** residents expect improved services, the increased use of digital technology to improve service delivery, and increased commercial activity to help fund local services. Additionally, as the cost of living increases, there will be more demand for council services. There may also be an adverse impact on income, including fees and charges, Council Tax and Business Rates.

6 COUNCIL PRIORITIES AND THE BUSINESS PLAN

Business Plan

- 6.1 The Business Plan vision and priorities are key to articulating the strategic direction for the Council and the services it delivers for the district.
- 6.2 To ensure continuing alignment with the Council's financial planning process and key projects, Business Planning has been undertaken in parallel with the preparation of the Medium Term Financial Strategy so that the two align.
- 6.3 The Business Plan sets out the overarching priorities for the Council, the outcomes it is working to achieve and the actions that are currently planned. It is used to ensure officer and financial resources are allocated appropriately to achieve the actions and objectives detailed within it.
- 6.4 The Business Plan informs the subsequent agreement of annual service plans, prepared by the Council's directorates, setting out service, team and individual objectives, aligned to the vision and aims that have been set.
- 6.5 The corporate priorities underpinning the Business Plan are:
- Being Financially Sustainable
 - Maximise Our Assets

- Early Intervention
- Enable Communities.

Partnership Working with Brentwood Borough Council

- 6.6 Following the agreement to create a formal strategic partnership between the Council and Brentwood Borough Council (BBC), savings have been delivered at the senior management level, and are reflected in this year's budget. Further savings have been anticipated over the MTFS period as the #OneTeam transformation programme is rolled out to all services.
- 6.7 The 2023/24 base budget includes £69,000 tier 1 savings in 2022/23 and £40,000 savings from the tier 2 and 3 reorganisations. Further savings from the OneTeam partnership are set out in paragraph 7.6.

Asset Delivery Programme

- 6.8 In 2020 the Council agreed to proceed with its Asset Delivery Programme to deliver proposed schemes for the Council's key strategic sites set out in the Council's Asset Strategy. The agreed option was to consolidate the Council's operations at the Freight House site, develop a new Community Centre at the Mill Arts & Events Centre site and redevelop and dispose of the remaining sites which are surplus to Council requirements.
- 6.9 Further to this, on 26th July 2022 Full Council agreed to revisit the Council's requirements for the Mill Arts & Events Centre site and remove this from the ADP, to reopen the Mill Arts & Events Centre and to seek expressions of interest from community groups to operate the building in the longer term. A separate Outline Business Case (to include a full options analysis) is to be undertaken and presented to Council for approval at a later date.
- 6.10 All other sites remain in the ADP and further reports will be presented to Council as to future plans, both interim and long term, for the strategic sites. The capital programme has set aside £4.2 million over the next two years for these purposes.

Regional and Sub-regional partnership working

- 6.11 The Association of South Essex Local Authorities (ASELA) is a partnership of neighbouring councils that have come together to deliver growth and prosperity in the region. The local authority partners are Basildon, Brentwood, Castle Point, Rochford, Southend-on-Sea, Thurrock and Essex County Council. In January 2018, the partnership agreed to work together and signed a Memorandum of Understanding. Further detail can be found on the website: <https://www.southessex.org.uk>.
- 6.12 There are five key themes of work for ASELA:

- Economy and Skills
- Digital Connectivity
- Transport and Infrastructure
- Housing
- Environment.

6.13 There is also a debate currently taking place across Essex, with a view to submitting a devolution bid to the Secretary of State. It is too early to assess the financial implications for Rochford regarding this.

7 MEDIUM TERM FINANCIAL STRATEGY TO 2025/26 (MTFS)

MTFS Key Principles and Assumptions

7.1 The indicative MTFS for the period 2023/24 to 2025/26 is based on the following principles:

- The Council has determined the minimum level of General Fund balance to be held at 10% of the net budget requirement.
- Members will set the maximum level of capital expenditure that can be incurred each year, recognising that any expenditure over and above that which can be funded from revenue contribution to capital, specific capital grants, designated reserves or capital receipts, would need to be financed through borrowing.

7.2 Assumptions on Government funding, demographics, inflation and a range of other factors are used to inform the MTFS and budget gap and will be kept under review over the period to ensure changes in the macro-economic picture are reflected in the strategy. These assumptions are as follows:

- **Demographic pressures:** These are built into individual budget lines. Demand is monitored for key services such as housing options and waste services, alongside a more general increases in demand for services as a result of the number of households in the district continuing to rise.
- **Inflation (pay):** a 4% increase in staff pay is assumed in 2023/24, then 2% in each future year.
- **Inflation (non-pay):** inflation has been added in line with the individual contract agreements, which are usually linked to national inflation measures.
- **Revenue contribution to capital** is estimated at £255,000 p.a.

- **Capital financing costs:** no external borrowing has been factored into the budget and as such, no provision incorporated for interest or principal debt repayments.
- **Council Tax:** A Council Tax increase of 2.97% in 2023/24 is assumed; this equates to an extra 14 pence per week on a Band D property. Annual Council Tax increases of 2% are assumed in future years.
- **Council Tax Support:** a discretionary hardship provision has been set aside to provide benefit support and funds to those in severe hardship. For 2023/24 only there is Council Tax Support Fund to enable the payment of up to £25 to claimants.
- **The Council Tax baseline:** assumes a return to the previous growth trajectory from 2023/24 onwards (1% annual increase).
- **New Homes Bonus (NHB):** 2023/24 is assumed to be the final year of this grant in its current form.
- **Business rates:** The Business Rates Retention Scheme which determines the baseline level of rates the Council is expected to collect each year and the level of tariff/top ups for each authority has been rolled on for a further year.
- **Core Spending Power:** There is an assumption over the medium term that Government funding will remain at 2023/24 levels. This means that some form of funding will continue, either as New Homes Bonus, Services Grant and/or Funding Guarantee, or a replacement scheme.
- **Revenue Support Grant:** the previously proposed negative RSG adjustment of £0.630m will be funded through the central government share of business rates in 2023/24 and therefore has been removed from the Council's funding settlement. From 2024/25 onwards it is assumed that nationally RSG will be retained within the overall Business Rates Retention system; however, the distribution could alter and hence the overall level of funding the Council will retain may reduce; this is noted as a risk but not quantified within the MTFS.

Balancing the Budget over the Medium Term

- 7.3 Based on the assumptions outlined above, the Medium Term Financial Strategy reflects a balanced budget. This requires the use of reserves set aside in 2023/24 to be used to support the budgets in 2024/25 and 2025/26. There are several unknowns which could change the budget gap, most notably the Fair Funding Review and the Business Rates Retention Review. The timetable for these reviews is unknown at this point. As noted above, any reduction in funding has not been assumed within the MTFS gap projections, pending further information on Government proposals. In addition, there remain significant risks

that cost inflation could continue to rise and demand pressures could be higher than estimated based on current intelligence.

Revenue Budget Overview 2023/24

	2022/23	2023/24	2024/25	2025/26
	NEW PORTFOLIO STRUCTURE			
	£m	£m	£m	£m
Strategic Planning and Assets	1.179	1.749		
Communities, Housing & Health	1.492	1.575		
Customer Services, Legal & Leisure	2.867	3.170		
Environment	2.359	3.255		
Finance, Economy & Climate	1.327	1.124		
Leader/Deputy Leader	1.411	1.540		
Strategic Planning and Assets				
Staffing Vacancy Factor and anticipated one team savings	(0.200)	(0.333)		
Total Service Expenditure	10.435	12.080	12.541	13.111
Funding Sources:				
Revenue Support Grant	-	(0.080)	-	-
Retained Business Rates	(2.442)	(3.129)	(3.160)	(3.192)
Business Rates Collection Fund (Surplus)/Deficit	1.566	0.444	-	-
New Homes Bonus	(0.660)	(0.840)	-	-
Council Tax (Proposed)	(8.019)	(8.303)	(8.553)	(8.810)
Council Tax Collection Fund Surplus)/Deficit	0.043	(0.054)	-	-
Investment Fund Contribution / (Withdrawal)	0.859	0.291	(0.050)	(0.357)
Business Rates Smoothing Reserve Contribution / (Withdrawal)	(1.566)	(0.390)	-	-
Funding Guarantee	-	-	(0.800)	(0.800)
LCTS Grant	-	-	-	-
Lower Tier Services Grant	(0.080)	-	-	-
Services Grant	(0.120)	(0.070)	-	-
COVID-19 Grant	-	-	-	-
Contribution to COVID-19 Smoothing Reserve	-	-	-	-
Total Funding	(10.417)	(12.131)	(12.563)	(13.159)
General Fund Contribution / (Withdrawal)	(0.019)	0.050	0.022	0.048
(Surplus) / Deficit / Balanced budget	-	-	-	-
ESTIMATED General Fund Balance Brought Forward		1.169	1.219	1.241
Contribution to / From Reserves		0.050	0.022	0.048
General Fund Balance Carried forward		1.219	1.241	1.289
10% General Fund Balance required	1.044	1.208	1.254	1.311

- 7.4 After taking income and specific grants into account, the net costs of 2023/24 services amounts to £12.080m, compared to £10.435m in 2022/23. The service budget summary is shown in Appendix 1.

Key 2023/24 Pressures & Growth Items

- 7.5 The key pressures and growth items are:

- Contract inflation/specification changes (£1.072m): price increases in relation to major contracts including waste, IT, insurance, audit costs and utilities.
- Budgetary allowance for the running of Mill Hall (£0.236m).
- Staffing costs (£0.735m): this includes the 4% “cost of living” inflationary pressure detailed in the assumptions section plus incremental uplifts, the pressure from the additional increase in pay award for 2022/23, a 2% increase in employers pension contributions and the impact of agreed establishment changes.
- Increase in the waste budget for the allowance of separate food collection (£0.290m).
- Reduction in planning income in response to the cost of living increases. (£0.060m)
- £0.182m of the increase relates to Housing Benefit budgetary fluctuations funded from an equalisation reserve and a change to central grant funding.

2023/24 Key Savings, Efficiencies and Income

7.6 Key savings, efficiencies and income are:

- A net reduction in Waste budgets (£0.034m) due to an increase in the value of the recycling rebate offset by the loss of tipping away and waste income.
- Increase in car park income (£0.089m) as usage of the car parks returns to levels nearer pre-pandemic.
- The triennial pension revaluation reducing the annual pension deficit contribution (£0.395m).
- Increase in Bank of England Base Rate generating greater interest returns (£0.250m).
- Forecast savings from OneTeam for service reviews and changes to the staff vacancy factor (£0.133m).
- Various small savings (£0.028m).

2023/24 Core Sources of Funding

Revenue Support Grant (RSG)

- 7.7 This funding stream has been gradually reduced since 2015/16 at which time the Council received £1.241m. The Government's original intention to implement negative RSG for some authorities in 2018/19 has not been implemented. The settlement for 2023/24 has again removed negative RSG for the Council (i.e., a payment back to Government) of £0.630m. However, the Government has redefined Council Tax Support Grant as RSG, so an allocation of £80,051 will be received in 2023/24.

Business Rates

- 7.8 Local authorities currently retain 50% of Business Rates across the local government sector (with the other 50% returned to central Government). Within the local government share there is a system of redistribution, based on relative need, which means that each individual authority is subject to a top up or tariff payment to bring their nominal share of rates in line with their assessed need. Each authority can individually retain up to 50% of any growth in business rates revenue over an agreed baseline. Rochford remains part of the Essex Business Rates Pool in 2023/24 which means that collectively, the Pool can retain the remaining 50% of any growth over a shared baseline position.
- 7.9 A Fair Funding Review consultation document was published alongside the Local Government Settlement in 2019/20 with the intent to implement from 2022/23 but it is not now clear when this may be implemented. This will impact on the baseline of assessed funding need for each authority and hence the top-up/tariff payments applied to the share of rates each authority nominally receives; this is therefore likely to affect the total Business Rates income the Council can retain, once any new system is implemented.
- 7.10 The business rate multiplier will be frozen in 2023/24, meaning the rates business pay will not increase; however, the Council will be fully compensated for this loss of income.
- 7.11 Business rates relief for eligible retail, hospitality, and leisure businesses has been extended and increased from 50% to 75% business rates relief up to £110,000 per business in 2023/24; however, the Council will be fully compensated for this loss of income.
- 7.12 From 1 April 2023, business rate bills in England will be updated to reflect changes in property values since the last revaluation in 2017. Upwards Transitional Relief will support properties by capping bill increases caused by changes in rateable values at the 2023 revaluation. The 'upward caps' will be 5%, 15% and 30% respectively, for small, medium, and large properties in 2023/24. Local Authorities will be fully compensated for the loss of income as a result of these business rates measures.

Business Rates Collection Fund

- 7.13 As a Billing Authority, the Council collects Business Rates on behalf of central government, Essex County Council and the Essex Fire and Rescue Authority

via the Essex Business Rates Pool. The amount of Business Rates to be collected includes an assumption about collection rates. If the amount actually collected during the year varies compared to this assumption, then the balance is held in the Collection Fund.

- 7.14 A forecast is made of the likely outturn surplus or deficit each year. For 2023/24 there is a projected overall deficit on the current years Business Rates collection fund of £1.109m; however, £1.111m of this relates to COVID-19 Additional Relief Fund for which Section 31 grants have been received in advance and therefore will be applied from balances.

New Homes Bonus

- 7.15 New Homes Bonus was introduced in 2011 to provide a clear incentive to local authorities to encourage housing growth in their areas. The scheme has been extended for a further year in 2023/24; however, payments for growth will be for one year only. The housing growth baseline above which grant is paid will also remain at 0.4%.
- 7.16 Rochford's allocation for 2023/24 is £839,687. It is proposed that £385,000 is transferred to the investment reserve to fund future capital programme requirements. A further £50,000 is to be left in General Fund balances in 2023/24, to ensure the minimum level of General Fund balances are maintained.

Council Tax

- 7.17 The settlement sets out a 3% (or up to £5 if higher) referendum limit on council tax increases for shire districts in 2023/24. Government illustrations of local authorities' core spending power assume that councils will increase their council tax when calculating the total funding available to each authority.
- 7.18 When considering the Council Tax level for 2023/24, it should be noted that the current level of Council Tax is:

	2022/23 Band D Average £
Essex County Council	1,231.65
Essex County Council Social Care Levy	169.47
Essex Fire Authority	75.33
Police & Crime Commissioner	218.52
Town/Parish Councils (average)	53.84
Rochford District Council	245.16
Total	1,993.97

- 7.19 The Council is proposing an increase in its share of Council Tax by 2.97% in 2023/24; this equates to £7.29 per year or an extra 14 pence per week on a Band D property.

2023/24 Council Tax Base

- 7.20 The Section 151 Officer has delegated powers to set the tax base, which is based on the current council tax valuation list plus an estimate of changes anticipated to occur in 2023/24.
- 7.21 The introduction of the Local Council Tax Support Scheme (LCTS) in 2013/14 resulted in a change in the way that the Council Tax Base is calculated. The LCTS is based on a discount rather than a benefit, so results in a reduction in the tax base. For 2023/24, the tax base is calculated as follows:

		Band D Equivalents	
		2022/23	2023/24
	Tax Base	34,998.4	34,652.0
Less	LCTS Adjustment	(2,228.9)	(2,290.8)
Equals	Tax Base for Council Tax Collection	32,707.6	32,888.9

- 7.22 The change in the tax base is due to-

- Additional housing units in the district.
- Changes in discounts and exemptions; and
- Additional fraud and compliance work being undertaken in partnership with the Essex authorities.

The calculation of the indicative Council Tax for Rochford District is set out below:

	2022/23 Current	2023/24 Original
	£m	£m
Gross Expenditure	12.998	14.046
Reversal of Parish Precept	(1.761)	(1.966)
Total Service Expenditure	11.237	12.080
Contribution to /(from) Reserves	(1.527)	(0.048)
Net Expenditure for Budget Purposes	9.710	12.032
Revenue Support Grant	-	(0.080)
Retained Business Rates	(2.442)	(3.129)
New Homes Bonus	(0.660)	(0.840)
Collection Fund Adjustments	1.609	0.390
Lower Tier Services Grant	(0.080)	-
Services Grant	(0.120)	(0.070)
Rochford's Element of Council Tax Requirement	(8.019)	(8.303)
Council Tax Base	32,708	32,889
TOTAL COUNCIL TAX (BAND D EQUIVALENT)	245.16	252.45

- 7.23 The proposed increase in Council Tax combined with growth in the tax base would result in income from Council Tax being £8.303m in 2023/24. The indicative Council Tax for a band D property will be £252.45, representing an increase of £7.29 per annum or 14p per household per week.
- 7.24 The total Council Tax, including the amounts for Essex County Council, Essex Police and Crime Commission, Essex Fire Authority and the Town and Parish Councils are set out in the separate report being considered at Council on 21 February 2023.

Council Tax Collection Fund

- 7.25 As a billing authority, the Council collects Council Tax on behalf of Essex County Council, Essex Fire and Rescue Authority and Police and Crime Commissioner (known as main precepting bodies). The amount of Council Tax to be collected includes an assumption about collection rates. If the amount actually collected during the year varies compared to this assumption, then the balance is held in the Collection Fund. This reserve is ring fenced and is distributed between the billing authority and the main precepting bodies on a proportionate basis, based on the Band D Council Tax amount for each body.
- 7.26 A forecast is made of the likely outturn surplus or deficit and this amount is then split across the main precepting bodies and the Council. For 2023/24 there is a projected overall surplus on the council tax collection fund, this is mainly due to better than forecast performance in 2022/23 but is partly offset by COVID-19 impacts which will be spread over the next three financial years as mandated by government.
- 7.27 The surplus is split between the billing authority and main preceptors as follows:

Recipient	Distribution Amount – Deficit/(Surplus)	
	2022/23 Actual £000	2023/24 Proposed £000
Rochford District Council	43	(54)
Essex County Council	199	(255)
Essex Police and Crime Commission	31	(40)
Essex Fire & Rescue Authority	11	(14)

RESIDENT ENGAGEMENT

- 7.28 The Rochford District Council Budget Consultation ran between 12th September to 23rd October 2022 and was publicised across a variety of channels including an article in the Echo newspaper, business bulletins, emails to various local community-based groups and social media posts. There was a total of 252 responses from residents across all wards within the district.
- 7.29 Residents were provided with some information on the council's current spending levels per average household across a number of key services and were asked if they would prefer to spend less, the same, or more in each key area. Most residents wanted to spend the same on all services. The service with the highest Spend More result was Community Health and Safety; however, the responses were fewer than the Spend the Same result. The service with the highest Spend Less result was Planning Services; however, the responses were fewer than the Spend the Same result. 'Household Waste Collection' continues to score the highest in the Spend the Same option. This year 'Community Health and Safety' scored the highest in the Spend More option, compared to 'Maintaining Parks and Open Spaces' in the 2021 survey.
- 7.30 In the consultation residents were asked for their views on the Business Plan priorities. Those receiving the majority of Very Important responses were maintain, protect, and enhance our many green parks followed by Improve Efficiency. The priority to receive the highest number of Not Important was 'Work with partner organisations' although it received more Important responses overall.
- 7.31 The consultation included some suggestions on ways Rochford District Council could raise money. Increasing the use of modern technology and increasing commercial activity for revenue were the most supported options. Most residents disagreed with introducing new charges for services that the Council had an option to provide.
- 7.32 More detail on the consultation responses is provided at Appendix 5.
- 7.33 The Council would like to take the opportunity to thank those who took the time to feed in their views and provide some insight into how the public considers the Council should use its resources in a time of financial constraint.

- 7.34 The Council is committed to involving residents, businesses and service users in shaping the district and the services they receive. Whilst not all ideas can be pursued, they allow the Council to focus on how best to use its resources to achieve its Business Plan priorities and make a difference to the people we serve.

Financial Priorities

- 7.35 Over the period of the MTFS the Council's financial priorities will be:
- To deliver a balanced budget and long-term financial sustainability, while maintaining appropriate levels of reserves, balances and contingencies to protect council services and assist in mitigating future risks.
 - To maintain unqualified accounts each year.
 - To maximise recovery of income due to the council and minimise the impact of fraud on council business.
 - To support sustainable economic growth and strong communities, ensuring the district is a great place in which to invest, live, work and visit.
 - To create an agile and flexible workforce, including maximising ICT efficiencies, through its Transformation Programme, in partnership with BBC.
 - To deliver the objectives of the Council's Asset Strategy through its Asset Delivery Programme.

8 2023/24 Grants for specific services

- 8.1 In 2023/24 the specific grant funding expected to be received by the Council is:

Grants for specific services:	2023/24 £
Homelessness Prevention Fund	(287,448)
Housing Benefit Admin	(120,053)
Business Rates collection	(102,764)
New Burdens - Universal Credits	(1,433)
New Burdens - Housing Benefits	tbc
Disabled Facilities Grant (estimated)	(540,059)
Total Specific Grants	(1,051,757)

9 Capital Programme

- 9.1 A proposed capital programme covering the period 2023/24 to 2025/26 has been developed to provide the Council with transparency over its future spending plans and to enable effective planning, prioritisation and financial management. This is detailed at Appendix 2.

- 9.2 Both revenue and capital funding must work to complement each other in support of the delivery of the Business Plan, which is dependent upon both investment in capital infrastructure and transformation and modernisation in operational service delivery.
- 9.3 The major item in the five-year Capital Programme is the second phase of new waste vehicles and caddies, estimated to cost £1.7m, to support the new waste services arrangements. The vehicles are planned to be funded from earmarked reserves, including the Capital Receipts reserve and Investment Reserve, and a rolled forward element of the current year's programme.
- 9.4 The programme also reflects the estimated costs for the Asset Delivery Programme, as set out in the Final Business Case (FBC). These costs will be subject to review and potential change at further decision points. The estimated net capital funding requirement at FBC stage of £1.5m is assumed to be funded from the Council's Hard/Soft Infrastructure Fund Reserve (which has been earmarked for this purpose). At this time, it is therefore not assumed that any long-term borrowing would be required; however, this assumption may be revisited if the funding requirement changes. Council approval would be sought before any borrowing was undertaken as this would represent a change to the Council's current Capital and Treasury Management Strategy.
- 9.5 External borrowing (if required and endorsed) would create an ongoing revenue cost pressure as a result of the capital financing charges arising (interest payments and principal repayment of debt), so any business case for borrowing would need to be supported with an appropriate mitigation strategy.
- 9.6 The programme includes provision for routine capital expenditure on the Council's core maintenance programmes in 2023/24 including continued investment in providing new and enhanced play facilities across the district. No external borrowing is anticipated for the core maintenance programme which will be financed from revenue contributions, reserves and specific grant funding.
- 9.7 The 2022/23 Capital Programme includes a roll forward allocation of £100,000 for investment in Community Safety works across the district, to fund up to 75% of the cost of any proposals put forward by parish and town councils for eligible capital works. This will not be shown in the 2022/23 outturn report as a requested carry forward as it has been built into the 2023/24 capital programme with an additional £20,000 for inflation.
- 9.8 The 2022/23 Capital Programme also includes a roll forward allocation of £50,000 for a Town Centre Regeneration Fund to support post COVID-19 economic recovery. Any amounts not spent in 2022/23 will be carried forward into the 2023/24 financial year. This will be included in the 2022/23 outturn report, hence is not shown in the original 2023/24 capital programme.
- 9.9 It is recognised that the programme cannot accurately predict all demands for the future and that will require periodic review and revision at least annually to enable the Council to allow adjustments in the light of changing circumstances.

10 FEES AND CHARGES

- 10.1 The Council reviews discretionary fees annually as part of the Budget Process; however, circumstances may change during the year necessitating in-year changes and the Council has delegated in-year approval of discretionary fees to the Executive.
- 10.2 The proposals in respect of the charges for 2023/24 are shown in Appendix 3 to this report. Any changes shown in the Appendix come into effect from 1 April each year, unless indicated otherwise.
- 10.3 The Council also undertakes to review existing services to identify opportunities for introducing or increasing charges, if appropriate. Charging users for services reduces the level of overall subsidy by Council taxpayers for a particular service.
- 10.4 Fees for Planning and certain other services are not included within the schedule for fees and charges, as these are prescribed by legislation and the Council has no discretion. These are available on request from the relevant department and will be published on the Council's website.

Car Park Charges

- 10.5 When reviewing its charges, the Council's aim is to recover the costs of managing and maintaining the car parks to the high standard expected by users whilst maximising the trading opportunities in town centres. Car park charges are not planned to be increased in 2023/24.
- 10.6 The Council continues to invest in the maintenance and repair of its car parks, including priority resurfacing, which is included in the capital programme for 2023/24.

11 PENSION AND PENSION REVALUATION

- 11.1 The Council belongs to the Local Government Pension Scheme which is administered by Essex County Council through the Essex Pension Fund. The triennial valuation is a requirement under regulation 36 of The Local Government Pension Scheme.
- 11.2 The purpose of the triennial valuation is to value the assets and liabilities of each individual employer, and the entire pension fund, every 3 years, with a view to setting employer contribution rates which ensure the sustainability of the Fund over the longer term. A full actuarial revaluation was completed in October 2022 and proposes an increase in the contribution paid by the Council for each staff member to 21%, the cost of which will be offset by a reduction in the annual contribution towards the deficit payment that has to be made, which has reduced since the last full valuation. It is proposed that the deficit payment of £0.093m is paid in one instalment during 2023/24.

12 EQUALITY AND DIVERSITY IMPLICATIONS

- 12.1 The Council has formulated its budget proposals having regard to the duties under the Equality Act 2010. At the time of developing specific service plans and policies the Council will consider in greater detail the specific impact of the proposals that might be implemented within the budgetary framework. Proposals shall only be implemented after due regard has been paid to the need to achieve the three aims set out in Section 149 of the Equality Act.

13 RISKS AND OPPORTUNITIES

- 13.1 There are a number of risks and opportunities to the Council's financial position as a result of changes in demographics, changes to legislation and other factors. The Council holds reserves and contingency balances to address future risks and concerns. These risks will be kept under review if and when they materialise:

- **Inflation-** there is risk posed by rising inflation in that amounts budgeted for significant cost headings such as staffing, major contracts and utilities could be insufficient. It is difficult to predict this accurately, as it will depend on wider market factors and mitigating actions taken by the Bank of England and Government to manage the economy. The Council will continue to monitor this risk and any cost pressures can be managed through general reserves if needed over the short-term, with appropriate adjustments being made to the MTFS if required in future years.
- **BBC Partnership Arrangements** – the partnership presents an opportunity to reduce costs over the medium term. Estimated savings have been included in the MTFS of £83k in 2023/24, £306k in 2024/25 and £321k in 2025/26. Provision has been made within earmarked reserves to fund the Council's share of one-off costs associated with the Transformation Programme required to deliver these ongoing savings.
- **Homelessness:** Ongoing prevention and partnership work continues to help with the supply of temporary and settled accommodation, which has significantly reduced the number of residents in emergency accommodation and directly helped to reduce budget pressures. The number of households requiring temporary accommodation has been put under increased pressure and demand will continue to be closely monitored.
- **Housing Benefit Net Costs:** This is a demand driven budget linked to housing need across the district and is therefore subject to fluctuation. An equalisation reserve has been set up to help manage these fluctuations on the net budget position.
- **Council Tax Sharing Scheme:** An extension of this scheme has been agreed in 2023/24; the % share-back of preceptor's additional council tax has reduced to 9% but additional lump sums for fraud and compliance and hardship will result in no reduction in contributions to the district in 2023/24.

- **Recycling Costs:** The budget has been set based on the revised unit prices and best intelligence of probable volumes; however, if either of these assumptions are higher than anticipated a further cost pressure could arise.

14 ROBUSTNESS OF THE BUDGET ASSUMPTIONS; ASSURANCE FROM THE S151 OFFICER

- 14.1 The Section 151 Officer is required under section 25 of the Local Government Act 2003 to report to the council on the robustness of the estimates and adequacy of reserves when determining their budget and level of council tax.

ROBUSTNESS OF ESTIMATES

- 14.2 The financial planning process for 2023/24 has taken place in an environment of significant uncertainty due to inflationary pressures and uncertainty over the economic outlook and local government funding levels. Despite these challenges the Council has been able to set a balanced budget in 2023/24.
- 14.3 The financial planning process takes into account the strategic context for the district, medium-term resource projections, and the quantification of new pressures on resources, and the identification of potential budget savings and efficiencies, including income generation.
- 14.4 The feedback from the budget survey will be taken into consideration as the Council further develops its Medium Term Financial Strategy.
- 14.5 At Member level, budget discussion has taken place to share information and provide national and local context. Portfolio holders have been engaged and provided with the evidence required to enable the MTFS recommendations outlined to be referred to Council for approval.

ROBUSTNESS OF THE BUDGETING PROCESS

- 14.6 The Council will continue to face challenging financial times for the foreseeable future, with the impact of ongoing pressures on local government funding, inflationary pressures and increasing demand. The process that has been undertaken to set the budget has included engagement of officers throughout the year who have provided regular feedback of ideas into the process, engagement with the public and members and benchmarking exercises, along with due consideration of statutory duties, particularly in respect of equalities.
- 14.7 The Council has a credible track record of delivery of savings and holds reserves and contingencies to help mitigate against risks and uncertainties, as well as to support specific projects and grant funded work. Any pressures that cannot be met through grant funding or in-year cost reductions will need to be met from reserves; however, I am satisfied that the Council has sufficient reserves and balances to operate over the medium-term.

- 14.8 The financial climate reinforces the need for on-going robust financial management, strict budgetary control and the on-going monitoring of both savings and investment delivery plans, and I am confident that there are adequate processes in place to promote these.
- 14.9 Risks have been taken into account when setting the budget and in considering the adequacy of reserves. For these reasons, it can be confirmed that the 2023/24 budget setting process has been robust.

RESERVES & BALANCES

- 14.10 The continued provision of adequate reserves is essential. Without these, it may be necessary to take remedial urgent action in-year to mitigate challenges that arise, which could lead to longer term consequences.
- 14.11 The Section 151 Officer recommends the level of reserves within the Council's budget. However, it is important that members understand the level of reserves that the council holds and ensure that the reserves policy fits in line with the organisational strategy.
- 14.12 There is no statutory minimum level of reserves, but it is important to manage the level of reserves in order to:
- Maintain adequate balances to provide contingency funds for unforeseen events such as COVID-19.
 - Provide resources to support the Council's long-term spending plans.
 - Avoid holding excessive amounts because of the opportunity costs in not utilising these resources.

General Fund Balance

- 14.13 This is a contingency fund i.e., money set aside for emergencies or to cover any unexpected costs that may occur during the year, such as flooding or unexpected repairs.
- 14.14 The current strategy is to maintain General Fund balance at a minimum of 10% of the annual net budget requirement. This will provide a short-term contingency to manage the risks identified in this report.
- 14.15 The level of the General Fund reserve is reviewed annually as part of the budget process and the current 2023/24 target for General Fund balances is £1.2m. The £50,000 contribution to the General Fund balance in 2023/24 is required to ensure compliance with a minimum level of £1.2m.

Earmarked Reserves

- 14.16 These comprise monies that are set aside for a particular purpose, such as Infrastructure / Investment funds or funds held on behalf of partnership

arrangements, which cannot therefore be used to support general Council expenditure.

- 14.17 The total forecast movement in earmarked reserves and balances during 2023/24 is a net decrease of £2.412m to a projected total of £6.096m. The main movements are a planned drawdown of £0.389m on the Business Rates Smoothing Reserve, in relation to business rates, and £1.640m to fund the new waste vehicles and playspace equipment in the capital programme. These are estimates at the time of writing the budget and a further update on reserves and balances will be made to Council as part of the closure of the accounts for 2022/23.

Earmarked Reserves	Estimated Closing Balance 2022/23	2023/24 Forecast Transfer in	2023/24 Forecast Transfer out	Estimated Closing Balance 2023/24	Forecast Transfer (in)/out	Estimated Closing Balance 2024/25	Forecast Transfer (in)/out	Estimated Closing Balance 2025/26
Transformation Reserve	-	-	-	-	-	-	-	-
Pension Reserve	-	-	-	-	-	-	-	-
Contractor Provision Reserve	-	-	-	-	-	-	-	-
Legal/Insurance Reserve	(220,878)	-	-	(220,878)	-	(220,878)	-	(220,878)
Elections Reserve	(20,572)	-	-	(20,572)	-	(20,572)	-	(20,572)
Housing Reserve	(190,000)	-	-	(190,000)	-	(190,000)	-	(190,000)
Hard / Soft Infrastructure Reserve	(1,118,611)	-	-	(1,118,611)	1,068,611	(50,000)	-	(50,000)
Business Rates Smoothing Reserve	(869,096)	-	389,703	(479,393)	-	(479,393)	-	(479,393)
Leisure Smoothing Reserve	(54,501)	(28,455)	-	(82,956)	(120,557)	(203,513)	-	(203,513)
Investment Fund	(2,650,519)	(255,000)	1,548,693	(1,356,826)	745,761	(611,065)	542,600	(68,465)
Connect Reserve	(84,862)	-	84,862	-	-	-	-	-
Covid 19 Smoothing Reserve	-	-	-	-	-	-	-	-
Housing Benefit Equalisation Reserve	(344,152)	-	94,199	(249,953)	-	(249,953)	-	(249,953)
Connect Invest to Save	(276,319)	-	276,319	-	-	-	-	-
Total Earmarked Reserve	(5,829,509)	(283,455)	2,393,776	(3,719,188)	1,693,815	(2,025,373)	542,600	(1,482,773)
Total Carry forward	(1,046,822)	-	446,000	(600,822)	156,000	(444,822)	-	(444,822)
Total Grant Funded Reserve	(1,632,044)	-	(143,459)	(1,775,503)	144,103	(1,631,400)	146,985	(1,484,415)
General Fund Balance	(1,168,867)	-	(50,000)	(1,218,867)	(22,000)	(1,240,867)	(48,000)	(1,288,867)

- 14.18 The Council regularly reviews the reserves as part of the budget setting and closure of accounts processes to make sure that they are appropriate. Reserves should be used in accordance with the reasons they were set up and their use is authorised by the Section 151 Officer.

- 14.19 If necessary, the Section 151 Officer may approve the use of Earmarked Reserves to cover unforeseen expenditure, in line with Council's financial regulations.

15 CAPITAL AND TREASURY MANAGEMENT STRATEGY

- 15.1 The Prudential Code for Capital Finance in Local Authorities (the Prudential Code) plays a key role in capital finance in local authorities, and it requires the Section 151 Officer to comment specifically on the Capital Strategy adopted by the Council. The full strategy is set out in Appendix 4 to this report.

- 15.2 Local authorities determine their own programmes for investment. In order to demonstrate that capital expenditure and investment decisions are taken in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability, the Prudential Code requires authorities to have in place a Capital Strategy that sets out the long term context in which capital expenditure and investment decisions are made, and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.
- 15.3 The Council's approach to treasury management investment activities is set within the Treasury Management Strategy and includes the criteria for determining how and where funds will be invested to ensure that the principal sums are safeguarded from loss and that sufficient liquidity is maintained to ensure that funds are available when needed. The treasury management investment strategy proposed for 2023/24 is consistent with that applied in previous years.
- 15.4 It should be noted that the Capital and Treasury Management Strategy presented for approval at Appendix 4 has been updated to reflect the final capital programme proposals, and therefore the tables within the Strategy will differ slightly from those presented to Overview & Scrutiny Committee for consideration on 1 February 2023; however the underlying strategy is unchanged.

16 CONCLUSION

- 16.1 The MTFS has been prepared against a background of significant uncertainty as a result of increasing cost pressures, mainly due to high rates of inflation, and a lack of clarity around future funding levels. These factors could jeopardise the Council's sustainable financial position without continued budgetary vigilance alongside the delivery of the Council's Business Plan priorities.
- 16.2 The MTFS covers a three-year period over which time there is significant uncertainty. Although the financial context is increasingly challenging, the Council has a track record of identifying and delivering significant savings within the approved budget, supported by a framework of effective financial planning. This approach will need to continue to ensure that a sustainable medium-term financial position can be maintained, in particular through the Transformation Programme planned as part of the strategic partnership working arrangements with BBC.
- 16.3 The Corporate Leadership Team will review the strategy annually to ensure that it continues to be aligned to overall Council objectives and priorities and that the Council continues to be able to set a balanced budget year on year.

17 RECOMMENDATIONS

- 17.1 It is proposed that, taking account of Council priorities as set out in its Business Plan, the Medium Term Financial Strategy, the Local Government Finance

Settlement and the results of internal and external consultation, Council
RESOLVES:

- A. That the net revenue budget requirement for 2023/24 is set at £12.032m as per paragraph 7.22.
- B. That the Capital Programme for 2023/24 set out at Appendix 2 be approved, and the forecasts for the years 2024/25 to 2025/26 be noted.
- C. That the Section 151 Officer be authorised to adjust capital project budgets in 2023/24 after the 2022/23 accounts are closed and the amounts of slippage and budget carry forward required are confirmed.
- D. It be noted that the proposed Council Tax requirement for the Council's own purposes (excluding Parish & Town Councils and Precepts) for 2023/24 is £8.303m as per paragraph 7.22.
- E. That the 2023/24 Band D equivalent tax base for the purpose of determining the council tax charge is agreed as 32,888.9 properties.
- F. That the increase in Rochford District Council Tax of £7.29 (2.97%) for 2023/24 is approved by recorded vote.
- G. That the schedule of fees and charges for 2023/24 set out in Appendix 3 is approved.
- H. That the target minimum General Balance as at 1 April 2024 is set at £1.208m.
- I. That the expected Earmarked reserves position set out in Section 14 is noted.
- J. That the statement on the robustness of the estimates and reserves at Section 14 is noted.
- K. To approve the advanced payment of £0.093m to fund the tri-annual pension deficit payment in one instalment in 2023/24.
- L. That the Equality Impact Assessment as set out in Section 12 of this report is noted.
- M. That the Capital and Treasury Management Strategy for 2023/24, as set out in Appendix 4 including the 2023/24 Prudential Indicators is approved.
- N. That the Budget Consultation Report at Appendix 5 be noted.



Tim Willis
Interim Director, Resources

Background Papers: -

None.

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If you would like this report in large print, Braille or another language please contact 01702 318111.

BUDGET BOOK PORTFOLIO STRUCTURE 2023-24					
PORTFOLIO HOLDER NAME	DIRECTOR	ALL SERVICES	2022/23 ORIGINAL	2022/23 LATEST	2023/24 ESTIMATE
Leader/Deputy Leader					
Cllr S E Wootton & Cllr C E Roe	People & Governance	Human Resources	197,450	173,379	186,680
Cllr S E Wootton & Cllr C E Roe	Chief Executive	Corporate Management	209,743	209,743	304,425
Cllr S E Wootton & Cllr C E Roe	Chief Executive	Assistant Directors	668,188	619,388	593,948
Cllr S E Wootton & Cllr C E Roe	Chief Executive	Strategic Directors	139,150	136,550	200,877
Cllr S E Wootton & Cllr C E Roe	Chief Executive	Managing Director	105,850	105,850	112,455
Cllr S E Wootton & Cllr C E Roe	People & Governance	Leadership Support Team	90,800	88,900	141,900
			1,411,181	1,333,810	1,540,285
Finance, Economy & Climate					
Cllr Danielle Belton	Place	Economic Development	0	116,120	114,850
Cllr Danielle Belton	Resources	Housing Benefit Administration	279,723	287,132	343,797
Cllr Danielle Belton	Resources	Audit	128,900	127,000	127,500
Cllr Danielle Belton	Resources	Financial Services	403,050	396,050	446,030
Cllr Danielle Belton	Resources	Non Distributed Costs	804,600	804,600	394,000
Cllr Danielle Belton	Resources	Other Operating Income & Expenditure	(25,000)	(25,000)	(275,000)
Cllr Danielle Belton	Resources	Council Tax	(35,416)	(24,964)	78,800
Cllr Danielle Belton	Resources	Business Rates	(71,808)	(57,231)	(46,320)
Cllr Danielle Belton	Resources	Procurement	73,400	72,500	76,700
Cllr Danielle Belton	Resources	Housing Benefit Payments	(230,222)	(230,222)	(136,023)
			1,327,227	1,465,986	1,124,334
Communities, Housing & Health					
Cllr A L Williams	Housing	Housing Strategy	10,000	10,000	10,000
Cllr A L Williams	Housing	Private Sector Housing Renewal	69,470	68,370	74,620
Cllr A L Williams	Housing	Homelessness	855,844	849,544	871,704
Cllr A L Williams	Communities & Health	Corporate Policy & Partnership	157,800	179,250	162,200
Cllr A L Williams	Communities & Health	Community Safety	28,200	27,700	30,700
Cllr A L Williams	Communities & Health	Licensing	45,500	48,500	55,250
Cllr A L Williams	Communities & Health	Public Health	20,100	20,100	23,500
Cllr A L Williams	Communities & Health	Environmental Health	330,800	365,299	354,700
Cllr A L Williams	Communities & Health	Hackney Carriage	(89,900)	(89,900)	(78,200)
Cllr A L Williams	Communities & Health	Safeguarding	14,100	13,800	15,700
Cllr A L Williams	Communities & Health	Emergency Planning	50,250	49,750	54,600
			1,492,164	1,542,413	1,574,774
Strategic Planning & Assets					
Cllr I H Ward	Assets & Investments	Highways/ Roads Routine	(14,400)	(15,700)	3,500
Cllr I H Ward	Place	Development Management	158,300	289,771	322,100
Cllr I H Ward	Environment	Building Control - Client Account	238,650	244,650	263,750
Cllr I H Ward	Environment	Building Control - Fee Account	(225,000)	(225,000)	(225,000)
Cllr I H Ward	Place	Planning Policy	254,600	204,585	193,980
Cllr I H Ward	Assets & Investments	Office Accommodation Rayleigh	75,600	77,675	58,810
Cllr I H Ward	Assets & Investments	Office Accommodation Rochford	268,750	268,050	339,270
Cllr I H Ward	Assets & Investments	Estates Management Services	220,400	215,900	322,900
Cllr I H Ward	Assets & Investments	Health & Safety	54,900	77,300	51,600
Cllr I H Ward	Assets & Investments	Leisure Premises	160,800	401,449	433,760
Cllr D S Efde	Assets & Investments	Culture & Heritage - Windmill	(13,950)	(13,950)	(15,530)
			1,178,650	1,524,730	1,749,140
Environment					
Cllr D J Sperring	Environment	Cemeteries & Churchyards	(142,200)	(134,340)	(135,870)
Cllr D J Sperring	Environment	Street Cleansing	738,600	235,285	15,900
Cllr D J Sperring	Environment	Public Conveniences	34,000	34,000	42,540
Cllr D J Sperring	Environment	Coast Protection	2,300	2,300	2,300
Cllr D J Sperring	Environment	Depot	35,150	35,150	18,090
Cllr D J Sperring	Environment	Recycling Collection	2,532,640	3,373,155	4,184,500
Cllr D J Sperring	Environment	Recycling Disposal	(731,500)	(731,500)	(795,000)
Cllr D J Sperring	Environment	Parks & Open Spaces	661,750	672,110	741,790
Cllr D J Sperring	Assets & Investments	Off Street Parking	(771,750)	(768,690)	(818,938)
			2,358,990	2,717,470	3,255,312
Customer Services, Legal & Leisure					
Cllr D S Efde	Customer & Data Insight	Digital Services	163,400	160,000	180,400
Cllr D S Efde	People & Governance	Support Services	128,350	127,800	135,750
Cllr D S Efde	Customer & Data Insight	Computer Services	1,112,150	1,115,950	1,262,647
Cllr D S Efde	People & Governance	Legal Services	111,200	125,200	119,500
Cllr D S Efde	Policy & Delivery	Communications	145,150	111,418	132,400
Cllr D S Efde	Customer & Data Insight	Customer Services	436,000	427,200	485,300
Cllr D S Efde	People & Governance	Members and Committee Services	457,300	471,800	472,200
Cllr D S Efde	People & Governance	Civics	70,400	68,000	80,000
Cllr D S Efde	People & Governance	Conducting Elections	149,700	148,350	159,050
Cllr D S Efde	People & Governance	Registration of Electors	88,800	87,450	92,350
Cllr D S Efde	Customer & Data Insight	Local Land Charges	(140,000)	(140,000)	(140,000)
Cllr D S Efde	Customer & Data Insight	Information	27,200	26,700	30,000
Cllr D S Efde	Assets & Investments	Leisure Client Account	64,000	70,128	102,000
Cllr D S Efde	Communities & Health	Sports Development & Promotion	53,500	52,949	58,349
			2,867,150	2,852,945	3,169,946
		Staff Vacancy Factor	(200,000)	(200,000)	(333,374)
		Service Related Costs	10,435,362	11,237,354	12,080,417

APPENDIX 2

Capital Programme 2023/24 to 2025/26

Item	Commentary	2023/24 £	2024/25 £	2025/26 £
Commercial, Business, Local Economy & Leisure				
Asset Strategy	Works as per Asset Strategy FBC financials	1,774,631	2,413,879	0
Windmill works	Works identified from surveys and inspections	10,000	10,000	10,000
Street Lighting	Energy Efficient Lighting	20,000	20,000	20,000
Responsive Capital works	Capital works to ensure Health and Safety and Security	50,000	20,000	20,000
Environment & Place				
Play Spaces	Replacement of play equipment and ground resurfacing	116,600	116,600	116,600
Open Spaces	Replacement of fences/Gates/litter bins/other furniture	69,000	69,000	69,000
Parks & Open Spaces - Resurfacing works	Resurfacing & replacement of tarmac, concrete & paved foot paths & additional high risk areas	55,000	15,000	15,000
Pavilions	Essential works following condition survey	80,000	0	0
Waste Bins	Replacement of household bins	70,000	70,000	70,000
Waste Vehicle Fleet	New waste vehicles	1,590,000	0	0
Vehicle Fleet	Replacement of vehicles	119,900	60,000	0
Depot Works	Improvements to the Depot	50,000	0	0
Cemeteries Groundworks	Installation of Headstone Beams	15,000	15,000	15,000
Cemeteries	Essential refurbishments	20,000	5,000	5,000
IT, Tourism, Housing & Parking				
Car Parks	Car Park priority resurfacing programme and signage	100,000	100,000	100,000
Mobile Working	New Devices Refresh	50,000	50,000	50,000
Community				
Community Safety Fund	To fund investment in works that aid Community Safety	120,000	0	0
Disabled Facilities Grant	To fund aids and adaptations	540,059	540,059	540,059
Private Housing Renewal Programme	To improve private dwellings (occupied by vulnerable households - housing hazards reduced)	20,000	20,000	20,000
Total Cost		4,870,190	3,524,538	1,050,659
Capital Receipts Reserve		(2,522,941)	(873,392)	0
Hard/Soft Infrastructure Reserve		0	(1,068,611)	0
Prior year NHB earmarked for play spaces		(97,190)	0	0
Capital Grants	Disabled Facilities Grant	(540,059)	(540,059)	(540,059)
Developer Contributions	Income from developments including under S106 Agreements	(70,000)	(70,000)	(70,000)
Investment Reserve/Revenue Contribution		(1,640,000)	(972,476)	(440,600)
Total Funding		(4,870,190)	(3,524,538)	(1,050,659)

LEISURE PREMISES			
Fees & Charges		VAT	2023/24 £
Mill Hall and Freight House			
The operations for these buildings were taken back in house within the financial year 2022/23. For the interim, the previous operators fee structure was adopted. Below are the proposed fees from 1 April 2023 onwards.			
FREIGHT HOUSE			
Great Eastern Room			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	204 408 50
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	33 18
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	50
Business Hours; non- weekly bookings	- Per Hour	Exempt	33
Pullman Suite			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	157 315 39
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	29 18
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	40
Business Hours; non- weekly bookings	- Per Hour	Exempt	29
Carriage Room			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	112 222 28
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	23 15
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	29
Business Hours; non- weekly bookings	- Per Hour	Exempt	23

Committee Room			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	98 196 23
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	18 12
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	24
Business Hours; non- weekly bookings	- Per Hour	Exempt	18
Whole Building			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	323 648 81
All rooms			
	Tea & Coffee - Per flask	Standard	13
MILL HALL			
Main Hall			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	208 417 52
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	33 18
Business Hours; non- weekly bookings	- Per Hour	Exempt	33
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	52
Bar Lounge			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	148 296 37
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	23 15
Business Hours; non- weekly bookings	- Per Hour	Exempt	23
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	37

Meeting Room			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	98 196 23
Weekday; Weekly Bookings	- for first hour - per additional hour	Exempt	18 12
Business Hours; non- weekly bookings	- Per Hour	Exempt	18
Mon-Thur evenings; non-weekly bookings	- Per Hour	Exempt	24
Whole Building			
Weekends	- all bookings between 1 and 4 hours - all bookings between 4 and 8 hours - per additional hour	Exempt	323 647 81
All rooms			
	Tea & Coffee - per flask	Standard	13

Key to VAT:	
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Inclusive	The VAT charge is included in the published fee
X%	VAT needs to be added to the published fee at the rate stated.
Standard	VAT needs to be added to the published fee at the current standard rate. As at April 2023, the standard rate is 20%.
Exempt	VAT is not chargeable

HOUSING, ASSETS & LEISURE					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Football					
	Alternative use of pitch - Sat	Non-Vatable	837.79	930.78	11.1%
	Alternative use of pitch - Sun	Non-Vatable	901.20	1,001.23	11.1%
Casual Lettings Including Pavilion					
	Adults Sat	Standard	121.86	135.39	11.1%
	Adults Sun	Standard	136.92	152.12	11.1%
	Juniors Sat	Standard	81.86	90.95	11.1%
	Juniors Sun	Standard	90.52	100.57	11.1%
Established Junior Pitches					
	Alternative use of pitch - Sat	Non-Vatable	392.40	435.96	11.1%
	Alternative use of pitch - Sun	Non-Vatable	420.44	467.11	11.1%
Mini Football					
	Alternative use of pitch - Sat	Non-Vatable	330.95	367.69	11.1%
	Alternative use of pitch - Sun	Non-Vatable	391.26	434.69	11.1%
	NOTE: Fees may be reduced where clubs undertake some of the required tasks.				
Pavilion Hire					
	Including changing rooms per 3 hour session.	Non-Vatable	86.19	95.76	11.1%
	NOTE: Hire in respect of Youth Clubs will be reduced by 50%				
Playgroups					
	Pre-School and mother and child - Morning Session	Non-Vatable	16.08	17.86	11.1%
	Pre-School and mother and child - Afternoon Session	Non-Vatable	16.08	17.86	11.1%
	NOTE: Fees do not include service charges. Reduction of 25% for registered charities				
Cricket					
	Cricket	Non-Vatable	582.10	646.71	11.1%
	Pavilion Hire (50% of pitch hire)				
Factual Statements					
	Research or completion of works in default of a notice period per hour (min charge - 1hr)	Non-Vatable	52.27	58.07	11.1%
	Section 28(9) of Health and Safety at Work etc Act 1974 - per hour	Non-Vatable	52.27	58.07	11.1%
	Up to 4 hours	Standard	209.19	232.41	11.1%
	Per hour thereafter	Standard	52.27	58.07	11.1%
	Improvement and Prohibition Notices	Non-Vatable	490.55	545.00	11.1%
	Key-worker Sales Certificate	Inclusive	75.47	83.85	11.1%
	Property Inspection report to support Visa applications.	Non-Vatable	196.20	217.98	11.1%
	Ready to Rent	Non-Vatable	155.78	173.07	11.1%
	Charge for Service of Enforcement Notice		490.55	545.00	11.1%

HOUSING, ASSETS & LEISURE					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Park Home Site licencing					
	Annual Fee				
	1-25 pitches	Non-Vatable	350.04	388.89	11.1%
	26-99 pitches	Non-Vatable	480.64	533.99	11.1%
	100-199 pitches	Non-Vatable	622.02	691.06	11.1%
	200+ pitches	Non-Vatable	762.25	846.86	11.1%
	Fee for New Licence				
	1-25 pitches	Non-Vatable	548.14	608.98	11.1%
	26-99 pitches	Non-Vatable	678.74	754.08	11.1%
	100-199 pitches	Non-Vatable	901.42	1,001.48	11.1%
	200+ pitches	Non-Vatable	1,105.90	1,228.65	11.1%
	Fee for Transfer of Licence	Non-Vatable	147.76	164.16	11.1%
	Fee for Deposit of Site Rules				
	1-25 pitches	Non-Vatable	156.34	173.69	11.1%
	26-99 pitches	Non-Vatable	174.45	193.81	11.1%
	100-199 pitches	Non-Vatable	183.03	203.35	11.1%
	200+ pitches	Non-Vatable	191.61	212.88	11.1%
	Enforcement Notice (per notice)	Non-Vatable	487.13	541.20	11.1%
Houses in Multiple Occupation					
	Fee for Mandatory Licensing of Houses in Multiple Occupation (N.B. HMOs owned by a Registered Charity are exempt):				
	Up to 5 bedrooms	Non-Vatable	381.57	423.92	11.1%
	For each additional bedroom	Non-Vatable	59.90	66.55	11.1%
	Renewal of License	Non-Vatable	50% of Fee	50% of Fee	
Other Charges					
	Insect identification	Standard	10.72	11.91	11.1%
Food					
	FHRS re-rating inspection	Non-Vatable	130.42	144.90	11.1%
Funerals Administration					
	Public Health Act Funerals administration Fee	Standard	583.40	648.16	11.1%
Other Establishments					
	Acupuncture, tattooing, semi-permanent skin colouring, cosmetic piercing & electrolysis	Non-Vatable	227.54	252.80	11.1%

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STRATEGIC PLANNING					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Planning					
High Hedges					
	Standard Fee for processing a high hedges complaint	Non-Vatable	410.00	463.30	13.0%
	Fee for processing a high hedges complaint - Concessionary (Benefits & Pensions)		120.00	135.60	13.0%
Pre-planning advice					
<i>Any proposal not meeting the categories below will be subject to a fee arranged by negotiation.</i>					
<u>Generic written advice only without officer viewing the site</u>					
	Householder (Extensions, alterations, outbuildings etc)	Standard	152.00	171.76	13.0%
	Small (1 dwelling or up to 999 sqm commercial floor area including small changes to plant and other alterations)	Standard	375.00	DELETED	
	Minor (2-9 dwellings or 1000-1,999 sqm)	Standard	620.00	-	
	Major (10-99 dwellings or 2,000-4,999 sqm)	Standard	1,752.50	-	
	Strategic (>100 dwellings or >5,000 sqm)	Standard		-	
	Listed Building	Standard	216.30	244.00	12.8%
	On all major and strategic pre-application submissions and certain other submissions as considered necessary, advice will be required from Urban Design at Essex County Council at the additional fee rate set out below:				
<u>Meeting with Written advice</u>					
	Householder	Standard	195.00	220.35	13.0%
	Small	Standard	437.50	475.00	8.6%
	Minor (1 Meeting up to 2 hours)	Standard	697.50	972.00	39.4%
	Major (1 Meeting up to 3 hours)	Standard	1,944.25	2,825.00	45.3%
	Strategic (1 Meeting up to 3 hours)	Standard	2,586.50	3,842.00	48.5%
	Listed Building	Standard	417.15	471.38	13.0%
<u>Follow-up</u>					
	Householder	Standard	150.00	169.50	13.0%
	Small	Standard	225.60	203.00	-10.0%
	Minor	Standard	300.00	226.00	-24.7%
	Major	Standard	876.00	2,034.00	132.2%
	Strategic	Standard	1,380.00	3,051.00	121.1%
	Listed Building	Standard	283.25	320.07	13.0%
<u>Retrospective Developments</u>					
	All above fees carry a 20% surcharge where development is undertaken before planning application submission				

STRATEGIC PLANNING					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Planning Performance Agreements					
These are available for Strategic, Large and Standard sites. Prices will be based on an hourly rate. Please enquire for more detail.					
Plans					
	Replacement Local Plan (2006)		103.82	117.32	13.0%
	Replacement Local Plan - Inspectors' Report)	Non-Vatable	57.12	64.55	13.0%
	Core Strategy	Non-Vatable	25.98	29.36	13.0%
	Annual Monitoring Report	Non-Vatable	10.41	11.76	13.0%
	Local Development Scheme	Non-Vatable	41.55	46.95	13.0%
	Statement of Community Involvement	Non-Vatable	5.16	5.83	13.0%
	Conservation Area Appraisal	Non-Vatable	5.16	5.83	13.0%
	Supplementary Planning Documents	Non-Vatable	10.41	11.76	13.0%
Research Charge					
	Undertaking history research and interpretations on status of current permissions, conditions or uses. Charge is per site for 2 hours work. If additional time is required, charge to be based on £55 per hour	Standard	83.35	94.19	13.0%
Building Control					
	<i>These fees can be obtained from the building control pages on the Rochford District Council website.</i>				

STRATEGIC PLANNING					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Car Parks					
	Websters Way/Mill Hall/Old Ship Lane				
	Up to 1/2 hour	Inclusive	0.70	0.70	0.0%
	Up to 1 Hour	Inclusive	1.20	1.20	0.0%
	Up to 2 Hours	Inclusive	2.00	2.00	0.0%
	Up to 3 Hours	Inclusive	2.90	2.90	0.0%
	Up to 4 Hours	Inclusive	3.70	3.70	0.0%
	Hockley Woods				
	Up to 1 Hour	Inclusive	0.30	0.30	0.0%
	Up to 2 Hours	Inclusive	0.50	0.50	0.0%
	Up to 3 Hours	Inclusive	0.70	0.70	0.0%
	Up to 4 Hours	Inclusive	1.50	1.50	0.0%
	All Day	Inclusive	3.00	3.00	0.0%
	Annual Season Ticket	Inclusive	500.00	500.00	0.0%
	Admin Fee for Refund of Season Ticket	Inclusive	30.00	30.00	0.0%
	Cherry Orchard Country Park				
	Up to 1 Hour	Inclusive	0.30	0.30	0.0%
	Up to 2 Hours	Inclusive	0.50	0.50	0.0%
	Up to 3 Hours	Inclusive	0.70	0.70	0.0%
	Up to 4 Hours	Inclusive	1.50	1.50	0.0%
	All Day	Inclusive	3.00	3.00	0.0%
	Annual Season Ticket	Inclusive	50.00	50.00	0.0%
	Admin Fee for Refund of Season Ticket	Inclusive	30.00	30.00	0.0%
	The Market/Castle Road/Bellingham Lane/Southend Road/Freight House/Back Lane				
	Up to 1/2 hour	Inclusive	0.70	0.70	0.0%
	Up to 1 Hour	Inclusive	1.20	1.20	0.0%
	Up to 2 Hours	Inclusive	2.00	2.00	0.0%
	Up to 3 Hours	Inclusive	2.90	2.90	0.0%
	Up to 4 Hours	Inclusive	3.70	3.70	0.0%
	Up to 5 Hours	Inclusive	4.00	4.00	0.0%
	All Day	Inclusive	5.50	5.50	0.0%
	The Approach				
	Day Ticket	Inclusive	5.50	5.50	0.0%
Season Tickets					
	The Approach, Rayleigh				
	Quarterly	Inclusive	204.00	204.00	0.0%
	Annual	Inclusive	714.00	714.00	0.0%
	Admin Fee for Refund of Season Ticket	Inclusive	30.00	30.00	0.0%
	All RDC Car Parks Excluding The Approach, Rayleigh, Freight House and Old Ship Lane, Rochford				
	Quarterly	Inclusive	245.00	245.00	0.0%
	Annual	Inclusive	816.00	816.00	0.0%
	Admin Fee for Refund of Season Ticket	Inclusive	30.00	30.00	0.0%
	Market Traders				
	Valid for 3 months Tuesdays at the Freight House car park, Rochford and Wednesdays in the Market car park, Rayleigh		104.00	104.00	0.0%
	Valid for 3 months on Tuesdays at the Freight House car park, Rochford only		52.00	52.00	0.0%
	Valid for 3 months on Wednesdays at the Market car park, Rayleigh only - £52	Inclusive	52.00	52.00	0.0%

STRATEGIC PLANNING					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Mobile Phone Payment (Charged by 3rd party so can change anytime)					
	Transaction fee (charged by 3rd party)	Inclusive	0.20	0.20	0.0%
	Text Receipt (Can opt out online)	Inclusive	0.10	0.10	0.0%
	Text Reminder (Can opt out online)	Inclusive	0.10	0.10	0.0%
Penalty Charge Notices					
	Higher Penalty Charge:-				
	If paid within 14 days	Non-Vatable	35.00	35.00	0.0%
	If unpaid after 14 days	Non-Vatable	70.00	70.00	0.0%
	If charge certificate issued	Non-Vatable	105.00	105.00	0.0%
	If traffic enforcement centre involved	Non-Vatable	114.00	114.00	0.0%
	Lower Penalty Charge:-				
	If paid within 14 days	Non-Vatable	25.00	25.00	0.0%
	If unpaid after 14 days	Non-Vatable	50.00	50.00	0.0%
	If charge certificate issued	Non-Vatable	75.00	75.00	0.0%
	If traffic enforcement centre involved	Non-Vatable	84.00	84.00	0.0%
Commercial Parking					
	Commercial use of an off-street parking space (per bay)				
	Day 1: £20.00 for the first bay, £7.50 for any further bays	Inclusive	20.00	20.00	0.0%
	Day 2 onwards: £7.50 per bay, per day	Inclusive	7.50	7.50	0.0%

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ENVIRONMENT					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Open Spaces					
Memorials					
	Formal bench including five year maintenance agreement	Non-Vatable	673.76	765.00	13.5%
	Backed bench including five year maintenance agreement	Non-Vatable	463.54	-	No longer available
	Unbacked bench including five year maintenance agreement	Non-Vatable	355.80	-	No longer available
	Tree planting includes cost of tree.	Non-Vatable	161.76	179.72	11.1%
	Burial of pet ashes does not include memorial cost	Standard	64.75	71.94	11.1%
Cemeteries					
Interments In Graves or Vaults					
	Interment Fee (New grave or re-open) :			-	
	- Still Born - Under 1 Month	Non-Vatable	0 CHARGE	0 CHARGE	
	- Under 12 Years	Non-Vatable	0 CHARGE	0 CHARGE	
	- Over 12 Years	Non-Vatable	735.00	816.59	11.1%
	Exclusive Right of Burial (50% reduction for child under 12 buried in children's area)	Non-Vatable	822.00	913.24	11.1%
	For the Interment of a Cremation Casket in a purchased grave	Non-Vatable	277.00	315.00	13.7%
Interments in Cremation Plots					
	Interment Fee (New Grave or reopen)	Non-Vatable	277.00	315.00	13.7%
	Exclusive Right of Burial	Non-Vatable	419.00	465.51	11.1%
	Cost to scatter ashes including an engraved plaque on the memorial wall	Non-Vatable	448.00	497.73	11.1%
	Cost for engraved plaque on memorial wall without scattering ashes	Non-Vatable	393.00	436.62	11.1%
	Cost to reserve niche for 15 years, including supply and engraving of memorial plaque, with a renewal fee of £113.00 for a further period of 15 years	Non-Vatable	1,008.00	1,119.89	11.1%
	Placement of first casket in a reserved niche, Supply and engrave memorial plaque. This will include a reissue of the licence for 30 years.	Non-Vatable	393.00	440.00	12.0%
	Cost to inter ashes in Columbarium, including supply and engraving of memorial plaque for a period of 30 years	Non-Vatable	1,008.00	1,119.89	11.1%
	Cost of second set of ashes in Columbarium, including engraving memorial plaque	Non-Vatable	393.00	436.62	11.1%
	Coloured, enamelled picture of the deceased to the plaque on the Memorial Wall or Columbarium	Non-Vatable	134.00	148.87	11.1%
	15 year renewal fee	Non-Vatable	113.00	125.54	11.1%

Rayleigh Cemetery Monuments, Headstones and Inscriptions					
	Earthen Graves				
	A headstone set on a base with or without kerbstone surround is permitted.				
	Headstone maximum height 91.4 cm from ground level, a maximum of 10.2 cm thick and 76.2 cm wide at its maximum width. A base of the same material maximum size 91.4 cm long 38.1 cm wide.	Non-Vatable	193.00	193.00	0.0%
	Kerbstone or border stone (height not exceeding 30.5cm)	Non-Vatable	193.00	193.00	0.0%
	Cremation plots				
	Memorials on cremation plots can vary in forms of memorial vase/inscription panel, open books etc, but restricted to a maximum height of 30.5 cm	Non-Vatable	193.00	193.00	0.0%
	Kerbstone around a cremation plot (76cm x 76cm)	Non-Vatable	193.00	193.00	0.0%
	Side panel for additional inscription. Size not to exceed 23 cm x 23 cm to match existing memorial	Non-Vatable	193.00	193.00	0.0%
	Any additional inscription on a memorial	Non-Vatable	84.00	93.32	11.1%
Hall Road Cemetery Monuments, Headstones and Inscriptions					
	Earthen Graves				
	Since this is a Lawn Cemetery the only memorial permitted will be in the form of a headstone set on a base				
	Maximum Height 91.4 cm from ground level, a maximum of 10.2 cm thick and 76.2 cm wide at its maximum width. A base of the same material maximum size 91.4 cm long 38.1 cm wide	Non-Vatable	193.00	193.00	0.0%
	Cremation plots				
	A memorial vase/inscription panel only is permitted. Size not to exceed 61 cm x 30.5 cm 23 cm x 23cm.	Non-Vatable	193.00	193.00	0.0%
	Side panel for additional inscription. Size not to exceed 23 cm x 23 cm to match existing memorial	Non-Vatable	193.00	193.00	0.0%
	Any additional inscription on a memorial	Non-Vatable	84.00	84.00	0.0%
NOTE: Flagstone and kerbstones are not applicable to Hall Road Cemetery					
NOTE: If the deceased had not been a Council Taxpayer, inhabitant or parishioner within the Rochford District within a period of three years prior to his or her death, then all the foregoing fees, payments and sums will be doubled.					
Exhumation Charge					
	Each exhumation will be recharged on an actual costs basis plus VAT	Standard			
Additional Fees					
	Registering Transfer of grant	Non-Vatable	89.00	89.00	0.0%

Commercial use of open spaces					
Costs for licensed organisations to use open spaces for events.					
	- 'Low key' commercial use – e.g. Dog Walking Companies, 'Boot Camp' style fitness sessions where operators charge participants. (per annum)	Standard	323.42	359.32	11.1%
	- General community events which are free at the point of entry (e.g. Sponsored Walks, Race for Life, Schools Orienteering).		-	-	
	- Not for profit and community interest companies, special interest events, for which an entrance charge is made to help cover the organiser's costs. (per day)	Non-Vatable	215.58	239.51	11.1%
	- Fully commercial, profit making events – e.g. Music concerts markets etc. (per event). Price on Application	Non-Vatable			
Access Licences					
	General Access Licences on to open spaces	Non-Vatable	32.37	35.96	11.1%
Tree Works					
	Work on Council trees for which there is no safety case. Hourly rate	Standard	61.45	75.00	22.1%
	Trading Pitch in Open Spaces (Renewable every three years) subject to a tendering process				
Fixed Penalty Notices					
Fixed Penalty notices can be awarded for a number of offences and range in value, a detailed listing can be found on the					
Lost, Found or Stray Dogs					
	Statutory fee + administration charge	Non-Vatable	31.14	34.60	11.1%
	Daily kennelling fee - plus vet fees if necessary	Non-Vatable	15.05	16.72	11.1%
	Microchip at the Kennels	Non-Vatable	20.41	22.68	11.1%
Wheeled Bins					
	Set of 3 wheeled bins for new housing developments - charge levied on developer - bins provided for recycling service	Non-vatable	180.63	200.68	11.1%
Bulky Waste Collection					
Collection of bulky waste (household furniture) and electrical household items					
	- For one item	Non-Vatable	18.56	20.62	11.1%
	- Each additional item booked at same time	Non-Vatable	8.76	9.73	11.1%

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CUSTOMER SERVICES. LEGAL & IT					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Council Minutes Etc.					
	Parish List - Yearly Charge	Non-Vatable	189.70	210.76	11.1%
	Council - Yearly Charge	Non-Vatable	125.06	138.94	11.1%
Council Minutes Etc.					
1	Parish List - Yearly Charge	Non-Vatable	189.70	210.76	11.1%
1	Council - Yearly Charge	Non-Vatable	125.06	138.94	11.1%
1	Council - Per Meeting	Non-Vatable	22.68	25.20	11.1%
1	Committee - Yearly Charge	Non-Vatable	245.79	273.07	11.1%
1	Committee - Per meeting	Non-Vatable	38.77	43.07	11.1%
1	Sub Committee - Yearly Charge	Non-Vatable	140.11	155.66	11.1%
1	Sub Committee - Per meeting	Non-Vatable	22.68	25.20	11.1%
1	Committee report background papers				
1	Inspection fee (per item)	Non-Vatable	2.06	2.29	11.1%
Member Training					
3	Charge for Parish Officers to attend RDC training courses (per person per session)	Standard unless Statutory when exempt	40.90	40.00	-2.2%
3	Charge for local authority Officers to attend RDC led training courses (per person per session)	Standard unless Statutory when exempt	46.00	51.11	11.1%
Copy Documents					
1	(VAT absorbed on items under £1.00 - VAT to be added in other cases)				
1	A4 Copy per Sheet	Standard	0.10	0.11	11.1%
1	A3 Copy per Sheet	Standard	0.31	0.34	11.1%
1	A2 Copy per Sheet	Standard	0.52	0.58	11.1%
1	A1 Copy per Sheet	Standard	1.65	1.83	11.1%
1	A0 Copy per Sheet	Standard	2.99	3.32	11.1%
1	Photocopying for voluntary groups	Standard	Actual cost + 20% for basic items. Bespoke work costed per job.	Actual cost + 20% for basic items. Bespoke work costed per job.	
1	Letter of confirmation of registration on electoral register	Inclusive	17.32	19.24	11.1%

CUSTOMER SERVICES, LEGAL & IT				
Fees & Charges	VAT	2022/23 £	2023/24 £	% Increase

S106 Agreements					
	S106 Agreements - Hourly Charge for Solicitor with over 8 years experience	Non-Vatable	238.57	265.05	11.1%
	S106 Agreements - Hourly Charge for Solicitor/Legal Exec with over 4 years experience	Non-Vatable	211.05	234.48	11.1%
	S106 Agreements - Hourly Charge for Other Solicitors/Legal Execs	Non-Vatable	177.02	196.67	11.1%
	S106 Agreements - Hourly Charge for Trainee Solicitors, Paralegals and Equivalents	Non-Vatable	129.70	144.10	11.1%

Public Footpaths					
	Diversion, Extinguishment or Creation	Non-Vatable	1,924.36	2,137.96	11.1%

Access to Land					
	Access to Land	Non-Vatable	27.53	30.59	11.1%

Miscellaneous					
	Other Legal Advice				
	Hourly Charge for Solicitor with over 8 years experience	Non-Vatable	238.57	265.05	11.1%
	Hourly Charge for Solicitor/Legal Exec with over 4 years experience	Non-Vatable	211.05	234.48	11.1%
	Hourly Charge for Other Solicitors/Legal Execs	Non-Vatable	177.02	196.67	11.1%
	Hourly Charge for Trainee Solicitors, Paralegals and Equivalents	Non-Vatable	129.70	144.10	11.1%

Local Land Charges					
Fees for Supplementary Enquiries					
	Where relating to one parcel of land only	Standard	211.20	234.64	11.1%
	Where relating to several parts of land and delivered on a single form:- for the first parcel of land	Standard	211.20	234.64	11.1%
	For each additional parcel of land the amount is fixed by arrangements between the solicitors and the district council	Standard	38.40	42.66	11.1%
	Where relating to one parcel of land or to several parcels and delivered in a single form, for each printed enquiry numbered in the form.	Standard	25.20	28.00	11.1%
	For each further enquiry added by solicitors and which the council is willing to answer.	Non-Vatable	44.40	49.33	11.1%

Freedom of Information Requests		Standard
	Based on the copy per sheet fee above, and royal mail postage costs. Charge will only be made where the cost of printing and postage is in excess of £5	

Key to VAT:	
Non-Vatable	No VAT to be added to the published fee.
Inclusive	The VAT charge is included in the published fee
X%	VAT needs to be added to the published fee at the rate stated.
Standard	VAT needs to be added to the published fee at the current standard rate. As at April 2023, the standard rate is 20%.

COMMUNITIES & HEALTH					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Licenses					
	Dangerous Wild Animals Act 1976	Non-Vatable	166.71	185.21	11.1%
	<i>All other licenses below are included in the Animal Welfare (Licensing of Activities involving Animals) (England) Regulations 2018 and are subject to additional charges for consultants or inspection fees</i>				
	Animal Boarding Establishment	Non-Vatable	233.73	259.67	11.1%
	Riding Establishments				
	- Non Charitable	Non-Vatable	322.91	358.75	11.1%
	- Charitable	Non-Vatable	100.93	112.13	11.1%
	Selling Animals as Pets	Non-Vatable	246.41	273.76	11.1%
	Breeding of Dogs	Non-Vatable	227.23	252.45	11.1%
	Home Boarding of Dogs	Non-Vatable	201.87	224.28	11.1%
	Dog Day Care	Non-Vatable	201.87	224.28	11.1%
	Keeping Animals for Exhibition	Non-Vatable	240.02	266.66	11.1%
	Variation to Licence/ revaluation or rating for horses and dog breeding	Non-Vatable	61.55	68.38	11.1%
	Variation to Licence/ revaluation or rating - other	Non-Vatable	80.62	89.57	11.1%
	Transfer of licence inclusive of inspection fee	Non-Vatable	80.62	89.57	11.1%
	Appeals - all licences	Non-Vatable	61.55	68.38	11.1%
	Combination of activities - charge is equal to highest activity fee + vet fee where required	Non-Vatable			
Hackney Carriage					
Vehicle Licence					
	Hackney Carriage Vehicle Licence	Non-Vatable	280.00	280.00	0.0%
	Wheelchair Accessible Hackney Carriage Vehicle Licence	Non-Vatable	230.00	230.00	0.0%
	Private Hire Vehicle Licence	Non-Vatable	225.00	225.00	0.0%
	Wheelchair Accessible Private Hire Vehicle Licence	Non-Vatable	175.00	175.00	0.0%
Other Charges					
	Interim Vehicle Inspection	Non-Vatable	30.00	30.00	0.0%
	Replacement Vehicle Licence Plate	Non-Vatable	10.00	10.00	0.0%
	Replacement Drivers Badge	Non-Vatable	10.00	10.00	0.0%
	Replacement Door Stickers x 2	Non-Vatable	14.00	14.00	0.0%
	Replacement Flexiplate Platform	Non-Vatable	10.00	10.00	0.0%
	Change of Vehicle	Non-Vatable	50.00	50.00	0.0%
	Transfer of Interest	Non-Vatable	20.00	20.00	0.0%
	Temporary Magnetic Door Sticker x 2 (Refundable deposit)	Non-Vatable	20.00	20.00	0.0%

COMMUNITIES & HEALTH					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Driver Licences					
	Hackney Carriage AND Private Hire Drivers Licence combined				
	- First Application	Non-Vatable	160.00	160.00	0.0%
	- Additional knowledge tests	Non-Vatable	20.00	20.00	0.0%
	- Renewal 3 Year Badge	Non-Vatable	140.00	140.00	0.0%
	Private Hire Drivers Licence (Restricted)				
	- First Application	Non-Vatable	140.00	140.00	0.0%
	- Additional knowledge tests	Non-Vatable	20.00	20.00	0.0%
	- Renewal	Non-Vatable	120.00	120.00	0.0%
	DVLA Check	Non-Vatable	8.00	8.00	0.0%
	Data and Barring Service Disclosure	Non-Vatable	56.00	56.00	0.0%
Private Hire Operators Licences					
	Annual Licence - Up to 3 vehicles/ per annum	Non-Vatable			
	Annual Licence - Over 3 vehicles	Non-Vatable			
	Annual Licence - 1 Vehicle	Non-Vatable	80.00	80.00	0.0%
	Annual Licence - 2-4 Vehicles	Non-Vatable	120.00	120.00	0.0%
	Annual Licence - 5 Vehicles	Non-Vatable	200.00	200.00	0.0%
Zoo Licensing					
	Application for grant of first licence	Non-Vatable	446.10	495.62	11.1%
	Application for renewal of licence	Non-Vatable	252.40	280.42	11.1%
	Alteration of licence	Non-Vatable	137.10	152.32	11.1%
	Transfer of licence	Non-Vatable	137.10	152.32	11.1%
	<i>The above fees are subject to additional charges for consultants or inspection fees</i>				
Scrap Metal Dealers					
	Site Licence - Initial application	Non-Vatable	365.39	405.95	11.1%
	Site - Renewal	Non-Vatable	291.05	323.36	11.1%
	Site - Variation	Non-Vatable	70.11	77.89	11.1%
	Collectors Licence - Initial application	Non-Vatable	242.08	268.95	11.1%
	Collectors - Renewal	Non-Vatable	201.87	224.28	11.1%
	Collectors - Variation	Non-Vatable	70.11	77.89	11.1%
Alcohol, Regulated Entertainment & Late Night Refreshment Licence Fees:					
These are prescribed by regulations issued under the Licensing Act 2003 and vary dependent on the application type,					
Sex Establishments					
	Grant, renewal, variation or transfer (£2,040 refunded if no hearing)	Non-Vatable	2,541.83	2,823.97	11.1%
Sexual Entertainment Venues					
	Grant, renewal, variation or transfer (£2,040 refunded if no hearing)	Non-Vatable	3,058.67	3,398.18	11.1%
Other Establishments					
	Hypnotism Consent	Non-Vatable	34.44	38.26	11.1%

COMMUNITIES & HEALTH					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Gambling Licence Fees					
	Betting Office - grant/ provisional statement - £2,040 refunded if no hearing	Non-Vatable	2,547.30	2,547.30	0.0%
	Annual Fee	Non-Vatable	203.60	203.60	0.0%
	Variation	Non-Vatable	286.40	286.40	0.0%
	Transfer/ Reinstatement	Non-Vatable	250.60	250.60	0.0%
	Adult Gaming Centre - grant/ provisional statement £1,600 refunded if no hearing	Non-Vatable	2,046.00	2,046.00	0.0%
	Annual Fee	Non-Vatable	203.60	203.60	0.0%
	Variation	Non-Vatable	286.40	286.40	0.0%
	Transfer/ Reinstatement	Non-Vatable	260.90	260.90	0.0%
	Bingo Club - grant/ provisional statement £2,040 refunded if no hearing	Non-Vatable	2,547.30	2,547.30	0.0%
	Annual Fee	Non-Vatable	203.60	203.60	0.0%
	Variation	Non-Vatable	199.50	199.50	0.0%
	Transfer/ Reinstatement	Non-Vatable	260.90	260.90	0.0%
	Family Entertainment Centre - grant/ provisional statement £1,600 refunded if no hearing	Non-Vatable	2,046.00	2,046.00	0.0%
	Annual Fee	Non-Vatable	203.60	203.60	0.0%
	Variation	Non-Vatable	286.40	286.40	0.0%
	Transfer/ Reinstatement	Non-Vatable	260.90	260.90	0.0%
Street Trading					
	Street Trading Consent - Issue (annual)	Non-Vatable	274.97	305.49	11.1%
	Street Trading Consent - Renewal (annual)	Non-Vatable	274.97	305.49	11.1%
	Pavement Permissions - Issue (annual)	Non-Vatable	274.97	305.49	11.1%
	Pavement Permissions - Renewal (annual)	Non-Vatable	274.97	305.49	11.1%
	Street Trading - community events 1 day	Non-Vatable	-	-	
Licence Pre Application Advice Service					
	Schools, Churches & Registered Charities (one off fee)	Standard	36.91	41.01	11.1%
	Other Applicants (per hour)	Standard	36.91	41.01	11.1%

COMMUNITIES & HEALTH					
Fees & Charges		VAT	2022/23 £	2023/24 £	% Increase
Hire of Windmill					
	For commercial use - 1 hour session on one floor	Standard	36.42	40.46	11.1%
	For commercial use - all day (7.5hr)	Standard	93.14	103.48	11.1%
	For non - commercial use - 1 hour session on one floor	Standard	18.21	20.23	11.1%
	For non - commercial use - all day (7.5hr)	Standard	45.52	50.57	11.1%
	Mondays - Fridays Inclusive (am)	Standard	227.00	252.20	11.1%
	Mondays - Fridays Inclusive (pm)	Standard	340.00	377.74	11.1%
	Saturday, Sunday and Bank Holidays	Standard	454.00	504.39	11.1%
	Chair Cover Hire including sashes	Standard	68.00	75.55	11.1%
Wedding Hire - Old House					
	Mondays - Fridays Inclusive (am)	Standard	325.00	361.08	11.1%
	Mondays - Fridays Inclusive (pm)	Standard	433.00	481.06	11.1%
	Saturday, Sunday and Bank Holidays	Standard	541.00	601.05	11.1%
	Hire of Chair Sashes	Standard	54.00	59.99	11.1%
	Hire of Bridal Suite (2 hours)	Standard	108.00	119.99	11.1%
	Hire of ground floor reception room (2 hours)	Standard	108.00	119.99	11.1%
	Corkage fee (per bottle)	Standard	9.00	10.00	11.1%
Wedding Decoration Packages - Rayleigh Windmill & Old House					
	Item			-	
	Floral Centrepiece	Standard	50.00	55.55	11.1%
	Wreaths	Standard	25.00	27.78	11.1%
	Candles and table confetti	Standard	15.00	16.67	11.1%
	Package Options			-	
	Floral Package - centrepiece and wreaths	Standard	67.50	74.99	11.1%
	All items package (all items listed)	Standard	80.00	88.88	11.1%
Sewer Clearances					
	Cost of works apportioned to number of properties affected, with minimum charge of:	Non-Vatable	38.77	43.07	11.1%

Key to VAT:	
Non-Vatable	No VAT to be added to the published fee.
Inclusive	The VAT charge is included in the published fee
X%	VAT needs to be added to the published fee at the rate stated.
Standard	VAT needs to be added to the published fee at the current standard rate. As at April 2023, the standard rate is 20%.

Description of Offence - Fixed Penalty Notices	Act	Penalty if paid early	Maximum Penalty conviction	VAT
1. Dropping Litter (including gum & cigarettes)	S87/8 EPA 1990 amended by S18 CNEA	£50	£2,500	Non-Vatable
2. Abandonment of Vehicle	S2 & 2A RD (A) Act 1978	£120	£2,500	Non-Vatable
3. Failure to remove dogs mess	S3 Dogs (FL) Act 1996	N/A	£1,000	Non-Vatable
4. Sale of vehicles on road	S3 CNEA 2005	£80	£2,500	Non-Vatable
5. Repair of vehicles on a road	S4 CNEA 2005	£80	£2,500	Non-Vatable
6. Waste Bin Offences	S46 & S47(ZA) EPA 1990	£60	£1,000	Non-Vatable
7. Graffiti	S43&44 ASBA 03, S1 CDA	£50	£5,000	Non-Vatable
8. Fly Posting	S43&44 ASBA 03, S224 TCPA	£50	£2,500	Non-Vatable
9. Failure to comply with a street litter control notice	S94 & 94A EPA 1990	£60	£2,500	Non-Vatable
10. Failure to comply with a litter clearing notice	S92 & S94 EPA 1990	£60	£2,500	Non-Vatable
11. Cycling on footpath	S72 HA 1835	N/A	N/A	Non-Vatable
12. No smoke free signage	S6 & 9 Health Act 2006	£150 (15D)	£1,000	Non-Vatable
13. Smoking in a smoke free place	S7 & 9 Health Act 2006	£30 (15D)	£200	Non-Vatable
14. Failure to produce waste documents	S34 EPA 1990	180	Unlimited	Non-Vatable
15. Failure to produce a Waste Carriers Licence	S5 & 5b COP(A) Act 1989	180	Unlimited	Non-Vatable
16. Noise from dwelling	S8 Noise Act 1996	£60	£5,000	Non-Vatable
17. Noise from Licensed Premises	S8 Noise Act 1996	N/A	£20,000	Non-Vatable
18. Leaflet Distribution on designated land	Sch 3A EPA 1990	£50	£2,500	Non-Vatable
19. Fly tipping unauthorised depositing of waste	S33 EPA1990	£200	£2,500	Non-Vatable
20. Offences under Public Space Protection Orders	S59 ABC&P Act 2014	£100	£1,000	Non-Vatable

Appendix 4

CAPITAL AND TREASURY MANAGEMENT STRATEGY 2023/24

1 INTRODUCTION

- 1.1 This report sets out the Council's Capital and Treasury Management Strategy for 2023/24 for approval by Full Council.
- 1.2 In financing capital expenditure, local authorities are governed by legislative frameworks, including the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) and the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (Treasury Management Code). An updated Prudential Code and Treasury Management Code were published by CIPFA in December 2021, with a requirement for local authorities to report in line with these from 2023/24 onwards.
- 1.3 The revised Treasury Management Code requires all investments and investment income to be attributed to one of three purposes:-
 - **Treasury management** Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.
 - **Service delivery** Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".
 - **Commercial return** Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to an authority's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.
- 1.4 The following are also required to be implemented under the new code:-
 - **Adopt a new liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be

shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;

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

1.5 The Prudential Code was developed by CIPFA as a professional code of practice to support local authorities in taking their decisions. Local authorities are required by regulation to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003. Local authorities determine their own programmes for investment; however, in order to demonstrate that capital expenditure and investment decisions are taken in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability, the Prudential Code requires authorities to have in place a Capital Strategy that sets out the long term context in which capital expenditure and investment decisions are made, and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

1.6 There are requirements of the Prudential Code in relation to service and commercial investments, however this authority does not currently have these investments and therefore these requirements are not detailed in this report. Key to this is that there should be Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current

Treasury Management Practices). These will be developed if the Council move into these investment types.

- 1.7 This Strategy provides an overview of the governance process for approval and monitoring of capital expenditure. It provides a projection of the Council's capital financing requirement and explains how the Council will make prudent revenue provision for the repayment of any debt. The Strategy also sets out the Council's policy approach to commercial investment activities, including processes, due diligence and defining the Council's risk appetite in respect of these.
- 1.8 The Strategy also sets out the Council's approach to treasury management investment activities and includes the criteria for determining how and where funds will be invested to ensure that the principal sums are safeguarded from loss and that sufficient liquidity is maintained to ensure that funds are available when needed. The Council's policies, objectives and approach to risk management of its treasury management activities, and the manner in which it seeks to achieve its policies and objectives for treasury management are set out, alongside the knowledge and skills available to the Council and provides confirmation that these are commensurate with the Council's risk appetite.
- 1.9 The treasury management investment strategy proposed for 2023/24 is consistent with that applied in previous years. The Council has a good track record with regard to its treasury investment activity, adhering to the statutory requirement to give priority to security and liquidity over yield. Internal Audit's most recent review issued a 'good' assurance opinion on the management of these activities, confirming that internal controls are consistently adhered to.
- 1.10 The distinct, but inter-related, elements of this Strategy therefore collectively demonstrate that the Council's capital expenditure and investment decisions properly take account of stewardship, value for money, prudence, sustainability and affordability, by setting out the long-term context in which capital expenditure and investment decisions are made, and by giving due consideration to both risk and reward and impact on the achievement of priority outcomes.
- 1.11 The Capital Strategy should include:-
 - The authority's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the authority's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence;
 - An assessment of affordability, prudence and proportionality in respect of the authority's overall financial capacity (i.e. whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services);

- Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed;
 - Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments);
 - Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information contained in them will need to be periodically re-evaluated to inform the authority's overall strategy);
- 1.12 An Economic Background Summary is provided by LINK Group, the Authorities Treasury Management Advisors. This can be found at Appendix Two to this report.

2 REPORTING

- 2.1 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. These reports are:-
1. The Capital and Treasury Management Strategy (this report), which covers:-
 - the capital plans (including prudential indicators);
 - a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
 - the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and,
 - an investment strategy (the parameters on how investments are to be managed).
 2. The Mid-Year Treasury Management Report which will update Council with the progress of the capital position, update prudential indicators as necessary, and consider whether the Treasury Strategy is delivering its objectives or whether any policies require revision.
 3. Annual Strategy report (reported to Council in June/July). This provides details of actual performance of prudential and treasury indicators compared to the estimates within this report.
- 2.2 The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Overview & Scrutiny Committee.

- 2.3 In addition to the three major reports detailed above, from 2023/24 quarterly reporting is also required. However, these additional reports do not have to be reported to Full Council/Board but do require to be adequately scrutinised. The updated Treasury/ Prudential indicators will form part of the quarterly finance reports that are taken to The Executive.

3 CAPITAL AND TREASURY MANAGEMENT STRATEGY

- 3.1 The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report which will provide the following:-

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

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

- 3.2 The Capital and Treasury Management Strategy comprises a number of distinct, but inter-related, elements including:

Capital issues

- **Capital expenditure (see Section 4)**; which includes an overview of the governance process for approval and monitoring of capital expenditure, including the Council's policies on capitalisation, and an overview of its capital expenditure and financing plans.
- **Capital financing and borrowing (see Section 5)**; provides a projection of the Council's capital financing requirement, how this will be funded and repaid and explains how it will discharge its duty to make prudent revenue provision for the repayment of debt (Minimum Revenue Provision (MRP) Policy Statement).

Treasury Management Issues

- **Other Prudential Indicators (see Section 6)**
- **Borrowing Strategy (see Section 7)**
- **Treasury Management Investments (see Section 8)**; explains the Council's approach to treasury management investment activities, including the criteria for determining how and where funds will be invested to ensure that the principal sums are safeguarded from loss and that sufficient liquidity is maintained to ensure that funds are available when needed. Includes Treasury Indicators.

- **Annual Investment Strategy (see Section 9)** (including current treasury position)
- **Commercial Investments (see Section 10)**; provides an overview of those of the Council's policy on commercial investment activities that count as capital expenditure, including processes, due diligence and defining the Council's risk appetite in respect of these.
- **Credit Ratings (see Section 11)**, including policy on use of external providers, and interest rate forecasts.
- **Liquidity Risk Management (see Section 12)**
- **Cash Flow Management (see Section 13)**
- **Scheme of Delegation (see Section 14)**
- **Treasury Management Policy and Practices (see Section 15)**
- **Knowledge and skills (see Section 16)**; summarises the knowledge and skills available to the Council and provides confirmation that these are commensurate with the Council's risk appetite.

4 CAPITAL EXPENDITURE

Capitalisation policies

- 4.1 Expenditure is classified as capital expenditure when it results in the acquisition or construction of an asset (e.g. land, buildings, roads and bridges, vehicles, plant and equipment etc.) that:
- Will be held for use in the delivery of services, for rental to others, or for administrative purposes; and
 - Are of continuing benefit to the Council for a period extending beyond one financial year.
 - Subsequent expenditure on existing assets is also classified as capital expenditure if these two criteria are met.
- 4.2 There may be instances where expenditure does not meet this definition but would nevertheless be treated as capital expenditure, including:
- Where the Council has no direct future control or benefit from the resulting assets, but would treat the expenditure as capital if it did control or benefit from the resulting assets; and

- Where statutory regulations require the Council to capitalise expenditure that would not otherwise have expenditure implications according to accounting rules.

Governance

- 4.3 The Section 151 Officer manages the preparation of a capital programme on an annual basis which is presented to Full Council for approval as part of the Medium-Term Financial Strategy report.
- 4.4 Schemes will usually only be added to, or removed from, the capital programme as part of the annual budget setting process. Any request outside of this process to change the capital programme by adding or removing schemes, or by allocating additional scheme and payment approvals to an approved scheme, must be approved by Full Council in line with the Council's financial regulations.
- 4.5 Any project that is added to the Capital Programme will be for the purposes of delivering public services (including housing, regeneration and local infrastructure) or in support of joint working with others to deliver such services.
- 4.6 The Section 151 Officer will also monitor performance against the Council's approved capital programme on an on-going basis, as part of the quarterly financial reports, which are presented to Executive by the Portfolio Holder for Finance. These financial overview reports will provide a comparison of the Council's projected expenditure with the latest approved capital programme.

Capital Expenditure Plans

- 4.7 When expenditure is classified as capital expenditure, this means that the Council is able to finance that expenditure from the following sources:
 - Capital grants and contributions - amounts awarded to the Council in return for past or future compliance with certain stipulations.
 - Capital receipts – amounts generated from the sale of assets and from the repayment of capital
 - Loans, grants or other financial assistance.
 - Revenue contributions – amounts set aside from the revenue budget or earmarked reserves
 - Borrowing/Finance Leases - amounts that the Council does not need to fund immediately from cash resources, but instead charges to the revenue budget over a number of years into the future. The implications of financing capital expenditure from borrowing are explained in Section 7.

5 CAPITAL FINANCING AND BORROWING

- 5.1 The Council's capital expenditure plans are one of the key drivers of treasury management activity. The capital expenditure plans are reflected in prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.
- 5.2 The table below summarises the Council's proposed capital expenditure plans for the period to 2025/26 and how this would be financed. The detail of the proposed capital investment of £4.870m in 2023/24 is in Appendix Two to this report.

Capital Expenditure and the Capital Financing Requirement.

£000s	2021/22 Outturn	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Opening CFR	777	777	777	777	777
Capital Expenditure	1,106	4,424	4,870	3,525	1,051
Financed by:					
Capital Receipts Reserve	363	1,081	2,523	873	-
Capital Grants	617	621	540	540	540
Other Earmarked Reserves	126	2,252	-	1,069	-
Revenue Contribution	-		1,640	972	441
Developer Contributions	-	95	70	70	70
New Homes Bonus Income	-	305	97	-	-
Match Funding	-	70	-	-	-
Closing CFR	777	777	777	777	777

- 5.3 The Capital Expenditure reflected in the table above is the draft position before approval by Council so may change. Any changes will then be reflected in future CFR predictions.
- 5.4 The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for by capital receipts or grants, will increase the CFR. The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is the statutory annual revenue charge.
- 5.5 The adoption of IFRS16 has been further delayed until April 2025. Existing leases have not yet been reviewed, however the purchase of new assets through a finance lease arrangement are now included with the capital programme and therefore balance sheet.
- 5.6 A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

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

Liability benchmark £000s	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Existing Loan Debt Outstanding	-	-	-	-
Net Loans Requirement	(24,000)	(24,000)	(24,000)	(24,000)
Loans CFR	777	777	777	777
Liability Benchmark	(23,800)	(23,800)	(23,800)	(23,800)
(Over)/Under Liability Benchmark	(23,800)	(23,800)	(23,800)	(23,800)

Minimum Revenue Provision (MRP) Policy Statement

- 5.7 As noted above the Capital Financing Requirement (CFR) provides a measure of the amount of capital expenditure that the Council yet to fund from cash resources. Instead, the Council is required to set aside monies from the revenue budget each year to repay the borrowing. This practice is referred to as making minimum revenue provision (or MRP) for the repayment of debt. Statutory guidance requires MRP to be provided annually on a prudent basis, and interprets 'prudent' to mean that MRP charges on unsupported borrowing should be made over a period commensurate with the period the assets financed from borrowing continue to provide benefit. Where it is practical or appropriate to do so, the Council may make voluntary revenue provision, or apply capital receipts, to reduce debt over a shorter period.
- 5.8 Any future borrowing by the Council will require an MRP recognition through the revenue account, which will be considered as part of any future business case and the preferred method would be the Asset Life method (by way of either Equal Instalment or Annuity). MRP will only start to be charged in the year after the asset becomes operational.
- 5.9 Where assets are funded through finance lease agreements, MRP is made over the life of the contract. This includes expenditure on some assets where

lease repayments would have been treated directly as operational revenue expenditure in prior years, but are now treated as capital expenditure and included on the balance sheet, per the requirements of IFRS16.

- 5.10 The MRP Policy Statement requires full council approval in advance of each financial year.

6 OTHER INDICATORS

The Use of the Council's Resources and the Investment Position

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

Affordability Prudential Indicators

- 6.2 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans.

Year End Resources £000	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Earmarked Reserves & General Fund Balance	9,677	7,314	5,320	4,679
Capital Receipts Reserve	276	873	-	-
Total Core Funds	9,954	8,188	5,320	4,679
Expected Investments	11,454	9,688	6,820	6,179

- 6.3 The indicators are designed to support and record local decision making in a manner that is publicly accountable but are not designed to be comparative performance indicators to other organisations. There are no recommended limits or values for the indicators.
- 6.4 These provide an indication of the impact of the capital investment plans on the Council's overall finances. Members are asked to approve the following indicators.

Ratio of financing costs to net revenue stream (revenue budget).

- 6.5 The table below shows the impact of borrowing compared to the general fund. It is negative because the Council does not currently borrow and so this represents only the interest received on investments as a comparison to the revenue budget.

%	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Ratio of Financing Costs to Net Revenue Stream	-0.48%	-2.40%	-1.37%	-0.94%

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

- 6.6 If the capital programme was to be funded through revenue (council tax) this indicator identifies the revenue costs associated with proposed changes to the capital programme.

	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Capital Expenditure (£000s)	4,424	4,870	3,525	1,051
Incremental impact of capital investment (£000s)	3,317	446	(1,346)	(2,474)
Council tax base (Units)	32,707.6	32,888.9	33,217.8	33,550.0
Council tax Band D impact (£s)	£101	£14	(£41)	(£74)

7 BORROWING

- 7.1 The Council does not currently have any borrowing. Dependent on the Council's approval of particular business cases put forward for consideration, it is possible that borrowing would be considered in future for larger capital schemes. However; this would need to be agreed on a case by case basis.
- 7.2 Borrowing may be considered for "invest to save" projects providing the cost of servicing the debt is contained within the revenue savings/income the project generates, the project generates a positive net present value and the payback period is shorter than the life of the asset.
- 7.3 Per paragraph 51 of the Prudential Code in relation to investments for commercial purposes, this authority would not borrow to invest primarily for financial return. Nor will it borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed.

Asset Delivery Programme

- 7.4 The Asset Delivery Programme is currently undergoing review. If there are any requirements for borrowing, approval will be requested in future reports to Council.
- 7.5 The following issues will be considered prior to undertaking any external borrowing:

- Affordability

- Maturity profile of existing debt
- Interest rate and refinancing risk
- Borrowing source including Internal

7.6 In conjunction with advice from its treasury advisor, the council will keep under review the following external borrowing sources:

- Public Works Loan Board (PWLB) (or its replacement)
- any institution approved for investments
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except for Essex Pension Fund)
- Capital market bond investors
- Municipal Bonds Agency - created to enable local authority bond issues
- Capital markets (stock issues, commercial paper and bills)
- Finance Leases

7.7 Borrowing would add pressure on the revenue budget as MRP and interest would become payable. The capacity to make these payments would need to be identified in advance, to ensure they are affordable.

7.8 Where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset. With the Equal Instalment approach, MRP is determined by reference to the life of the asset and an equal amount charged in each year. The Annuity method involves a more complex calculation. Here, MRP is the principal element for the year of the annuity required to repay over the asset life the amount of capital expenditure financed by borrowing.

8 TREASURY MANAGEMENT

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

- 8.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses.
- 8.3 The contribution the treasury management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 8.4 The core investment policy objective for this Council is the prudent investment of its treasury balances. The Council's investment priorities are security of capital and liquidity of its investments so that funds are available for expenditure when needed.
- 8.5 Both the CIPFA Code and the MHCLG guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its Treasury Management investments before seeking the highest rate of return, or yield. The generation of investment income to support the Council's spending plans is an important, but secondary objective. Investment in commercial activities or for wider strategic objectives may be subject to different criteria than those applied to funds invested purely for Treasury Management purposes, as set out in Section 10 below.
- 8.6 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 8.7 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

TREASURY INDICATORS: LIMITS TO BORROWING ACTIVITY

- 8.8 The Council is only permitted to borrow externally (including via credit arrangements) up to the level implied by its Capital Financing Requirement (CFR).

8.9 To ensure that external borrowing does not exceed the CFR, other than in the short term, limits are established for external debt, as follows:

- **Authorised boundary limit** – this defines the maximum amount of external debt permitted by the Council, and represents the statutory limit determined under section 3 (1) of the Local Government Act 2003.
- **Operational boundary limit** – This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

8.10 The Authorised and Operational limits are based on the assumption that there will be long-term borrowing to fund capital expenditure and that borrowing will be to fund long and short term cash flow requirements. The limits include balance sheet liabilities such as finance leases and creditors, with the exception of IFRS16 changes noted at paragraph 5.4 above.

£000s	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Operational boundary Limit	777	777	777	777
Authorised boundary Limit	977	977	977	977

Treasury Management Limits on Activity

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

8.12 The limit indicators are shown separately for borrowing and investments. Fixed rates for investments or borrowing for a period of less than one year are treated as variable by the Prudential Code.

Interest rate Exposures %	2022/23	2023/24	2024/25
	Upper	Upper	Upper
Limits on fixed interest rates:			
Borrowing	100%	100%	100%
Investments	100%	100%	100%
Limits on variable interest rates:			
Borrowing	25%	25%	25%
Investment	100%	100%	100%

9 ANNUAL INVESTMENT STRATEGY

Investment Policy – Management of Risk

- 9.1 The Department of Levelling Up, Housing and Communities (DLUHC) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. The treasury strategy section of this report deals solely with treasury (financial) investments, (as managed by finance). Non-financial investments would be covered in the Capital Strategy section if applicable.
- 9.2 The Authority’s investment policy has regard to the following: -
- DLUHC’s Guidance on Local Government Investments (“the Guidance”)
 - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
 - CIPFA Treasury Management Guidance Notes 2021
- 9.3 The Authority’s investment priorities will be security first, portfolio liquidity second and then yield (return). The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Authority’s risk appetite.
- 9.4 The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -
1. Minimum acceptable **credit criteria** (section 11) are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
 2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Authority will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.
 3. This Authority has defined the list of **types of investment instruments** (section 9.5) that the treasury management team are authorised to use. There are no ‘non-specified’ investments.

Specified investments are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity,

if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.

Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

4. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in 11.3.
 5. **Transaction limits** are set for each type of investment in 11.3.
 6. This Authority does not invest for **longer than 365 days**.
 7. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 11.1).
 8. This Authority has engaged **external consultants**, to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Authority in the context of the expected level of cash balances and need for liquidity throughout the year.
 9. All investments will be denominated in **sterling**.
 10. However, this Authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.
- 9.5 The Council has no plans to deviate from its current investment strategy for Treasury Management investments. A full list of those items included in the 2022/23 strategy are:
- Term and Call Deposits with banks and building societies
 - Term deposits, call deposits and bonds with other UK Local Authorities
 - Certificates of deposit with banks and building societies
 - Deposit Facility
 - Money Market funds (both Standard and Enhanced)
 - Debt Management Agency Deposit Facility (Government Managed)
 - Treasury Bills

- 9.6 As at the end of Quarter 3 2022/23, the Council's investment portfolio was as shown in the table below.

Investments at 31.12.22	Amount (£000)
Money Market Funds – Instant Access	9,000
Handelsbanken – Instant Access	6,000
Santander – 95 days notice	6,000

10 COMMERCIAL INVESTMENTS

- 10.1 Statutory guidance on local authority investments (issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003) classifies local authority investments into the following categories:

- Investments held for treasury management purposes
- Other investments

- 10.2 Investments held for treasury management purposes are dealt with in the 'Treasury Management' section of this document. This section deals with 'other investments', where the intention is for investments to contribute to the Council's service delivery objectives and/or place making role.

- 10.3 The Council does not currently hold any investments for non-Treasury Management purposes.

- 10.4 Any project that is added to the Capital Programme will be for the purposes of delivering public services (including housing, regeneration and local infrastructure) or in support of joint working with others to deliver such services. No schemes will be added to the Capital Programme if their only purpose is to achieve a financial return.

Loans to Subsidiaries, Local Enterprises and Third Parties

- 10.5 Loans to subsidiaries, local enterprises and third parties may be considered, as part of a wider strategy for local economic growth, even though they may not all be seen as prudent if adopting a narrow definition of prioritising security and liquidity.
- 10.6 Such loans will be considered when all of the following criteria are satisfied:
- The loan is given towards expenditure which would, if incurred by the Council, be capital expenditure;

- The purpose for which the loan is given is consistent with the Council's corporate / strategic objectives and priorities;
- Due diligence is carried out that confirms the Council's legal powers to make the loan, and that assesses the risk of loss over the loan term;
- A formal loan agreement is put in place which stipulates the loan period, repayment terms and loan rate (which will be set at a level that seeks to mitigate any perceived risks of a loss being charged to the General Fund, and takes appropriate account of subsidy control rules) and any other terms that will protect the Council from loss;

11 CREDIT RATINGS

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

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

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

LINK Colour Coding	Maximum Duration	Maximum Investment
No colour	Not to be used	0
Green	100 days	£6m
Red	6 months 100 days	£3m £6m
Orange	1 year 6 months 100 days	£1m £3m £6m
Blue	1 year 6 months 100 days	£4m £3m £6m

Purple	2 years 1 year 6 months 100 days	£3m £4m £3m £6m
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- 11.3 Due Care will be taken to consider the exposure of the Authority's total investment portfolio, and the table below gives the maximum duration and investment for each.

Organisation	Maximum Duration	Maximum Investment
Debt Management Office (Government Body)	6 months	£14m
Lloyds Bank current account The Council's main banker	On call (can be withdrawn immediately)	£5m
Money Market Funds CNAV – AAA long-term credit rating	On call (can be withdrawn immediately)	£5m per fund
Money Market Funds LVNAV – AAA long-term credit rating	On call (can be withdrawn immediately)	£5m per fund
Money Market Funds VNAV – AAA long-term credit rating	On call (can be withdrawn immediately)	£5m per fund
Certificates of Deposit and Treasury Bills.	Will follow the LINK Colour Coding limits as per the above table.	Will follow the LINK Colour Coding limits as per the above table.
Local Authorities	1 year	£3m

- 11.4 The Link Groups' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.
- 11.5 Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 11.6 All credit ratings will be monitored weekly. The Council is alerted to changes in ratings of all three agencies through its use of Link Groups creditworthiness service. If a downgrade results in the counterparty / investment scheme no

longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately. In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Groups. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

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

CDS prices

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

Country Limits

- 11.10 The Council has determined that it will only use approved counterparties from the UK and countries with a minimum sovereign credit rating of AA+ from Fitch Ratings (or equivalent from other agencies if Fitch does not provide).
- 11.11 Countries other than the UK will be subject to a £3m investment limit for duration of up to one year, subject to Section 151 Officer authorisation.

Investment Management

- 11.12 The Council does not use a fund manager and funds are managed in-house. Investments will accordingly be made with reference to the core balances and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the first half

of 2023 and possibly reducing as early as the latter part of 2023 so an agile investment strategy would be appropriate to optimise returns.

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

Investment returns expectations.

- 11.14 The Authority has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 19 December 22 which forecast Bank Rate to reach 4.5% in Q2 2023. These are forecasts for certainty rates, gilt yields plus 80 bps.

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

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

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

- 11.16 There are a number of significant risks to the above forecasts, however the forecasted position provided by LINK will continue to be reviewed.
- 11.17 For its cash flow generated balances, the Council will seek to utilise its notice accounts, money market funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

11.18 It is expected that this authority will have sufficient funds to invest that will realise a return on investments c£275,000 for financial year 2023/24.

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

Change of investment strategy

11.20 There are now several alternative types for investment opportunities that authorities can utilise. These include the following instruments. The authority will ensure relevant due diligence is taken before entering into any new arrangement. We would continue to apply the same principles of Security, Liquidity and Yield to these investment types. These would then require investment over a period longer than 365 days in order to receive the benefit of the instruments.

- Ultra-Short Dated Bond Funds
- Corporate Bonds - direct, passive and active external management (including Short Dated Bond Funds)
- Multi Asset Funds
- Property Funds
- Equity Funds

Investment Performance / Risk Benchmarking

11.21 This Authority will use an investment benchmark to assess the investment performance of its investment portfolio of overnight, 1, or 3 month Sterling Overnight Index Average (SONIA).

12 LIQUIDITY RISK MANAGEMENT

12.1 This council will ensure it has adequate, though not excessive, cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have sufficient liquidity in its investments, taking into account known and potential cash-flow requirements and the level of funds available to it which are necessary for the achievement of its business/service objectives.

12.2 Giving due consideration to the Council's level of balances over the next year, the need for liquidity, its spending commitments and provisioning for contingencies, it is considered very unlikely that the Council will have cash balances to invest other than on a temporary basis. For this reason, no cash will be held on term deposit maturities in excess of 1 year.

13 CASH AND CASH FLOW MANAGEMENT

13.1 The objective should be to keep low interest cash balances at an optimum and maximise temporary investments. There is likely to be a difference between forecast activity and actual activity and therefore working capital will need to be

subject to regular review and report to Review Committee / Full Council in the light of changing levels of activity.

13.2 The council will prepare reports which include cash flow forecasts and actuals on a 12-month rolling basis so as to be able to determine:

- whether minimum acceptable levels of cash balances plus short-term investments might be (or have been) breached
- the adequacy (or otherwise) of standby/overdraft facilities or contingency arrangements
- the optimum arrangements to be made for investing and managing surplus cash.

14 SCHEME OF DELEGATION

14.1 Under the Code, the Council is required to specify its Scheme of Delegation for Treasury Management and the responsibilities of the Section 151 Officer, and this is shown below:-

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities.
- approval of annual strategy
- budget consideration and approval.
- receiving the end of year report on treasury management.

(ii) Overview & Scrutiny Committee

- scrutiny of the three main treasury reports, before recommendation to Council or Executive.
- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.

(iii) Executive

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices.
- approval of the division of responsibilities.
- receiving and reviewing regular monitoring reports and acting on recommendations.

(iv) Audit Committee

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

(v) Section 151 Officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
- submitting regular treasury management policy reports.
- submitting budgets and budget variations.
- receiving and reviewing management information reports.
- reviewing the performance of the treasury management function.
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- ensuring the adequacy of internal audit and liaising with external audit.
- Recommending the appointment of external service providers.
- ensuring that members are adequately informed and understand the risk exposures taken on by the Authority
- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, ensuring it is prudent, sustainable and affordable.

15 TREASURY MANAGEMENT POLICY STATEMENT AND TREASURY MANAGEMENT PRACTICES

15.1 A revised Treasury Management Code was published by CIPFA in December 2021; there is a requirement to report on this from 2023/24 onwards.

15.2 The Treasury Management Code has a particular significance under the provisions of the Local Government Act 2003 which requires local authorities

‘to have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify’.

15.3 The current Treasury Management Code contains the following definition of treasury management activities which has been adopted by CIPFA:

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

This definition is intended to apply to all public service organisations in their use of capital and project financings, borrowings and all investments.

- 15.4 It clarifies that 'investments' in the above definition covers all the Council's financial assets, as well as other non-financial assets held primarily for financial returns if applicable. This means that it encompasses investments which are not managed as part of normal treasury management or under treasury management delegations.
- 15.5 The Treasury Management Code identifies three key principles for treasury management:
- Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
 - Their policies and practices should make clear that the effective management and control of risk are prime objectives of their treasury management activities and that responsibility for these lies clearly within their organisations. Their appetite for risk should form part of their annual strategy, including any use of financial instruments for the prudent management of those risks, and should ensure that priority is given to security and portfolio liquidity when investing treasury management funds.
 - They should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance measures, are valid and important tools for responsible organisations to employ in support of their business and service objectives, and that within the context of effective risk management, their treasury management policies and practices should reflect this.
- 15.6 In accordance with these principles, the Council had previously adopted a Treasury Management Policy Statement, which set out the policies, objectives and approach to risk management of its treasury management activities, and a series of Treasury Management Practices (TMPs), which set out the manner in which the Council sought to achieve its policies and objectives for treasury management.
- 15.7 These have been updated to reflect the new requirement for a policy for Environment, Social and Governance considerations, and a general review and update and are found at Appendix One.

16 KNOWLEDGE AND SKILLS

- 16.1 The Council recognises the importance of ensuring that all officers involved in the treasury management function (including commercial investment activities) are fully equipped to undertake the duties and responsibilities allocated to them. The Section 151 Officer is responsible for recommending and implementing the necessary arrangements and does this by:

- **Ensuring officers are both capable and experienced.** All individuals involved in the delivery of the treasury management function are required to undertake continuing professional development.
- **Providing training and technical guidance**
All individuals involved in the delivery of the treasury management function are provided with access to relevant technical guidance and training necessary to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills to undertake the duties and responsibilities allocated to them.
- **Appointing a treasury management and other professional advisors**
By employing external providers of treasury management services, the Section 151 Officer ensures that the individuals involved in delivery of the Council's treasury management activities have access to specialist skills and resources.

16.2 In order to assure this:-

- Attendance at training should be recorded and action taken where poor attendance is identified.
- Learning plans should be put in place for treasury management officers and members, and tailored for need.
- Officers and members should be required to undertake self assessments against required competencies.
- Encourage officers and members to highlight training needs on an ongoing basis.

16.3 The Council uses the services of Link Groups "Link" as its external treasury management advisors.

16.4 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

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

16.6 The Section 151 Officer will ensure that elected members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities. This is fulfilled via annual training sessions. Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

17 RISK IMPLICATIONS

- 17.1 As an authority that does not currently have any debt the Council's highest priority in its treasury management function is the security of its investments in accordance with the priorities set out in the CIPFA Code. Sums are invested with a range of counter parties to minimise the risk of the capital sum being diminished through movements in prices.
- 17.2 The Council, whilst fundamentally risk adverse, will accept some modest degree of risk in its Treasury Management activities. It will consider first the range of risks and secondly how prudently to manage those different risks. It will ensure that priority is given to security and liquidity when investing funds for Treasury Management purposes before seeking to optimise yield. The use of different investment instruments and diversification of high credit quality counter parties along with country, sector and group limits, as set out in the Strategy, enables the Council to minimise the nature and extent of the different risks.
- 17.3 The Council does not currently hold any investments for non-Treasury Management purposes. Non-core activities and investments may be considered by the Council in future, subject to the appropriate governance, to support the Council's wider strategic objectives and/or place-making role. Such investments would only be entered into following a full assessment of the risks and having secured expert external advice (where it is relevant to do so).

18 RESOURCE IMPLICATIONS

- 18.1 All interest paid and received is accounted for within the General Fund. The amount of income generated is dependent upon interest rates and level of balances.

19 LEGAL IMPLICATIONS

- 19.1 This strategy complies with the statutory requirements set out in the Local Government Act 2003 and associated guidance and regulations.

APPENDIX 5

REPORT TO: EXTRAORDINARY COUNCIL 21 FEBRUARY 2023

PORTFOLIO: FINANCE, ECONOMY & CLIMATE

REPORT FROM: INTERIM DIRECTOR OF RESOURCES

SUBJECT: BUDGET CONSULTATION RESULTS 2023/2024

1 PURPOSE OF THE REPORT

- 1.1 To set out the results of Rochford District Council's 2023/2024 Budget Consultation.

2 INTRODUCTION

- 2.1 The Rochford District Council Budget Consultation ran between 12 September and 23 October 2022.
- 2.2 There was a total of 252 responses of which 98% were from residents and 2% were from businesses in the area. Responses were received from residents across all 13 wards within the district.
- 2.3 Residents were provided with some information on the Council's current spending levels per average household across a number of key services and were asked if they would prefer to spend less, the same, or more in each key area. Most people wanted to spend the same on all services. Community Health and Safety received the highest number of 'spend more' responses, whilst Planning Services received the highest number of 'spend less' responses.
- 2.4 In the consultation residents were asked for their views on the Business Plan priorities. The combined responses of 'Very Important' and 'Important' show that most residents felt that '...maintain, protect, and enhance our many green parks, playgrounds and open spaces, creating greater opportunities for leisure and cultural enjoyment' was most important followed by '...focus on early intervention and protection for the most vulnerable'. When combining 'Not Important' and 'No Opinion', '...work with partner organisations to tackle inequalities and enable more improvements in well-being to be delivered by communities' was felt to be the least important of the business plan priorities.
- 2.5 The consultation included some suggestions on ways Rochford District Council could raise money. 'Increase the use of modern technologies in the delivery of services' and 'increase commercial activity to make money that can be used to fund local services' were the most supported options.
- 2.6 Most residents disagreed with 'introduce charges for services that the Council has the option to provide, such as green waste'.

3 SUMMARY OF RESULTS

- 3.1 There were 252 responses this year compared to 506 responses in 2021, 334 in 2020, 221 in 2019 and 160 in 2018. The lower response rate compared to last year appears to be common across Essex.
- 3.2 The Council made paper copies of the survey available on request but only received one hard copy response; however, several comments raised concerns about those who could not use online services, in particular the older resident. 43% of online respondents to the survey were aged 65+.
- 3.3 The Council used a mix of social media, information emails to partners such as the parish councils and newspaper advertising to promote the survey this year. An announcement was made in the District News and Business News bulletins. The Council shared posters with libraries and created a video with the Leader for promotion of the survey.
- 3.4 The Council issued 17 Facebook, 14 Instagram, 17 Twitter and 3 LinkedIn posts (51 total) with a combined reach of 18,304. The posts generated 24 messages from the public.
- 3.5 The Council also ran an article in the Echo newspaper and circulated the Budget Survey details to businesses via the Economic Development team along with emails to various local community based groups.
- 3.6 The Council has addressed some of the comments within this report with further communications planned for the remaining items. The responses to the questions showed that there are several common themes, and this will be useful to inform future decision making processes.
- 3.7 16 comments referenced the Mill Arts & Events Centre and the Asset Delivery Plan, 3 referenced climate, 5 referenced engagement and 3 comments referenced residents facing difficult financial circumstances.
- 3.8 There were 5 comments about officers and Councillors, mainly concerned with working effectively and productivity.

Breakdown of responses by ward

Roche South Ward	14%
Hockley and Ashingdon Ward	11%
Trinity Ward	11%
Wheatley Ward	9%
Hawkwell East Ward	9%
Hockley Ward	8%
Sweyne Park and Grange Ward	7%

Foulness and the Wakerings Ward	6%
Hawkwell West Ward	6%
Hullbridge Ward	6%
Downhall and Rawreth Ward	5%
Lodge Ward	5%
Roche North and Rural Ward	4%

- 3.9 The Council highlighted the lowest wards and postcodes in several social media posts to try to generate an increase in responses. Hawkwell West, Lodge and Roche North and Rural were also in the lowest 5 ward responses in the 2021 survey.
- 3.10 Foulness and the Wakerings ward and Downhall and Rawreth ward have both reduced by half in comparison to the 2021 survey, going from 12% to 6% and 10% to 5% respectively.

Detailed Breakdown of responses to Survey Questions

Spending on Services

- 3.11 The survey listed the services that Rochford District Council provides. The cost figures show the average annual cost per household for a Band D council taxpayer. All percentages have been rounded so do not always equate to 100%.
- 3.12 The survey question asked: As the Council tries to balance its budget, can you tell us which services you feel the Council should spend less, the same or more on?

Service (£ average annual spend per household)	Spend Less	Spend the Same	Spend More
Planning Services (£4.84)	37%	57%	6%
Homelessness prevention and housing support (£22.33)	25%	50%	25%
Leisure and Culture (£8.51)	24%	50%	25%
Support to Businesses (£2.60)	24%	58%	18%
Community Health and Safety (£9.62)	12%	52%	37%
Street Cleansing (£22.58)	9%	66%	25%

Maintaining Parks and Open Spaces (£17.95)	8%	62%	31%
Household Waste Collection (£66.47)	7%	87%	6%

Spending on Services - Summary of Results

- 3.13 Overall, residents opted to Spend the Same across all the options provided.
- 3.14 The service with a large Spend More result was Community Health and Safety; however, the results were lower than their Spend the Same result.
- 3.15 The service with a large Spend Less result was Planning Services; however, the results were lower than their Spend the Same result.
- 3.16 'Planning Services' and 'Leisure and Culture' were both in the top 3 Spend Less items in the 2021 survey.
- 3.17 'Household Waste Collection' continues to score the highest in the Spend the Same option.
- 3.18 This year 'Community Health and Safety' scored the highest in the Spend More option, compared to 'Maintaining Parks and Open Spaces' in the 2021 survey.

Business Plan

- 3.19 The Council has committed to achieving a number of objectives in its Business Plan 2020-23. Some it can do on its own, and others require it to work in partnership with other organisations and partners.
- 3.20 The survey question asked: Can you tell us which of the statements below concerning the activities of the Council are the most important to you?

Business Plan Priority	Very Important	Important	Not Important	No Opinion
We will maintain, protect, and enhance our many green parks, playgrounds, and open spaces, creating greater opportunities for leisure and cultural enjoyment.	56%	39%	5%	0%
We will improve our efficiency through modernising services and changing the way we work to meet residents' needs.	50%	41%	8%	1%
We will focus on early intervention and protection for the most vulnerable.	45%	46%	6%	2%

Business Plan Priority	Very Important	Important	Not Important	No Opinion
We will be more environmentally conscious and strive to eliminate our carbon footprint.	38%	40%	21%	1%
We will engage with communities to meet our priorities and shape the future of the district.	37%	51%	11%	1%
We will support residents, local businesses, and organisations to create a district full of great life opportunities and choices, business growth and economic security.	36%	50%	12%	2%
Wherever possible, we will support local businesses and organisations.	34%	55%	9%	2%
We will support and invest in community level work which enables everyone to lead healthy, safe, and fulfilling lives.	32%	50%	15%	3%
We will invest in the future of the district to stimulate growth and prosperity as well as attracting investors and visitors.	30%	50%	18%	2%
We will work with partners to build community resilience and public safety.	29%	58%	12%	2%
We will work with other councils across South Essex and Central Government to promote the district and create inward investment which will shape our landscape for the future.	27%	48%	22%	3%
We will inspire our communities to make a difference.	22%	49%	25%	4%
We will work with partner organisations to tackle inequalities and enable more improvements in	18%	51%	29%	2%

Business Plan Priority	Very Important	Important	Not Important	No Opinion
well-being to be delivered by communities.				

Summary of Results - Business Plan

- 3.21 Overall, residents felt that all the Business Plan priorities were Very Important or Important - no change on the result from the 2021 survey.
- 3.22 Those receiving the majority of Very Important responses were maintain, protect, and enhance our many green parks followed by Improve efficiency. Improve efficiency was the top scorer in the 2021 survey for Very Important.
- 3.23 The priority to receive the highest number of Not Important was work with partner organisations although it received more Important responses overall. This was the 2nd highest Not Important result in the 2021 survey.
- 3.24 The priority to receive the highest number of No Opinion was Inspire communities although it received more Important responses overall.

Raising More Money

- 3.25 Looking at ways to generate income is one way the Council can reduce its budget gap.
- 3.26 The survey question asked: Listed below are different ideas that we would welcome your views on. Please indicate how you feel about each statement.

	Strongly Agree	Agree	Nether Agree nor Disagree	Disagree	Strongly Disagree
Increase the use of modern technologies in the delivery of services	29%	45%	17%	6%	2%
Increase commercial activity to make money that can be used to fund local services.	22%	39%	25%	9%	5%
Become a cashless council because cash is more expensive to handle than digital transactions	19%	25%	18%	25%	13%

	Strongly Agree	Agree	Nether Agree nor Disagree	Disagree	Strongly Disagree
Increase existing car parking charges	5%	7%	19%	27%	42%
Introduce charges for services that the Council has the option to provide, such as green waste	4%	12%	10%	34%	40%
Increase council tax	2%	11%	20%	29%	38%

Summary of Results - Raising More Money

- 3.27 None of the suggestions received a majority of Strongly Agree votes.
- 3.28 Increase use of Modern Technology did receive the highest number of Strongly Agree responses but the majority opted to Agree, not Strongly Agree. This is identical to the 2021 survey results.
- 3.29 The majority of residents were in strong disagreement with increase car parking charges and introduce charges for services that the Council has the option to provide. A number of comments were in response to these suggestions.

Other Comments

- 3.30 As part of the consultation residents were given the opportunity to provide further comments and feedback. The comments were themed in the following categories and subsequently categorised as positive, negative or statement. Some comments covered multiple themes and are reflected in the results below.

	Responses	% that were Positive	% that were Negative	% that were a Statement
Planning and Infrastructure	17	0.0%	47.1%	52.9%
Place and Environment	11	0.0%	63.6%	36.4%
Council Tax / Business Rates	9	11.1%	66.7%	22.2%
Waste and Recycling	6	16.7%	50.0%	33.3%

	Responses	% that were Positive	% that were Negative	% that were a Statement
Leisure and Culture	4	0.0%	25.0%	75.0%
No further comments	-	-	-	60.3%

3.31 A sample of comments have been included below and, for some, we provided more information or links to further information held on our, or external, websites.

- ***‘the Council needs to be mindful that there is an ageing population that are not confident in using technology for payment or services’***

The Council recognises that online services are not accessible for all. For this consultation the Council advertised via the Echo newspaper and shared display posters with the local libraries and other organisations which highlighted that paper copies were available on request. The Council made paper copies available in the Rochford and Rayleigh receptions.

In general, the Council always aims to adhere to its digital inclusion responsibilities and ensure there are access to services through other means.

- ***‘The RDC website looks old fashion and out of date...is not very user friendly...’***

Our website is our digital presence, and every visitor should have a welcoming experience that leaves them feeling valued. An accessible website allows customers to navigate successfully, access our content and digest our messaging. Over the next few weeks, our main website at www.rochford.gov.uk will be updated with a new modern look and design. The new site has been designed using the same principles as GOV.UK with a focus on making information accessible, clear, and easy to understand. It will also provide a better experience if you're visiting on a mobile or tablet.

- ***‘RDC should look and bid for more Government funding...’***

The Council actively monitors potential Government funding opportunities and will make bids to funds where there is a likelihood of the Council's bid meeting funding criteria. As an example it has recently applied for, and been allocated £1,000,000 over the next three financial years through the UK Shared Prosperity Fund (UKSPF). The Council's submitted a UKSPF Investment Plan to allocate funding towards town centre improvements, cultural investments, and business support.

[Business Funding | Rochford District Council](#)

- ***‘They have yet to declare a climate emergency...’***

The Council has a Carbon Neutral Policy which commits to working towards being carbon neutral by 2030 for its own operations and to supporting local residents and businesses in reducing their own carbon footprint.

[Carbon Neutral 2030 - Council Strategy | Rochford District Council](#)

- ***‘Town centres are dying and are in need of every bit of support they can get...’***

As part of the Council’s Economic Growth Strategy, the Council has and will continue to support town centre businesses in a number of ways. This includes commissioning or signposting training and networking opportunities, opportunities to grow or diversify income and accessing external funding where available. Last year, the Council facilitated the distribution of funding to support town centres including through Covid-19 grants to businesses and through the Welcome Back Fund. Over the next three years, the Council has now identified up to £300,000 of funding for town centre improvements as part of its UK Shared Prosperity Fund Investment Plan.

The Council directly supports the work of business support agencies including Colbea, BEST Growth Hub and the Federation of Small Businesses which provide support and advice to town centre businesses. The Council also actively supports the local 3 Chambers which are networking and support groups representing businesses within our three main town centre businesses.

[Business Strategies | Rochford District Council](#)

- ***‘...street parking of vehicles is getting worse...’***

The Essex Parking Partnership (north and south) under an agency agreement with Essex County Council is responsible for the administration of all on-street parking enforcement across Essex and resident parking schemes including the issue and renewal of resident and visitor parking permits. The South Essex Parking Partnership is responsible for the on-street parking enforcement and resident parking schemes in Rochford District.

[On Street Parking and Resident Parking Schemes | Rochford District Council](#)

- ***‘...broken kerbstones...’***

Essex Highways are responsible roads and pavements across the Essex County.

[Highway Maintenance | Essex County Council \(essexhighways.org\)](#)

- ***‘When placing orders and contracts, consideration should be given to local businesses...’***

Rochford District Council spends around £7 million each year on a wide range of products, services, and work programmes. This represents significant opportunities for a wide range of organisations across all sectors. The Procurement Strategy, which is currently under review, aims to obtain best value through planned and skilful procurement in respect of all goods, works and services sought by the Council. RDC encourages local businesses to

register with Contracts Finder, provides guidance on how to bid for the Councils work and encourages the employment of local labour by the successful contractors.

[Selling to the Council | Rochford District Council](#)

- ***‘Spend more money on providing safe pedestrian and cycling infrastructure as part of a plan to reduce car usage...’***

Essex County Council are largely responsible for the infrastructure across the county. They have produced a Cycling Strategy which aims to ‘to encourage Essex residents, workers, and visitors to enjoy the health benefits of cycling, which also offers an affordable travel choice for journeys around our towns. As well as encouraging more leisure and family bike rides to enjoy the Essex countryside. The strategy will act as the over-arching policy framework to Enable, Provide and Promote cycling in Essex’

[Essex Cycling Programme | Essex County Council \(essexhighways.org\).](#)

- ***‘Open Council offices to the public as per pre pandemic...’***

The Council offices at South Street, Rochford and the Civic Suite, Rayleigh have reopened to the public.

Rochford Reception

Monday - Thursday 08:30am - 5:00pm

Friday 08:30 - 4:30pm

Staff from the Revenues and Benefits Service are available during the following hours:

Monday 9am – 12 noon

Wednesday 1pm -4pm

Friday 9am – 12 noon

If you wish to speak to an officer face to face, from any other department a prior appointment must be made.

Civic Suite Rayleigh

Monday -Friday 10:00am - 1:00pm

Alternatively, you can call Customer Services on the numbers below

Revenues and Benefits 01702 318197 and 01702 318198

For all other enquiries 01702 318191 or 01702 318111

Live chat: <https://www.rochford.gov.uk/>

- ***‘Please continue at the top of the recycling table’.***

Rochford placed 18th out of 338 local authorities on the latest letsrecycle.com performance table in 2020/2021. The table hasn't been published since, but we will share any future publications. The Council is committed to remaining a good performer which is largely due to the excellent work of our residents.

- ***'You should make use of local noticeboards and free publications...'***

Local noticeboards are looked after by the Parish and Town councils, all press releases include parish and town councils.

RDC are currently working on a print edition of Rochford District Matters for the New Year, this will be in addition to the fortnightly e-newsletter which many residents have signed up to receive.

- ***'Why no public consultation about recent changes to Rayleigh tip...?'***

Essex County Council are responsible for the Rayleigh Recycling Centre. The change is expected to help reduce local congestion, manage waiting times, and improve the overall customer experience. It is being made in response to feedback from residents.

Essex have a webpage dedicated to their consultation process.

[Rayleigh Recycling Centre \(loveessex.org\)](https://www.loveessex.org/)

[Essex County Council - Citizen Space](#)

- ***'What can the Council do to encourage a more diverse range of retail outlets in the area?'***

As the Council does not own or operate the majority of town centre buildings, it has limited ability to directly control the types of businesses operating there. Under recent changes to planning rules, most types of town centre businesses no longer require planning permission to change use and so can freely change between shops, restaurants, cafes, or offices without the Council's say so. However, the Council does work with landlords and chains to advertise what the District has to offer and to encourage new businesses to open. The Council also works to support new start-ups with advice and support to encourage them to grow into the area.

[Business Strategies | Rochford District Council](#)

- ***'Where is the business plan?'***

The Business Plan 2020-23 sets out the high level priorities that the Council will work towards in the next three years. The Plan and future delivery documents will provide clear direction to Members, staff and other stakeholders. It will also inform the better use of Council resources to deliver priorities. It has not been developed in isolation and has taken account of national, regional, county-wide and local priorities.

Following our partnership with Brentwood Borough Council, the Business Plan is under review.

[Business Plan 2020-23 | Rochford District Council](#)

- ***‘...an improved bus service...’***

Public Transport is the responsibility of Essex County Council. There are a number of companies who operate bus routes which run through the Roord District.

The Essex Highways website has the Getting round in Essex strategy and the ability to provide feedback on bus services.

[Buses | Rochford District Council](#)

[Travel by Bus in Essex | Essex County Council \(essexhighways.org\)](#)

- ***‘...streetlights at night...’***

The majority of streetlights along adopted highways are Essex County Council's responsibility.

Streetlights along unadopted roads are either the responsibility of the Parish or District Council and some are still with the developer of the road.

Streetlights around Rochford District Council owned buildings, leisure centres etc are the responsibility of Rochford District Council

[Street Lighting | Rochford District Council](#)

[Street lighting | Essex County Council \(essexhighways.org\)](#)

- ***‘...terminate the lease...of Southend Airport...’***

Southend-on-Sea Borough Council (“the Council”) owns the freehold of London

Southend Airport even though most of the Airport land lies within the administrative district of Rochford District Council. The Council has leased the Airport to London Southend Airport Company Limited.

[London Southend Airport – Southend-on-Sea City Council](#)

- 3.32 All relevant comments from the Rochford District Council budget consultation will be fed back to the network for consideration and action where appropriate.

4 CONCLUSION

- 4.1 The results of the 2022 Budget Consultation have been reviewed and considered as part of the budget setting process for 2023/24. The feedback received will also be used to inform future decision making across the Council.