

Rutland County Council

Catmose, Oakham, Rutland, LE15 6HP

Telephone 01572 722577 Email governance@rutland.gov.uk

Ladies and Gentlemen,

A meeting of the **STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE** will be held in the Council Chamber, Catmose, Oakham, Rutland LE15 6HP on **Thursday, 26th January, 2023** commencing at **7.00 pm** when it is hoped you will be able to attend.

Yours faithfully

Mark Andrews
Chief Executive

Recording of Council Meetings: Any member of the public may film, audio-record, take photographs and use social media to report the proceedings of any meeting that is open to the public. A protocol on this facility is available at www.rutland.gov.uk/my-council/have-your-say/

Although social distancing requirements have been lifted there is still limited available seating for members of the public. If you would like to reserve a seat, please contact the Governance Team at governance@rutland.gov.uk. The meeting will also be available for listening live on Zoom using the following link: <https://us06web.zoom.us/j/83145230593>

A G E N D A

1) WELCOME AND APOLOGIES RECEIVED

2) RECORD OF MEETING

To confirm the records of the meetings of the Strategic Overview and Scrutiny Committee held on the 8th and 13th December 2022.
(Pages 7 - 22)

3) ACTIONS ARISING

To review and update the actions arising from the meeting on the 8th December 2022. There were no actions from the meeting held on the 13th December 2022.

| No. | Ref. | Action | Person |
|-----|------|---|----------------------------|
| 1. | 9 | Councillor Harvey to send a full breakdown of the public health | Councillor S Harvey |

| | | | |
|-----------|----|---|----------------------------|
| | | housing budget (totalling £104,800) to Councillor Ainsley. | |
| 2. | 9 | The Clerk to arrange for an update on the Visions Children's Centre to be presented at a future meeting of the scrutiny committee as per Councillor Begy's request. | Jane Narey |
| 3. | 9 | Performance data regarding the smoking cessation service to be sent to members. | Councillor S Harvey |
| 4. | 9 | A full financial breakdown of the funding, expenditure, income, net contribution and outcomes regarding the Active Rutland Hub to be sent to members. | Councillor K Payne |
| 5. | 13 | The Monitoring Officer and the Clerk to seek approval from the Chief Executive for the proposal that the scrutiny committee meeting on the 26 th January 2023 should begin at the earlier time of 6pm. | Jane Narey |

4) DECLARATIONS OF INTEREST

In accordance with the Regulations, Members are invited to declare any personal or prejudicial interests they may have and the nature of those interests in respect of items on this Agenda and/or indicate if Section 106 of the Local Government Finance Act 1992 applies to them.

5) PETITIONS, DEPUTATIONS AND QUESTIONS

To receive any petitions, deputations and questions received from Members of the Public in accordance with the provisions of [Procedure Rules 25 and 159](#).

The total time allowed for this item shall be 30 minutes. Petitions, declarations and questions shall be dealt with in the order in which they are received. Questions may also be submitted at short notice by giving a written copy to the Committee Administrator 15 minutes before the start of the meeting.

The total time allowed for questions at short notice is 15 minutes out of the total time of 30 minutes. Any petitions, deputations and questions that have been submitted with prior formal notice will take precedence over questions submitted at short notice. Any questions that are not considered within the time limit shall receive a written response after the meeting and be the subject of a report to the next meeting.

6) QUESTIONS WITH NOTICE FROM MEMBERS

To consider any questions with notice from Members received in accordance

with the provisions of [Procedure Rule No 161 and 162](#).

7) NOTICES OF MOTION FROM MEMBERS

To consider any Notices of Motion from Members submitted in accordance with the provisions of [Procedure Rule No 163](#).

8) CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO THE CALL-IN OF A DECISION

To consider any matter referred to the Committee for a decision in relation to call in of a decision in accordance with [Procedure Rule 149](#).

9) TREASURY MANAGEMENT STRATEGY AND CAPITAL INVESTMENT STRATEGY

To receive Report No.21/2023 from Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

The draft Treasury Management and Capital Investment Strategies were considered by Cabinet on 12 January and recommended for approval by Council on 27 February. The Committee is invited to provide comments and views on the strategies prior to their consideration by Council.
(Pages 23 - 94)

10) DRAFT REVENUE AND CAPITAL BUDGET 2023/24

To receive Report No.22/2023 from Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

The draft Revenue and Capital Budget for 2023/24 was approved by Cabinet for a three-week public consultation on Thursday, 12 January. The Committee is invited to provide comments and views regarding the draft budget before the final budget is considered by Cabinet on 14 February and recommended for approval by Council on 27 February.
(Pages 95 - 186)

11) FEES AND CHARGES 2023/24

To receive Report No.23/2023 from Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

The Fees and Charges for 2023/24 are due to be considered by Cabinet at their meeting on 14 February, for recommending to Council for approval. The Committee is invited to provide comments and views on the report prior to its consideration by Cabinet.
(Pages 187 - 232)

12) REVIEW OF THE FORWARD PLAN AND ANNUAL WORK PLAN

To consider the current Forward Plan and identify any relevant items for inclusion in the Strategic Overview and Scrutiny Committee Annual Work Plan or to request further information.

The Forward Plan is available on the website at:

<https://rutlandcounty.moderngov.co.uk/mgListPlans.aspx?RPId=133&RD=0>

(Pages 233 - 242)

13) ANY URGENT BUSINESS

To receive any items of urgent business, which have been previously notified to the person presiding.

14) DATE OF NEXT MEETING

Thursday, 9th February 2023 at 7 pm in the Council Chamber, Catmose, Oakham, Rutland LE15 6HP

---oOo---

TO: ELECTED MEMBERS OF THE STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

| Name | |
|------|--------------------------------|
| 1. | Councillor G Waller (Chair) |
| 2. | Councillor P Ainsley |
| 3. | Councillor E Baines |
| 4. | Councillor N Begy (Vice Chair) |
| 5. | Councillor K Bool |
| 6. | Councillor A Brown |
| 7. | Councillor S Lambert |
| 8. | Councillor L Toseland |
| 9. | Councillor R Wilson |

STATUTORY CO-OPTED MEMBERS – EDUCATION REPRESENTATIVE:

| Name | Title |
|---------------------|---|
| 10. Peter French | Diocesan Deputy Director of Education, Dioceses of Peterborough |
| 11. Andreas Menzies | Roman Catholic Diocese |
| 12. Sian Armstrong | Parent Governor |
| 13. Sarah Stickland | Parent Governor |

PORTFOLIO HOLDER:

| Name | Title |
|-----------------------------|--|
| 14. Councillor L Stephenson | Leader and Portfolio Holder for Policy, Strategy, Partnerships and Economy |
| 15. Councillor R Powell | Deputy Leader and Portfolio Holder for |

| | | |
|-----|---------------------|---|
| | | Planning, Highways and Transport |
| 16. | Councillor S Harvey | Portfolio Holder for Health, Wellbeing and Adult Care |
| 17. | Councillor M Oxley | Portfolio Holder for Communities, Environment and Climate Change |
| 18. | Councillor K Payne | Portfolio Holder for Finance, Governance and Performance, Change and Transformation |
| 19. | Councillor D Wilby | Portfolio Holder for Education and Children's Services |

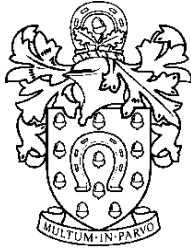
OFFICERS:

| Name | Title |
|-------------------------|---|
| 20. Mark Andrews | Chief Executive |
| 21. Saverio Della Rocca | Strategic Director Resources S151 Officer |
| 22. Dawn Godfrey | Strategic Director of Children and Families |
| 23. John Morley | Strategic Director of Adults and Health |
| 24. Penny Sharp | Strategic Director of Places |
| 25. Angela Wakefield | Director of Legal and Governance |
| 26. Jane Narey (Clerk) | Scrutiny Officer |

FOR INFORMATION:

| Name | Title |
|--------------------|---|
| 27. Angela Hillery | Chief Executive, Leicestershire Partnership NHS Trust |
| 28. Peter Cantley | Diocesan Director of Education, Diocese of Peterborough |

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Rutland County Council

Catmose Oakham Rutland LE15 6HP

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Minutes of the **MEETING of the STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE** held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on Thursday, 8th December, 2022 at 7.00 pm

PRESENT

Councillor N Begy (Vice Chair)
 Councillor P Ainsley
 Councillor A Brown
 Councillor P Browne
 Councillor A MacCartney
 Councillor L Toseland
 Councillor R Wilson

APOLOGIES

Councillor G Waller (Chair)
 Councillor E Baines
 Councillor K Bool
 Councillor S Lambert
 Peter French

Diocesan Deputy Director of
 Education, Dioceses of
 Peterborough

STATUTORY CO-OPTED MEMBERS – EDUCATION REPRESENTATIVES

PRESENT

Andreas Menzies Roman Catholic Diocese

PORTFOLIO HOLDERS PRESENT

Councillor L Stephenson Leader and Portfolio Holder for Policy,
 Strategy, Partnerships and Economy
 Councillor K Payne Portfolio Holder for Finance,
 Governance and Performance,
 Change and Transformation
 Councillor S Harvey Portfolio Holder for Health, Wellbeing
 and Adult Care

OFFICERS PRESENT

Penny Sharp Strategic Director of Places
 Angela Wakefield Director of Legal and Governance
 Jane Narey (Clerk) Scrutiny Officer

1 WELCOME AND APOLOGIES RECEIVED

The Chair welcomed everyone to the meeting. Apologies were received from Councillor Waller, Councillor Baines, Councillor Bool, Councillor Lambert, Peter French (co-opted member). Councillor MacCartney attended the meeting as

Councillor Waller's representative and Councillor P Browne attended as Councillor Lambert's representative.

2 RECORD OF MEETING

The minutes of the meeting of the Strategic Overview and Scrutiny Committee held on the 17th November 2022 were approved as an accurate record.

3 ACTIONS ARISING

Action 1

It was AGREED that a review of the Council's council tax support scheme should be undertaken for the 2024/25 financial year.

It was confirmed that the action would be completed.

Action 2

It was AGREED that the Strategic Director for Resources would discuss with Human Resources the collation of data from staff exit interviews.

It was confirmed that the action would be completed.

4 DECLARATIONS OF INTEREST

Councillor Begy declared a non-pecuniary interest with regards to agenda item 11: Corporate Asset Review and Strategy as his wife was a business tenant at The King's Centre.

5 PETITIONS, DEPUTATIONS AND QUESTIONS

There were no petitions, deputations or questions.

6 QUESTIONS WITH NOTICE FROM MEMBERS

There were no questions with notice member members.

7 NOTICES OF MOTION FROM MEMBERS

There were no notices of motion from members.

8 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO THE CALL-IN OF A DECISION

There were no call-ins.

9 PORTFOLIO HOLDERS' UPDATE

A verbal briefing was received from Councillor S Harvey regarding Rutland's public health services. During the discussion, the following points were noted:

- Councillor Harvey gave a short presentation to members (copy attached).
- Health protection was not accounted for in the 2022/23 budget due to receipt of Covid 19 funding but it would be included in next year's budget.

- The overall statutory duty on public health was to ‘take appropriate steps to improve the health of people who live in their areas.’ This entailed providing sufficient services and activity to tackle the big lifestyle drivers of ill health.
- The public health services provided covered a broad area including sexual health, child health, oral health and the work of community nurses and midwives.
- The miscellaneous services were discretionary and support services that were well placed to improve public health outcomes.
- A report on the ‘Recommissioning of Public Health funded Sexual Health Service in Rutland’ would be discussed by Cabinet in January 2023, following the public consultation held in the summer of 2022.
- The water supply in Rutland was not fluoridised. The Oral Health Needs Assessment would be discussed by the Rutland Health and Wellbeing Board in March 2023 and its recommendations followed regarding fluoridisation.
- It was agreed that Councillor Harvey would send a full breakdown of the public health housing budget (totalling £104,800) to Councillor Ainsley.

ACTION: Councillor Harvey

- Members were informed that costs for ‘Housing Improvements’ related to the Housing MOT undertaken by the Longhurst Group. This included information and guidance to help people maintain their safety and independence at home e.g. general wellbeing, falls prevention, assistive technology, minor adaptations, alternative housing options, welfare benefit availability etc.
- It was noted that the ‘Sustainable Transport Scheme’ delivered transport initiatives to encourage people to be more active e.g. walking and cycling and also promoted the use of safe routes to school for children.
- An update on the Visions Children’s Centre was requested by Councillor Begy at a future meeting of the scrutiny committee.

ACTION: Jane Narey

- £21,000 was funded for the smoking cessation service which was provided by an external contractor. It was agreed that performance data regarding the smoking cessation service would be sent to members.

ACTION: Councillor Harvey

- The Active Rutland Hub at Oakham Enterprise Park was the Council’s physical activity development team which promoted physical activity amongst Rutland residents such as the Exercise Referral Scheme, the Rutland Walking and Cycling Festival and the Wellbeing@Work Scheme. The Hub also worked very closely with all Rutland schools to promote the benefits of physical exercise. It was agreed that a full financial breakdown of the funding, expenditure, income and net contribution and outcomes regarding Active Rutland Hub would be sent to members.

ACTION: Councillor K Payne

10 EXCLUSION OF PUBLIC AND PRESS

It was proposed by the Chair that the public and press be excluded from the meeting in accordance with Section 100(A)(4) of the Local Government Act 1972 as the following item of business was likely to lead to the disclosure of information relating to the financial or business affairs of any particular person (including the authority holding that information). This was seconded and upon being put to the vote the motion was unanimously carried.

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The Chair closed the public meeting at 7.40 pm
Councillor Harvey left the meeting at 7.40 pm

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11 CORPORATE ASSET REVIEW AND STRATEGY

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The Chair closed the private meeting and re-opened the public meeting at 8.46 pm

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12 GROUP AND PANEL UPDATES

A) CULTURE / ASSET REVIEW

- The first meeting had been held and the group had met with the Head of Culture and Registration for a tour of the museum.
- It had been agreed that the brief for the group was too narrow and that they should look at the Council's cultural assets as a whole as they were all interlinked e.g. Rutland County Museum, Oakham Castle and the library.
- Information and data e.g. visitor numbers, income, costs etc would be requested for further analysis.
- It was noted that the group planned to meet again before Christmas.

B) CUSTOMER EXPERIENCE

- Discussions had been held with the relevant portfolio holder, Councillor K Payne and the Director for Legal and Governance as well as the Head of IT and Customer Services and the Customer Services Team to go through the operational issues.
- A draft scoping document was shared with members (copy attached). This was approved by the committee subject to any amendments made following its sharing with the relevant officers and portfolio holders.
- Councillor Toseland confirmed that due to ongoing commitments, she would not be able to be a member of the Customer Experience Group.
- The finalised scoping document would be distributed to all non-executive members and volunteers would be requested.

C) HIGHWAYS AND SPEEDING

- Apologies had been received from Councillor Bool so no update was received.

D) HOMELESSNESS EVIDENCE PANEL

- The final report would not be presented to the scrutiny committee on the 13th December as previously planned.
- Officers had requested a meeting with the panel members to clarify a number of items within the report before it was published.

E) ECONOMIC DEVELOPMENT STRATEGY, DEVOLUTION & LEVELLING UP

- A briefing session had been held on the 5th December 2022.
- A presentation and briefing were received from Metro Dynamics.
- The deadline for the new economic strategy was the 31st March 2023.
- Another meeting of the group would be held in January 2023.

13 REVIEW OF THE FORWARD PLAN AND ANNUAL WORK PLAN

The Forward Plan was reviewed and the annual work plan updated accordingly. During the discussion, the following points were noted:

- It was proposed that two meetings of the scrutiny committee should be held in January 2023 to scrutinise the draft revenue and capital budget for 2023/24.
- The Monitoring Officer proposed that only the one meeting on the 26th January should go ahead as planned and that if the discussions regarding the draft budget were not concluded within the maximum 3 hours allowed then the meeting would have to be adjourned.
- It was agreed that committee members would submit their questions to Governance (governance@rutland.gov.uk) regarding the draft revenue and capital budget **prior** to the committee meeting. This would enable officers to provide members with answers within the meeting itself.
- It was proposed that the scrutiny committee meeting on the 26th January 2023 should begin at the earlier time of 6pm. It was agreed that the Monitoring Officer and the Clerk would seek approval from the Chief Executive for this proposal.

ACTION: Jane Narey

14 ANY URGENT BUSINESS

There was no urgent business.

15 DATE OF NEXT MEETING

Tuesday, 13th December 2022 at 7pm in the Council Chamber, Catmose, Oakham, Rutland LE15 6HP

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The Chair declared the meeting closed at 9.04 pm.

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SUMMARY OF ACTIONS

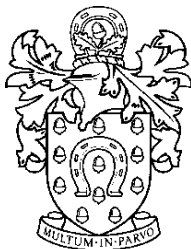
| No. | Ref. | Action | Person |
|------------|-------------|---|----------------------------|
| 1. | 9 | Councillor Harvey to send a full breakdown of the public health housing budget (totalling £104,800) to Councillor Ainsley. | Councillor S Harvey |
| 2. | 9 | The Clerk to arrange for an update on the Visions Children's Centre to be presented at a future meeting of the scrutiny committee as per Councillor Begy's request. | Jane Narey |
| 3. | 9 | Performance data regarding the smoking cessation service to be sent to members. | Councillor S Harvey |
| 4. | 9 | A full financial breakdown of the funding, expenditure, income, net contribution and outcomes regarding the Active Rutland Hub to be sent to members. | Councillor K Payne |
| 5. | 13 | The Monitoring Officer and the Clerk to seek approval from the Chief Executive for the proposal that the scrutiny committee meeting on the 26 th January 2023 should begin at the earlier time of 6pm. | Jane Narey |

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Minutes of the **MEETING of the STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE** held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on Tuesday, 13th December, 2022 at 7.00 pm

PRESENT

Councillor N Begy (Vice Chair)
Councillor P Ainsley
Councillor K Bool
Councillor A Brown
Councillor S Lambert
Councillor R Wilson

APOLOGIES

Councillor G Waller
Councillor E Baines
Councillor L Toseland
Peter French
(co-opted member)
Andreas Menzies
(co-opted member)

Diocesan Deputy Director of
Education, Dioceses of Peterborough
Roman Catholic Diocese

PORTFOLIO HOLDERS PRESENT

Councillor R Powell
Councillor M Oxley

Deputy Leader and Portfolio Holder for
Planning, Highways and Transport
Portfolio Holder for Communities,
Environment and Climate Change

OFFICERS PRESENT

Penny Sharp
Angela Wakefield
Jane Narey (Clerk)
Emma Odabas

Strategic Director of Places
Director of Legal and Governance
Scrutiny Officer
Senior Transport Manager

1 WELCOME AND APOLOGIES RECEIVED

The Vice Chair, Councillor Begy welcomed everyone to the meeting and confirmed that he would be chairing the meeting as apologies had been received from the Chair, Councillor Waller. Apologies were also received from Councillor Baines, Councillor Toseland and co-opted members Peter French and Andreas Menzies.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 PETITIONS, DEPUTATIONS AND QUESTIONS

There were no petitions, deputations or questions.

4 QUESTIONS WITH NOTICE FROM MEMBERS

There were no questions with notice from members.

5 NOTICES OF MOTION FROM MEMBERS

There were no notices of motion from members.

6 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO THE CALL-IN OF A DECISION

There were no call-ins.

7 EXCLUSION OF PUBLIC AND PRESS

It was proposed by the Chair that the public and press be excluded from the meeting in accordance with Section 100(A)(4) of the Local Government Act 1972 as the following item of business was likely to lead to the disclosure of information relating to the financial or business affairs of any particular person (including the authority holding that information). This was seconded and upon being put to the vote the motion was unanimously carried.

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The Chair closed the public meeting at 7.04 pm and Emma Odabas, Senior Transport Manager joined the private meeting.

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8 PUBLIC BUS TRANSPORT REVIEW

A presentation was received from Penny Sharp, Strategic Director of Places and Emma Odabas, Senior Transport Manager

9 LEISURE STRATEGY

A presentation was received from Penny Sharp, Strategic Director of Places and Councillor Marc Oxley, Portfolio Holder for Communities, Environment and Climate Change

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The Chair closed the private meeting and Councillors Powell and Oxley left the meeting at 9.14 p.m.

The Chair re-opened the public meeting at 9.15 pm

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10 GROUP AND PANEL UPDATES

There were no updates relating to the groups and panels of the Strategic Overview and Scrutiny Committee.

11 REVIEW OF THE FORWARD PLAN AND ANNUAL WORK PLAN

The Forward Plan was reviewed and the annual work plan was updated accordingly. During the discussion, the following points were noted:

- The Highways Capital Programme 2023/24 would be scrutinised at the February meeting prior to its discussion at full Council on the 27th March 2023.

12 ANY URGENT BUSINESS

There was no urgent business.

13 DATE OF NEXT MEETING

Thursday, 26th January 2023 at 7 pm in the Council Chamber, Catmose, Oakham, Rutland LE15 6HP.

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The Chair declared the meeting closed at 9.15 pm.

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STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

TREASURY MANAGEMENT STRATEGY AND CAPITAL INVESTMENT STRATEGY

Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

| | | |
|--------------------------------|---|--|
| Strategic Aim: | A modern and effective Council | |
| Key Decision: Yes | Forward Plan Reference: FP/140422 | |
| Exempt Information | No | |
| Cabinet Member(s) Responsible: | Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation | |
| Contact Officer(s): | Saverio Della Rocca, Strategic Director for Resources (s.151 Officer) | 01572 758159 sdrocca@rutland.gov.uk |
| | Andrew Merry, Head of Finance | 01572 758152 amerry@rutland.gov.uk |
| Ward Councillors | N/A | |

DECISION RECOMMENDATIONS

That the Committee recommends to Council to approve:

- 1) the Treasury Management Strategy in Appendix 1 including the Investment Strategy, Borrowing strategy, Minimum Revenue Provision statement and Capital Expenditure Prudential indicators.
- 2) the Capital Investment Strategy in Appendix 2

1 PURPOSE OF THE REPORT

- 1.1 This report sets out the statutory reports expected in relation to treasury and capital investment operations for 2023/24, linked to the Council's Budget, Medium Term Financial Plan and Capital Programme.

2 BACKGROUND AND MAIN CONSIDERATIONS

2.1 Background

- 2.1.1 Over the past few years, Treasury Management has become high profile as a

number of Council's treasury activity has hit the headlines. Excessive borrowing and investments in property and other commercial ventures has got some Council's into financial trouble to the point that they now face intervention and/or have been issued with s114 notices.

2.1.2 In response to this activity, regulations have been tightened to prevent what regulators including CIPFA believe is reckless activity and now the requirements placed on all Council's is greater than ever. Examples of recent and proposed regulations include:

- HM Treasury/PWLB – including the purchase of an investment asset primarily for yield in an authority's capital programme will result in a ban on taking any PWLB loans for any asset that financial year;
- CIPFA Prudential Code – local authorities must not borrow to invest primarily for financial return;
- DLUHC Minimum Revenue Provision Regulations (Consultation) – MRP must be made in full on all commercial investments and not rely on future sale proceeds; and
- Levelling Up and Regeneration Bill – May cap borrowing, direct assets to be sold or ban PWLB access where a Council is taking on excessive risk.

2.1.3 Our activity has been conservative. Our Strategy does not allow for commercial investments, we have no desire to borrow in light of our financial position unless there are revenue benefits, and we place investment security above yield. This approach has served us well and will be continued.

2.2 Coverage

2.2.1 The two strategies cover a range of issues as set out below:

| Treasury Management Strategy (TMS) | Capital Investment Strategy (CIS) |
|---|--|
| Treasury Management Requirements | Capital Investment Strategy objectives |
| Capital Prudential Indicators | Capitalisation policy |
| Borrowing | Objectives and priorities |
| Annual Investment Strategy | Resourcing strategy |
| MRP Statement | Indicative plans and available funding |
| Investment Selection Criteria | Appraisal process for Capital Investment |

| Treasury Management Strategy (TMS) | Capital Investment Strategy (CIS) |
|---|---|
| | Invest to Save Policy (objectives, rules, assessment process, governance and reporting) |
| | Reporting Requirements |
| | Performance Indicators |

2.3 Treasury Management Strategy (TMS)

2.3.1 The TMS outlines that the Council's approach to treasury investment. The key points are covered here, including any new issues for 23/24.

- a) The Council will not borrow to invest solely for commercial gain (Appendix 1, Para 3.5.4);
- b) The Council will look to repay borrowing if there is a financial business case. It will also only borrow where that borrowing is likely to deliver a positive revenue impact (Appendix 1, Para 3.4.1);
- c) The Council's focus is currently on deposits for up to a 6-month period, in order to take advantage of the base rate increases a laddering approach to investments has been adopted. The base rate is predicted to peak in 2023/24 and therefore the Council will review the best investment approach at the time of investment;
- d) SONIA (Sterling Overnight Index Average) was adopted as the investment benchmark following the discontinuation of LIBOR in 2021. To reflect the current investment approach as detailed above, the investment benchmark to be used in 2023/24 is the SONIA 1-month rate.
- e) The Council continues to include a priority around ethical investments. For now, this will be achieved by use of credit ratings which are influenced by Environmental, Social and Governance (ESG) factors. ESG credit factors can be positive, neutral or negative to creditworthiness, depending on the entity being rated. ESG issues to be addressed within an authority's treasury management policies and practices (TMP1). (Appendix 1, Para 4.4.5).
- f) NEW - The Council proposes to introduce an additional verification on the status of other Local Authorities, where the Authority is subject to DLUHC intervention they will not be included as a suitable counterparty for investment (Appendix 1, Para 4.5.2). So for example, investment in Thurrock BC would not be allowed.
- g) NEW - There has been Investment guidance issued from CIPFA and Department for Housing, Levelling Up and Communities (DLUHC) which requires new indicators around commercial investments. As the

Councils policy is now not to invest in this type of investment they are not required.

- h) NEW - There is currently an open consultation on MRP as indicated in 2.1.2. (Appendix 1, 5.2.3). The Council's practice is prudent and any proposed changes are unlikely to affect its MRP policy.
- i) NEW – The Council has to adopt a new liability benchmark treasury indicator to support the financing risk management of the capital financing requirement. It tells Members whether we have a future need to borrow (Appendix 1, 2.3.2).
- j) NEW – Council is required to keep training records for Officers and Members to be proportionate to the size and complexity of the treasury management conducted – training will be organised for Members post the May Election (Appendix 1, 1.3.4); and
- k) NEW - Reporting to Members is to be done quarterly. Specifically, the Strategic Director for Resources is required to establish procedures to monitor and report performance against all forward-looking prudential indicators at least quarterly. These will be added to the performance framework (Appendix 1, 1.2.5)

2.4 Capital Investment Strategy (CIS)

2.4.1 The Capital Investment Strategy is intended to bring together the different plans and strategies of the whole organisation and set out the long-term planning and investment required to deliver the Corporate Strategy outcomes.

2.4.2 At the same time, the CIS should outline the Council's approach to management of capital expenditure and its approach to non-financial investment.

2.4.3 The key points to note on the Capital Investment Strategy are:

- a) The Council incurs capital expenditure/makes capital investment to deliver on its aims and priorities including statutory objectives;
- b) The Council does have various approved strategies and plans which set out ambitions. It also has a new Corporate Strategy.
- c) The Council's current investment plans tend to be short range (span 2-3 years only). Cabinet have also made some provisional priorities for funds held (Report 197/2022). The Council will build on this work and be in a position to develop a longer term investment programme covering say the next 10 years aligned with its work on a new Local Plan.
- d) The development of a long term capital investment plan will require a capital prioritisation process as the potential investment projects are likely to exceed available resources. A prioritisation process will be developed alongside the 10 year plan.

- e) Capital investment/expenditure has traditionally focused on what are called “service investments” – investment in assets held primarily for the delivery of operational services.
- f) The Council has an “Invest to Save Policy”. The Invest to Save Policy allows the Council to consider investments (with borrowing) which contribute to the achievement of priorities but where financial return is not the key driver e.g. investment in care home to meet local need. Commercial investments are not permitted under its current policy.

2.5 Oversight and prudential indicators

2.5.1 CIPFA requires publication of a range of prudential indicators which are designed to show Members that treasury and capital matters are being managed appropriately. The table below shows some of the indicators that could show where the Council is exposed to a higher level of risk and may lead to additional costs.

| Indicator | Description | What it shows | Where is it |
|--|---|---|------------------|
| Operational Boundary (PI6) | The level of external debt the Council can afford. | If this is continually exceeded then it may indicate the Council is borrowing longer term and it is not affordable. | Appendix 1 3.3.1 |
| Authorised Limit (PI7) | Level beyond which external debt is prohibited. | If the Council is being asked to increase this limit (i.e. borrow more), it could be the sign of difficulties and Council would want to understand why. | Appendix 1 3.3.4 |
| Financing Costs to Net Revenue Stream Estimates (PI1) and Actuals (PI2) | An indicator of affordability and shows the revenue implications of existing and proposed capital expenditure | If the proportion of the revenue budget required to meet borrowing costs increases from its current level Members should seek to understand the reason for change. It could show that our plans are not affordable. | Appendix 1 5.3.2 |
| Net income from commercial and service investments to net revenue stream | An indicator which shows how reliant the Council is on income from commercial and service investments | This shows the exposure of the Council to income from commercial and service investments. As Commercial activity is not allowed under our Strategy this should not move significantly. | Appendix 1 5.3.7 |

| Indicator | Description | What it shows | Where is it |
|---------------------------|---|---|--------------------|
| Investment Income Returns | Revenue generated from investment returns | Should the revenue budget not be achieved, this could indicate either: balances different to that forecast or interest rate achieved lower than expected. | Appendix 1 4.8.1 |

3 CONSULTATION

- 3.1 No formal consultation is required. However, CIPFA guidance encourages Councils to use Scrutiny to review proposals prior to approval by Council. This report will therefore be presented at the Budget Scrutiny panel in January which will then allow Council to consider any comments before it is presented for approval in February

4 ALTERNATIVE OPTIONS

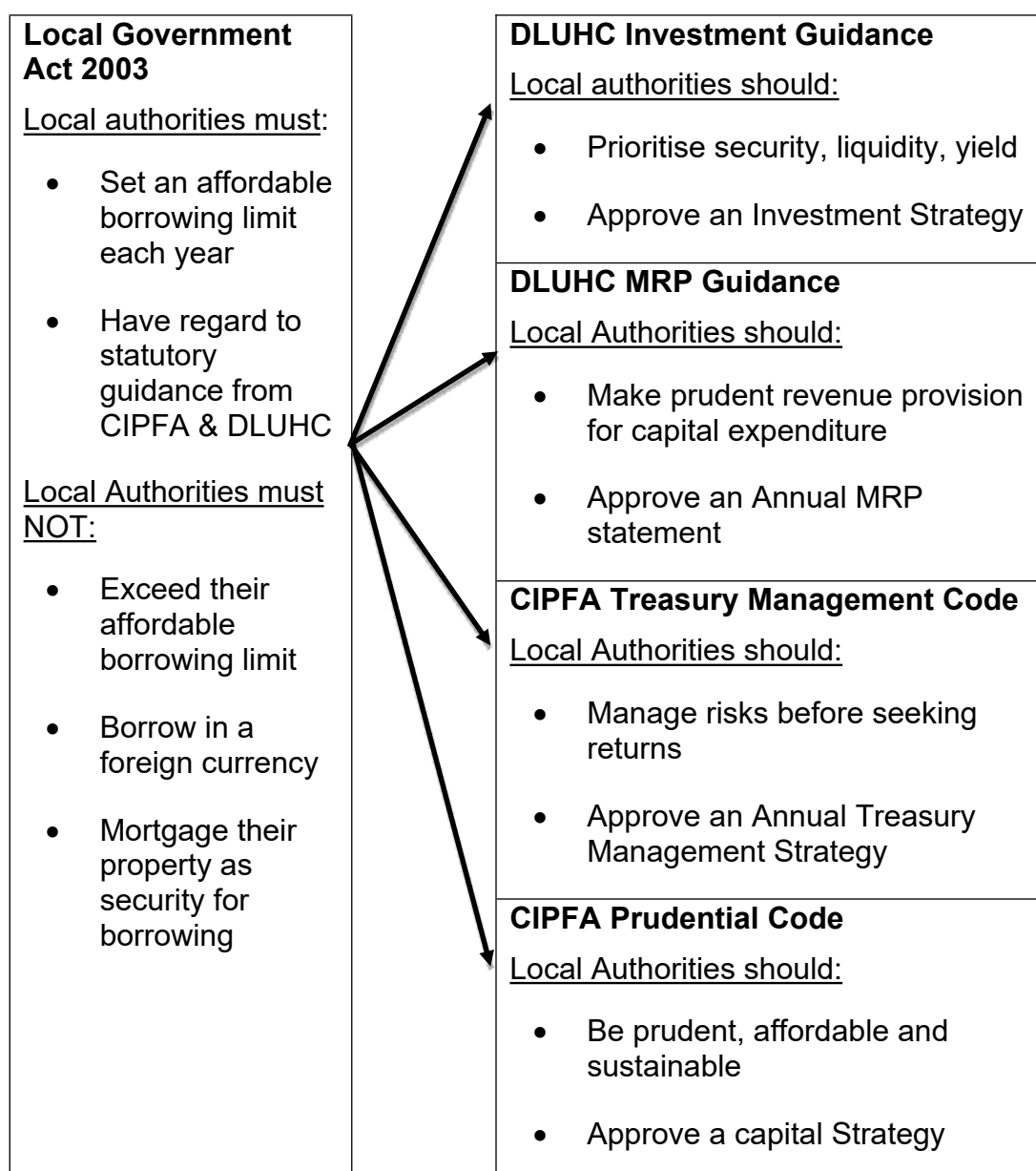
- 4.1 Option 1. To approve the Capital Investment Strategy and Treasury Management Strategy as presented. This is the recommended option.
- 4.2 Option 2. Not to accept the 2023/24 Treasury Management Strategy and Capital Strategy. This is not recommended as it means that the Council will be in breach of its statutory obligations.
- 4.3 Option 3. To approve the Strategies with any revisions.

5 FINANCIAL IMPLICATIONS

- 5.1 The Medium Term Financial Plan includes three amounts for interest payable on loans (this is fixed), interest receivable on investments (changes in the Treasury Management Strategy may result in increased returns) and MRP (which is based on the current capital plans). PWLB loans will be monitored and if it is advantageous for the Council, repayment or restructuring will be considered.
- 5.2 The implementation of the Invest to Save Policy could in time result in investments which generate a net return for the Revenue Account but the MTFP does not assume any impact.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 The report meets the requirements of both the CIPFA Code of Practice on Treasury Management, the CIPFA Prudential Code for Capital Finance in Local Authorities and the Council's Financial Procedure Rules. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.
- 6.2 A summary of the regulatory framework is shown on the following page.



6.3 The Council's Treasury Management Strategy explains how it complies with this legal framework.

6.4 As per Article 4 of the Council's Constitution the Treasury Management Strategy and Capital Investment Strategy form part of the Council's Policy Framework. It therefore requires the approval of Full Council

7 DATA PROTECTION IMPLICATIONS

7.1 A Data Protection Impact Assessment (DPIA) has not been completed as there are no data protection implications.

8 EQUALITY IMPACT ASSESSMENT

8.1 An Equality Impact Assessment (EqIA) has not been completed because the report does not represent the introduction of a new policy or service or a change / to an existing policy or service that has an impact on any particular group.

9 COMMUNITY SAFETY IMPLICATIONS

9.1 There are no community safety implications.

10 HEALTH AND WELLBEING IMPLICATIONS

10.1 There are no health and wellbeing implications.

11 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

11.1 The Council is required to approve a Treasury Management Strategy and Capital Strategy.

12 BACKGROUND PAPERS

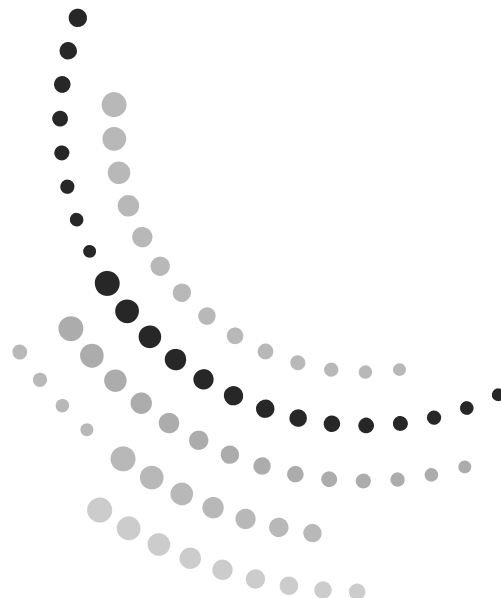
12.1 None

13 APPENDICES

13.1 Appendix 1 Treasury Management Strategy

13.2 Appendix 2 Capital Investment Strategy

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.



Appendix 1

Treasury Management Strategy

2023-24

| | |
|-------------------------|-------------------------------|
| Version & Policy Number | TMS 23/24 |
| Guardian | Andrew Merry, Head of Finance |
| Date Produced | December 2022 |
| Next Review Date | December 2023 |

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1 INTRODUCTION

1.1 Background to Treasury Management

- 1.1.1 CIPFA defines treasury management as "...The management of the local authority'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."
- 1.1.2 Another function of the treasury management service is the funding of the Council's capital plans as set out in the Budget and Capital Investment Strategy (CIS). These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

1.2 Reporting Requirements

Treasury Management Reporting

- 1.2.1 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.
- 1.2.2 **Prudential and treasury indicators and treasury strategy** (this report) - The first and most important report covers:
- the capital plans (including prudential indicators) as derived through the budget and CIS;
 - 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 for treasury investments (the parameters on how investments are to be managed).

- 1.2.3 **A mid-year treasury management report** – This will update members with the progress of the capital position, amending prudential indicators as necessary and whether any policies require revision.
- 1.2.4 **An annual treasury report** – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.
- 1.2.5 **Quarterly reports** – In addition to the three major reports detailed above, from 2023/24 quarterly reporting is also required. These additional reports do not have to be reported to Full Council but are required to be adequately scrutinised. Information will be included in the Corporate Performance report.

Capital Investment Strategy

- 1.2.6 The Treasury Management Strategy should be read in conjunction with the Council's Capital Investment Strategy as the Council's debt and MRP policy are directly impacted by capital plans.
- 1.2.7 The overall aim of the Council, with respect to capital expenditure and investment, is to achieve council objectives and priorities whilst ensuring that capital plans are affordable, prudent and sustainable.
- 1.2.8 The CIS (Appendix 2) provides a framework that allows that objective to be achieved. It sets out:
- what is capital expenditure/investment and why we incur it (section 2);
 - the Council's overall capital objectives, priorities and plans (section 3);
 - how the Council's capital expenditure/investment will be funded/resourced (section 4);
 - how the Council's capital expenditure/investment plans will be appraised (section 5) including the Council's Invest to Save policy (Annexe A1);
 - how capital plans will be approved (section 6), monitored and reported upon (Section 7); and
 - the skills and knowledge required to deliver the capital plans (section 8).

1.3 Training

- 1.3.1 The CIPFA Code requires the Section 151 Officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. The training needs of treasury management officers and members are periodically reviewed.
- 1.3.2 Furthermore, the Code states that they expect "all organisations to have a

formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making”.

- 1.3.3 In further support of the revised training requirements, CIPFA’s Better Governance Forum and Treasury Management Network have produced a ‘self-assessment by members responsible for the scrutiny of treasury management’.
- 1.3.4 Training for Members will be organised as part of the Induction process for new Members following the May Election. This is likely to take place in September 2023. A formal record of the training received by Members/Officers central to the Treasury function will be maintained by the Finance Business Partner.

1.4 Treasury Management Consultants

- 1.4.1 The Council uses Link Group, Treasury solutions as its external treasury management advisors.
- 1.4.2 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. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.
- 1.4.3 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

2 THE CAPITAL PRUDENTIAL INDICATORS 2023/24 – 2025/26

2.1 Capital Expenditure

- 2.1.1 The Council’s capital expenditure plans as set out in the budget are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members’ overview and confirm capital expenditure plans.
- 2.1.2 The capital expenditure prudential indicator is a summary of the Council’s capital expenditure plans, both those agreed previously and those forming part of this budget cycle. As at 1 April 2023 the Council estimates that it will have capital projects approved of £16.396m. The details of this are shown in Budget Report (Report No: 02/2023).
- 2.1.3 The table below shows the indicative spend profile of approved capital projects included in the 2023/24 budget. Whilst the Council may have approved a project in 2023/24 spending may not occur until 2023/24.

Estimates of capital expenditure (Prudential Indicator (PI3)) and Actual capital expenditure (PI4)

| Estimated Capital expenditure | Actuals 2021/22 | Projects 2022/23 | Projects 2023/24 | Projects 2024/25 | Projects 2025/26 |
|--|--------------------|---------------------|---------------------|---------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Total Service Investments | 5,173 | 6,663 | 2,259 | 2,686 | 282 |
| Total Commercial Activities/non-financial investments* | 0 | 0 | 0 | 0 | 0 |
| Total | 5,173 | 6,663 | 2,259 | 2,686 | 282 |
| Ring-fenced grant- allocated | 0 | 0 | 270 | 270 | 0 |
| Non ring-fenced grants-unallocated | 0 | 0 | 2,381 | 2,381 | 2,381 |
| Total ** | 5,173 | 6,663 | 4,910 | 5,337 | 2,663 |

* Commercial activities / non-financial investments relate to areas such as capital expenditure on investment properties, loans to third parties etc with the key driver being financial gain, this strategy does not allow capital investment for financial gain.

**The existing capital programme in the budget for 22/23 is £16.396m. The table above is not replicating the Capital Programme as there are projects that would have been started prior to 2021/22 and some of the future year's projects will not yet be in the approved capital budget. However, the 2021/22 outturn and 2022/23 budget do agree with the Statement of Accounts and latest budget report.

2.1.4 These figures do not yet include proposals for new projects being developed. In these areas Cabinet reports are expected in 2023/24. Funding for any future projects will be funded in full or in part from unallocated funding.

2.1.5 The table below shows how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need. The table also shows the percentage of the borrowing need relating solely to commercial investments.

| Estimated Capital Programme | Actuals 2021/22 | Projects 2022/23 | Projects 2023/24 | Projects 2024/25 | Projects 2025/26 |
|-----------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Grant | 5,021 | 6,257 | 4,445 | 4,185 | 2,663 |
| Capital Receipts | 32 | 100 | 465 | 30 | 0 |

| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| RCCO | 46 | 199 | 0 | 44 | 0 |
| Oakham North | 0 | 45 | 0 | 0 | 0 |
| S106/CIL | 72 | 62 | 0 | 728 | 0 |
| Total Funding | 5,171 | 6,663 | 4,910 | 4,987 | 2,663 |
| Borrowing Need | 2 | 0 | 0 | 350 | 0 |
| Borrowing relating to Commercial Investments | 0 | 0 | 0 | 0 | 0 |
| Percentage of total net financing need % | 0% | 0% | 0% | 0% | 0% |

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

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

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

2.2.3 The Council is asked to approve the CFR projections below. It should be noted that the financing need from 2023/24 is zero as no external borrowing is planned. The borrowing need in 2024/25 is prudential borrowing for the Digital Rutland Full Fibre project.

Estimates of CFR (PI5) and Actual CFR (PI6)

| | 2021/22 Actual £000 | 2022/23 Est £000 | 2023/24 Est £000 | 2024/25 Est £000 | 2025/26 Est £000 |
|--------------------------------------|------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Capital Financing Requirement | | | | | |
| CFR – Services 1 Apr | 20,038 | 19,426 | 18,811 | 18,196 | 17,931 |
| Movement in Year | (612) | (615) | (615) | (265) | (629) |
| Total CFR | 19,426 | 18,811 | 18,196 | 17,931 | 17,302 |
| Movement in CFR represented by | | | | | |

| | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| Net financing need for the year (above) | 2 | 0 | 0 | 350 | 0 |
| Less MRP and other financing movements | (614) | (615) | (615) | (615) | (629) |
| Movement in CFR | (612) | (615) | (615) | (265) | (629) |

2.2.4 A key aspect of the regulatory and professional guidance is that members should be aware of the size and scope of any commercial activity in relation to the authority's overall financial position. As the Council's has made no commercial investments the table above shows the Council's CFR relating to service investments only.

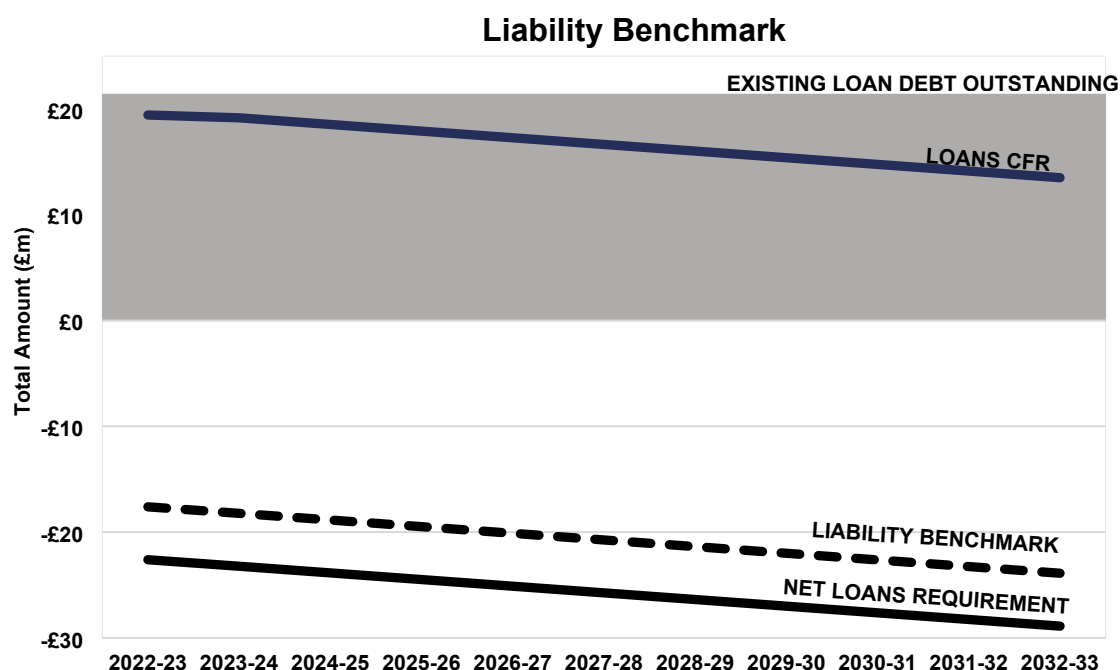
2.3 Liability Benchmark

2.3.1 A third and new prudential indicator for 2023/24 is the Liability Benchmark. The Council is required to estimate and measure the liability benchmark for the forthcoming financial year and the following two financial years, as a minimum. CIPFA strongly recommends the benchmark is produced for at least 10 years as a minimum.

2.3.2 There are four components to the liability benchmark:

- Existing loan debt outstanding: loans outstanding in future years.
- 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.
- Net loans requirement: this will show the 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.

- Liability benchmark: this equals net loans requirement plus short-term liquidity allowance.



- 2.3.3 If the liability benchmark is less than the existing external loan debt outstanding, it means that the Council has no new borrowing needs and excess cash should be invested in line with the investment strategy. Conversely, if the liability benchmark is more than external debt outstanding then there is a need to borrow.

2.4 Core Funds and Expected Investment Balances

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

| Year End Resources | 2021/22 Actual £000 | 2022/23 Est £000 | 2023/24 Est £000 | 2024/25 Est £000 | 2025/26 Est £000 |
|-----------------------------|---------------------------|------------------------|------------------------|------------------------|------------------------|
| Fund balances / reserves | 42,014 | 29,738 | 26,875 | 22,431 | 21,298 |
| Capital receipts | 1,591 | 1,491 | 1,541 | 1,591 | 1,641 |
| Provisions | 2,054 | 2,054 | 2,054 | 2,054 | 2,054 |
| Total core funds | 45,659 | 33,283 | 30,470 | 26,076 | 24,993 |
| Working capital* | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| New borrowing | - | - | - | - | - |
| Expected investments | 43,659 | 31,283 | 28,470 | 24,076 | 22,993 |

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

3 BORROWING

3.1 Borrowing objectives

3.1.1 There are six types of borrowing that may be considered under this strategy.

- a) Borrowing to fund a scheme that will reduce the Council's ongoing revenue costs in future years or avoid increased costs in future years (this is commensurate with the Council's Invest to Save policy).
- b) Borrowing to fund the purchase of essential vehicles, plant and equipment in order to maintain Council functions.
- c) Borrowing in advance of anticipated receipts to enable the Council to invest in capital expenditure before it has the income to fund the investment.
- d) Borrowing to enable the Council to fund a larger capital programme than it is able to do using Government grant and self-financed borrowing.
- e) Borrowing to fund an overspend on a large-scale capital scheme that would otherwise have to be funded from a revenue contribution to capital outlay with major impact on the Council's revenue budget.
- f) Borrowing to reschedule existing borrowing i.e. replace existing loans with others.

3.1.2 Effectively, the Council works out its capital expenditure plans and then calculates how much it needs to borrow having considered whether it should fund capital expenditure using other options. The Council's objectives are to:

- avoid external borrowing as far as possible (i.e. use other sources of funding first where possible) unless that borrowing yields income or deliver savings beyond the cost of borrowing;
- repay borrowing early if this is financially prudent and viable;
- reduce its borrowing charge if this represents value for money;
- ensure any new borrowing is affordable; and
- work within prudential indicator limits.

3.2 Current borrowing portfolio

3.2.1 The Council currently has loans outstanding of £21.386m (this assumes the LEP loan is repaid in early 2023) which are long term loans with the Public Works Loans Board (PWLb). PWLB is managed as part of the UK Debt Management Office, which is a HM Treasury Executive Agency. Included

within the £21.386m is £8.232m of debt that was inherited from Leicestershire in the Local Government Re-organisation in 1997. Annexe A1 shows the details of these loans.

- 3.2.2 To be able apply for the PWLB's certainty rate for new borrowing the Council needs to conform to new DLUHC requirements. These requirements are that an authority borrowing for projects for yield schemes would automatically disqualify an authority from being able to borrow from the PWLB.
- 3.2.3 The external debt projections are shown below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

ACTUAL EXTERNAL DEBT (PI9) AND GROSS DEBT AND THE CFR (PI10)

| Year End Resources | 2021/22 Actual £000 | 2022/23 Est £000 | 2023/24 Est £000 | 2024/25 Est £000 | 2025/26 Est £000 |
|---------------------------------------|---------------------------|------------------------|------------------------|------------------------|------------------------|
| External Debt | | | | | |
| Debt - 1 April | 22,226 | 22,058 | 21,386 | 21,386 | 21,386 |
| Expected Change in Debt | (168) | (672) | 0 | 0 | 0 |
| Actual /projected Gross Debt 31 March | 22,058 | 21,386 | 21,386 | 21,386 | 21,386 |
| Capital Financing Requirement | 19,426 | 18,811 | 18,196 | 17,931 | 17,302 |
| Under / (Over) Borrowing | (2,632) | (2,575) | (3,190) | (3,455) | (4,084) |

- 3.2.4 Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.
- 3.2.5 The overborrowed position has not materialised from borrowing for revenue purposes, which this indicator is a key test of. Whilst the CFR is reduced by MRP charge every year, external debt position has not changed significantly as debt is not due (see 3.3.5).

3.3 Treasury Indicators: Limits to Borrowing Activity

- 3.3.1 **Operational boundary for external debt (PI6)** - This is the limit beyond which external debt is not normally expected to exceed. It is not an absolute limit, it can be temporarily breached. 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 resource.

| Operational boundary | 2022/23 Estimate £000 | 2023/24 Estimate £000 | 2024/25 Estimate £000 | 2025/26 Estimate £000 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Debt | 23,000 | 23,000 | 23,000 | 23,000 |
| Commercial activities/non-financial investments | 0 | 0 | 0 | 0 |
| Total | 23,000 | 23,000 | 23,000 | 23,000 |

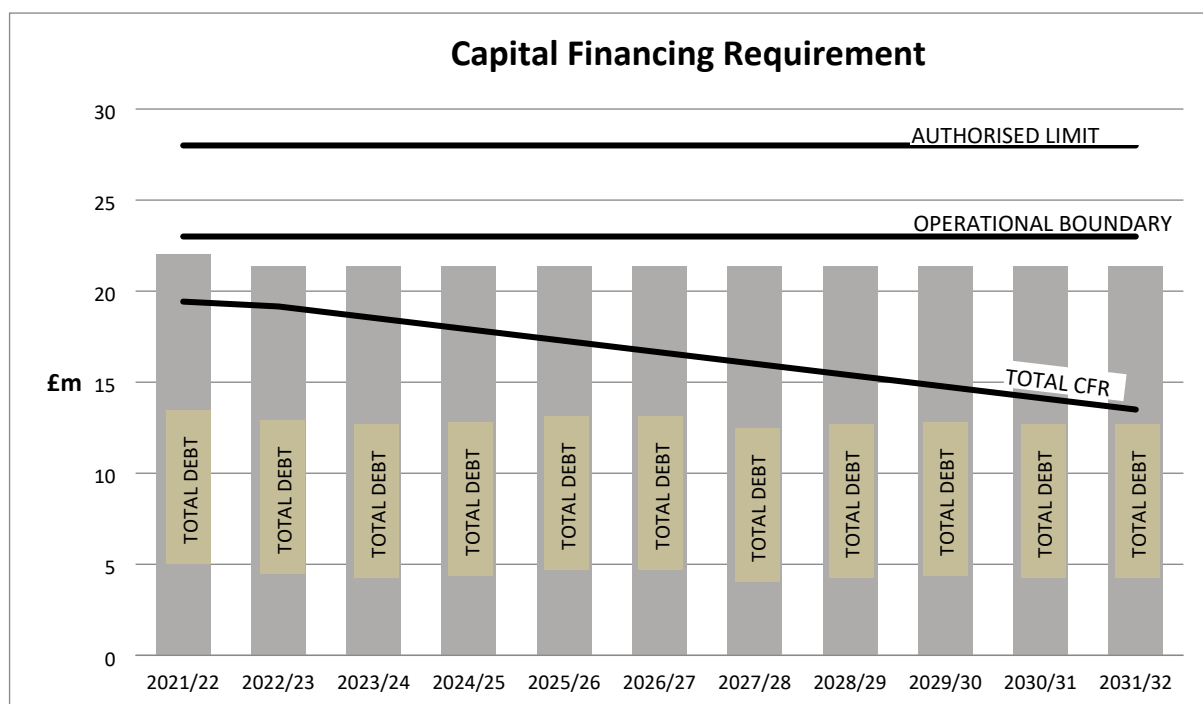
- 3.3.2 **Authorised limit for external debt (PI7)** - A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term but is not sustainable in the longer term i.e. if the Council borrowed in the short term in advance of a capital receipt being received.

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

- 3.3.4 The Council is asked to approve the following authorised limit:

| Authorised limit | 2022/23 Estimate £000 | 2023/24 Estimate £000 | 2024/25 Estimate £000 | 2025/26 Estimate £000 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Debt | 28,000 | 28,000 | 28,000 | 28,000 |
| Commercial activities/non-financial investments | 0 | 0 | 0 | 0 |
| Total | 28,000 | 28,000 | 28,000 | 28,000 |

- 3.3.5 The graph on the following page shows where we currently are against all of the borrowing prudential indicators.



3.4 Borrowing Strategy

3.4.1 There are no plans to borrow but if the Council were to borrow then the Strategic Director for Resources would monitor the market to ensure that the borrowing was undertaken at the optimum time for the Council. If the Strategic Director for Resources thought rates would fall then they may choose to hold off long term borrowing. If they thought rates would rise then they may choose to borrow in advance of need (see section 3.5.2) to ensure borrowing is secured at a lower rate.

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

3.5 Prudence in borrowing

3.5.1 Prudential Code and CIPFA guidance says that the Council must not borrow more than or in advance of their needs purely to profit from the investment of the extra sums borrowed. The Council has some flexibility in utilising legitimate examples of prudent borrowing, this includes refinancing current borrowing, securing affordability by removing exposure to future interest rate and financing capital expenditure primarily related to the delivery of a local authority's functions. The Section 151 Officer may do this under delegated power where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or meet budgetary constraints. Whilst the Section 151 Officer will adopt a cautious approach to any such borrowing, where there is a clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund future debt maturities.

3.5.2 Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 50% of the expected increase in borrowing need (CFR) over the three year planning period; and
 - The authority would not look to borrow more than 18 months in advance of need.
- 3.5.3 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.
- 3.5.4 Certain acts are deemed by the Prudential Code to not be prudent, therefore the Council will
- not borrow to invest primarily for financial return; and
 - not make any investment or spending to increase the CFR unless primarily related to the functions of the authority and where any financial returns are either related to the financial viability of the project or otherwise incidental to the primary purpose.

3.6 **Proportionality**

- 3.6.1 The Council will consider the concept of proportionality, alongside that of affordability needs when analysing funding projects through borrowing. The costs and risks associated with that borrowing will be examined as part of the whole financial position of the Council, so that the Council does not undertake a level of investing which exposes it to an excessive level of risk compared to its financial resources. The Council needs to be aware of the scale and relationship with the asset base and revenue delivery to inform decision making. Potential investments will be subject to the Proportionality Test shown in the Capital Strategy (Annexe A1, 6.7).
- 3.6.2 To demonstrate the proportionality between the treasury operations and the non-treasury operation, key indicators are shown for the Council as a whole as well as for non-treasury investments throughout this report e.g. the operational boundary is split to show commercial investments separately.

3.7 **Debt repayment and rescheduling**

- 3.7.1 The list of debt and repayment dates are shown in Annexe A1.
- 3.7.2 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there remains a very large difference between premature redemption rates and new borrowing rates.
- 3.7.3 The reasons for any rescheduling to take place will include:
- the generation of cash savings and / or discounted cash flow savings;
 - helping to fulfil the treasury strategy;

- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).
- 3.7.4 All rescheduling will be reported to the Cabinet at the earliest meeting following its action.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment overview

- 4.1.1 The Council receives substantial income from council tax, business rates and central government. At any point of time in the year, the Council can have between £50m - £62m available to invest. The estimated level of investments at year end based on the current cash flow calculations and for the next few years is shown below. The movement from £54m to £31m is due to c£38m of investments maturing in the final quarter and although some of these will be re-invested, the Council typically receives less income in the final quarter as Council Tax receipts drop off.

| | 2021/22 Actual £000 | 2022/23 Forecast £000 | 2023/24 Estimate £000 | 2024/25 Estimate £000 | 2025/26 Estimate £000 |
|--------------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total Investments at Quarter 2 | 54,205 | | 30,000 | 26,000 | 23,000 |
| Total Investments at 31 March | | 31,000 | 28,000 | 24,000 | 23,000 |

4.2 Investment policy objectives

- 4.2.1 The DLUHC and CIPFA have extended the meaning of 'investments' to include both financial, and non-financial investments. The Treasury Management Strategy deals solely with financial investments, as managed by the treasury management team. Non-financial investments, generally relating to investment in fixed assets either for service delivery or invest to save opportunities are covered in the Capital Investment Strategy.
- 4.2.2 The Council's investment strategy primary objectives, in order of importance are:
- safeguarding the re-payment of the principal and interest of its investments on time – losing any funds like in the case of Icelandic banks would be very significant in this financial climate;
 - adequate liquidity – the Council does not want to run short of money so it cannot pay its bills or does not have money available to make investments in capital expenditure;

- maximising the investment return – this is clearly important but the Council does not want to maximise returns at the expense of the first two objectives.
- 4.2.3 In addition to the above, the Council also has a supplementary aim to be ethically responsible in how it invests. The Council uses credit ratings where environmental; social and governance considerations are played into the ratings used.

4.3 **Investment rules**

- 4.3.1 In accordance with guidance from the DLUHC and CIPFA and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long term ratings.
- 4.3.2 The Council engages with its advisors to monitor markets to support the ratings systems which ensures the Council is aware of the standing of the bank / building society.
- 4.3.3 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4.4 **Creditworthiness policy**

- 4.4.1 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration.
- 4.4.2 The Section 151 Officer will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary.
- 4.4.3 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 or two of the rating agencies are marginally lower than these ratings but may still be used. In these instances, when counterparty ratings from one of the credit rating agencies (Fitch) meet the minimum criteria and also other relevant market data shows a stable position the counterparty can be used. If there is a major disparity between the counterparty ratings issued by Fitch and the other credit rating agencies then the counterparty will not be used.
- 4.4.4 Credit rating information is supplied by our treasury consultants daily on all active counterparties that comply with the criteria below. Any counterparty

failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance for overseas counterparties a negative rating watch at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market, the negative ratings watch will only be a factor in the selection process for overseas banks or if the negative rating applies only to one or several counterparties

4.4.5 Environmental, Social and Governance (ESG) factors can and do influence credit quality, ESG credit factors are those factors that can materially influence the creditworthiness of a rated entity or issue, examples include:

- Environmental credit factors- climate policy, market changes to address mitigation and adaption requirements related to climate change;
- Social credit factors- social capital including consumer and citizen relationship issues; socioeconomic and demographic issues; and
- Governance credit factors- risk management, cyber risk and governance structure factors- including board skill sets and key person risk.

4.4.6 The credit rating criteria is shown below alongside the time and monetary limits for institutions on the Council's counterparty list (for both specified and non-specified investments):

| | Fitch Rating (long-term/short-term) | Money Limit | Time Limit |
|--|--|----------------|---------------|
| Banks/ Building Society higher quality | AA-/F1+ | £7m | 3yrs |
| Banks /Building Society medium quality | A-/F1 | £7m | 364 days |
| Banks – part nationalised | N/A | £7m | 364 days |
| Council's banker (not meeting Banks above) | BBB/F2 | £1m | overnight |
| Building Society (not meeting Banks above & minimum assets £1 bn) | Not Rated | £1m | 6 months |
| UK Government Gilts | UK sovereign rating | £5m | 3 years |
| Debt Management Account Deposit Facility managed by the DMO (Debt Management Office) | UK sovereign rating | £5m | 364 days |
| Local authorities | N/A | £7m | 364 days |
| Property Funds | N/A | £2m | No limit set* |
| | Fund rating | Money Limit | Time Limit |

| | | | |
|--------------------------|-----|-----|--------|
| Money Market Funds CNAV | AAA | £5m | liquid |
| Money Market Funds LVNAV | AAA | £5m | liquid |

* No time limit as investment would need to be left to mature to ensure no loss on investments.

4.5 Use of additional information other than credit ratings

- 4.5.1 Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.
- 4.5.2 For local authorities, in terms of credit risk they receive a risk score of 1, equivalent to government credit quality. There are a number of local authorities where DLUHC have intervened, due to concerns about financial management. An additional check will be undertaken before lending to other local authorities to confirm at the time of investment the Authority is not subject to DLUHC intervention.

4.6 Other considerations

- 4.6.1 Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.
- **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA+ from Fitch or equivalent. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.
 - The UK sovereign debt rating has been placed on Negative Outlook by the three major rating agencies in the wake of the previous Government leadership (Truss/Kwarteng) policy of unfunded tax-cuts. Although the current Government leadership (Sunak/Hunt) 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, as detailed above, when setting minimum sovereign debt ratings, the Council will not set a minimum rating for the UK.
 - **Other limits.**
 - no more than 10% will be placed with any non-UK country at any time; and
 - all limits in place will apply to a group of companies.

- 4.6.2 Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

Upper limit on total principal sums invested for periods of longer than a year (PI12)

| £000 | 2023/24 | 2024/25 | 2025/26 |
|--|---------|---------|---------|
| Long term treasury management investments; invested for longer than 365 days | 10% | 10% | 10% |

4.7 Investment Approach

- 4.7.1 As per our overall objectives, we ensure that these surplus balances are managed in a way to maximise the income potential whilst having regard to security risk.
- 4.7.2 The Council's approach is influenced by numerous issues:
- Cash flow – when will the Council need the funds to pay general running costs of the Council or fund capital investment activity;
 - The vehicles allowed for investment as outlined in this strategy as referenced on 4.4.6; and
 - The rate of return on offer – the forecast bank rate is expected to peak at 4.50% in Q2 2023.
 - Liquidity – The Council seeks to maintain liquid short-term deposits of at least £1m available with a week's notice and no bank overdraft.
- 4.7.3 Our focus is on traditional investments e.g. deposits for up to 12 month period – this is in line with the advice from our consultants (Link Group, Treasury Solutions) We may also consider longer term options (Government bonds, Property Funds etc.). For example, placing funds in long term investments may not be an option depending on capital expenditure and investment plans.
- #### **4.8 Investment returns expectations and benchmarking**
- 4.8.1 The benchmark SONIA (Sterling Overnight Index Average) 6-month rate was used following the discontinuation of the LIBOR index. SONIA is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors. In order to take advantage of the changing base rate

the Council is undertaking a laddering approach to investments. Currently all maturities are less than 6 months, to reflect this approach the SONIA 1 month rate is a more appropriate benchmark and will be adopted from 2023/24.

4.8.2 The investment income budget proposed for approval in the Budget 2023/24 (Report 02/2023) is £1.68m. This is based on expected balances and forecast interest rate based on the anticipated base rate changes during 2023/24. This will be regularly monitored during the year and variances to budget will be reported in line with the reporting requirements detailed in section 1.2.

4.8.3 Security – Each counterparty the Council invests in has a risk of default (a calculated percentage to demonstrate the potential loss on the investment). The Council's maximum security risk benchmark for the current portfolio, is:

- 0.10% historic risk of default when compared to the whole portfolio. The table below demonstrates a financial representation of how much the Council would stand to lose at 0.10%.

| | 2022/23 Forecast £000 | 2023/24 Estimate £000 | 2024/25 Estimate £000 | 2025/26 Estimate £000 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Total Investments at 31 March | 38,000 | 35,000 | 31,000 | 30,000 |
| Revenue impact of risk of default at 0.10% | 38 | 35 | 31 | 30 |

5 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2023/24 – 2025/26 AND MRP STATEMENT

5.1 Capital Expenditure

5.1.1 The Council's capital expenditure plans (see 2.1.3) are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

5.2 Minimum Revenue Provision Policy

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

- 5.2.2 DLUHC regulations have been issued which require Council to approve an MRP Statement in advance of each year. A variety of options are provided to Councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement
- For capital expenditure incurred before 1 April 2008, the Council will reduce on a straight line basis over 50 years.
 - From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be (either / and):
 - a) Asset life method – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction);
 - b) Depreciation method – MRP will follow standard depreciation accounting procedures. These options provide for a reduction in the borrowing need over approximately the asset's life.
- 5.2.3 There is currently an open consultation on the Minimum Revenue Provision (MRP). The key issues being addressed are:
- local authorities using sales from assets in place of a charge to revenue; and
 - local authorities not charging MRP on debt related to certain assets i.e. commercial investments.
- 5.2.4 The Council's practice is prudent and proposed changes will not affect its MRP policy.
- 5.2.5 **MRP Overpayments** - A change introduced by the revised DLUHC MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision (VRP) or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget i.e. if the Council wanted to reverse the VRP in 2013/14, this policy must disclose the cumulative overpayment made each year. Up until the 31 March 2021 the total VRP overpayments were £1.41m in 2013/14 and £0.597m in 2015/16 giving a total MRP overpayment of £2.01m.
- 5.3 **Affordability Prudential Indicators**
- 5.3.1 Prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.
- 5.3.2 **Estimates of Financing Costs to Net Revenue Stream (PI1) and Actual financing costs to net revenue stream (PI2)** - This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs) against the net revenue stream (the total income the Council receives i.e. the

financing part of the MTFP).

| % | 2021/22 | 2022/23 | 2022/23 | 2023/24 | 2024/25 |
|----------|---------|----------|----------|----------|----------|
| | Actual | Estimate | Estimate | Estimate | Estimate |
| Services | 4.01 | 4.15 | 3.85 | 3.76 | 3.66 |

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

- 5.3.3 Incremental Impact of Capital Investment Decisions on Band D Council Tax (PI13).** This indicator identifies the revenue costs associated with proposed changes to the three-year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

| Council Tax - Band D | 2021/22 Actual £ | 2022/23 Estimate £ | 2023/24 Estimate £ | 2024/25 Estimate £ | 2025/26 Estimate £ |
|------------------------|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Services | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Commercial Investments | 0% | 0% | 0% | 0% | 0% |

- 5.3.4 Upper and lower of maturity structure of borrowing (fixed & variable) (PI11)**

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing all at the same time causing cash flow problems, and are required for upper and lower limits. The Council is asked to approve the following treasury indicators and limits:

| Maturity structure of fixed interest rate borrowing 2022/23 | | |
|--|-------|-------|
| | Lower | Upper |
| Under 12 months | 0% | 25% |
| 12 months to 2 years | 0% | 25% |
| 2 years to 5 years | 0% | 20% |
| 5 years to 10 years | 0% | 20% |
| 10 years and above | 0% | 100% |
| Maturity structure of variable interest rate borrowing 2022/23 | | |
| | Lower | Upper |

| | | |
|----------------------|----|------|
| Under 12 months | 0% | 25% |
| 12 months to 2 years | 0% | 25% |
| 2 years to 5 years | 0% | 20% |
| 5 years to 10 years | 0% | 20% |
| 10 years to 20 years | 0% | 100% |

- 5.3.5 **Interest rate exposure-** the exposure to interest rate movements is managed using the prudential indicator in 5.3.4. If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be per the table below. No variable rate borrowings are held and therefore an increase in interest rate has no impact on borrowing costs.

| £'000 | 2023/24 | 2024/25 | 2025/26 |
|---|---------|---------|---------|
| Increase in interest payable on variable rate borrowings | 0 | 0 | 0 |
| Increase in interest receivable on variable rate borrowings | 349 | 305 | 296 |

- 5.3.6 **Debt to net service expenditure (PI14)** - This indicator shows gross debt as a percentage of net service expenditure, this helps to explain the relationship between gross debt and resources available to deliver services. Net service expenditure is considered to be a proxy for the size and financial strength of a local authority. The Council has set the maximum level for this indicator to be 60%, which the Council is currently below at 47%.

| £'000 | Services | Commercial Activities |
|-----------------------------------|----------|-----------------------|
| Gross Debt | 21,386 | 0 |
| Net Service Expenditure | 45,693 | 45,693 |
| Debt to net service expenditure % | 47% | 0% |
| Maximum Level | 60% | 0%* |

*Current policy prohibits investment in commercial activities

- 5.3.7 **Net income from commercial and service investments to net revenue stream-** this indicator shows the financial exposure of the authority to the loss of income, the higher the percentage, the greater reliance on income arising from assets on which borrowing costs have been incurred. The figures shown relates to service investment (Oakham Enterprise Park) for which the Council has incurred borrowing cost, the indicator is less than 1%, therefore the Council is not reliant on this income.

| £'000 | 2023/24 | 2024/25 | 2025/26 |
|-------|---------|---------|---------|
|-------|---------|---------|---------|

| | | | |
|---------------------------------------|--------------|--------------|--------------|
| Commercial investments net income | 0 | 0 | 0 |
| Service investments net income | 97 | 114 | 133 |
| Total net income | 97 | 114 | 133 |
| Net Revenue Stream | 42,829 | 43,755 | 44,992 |
| Net income to revenue stream % | 0.23% | 0.26% | 0.29% |

ANNEXE A1 - PUBLIC WORKS LOAN BOARD (PWLb) DEBT ANALYSIS

The table below shows the number of outstanding loans with the PWLB, the maturity date, Principal outstanding, interest rate and the premium payable if the council was to settle the outstanding loan.

| PWLb 2022-23 Loan Repayment Premiums as at 8-Dec-2022 | | | | | |
|--|-------------------|----------------------|--------------------------|------------------------|----------------|
| Loan Reference | Start Date | Maturity Date | Principal Balance | Interest Rate % | Premium |
| 461697 | 27-Mar-1987 | 31-Dec-2043 | 132,529.13 | 9.000 | 109,419 |
| 461698 | 27-Mar-1987 | 31-Dec-2044 | 212,550.13 | 9.000 | 181,083 |
| 461699 | 27-Mar-1987 | 31-Dec-2045 | 163,500.10 | 9.000 | 143,455 |
| 461700 | 27-Mar-1987 | 31-Dec-2046 | 196,200.12 | 9.000 | 177,475 |
| 476645 | 30-Nov-1995 | 28-Jul-2053 | 163,500.10 | 8.000 | 146,395 |
| 476646 | 30-Nov-1995 | 28-Jul-2054 | 163,500.10 | 8.000 | 150,150 |

| PWLB 2022-23 Loan Repayment Premiums as at 8-Dec-2022 | | | | | |
|---|-------------|---------------|----------------------|-----------------|------------------|
| Loan Reference | Start Date | Maturity Date | Principal Balance | Interest Rate % | Premium |
| 476647 | 30-Nov-1995 | 28-Jul-2055 | 163,500.10 | 8.000 | 153,879 |
| 476842 | 21-Dec-1995 | 13-Dec-2052 | 163,500.10 | 7.875 | 139,973 |
| 476843 | 21-Dec-1995 | 13-Dec-2051 | 163,500.10 | 7.875 | 136,264 |
| 476844 | 21-Dec-1995 | 13-Dec-2050 | 163,500.10 | 7.875 | 132,522 |
| 477672 | 05-Aug-1996 | 08-May-2048 | 163,500.10 | 8.375 | 136,511 |
| 477673 | 05-Aug-1996 | 08-May-2049 | 163,500.10 | 8.375 | 140,719 |
| 478210 | 26-Sep-1996 | 25-Sep-2047 | 217,138.76 | 8.125 | 169,463 |
| 478211 | 26-Sep-1996 | 25-Sep-2056 | 163,500.10 | 8.125 | 162,334 |
| 478214 | 26-Sep-1996 | 25-Sep-2047 | 28,111.39 | 8.125 | 21,939 |
| 479404 | 21-May-1997 | 08-May-2057 | 327,000.20 | 7.125 | 262,676 |
| 479405 | 21-May-1997 | 08-May-2056 | 147,150.09 | 7.125 | 114,921 |
| 481709 | 13-Oct-1998 | 25-Sep-2058 | 163,500.10 | 4.625 | 49,186 |
| 482002 | 14-Jan-1999 | 25-Sep-2058 | 320,460.20 | 4.375 | 79,432 |
| 482386 | 30-Mar-1999 | 25-Mar-2059 | 23,271.98 | 4.625 | 7,113 |
| 482875 | 08-Nov-1999 | 25-Mar-2059 | 163,500.10 | 4.500 | 45,431 |
| 483562 | 18-Nov-1999 | 25-Sep-2059 | 163,500.10 | 4.250 | 37,369 |
| 491043 | 19-Jan-2006 | 19-Jan-2034 | 465,521.00 | 4.000 | 39,093 |
| 491501 | 05-Mar-2006 | 03-Nov-2051 | 2,689,694.00 | 4.400 | 509,053 |
| 491580 | 19-May-2006 | 19-Nov-2046 | 1,303,000.00 | 4.250 | 171,196 |
| 492151 | 20-Sep-2006 | 20-Mar-2052 | 1,856,434.00 | 4.200 | 289,112 |
| 492927 | 19-Feb-2007 | 19-Aug-2052 | 2,000,000.00 | 4.400 | 393,045 |
| 492928 | 19-Feb-2007 | 19-Aug-2053 | 2,000,000.00 | 4.400 | 413,722 |
| 492929 | 19-Feb-2007 | 19-Aug-2054 | 1,427,410.00 | 4.400 | 307,130 |
| 493087 | 03-Aug-2007 | 19-Aug-2052 | 2,500,000.00 | 4.250 | 421,119 |
| 493088 | 03-Aug-2007 | 19-Aug-2053 | 2,000,000.00 | 4.250 | 356,261 |
| 493089 | 03-Aug-2007 | 19-Aug-2054 | 1,414,351.00 | 4.250 | 262,822 |
| | | | 21,386,323.30 | | 5,860,262 |

ANNEXE A2 TREASURY MANAGEMENT GLOSSARY OF TERMS

| |
|--|
| Authorised Limit (Also known as the Affordable Limit): |
| A statutory limit that sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). |
| Balances and Reserves: |
| Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure. |
| Bank Rate: |

| |
|---|
| <p>The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate". This rate is also referred to as the 'repo rate'.</p> |
| <p>Basis Point:</p> <p>A unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent). In most cases, it refers to changes in interest rates and bond yields. For example, if interest rates rise by 25 basis points, it means that rates have risen by 0.25% percentage points. If rates were at 2.50%, and rose by 0.25%, or 25 basis points, the new interest rate would be 2.75%.</p> |
| <p>Bond:</p> <p>A certificate of debt issued by a company, government or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.</p> |
| <p>Capital Expenditure:</p> <p>Expenditure on the acquisition, creation or enhancement of capital assets.</p> |
| <p>Capital Financing Requirement (CFR):</p> <p>The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.</p> |
| <p>Capital Receipts:</p> <p>Money obtained on the sale of a capital asset.</p> |
| <p>Credit Rating:</p> <p>Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.</p> |
| <p>Counterparty List:</p> <p>List of approved financial institutions with which the Council can place investments with.</p> |
| <p>Debt Management Office (DMO):</p> <p>The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as</p> |

the DMADF. All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign triple-A credit rating.

Gilts:

Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged'. Being issued by the UK government, they are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.

Liability Benchmark:

a measure of how well the existing loans portfolio matches the Council's planned borrowing needs. Net loans requirement (see below) plus an allowance for short term liquidity

LIBID:

The London Interbank Bid Rate (LIBID) is the rate bid by banks on Eurocurrency deposits (i.e. the rate at which a bank is willing to borrow from other banks).

LIBOR:

The London Interbank Offered Rate (LIBOR) is the rate of interest that banks charge to lend money to each other. The British Bankers' Association (BBA) work with a small group of large banks to set the LIBOR rate each day. The wholesale markets allow banks who need money to be more fluid in the marketplace to borrow from those with surplus amounts. The banks with surplus amounts of money are keen to lend so that they can generate interest which it would not otherwise receive.

Maturity:

The date when an investment or borrowing is repaid.

Money Market Funds (MMF):

Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.

Minimum Revenue Provision (MRP):

| |
|--|
| <p>An annual provision that the Council is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.</p> |
| <p>Net Loans Requirement:</p> <p>A measure of the authority's gross loan debt, less treasury management investments, at the last financial year end, projected into the future based on its approved prudential borrowing, planned MRP and any other forecast major cash flows.</p> |
| <p>Non Specified Investment:</p> <p>Investments which fall outside the CLG Guidance for Specified investments (below).</p> |
| <p>Operational Boundary:</p> <p>This linked directly to the Council's estimates of the CFR and estimates of other day to day cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.</p> |
| <p>Prudential Code:</p> <p>Developed by CIPFA and introduced on 1/4/2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.</p> |
| <p>Prudential Indicators:</p> <p>Prudential indicators are a set of financial indicators and limits that are calculated in order to demonstrate that councils' capital investment plans are affordable, prudent and sustainable.</p> <p>They are outlined in the CIPFA Prudential Code of Practice. They are indicators that must be used to cover the categories of affordability, prudence, capital spending, external debt/borrowing and treasury management. They take the form of limits, ratios or targets which are approved by Council before 1 April each year and are monitored throughout the year on an on-going basis. A council may also choose to use additional voluntary indicators.</p> |
| <p>Public Works Loans Board (PWLb):</p> |

| |
|---|
| <p>The PWLB is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.</p> |
| <p>Revenue Expenditure:</p> <p>Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.</p> |
| <p>(Short) Term Deposits:</p> <p>Deposits of cash with terms attached relating to maturity and rate of return (Interest).</p> |
| <p>Sterling Overnight Index Average (SONIA):</p> <p>the risk-free rate for sterling markets administered by the Bank of England. SONIA is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.</p> |
| <p>Specified Investments:</p> <p>Term used in the CLG Guidance and Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than one year. UK government, local authorities and bodies that have a high credit rating.</p> |
| <p>Supported Borrowing:</p> <p>Borrowing for which the costs are supported by the government or third party.</p> |
| <p>Temporary Borrowing:</p> <p>Borrowing to cover peaks and troughs of cash flow, not to fund capital spending.</p> |
| <p>Unsupported Borrowing:</p> <p>Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.</p> |

Yield:

The measure of the return on an investment.

**A large print version of this document is
available on request**



Rutland
County Council

Rutland County Council
Catmose, Oakham, Rutland LE15 6HP

01572 722 577
enquiries@rutland.gov.uk
www.rutland.gov.uk

Appendix 2

Capital Investment Strategy

| | |
|-------------------------|-------------------------------|
| Version & Policy Number | CIS 23/24 |
| Guardian | Andrew Merry, Head of Finance |
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1 OVERVIEW OF STRATEGY

1.1 Background

- 1.1.1 The Prudential Code plays a key role in capital finance in local authorities. Local authorities determine their own programmes for capital investment and the Prudential Code was developed by CIPFA 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 in England and Wales under Part 1 of the Local Government Act 2003.
- 1.1.2 The overall aim of the Council, with respect to capital expenditure and investment, is to achieve Council objectives and priorities whilst ensuring that capital plans are affordable, prudent and sustainable.

1.2 Aims and Principles

- 1.2.1 The Capital Investment Strategy (CIS) provides a framework that allows that objective to be achieved. It sets out:
- what is capital expenditure/investment and why we incur it (section 2);
 - the Council's overall capital objectives, priorities and plans (section 3);
 - how the Council's capital expenditure/investment will be funded/ resourced (section 4);
 - how the Council's capital expenditure/investment plans will be appraised (section 5) including the Council's Invest to Save Policy (Annexe A1);
 - how capital plans will be approved (section 6), monitored and reported upon (Section 7); and
 - the skills and knowledge required to deliver the capital plans (section 8).
- 1.2.2 The CIS should be read in conjunction with the Council's Treasury Management Strategy which covers the Council's treasury investment policy, debt and borrowing policies and MRP policy. The Council's debt and MRP policy are directly impacted by capital plans.
- 1.2.3 The key principles of the CIS are as follows:

| |
|--|
| Principle 1 – Focus capital investment on delivery of council objectives and priorities |
| We will do this by: |
| <ul style="list-style-type: none">• Being clear on objectives and priorities |
| <ul style="list-style-type: none">• Appraising all investments in the context of objectives/priorities |
| <ul style="list-style-type: none">• Ensuring decision-makers are clear on the positive contribution capital investment makes to objectives |

| |
|--|
| Principle 2 – Maximise and promote best use of available funds |
| We will do this by: |
| <ul style="list-style-type: none"> • Bidding for external funds where possible |
| <ul style="list-style-type: none"> • Taking advantage of increased freedom and flexibility afforded by the removal of ring fencing from funding allocations |
| <ul style="list-style-type: none"> • Generate funding, where possible, from the rationalisation of existing assets |
| Principle 3 – Ensure strong governance over decision-making |
| We will do this by: |
| <ul style="list-style-type: none"> • Ensuring that all projects have an officer and lead member sponsor |
| <ul style="list-style-type: none"> • Ensuring that proposals demonstrate that a rigorous process of options appraisal has been followed, requiring evidence of need, cost, risk, outcomes and methods of financing. |
| <ul style="list-style-type: none"> • Ensuring all decisions are approved in line with the Constitution and the CIS |
| Principle 4 – Ensure plans are affordable, prudent and sustainable |
| We will do this by: |
| <ul style="list-style-type: none"> • Ensuring capital investment decisions do not place additional pressure on Council Tax or our Medium-Term Financial Plan |
| <ul style="list-style-type: none"> • Promoting capital investment which allows either invest to save outcomes or generates a revenue and/or capital return |
| <ul style="list-style-type: none"> • Minimizing borrowing requirements by putting the first call on grants/internal resources |

2 CAPITAL EXPENDITURE AND INVESTMENT

2.1 Capital expenditure and investment

2.1.1 The Local Government Act 2003, which includes the legislation for the capital finance system, does not specify what precisely constitutes capital expenditure. Instead it:

- Refers to “expenditure of the authority which fails to be capitalised in accordance with proper practices”;
- Enables the Secretary of State to prescribe by regulation which local authority expenditure shall be treated as capital expenditure and which shall not be treated as capital expenditure; and
- Enables the Secretary of State to prescribe by regulation that the spending of a particular local authority shall, or shall not, be treated as capital expenditure.

2.1.2 We define capital expenditure/investment as “Expenditure on the acquisition, creation or enhancement of non-current assets”. Non-current assets include those items of land, property and plant/equipment which have a useful life of more than one year.

2.1.3 The Council has a de-minimis limit of £10,000 for expenditure to be considered for capitalisation. The following categories of expenditure will require capital resources to fund their purposes:

- The acquisition, reclamation, enhancement or laying out of land exclusive of roads, buildings or other structures;
- The acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures;
- The acquisition, installation or replacement of movable or immovable plant, machinery, apparatus, vehicles and vessels;
- The making of advances, grants or other financial assistance towards expenditure or on the acquisition of investments;
- The acquisition of share capital or loan capital;
- The issue of loan instruments in respect of which not all repayments by the authority are due within 1 year of issue;
- Works to increase substantially the thermal insulation of a building;
- Works to increase substantially the extent to which a building can be used by a disabled or elderly person; and
- The acquisition of computer software, plus the in-house preparation of it, provided that the intention is to use the software for at least 1 year.

2.1.4 The Council incurs capital expenditure for a number of reasons:

- to repair and maintain existing assets e.g. boiler at the Museum;
- to deliver on Council priorities e.g. Digital Rutland;
- to meet statutory requirements/service priorities e.g. issuing disabilities facilities grants so householders can adapt homes and “stay put”; and
- to avoid unnecessary revenue costs e.g. investment to reduce repairs.

2.1.5 The Councils’ capital expenditure plans are therefore all linked to the Corporate Strategy, priorities and service delivery aims.

3 THE COUNCIL’S CAPITAL PLANS

3.1 Key drivers

3.1.1 There are three key drivers of the Council’s capital plans:

- Corporate Strategy - strategic aims and priorities - and other supporting strategies
- Asset management requirements
- Invest to Save - an ambition to generate income or reduce costs in support of the Council's priorities.

3.1.2 The Council has agreed a new Corporate Strategy and is doing significant work in all of the above areas that may have a significant impact on future versions of the Capital Investment Strategy. The three priorities are expanded on below with a commentary on work in progress.

3.2 Aims and priorities

3.2.1 Rutland County Council has adopted a new Corporate Strategy which sets out our ambitions and priorities for the next five years (2022-2027). The Corporate Strategy guides everything we do as Council, across all our services. It lists a total of 25 commitments covering everything from sustainable development and carbon reduction, to reducing health inequalities and supporting vulnerable people.

3.2.2 In its Corporate Strategy, the vision for Rutland is "A county for everyone and a place to live your best life". This vision is supported by priorities:

3.2.3 The direction of travel and potential capital impact of the Council's key strategies are covered below:

| Area | Details | Impact on investment plans |
|---------|---|---|
| Leisure | <p>Council considering the future of leisure provision and exploring various options. The Council is tied into a long term lease at Catmose College that it will need to exit should Leisure provision not be affordable.</p> <p>Council retains long term aspirations for a new leisure facility if externally funding can be secured but for now this is not considered a capital priority.</p> | <p>No impact yet pending Council decision.</p> <p>Should Council retain assets then funding may be needed to meet any associated liabilities.</p> |
| Waste | <p>Council's Municipal Waste and Street Scene strategy aims to reduce waste and increase recycling rates in line with Government targets.</p> <p>The soft market testing for the Council's waste management contract highlighted the market preference for the Council to finance/provide fleet vehicles and the infrastructure to support delivery of the contract (depot and waste transfer station). The lack of waste infrastructure was identified</p> | <p>No impact on plans yet but outcome of the business case work could impact future plans.</p> |

| Area | Details | Impact on investment plans |
|-------------|--|--|
| | <p>as a key risk for bidders.</p> <p>The Council has commissioned a business case to address proposals to invest in Council owned waste infrastructure, namely depot, waste transfer station and Household Waste Recycling Centre.</p> <p>Following a decision to extend the current contract, the Council is also considering a detailed business case to consider ownership and fleet requirements for the re-procurement.</p> | |
| Local Plan | <p>The Council is developing a new Local Plan.</p> <p>The housing stock in Rutland is projected to grow by 789 new homes by 2026, with 1,333 planned to be built by 2031.</p> <p>Accompanying the Local Plan will be a new Infrastructure Development Plan (IDP). As the Council develops a new IDP, in the intervening period, the Executive has determined initial priorities for use of CIL/s106 and to meet infrastructure needs of housing growth. (Report 196/2022)</p> | <p>Priorities have been set out in the short term. As projects come forward they will be built into the capital programme.</p> |
| Health Plan | <p>Local health and care organisations have worked with the public to produce a new Health and Wellbeing Strategy for 2022-2027. The aim of Rutland's strategy is safe, healthy and caring communities where people start well and thrive together through their life.</p> <p>The overall population of Rutland is projected to grow by 5% to 42,277 by 2025 and by 14% to 45,886 by 2040, Based on the anticipated distribution of that growth, additional demand for health and care services is expected particularly in Oakham and Empingham, requiring capacity to be increased. This is deemed to be a priority for the Council.</p> | <p>Funds are available but no specific proposals have been made but discussions are ongoing.</p> |
| Transport | <p>Under the Local Transport Plan 4 "Moving Rutland Forward" which covers the period 2019 to 2036, the vision for Rutland's transport network is a transport network that supports: Sustainable Growth; Vulnerable</p> | <p>Short term transport projects built into plans.</p> |

| Area | Details | Impact on investment plans |
|----------------------------|---|---|
| | <p>Residents; and Health and Wellbeing.</p> <p>The issues of the transport network have been highlighted in the Future Rutland Conversation as a priority. The Council has also submitted a Bus Improvement Plan in a bid to secure some of the national funding available for bus improvements.</p> | |
| Education | <p>The Council has a duty to ensure that there are sufficient school places in their area. The school capacity survey (SCAP) is a statutory data collection that all local authorities must complete every year. The Council receives funding from Government to create school places where needed. The Council has a project with Catmose College to deliver 30 additional places through the development of an 8 Form Entry secondary school. Work is expected to be completed by the summer 2024.</p> | <p>There are no further projects in the pipeline.</p> |
| Highways | <p>Council's Highways Strategy focuses on maintaining its highway network to a high standard through the efficient use of available resources – ensuring the safety and quality of assets and following the County Council's environmental policies to meet Rutland's environmental needs and the challenge of climate change.</p> <p>Council receives highways grant funding which is fully invested to meet these aims.</p> | <p>Plans include full use of Highways funding to improve infrastructure assets.</p> |
| Prosperity Investment Plan | <p>We have identified key investment priorities for our County that will deliver impact for our residents and business and meet the objectives of the UK Shared Prosperity Fund:</p> <p>We have received over £1m of funding to go towards the following priorities:</p> <ul style="list-style-type: none"> • Funding for town centre improvements • Support for local arts, cultural, heritage and creative activities. • Support for active travel enhancements in the local area. | <p>Plans built into capital and revenue budgets</p> |

| Area | Details | Impact on investment plans |
|------------------|---|--|
| | <ul style="list-style-type: none"> • Funding for impactful volunteering and/or social action projects to develop social and human capital in local places. • Investment and support for digital infrastructure for local community facilities. | |
| Climate change | <p>A Climate Change Action Motion was presented to Full Council on 14 October 2019 with various measures put forward including a commitment to make sure the Council's activities achieve a net-zero carbon footprint before 2050.</p> <p>The Corporate Plan Strategy include an action to develop firm plans for the achievement of this commitment. Whilst this work has been deferred, Lincolnshire County Council led a bid for £935,355 for electric vehicle charging funding across a number of areas. The funding will in total see 322 standard and 27 rapid electric vehicle charging points across the Midlands. We await details about how the programme will be delivered and how many points will be created in Rutland.</p> | Externally funded programme is in the pipeline. |
| Levelling Up Bid | <p>The Council has submitted a Levelling Up Bid and awaits the outcome which is expected in early 2023. The bid focuses on:</p> <p>a) Food Innovation Showcase – Development of cattle market site for events infrastructure, food and drinks production units and supporting business support and tourism related activities by working with Melton Mowbray Market.</p> <p>b) Health and Digital Innovation Showcase – Development of a new digital innovation facility anchored around health at the Oakham Hospital Site supporting the creation of high growth digital businesses and extending into a new digital visitor experience showcasing the globally significant recent archaeological finds in Rutland.</p> | The Council may be required to provide match funding for any successful bid. |

| Area | Details | Impact on investment plans |
|------|--|----------------------------|
| | c) Mobility Showcase – Enhancing access, through the development of an e-enabled, community directed approach to demand focus travel, based on a Mobi-Hub , headquartered at the Oakham Hospital Site but providing links across the whole geography harnessing the economic potential of over 100,000 people. | |

3.3 Asset Management requirements

- 3.3.1 The Council owns a small amount of land and property assets that make an important and positive contribution to achieving corporate objectives. The quality, condition, suitability and sustainability of our operational assets have a direct bearing on the quality and deliverability of front line services. It is therefore extremely important that these assets continue to be managed in a proactive and efficient way.
- 3.3.2 As at 31st December, the Council had 110 property assets, with 72 of these relating to Public Open Space (32), Playing Fields (15), Other parcels of land (20) and Garage Sites (5). This leaves 38 assets that the Council uses for service delivery purposes.
- 3.3.3 The Council's aim is to manage the council's land and property assets effectively by providing:
- buildings that are fit for purpose, sustainable, providing access for all, meeting service needs and community expectations
 - assets that support economic and environmental regeneration of Rutland
 - real estate management, generating income, underpinning corporate priorities and delivering value for money.
- 3.3.4 The Council does have some assets that generate income and a positive return on the MTFP albeit none of these assets are run solely for commercial reasons.
- 3.3.5 In 2022/23 the Council completed a condition survey of the majority of properties which highlighted works required over the life of assets. For now, the capital programme includes emergency work required approved by Cabinet (Report 183/2022) in November valued at £565k.
- 3.3.6 The Council has also approved a Property Asset Strategy and guiding principles for the future management of the Council's assets. It includes the following aims:
- Manage property to support RCC objectives and priorities set out in the Corporate Plan;
 - Minimise the operation and long-term cost of the Council's estate;

- Provide Value for Money by using Council resources wisely and having the required information to make robust and informed decisions – developing a planned maintenance approach;
- Deliver and support services by providing assets fit for purpose and effective, modern ways of working;
- Consider the impact of sustainability in all decisions, making buildings as sustainable as possible and considering the impact of our carbon footprint;
- Take a dynamic approach to asset management including retention, repurposing and disposal;
- Work with Partners to maximise opportunities and consider the transfer of services/assets to Town and Parish Councils and others; and
- Implement a Corporate Landlord Model reduce running costs and maximise income.

3.4 Invest to Save

3.4.1 The Councils Financial Sustainability Strategy (158/2022) requires the Council to transform the way it works and its service offer. As part of this, the Council “will borrow to capital invest (and reduce revenue costs)”. The Councils Invest to Save Policy (Annex A1) sets out how any proposals will be assessed.

3.4.2 The key elements of this Policy mean:

- Investments proposed where financial return is one of the key drivers but not the only one (i.e. other priorities exist) will be made and appraised under this Policy and can be funded from borrowing. This will allow risks to be identified, assessed and minimised as far as possible;
- Investments where financial return is not a priority will be assessed in line with existing Financial Procedure Rules where value for money is a key consideration.

3.5 Longer Term Capital Programme

3.5.1 The current capital programme, which is presented as part of the budget setting report to Council in February only looks at agreed projects. The Capital Strategy guidance issued by CIPFA in May 2021 states that capital planning should be thought about in a structured way – and that a longer-term capital strategy is required to enable Councils to take a longer-term approach to capital investment planning. The guidance suggests a capital investment plan that spans 10 years

3.5.2 The Indicative Capital Allocations Report (197/2022) sets out the Capital funds currently held by the Council and proposed indicative priorities over the five priorities set out in the Councils Corporate Strategy, these include

a) Priority One: A Special Place: Total £3.981m

- Investment in Highways, Heritage and Culture and the County's public spaces to improve the cultural offer, attractiveness, accessibility, and safety within the market towns and villages.
- It is proposed that a community grants scheme is established to promote and support the vibrancy of the County's communities. The community grants scheme will be the subject of a future report to Cabinet.

b) Priority Two: Sustainable Lives: Total £3.045m

- Investment in the County's waste and recycling services to secure long-term resilience and value for money.
- It is also proposed to invest in the redesign of a sustainable and integrated public transport network that supports the implementation of the approved Bus Service Improvement Plan, increases bus usage, and reduces the County's carbon footprint.

c) Priority Three: Healthy and Well: Total £1.797m

- Investment in improvements and increased health provision that meets the needs of all the County's residents. This investment must increase provision and not just upgrade or maintain existing provision.
- Use of ring-fenced adult social care capital funds to support the care and independence of the County's residents.

d) Priority Four: A County for Everyone: Total £1.730m

- Investment in the provision of services for early years, children, and young people and promoting the delivery of affordable housing within the County.
- It is also proposed to work with Police and Fire and Rescue services to invest in ensuring Rutland remains safe and welcoming.

e) Priority Five: A Modern and Effective Council: Total £2,249m

- Investment in optimising the use of assets to provide value for money and support future service delivery and the County's strategic priorities. The report to November cabinet on the high-level asset strategy will inform investment priorities and requirements for the Council's estate.

3.5.3 The Council will build on this work and be in a position to develop a longer term investment programme covering say the next 10 years aligned with its work on a new Local Plan.

4 RESOURCING STRATEGY

4.1 Financial context

4.1.1 Whilst the aims and priorities of the Council will shape decisions around capital expenditure, there is recognition that the financial resources available to meet priorities are constrained in the current economic and political climate. The context

for capital expenditure decisions is as follows:

- The Council does have capital resources and expects to receive more resources in the future (from Government, existing s106 agreements and CIL);
- The Council has limited capital assets which it could sell and use receipts to reinvest;
- The Council expects housing growth and this growth will yield CIL which can be used to invest in infrastructure;
- The Council is currently servicing debt of c£22m which has to be repaid in the future; and
- The Council's MTFP shows a funding gap for 2023/24 and continues to grow beyond. At present, the Council is working to close the gap. Any additional capital expenditure which is not funded through capital resources will increase this gap unless that expenditure delivers revenue savings or income.

4.1.2 In light of the above context, it is imperative that capital expenditure plans are affordable, prudent and sustainable. Given the Council's MTFP position, the Council's aim is to minimise any impact on the Council's General Fund. Typically, the most expensive option for financing capital expenditure is externally borrowing so the Council will do what it can to avoid that unless that borrowing yields income or deliver savings beyond the cost of borrowing. This is a key objective for the Council.

4.2 Available resources

4.2.1 There are a range of potential funding sources which can be generated locally either by the Council itself or in partnership with others. The Council continues to seek new levels of external investment to match against its capital programme, this may be additional capital receipts from asset sales or contributions from other external bodies.

4.2.2 The Council currently holds a number of resources that are not allocated to a capital project and also expects to receive other resources over the next 5 years.

4.2.3 The Council has a number of options currently available for funding capital projects, including;

- **Government Grants** - Capital resources from Central Government can be split into two categories:
 - a) Non-ring fenced – resources which are delivered through grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose). This now encompasses the vast majority of Government funding and the Council will initially allocate these resources to a general pool from which prioritised schemes can be financed.

- b) **Ring-fenced** – resources which are ring-fenced to particular areas and therefore have restricted uses.
- **Non-Government Contributions** - Where there is a requirement to make an application to an external agency to receive external funding, which could also commit Council resources as matched funding to any bid for external resources.
- **Prudential Borrowing** - Councils can borrow money to pay for capital assets. This can take the form of the Council running down its own cash balances or undertaking a loan from another organisation such as Public Works Loan Board (PWLb) but there may be restrictions imposed by the Treasury on what loans can be used for.
- **Capital Receipts** – Capital receipts come from the sale of the Council's assets. Where the sale of an asset leads to the requirement to repay grant, the capital receipt will be utilised for this purpose. Once this liability has been established and provided for, capital receipts will be available to support the capital programme as a corporate resource. Where the asset has been funded from prudential borrowing a review will be undertaken to determine whether the most cost effective option is to utilise the receipt to repay debt, considering the balance sheet position of the authority.
- **Revenue Contributions** - Councils are free to make a contribution from their revenue budget to fund capital schemes - this is known as direct revenue financing. There are no limits on this. Funding from revenue means the Council gets a one-off revenue "hit" to the value of the contribution / asset.
- **Section 106 / Community Infrastructure Levy (CIL)** – Use of section 106 / CIL funds from planning developments can be used for capital or revenue. As the purpose of these receipts is to invest in infrastructure to support development then they tend to be used for capital purposes.
- **Oakham North agreement** – The Council has an agreement with a developer in lieu of receiving S106/CIL. This funding can be used for capital or revenue but has been earmarked for capital purposes.

4.3 Existing and indicative capital investment plans and funding

- 4.3.1 The Council's capital expenditure plans can be found in the Revenue and Capital Budget 2023/24 and Medium Term Financial Plan (02/2023). Plans include already approved projects or recurring projects such as investment in highways, disabled facilities grants etc.

5 CAPITAL INVESTMENT APPRAISAL

5.1 Types of capital investment

- 5.1.1 The definition of an **investment** covers all of the financial assets of a local authority as well as other non-financial assets that the organisation holds. This Strategy deals with non-financial assets only. Financial asset investments are covered in the Treasury Management Strategy.

- 5.1.2 There are various different types of non-financial investments. The Council has categorised them, in line with CIPFA guidance, as follows:

| Type | Example(s) | How we will appraise |
|--|---|--|
| Commercial investments project where the primary objective is to “make a financial surplus for the organisation” and where capital expenditure would meet the test of an “investment asset” | Buying a hotel Buying a rental property | The Council will not undertake this type of investment in light of latest CIPFA guidance. |
| Service investments – financial are those made clearly and explicitly in the course of the provision, and for the purposes, of operational services but where financial return is a key priority. | Development of business park within County Provision of office space for start-up businesses within County Building new Leisure provision | Invest to Save Policy (Annexe A1) |
| Pure service investments are those made clearly and explicitly in the course of the provision, and for the purposes, of operational services. | Moving out of Council office to another site Expanding an existing school Giving disabled facilities grant so people can “stay put” Repair and maintenance of assets | Capital programme pro-forma as required by Financial Procedure Rules (para 5.6) so that VFM can be assessed. |

5.2 Capital funding prioritisation

- 5.2.1 Potential proposals for new council investment will inevitably exceed the resources available, therefore choice and priority setting should form an important part of the Council’s capital appraisal process, ensuring that best choices in line with the Council priorities are made and value for money is achieved.
- 5.2.2 The Council does not currently have a prioritisation appraisal process linked to its capital expenditure plans, but will aim to implement this alongside the 10 year investment programme (section 3.5)
- 5.2.3 Broadly the Council will aim to adopt the principle in the CIPFA capital strategy guide on intended benefits, outputs and outcomes to develop a weighted score for

each project for instance:

- **Benefits** – these can be financial and non-financial: a programme or individual project could result in net savings, an increase in your funding stream, an increase in your income stream, a reduction in CO2 emissions or other such benefits.
- **Outputs** – a programme or individual project could result in an increase in new business start-ups, new houses, an additional rail network, and additional personal equipment for frontline staff, digital technology or other such outputs.
- **Outcomes** – a programme or individual project could result in jobs created or safeguarded for your area, a contribution to your housing target, improved connectivity, a refurbished asset for community use or other such outcomes.

6 GOVERNANCE AND DECISION-MAKING

6.1 Strategy

- 6.1.1 The Prudential Code sets out a clear governance procedure for the setting and revising of a capital strategy and prudential indicators i.e. this should be done by the same body that takes the decisions for the local authority's budget – i.e. Full Council.
- 6.1.2 The Chief Finance Officer is responsible for ensuring that all matters required to be taken into account are reported to Full Council for consideration.
- 6.1.3 Progress against delivery of the Capital Strategy/Programme will be reported periodically in Finance Reports to Cabinet.

6.2 Capital expenditure/investment decisions

- 6.2.1 The Prudential Code states that decisions around capital expenditure, investment and borrowing should align with the processes established for the setting and revising of the budget.
- 6.2.2 The Financial Procedure Rules (FPR) set out clear procedures for the approval of capital expenditure, including:
 - approval of the capital programme – Full Council (FPRs para 5.5)
 - additions/changes to the capital programme – Cabinet/Council (FPRs para 5.7)
 - borrowing – Full Council (FPRs 5.5 – 5.7) with borrowing sourced by Chief Finance Officer.
- 6.2.3 The Council have the following delegations in place for approving capital investment:
 - Report 191/2016 - Cabinet agreed that authority be delegated to the Chief Executive and relevant Portfolio Holder to add small schemes (less than £50k) to the capital programme on the condition that all decisions are

reported in the Quarterly Finance Report (Report No. 191/2016, Appendix A, para 2.4.4).

- Report 95/2020 - Cabinet agreed that the Strategic Director of Place in consultation with the Section 151 Officer and Director of Legal and Governance, and the Portfolio Holders for Planning and Resources be able to make decisions relating to the expenditure of Section 106 monies up to a value of £500,000 to deliver infrastructure and community facilities in accordance with the provisions of each individual obligation (Approved by Cabinet 31st July 2020, Report No 95/2020)
- Report 25/2021 - Delegate authority to the Strategic Director for Places in consultation with the Portfolio Holder for Culture and Leisure, Environment, Highways & Transportation & Road Safety to: Approve the design, construction/ implementation and spend of/ on ITCP schemes with a value between £10,001 and £200,000.
- Report 111/2017 – Cabinet authorised the Director for Resources to allocate the IT capital allocation of £150k.

6.2.4 Part 8 of the Constitution - Financial Procedure Rules - Council/Cabinet determine how capital projects will be funded on advice from the Chief Finance Officer. There may be exceptional circumstances whereby it is financially beneficial to the Medium Term Financial Plan and thereby the Revenue Account to change how projects are funded (e.g. to avoid borrowing costs) if the financial context has altered when preparing the outturn. The Chief Finance Officer in preparing the outturn will seek approval of any changes from Cabinet or Council if changes involve using new funds are not listed in the original programme.

6.2.5 In approving projects, Cabinet/Council may establish a vehicle (working group, panel, or board etc) to oversee the allocation of funds or completion of projects (e.g. an amount set aside for Sports grants could be allocated by a working group with delegated authority). In taking this decision, Members can consider risks and any other relevant factors.

6.2.6 The programme of meeting sets out the dates of Cabinet and Council meetings. Should the Council require decisions to be made quickly to respond to opportunities then the Constitution includes provision for emergency meetings.

7 PERFORMANCE MONITORING AND INDICATORS

7.1 Prudential Code requirements

7.1.1 The Prudential Code requires Councils to think about six things when it agrees its capital programme:

- Service objectives – are spending plans consistent with our aims and plans?
- Stewardship of assets – is capital investment being made on new assets at the cost of maintaining existing assets?
- Value for money – do benefits outweigh the cost?

- Prudence and sustainability – can the Council afford the borrowing now and in the future?
- Affordability – what are the implications for council tax?
- Practicality – can the Council deliver the programme?

7.1.2 Councils need to prove that they are complying with the Code and this is done through a series of prudential indicators that are set locally and approved at the same time the Council sets its budget for the following year.

7.1.3 These indicators are included in the Treasury Management Strategy but are based on the capital plans derived in accordance with this Strategy.

7.2 Commercial Investment portfolio

7.2.1 The Code of practice states that Indicators must be used for the commercial investment portfolio. The Councils policy is not to invest in this type of investment so no indicators will be produced in relation to these.

8 SKILLS AND KNOWLEDGE

8.1 In-house resources

8.1.1 The successful implementation of the Capital Investment Strategy necessitates the availability of people with the necessary experience of:

- developing capital projects;
- acquiring and selling properties;
- commissioning partners to deliver the capital programme;
- managing properties as a landlord; and
- sourcing suitable opportunities that match the criteria set under the adopted strategy.

8.1.2 The Council currently has in place a team in the Places Directorate which manages the current operational and non-operational asset portfolio.

8.2 Externally available resources

8.2.1 The Council also makes use of external advice in developing projects or undertaking due diligence including external valuers, property condition experts, market appraisers etc. Other advice will be commissioned as and when required.

8.3 Members

8.3.1 Members are familiar with the budget process and approve the Treasury Management Strategy and Budget. Any additional training requirements will be discussed with the Scrutiny Commission.

ANNEX A1 – INVEST TO SAVE POLICY

1 BACKGROUND

- 1.1 The core function of the Council is to deliver statutory and other services to local residents. Reductions in government funding and reduced investment income from traditional Treasury Management investments, as detailed in the Medium Term Financial Plan (MTFP), reinforce the need for the Council to make better use of its available assets (land/property/cash) to reduce future capital and revenue costs.
- 1.2 This can be achieved from investing in capital assets (property or other assets) with a view to achieving a strategic objective or priority whilst generating revenue income and reducing future revenue or capital costs thereby reducing net costs or avoiding costs in the MTFP.
- 1.3 Under this policy, the Council may:
- develop/invest in existing facilities for disposal or reuse;
 - build or develop its own facilities (e.g. care homes) rather than use those of external providers; and
 - undertake any other investments for which it has legal powers as long as any investment has a beneficial impact on the Medium Term Financial Plan and is not solely for Financial Return.
- 1.4 Under this policy, the Council **cannot** consider commercial investments where the primary or sole intention is to make a “financial return”. CIPFA has continuously warned authorities against purely commercial investments. CIPFA has advised that a policy on non-treasury investments should be put in place that sets out a framework for investments and commercial activities. This policy meets this requirement.
- 1.5 Investments made in **financial assets** i.e. property funds, share capital, fixed term deposit, government bonds are classified as treasury investments and are not covered as part of this policy.
- 1.6 As set out in Section 5 **Pure Service investments** are defined as those made clearly and explicitly in the course of the provision, and for the purposes, of operational services do not fall under this policy. These investments tend to share at least one of the following conditions:
- Those made where the Council has a statutory obligation (e.g. Highways) unless the goes beyond a statutory requirement;
 - Where the Council is ring fenced funding in line with the terms of conditions;
 - Where a positive financial return is not a requirement but value for money is still a key consideration.

2 OBJECTIVES

2.1 CIPFA recommends that the security and liquidity of investments should take priority over yield (i.e. savings or income returns). This is reflected in policy objectives below and will be reflected in the Council's Invest to Save approach. The Council's objectives are to:

- make investments that are consistent with the Council's strategic aims and priorities;
- maximise return whilst minimising risk through prudential management processes as described in this document;
- prioritise investments that yield optimal revenue streams and stable income or reduce ongoing revenue and/or capital costs to reduce the Council's financial gap;
- protect any capital invested;
- ensure any investment is prudent and in proportion to the size of the Council.

3 FUNDING

3.1 No funding has been set aside for investments of this type.

3.2 The Council has access to various funding sources – government grants, CIL, s106, capital receipts, revenue and borrowing.

3.3 Funding sources (other than borrowing) may carry restrictions or conditions that would have to be considered as part of any decision-making.

3.4 The Council's borrowing strategy (approved as part of the Treasury management strategy) allows the Council "to borrow to fund a scheme that will reduce the Council's ongoing revenue costs in future years or avoid increased costs in future years". The Council is not permitted to borrow to fund investments made for commercial returns only.

3.5 While borrowing, say from PWLB is relatively low cost, it should be noted that investments funded through external borrowing will incur a greater cost than using other funding and this will need to be considered as part of the benefit calculation.

EXAMPLE OF INVEST TO SAVE PROJECT (WITH AND WITHOUT BORROWING)

3.6 With a £2m investment, the Council may aim to surpass the rate of interest currently achieved on its cash balances and generate net income which will contribute towards the MTFP gap and help the Council sustain the current level of service delivery (Indicative figures used in table below). The example shows that external borrowing is more costly and gives lower returns.

| | Funded by borrowing | Non borrowing |
|--|----------------------------|----------------------|
| Investment | £2,000,000 | £2,000,000 |
| Interest costs/interest foregone | £60,000 | £20,000 |
| Minimum Revenue Provision (MRP) – 20 years | £100,000 | £0 |
| Revenue cost savings pa | £190,000 | £190,000 |
| Net MTFP benefit | £30,000 (1.5%) | £170,000 (8.5%) |
| Payback | 66.6 years | 11.4 years |

4 APPROACH/SCOPE

- 4.1 The Council's policy reflects a suitable balance between the risks inherent in the types of assets to be acquired/developed or projects to be undertaken and the financial rewards obtainable from those investments, limiting such risks appropriately.
- 4.2 Each project falling within the scope of this policy will be subject to a business case driven by a risk assessment tool (this is detailed in Annexe A3) which aims to ensure only viable projects are taken forward.
- 4.3 The key aspects of the Council's approach will be as follows:
- Projects to be appraised in line with criteria set out in Section 6;
 - Capital investments to be approved in line with arrangements set out in Section 7;
 - There will be no limits on any particular investment. Any project taken forward will follow the appropriate governance approval process.
 - Legal basis of all investments to be verified as part of the approval process as per Section 5.
 - In assessing the merits of an investment, Officers will specifically exclude investments that involve the following activities:
 - a) Animal exploitation
 - b) Armaments and nuclear weapons production or sale
 - c) Environmentally damaging practices

d) Gambling

e) Human Rights Abuse / Oppressive regimes

5 LEGAL

5.1 As part of the evaluation of any potential capital investment, Officers must understand and present the legal basis for decisions prior to approval. As the Council's policy only allows capital investment to further the achievement of strategic objectives and priorities then legal issues are considered to be inherently low risk.

5.2 In applying this policy, the Council is relying on the following legal powers:

- Section 120 of the Local Government Act 1972 gives councils the power to acquire property by agreement for the purpose of any of its functions or for the benefit, improvement or development of the area.
- Section 1 of the Localism Act 2011, known as the general power of competence, enables a local authority to do anything that an individual generally may do (subject to prohibitions, restrictions, and limitations in existing statute which are not applicable in the circumstances set out in the report). Further, that power enables the authority to do it anywhere in the United Kingdom or elsewhere, for a commercial purpose or otherwise for a charge, or without charge, and to do it for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.

6 APPRAISING POTENTIAL INVESTMENTS - CRITERIA AND MINIMUM REQUIREMENTS (BUSINESS CASE AND RISK ASSESSMENT)

6.1 An investment appraisal tool has been developed to facilitate an assessment of potential investments and derive a financial business case and risk assessment. The tool has been developed to support the appraisal of any project put forward.

6.2 Investments must generally pass three tests which are inextricably linked:

6.3 **Yield test** - Investments must demonstrate the best use of Council money: this is to be measured typically by generating a suitable rate of return (net savings/income) of at least the Bank of England base rate i.e. yield should exceed the comparable investment returns available on cash deposits.

6.4 The rate of return takes into account the gross yield/revenue/savings generated/costs avoided and deducts relevant costs (including capital financing and borrowing costs) to arrive at net income/savings.

6.5 Whilst rate of return is the primary assessment measure for yield, other factors that will be considered include:

- Payback - the period over which the initial outlay will be recouped. The shorter the payback the more attractive the investment.

- Expected date of positive net return - whilst an investment can have a rate of return over the life of an asset, it may not yield a positive net return in the early years. Given the MTFP objectives of reducing net costs, it is desirable for investments to generate a “surplus” sooner rather than later

6.6 Risk test – investments must not expose the Council to an inappropriate level of risk and in particular the security and liquidity risks must be adequately managed as a priority.

6.6.1 Asset/property related investments invariably carry risks that treasury investments do not in relation to the property itself or the economy (e.g. risk that the Council will not get its investment back, that the rate of return is not guaranteed, that the Council will be faced with unknown costs and that asset values will decrease rather than increase).

6.6.2 The typical risks are shown in Annexe A2 with a description of how they are assessed through the investment tool. The assessment tool does have a pass/fail. Any investment has got to exceed the rate of return achievable by standard treasury investment. A summary version of the investment appraisal tool is included in Annexe A2.

6.7 Proportionality Test – There are two main aspects to proportionality.

- The extent of the impact to the Council revenue budget.
- The proportion of capital investment allocated to invest to save projects.

6.7.1 Proportionality for the revenue budget will depend on the risk the Council is exposed to. Careful analysis will be required of the maximum amount that the revenue budget could reasonably absorb and what the level of risk is above this. This involves assessing the key risks associated with an investment, working out the potential loss value and probability of occurrence and then setting aside a reserve to cover such losses. This would need to be regularly reviewed to ensure the reserve is still valid e.g. a change in economic position may impact the probability of high vacancy rates. Examples of the types of tests that can show how proportionality can be managed are shown below.

| | Property A - Purchased for £3.5m – Economic Development | | | | | | | | |
|-------------------------------|--|------------|-------------|-----------------------------------|------------|------------|-------------------|------------|------------------|
| Loss Event | High Vacancy Rate | | | Decrease in Property Value | | | Impairment | | |
| | 25% | 50% | 100% | 10% | 20% | 30% | £250k | £1m | Full Loss |
| Projected Loss (a) | £104k | £209k | £467k | £350k | £700k | £1,050k | £250k | £1,000k | £3,500k |
| Probability of Occurrence (b) | 40% | 10% | 1% | 10% | 5% | 1% | 10% | 0.5% | 0.25% |

| | | | | | | | | | |
|-------------------------------|-------|------|-----|------|------|------|------|-----|-----|
| Loss a x b | £42k | £21k | £5k | £35k | £35k | £11k | £25k | £5k | £9k |
| Weighted Average Loss | £188k | | | | | | | | |
| Assumed Reserve Level created | £100k | | | | | | | | |
| Impact to General Fund | £88k | | | | | | | | |

| New Leisure Centre - Purchased for £10m | | | | | | | | | |
|---|-----------------|-------|-------|----------------------------|---------|---------|------------|---------|-----------|
| Loss Event | Service Support | | | Decrease in Property Value | | | Impairment | | |
| | £50k | £100k | £150k | 10% | 20% | 30% | £250k | £1m | Full Loss |
| Projected Loss (a) | £50k | £100k | £150k | £1,000k | £2,000k | £3,000k | £250k | £1,000k | £10,000k |
| Probability of Occurrence (b) | 20% | 10% | 1% | 10% | 5% | 1% | 10% | 0.5% | 0.25% |
| Loss a x b | £10k | £10k | £2k | £100k | £100k | £30k | £25k | £5k | £25k |
| Weighted Average Loss | £307k | | | | | | | | |
| Assumed Reserve Level created | £150k | | | | | | | | |
| Impact to General Fund | £157k | | | | | | | | |

- 6.8 The above test(s) would show that the Council would have insufficient reserves to cover the weighted average loss. To mitigate this the Council should set a reserve level consistent and proportionate to the investment, in the case(s) above £188k and £307k.
- 6.9 Creating a proportionate reserve level would give the Council sufficient coverage to determine the best course of action for each asset should a loss event occur.

7 GOVERNANCE

- 7.1 Full Council agrees the Capital Investment Strategy including this Invest to Save Policy.

8 STAFFING

- 8.1 The successful implementation of any invest to save project will largely be reliant on the availability of people with the necessary experience of delivering capital projects and managing opportunities in order to source suitable opportunities that match the criteria set under the policy.
- 8.2 The Council will also make use of external advice e.g. external valuers, property condition experts, system/technology experts etc. Other advice will be commissioned as and when required.

9 PERFORMANCE INDICATORS

- 9.1 Both non-financial and financial investments performance indicators are shown as part of Treasury Management Strategy. Any investment which is based on income generation will also be subject to additional indicators These include:
- net yield (£ and %)
 - capital value (e.g. fair value) and liquidity assessment
 - expected v actual payback
 - risk assessment
- 9.2 Ongoing review will consider any measures required to improve performance and to protect/enhance existing assets.

ANNEX A2 - TYPICAL INVESTMENT RISKS AND HOW THEY CAN BE MITIGATED

Example risks generated revolve around expansion of property portfolio and developing own facilities.

| Risk | How addressed through risk assessment | Details |
|---|---|--|
| Council purchases or develops property that cannot be leased | Security of Income | Council will aim to buy tenanted properties or will require a pre-let agreement in the event that it develops properties for let |
| Council develops its own provision e.g. leisure centre and income are not maintained or costs escalate. | Security of Income | Council will factor any risks associated with income or expenditure assumptions into the risk assessment. The extent of the risk may dictate the rate of return required i.e. a small surplus and hence rate of return on running a leisure centre may not give sufficient headroom to counter rising costs or falling income. |
| Council develops its own provision for which the need may not be guaranteed e.g. care provision | Security of Income / Security of Capital | Council will factor any risks associated with income or expenditure assumptions into the risk assessment. |
| Council purchases a tenanted property but tenant leaves | Security of Income / Location and Sector / The Property | Council will undertake due diligence around tenants. It will also try and acquire properties that are flexible (i.e. not bespoke) and in locations where there is demand |
| Tenants default on payments | Security of Income | Provisions built into leases (as with OEP) to provide protection Rent deposits considered as appropriate. Parent company guarantees may also be sought if applicable. |
| Rental income dips in light of market conditions | Security of Capital | For tenanted properties, Council will review lease length, rent review clauses etc to understand what protection is built in. For new developments or new lets, financial assessment to reflect the risk of lower rents |
| Value of capital investment reduces because of market conditions (covers all assets not just Property) | Location and Sector / Security of Capital | Council is not exempt from the impact of the wider economy but a) will commission market appraisal information b) will consider the location and sector and |

| Risk | How addressed through risk assessment | Details |
|--|---------------------------------------|--|
| | | <p>c) aims to hold assets for the long term so that it can “ride” out short term market impacts (solely property)</p> <p>d) for IT and other investment ensures payback before obsolescence</p> |
| Council purchases property requiring substantial repairs and maintenance | Property Risk | <p>Property condition survey undertaken by qualified surveyors as part of due diligence and costs can be factored into financial assessment.</p> <p>Council will seek to agree a Full Repairing and Insuring (FRI) lease where appropriate - a lease which imposes full repairing and insuring obligations on the tenant, relieving the landlord from all liability for the cost of insurance and repairs.</p> |

ANNEX A3 - FINANCIAL AND RISK ASSESSMENT

The example below is based on a new build Leisure Centre - where the investment required from RCC is £2.5m of the total build cost of £10m

| Criteria | Metrics | Detail | Value |
|--|---------------------------|---|--------|
| Measurement of Investment Performance | Cost of Investment | Capital cost of investment (initial outlay and any further outlay required) | £10m |
| | External Funding | Amount of External Funding Available | £7.5m |
| | RCC Investment | Amount of Investment Required by RCC | £2.5m |
| | Gross Yield | Average income per annum | £0.1m |
| | Costs | Average running costs including capital financing costs per annum | £0.05m |
| | Proportionality | Consideration is given to the size of the investment and the potential risk and impact to the Council, with a test similar to that in 6.9 undertaken. | Yes |
| | Savings | Annual savings generated through investment (savings may be cost already in MTFP or not included e.g. investment necessary to avoid cost) | N/A |

| | | |
|------------------------|--|---------------|
| Year in surplus | Year by which the investment will yield a positive MTFP impact i.e. a surplus | 1 |
| Payback period | Year by which any capital outlay will be recouped | 50 |
| Net yield | Average net income/saving per annum | £0.05m |
| | Rate of Return Total Investment % | 0.5% |
| | Rate of Return RCC Investment | 2.0% |
| | Pass or Fail? (Has got to beat rate of return achievable by standard treasury investment) currently assumed to be 4% | Fail |

| Risk Category and weighting | Description | Investment Risk Indicators | | Leisure Centre Assessment (1 – high risk, 5 low risk) |
|--|---|-----------------------------------|---|--|
| Security of Income / Saving 40% | The income (or revenue savings) which are likely to be generated by the investment is the most important element. The security of the income will be governed by lots of factors. | High Risk | No existing tenant or income source, savings not secured, no obvious market or demand, high turnover or tenant, lease lengths likely to be short, sector has high levels of uncertainty | Score: 1 The leisure market is unstable and income levels are demand led and can be variable. In a small community, there is no guarantee around income levels. |
| | | Low Risk | Savings guaranteed and quantifiable, Secured tenants, high demand | |
| Location of sector 10% | The investment should be in an area/sector which is economically buoyant and has the potential for sustainable financial and economic growth. | High Risk | Undesirable area with limited growth potential, niche sector | Score: 1 Leisure Market is unstable |
| | | Low Risk | Economically buoyant area and sector | |
| The Property / Asset 20% | The age and construction of investment should be considered including the potential for alternative use, obsolescence, requirement for repairs / improvements. | High Risk | Old building, high risk of repairs, high potential for obsolescence, inefficient and high cost, not adaptable for alternative use if needed | Score: 5 New build so low risk, repair cost should be low. |
| | | Low Risk | New or modern building, low maintenance, well designed, flexible use for alternative uses | |
| Security of Capital | An assessment should be made on the security of capital and the | High Risk | Value of Property / investment is likely to decrease | Score: 3 Land value in Rutland likely to rise. This has not scored higher |

| Risk Category and weighting | Description | Investment Risk Indicators | | Leisure Centre Assessment (1 – high risk, 5 low risk) |
|--|---|----------------------------|--|--|
| | | Low Risk | Value of Property / investment is likely to increase | due to the specialist nature of the building which means it is not multi-purpose use. |
| /Scope for capital appreciation 10% | scope for capital appreciation in respect of the investment. | | | |
| Other Benefits 20% | There may be other non-benefits, regeneration, environmental, job creation, business rates, place shaping, diversity of offer, social value etc | High Risk | No other benefits | Score: 4 Social value around public health and improving health of the wider community. |
| | | Low Risk | Other benefits exist | |

The example above has been scored and the table below summarises the score. For the theoretical example above, the leisure centre failed the financial assessment and risk assessment. Based on the assessment tool the investment would not qualify for investment under the Invest to Save policy.

| Risk | Weighting % | Score | Weighted Score |
|---------------------------|-------------|-----------|----------------|
| Security of Income/Saving | 40 | 1 | 0.4 |
| Location & Sector | 10 | 1 | 0.1 |
| The Asset | 20 | 5 | 1.0 |
| Security | 10 | 3 | 0.3 |
| Other Benefits | 20 | 3 | 0.6 |
| Total | 100 | 13 | 2.4 |
| Weighted Score Pass | | | 2.5 |
| Pass/Fail | | | Fail |

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on request**



Rutland County Council
Catmose, Oakham, Rutland LE15 6HP

01572 722 577
enquiries@rutland.gov.uk
www.rutland.gov.uk

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Report No: 22/2023
PUBLIC REPORT

STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

DRAFT REVENUE AND CAPITAL BUDGET 23/24

**Report of the Portfolio Holder for Finance, Governance and Performance,
Change and Transformation**

| | | |
|--------------------------------|---|--|
| Strategic Aim: | All | |
| Key Decision: No | Forward Plan Reference: FP/140422 | |
| Exempt Information | No | |
| Cabinet Member(s) Responsible: | Councillor K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation | |
| Contact Officer(s): | Saverio Della Rocca, Strategic Director for Resources (s.151 Officer) | 01572 758159 sdrocca@rutland.gov.uk |
| | Andrew Merry, Finance Manager | 01572 758152 amerry@rutland.gov.uk |
| Ward Councillors | N/A | |

DECISION RECOMMENDATIONS

That the Committee:

1. Approves the draft budget for consultation, including

- the General Fund Budget (Net Expenditure) for 2023/24 of £46.549m (section 9)
- budget reductions at service level (service savings, reversal of National Insurance rise and use of earmarked reserves) of £1.735m (Section 9.3) and corporate budget reductions of £1.889m as per section 9.3
- budget increases to meet service pressures of £5.401m arising from the inflation, cost of living and demand (Section 9.3) and a pay contingency of £743k
- the use of £589k of reserves to subsidise the main budget (Section 9) plus £900k set aside from general reserves to fund the Local Plan, Leisure and High Needs deficit (Section 7.1.4)
- an increase in Council Tax of 4.99% including 2% for the Adult Social Care precept resulting in a Band D charge of £2,013.04 (Section 8)
- the approach to consultation set out in Section 13
- additions/deletions to the capital programme as per Section 10

- changes to earmarked reserves as per Section 7

2. Notes that:

- assuming the draft budget is approved, Council tax rises of 4.99% continue to be applied and the Council delivers extra savings of £4m by 27/28, the Council's financial gap will still be £147k (Section 4.1.4);
- the funding position for 2023/2024 may change when the NNDR (business rates) tax base and local government finance settlement is finalised;
- that additional revenue or capital expenditure may be incurred in 2023/24 funded through 2022/23 budget under spends to be carried forward via earmarked reserves. The use of reserves for budget carry forwards is not currently shown in the budget but will have no impact on the General Fund
- the estimated surplus of £38k on the Collection Fund as at 31 March 2023 (Section 8.3) of which £33k is the Rutland share
- that Council will be considering the Treasury Management Strategy and Capital Investment Strategy separately (Section 11)
- the position on the Dedicated Schools Grant budget (Section 12)

1 PURPOSE OF THE REPORT

- 1.1 The Council is required to set a balanced budget and agree the level of Council tax for 2023/24 in the context of its Medium Term Financial Plan. This report presents the draft budget for consultation. The final budget will be approved at Full Council in late February.

2 MESSAGE FROM THE LEADER OF THE COUNCIL

We set our budget at a time of global financial crisis. As our County, our Country, our World recovers slowly from the toll taken by the pandemic, (the impacts marked by globally high inflation rates, challenges with supply chains, high costs), war in Europe once more has created shock waves that are felt by us all. In short, everything is costing more from the diesel required to fuel our bin lorries collecting our rubbish, to the delivery of services that protect our most vulnerable residents. Costs will continue to escalate. You will recognise this position with your own finances.

This is why it is essential there is a 2.99% increase in Council Tax and 2% increase in the Adult Social Care levy, noting that inflation at time of writing sits at just under 10%. This rise is not sufficient to balance the books which is why we will be using the reserves we have prudently built up for a rainy day. The rainy day is here. We are in stronger position than other authorities to manage the financial challenges we face because we have reserves and, most importantly, we have a pragmatic plan to manage the challenges we face to ensure this Council is financially sustainable.

We know our services are incredibly important to our residents, whether this is the universal services such as bin collections, road maintenance or targeted services for our most vulnerable residents who need the support and help of

our council. We know that demand for our services continues to rise, Adult Social Care just one key service to hence the 2% levy. We know the taxation system is profoundly unfair for Rutland residents. We deal with the here and now.

This budget takes an honest approach to deliver well within our means whilst ensuring we are financially sustainable in the future. It is important to underscore the fact that even with a 4.9% overall rise and the use of reserves, the income does not match the current outgoings. We therefore must re – shape our services, focussing on need, driving a pragmatic approach to service delivery, spending within our means.

We know times are hard for us all, and for some the financial challenges are untenable. This budget protects our Council Tax support fund in addition to the £33,000 pledged by Government to ensure practical help is there for those most in need.

With elections in May, an administration might place their electoral ambitions ahead of the long – term needs of the County by offering a Council Tax freeze, running down reserves to fund this. This, as is clearly articulated by our section 151 officer, would be a risk verging on negligence and so therefore, financially reckless.

There is no magic money tree. There are few certainties. What there is, however, is an honest, hardworking and measured approach that can be taken. This budget enables a prudent, long – term approach to the financial sustainability of this Council to be taken for the benefit of us all.

We would welcome the opportunity to go through this budget with you. We welcome challenge and we welcome discussion. We will be holding in – person events at the following times and places:

Uppingham Neighbourhood Forum, 7:30pm 19th January, The Falcon Hotel

Rutland County Council Chamber, Oakham 10:00 – 12pm, 30th January

Ketton Congregational Hall (tbc) 10:00am – 12pm 6th February

Lucy Stephenson – Leader

3 EXECUTIVE SUMMARY

3.1 Director for Resources: Section 151 Officer overview

3.1.1 The 23/24 draft Local Government Finance Settlement was received on 19th December following the Chancellors Autumn Statement at the end of November. The Settlement covered 23/24 only although it is our expectation that 24/25 will essentially be a rollover settlement, with the overall funding envelope set at the Autumn Statement. There are still however some issues that Ministers have not yet finalised for 2024/25.

3.1.2 **The Settlement is much more positive than was expected at the start of**

2022. It is the best cash-terms settlement for local government in well over a decade but also less-good in real terms. The Government defines the amount of core funding that councils have available as “spending power”¹. **Our Core Spending Power is increasing by 7%, £2.674m.** After a year when inflation rates reached a peak of nearly 10%, the pay settlement amounted to just under 6.5% and demand for services continued to rise, it was much needed. The Council’s experience in the last 12 months is that doing “Council business” is more costly than it ever has been. **Against this backdrop an increase in the Council’s Spending Power of 7% still falls below the 12 month inflation rate of 9.3% (November 2022).**

- 3.1.3 **The main driver for the increased funding in the Settlement is social care.** Resources for adult social care (in core spending power) will increase by £1.4m in 2023/24, through a combination of new money and the postponement of the adult social care charging reforms but additional funding will also be receiving via the Better Care Fund and levying of the Adult Social Care precept.
- 3.1.4 **Whilst the Government is increasing overall Spending Power, it makes one important assumption – that Councils raise council tax by the maximum available – that means 4.99% with the Government allowing a 2.99% increase for core services and 2% extra for social care.**
- 3.1.5 **So what does the extra Government funding and Council Tax flexibility mean for 23/24?** The Council approved a Financial Sustainability Strategy (FSS) in November 2022 which stated that Members would be prepared to subsidise the budget by up to £2m from reserves (in the next 4 years) whilst the Council took the necessary action to right size the budget by 27/28.
- 3.1.6 The extra funding from Government, the savings proposals in the proposed budget, a one off reduction in the Council’s business rates appeals provision and a 5% tax rise would **leave the Council a 23/24 subsidy of £0.589m, a subsidy of c£1.4m in 24/25 which then falls to £147k after assuming the Councils saves £4.9m by 27/28 (the table in 4.1.3 shows this position).**
- 3.1.7 Conversely, a Council tax freeze would give the Council a 23/24 subsidy of £2.1m and leave a subsidy of £2.0m by 27/28. **The compound impact of any tax rise below the maximum threatens the Council’s financial independence.**
- 3.1.8 The reason for this is because the cost of delivering local authority services is rising way beyond the increase in funding. Pressures on labour supply, additional tax burdens, energy prices, inflation have seen eyewatering increases in cost **(the increase in the net expenditure budget compared to last year is £3m).**
- 3.1.9 **Simply put, if the Council wishes to do everything it can to preserve the**

¹ Core Spending Power may differ from actual funding received because the Government set a business rates baseline and Council’s may actually retain more, the Council tax yield expected by Government uses average growth in taxbase rather than the actual taxbase and some grants are not included in CSP.

Council's independence and financial survival then rises of 5% are a necessity – not just this year but every year that the Council has the power to raise Council tax by this amount.

3.1.10 There are no scenarios that, in my opinion, would allow an alternative Strategy. Let's consider possible alternatives:

- Scenario 1 - *Government funding increases substantially in the future meaning the gap will be plugged.* The Chancellor has said growth after 25/26 will be at 1% per annum. Conversely, there are also those who speculate that implementation of the Fair Funding review will see a redistribution of funding to Unitary Councils. With 79% of Council spending power coming from council tax, it is very unlikely that additional funding will cover the gap without tax rises and delivery of savings.
- Scenario 2 - *The cost of doing local authority business and demand for services decreases substantially* when inflation returns to normal levels as expected by say March 2024 with suppliers dropping prices to pre pandemic levels – again very unlikely with pay inflation and costs embedded and new contracts agreed. This is not something you would want to take a risk on.
- Scenario 3 - *The Council can make savings but say £8m or £9m rather than just under £5m target in the MTFP.* In reality, out of a net budget of £44m, we would estimate that only £20m-£22m is controllable hence a £5m saving target is challenging at c25%. Setting a bigger target would be hopeful, bordering on reckless to the point that I would struggle to give positive assurance in my Section 25 Statement (Section 9.4).

3.1.11 The decision facing Elected Members is therefore difficult in the current circumstances. It is compounded because outside of known pressures, the **Council is working in an environment where risk and uncertainty are aplenty** and outside the control of the Council to the point that there is no guarantee that even maximum council tax rises and savings would achieve financial sustainability in the long run.

3.1.12 Whilst there is still a strong view that the sector and the Council is being treated unfairly by the overall financial settlement, **the Council is left with no choice but to own its financial position and** as outlined in the Financial Sustainability Strategy take the action it can take now:

- **Use reserves to balance the budget in the short term;**
- **Deliver its savings programme; and**
- **Use the Council tax flexibility it has been given as assumed by the Government in Spending Power.**

3.1.13 **If it does not follow this course of action, then the Council will still be solvent for the next few years but its long term future will be out of its hands and reliant on external forces over which it has no control.**

3.1.14 In terms of the 23/24 the following summarises the main features of the

proposed Budget:

- A balanced budget achieved in challenging circumstances using £0.589m of General Fund reserves to balance the main budget and £0.900m to meet future liabilities for the Local Plan, High Needs and Leisure;
- Statutory duties are met;
- Service pressures of £5.401m have been included arising from demand, market cost pressures, contracts etc;
- Budget reductions of £1.735m including the use of one-off funding which contributes to current costs;
- Pay contingency of 4% (£743k);
- Expected investment income of £1.68m;
- Average Council Tax increase of £1.84p per week for a Band D equivalent property but an additional £33k to support those on low incomes; and
- A £250k contingency to mitigate against demand led and other pressures.

3.2 Our financial objectives

3.2.1 We have two key financial objectives which are clearly stated in our approved Corporate Strategy:

- The Council is committed to being financially sustainable. This means ensuring it can live “within its means”, only spending the funding it receives and balancing the budget in any given year without using General Fund reserves. This is our number one priority. The Corporate Strategy reaffirms this commitment. In the short term and in recognition of the pressures caused by the pandemic and cost of living crisis, Members have approved a FSS which permits the use of reserves up to 27/28 whilst the Council makes the necessary savings.
- The second key priority is to maintain our reserves above the current recommended minimum limit of £3m as approved by Council. This is important because the context we are working in is changing all the time and is laced with uncertainty. We always want to keep a level of funding aside to respond to a crisis, unexpected costs or increased demand.

3.2.2 The remainder of this report gives Members answers to some of the key questions relevant to the budget setting process. Further detail can be found in individual sections.

3.3 Key Questions and Answers

| Key questions | Status |
|------------------------------------|---------------|
| <i>Funding outlook (section 4)</i> | |

| Key questions | Status |
|--|--|
| 1. What resource does the Council have available in 23/24 and over the next few years? | The Council's Government funding and total available resources are known for 23/24. The total of Government funding and Council Tax is not sufficient to balance the budget (assuming Council Tax of 4.99%) and as per its FSS, the budget is balanced by use of reserves of £0.589m. The Council has made assumptions about 24/25 based on the Autumn Statement. Beyond 25/26 and a General Election, funding is difficult to predict but the Council is still projecting a small gap of £148k in 27/28 but this assumes maximum Council tax savings, delivery of £4m new savings and the Council's overall funding increases by 7% in 25/26, |
| 2. Are we projecting a financial gap? | Yes, the proposed use of reserves for 23/24 is £0.589, For 24/25 the gap is projected to be £1.4m assuming £1.485m savings are made and Council Tax is raised by a further 5%. |
| 3. How certain are we about the size of the gap? | The size of the gap is by no means certain given the risks (Section 5), uncertainties in respect of assumptions and future funding (Section 4). The Council will keep this under review. |
| 4. Have we got a plan to close the gap? | The Council approved a FSS and is now working through a Transformation programme (Section 6). Savings have been proposed for 23/24. As work progresses, there will be greater clarity over the deliverability of the programme for 24/25 and beyond. By the end of September, the Council needs to provide more certainty of savings proposals for 24/25. |
| 5. What level of reserves should the Council aim to retain? | It is proposed that the minimum level is retained at £3m but given the increased level of uncertainty and risk the Council will need to monitor this position. The short term position affords the Council time to reduce expenditure to match funding levels. |
| <i>Budget 23/24 (section 2)</i> | |
| 6. What does the Directorate budget look like? | The Council's Directorate budget for 23/24 is £48.263m (section 9). The 22/23 budget at Outturn was £44.597m. The increase reflects inflation, contract costs, market pressures and pay inflation and savings (see Question 8 and 9). |
| 7. Priorities – how does the proposed budget support the Council's priorities? | The Council's spending plans continue to promote the Council's priorities in line with the new Corporate Strategy (Section 9.2) despite savings made. The significant investment in the social care |

| Key questions | Status |
|---|---|
| | market helps sustain local provision of social care beds and support. |
| 8. What new savings is the Council planning to make in 23/24? | The budget includes £1.735m of service savings (Section 9.3 and Appendix 5) including using ring fenced reserves to subsidise some current costs. |
| 9. What pressures is the Council facing in 23/24? | The Council continues to experience pressure on its base budget of £5.4m (Section 9.3 and Appendix 5) plus the pay award pressure of £743k. |
| 10. What choice does the Council have over the level of Council tax? | The Council can choose to raise council tax up to a maximum of 4.99% (including 2% for social care). Whilst Members do have a choice, not embracing a 4.99% increase would be extremely damaging to the point that the Councils' future would be dependent on outside factors such as extra Government funding (section 8). |
| <i>Statutory and constitutional requirements (Section 18)</i> | |
| 11. Overall Position – Is the Council on track to meet its constitutional and statutory requirements? | Yes, Section 16 gives more detail. |
| <i>Consultation (section 16)</i> | |
| 12. What consultation will Council be doing on the draft budget? | Details of consultation is included in Section 14. Consultation will span 3 weeks and include various questions and public meetings in the Council Offices. |
| <i>Capital (section 12)</i> | |
| 13. Are there any additions/amends to the current capital programme? | There are various additions/deletions to the capital programme as per Section 10. |

4 FUNDING OUTLOOK

4.1 Medium Term Financial Plan

- 4.1.1 The Council produces a Medium-Term Financial Plan (MTFP) which covers a five year period. It is a forward looking document which provides a financial picture over the next five years (in this case 2023/24 to 2027/28). The MTFP

- 4.1.2 sets out the forecast spending profile of the Council and estimates the level of resources it will have available over the next 5 years. This enables the Council to forecast an annual surplus/deficit and assess whether its spending plans are affordable.
- 4.1.3 The MTFP is updated on an ad hoc basis to respond to changes in the local financial environment, government announcements and the results of budget monitoring but it is formally updated to fit in with the annual budget cycle. The MTFP provides a comprehensive picture of national influences on the Council's budget, local spending influences and priorities, as well as revenue and capital financial projections. Underlying risks together with a view of potential longer-term financial issues are also considered.
- 4.1.4 The MTFP can be used to model different assumptions and changes. Some of the possible impacts of changes are discussed in the section on Risk/Uncertainties.
- 4.1.5 The MTFP moves over time as assumptions change. The last detailed MTFP was produced at the Mid-Year report. Since that time figures and assumptions have legitimately moved – some have made the position worse, some better. Key events triggering change include the 22/23 pay settlement, local government finance settlement, approval of FSS and savings target, interest rate movements and service pressures. We were predicting negative balances of £9.049m by 27/28 and the latest MTFP shows a balance of £10.897m as shown in the table below.
- 4.1.6 For example, increasing the council tax assumption from 3% to 5% for the life of the MTFP gives an additional £13m. Delivering £4m of transformation savings by 27/28 gives a total amount saved of £10.1m over the MTFP period.

| | £000 |
|---|-----------------|
| Projected Balance Mid-Year Report for 27/28 | 9,049 |
| Council Tax changes – 3% to 5% | (13,273) |
| Interest receivable – increases due to base rate changes | (3,480) |
| Pay Award changes – assumption changed from 2% to 4% in 23/24 and 3% in 24/25 and reflects 22/23 award settled after the mid-year | 6,055 |
| Pressures | 17,606 |
| Savings 23/24 – the 5 year benefit of £1.7m saved in 23/24 | (7,490) |
| Transformation savings – delivery of £4m | (10,182) |
| Government funding | (9,900) |
| Additional Transfer to Reserve | 900 |
| Other Minor Movements | (182) |
| Balance for Budget Setting 27/28 | (10,897) |

- 4.1.7 A summary of the MTFP is shown overleaf with a summary of the different elements that influence it. More information is included on each.

5 YEAR MTFP (23/24 – 27/28)

| | | 23/24 | 24/25 | 25/26 | 26/27 | 27/28 |
|----------------------------------|--|----------|----------|----------|----------|----------|
| General Fund | Opening value of General Fund Balances* (provisional subject to 22/23 outturn) | (14,611) | (13,172) | (11,791) | (11,310) | (11,045) |
| Net Service expenditure | Service expenditure, borrowing costs and contingencies | 46,549 | 50,645 | 53,215 | 55,733 | 58,474 |
| Less: Additional Savings | Additional savings to achieve the FSS | 0 | (1,485) | (1,820) | (2,877) | (4,000) |
| Equals: Net Expenditure | | 46,549 | 49,160 | 51,395 | 52,856 | 54,474 |
| Less: Government funding | Social care grants, Share of Business rates, other grants | (13,698) | (13,896) | (15,086) | (14,708) | (14,273) |
| Less: Council tax | Council tax | (32,074) | (33,882) | (35,828) | (37,883) | (40,054) |
| Less: Earmarked reserves | Use of set aside funds to offset expenditure | (188) | 0 | 0 | 0 | 0 |
| Equals: (Surplus)/deficit | Deficit means Council is not living within its means | 589 | 1,381 | 482 | 265 | 148 |
| Add: Transfer to Reserves | Additional transfer to reserves (see 7.1.4) | 900 | 0 | 0 | 0 | 0 |
| General Fund | Closing value of General Fund Balances | (13,172) | (11,791) | (11,310) | (11,045) | (10,900) |



| | | |
|---|---|---|
| Local Government Settlement (4.2) - The Government funding settlement and value of other Government grants drive Government funding figures. | Risk/uncertainties (5) - Issues that can influence the level of income, expenditure and funding but not all are built into MTFP e.g. Council receives extra funding. | Reserves (7) - Planned use of earmarked reserves sustain expenditure and offset costs. |
| Assumptions (4.3) - Variables built into MTFP that influence the level of income, expenditure and funding. Some are known and some are not. | Savings (6) – Savings reduce expenditure or increase income. | Council Tax (8) - Assumed increases in Council Tax impact the future level of funding. The Government maximum limit is 5%. |

4.2 COMPREHENSIVE SPENDING REVIEW AND PROVISIONAL

Local Government Finance Settlement 23/24

- 4.2.1 The Chancellor announced the Autumn Statement (AS) on 17 November 2022 and The Office for Budget Responsibility (OBR) has also published its updated forecasts. After the economic and fiscal turmoil of the last year, the Chancellor had the job of both calming nerves (in the market and the wider economy) and producing budget plans that are politically and economically credible.
- 4.2.2 On these terms, the Autumn Statement (AS) was successful. It provided a credible plan for the short term, and guidelines for the medium term beyond 2025.²⁶ There are no detailed spending plans for the medium term – it is hoped that the economy will improve faster than forecast.
- 4.2.3 A lower growth rate for Gross Domestic Product (GDP) is the driving factor behind the UK's worsening economic prospects. In March 2022, the OBR forecast that the UK would recover from the economic impact of the pandemic, and then continue to grow at around 1.7% per year from 2023 onwards.
- 4.2.4 Things have worsened sharply since then. The Bank of England forecast in its November Monetary Policy Committee (MPC) report that the economy will contract by 0.75% in the second half of 2022, and then continue to fall during 2023 and into the first half of 2024.
- 4.2.5 The spike in inflation is behind the cost-of-living crisis (higher energy prices) and the increase in debt interest payments (increase in interest rates). The peak in the Consumer Price Index (CPI, 12 month rate) is now expected to be around 9 -10% for 2022.
- 4.2.6 The Chancellor has responded to the worsening economic position by announcing very significant fiscal tightening. In doing this, his objective is both to bring the public finances under control and to demonstrate fiscal competence. Part of achieving this is to show that the fiscal plans are credible. Previously, the Government's fiscal mandate was "to reduce underlying debt as a percentage of GDP in the medium term". There was also a supplementary target that "require[d] current spending to be sustainably funded through tax revenues". The new rules require debt to be falling as a percentage of GDP by 2027/28 (year-5 of the fiscal plan), with a supplementary target that public sector borrowing must be under 3% of GDP.
- 4.2.7 The new rules allowed no change in departmental spending plans for the remainder of SR21 (2023/24 and 2024/25) but with new funding announced for social care alongside additional council tax flexibility, local government was expecting a growth in Core Spending power.
- 4.2.8 As expected, core spending power in England has increased to £59.544bn in 23/24 compared to £54.540bn in 22/23, a 9.18% increase. Overall, the picture for Rutland is slightly worse with core spending power at £41.06m compared to £38.33m in 21/22, an increase of 7%. There are two important comparative points to note in the Settlement:
- In 23/24 nationally 57% of CSP comes from council tax. In 23/24 78% of Rutland's spending power comes from Council tax, significantly higher than the national average;

- The average increase in CSP is 9.16% whereas in Rutland it is 7%. Councils with higher levels of deprivation have received over 11%;
- The average CSP per dwelling is £2,360 whereas in Rutland it is £2,298.

4.2.9 Whilst this figure is used for comparative purposes, most Council's (including Rutland) have more available resources because of miscellaneous grants and additional business rates income (spending power assumes Councils achieve their business rates baseline level but which most Councils keep more because of growth). This factor can distort spending power analysis.

Overall funding available since 19/20

| | 19/20 | 20/21 | 21/22 | 22/23 | 23/24 |
|---|---------------|---------------|---------------|---------------|---------------|
| RSG | 0 | 0 | 0 | 0 | 0 |
| Transitional Grant | 0 | 0 | 0 | 0 | 0 |
| Rural Service Delivery Grants | 0.849 | 0.849 | 0.890 | 0.890 | 0.890 |
| Core government funding | 0.89 | 0.89 | 0.890 | 0.890 | 0.890 |
| Misc. grants (2) | 0.875 | 1.039 | 0.964 | 1.679 | 2.737 |
| New Homes Bonus (3) | 1.148 | 0.966 | 0.518 | 0.461 | 0.007 |
| Better Care Fund (4) | 2.215 | 2.330 | 2.705 | 2.712 | 2.794 |
| Business rates (5) | 5.244 | 5.532 | 5.638 | 3.462 | 7.269 |
| Total government funding | 10.372 | 10.757 | 10.715 | 9.204 | 13.697 |
| <i>Council tax (inc. collection fund and adult social care precept)</i> | 26.496 | 27.863 | 28.426 | 30.451 | 32.073 |
| Total resources available | 36.868 | 38.620 | 39.141 | 39.655 | 45.770 |
| Use of Council earmarked reserves | (0.384) | (0.292) | (1.288) | (2.683) | (0.589) |

4.2.10 **Adult social care grants.** The Autumn Statement (AS22) announced a large increase in funding for social care via three separate grant streams (on top of the existing social care grant), all of which are within Core Spending Power:

- Adult social care grant of £1.792m in 23/24 and we estimate £2.048m in 24/25.
- Funding for the ASC charging reforms will be re-purposed to fund ongoing pressures (£317k in 2023/24, and we estimate £478k in 2024/25).
- Better Care Fund (local government's 50% share is £300m in 2023/24 and £500m in 2024/25) of which we expect c£300k and £500k
- Ringfenced grant "to support capacity and discharges". This is £31k for Rutland.

- 4.2.11 The Independent Living Fund grant of £60k is being rolled into the Social Care Grant so will no longer be received separately.
- 4.2.12 The Council tax principles allow a 3% increase in “core” **council tax** plus a further 2% increase in the Adult Social Care precept. There is no option to defer the precept increase to future years. The decision around Council tax is discussed further in Section 8.
- 4.2.13 The decision to freeze the **business rates** multiplier will be fully funded, and, from 23/24 onwards, compensation to authorities for under-indexation would be paid based on Consumer Price Index (CPI). The Government have undertaken a Business Rates revaluation which is aimed at being cost neutral but at this stage, we cannot confirm that is the case and will update by the end of January.
- 4.2.14 In 23/24 the Council will benefit from an **additional £1.1m arising from a reduction in business rate appeals**. The Council provides for losses arising from businesses appealing their rates payments to the Valuation Office Agency. If businesses do not win or claims are withdrawn then the Council can release funding set aside. Around 11 claims have led to zero losses and other claims in the pipeline have not materialised. The release of the provision is a one off. This is included in the Business rate figures.
- 4.2.15 **Rural Services Delivery Grant (RSDG)** is the same as 22/23 at £890k.
- 4.2.16 The Council will receive £7k in **New Homes Bonus**.
- 4.2.17 **Services Grant** has reduced from £822m in 2022/23 to £464m in 2023/24, a reduction of £358m. The reduction includes removal of funding for the National Insurance Contribution increase (estimated at about £200m) and the funding increase for Supporting Families (£40m). Rutland is receiving £173k compared to £307k in 22/23.
- 4.2.18 The new **3% Funding Guarantee** replaces the “floor” element within the Lower Tier Services Grant. It ensures that no Council has a CSP increase of less than 3% without having to increase their Band D council tax. Rutland is receiving £121k.
- 4.2.19 **Public health** grant is outside CSP and is announced separately from the settlement itself, usually in the New Year. SR21 announced that public health grant would increase in line with inflation – but this seems unlikely. Our MTFP model assumes no increase in 2023/24.
- 4.2.20 The Council will also receive **£33k for additional Council tax support payments** for those in greatest need.

4.3 MTFP assumptions

- 4.3.1 The Policy Statement gave local authorities advanced notice of the principles that ministers would use in both the 2023/24 and 2024/25 local government finance settlements. There have been no changes in these principles in the provisional settlement.
- 4.3.2 There is still some uncertainty for 2024/25, so this is not a fixed two-year settlement. We do not yet know the future of NHB, or the council taxbases for 2024/25. More

importantly, we do not yet know the level of inflation next September (it is expected to be around 7.5%), and whether ministers will decide to freeze the multiplier again. Therefore, we have estimated figures for the 2024/25 settlement but assumed that a 3% funding guarantee for CSP (before Council tax increases) is maintained.

4.3.3 As explained in Section 4, beyond 24/25 the Government funding position is still unknown. The Government announced its intention to reform the funding regime, business rates retention and New Homes Bonus over four years ago and these reviews are still outstanding.

4.3.4 In the context of the current economic position, the Council has refreshed its assumptions about future funding.

| Assumption | Description | 23/24 | Beyond |
|----------------------------|---|---|---|
| Pension contribution rates | Employer rates set by Pension Fund. | Lump Sum increased by £130k as per triannual review. Rate is 27.8% (up from 1%) | Rate fixed for 3 years. |
| Inflation | Assumed rates of inflation with the MTFP | Inflation rates amended based on latest information. Social Care rates increased to reflect outcome of Fair Cost of Care work (see Appendix 5, Ref P11) General Inflation 2% Other changes set out in Appendix 5 | Same as 23/24 |
| Interest rates | The rate at which the Council can invest surplus funds | Interest rates in the range of 3 – 5% for next 18 months. | Assume in 25/26 that rates drop to around 2% |
| Contingencies | Contingencies within the MTFP | The Council has a demand led contingency reduced to 0.5% (from 1%) of Net Cost of Services | Approx 1 % from 24/25 |
| Staff pay award | Pay award for Chief Officers and other staff negotiated nationally. | Set at 4% for 23/24 only | 3% in 24/25 and then 2% |
| Social care grant | Specific grants given by Government | As per local government draft financial settlement | 24/25 - see 4.2.10 25/26 - See 4.3.5 below |

| Assumption | Description | 23/24 | Beyond |
|----------------------|--|--|--|
| Rural Delivery grant | Grant for rural authorities | As per local government draft financial settlement | 24/25 – as 23/24 25/26 See 4.3.5 below |
| Council tax base | Number of Band D properties | Taxbase estimated at 15,916.6 for 23/24 | Growth set at 140 properties per annum approx. equivalent to 115 Band D properties |
| Council tax rate | Rate set by elected members | 5% (with 2% for social care) as advised by the Executive | 5% |
| Misc. grants | Ad hoc grants | Assumed some grants will continue at the same rates unless known | See 4.3.5 |
| Business Rates | Amount of funding Rutland is allowed to keep (its baseline) by Government from rates collected | Assume rates baseline continues as is (limited growth). | 24/25 – in line with expected increase in funding as per 23/24 settlement 25/26 - See 4.3.5 |
| Better Care Fund | Ringfenced funding shared with the CCG | As per Settlement | 24/25 – as per 4.2.10 25/26 – no change |

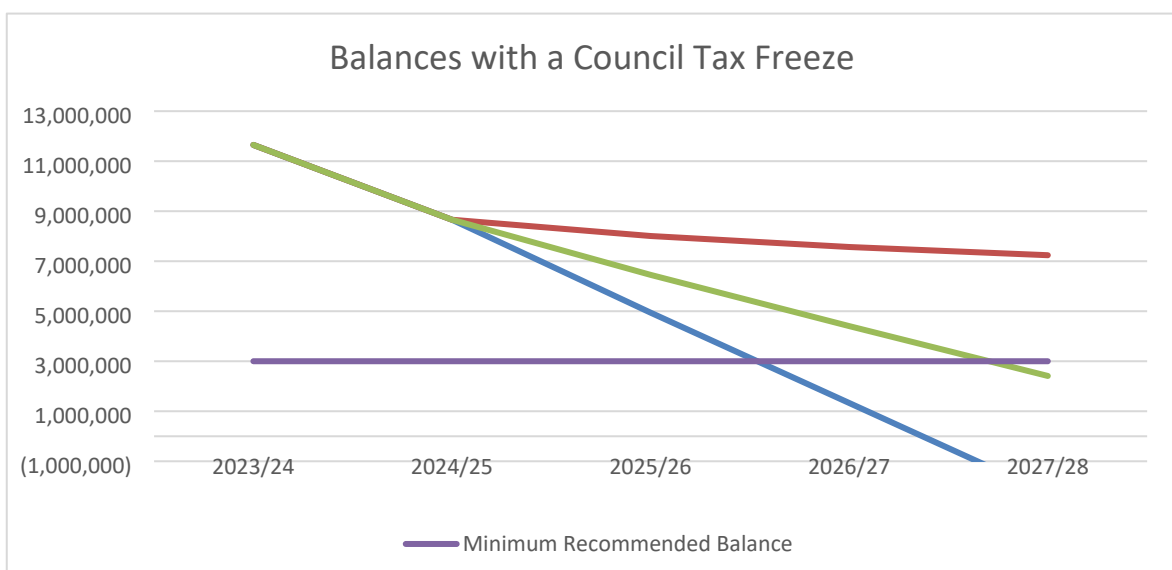
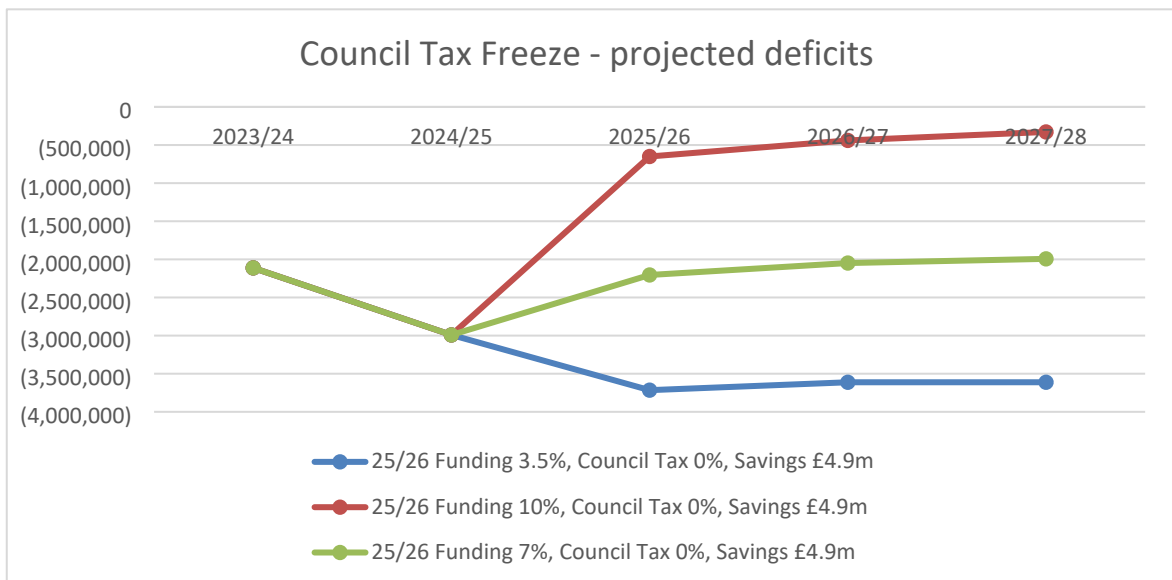
- 4.3.5 The issue of Government funding beyond 24/25 is difficult to gauge. There is a renewed commitment from the Government to implement fundamental funding reform in the near term. This is going to be after the next General Election, though, and possibly even under a different government. Changes in funding reform could then be very different than those that have been proposed by recent governments in recent years.
- 4.3.6 The Chancellor has stated that fiscal tightening is heavily backloaded, with the vast bulk spending cuts in particular penciled in for after April 2025. This suggests that growth will be nearer 1%. Notwithstanding these comments, there are commentators suggesting that even without an injection of Government funding into the local government system, the implementation of Fair Funding will see a redistribution of funding from lower tier to upper tier Councils. This could see the Council receive up to £3m in additional funding but could also result in no additional funding depending on the method of redistribution. Should additional funding be received, then it may come with conditions or new responsibilities such as the implementation of the care cap.

- 4.3.7 In short, speculating beyond 24/25 is difficult and assuming a significant increase in funding is wishful thinking and dangerous in the context of the current economic and political environment. For now, the Council has assumed a 7% increase in overall funding for 25/26 (represented by a Fair Funding Redistribution line on the MTFP) but with the assumption that the delayed care cap reforms will be implemented and will be c80% funded.

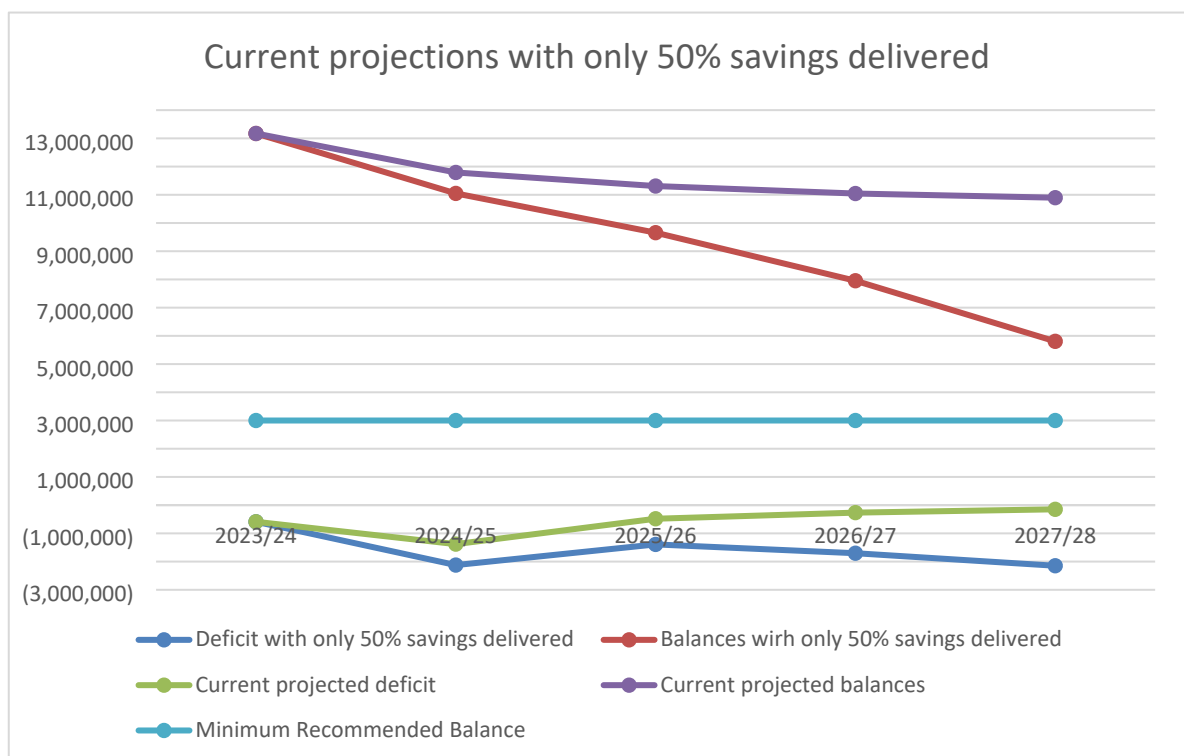
4.4 Alternative Scenarios

- 4.4.1 The MTFP sets out what we consider to be the most likely scenario but there are other alternatives revolving around three key variables: council tax rates, funding and savings/expenditure.

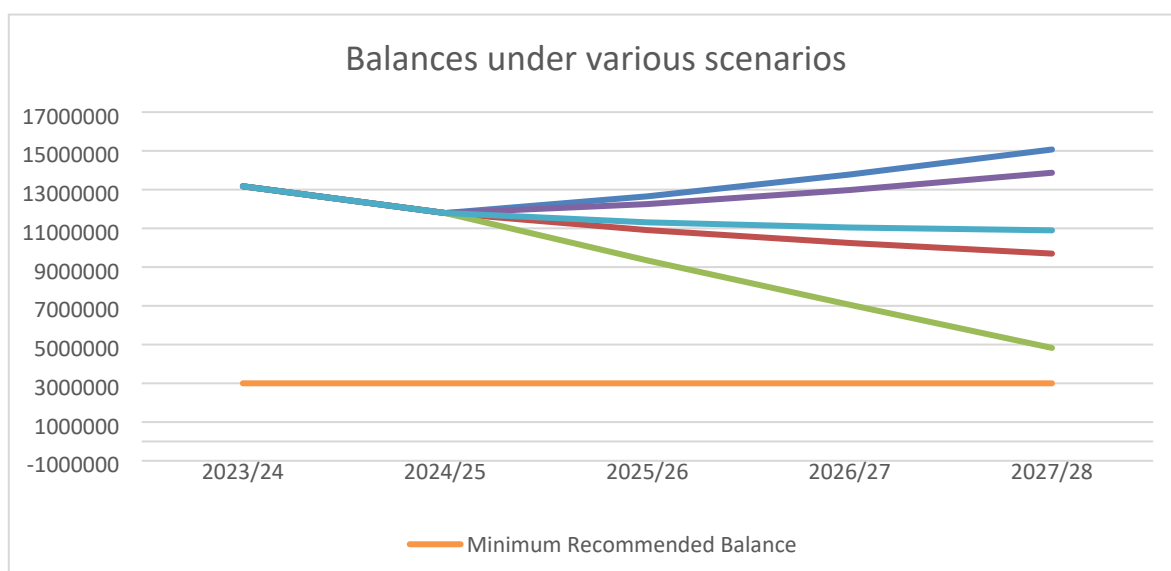
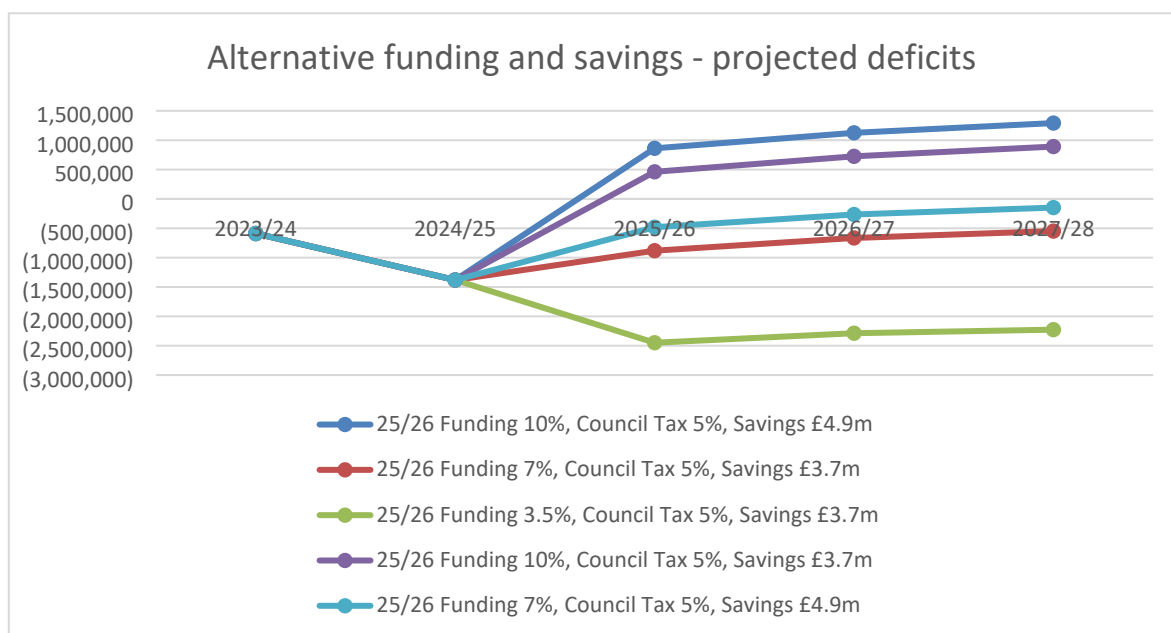
Alternative Council tax rates – applying a 5% increase will give the Council the most tax yield (see Section 8). Applying a lower rate in 23/24 increases the financial gap (1% represents c£305k in income so a freeze over 4.99% would give £1.5m less income in 23/24 and a total of over £8.5m over life of the MTFP) and requires more savings to be made (see below) or gambles on the Council receiving more funding in years to come.



- 4.4.2 The above graph shows the position. A freeze and a low funding Settlement in 25/26 (of 3%) would see the Council with a deficit of over £3.6m (blue line) and would see balances reduce to below £0. If the Council decided to freeze council tax, then it would hope for the best funding settlement in 25/26 (10%, red line). With a Settlement of this magnitude and delivery of an additional £4m savings (on top of what has been achieved in 23/24), the Council would still have a deficit of over £300k but balances of £8m. The risks associated with this option cannot be understated.
- 4.4.3 **Increasing the savings targets** – the MTFP includes a £4.9m savings target (£4m still to deliver). This is ambitious because the Council has already made substantial savings in previous years. In reality, out of a net budget of £46m, we would estimate that only £20m-£22m of the budget is controllable (some costs we simply cannot stop) hence a £4.9m saving target is challenging and represents around 25% of the controllable budget. Assuming that a bigger savings target could “fund” lower Council Tax rises is bordering on reckless. The Council would need to undertake due diligence to ensure any increased target is realistic.
- 4.4.4 More importantly, the target of £4m can only be achieved if Members support savings proposals – this is by no means guaranteed and under delivery of the target will have a significant impact. The table below shows the risk the Council runs if only 50% of the savings target is achieved. In this scenario, the Council would still be running a deficit of over £2m and balances would have reduced to c£5m.



- 4.4.5 **Funding** – funding for 24/25 is more or less certain but beyond that we are entering unknown territory (as per 4.3.5). The best thing financially would be to raise Council Tax now and then should additional funding be provided, reduce council tax increase in later years knowing that funding is certain. The graphs below illustrate the point.



- 4.4.6 A redistribution of funding to the level set out in 4.3.6 would at best give the Council future choices around council tax and the level of savings to be made. It does not allow the Council the luxury of “do nothing now and the problem goes away in a couple of years”. It is the combination of 10% increased funding and savings that would clear the Council’s deficit. The green line represents the worst scenario (failure to achieve £4.9m savings by £1.2m and a 3% funding increase in 25/26) but even in this case balances would remain above £3m if Council Tax is levied at 5% which would give the Council a chance to remedy the £2m deficit that would exist.

4.5 Funding outlook summary

- 4.5.1 With the MTFP updated for the Settlement, budget proposals for 23/24 and other assumptions, the overall position is clear – a 5% tax rise would leave the Council a 23/24 subsidy of £0.589m, a subsidy of c£1.4m in 24/25 which then falls to £147k after assuming the Councils saves £4.9m by 27/28. Even with the savings programme delivered in full and maximum Council tax rises, the Council will not achieve its two Corporate Strategy priorities during the period of the plan unless something else happens e.g. extra funding is received, demand reduces etc. The

scenarios in 4.4 show that in the context of significant uncertainty, the Council's best chance for financial sustainability is to continue with its savings programme and raise Council Tax to the maximum.

| | 23/24 | 24/25 | 25/26 | 26/27 | 27/28 |
|--|-------|-------|-------|-------|-------|
| Priority 1: Living within our means | x | x | x | x | x |
| Priority 2: Balances above £3m | ✓ | ✓ | ✓ | ✓ | ✓ |

5 RISKS AND UNCERTAINTIES

- 5.1 While the MTFP includes various assumptions, there are a number of inherent risks associated with these assumptions and a range of other factors that could impact on funding and spending that are outside of the Council's control (these are covered below).

| | Issue/risk | Impact/ Action to mitigate risk |
|---|--|---|
| 1 | <p>The Council has received a 1 year financial settlement. Future funding is difficult to predict (see section 4.1 and 4.4.) as it is not clear as to how the Government will implement Fair Funding or Business Rates Retention which we expect to happen in 25/26 following the next General Election.</p> <p>Funding allocation methods are also critical. For example, using the relative needs formula for Adults would see the Council receiving £3m more than it would under the current system which part equalises funding for those with high taxbases.</p> | <p>MTFP assumes some redistribution and a 7% increase in funding from 25/26 followed by increases of 3.3%.</p> <p>The Council will continue to lobby for additional funding and respond to future calls for evidence.</p> |
| 2 | <p>The Government has indicated that 5% will be the maximum Council tax rises permitted without the need for a referendum.</p> | <p>MTFP assumes 5% tax rises from 23/24.</p> <p>The Council will lobby for additional Government funding rather than Council tax rises to minimise the local tax burden.</p> |

| | Issue/risk | Impact/ Action to mitigate risk |
|---|---|--|
| 3 | <p>The social care cap of £86,000 as part of adult social care reforms has now been deferred and will be implemented from 1 October 2025.</p> <p>Despite work done to date, there are significant unknowns:</p> <ul style="list-style-type: none"> • The number of people who will come forward for a care assessment; • The number of those coming forward who will be eligible for care; • The size of any care package required and the amount of financial contribution those people may require; • How quickly people may reach the care cap meaning the Council picks up the full cost of care; • How much resource the Council will need to meet demand; and • Whether the reforms will be fully funded. <p>It is far too early for the Council, any Council for that matter, to assess with certainty what the costs might be or whether the Council will be fully funded. Previous analysis done in the sector suggested that the Government had underestimated costs by £10 billion.</p> | <p>The Council has a working scenario that assumes the reforms are implemented in 2025, and costs are 80% funded.</p> |
| 4 | <p>The Better Care Fund continues into 23/24 with additional investment of £600m in 23/24 and £1bn in 24/25.</p> | <p>The MTFP includes an additional £300k in 23/24 and £500k in 24/25. As this funding is likely to come with conditions, it assumes it will be used to fund new expenditure rather than subsidise current costs.</p> |
| 5 | <p>Schools funding (Dedicated Schools Grant) is outside of the General Fund and is ring fenced.</p> <p>The Council is carrying a deficit on the DSG, estimated by 2023 to reach £1.3m, caused by High Needs</p> | <p>The Council has set aside a reserve to cover the costs of the deficit and has no plans to change its position despite the existence of the override as it is not permanent.</p> <p>As the reserve balances is only £1m, it is proposed to increase this</p> |

| | Issue/risk | Impact/ Action to mitigate risk |
|---|---|--|
| | <p>pressures which it aims to recover over time.</p> <p>In statute, the Council is not required to fund this deficit and an override continues until 25/26. It is not clear what happens beyond that date.</p> <p>The Council has joined the Delivering Better Value programme organised by the DfE which will provide support to the Council to tackle the issue of SEN demand and how to fund it.</p> <p>The Council will be able to access £1m of grant funding to help implement a DBV action plan.</p> | by £300k to meet the current deficit level. |
| 6 | <p>Council tax is the largest single source of revenue for Rutland. The amount raised in future years will depend both on how the tax base evolves and on the scale of any increases in the tax rate.</p> <p>The tax base has grown by 117 which is broadly as expected. There have been no major changes in discounts, exemptions, new homes or the collection rate.</p> | The MTFP assumes net tax base growth of c115 Band D properties in line with the assumptions set out opposite. |
| 7 | <p>The Council voted in September 2021 to restart its Local Plan process and set aside c£1.4m to fund this which was topped up to £1.7m at Outturn.</p> <p>The latest information is that costs are estimated at £2.3m (covering costs of a new Local Plan and extra costs from operating without one). Additional planning income above that budgeted will reduce this cost.</p> | <p>The Council has a ringfenced reserve set aside for the Local Plan. If this is not sufficient then additional funding would have to be drawn down.</p> <p>Cabinet is proposing that £300k is set aside to top up the Local Plan reserve whilst the budget is reviewed.</p> |
| 8 | <p>Pay inflation rate for 23/24 is not finalised.</p> <p>The Council normally assumes a 2% increase but in the current economic climate and based on the 22/23 settlement, the budget assumes 4% in line with most other Councils.</p> | The MTFP has provided for 4% in 23/24, 3% in 24/25 and reverts back to the normal 2% assumption for 25/26 onwards. |

| | Issue/risk | Impact/ Action to mitigate risk |
|----|--|---|
| | The pay settlement is not expected to be concluded before the end of the 22/23 financial year. | |
| 9 | <p>The Government target is to keep inflation below 2%. Inflation, as measured by the Consumer Price Index (CPI) is 9.3% (November 2022).</p> <p>The Council has seen the impact of inflation in all of its business as it has extended and renewed contracts. Contract extensions have led to increased costs. In various other markets, energy costs and recruitment and retention issues have pushed up prices.</p> | The Council has amended inflation rates in the MTFP to reflect increases in energy costs and contract price changes. The costs are shown in individual budgets. |
| 10 | <p>Interest rates have increased in 2022 from 0.25% to 3.5% and are expected to rise again to as much as 5% increasing the Council's ability to earn investment income and the potential to repay long term debt earlier.</p> <p>The Bank of England uses the base rate to influence how much people spend and as a consequence, keep inflation rates in line with the Government target of 2%.</p> | <p>Advice from our Treasury advisors is factored into investment returns expectations which have been increased to over £1.6m.</p> <p>Regular review of the debt position and consideration of the balance between investing surplus cash and using it to repay long term debt.</p> |
| 11 | <p>Capital financing costs have been estimated based on current spending plans.</p> <p>Corporate analysis of existing and potential new projects indicates that no further external borrowing is expected at this stage. However the Council is in the middle of an asset review and will need to consider plans when this is completed.</p> <p>The Capital Investment Strategy highlights the need for a long term (10 year) capital plan. This could require further borrowing. For now, Cabinet has set out priorities for funding held (Report 197/2022) but it is possible that the Council may need to generate additional funding (borrowing, capital receipts) to</p> | <p>The Council will aim to minimise borrowing unless there is an Invest to Save rationale.</p> <p>All other proposals for investment will be judged on their individual merits.</p> |

| | Issue/risk | Impact/ Action to mitigate risk |
|----|---|---|
| | meet needs. For example, a business case for infrastructure requirements for waste management (that could create revenue savings) may require capital investment beyond available resources. | |
| 12 | <p>The Government reform agenda continues and can have an impact on the Council's work and budget:</p> <ul style="list-style-type: none"> • Care cap reforms – deferred to October 2025 • The Schools' Bill – has now been dropped • Elections Act 2022 – this has been passed but regulations are awaited as to how we implement voter ID • Environment Act 2021 – this has been passed but regulations are awaited which will cover green waste charging and food waste collections. <p>Regulations will determine how legislation should be implemented and the advent of new burdens funding will tell us whether we will have to bear any cost.</p> | <p>Care cap reform costs are built into the MTFP from 2025/26 assuming they are 80% funded.</p> <p>There is still some uncertainty around whether the Council will be able to charge for Green Waste, at present the Council have assumed that charging will be allowed</p> <p>It is assumed Food Waste collection will come in from 25/26 and be funded.</p> |
| 13 | <p>The Council has completed its condition survey work and has begun a £565k project to fund major essential works. This is a core part of its work on Asset Management.</p> <p>A Corporate Asset Programme has now begun with the plan to produce outline business cases for each Primary Key Asset. Focus will be on Catmose due to changes in the way we are working and Oakham Enterprise Park as the single-largest asset.</p> | <p>The capital programme includes a capital project.</p> <p>Future capital works and needs will be driven by the outcome of business case work. Capital funds and reserves are available but adequacy will depend on the extent of the long term programme.</p> |
| 14 | <p>Ash dieback, sometimes known as 'Chalara', affects ash and other species of trees and is caused by a fungal pathogen.</p> <p>The management of Ash dieback was identified in the MTFP as a future financial</p> | <p>The Council is proposing to remove its £500k earmarked reserves to fund ongoing work as no costs have been incurred to date.</p> <p>Any future costs will be picked up by the General Fund.</p> |

| | Issue/risk | Impact/ Action to mitigate risk |
|----|---|--|
| | development/pressure but figures are unknown and no expenditure has been incurred to date. | |
| 15 | <p>Businesses can appeal to the VOA about the amount of rates they pay. If their RV is reduced on appeal (NB: appeals can be backdated for years) then the Council will not only lose income but will have to refund businesses for any “overpayments” they have made.</p> <p>To mitigate this risk, the Council has a provision for appeals and losses. The amount set aside represents each Council’s estimate of the sums that may ultimately be repaid to ratepayers. Setting the provision is not straightforward but relies on the various types of information and judgements (and is subject to external audit).</p> <p>The dilemma for the Council is about the level at which to set its provision. If it is too low then the Council may incur costs in the future. If it is too high then the Council could reduce its income in the short term.</p> | <p>As explained in 4.2.13 the Council has now released its provision as claims have not led to losses.</p> <p>A new rating list has been produced for 2023 and the Council will continue to provide for losses.</p> |
| 16 | <p>The Council, like many others, is experiencing issues in respect of recruitment and retention.</p> <p>There are a number of challenges contributing to this including the lasting impact of the pandemic (agile working which makes jobs further afield more accessible to staff, pay rates which are moving upwards as authorities will pay more to retain staff and uncertainty in the sector generally which makes the public sector less attractive for private sector candidates.)</p> | <p>Review of recruitment and retention has been completed.</p> <p>Pay levels are reviewed to try and maintain competitiveness.</p> <p>The Council is trying to recruit for two Director positions but has not built in any pressure should it be unsuccessful.</p> |
| 17 | The Council has undertaken a review of the County’s leisure and wellbeing needs and has recently tendered for a contractor to run dry side provision at Catmose at zero cost to the Council. | The MTFP allows for £300k to meet the potential costs of either ceasing provision or continuing at cost. |

| | Issue/risk | Impact/ Action to mitigate risk |
|--|---|--|
| | <p>The Council has not secured any viable bids with suppliers unwilling to take the risk of rising energy costs.</p> <p>The Council is now assessing its position but it could mean that public leisure provision may close. As the Council has a lease with Catmose College and facilities were funded with external grant, there may be financial implication of any decision to close.</p> | |

6 SAVINGS: DELIVERING FINANCIAL SUSTAINABILITY

6.1 Objective and priorities

6.1.1 The Council has approved a FSS which it is implementing. The strategy is geared around the two objectives set out in 3.2 and is built around three principles:

- raising council tax to maximise yield – this is our biggest income source;
- delivering a transformation programme and an “affordable service offer” and any other savings required; and
- using up to £2m of reserves to subsidise the budget to allow savings to be delivered. The savings per the FSS are set out below.

| | 23/24 | 24/25 | 25/26 | 26/27 | 27/28 |
|---|--------------|--------------|--------------|--------------|--------------|
| Total recurring savings required (per FSS) | 0.800m | 2.443m | 2.778m | 3.835m | 6.989m |
| Delivered in 23/24 inc. one off savings | 1.593m | 0.958m | 0.958m | 0.958m | 0.958m |
| New savings required (per MTFP) | 0.800m | 1.485m | 0.335m | 1.057m | 1.123m |
| Cumulative to be delivered (per MTFP) | - | 1.485m | 1.820m | 2.877m | 4.000m |
| NB: The MTFP includes recurring savings of £4.958m which is less than the £6.989m originally envisaged but is based on the current programme and acknowledges that the 25/26 funding position is uncertain. | | | | | |

6.2 Transformation Programme

6.2.1 The Chief Executive and Corporate Leadership Team are leading the Transformation Programme. From our work to date and conversations thus far with our Transformation Partner, it is clear that any plan will have to achieve two things:

- i) transform the way we deliver so that we reduce waste and maximise efficiency, and we get maximum value for our spend. Our Transformation work will allow us to develop an operating model that achieves this. But the notion that a change of operating model will in itself deliver the extent of savings required is unrealistic with the vast majority of savings expected from moving to an “affordable service” offer (we call this our strategic portfolio).
- ii) delivers a smaller but functional Council that spends less on its strategic portfolio whilst protecting the most vulnerable and enabling the community to do more for itself.

6.2.2 The Council has included savings targets in the MTFP and is working on the following workstreams:

| Area | Mission statement |
|-------------------------------|---|
| Operating Framework | To design a new operating framework that makes decision making lean and strips outs unnecessary bureaucracy making it easier to deliver services for customers. |
| Customer | We will simplify access to customer services and look for opportunities to enhance customers lives and lived experience by reviewing how customer access works and our model for customer services. |
| Community Offer | To have an integrated all-age community offer including the Voluntary Community Sector (VCS) that allows individuals and communities to help themselves, provides preventative support and targeted intervention to prevent escalation of needs. |
| Commissioning and Contracting | The Council manages fragile marketplaces, effectively supports services to source and secure commercially viable contracts and ensures there are skilled contract managers in place to maximise value from contract arrangements in place. |
| Digital, Data and Technology | Customers are able to self-serve through online interactions and integrated systems create efficiencies and give better access to data and insight, meaning evidence-led decision making is easier. |
| Enabling Services | The Council’s support services function is reviewed, with clear consideration given to a centralised or decentralised model for each support function which will maximise the value offered by service delivery units. |
| Public Realm | To reorganise public realm services, rescale our revenue commitment whilst maintaining a safe public realm and develop a standardised and affordable offer across the County that is clear on the role and remit of the Council and partner organisations and who pays. |
| Cultural Services | To develop an enabling cultural offer that enhances the visitor economy for reduced financial impact to the Council. |

| Area | Mission statement |
|------------------------------|--|
| Asset Management | To optimise our estate, reduce cost and maximise revenues. |
| Special Educational Needs | To identify sustainable changes that can drive high quality outcomes for children and young people with SEND (within their locality) and secure a more efficient and cost effective model. |
| Integrated Care Organisation | To redesign and integrate health and adult social care services, utilising shared resources to secure a more efficient and cost effective model and one that improves the customer experience. |
| Transport | To design and implement a demand led public transport model which is sustainable and costs less and drives up passenger use and improves accessibility to services including health and education. |

6.2.3 The Council's aim is to progress each workstream with a view to coming up with proposals and options for Members to consider post the May election. At this stage, it should be noted that Members have taken no decision in respect of the future delivery of services other than those reflected in this budget but Members have acknowledged that all areas of Council business need to be examined.

6.2.4 Savings for 23/24 are included in the budget (Section 9). There is also a target in the MTFP for 24/25. There is work to done to translate the target for 24/25 into one that is deliverable. By the end of April, the Council should be in a better position as workstream activity will be significantly progressed. **By September 2023 at the latest, the Executive should present detailed proposals (worked up proposals that can be actioned from 1 April 2024) for the achievement of 24/25 savings.**

7 RESERVES

7.1 Our approach

7.1.1 The Council has various reserves as set out below.

| Reserve | Description |
|----------------------|---|
| 1.General Fund | General reserve available to fund shortfalls in expenditure or unexpected costs |
| 2.Earmarked Reserves | <p>There reserves are established by Council, they are set up for a specific purpose e.g., health and safety claims. The Council has generally two types:</p> <p>a) reserves set aside in case an event arises e.g. redundancies; and</p> <p>b) reserves set aside where the Council knows spending will take place but is not sure how much or when e.g. Local Plan reserve. The latter is effectively a ring fenced</p> |

| Reserve | Description |
|-----------------------|--|
| | reserve. In either case, the Council could choose to return the balance on these reserves to the General Fund. |
| 3.Ringfenced reserves | Where the Council receives ring fenced funding, any unspent funds must be held in a reserve and only used for that intended purpose. |

7.1.2 For the purposes of its FSS, the Council proposed to use the term non ringfenced reserves to include the General Fund balances plus earmarked reserves that whilst earmarked could in effect be made available to subsidise the budget (those that meet the definition of 2a above).

7.1.3 This classification is helpful as it excludes statutory ringfenced reserves and those such as the Local Plan reserve which are already committed. The use of non-ringfenced reserves in the MTFP effectively means that Members know the total amount of funds available to meet any costs outside of the budget.

7.1.4 **The Council will be asked to:**

- release all balances held in 2a) above as per Appendix 6 back into the General Fund.
- set aside an extra £300k for the Local Plan reserve (Section 5, Risk 7);
- set aside an extra £300k to cover the SEN deficit (Section 5, Risk 5);
- set aside an extra £300k to cover the potential costs from a decision on Leisure provision (Section 5, Risk 17).

7.1.5 This will give the Council balances (after budget setting) as follows with earmarked reserves constituting those reserves already committed for specific issues e.g. Local Plan costs.

| Reserve | £ |
|---------------------|---------|
| General Fund | 13.173m |
| Earmarked reserves | 4.100m |
| Ringfenced reserves | 1.954m |

7.2 The minimum level of reserves required

7.2.1 One of the reasons that a budget deficit (plugged by reserves) does not threaten the Council's resilience overnight is that the Council has been prudent over the years and has maintained a healthy reserve level. The total level of reserves relative to council revenue expenditure is relatively high compared to other Councils as per the CIPFA Resilience Index indicating a good degree of financial management.

- 7.2.2 These reserves can be called upon in the short term to balance the budget and meet any additional in year costs. Balancing the budget using reserves is not good practice but is legitimate in the short term alongside a plan to reduce reliance on reserves in the future. The Council's FSS allows for the use of up to £2m of reserves alongside a programme to reduce this usage to £0 by 27/28.
- 7.2.3 It is important to note that in its Local Government Finance Policy Statement, the Government encouraged "local authorities to consider how they can use their reserves to maintain services in the face of immediate inflationary pressures, taking account, of course, of the need to maintain appropriate levels of reserves to support councils' financial sustainability and future investment." The Council's FSS is commensurate with this direction.
- 7.2.4 The current financial position and events like the decision to restart the Local Plan process in 2021 (which calls upon £2m of Reserves) demonstrates the importance of having available funds.
- 7.2.5 The minimum level of reserves is set to take account of:
- strategic, operational and financial risks (see Section 5);
 - key financial assumptions underpinning the budget; and
 - the quality of the Council's financial management arrangements.
- 7.2.6 The Council's minimum reserves target is set at £3m. Presently, the Council's General Fund balances (and useable earmarked reserves) are above the minimum level. As at March 2023, reserve levels are budgeted to be at £13.173m (Appendix 1).
- 7.2.7 A review of the reserves position has been undertaken. **It is my view that the minimum reserve level be maintained at £3m.** This level is deemed adequate based on professional judgement and a risk assessment taking into account the following factors:
- despite a good savings track record, the Council has work to do to deliver future savings but does have a programme in place being driven by the Chief Executive;
 - there are potential risk and cost pressures as set out in Section 5; and
 - the financial outlook is uncertain.

8 COUNCIL TAX AND COLLECTION FUND

8.1 Council tax – options

- 8.1.1 The Government has increased the Council Tax referendum limit to 5% for 23/24 (3% for general council tax and with 2% for social care).
- 8.1.2 The draft budget proposes to raise Council Tax by the maximum available in light of its financial difficulties.
- 8.1.3 The rationale for applying the 2% Adult Social Care (ASC) precept is that the

Council's budget assumes that the rate it will pay for increase to care rates following its fair cost of care work. The budget provides for substantial increases (subject to a report to be presented in February) for residential care, homecare and direct payments. As there are now few providers who will accept the current negotiated rate of £535 for a residential care bed, the Council is required to act to sustain the market – this is also an expectation from Government attached to extra funding.

- 8.1.4 The table below summarises the position for ASC and shows that the pressure on costs is not covered by all the additional funding.

| Extra funding (compared to 22/23) | | Extra costs (excludes general inflation and pay uplift for social workers and other staff) | |
|-----------------------------------|-------------------|--|-------------------|
| Better Care Fund | £300,000 | Demand | £260,000 |
| iBCF | £0 | Better Care Fund | £300,000 |
| Fair Cost of Care | £227,000 | Fair Cost of Care | £2,000,000 |
| Social care grant | £732,000 | Care Cap Reforms | £117,000 |
| Discharge Fund | £31,000 | | |
| Precept | £637,000 | | |
| Total | £1,927,000 | Total | £2,677,000 |

- 8.1.5 The precept of £637,000 pays for c1,160 weeks of residential care (at the existing negotiated rate) or c35,400 hours of homecare.

- 8.1.6 The table below gives shows the difference between the various options that Members could apply for Council tax as a whole. **The compound impact of any tax rise below the 4.99% maximum is significant. For example, a tax freeze and a loss of £8.5m funding over 5 years would threaten the Council's financial independence.**

| Change from 22/23 | Council tax rate | 23/24 Council tax revenue £m | Loss against maximum yield in 23/24 | MTFP Impact (5 years) |
|-------------------|------------------|------------------------------|-------------------------------------|-----------------------|
| 4.99% | £2,013.04 | £32.043m | N/A | N/A |
| 3.99% | £1,993.86 | £31.738m | £0.305m | £1.7m |
| 2.99% | £1,974.69 | £31.433m | £0.610m | £3.4m |
| 1.99% | £1,955.52 | £31.127m | £0.917m | £5.1m |
| 0.99% | £1,936.34 | £30.822m | £1.220m | £6.8m |
| 0% | £1,917.36 | £30.518m | £1.525m | £8.5m |

NB: The losses over a 5 year period will vary according to a number of factors including growth, council tax support, collection rates, discounts and empty homes.

8.2 Impact on residents

- 8.2.1 The Council runs a Local Council Tax Support scheme. The Scheme gives a maximum 75% discount on Council Tax bills for qualifying residents (i.e. those on low incomes who have capital of less than £10,000). This scheme runs alongside the single person discount so residents living on their own only pay 25% of the value of Council tax for their property.
- 8.2.2 The Council also has a discretionary hardship fund which would allow us to reduce Council tax for the most vulnerable and we have also received £33k from Government to make additional payments for those on low incomes.
- 8.2.3 The table below shows the impact on residents of the Council tax decision.

| Impacts | 22/23 | 23/24 |
|---|-----------|--|
| <i>On residents</i> | | |
| Council tax per Band D property | £1,917.36 | £2,013.04 |
| Weekly cost (Band D) | £36.77 | £38.61 |
| Maximum weekly cost for those receiving full council tax support | £9.19 | £9.65 (£0 if residents are of pensionable age) |
| Number of households paying the full charge* | 10,025 | 10,096 |
| Number of households receiving single persons discounts/ council tax support* | 6,705 | 6,715 |
| Council tax support funding available for hardship cases | £20,000 | £20,000 plus an additional £33,000 from Government |
| NB: The Council offers various support for those on low incomes which can be found at https://www.rutland.gov.uk/my-community/cost-of-living-support . | | |

8.3 Council Tax Collection Fund – the estimated balance for 2022/23

- 8.3.1 The Council, as a billing authority, is required to keep a special fund, known as the Collection Fund. If a surplus or deficit remains in the Collection Fund at the year-end it is subsequently distributed to or borne by the billing authority (in this situation the Council) and the preceptors (Police and Fire Authorities). Billing authorities are required to estimate the expected Collection Fund balance for the year to 31 March in order that the sum can be taken into account by billing authorities and preceptors in calculating the amounts of Council Tax for the coming year. The difference

between the estimate at 15 January, and the actual position at 31 March will be taken into account in the following financial year.

- 8.3.2 The estimated financial position on the Collection Fund at 31 March 2023 is shown below.

| | |
|------------------------------------|---------|
| Estimated Surplus at 31 March 2023 | £38,756 |
| Share of Deficit | |
| Rutland County Council | £33,012 |
| Leicestershire Police Authority | £4,476 |
| Leicestershire Fire Service | £1,268 |

- 8.3.3 Regulations provide for the Council's share of the estimated deficit to be transferred to the General Fund in 23/24.

8.4 **Business Rates Collection Fund – the estimated balance for 2022/23**

- 8.4.1 Although the Government has funded a large proportion of the changes in relation to business rates, the timing and accounting treatment required for the Collection Fund will result in significant movements between reserves to neutralise any impact of the reliefs.
- 8.4.2 The Councils draws down an amount from the Collection Fund based on an annual return completed in January and this forms the 'funding' from business rates, which does not fluctuate.
- 8.4.3 For 22/23, the P8 position showed a deficit position of £75k. This is largely down to an increase in unoccupied property relief and small changes across a number of other reliefs.
- 8.4.4 As the amount collected will not be as high as when estimated in January, this creates a deficit, but the fund still pays out the estimated amount. The Council will then have to pay back the deficit in the next financial year.
- 8.4.5 To help neutralise this impact the Council will use the additional funds held in the NNDR reserve in order to meet the estimated deficit in the Collection Fund in January 2023. The Business Rates position will be confirmed in January when the annual report is completed.

9 **REVENUE BUDGET**

9.1 **Revenue budget**

- 9.1.1 The Council is proposing a net revenue budget of £46.549m. The table below sets out the detailed make-up of the draft budget.

| | Draft budget 23/24 £000 |
|--|------------------------------------|
| People (Adult and Children's Services) | 23,943 |
| Places | 16,221 |
| Resources | 8,073 |
| <i>Sub-Total Directorate budgets</i> | 48,237 |
| Pay Inflation contingency | 743 |
| Demand Led Contingency | 245 |
| <i>Sub-Total Contingencies & Corporate Savings</i> | 988 |
| Net cost of services | 49,225 |
| Appropriations | (2,643) |
| Capital financing costs | 1,647 |
| Interest income | (1,680) |
| <i>Sub-Total Capital</i> | (2,676) |
| Total Net Spending | 46,549 |
| Funding | (45,771) |
| Contribution from Ring Fenced Reserves | (188) |
| Use of General Fund reserves | 590 |

9.1.2 The draft budget does not include all expenditure that will likely be incurred in 23/24. Updates will be required for the following in due course:

- **Homes for Ukraine** – the Scheme will continue into 23/24. Hosts' 'thank you' payments to increase to £500 a month after a Ukrainian's first year of sponsorship and will be extended from 12 months to 24 months. From 1st January 2023, Council's will receive £5,900 to help support each new arrival. Government will also provide £150million of new UK-wide funding in the 23/24 financial year to local authorities and devolved governments to help mitigate homelessness in place of the tariff. The Council has current funding which has been spent and will receive additional funding, as indicated above, so it is envisaged that funding will be drawn down as costs are incurred.
- **Local Plan** – the Council has set aside funding for a new Local Plan in a reserve. As expenditure is incurred, that funding will be drawn down to match expenditure.
- **UK Shared Prosperity Fund** – the Council has been awarded funding and will draw this down as expenditure is incurred.
- **Household Support Fund** – this scheme is fully funded by Government and will continue into 23/24 (funding level unknown).

9.2 Contribution to Corporate priorities

9.2.1 The budget will allow the Council to deliver on Corporate Strategy priorities and meet statutory obligations. The Council continues to focus on delivering and maintaining core services during difficult financial times and supporting those who are most vulnerable:

- the Council is investing new funding into the care sector which will allow care providers to receive an increased rate for care provision mitigating the cost rises they are facing;

- the Council is maintaining current Local Council tax support scheme arrangements and its discretionary funds for the most financially vulnerable residents;
- the Council continues to work closely with Health and will invest some new funding in supporting hospital discharge;
- the Council is investing in the waste management service and maintaining service provisions at the same levels;
- the Council continues to invest c£2m of capital funding in the council's road network to keep it at a high standard;
- the Council continues to invest in transport provision to maintain access to public transport;
- the Council continues to meet increased demand for Home to School and Special Educational Needs (SEN) transport;
- the Council continues to expand its digital offer and enable residents to make service requests online; and
- the Council is investing in the development of a new Local Plan and has set aside significant funding for this.

9.2.2 For now the budget protects the majority of key services and avoids service reductions that may be forced in the future. The Council will keep its Corporate Strategy priorities under review in light of how its Transformation work progresses.

9.3 Key assumptions

9.3.1 The **Directorate budgets** are detailed by functional areas in Appendices 2 to 4. The detailed budgets show how they have changed from 22/23 for the following items.

| | Description | Directorate Budgets £000 | Corporate Budgets £000 | Total Budget |
|-------------|---|-----------------------------|---------------------------|---------------|
| | Starting Budget | 44,597 | (568) | 44,029 |
| Inflation + | General inflation is applied to budgets. To illustrate the impact of inflation on different parts of the budget, inflation is shown separately for utilities and contracts. | 421* | 0 | 421 |
| Utilities + | Utilities inflation | 118* | 0 | 118 |
| Contracts + | Contract inflation pertaining to extension or renewal of contracts | 810* | 0 | 810 |
| Pay + | The impact of any pay award for 23/24 (still yet to be decided) is included in the | 361* | 743* | 1,104 |

| | Description | Directorate Budgets £000 | Corporate Budgets £000 | Total Budget |
|------------------------------|--|---|---------------------------------------|-------------------------|
| | Corporate provision. The Directorate Budgets includes any pay related costs such as pension costs, regrades etc. | | | |
| Pressures + | A pressure represents an increase in the budget arising from: <ul style="list-style-type: none"> • A loss of income or funding • An increase in demand • Implementation of reforms | 3,285* | 0 | 3,285 |
| Changes in Depreciation + | Changes in depreciation for the assets the council holds | 169* | (169) | 0 |
| Changes in funding - | Additional funding may be provided for new duties as outlined above or to help subsidise existing duties. Funding can take the form of grants, use of reserves or external funding. | 237* | 0 | 237 |
| National Insurance - | Reversal of NI uplift giving a saving | (142)* | 0 | (142) |
| Savings = | Directorate Savings arising from: <ul style="list-style-type: none"> • A reduction in demand • Stopping/reduction in service • Efficiencies Corporate Savings Arising From <ul style="list-style-type: none"> • Investment Income • Reduction in Demand Contingency | (1,593)* | (1,720)* | (3,313) |
| | 23/24 budget | 48,263 | (1,714) | 46,549 |
| | Budget Reductions | (1,735) | (1,889) | (3,624) |
| | Budget Increases | 5,401 | 743 | 6,144 |

9.4 Reserves and Estimates - robustness

- 9.4.1 Best practice requires me to identify any risks associated with the budget, and section 25 of the Local Government Act 2003 requires me to report on the adequacy of reserves and the robustness of estimates.

- 9.4.2 The most substantial risks in 23/24 pertain to demand led budgets, delivery of savings and inflationary pressures on budgets. The Council has prudently assumed that:
- current trends of increased demand etc will continue but also has some contingency included in the budget for any pressures;
 - social care rates will be increased to a level that is sustainable in the current care economy;
 - savings of £1.735m can be realised.
- 9.4.3 It is my view that estimates made in the plan are prudent. In the medium term, the risks to the budget strategy arise from the risks detailed in Section 5 but can be summarised as follows.
- non-identification and delivery of future savings built into the MTFP;
 - unidentified and uncontrollable pressures; and
 - loss of future resources, particularly in respect of changes to business rates, government funding or council tax.
- 9.4.4 The risk of economic downturn continuing, nationally or locally, is a distinct possibility as noted in the risk section. This could result in further significant reductions in funding, falling business rate income, and increased cost of Council Tax reductions for taxpayers on low incomes. It could also lead to a growing demand for Council support and services and an increase in bad debts.
- 9.4.5 In 23/24, it was my view that the Council's financial resilience is adequate. In light of the risks highlighted in section 5, **my view is that the position is deteriorating as reserves continue to be used to balance the budget but this is manageable in the short term because:**
- The Council has a good level of earmarked and General Fund reserves;
 - The Council is largely self-sufficient and its high dependency on Council tax leaves it less vulnerable to further government reductions but only if Members raise council tax to the maximum allowable;
 - Budget management is sound; and
 - A savings programme is in place, year 1 savings have been delivered and work is progressing on workstreams which will deliver savings in year 2.
- 9.4.6 Subject to the above comments, I believe the Council's general and earmarked reserves to be adequate in the short term. I also believe estimates made in preparing the budget are robust based on information available.

10 CAPITAL PROGRAMME PRIOR YEAR

10.1 Overall Programme – existing and new projects

- 10.1.1 The Capital Programme is developed around specific projects. The programme

comprises of four strands:

- Approved projects: capital projects already approved that will span across more than one financial year (any projects already approved which are not yet completed will continue into 2023/24);
- Ring Fenced Grants: These grants can be awarded following a successful application process or passported by Government to support objectives. Projects will automatically be included in the existing capital programme (e.g. disabled facilities grants) if there is a project to spend the funding;
- Non Ring-Fenced Grants: New projects to be approved in the budget or in-year; and
- Funding available but not yet allocated.

10.1.2 The table below is an overview of the position for 2023/24. Projects that make up the total £16.420m are listed in Appendix 7.

| Capital Programme | Budget Approved to Date | New Capital Projects | Budget 2023/24 |
|-------------------------------|-------------------------|----------------------|-----------------|
| | £000 | £000 | £000 |
| Strategic Aims and Priorities | 6,000 | 282 | 6,282 |
| Asset Management Requirements | 10,138 | 0 | 10,138 |
| Total Projects | 16,138 | 282 | 16,420 |
| Grant | (13,685) | (282) | (13,967) |
| Prudential Borrowing | (349) | 0 | (349) |
| Capital Receipts | (595) | 0 | (595) |
| RCCO | (309) | 0 | (309) |
| Developers Contributions | (1,200) | 0 | (1,200) |
| Total Budget Funding | (16,138) | (282) | (16,420) |

10.2 Changes to the Capital Programme

10.2.1 In October 2022, £15.509m was approved as the new capital programme, amendments of £629k have been made since this report, A further £282k of ring fenced projects have been added within the 2023/24 budget setting process. These amendments are shown within the table below, therefore giving the council a revised capital programme of £16.420m.

| | Project | Capital Project Approval or Delegation | Value | Value |
|---|-------------------------------|--|-------|--------|
| | | | £000 | £000 |
| Approved Capital Programme (Mid-Year Report 157/2022) | | | | 15,509 |
| New Capital Programme – Approved Since Outturn | | | | |
| Strategic Aims and Priorities | Exton Play Area Refurbishment | S106 Delegation | 14 | |

| | Project | Capital Project Approval or Delegation | Value | Value |
|--|---------------------------------------|--|-------|---------------|
| | | | £000 | £000 |
| Asset Management Requirements | Asset Review | Report 183/2022 | 565 | |
| Strategic Aims and Priorities | Schools Energy Efficiency Improvement | Ring Fenced Funding | 26 | |
| Strategic Aims and Priorities | UK Share Prosperity Fund | Ring Fenced Funding | 24 | |
| Total New Capital Programme – Approved Since Mid-Year Report | | | | 629 |
| New Capital Programmes for 2023/24 Budget Setting | | | | |
| Strategic Aims and Priorities | Devolved Formula Capital | Ring Fenced 2023/24 Funding | 12 | |
| Strategic Aims and Priorities | Disabled Facilities Grants | Ring Fenced – 2023/24 Funding | 270 | |
| Total New Capital Programme – Approved for 2023/24 Budget Setting | | | | 282 |
| Revised Capital Programme 2022/23 | | | | 16,420 |

10.3 Approved projects – approved projects continuing into 2023/24

10.3.1 Some of the capital projects will span across more than one financial year. Any projects already approved which are not yet completed will continue into 2023/24. The estimated spend in 2023/24 will depend primarily on the outturn position (the amount spent) for 2022/23. Examples include the school expansion project at Catmose and the council's asset review.

10.4 Approved projects – projects delivered with ring fenced funding

10.4.1 The Council receives Devolved Formula Capital funds which is passported to maintained schools to help them support the capital needs of their assets. Schools will decide what projects to fund.

10.4.2 For the Disabled Facilities grant which is part of the Better Care Fund, the full allocation is used to help residents remain in their home and be independent.

10.5 Projects in pipeline – to be submitted for approval or added in due course

10.5.1 In a few areas, works are ongoing and some proposals for new projects are being developed. In these areas, Cabinet reports are expected in 2023/24. Funding for any future projects will be met in full or in part from the unallocated funding (set out in 12.6 below). Areas under review include:

10.5.2 Levelling Up fund bid – Cabinet approval was given in June 2022 to submit a joint application with Melton Borough Council for Levelling Up Funding. If successful, the Council may be asked to provide match funding for up to 20% of the award value. An update will be given once the Council is notified on the outcome of the bid.

10.5.3 UK Share Prosperity Fund Allocation (UKSPF) – the funding has been launched to support the Levelling Up agenda. The Council is now allowed to draw down its £1m share of the allocation over the next 3 years. The 2022/23 allocations have been

added to the Councils revenue and capital budget. The allocations for 2023/24 and 2024/25 will be included once detailed plans are known.

| Allocation 22/23 | | | 23/24 | 24/25 |
|------------------|---------|----------|----------|----------|
| Capital | Revenue | Capacity | £117,344 | £823,984 |
| £23,469 | £35,203 | £20,000 | | |

- 10.5.4 The Rural England Prosperity Fund was announced by Government on 3rd September 2022. It complements the UKSPF and is a top-up to help address the extra needs and challenges facing rural areas. The Council submitted an investment plan (28th November 2022) and received an indicative allocation of £100k in 2023/24 and £300k in 2024/25. This is subject to government review. An update will be provided once the funding has been officially awarded.
- 10.5.5 Property Asset Review – Cabinet approval was granted in November 2022 for a capital project for emergency works on the Council's estate. The next phase of work will now focus on the options for each class of assets and subsequently the development of a longer term planned maintenance programme.
- 10.5.6 SEND Capital Funding – Funding for High Needs Provision Capital Allocation (HNPCA) has been confirmed for 2022/23 (£500k) and 2023/24 (£540k) but are not included in the capital programme yet. The funding is to support local authorities to deliver new places and improve existing provision for children's and young people with special educational needs and disabilities or who require alternative provision. The Council is joining the Delivering Better Value programme in January 2023, these works will feed into the process and where appropriate, to a Cabinet paper. Proposals will be presented in the new year.
- 10.5.7 Highways – the Department for Transport provided indicative funding of £2.381m for 2023/24 for local roads and upgrades to tackle potholes, relieve congestion and boost connectivity. This is included within the unallocated table in 12.6 until a paper is presented to Cabinet for approval.
- 10.5.8 10 year capital investment plan – There is a commitment in the Corporate Strategy for the Council to develop a 10 year capital investment plan to guide future spending on infrastructure and facilities. As this will link to and be informed by the development of the new Infrastructure Delivery Plan (IDP) it is anticipated that capital investment plan will now be developed in the latter half of 2023.

10.6 Unallocated Funding (funding available)

- 10.6.1 Currently the Council is holding capital funds that have not yet been approved to a project. A breakdown of these funds is shown in the table below.

| Developers Contributions | | | | Other funds | | |
|--------------------------|-------------|------------------------------------|------------------------|--------------------|------------------------|-------|
| | Section 106 | Community Infrastructure Levy Fund | Oakham North Agreement | Ring fenced Grants | Non ring-fenced Grants | Total |

| | | | | | /Capital receipts | |
|---|----------------|----------------|----------------|----------------|-------------------|-----------------|
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Opening Balance at P5 | (2,695) | (2,569) | (3,168) | (1,327) | (3,281) | (13,039) |
| Changes since Mid-Year report | | | | | | |
| Changes since P5 | 0 | 0 | 0 | (26) | 0 | (26) |
| New Projects Approved since P5 | 14 | 0 | 0 | 26 | 565 | 605 |
| Total Changes since P5 | 14 | 0 | 0 | 0 | 565 | 579 |
| Changes at Budget Setting 2023/24 | | | | | | |
| Estimated Grant Award 2023/24 | 0 | (430) | 0 | (937) | (2,943) | (4,310) |
| New Capital projects approved at budget setting | 0 | 0 | 0 | 282 | 0 | 285 |
| Leisure Commitment | 0 | 250 | 0 | 0 | 0 | 250 |
| Total Changes at Budget Setting | 0 | (180) | 0 | (655) | (2,943) | (3,778) |
| Closing Balance Unallocated | (2,681) | (2,749) | (3,168) | (1,981) | (5,659) | (16,238) |

| Breakdown of Funding | Ring fenced Grants | Non ring-fenced Grants/ Capital receipts |
|-------------------------------------|---------------------------|---|
| SEND Funding | (1,039) | |
| Schools Capital Maintenance Funding | (717) | |
| Other Social Care Funding | (225) | |
| Highways | | (2,458) |
| Integrated Transport | | (1,929) |
| Capital Receipts | | (1,195) |
| Other Non-Ringfenced Funding | | (77) |
| Total | (1,981) | (5,659) |

10.7 Indicative Allocations

- 10.7.1 A report (No: 197/2022) went to Cabinet in December, to set out the capital funds currently held by the Council, also to approve indicative allocations for the Council's investments. The report aligns the capital resources to the Council's strategic priorities that are set out in the Corporate Strategy and shows provisionally how the £16.2m held above might be used.
- 10.7.2 The indicative allocations will enable services and partners to develop their investment plans and bring forwards proposals for specific projects to meet the County's infrastructure needs and strategic priorities. Details of the indicative allocations can be found in the table below

| | Developers Contributions | | | | | |
|---|--------------------------|------------------------------------|------------------------|--------------------|------------------------|---------------|
| | Section 106 | Community Infrastructure Levy Fund | Oakham North Agreement | Ring fenced Grants | Non ring-fenced Grants | Total |
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Opening Balance as above | (2,681) | (2,749) | (3,168) | (1,981) | (5,659) | (16,238) |
| Priority 1: A Special Place | 1,383 | 0 | 1,000 | 0 | 4,526 | 6,909 |
| Priority 2: Sustainable Lives | 45 | 1,000 | 2,000 | 0 | 0 | 3,045 |
| Priority 3: Health and Well | 72 | 1,500 | 0 | 225 | 0 | 1,798 |
| Priority 4: A County for Everyone | 1,180 | 0 | 0 | 1,205 | 0 | 2,385 |
| Priority 5: A Modern and Effective Council | 0 | 0 | 0 | 551 | 1,133 | 1,684 |
| Total Indicative Allocations | 2,681 | 2,500 | 3,000 | 1,981 | 5,659 | 15,821 |
| Unallocated (after indicative allocations) | 0 | (249) | (168) | 0 | 0 | (417) |

10.7.3 **Priority One: A Special Place: Total £6.909m**

10.7.4 Investment in Highways, Heritage and Culture and the County's public spaces to improve the cultural offer, attractiveness, accessibility, and safety within the market towns and villages. This investment will enhance the public realm and support the development of the Council's cultural offer.

10.7.5 It is proposed that a community grants scheme is established to promote and support the vibrancy of the County's communities. The community grants scheme will be the subject of a future report to Cabinet.

10.7.6 **Priority Two: Sustainable Lives: Total £3.045m**

10.7.7 Investment in the County's waste and recycling services and facilities to secure long-term resilience and value for money and address the pressure of additional waste arisings created by growth.

10.7.8 It is also proposed to invest in the redesign of a sustainable and integrated public transport network that supports the implementation of the approved Bus Service Improvement Plan, increases bus usage, and reduces the County's carbon footprint.

10.7.9 **Priority Three: Healthy and Well: Total £1.798m**

10.7.10 Investment in improvements and increased health provision that meets the needs of all the County's residents. This investment must increase provision and not just upgrade or maintain existing provision. The County's health services are under pressure and additional development means further investment is required to support local residents.

10.7.11 Use of ring-fenced adult social care capital funds to support the care and independence of the County's residents.

10.7.12 Priority Four: A County for Everyone: Total £2.385m

10.7.13 Investment in the provision of services for early years, children, and young people and promoting the delivery of affordable housing within the County. The Council is exploring options for the provision of 'family hub' services which this investment could support.

10.7.14 It is also proposed to work with Police and Fire and Rescue services to invest in ensuring Rutland remains safe and welcoming.

10.7.15 Priority Five: A Modern and Effective Council: Total £1.684m

10.7.16 Investment in optimising the use of assets to provide value for money and support future service delivery and the County's strategic priorities. The report to November Cabinet on the high-level asset strategy will inform investment priorities and requirements for the Council's operational estate.

11 TREASURY MANAGEMENT

11.1 Overview

11.1.1 At the time of approving the budget, the Council will approve the Treasury Management Strategy and Capital Investment Strategy. The implications of these strategies (capital plans, investment returns and borrowing changes) are reflected in the draft budget where known but there are also issues that may impact the MTFP in the future.

11.2 Key issues

11.2.1 Over the past few years, Treasury Management has become high profile as a number of Council's treasury activity has hit the headlines. Excessive borrowing and investments in property and other commercial ventures has got some Council's into financial trouble to the point that they now face intervention and/or have been issued with s114 notices.

11.2.2 In response to this activity, regulations have been tightened to prevent what regulators including CIPFA believe is reckless activity and now the requirements placed on all Council's is greater than ever. The Council's treasury activity has always been prudent and the new regulations do not impact the way it works.

11.2.3 The Council's TMS sets out rules on investment which focus on security, liquidity and yield. The Council's current approach, which is low risk, will reduce yield compared to previous years reflect current economic conditions. The Council does not plan to change this approach and invest in longer term investment products.

11.2.4 Nor does the Council propose to borrow purely for investment gain. This is not allowed now under CIPFA guidance and under the Council'

11.2.5 The Council's capital financing costs include any borrowing charge. Presently, the capital plans include limited borrowing. There may be borrowing implications from future projects that could impact the MTFP. This work will be prioritised after the Council had produced its new corporate plan.

11.2.6 The Council's Capital Investment Strategy will still permit borrowing for capital

expenditure where financial return is a key priority alongside service considerations.

11.3 Prudential indicators – indicators to be approved

- 11.3.1 Local authority capital expenditure is based on a system of self-regulation, based upon a code of practice (the “prudential code”).
- 11.3.2 Council complies with the code of practice, which requires us to agree a set of indicators to demonstrate that any borrowing is affordable, sustainable and prudent. To comply with the code, the Council must approve the indicators at the same time as it agrees the budget. The Treasury report includes all relevant indicators.

11.4 Minimum Revenue provision – method of calculation

- 11.4.1 By law, the Council is required to charge to its budget each year an amount for the repayment of debt. This is known as “minimum revenue provision” (MRP).
- 11.4.2 MHCLG Guidance issued requires full Council to approve an MRP Statement in advance of each year. Council will be asked to approve the MRP Statement as part of the Treasury Management Strategy.
- 11.4.3 The Government is consulting on the duty of local authorities to make prudent Minimum Revenue Provision each year. Where authorities borrow to finance capital spend, they are required under regulations to set aside money each year from their revenue account. This is referred to as Minimum Revenue Provision (MRP) and is to make sure they can afford to repay the principal of their debt.
- 11.4.4 Prudent MRP must be determined with respect to the authority’s total capital financing requirement. The intention is to stop the intentional exclusion, by some authorities, of debt from the MRP determination because it relates to an investment asset or capital loan. The changes proposed will not impact on the Council.

12 SCHOOL FUNDING

12.1 Overview – How school funding works

- 12.1.1 Schools are funded from ring fenced grants, the most notable of which is the Dedicated Schools Grant (DSG). This funding cannot be used for any other Council function, and essentially schools operate within their own fund with any under or over expenditure being taken forward into future years.
- 12.1.2 The Government has announced indicative allocations for all blocks (Schools, High Needs, Early Years and Central Services for 2023/24).
- 12.1.3 As in previous years, the Council is able to transfer 0.5% of the Schools Block allocation to the High Needs block with the agreement of the Schools’ Forum. Due to the pressures being experienced by the High Needs budget, Forum has agreed to this transfer for 2023/24. This transfer will equate to approximately £0.140m being transferred between blocks
- 12.1.4 A local authority must engage in open and transparent consultation with all maintained schools and academies in the area, as well as with its Schools Forum about any proposed changes to the local funding formula including the method,

principles and rules adopted. Whilst consultation must take place, the local authority is responsible for making the final decisions on the formula. The options are limited.

- 12.1.5 Schools have reserves they can call on, and the Council will work closely with any maintained school (there are 3 in Rutland) that is experiencing financial difficulty to draw up a recovery plan.

12.2 Allocations – funding received and allocated

DSG

- 12.2.1 The Schools Block allocation for Rutland is £30.294m compared to 2022/23 of £28.182m (an increase of £2.112m) equating to an increase of 7.5%. The National Funding Formula sets the Primary and Secondary units of funding for each authority based on the previous year's census data and these are used to calculate the funding received by the authority for the following year.
- 12.2.2 The two units of funding for Rutland County Council for 2023/24 have been set as follows:
- Primary Unit of Funding is £4,712.25 (£4,487.63 in 2022/23)
 - Secondary Unit of Funding is £5,746.146 (£5,525.00 in 2022/23)
- 12.2.3 The High Needs block allocation for 2023/24 is £5.872m compared to 2021/22 of £5.272m (an increase of £0.600m) equating to 11.4%.
- 12.2.4 The current level of spending on high needs is projected to be £5.7m in 2022/23, and continues to rise, and therefore the allocation for 2023/24 is likely to be insufficient to cover costs next year. The transfer of 0.5% from the Schools Block (approximately £0.140m) is for one year only.
- 12.2.5 The Council is likely to be carrying a DSG deficit of c£1.37m by the end of March 2023. The Council does have a plan to address the issue and is part of the Delivering Better Value programme which will start in January which is aimed at helping Councils to improve delivery of SEND services for children and young people while ensuring services are sustainable. As part of DBV the Council will be able to apply for up to £1m of grant funding to help implement change and reform.
- 12.2.6 However, recouping this deficit will be a significant challenge without additional funding and may take some years to recover if it can be recovered at all. The Council do have a ringfenced reserve of £1.025m (balance on the DSG as at 31st March 2022) to cover its liability if the deficit is not recovered. This will be increased to cover the projected balance of £1.37m.
- 12.2.7 The Early Years block allocation for 2023/24 has been provisionally set as £1.718m based on an increase rate for 2 year old funding of £5.63 (£5.57 2022/23) and funding for 3 and 4 year olds of £4.87 (£4.61 2022/23).
- 12.2.8 The Council will review the funding and will set individual rates paid over to nurseries (after deducting 5% for Council statutory duties). It is expected that rates will increase from the 2022/23 rates of £5.57 for 2 year olds and £4.38 for 3 and four year olds. This will be confirmed in the final budget report.

12.2.9 The Central School Services block allocation is £0.198m for 2023/24 a slight increase (£0.01m) from the allocation in 2022/23. The Central School Services block pays for the following services:

- Admissions Services;
- Nationally agreed copyright licence fees; and
- The local authority statutory responsibilities (previously covered by the Education Services Grant) e.g. be strategic lead for education of children and young people.

12.3 Pupil Premium Grant (PPG)

12.3.1 The DfE have not yet published the pupil premium rates for 2023/24. Any allocations are passported straight to schools.

12.4 Universal Infant Free School Meals (UIFSM)

12.4.1 The DfE have not yet published the pupil premium rates for 2023/24. Any allocations are passported straight to schools.

13 CONSULTATION

13.1 The Council is required to consult on the budget and has plans in place to meet those requirements. It is proposed that consultation for 23/24 includes:

- Consideration by Scrutiny at a special meeting in January;
- Correspondence with businesses about the budget and business rates issues inviting online comments;
- Consultation online and publicity through the local print and broadcast media from 13th January to 3rd February; and
- Public events to be held in the County, hosted by the Leader, where the Council will outline its financial position, explain what this means and how it is seeking to address it through its Transformation work.

13.2 Consultation will focus on some questions as set out in Appendix 8.

14 ALTERNATIVE OPTIONS

14.1 There are four key areas where the Council has choices: revenue savings/pressures, the capital programme, council tax funding and reserve levels. These are considered separately.

14.2 Revenue savings/pressures

14.2.1 Option 1 - In terms of revenue savings/pressures Members could approve all savings/pressures for consultation – this is the recommended option. Where savings have been put forward Officers are of the view that these are achievable. The budget includes service pressures most of which arise from a need to respond to statutory requirements and/or unavoidable circumstances such as demand and the need to make in year savings.

- 14.2.2 Option 2 - Members could not accept all savings/pressures – this would mean that in those areas where savings have been put forward officers would revert back to original spending plans. In terms of pressures, then where these are included to respond to statutory requirements, Officers would need to find alternative savings either before the budget was set or in-year; otherwise it is likely that the budget would be overspent. Officers have already absorbed pressures where possible. Members could request that more savings are made in 23/24. Members would need to give clear direction as to where additional savings would need to be made. Simply requesting an additional say £500k is saved with no direction would be unacceptable in light of the savings already proposed in 23/24. Reducing the savings to be made would be equally damaging and Members would need to be mindful of the financial implications of doing this on the overall financial position. Option 2 is not recommended.

14.3 Capital programme

- 14.3.1 Option 1 - The capital programme for 23/24 includes projects already approved by Cabinet/Council. Some additions/deletions are proposed and Members could approve the capital programme as stated.
- 14.3.2 Option 2 – Members could reject all or some of the additions/deletions. This is not recommended as changes reflect Council priorities.

14.4 Funding – Council Tax

- 14.4.1 The MTFP includes funding assumptions. The majority are based on the professional judgement of officers taking into consideration the settlement allocation and all other available information. The one key funding decision that Full Council has to make is around Council tax levels.
- 14.4.2 Option 1 - Members could approve the draft budget which assumes a 4.99% Council Tax increase (2% for Adult Social Care).
- 14.4.3 Option 2 – Members could vary the Council Tax rate. The impact of not making this decision is set out in Section 4. The loss of income for different rates is shown in Section 8. Given the financial gap already projected, the risks highlighted in Section 5 and the comments made by the s151 Officer in Section 3.1.

14.5 Final budget

- 14.5.1 In approving the draft budget for consultation, the Committee will still be able to revisit the alternative options above after consultation and prior to recommending the final budget to Council in due course.

15 FINANCIAL IMPLICATIONS

- 15.1 The draft budget as presented relies on a contribution from the General Fund of £0.598m and £0.900m to be put into earmarked reserves.

16 LEGAL AND GOVERNANCE CONSIDERATIONS

- 16.1 The Council is on course to agree its budget and set its Council Tax for 2023/24 within the timetable required by statute and the constitution as per the table below.

| Requirement | Status |
|---|--|
| <i>Statutory requirements under Local Government Finance Act 1992:</i> | |
| To levy and collect council tax | To be approved at Council in February 2023 |
| To calculate budget requirements and levels of council tax | To be approved at Council in February 2023 |
| To consult representatives of persons subject to non-domestic rates about proposals for expenditure | Covered in consultation (section 13) |
| To approve the budget and set Council Tax by 11th March in each year | To be approved at Council in February 2023 |
| The Council is also required by the Local Authorities (Funds)(England) Regulations 1992 in exercise of the powers under section 99(3) of the Local Government Finance Act 1988, to make an estimate on 15 January of the amount of the deficit or surplus on the Collection Fund as at 31st March 2018. This report sets out an estimated figure. | Section 8.3 |
| <i>Statutory requirements under Local Government Act 2003:</i> | |
| Under section 25 of the Local Government Act 2003 the Section 151 Officer is required to report to the Council on the robustness of the estimates made for the purpose of setting the Council Tax and the adequacy of the proposed financial reserves. | Section 9.4 |
| <i>Constitution</i> | |
| The Council is required to consult on the budget for a minimum of 3 weeks. | Section 13 covers consultation plans. |

17 EQUALITY IMPACT ASSESSMENT (EIA)

- 17.1 In the exercise of its functions, the Council must have due regard to the Council's duty to eliminate discrimination, to advance equality of opportunity for protected

groups and to foster good relations between protected groups and others.

- 17.2 The Council has completed Equalities Impact Assessment (EIA) screening for all savings proposals and for the proposed tax increase. There are no proposals or decisions on specific courses of action that could have an impact on different groups of people and therefore full EIAs are not required. Some of the analysis relating to the Council tax increase is shown below:

| Proposal |
|--|
| A Band D Council Tax increase of 4.99%, including the Adult Social Care Precept of 2% taking Band D Council Tax from £1,917.36 to £2,013.04 (Rutland County Council only). This proposal is linked to one aspect of local government funding where the Council has some discretion to raise additional funds by increases to Council Tax. The Council Tax rules in place that limit the extent of any Council Tax increases before a referendum is required, the limit for Rutland for 2023/24 is 4.99%. |
| Initial impact |
| <p>This increase will be applied to all bands of council tax. This will impact on all residents who are eligible to pay Council Tax. The average increase cost per week on a Band D property is £1.84.</p> <p>Since Council Tax is applicable to all properties it is not considered that the increase targets any one particular group; rather it is an increase that is applied across the board. At the same time because the increase is applied to all properties it is not possible to exempt any particular groups. By increasing Council tax, the Council is able to prevent further reductions in services to local residents and in so doing continue can mitigate adverse impacts facing individual households.</p> |
| Actions take to mitigate impact |
| <p>The risk is mitigated through various support offered: Local Council Tax Support, additional Hardship award, a Discretionary Fund and Advice.</p> <p>On top of the 75% discount, for those on LCTS the Council continues to offer further support to those who can demonstrate financial hardship. It has funds of £20k set aside and is prepared to increase this amount should the need arise.</p> <p>The Council also provides some budgeting and financial advice and has a contract with Citizens Advice Rutland to provide more specialist support if needed. The Council has a webpage dedicated to showing the support available to those in need.</p> <p>https://www.rutland.gov.uk/my-community/cost-of-living-support/</p> |

18 COMMUNITY SAFETY IMPLICATIONS

- 18.1 There are no community safety implications.

19 DATA PROTECTION

- 19.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

20 HEALTH AND WELLBEING IMPLICATIONS

- 20.1 There are no health and wellbeing implications.

21 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 21.1 The Council is required to set a balanced budget and agree the level of Council tax for 23/24. The draft budget for consultation is affordable within the context of the MTFP.

22 BACKGROUND PAPERS

- 22.1 There are no additional background papers to the report.

23 APPENDICES

| | |
|------------|------------------------------------|
| Appendix 1 | Medium Term Financial Plan |
| Appendix 2 | Resources Directorate budget 22/23 |
| Appendix 3 | Places Directorate budget 22/23 |
| Appendix 4 | People Directorate budget 22/23 |
| Appendix 5 | Pressure / Savings |
| Appendix 6 | Earmarked Reserves |
| Appendix 7 | Capital |
| Appendix 8 | Consultation |

Appendix 1 – Medium Term Financial Plan

| | 2022/23 P8 £ | 2023/24 £ | 2024/25 £ | 2025/26 £ | 2026/27 £ | 2027/28 £ |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| People | 21,240,700 | 23,942,704 | 25,135,804 | 25,794,304 | 26,545,204 | 27,312,704 |
| Places | 15,843,200 | 16,221,200 | 17,470,100 | 17,859,200 | 18,260,000 | 18,671,400 |
| Resources | 7,833,000 | 8,072,500 | 8,020,900 | 8,115,500 | 8,241,500 | 8,470,400 |
| Additional Savings | | 0 | (1,485,000) | (1,820,000) | (2,877,000) | (4,000,000) |
| ASC Reform Costs | 0 | 0 | 0 | 200,000 | 400,000 | 600,000 |
| Contribution to Overheads | (162,000) | 0 | 0 | 0 | 0 | 0 |
| Projects | 433,600 | 0 | 0 | 0 | 0 | 0 |
| Pay Inflation Contingency | 0 | 743,200 | 1,329,500 | 1,722,800 | 2,111,000 | 2,505,100 |
| Demand Led Contingency | 0 | 244,900 | 764,500 | 1,299,400 | 1,851,000 | 2,420,600 |
| Net Cost of Services | 45,188,500 | 49,224,504 | 51,235,804 | 53,171,204 | 54,531,704 | 55,980,204 |
| Capital financing and related items | (588,200) | (996,000) | (996,000) | (996,000) | (996,000) | (996,000) |
| Interest Receivable | (1,091,900) | (1,680,000) | (1,080,000) | (780,000) | (680,000) | (510,000) |
| Net spending | 43,508,400 | 46,548,504 | 49,159,804 | 51,395,204 | 52,855,704 | 54,474,204 |
| Other Income | (1,819,100) | (376,600) | (380,000) | (330,700) | (330,700) | (330,700) |
| New Homes Bonus | (461,300) | (7,000) | (7,000) | 0 | 0 | 0 |
| Improved Better Care Fund | 0 | (218,800) | (218,800) | (218,800) | (218,800) | (218,800) |
| Better Care Fund | (2,712,300) | (2,793,500) | (2,993,500) | (2,993,500) | (2,993,500) | (2,993,500) |
| Social Care Grant | 0 | (1,793,000) | (2,048,000) | (2,048,000) | (2,048,000) | (2,048,000) |
| ASC Market Sustainability | | (318,000) | (478,000) | (478,000) | (478,000) | (478,000) |
| ASC Discharge Fund | | (31,000) | (51,000) | (51,000) | (51,000) | (51,000) |
| Rural Delivery Grant | (890,400) | (890,400) | (890,400) | (890,400) | (890,400) | (890,400) |
| Fair Funding Redistribution | | | | (2,607,657) | (2,002,859) | (1,318,763) |
| Retained Business Rates Funding | (3,462,200) | (7,269,300) | (6,829,700) | (5,467,900) | (5,694,600) | (5,943,500) |
| Government funding subtotal | (9,345,300) | (13,697,600) | (13,896,400) | (15,085,957) | (14,707,859) | (14,272,663) |
| Council Tax/Social care precept | (30,292,100) | (32,040,700) | (33,882,200) | (35,827,600) | (37,882,900) | (40,054,000) |
| Collection fund Deficit/(Surplus) | (159,000) | (33,012) | 0 | 0 | 0 | 0 |
| Total available Resources | (39,796,400) | (45,771,312) | (47,778,600) | (50,913,557) | (52,590,759) | (54,326,663) |
| Earmarked Reserve | (2,369,800) | (188,000) | 0 | 0 | 0 | 0 |
| Use of General Fund Balances | 1,342,200 | 589,192 | 1,381,204 | 481,647 | 264,945 | 147,541 |
| Balance brought forward | (13,026,162) | (14,661,868) | (13,172,676) | (11,791,472) | (11,309,825) | (11,044,880) |
| Transfer in of Earmarked Reserves | (4,002,906) | | | | | |
| Local Plan | 0 | 300,000 | 0 | 0 | 0 | 0 |
| Leisure | | 300,000 | | | | |
| High Needs | 1,025,000 | 300,000 | | | | |
| Balance carried forward | (14,661,868) | (13,172,676) | (11,791,472) | (11,309,825) | (11,044,880) | (10,897,339) |
| | | | | | | |
| Ringfenced ER b/f | (6,882,607) | (5,342,107) | (6,054,107) | (6,054,107) | (6,054,107) | (6,054,107) |
| Ringfenced ER c/f | (5,342,107) | (6,054,107) | (6,054,107) | (6,054,107) | (6,054,107) | (6,054,107) |

Appendix 2 – Resources Directorate Budget 22/23

22/23 Restated Budget – this is the budget for 22/23 (as presented at Outturn) adjusted for one off budgets (Budget Carry Forwards etc.) and 21/22 and 22/23 pay awards

Pressures – These are new pressures identified during the budget setting process. These link to appendix 5 and will be referenced started “P”

Savings – These are savings identified during the budget setting process. These link to appendix 5 and will be referenced started “S”

National Insurance (NI) Social Care Levy Removal – This is the saving from the government’s decision to reverse the 1% social care levy on National Insurance.

Government Funding – These dictate changes to Government Funding within the Directorate Budgets

Pay Inflation – this column represents changes to pay (increments, pension changes, regrades etc.)

145 **Contractual Inflation** – These are pressures from Contracts identified during the budget setting process. These link to appendix 5 and will be referenced started “CI”

Utility Inflation – Pressures due to hyperinflation on utilities (Gas, Water and Electric)

General Inflation – general allowance for items costing more (not linked to a contract)

Depreciation – Adjustments for Depreciation within the Directorate Budgets

Transfers – Transfers within the budget to reflect operational changes and depreciation adjustments. Where depreciation is adjusted this will be denoted with a “D” in the reference field

| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|------------------------------------|-----------------------------|-----------|---------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|-------------------------------------|
| Resources | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Chief Executives Office | 273 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 280 | |
| Directorate Management Costs | 320 | 0 | 0 | (1) | 0 | (1) | 0 | 0 | 0 | 0 | 0 | 318 | |
| Communications | 241 | 0 | 0 | (2) | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 243 | |
| Corporate Costs | 173 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 3 | 0 | 0 | 181 | CI1 |
| Pensions | 1,044 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1) | 0 | 0 | 1,043 | |
| Audit Services | 199 | 0 | 0 | 0 | 0 | 0 | 97 | 0 | 0 | 0 | 0 | 296 | CI1, CI2 |
| Finance and Insurance | 942 | 0 | 0 | (11) | 0 | 12 | 17 | 0 | 11 | 0 | 0 | 971 | CI3 |
| Information Technology | 1,535 | 64 | (42) | (5) | 0 | 11 | 78 | 0 | 5 | (4) | 10 | 1,652 | P2, P15, S10, S11, S15, CI1, CI4 |
| Business Support Services | 1,012 | 0 | (150) | (6) | 0 | 21 | 0 | 0 | 1 | 0 | 2 | 880 | S13, S14 |
| Members Services | 290 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 300 | P4 |
| Customer Services Team | 202 | 0 | 0 | (2) | 0 | 4 | 0 | 0 | 0 | 0 | (10) | 194 | |
| Elections | 130 | 87 | (27) | (1) | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 190 | P3, S25 |
| Legal and Governance | 677 | 0 | (74) | 0 | 0 | 11 | 0 | 0 | 6 | 0 | 0 | 620 | S12, S17 |

| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|------------------------|-----------------------------|------------|--------------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|-----------------------------------|
| Resources | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Human Resources | 488 | 0 | (23) | (3) | 0 | 9 | 0 | 0 | 0 | 0 | 0 | 471 | S1, S16 |
| Revenues and Benefits | 363 | 43 | 0 | (8) | 0 | 4 | 0 | 0 | (4) | 0 | 0 | 398 | P1 |
| Financial Support | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 40 | |
| Total Resources | 7,929 | 199 | (316) | (39) | 0 | 82 | 197 | 0 | 27 | (4) | 2 | 8,077 | |

Appendix 3 – Places Directorate Budget 22/23

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| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|---|-----------------------------|-----------|---------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|--------------------------------------|
| Places | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Directorate Management Costs | 402 | 0 | (40) | (3) | 0 | (7) | 0 | 0 | 0 | 0 | 0 | 352 | S10 |
| Development Control | 183 | 0 | (38) | (6) | 0 | 12 | 0 | 0 | 1 | 0 | 0 | 152 | S15 |
| Drainage & Structures | 143 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 10 | 156 | |
| Emergency Planning | 37 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 38 | |
| Environmental Maintenance | 1,439 | 0 | (24) | (2) | 0 | 5 | 179 | 0 | 4 | 0 | 0 | 1,601 | CI1 |
| Forestry Maintenance | 108 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 110 | |
| Crime Prevention | 125 | 0 | (5) | (1) | 0 | 1 | 0 | 0 | 1 | 10 | 0 | 131 | S2 |
| Highways Capital Charges | 1,828 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 116 | 0 | 1,944 | |
| Highways Management | 283 | 94 | (10) | (4) | 0 | 8 | 0 | 0 | 2 | 0 | 0 | 373 | P5, P6 |
| Commissioned Transport | 2,357 | 256 | (18) | (3) | 0 | 5 | 14 | 0 | 29 | 0 | 0 | 2,640 | CI1, P7, S10 |
| Lighting, Safety Barriers and Traffic Signals | 169 | 0 | 0 | 0 | 0 | 0 | 0 | 68 | 2 | 0 | (10) | 229 | |
| Parking | (191) | 0 | (16) | (1) | 0 | 3 | 0 | 1 | 5 | 3 | 0 | (196) | S5 |
| Pool Cars & Car Hire | 107 | 0 | 0 | 0 | 0 | 0 | 22 | 0 | 1 | 0 | 0 | 130 | CI1 |

| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|---------------------------------------|-----------------------------|-----------|---------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|--------------------------------------|
| Places | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Public Protection | 417 | 0 | (1) | 0 | 0 | 0 | 59 | 0 | 0 | 0 | 0 | 475 | S6, C11 |
| Public Rights of Way | 35 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 52 | P9 |
| Public Transport | 835 | 0 | (25) | 0 | 0 | 0 | 0 | 0 | 18 | 0 | 0 | 828 | S26 |
| Road Maintenance | 339 | 0 | (20) | 0 | 0 | 0 | 0 | 16 | 7 | 0 | 0 | 342 | |
| Transport Management | 602 | 0 | (126) | (3) | 0 | 6 | 0 | 0 | 0 | 15 | 0 | 494 | S10, S20 |
| Waste Management | 3,276 | 0 | (179) | 0 | 0 | 1 | 0 | 0 | 96 | 4 | 0 | 3,198 | S3, S30, S31 |
| Winter Maintenance | 280 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 286 | |
| Planning Policy | 363 | 0 | 0 | (3) | 0 | 7 | 0 | 0 | 1 | 0 | 0 | 368 | |
| Tourism | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | |
| Health & Safety | 44 | 0 | (2) | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 43 | S4 |
| Property Services | 1,217 | 74 | (45) | (5) | 0 | 10 | 24 | 11 | 14 | (26) | 0 | 1,274 | CI5, P?, P8, S21 |
| Building Control | 15 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 18 | CI1 |
| Commercial & Industrial Properties | (178) | 0 | 0 | 0 | 0 | 1 | 0 | 16 | 7 | 0 | 0 | (154) | |
| Economic Development | 208 | 0 | (87) | (1) | 0 | 2 | 0 | 0 | 1 | 1 | 0 | 124 | S18, S19 |
| Culture & Registration Services | 168 | 0 | 0 | (2) | 0 | 4 | 0 | 0 | (6) | | 0 | 164 | |
| Libraries | 496 | 0 | 0 | (2) | 0 | 5 | 0 | 2 | 2 | 9 | 0 | 513 | |
| Museum Services | 475 | 0 | 0 | (1) | 0 | 3 | 0 | 3 | 3 | 5 | 0 | 488 | |

| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|------------------------------|-----------------------------|------------|--------------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|--------------------------------------|
| Places | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Sports & Leisure Services | 93 | 0 | (6) | (1) | (6) | 2 | 0 | 1 | 2 | 11 | 0 | 96 | S27 |
| Total Places | 15,677 | 440 | (642) | (38) | (6) | 69 | 301 | 118 | 203 | 148 | 0 | 16,227 | |

Appendix 4 – People Directorate Budget 22/23

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| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|---|-----------------------------|-----------|---------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|--------------------------------------|
| People | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Directorate Management Costs | 1,404 | 2,090 | (102) | (9) | 0 | 51 | 0 | 0 | 1 | 0 | 38 | 3,473 | P11, S13, S7 |
| Public Health | (214) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 0 | (5) | (197) | |
| BCF Enablers | 128 | 0 | 0 | 0 | 300 | 2 | 0 | 0 | 1 | 0 | 0 | 430 | |
| BCF Unified Prevention | 343 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | (36) | 307 | |
| BCF Holistic Management of Health & Wellbeing | 1,033 | 0 | (40) | 0 | 0 | 6 | 0 | 0 | 11 | 0 | (142) | 865 | S28 |
| BCF Hospital Flows | 1,264 | 0 | 0 | (2) | 0 | 1 | 0 | 0 | 7 | 0 | 6 | 1,276 | |
| Non BCF Contract & Procurement | 531 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 2 | 0 | (65) | 470 | |
| ASC - Community Inclusion | 1,269 | 39 | (52) | (13) | 0 | 23 | 0 | 0 | 1 | 0 | (25) | 1,242 | P10, S8, S28 |
| ASC Prevention and Safeguarding | 72 | 0 | (128) | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 67 | 13 | S23 |
| ASC Prevention and Safeguarding - Staffing | 303 | 0 | 0 | (3) | 0 | 6 | 0 | 0 | 0 | 0 | (98) | 208 | |
| ASC Housing | 252 | 0 | 0 | 0 | 0 | 17 | 0 | 0 | 3 | 0 | 0 | 270 | |
| ASC Support and Review - Daycare | 104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | (75) | 31 | |

| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|---|-----------------------------|-----------|---------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|-----------|-----------------|--------------------------------------|
| People | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| ASC Support and Review - Direct Payments | 1,414 | 0 | 0 | 0 | 0 | 0 | 62 | 0 | 0 | 0 | (216) | 1,260 | CI1 |
| ASC Support and Review - Homecare | 1,998 | 13 | 0 | (3) | 0 | 9 | 53 | 0 | 23 | 0 | 632 | 2,725 | P14, CI1 |
| ASC Support and Review - Homecare | (425) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 55 | (370) | |
| ASC Support and Review - Other | 323 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 330 | |
| ASC Support and Review - Residential and Nursing | 4,001 | 247 | 0 | 0 | 0 | 0 | 197 | 0 | 12 | 0 | (347) | 4,110 | P14, CI1 |
| ASC Support and Review - Staffing | 552 | 0 | 0 | (5) | 0 | 14 | 0 | 0 | 0 | 0 | 279 | 840 | |
| Hospital and Reablement | 720 | 0 | (135) | (6) | 0 | 14 | 0 | 0 | 15 | 0 | 0 | 608 | S8, S9 |
| Safeguarding | 378 | 0 | 0 | (2) | 0 | 1 | 0 | 0 | 2 | 0 | (50) | 329 | |
| CSC Referral, Assessment and Intervention Service | 262 | 0 | (25) | 0 | 0 | 30 | 0 | 0 | 0 | 0 | (41) | 226 | S24 |
| CSC Permanency and Protection Service | 476 | 0 | (23) | (3) | 0 | 3 | 0 | 0 | 5 | 0 | (51) | 407 | S24, CI1 |

| | 22/23 Restated Budget | Pressures | Savings | NI Levy Removal | Government Funding | Pay Inflation | Contractual Inflation | Utility Inflation | General Inflation | Depreciation | Transfers | 23/24 Budget | Saving and Pressure References |
|---|-----------------------------|--------------|--------------|--------------------|-----------------------|---------------|--------------------------|----------------------|----------------------|--------------|------------|-----------------|--------------------------------------|
| People | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| CSC Fostering, Adoption and Care Leaver Service | 2,281 | 0 | (56) | (2) | 0 | 5 | 0 | 0 | 53 | 0 | 143 | 2,424 | S24, S32 |
| Early Intervention - Targeted Intervention | 1,085 | 300 | (72) | (4) | 0 | 9 | 5 | 0 | 7 | 0 | (2) | 1,328 | P16, S7, S29, S33, CI1 |
| Early Intervention - SEND & Inclusion | 878 | 0 | 0 | 0 | 0 | 10 | 0 | 0 | 4 | 0 | 0 | 892 | |
| Early Intervention - Universal and Partnership | 316 | 0 | (2) | (2) | 0 | (1) | 0 | 0 | 3 | 0 | 0 | 314 | S7 |
| Schools and Early Years | 222 | 0 | 0 | (4) | (57) | 2 | 0 | 0 | 0 | 25 | (69) | 119 | |
| Rutland Adult Learning and Skills Service (RALSS) | 21 | 0 | 0 | (4) | 0 | 2 | 0 | 0 | 4 | 0 | 0 | 23 | |
| Total People | 20,991 | 2,689 | (635) | (65) | 243 | 210 | 312 | 0 | 191 | 25 | (2) | 23,952 | |

Appendix 5 – Savings and Pressures

The tables below show changes to the budget from 22/23 including the impact of pressures and savings.

| Table Reference | Resources | Places | People | Corporate | Total |
|---|------------|--------------|--------------|-----------|--------------|
| Table 1 – Contractual Inflation | 196 | 301 | 312 | 0 | 809 |
| Table 2 – Pressures | 199 | 397 | 2,689 | 0 | 3,285 |
| Pay Inflation (Directorate Appendices) | 82 | 69 | 210 | 0 | 361 |
| Utility Inflation (Directorate Appendices) | 0 | 118 | 0 | 0 | 118 |
| General Inflation (Directorate Appendices) | 27 | 203 | 191 | 0 | 421 |
| Government Funding (Directorate Appendices) | 0 | (6) | 243 | 0 | 237 |
| Depreciation (Directorate Appendices) | (4) | 148 | 25 | 0 | 169 |
| Service Pressures | 500 | 1,230 | 3,670 | 0 | 5,400 |
| Table 5 – Corporate Pressure | 0 | 0 | 0 | 375 | 375 |

| Table Reference | Resources | Places | People | Corporate | Total |
|---|--------------|--------------|--------------|----------------|----------------|
| Table 3 – Budget Re-alignment and change in Funding | (5) | (212) | (248) | 0 | (465) |
| Table 4 – Service Led Savings | (311) | (430) | (390) | 0 | (1,131) |
| NI Savings | (39) | (38) | (65) | 0 | (142) |
| Service Savings | (355) | (680) | (703) | 0 | (1,738) |
| Table 5 – Ring Fenced Funding | 0 | 0 | 0 | (188) | (188) |
| Table 5 – Corporate Savings | 0 | 0 | 0 | (1,480) | (1,480) |
| Total | (355) | (680) | (703) | (1,668) | (3,406) |

Table 1 – Contractual Inflation

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|--|-------------------|----------------|----------------|---------------|--|
| | Contractual Inflation – Two types of Pressure 1) Inflation built into contract and due to hyperinflation has led to higher than assumption within MTFP 2) Re-procurement led to higher cost | | | | | |
| CI1 | General Contract Inflation | 75 | 277 | 312 | 664 | Pressure due to inflation built into contracts |
| CI2 | External Audit | 92 | 0 | 0 | 92 | The Council opted into the National Procurement process ran by the Public Sector Audit Appointments (PSAA). Following the results of the tender all Councils have been advised that fees are expected to increase by 150%, The Councils current scale fee for Audit is £57k plus £17k for specific Grant Audits. |
| CI3 | Asset Valuations | 17 | 0 | 0 | 17 | <p>The Council has to undertake a rolling programme of asset valuations to support the production of the Statement of Accounts. This is a key piece of work that is prescribed within the CIPFA Code.</p> <p>The Council re-procured its Asset Valuation Contract in 2022/23. The result of the procurement was an uplift in cost from the £8k currently paid to £25k.</p> |
| CI4 | Internet and Intranet | 12 | 0 | 0 | 12 | The new website has moved hosting provider and the annual costs for support and maintenance have increased. In addition, a project has commenced for the hosting of a new intranet for staff and members. |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|------------------------------------|-------------------|----------------|----------------|---------------|---|
| CI5 | Cleaning Contract | 0 | 24 | 0 | 24 | Revised value for cleaning contract as per report 194/2022 presented to Cabinet 13th December |
| | Total Contractual Inflation | 196 | 301 | 312 | 809 | |

Table 2

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|---------------------------------|-------------------|----------------|----------------|---------------|---|
| | One-Off Pressures | | | | | |
| P1 | Community Care Finance Staffing | 43 | 0 | 0 | 43 | <p>The service has been unable to recruit to a full time role and this has been covered by an agency worker (37 hours per week) and Civica On Demand service (20 hours per week). This will need to continue to enable the service to operate, increasing by 5 hours to cope with an increase in workload.</p> <p>The original pressure for both posts is £105k but is offset by reducing staff in other areas to help mitigate the pressure.</p> |
| P2 | IT Schools Admissions | 37 | 0 | 0 | 37 | <p>The current costs of the Capita system are around £108,000 per annum. The end of the contract is April 2024 and options are being considered for a system replacement that will offer better value for money.</p> <p>Any system go live would need to be September and therefore we are unable to match the end data of the Capita cost and we will have duplicate costs in 23/24 before starting</p> |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|--------------------------------|-------------------|----------------|----------------|---------------|---|
| | | | | | | to save costs when compared to the main Capita contract. The above costs are based on current proposal of £64,000 annual costs but 7 months in 23/24 |
| P3 | Local Elections | 87 | 0 | 0 | 87 | This is the cost of running the local elections in 23/24. Some costs are recharged to parishes and shown in savings. |
| P4 | Members Training | 5 | 0 | 0 | 5 | <p>All-out elections to the Council in May 2023 mean there will be a large amount of Member training to deliver in the 23/24 financial year. This goes beyond the normal amount of training required in-year for which the budget would otherwise be £1,000.</p> <p>There is some specialist training that will be delivered externally which comes with associated costs e.g. planning training etc.</p> |
| P5 | Highways Contract Procurement | 0 | 40 | 0 | 40 | The pressure is to cover legal costs and the use of Social Value Engine to evaluate and monitor social value. |
| P6 | Highways Staffing | 0 | 54 | 0 | 54 | To cover maternity leave from 1 st April 2023 to 5 th March 2024. |
| | Total One-Off Pressures | 172 | 94 | 0 | 266 | |
| | Recurring Pressures | | | | | |
| P7 | Commissioned Transport | 0 | 256 | 0 | 256 | Forecasted spend for next year, based on growing trends for the past 2 full academic years is showing a pressure of |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|----------------------------|-------------------|----------------|----------------|---------------|---|
| | | | | | | <p>£255,000 required in addition to existing budget allocation. The pressure reflects an:</p> <p>Increase in the number of SEND students requiring transport to out of county placements on the ground of enhanced need; and</p> <p>Price increases across the board for the transport sector resulting in higher bid prices for contracts.</p> |
| P8 | Property Asset Review | 0 | 31 | 0 | 31 | Pressure approved as per Asset Review Report 183/2022 presented to Cabinet on the 15 th November. |
| P9 | Public Rights of Way | 0 | 16 | 0 | 16 | Seasonal vegetation clearance that was previously undertaken by the now vacant PROW post is currently being undertaken by a contractor (Tarmac), at a cost of approximately £8,000 per cut (2 cuts each year). There can be some off-setting against savings in the salary budget (highways management) whilst the PROW post remains vacant. This is being included as an option in the specification for the new Highways Term Maintenance contract. |
| P10 | Community Support Services | 0 | 0 | 39 | 39 | Previously some tenants were assessed by health to be eligible to receive Health funding, however on a review by health it was decided that these tenants are no longer eligible but still require staffing support. |
| P11 | ASC Fair Costs of Care | 0 | 0 | 2,000 | 2,000 | <p>Fair Cost of Care is focused on delivering a sustainable local care market.</p> <p>Paying a fair rate enables providers to cover the cost of care delivery and be able to make a reasonable profit (including</p> |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|-------------|-------------------|----------------|----------------|---------------|--|
| | | | | | | <p>re-investment in their business), surplus or meet their charitable objectives.</p> <p>For local authorities, it recognises the responsibility they have in stewarding public money, including securing best value for the taxpayer.</p> |
| P14 | ASC Demand | 0 | 0 | 260 | 260 | <p>The Homecare budget is under pressures due to the cost of fuel and an increase in people receiving homecare packages of care</p> <p>Homecare PD:</p> <ul style="list-style-type: none"> • Increase due to one case which will not receive health funding. <p>Older People Residential and Nursing exceeding budget due to:</p> <ul style="list-style-type: none"> • 4 new non banded rated placements • 3 new service users • Increases due to depleted fund cases (were self-funders but now ASC funded) |
| P15 | ASC Reforms | 27 | 0 | 90 | 117 | <p>Although the care cap reforms have been delayed some elements will be implemented as they support the Councils transformation agenda e.g. digital access and self-serve and will be required to be in place for October 2025.</p> |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|----------------------------------|-------------------|----------------|----------------|---------------|---|
| P16 | Children's Demand | 0 | 0 | 300 | 300 | New Domiciliary support for small number of children with very complex health and care needs. |
| | Total Recurring Pressures | 27 | 303 | 2,689 | 3,019 | |
| | Total Pressures | 199 | 397 | 2,689 | 3,285 | |

Table 3

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|-----|--------------------------------------|-------------------|----------------|----------------|---------------|---|
| | Savings - Budget Re-Alignment | | | | | |
| S1 | HR | (5) | 0 | 0 | (5) | Review of Professional Fees |
| S2 | CCTV | 0 | (5) | 0 | (5) | Reduction in Fees - not used in last 2 years |
| S3 | Environmental Services | 0 | (1) | 0 | (1) | Reduce Car Mileage Budget as not being used |
| S4 | Health & Safety | 0 | (2) | 0 | (2) | Fees and Charges Budget reduced in line with spending |
| S5 | Parking | 0 | (16) | 0 | (16) | Various budget(s) reduced in line with spending |
| S6 | Dog Warden | 0 | (1) | 0 | (1) | Reduce budget in line with current spend |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Comments |
|---|---------------------------------------|-------------------|----------------|----------------|---------------|--|
| S7 | Children's | 0 | 0 | (10) | (10) | Reduction in some small third-party budgets e.g. Furniture, equipment, books |
| S8 | Adults | 0 | 0 | (8) | (8) | Minor Budgets not required |
| | Total Budget Alignment | (5) | (25) | (18) | (48) | |
| Savings - Change in Funding Source from General Fund to Ringfenced | | | | | | |
| S9 | Adults | 0 | 0 | (130) | (130) | We will widen the use of available Disabled Facilities Grant to cover other costs. |
| S10 | Transport Grants | 0 | (149) | 0 | (149) | We will use transport grants to fund (where possible) work being done by current officers rather than bring in external consultants. |
| S13 | SEN | 0 | 0 | (100) | (100) | We will use SEN capital grants to fund (where possible) costs of staff working on proposals for use of capital grants |
| S15 | Development Control | 0 | (38) | 0 | (38) | Removal of Post - Funding from Reserves (Grant) |
| | Total Change in Funding Source | 0 | (187) | (230) | (417) | |

Table 4

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|----------------------------|-------------------|----------------|----------------|---------------|--|--|
| | Service Led Savings | | | | | | |
| S10 | IT Hardware | (10) | 0 | 0 | (10) | IT Hardware - Agreed saving of 20/21 Budget Review | Staff will be asked to use laptops for longer than a reasonable life and it is unlikely that that end user hardware will not be replaced unless the device is not functioning. Investment in central IT server hardware will not be carried out during the financial year 23/24 unless absolutely essential. |
| S11 | IT Mobile phones | (7) | 0 | 0 | (7) | Mobile Phones - Agreed Saving of 20/21 Budget Review | Replacement for additional phones will not be possible and there will be no options to extend the number of staff that have a mobile phone. |
| S12 | Legal | (50) | 0 | 0 | (50) | The Council is reviewing its legal arrangements with a view to optimising spend and getting better value for money | Commissioning process to be tightened up. More work will be delivered in house (within central legal or in service areas). Reduction in core offer with additional projects may need to ask for additional budget provision. Legal support to be reduced for non-essential/low risk matters and Member requests for ad hoc external legal advice may not always be possible e.g. Planning matters. |
| S13 | Business Support Staffing | (100) | 0 | 0 | (100) | Interim staffing savings by removing four vacancy posts from the | These savings have been enabled by a number of changes to working practices e.g. subsumed some tasks into the work of |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|----------------------|-------------------|----------------|----------------|---------------|---|---|
| | | | | | | budget pending further support service review | others, made better use of technology to reduce administrative burden, deprioritised some low value work e.g. minuting of certain meetings and rationalised management. |
| S14 | Postage and Printing | (50) | 0 | 0 | (50) | Remove vacancy in corporate support which supports post and reprographics | <p>Revision to the post and reprographics offer for the Council includes a freeze on a staff vacancy. This means:</p> <ul style="list-style-type: none"> - less capacity to deal with work beyond post and reprographics e.g. meeting support, 18 pointing, website support. - reducing how much the Council posts, limiting postage to statutory and essential items only. - reducing the amount of days post is posted/collected from 3 days to 1 day per week. - we will stop printing and posting to Parish Councils. - we will stop printing in colour. - we will recharge services printing anything which is not meeting a statutory requirement for distribution. - we will move more towards digimail as the method for printing and posting bulk services such as council tax reminders. |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|---------------------|-------------------|----------------|----------------|---------------|--|---|
| | | | | | | | - we will minimise printing for Council meetings. |
| S15 | IT | (25) | 0 | 0 | (25) | Various IT savings including removal of IT health check, additional savings on phones and data connection between sites. | The removal of the PSN certification process is expected also remove the need for an external health check which provides external assurance around the security of the network. Clearly any reduction in overall assurance might lead to additional risks in managing a secure network. Review of data connections between sites will be the result of new procurement and no significant loss of service. |
| S16 | Training | (18) | 0 | 0 | (18) | Reduce training to priority areas only. Budget has already been reduced by £20k, further reductions of £18k. | Some planned training will be cancelled and training offered to staff will be reduced or sourced via less costly routes if possible. This may limit career development and potentially impacting recruitment. |
| S17 | Governance Staffing | (24) | 0 | 0 | (24) | Reduction in staffing (1 post) | The team is planning measures to reduce service offer, including: <ul style="list-style-type: none"> - Reducing meeting schedule where meetings are not required. - Items for noting to instead be suggested for circulation by email or Members bulletin circulation thereby reducing workload required for quality checks and printing prior to publication. |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|-------------------------------|-------------------|----------------|----------------|---------------|-------------------------------------|---|
| | | | | | | | <ul style="list-style-type: none"> - Reducing level of detail in minuting in line with sector norms (recognising existence of recordings online). - Reducing broader administrative support available to staff and Members such as through booking of meetings and training courses. |
| S18 | Climate Change | 0 | (49) | 0 | (49) | Holding Climate Change officer post | <p>No proactive work will be done on Carbon Reduction plan/strategy over and above what services are already indirectly contributing through existing activities or can do through embedding environmental strategic thinking in the Local Plan, key procurement activity such as waste management, highways and transport. Community led initiatives will have to be self-managed and organised without support or co-ordination from the Council.</p> <p>This may also limit the Council's response to delivering on new government targets on biodiversity net gain.</p> |
| S19 | Economic Development Staffing | 0 | (38) | 0 | (38) | Holding Economic Development post | <p>The Council will develop a new Strategy focusing on its enabling role through planning, transport, securing funding etc.</p> <p>Direct engagement with the County's business community will be more limited, potentially impacting the development and</p> |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|--------------------|-------------------|----------------|----------------|---------------|---|---|
| | | | | | | | <p>ownership of the economic strategy. Capacity to arrange and host business liaison activities, and events will be limited to business events.</p> <p>Should Government introduce further business grant support, additional resources would be needed. Currently working with Melton and Harborough to explore scope for shared resource to manage UKSPF £1m with Melton and Harborough. There is a risk of clawback if the Council does not adequately monitor and manage.</p> |
| S20 | Transport Staffing | 0 | (35) | 0 | (35) | Holding Sustainable Transport Officer post and reconfigure management of Transport services | <p>A fundamental redesign of the Council's transport network is underway as part of the Transformation programme.</p> <p>At a micro level, there will be limited proactive support on promoting sustainable transport and road safety campaigns within community and schools. Reduced staffing has meant a corresponding reduction in work in this area.</p> <p>Reductions in staff within the team will result in other workstreams being delayed such as independent travel training (which can lead to savings on home to school</p> |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|------------------------|-------------------|----------------|----------------|---------------|---|---|
| | | | | | | | <p>transport/SEN transport) and Road safety education and monitoring (which can increase risk of accident/injury)</p> <p>The Council has a comparatively high standard highways network as recognised through Government incentive funding.</p> <p>It will proactively take local traffic concerns and manage them through the annual Highways capital programme rather than in year activity. This may involve a change in the way the Council engages with local communities.</p> |
| S21 | Property Staffing | 0 | (45) | 0 | (45) | Holding Building Surveyor | The lack of capacity arising from the vacant Building Surveyor role will result in ongoing delays in dealing with reactive repairs and other property matters. Should unforeseen/urgent/serious work arise it will result in reprioritised and may mean other work will need to be paused/stopped this will mean needing to stop some work. |
| S22 | Highways & Environment | 0 | (89) | 0 | (89) | Highways & Environment - pausing and reducing works | Some revenue costs have been capitalised which increases risk of overspend if the capital programme is not delivered in full. A portion of fixed costs was removed which again increases risk if capital programme is not delivered. There |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|--------|-------------------|----------------|----------------|---------------|--|---|
| | | | | | | | <p>is reduced budget for emergency works and unplanned remediation.</p> <p>Drainage and jetting budget has reduced due to reserves being exhausted over recent years so the capability in this area is under pressure and will impact on both planned and reactive work.</p> <p>Reduced capacity to deliver unplanned grounds maintenance on ad-hoc land in RCC responsibility and in closed church yards. This work will be introduced to a programme of work within the contract in future years, however this is longer-term. The savings reduce capacity to deliver on reactive requests in the short-term.</p> <p>It will proactively take local traffic concerns and manage them through the annual Highways capital programme rather than in year activity. This may involve a change in the way the Council engages with local communities.</p> |
| S23 | Adults | 0 | 0 | (128) | (128) | Carers grant to be withdrawn. Rutland is one of very few LA's who have continued funding carers in this way especially as we have two posts in ASC | A carers assessment is a statutory responsibility which Rutland will continue to meet, through our current staffing resource. With 400 people badged as a carer in Rutland and only 27 receiving a direct payment we currently have an inequitable service. The carers budget is |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|---|-------------------|----------------|----------------|---------------|--|---|
| | | | | | | who offer support as well as the specialist Admiral Nurse service. | £128,000, which is currently due to save £57,000, if we do not commission any further direct payments this year. It is proposed we stop them completely which will save the whole 128K (Made up of LPT contribution, BCF and establishment). There is a risk of complaints however, a carers voucher could be considered at a greatly reduced rate as other LA's do which possibly could be financed from the LPT contribution. |
| S24 | Children's Third Party Fees and Charges | 0 | 0 | (75) | (75) | Improved practice, better assessments for courts and undertaking family help meetings has led to less use of External Experts. | There is no immediate impact. However, if staffing levels reduce or case numbers are high, there would be limited capacity to outsource additional assessments which leads to reduced timeliness and quality of service. |
| S25 | Elections recharges | (27) | 0 | 0 | (27) | Charges for Contested Parish Elections. If Parishes are uncontested the saving not available. | None to the Council. Parishes have been notified of likely charges so should provide for this amount |
| S26 | Public Transport | 0 | (25) | 0 | (25) | Contribution from Oakham Town Council towards Oakham Hopper | No direct impact to the Council – additional income. It could result in Parish Councils raising Council Tax by a higher percentage. |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|---------------------------------------|-------------------|----------------|----------------|---------------|--|--|
| S27 | Active Rutland | 0 | (6) | 0 | (6) | Release of small sink fund (set aside for small repairs) | Future repairs will have to be absorbed in the budget. |
| S28 | Adults Learning Disabilities day-care | 0 | 0 | (90) | (90) | Stopping support for elements of Learning Disabilities day-care and a dementia support worker. | The risk of not appointing to the dementia support worker for one year, to save £26,700 would mean the service would need to delay its time to respond to people. At a time when memory services have a backlog of people waiting for a diagnosis staff will continue to triage risk and prioritise the most complex cases. Freeze recruitment for two community support workers for LD day opportunities for 12 months – this will reduce the capacity to expand the new day opportunities service, resulting in fewer service users being able to attend the service and a reduction in income generated from health, self-funder, and other local authorities service users |
| S29 | Children with Disabilities | 0 | 0 | (20) | (20) | Holding of Children with Disabilities Social Worker post (0.5) once interim contract ends. | Increased caseloads for existing staff risks affecting timeliness and quality of service delivery. There will be a risk of increased complaints and legal challenges and costs. This includes reduced capacity towards meeting statutory timescales for plans, such as CiN plans and Section D of the EHCPs. |

| Ref | | Resources £000 | Places £000 | People £000 | Total £000 | Description of Saving | Impact |
|-----|------------------------------|-------------------|----------------|----------------|----------------|--|---|
| S30 | Refuse Collection | 0 | (50) | 0 | (50) | Align budget to expected contract position | None. The MTFP assumed c8% in the MTFP for the 22/23, but the actual increase was significantly less than this. |
| S31 | Refuse Collection | 0 | (93) | 0 | (93) | Reduce disposal costs based on current gate fees. | If gate fees increase, which are outside of the Councils control, this will result in a pressure. |
| S32 | Adoption | 0 | 0 | (28) | (28) | Reduce budget to revised contract sum | May reduce the offer of services commissioned by Lincolnshire should they continue to increase the costs of the contract based on inflation. |
| S33 | Children's Staffing | 0 | 0 | (49) | (49) | Holding of Participation and Engagement Officer post | Reduced participation and engagement opportunities for children and young people to influence service planning and regional national work. Increase in workload for existing staff. |
| | Total Service Savings | (311) | (430) | (390) | (1,128) | | |
| | Total Savings | (316) | (642) | (638) | (1,596) | | |

Table 5

| | Total £000 | Comments |
|------------------------------------|-----------------------|--|
| Ring Fenced Reserve Funding | | |
| Adults MiCare (BCF) | (48) | We will recharge more of the MiCare service to Better Care Fund (BCF) as it contributes towards achieving health outcomes. |
| Hospital Discharge | (140) | Additional BCF fund hospital discharge will cover social worker costs from those helping on hospital discharges. |
| Total Savings | (188) | |
| Corporate Savings | | |
| Interest Receivable | (1,430) | Updated assumptions based on expected rate profile. Tails off from 24/25. |
| Grants | (50) | The Council plans to set aside a % amount of new grants to cover the associated service and management overhead subject to terms and conditions. |
| Reduction in Demand Contingency | (239) | Reduce demand contingency by 50% to offset some of the service pressures. |
| Total Corporate Savings | (1,719) | |
| Corporate Pressures | | |
| Pay Award | 743 | The Council had assumed a 2% pay award for 23/24, but this seems unlikely in the current market so are proposing increasing this to 4% which will create a pressure of £375k |

Appendix 6 – Earmarked Reserves

| Reserve | Balance 31/03/22 | Budget Report Drawdown 22/23 | Movement at P8 | Total Movement 22/23 | Balance 31/03/23 | Transfer To General Fund | Budget Report Drawdown 23/24 | Balance 31/03/24 |
|-------------------------------------|-----------------------------|---|---------------------------|-------------------------------------|-----------------------------|---|---|-----------------------------|
| National Non Domestic Rates | (2,772,850) | 2,314,000 | | 2,314,000 | (458,850) | | | (458,850) |
| Tourism | (11,136) | | | 0 | (11,136) | | | (11,136) |
| Leisure | | | | | 0 | | (300,000) | (300,000) |
| High Needs Reserve | | | (1,025,000) | (1,025,000) | (1,025,000) | | (300,000) | (1,325,000) |
| Local Plan | (1,704,700) | | | 0 | (1,704,700) | | (300,000) | (2,004,700) |
| Locally Set Ring Fenced | (4,488,686) | 2,314,000 | (1,025,000) | 1,289,000 | (3,199,686) | 0 | (900,000) | (4,099,686) |
| Public Health | (407,121) | | (33,000) | (33,000) | (440,121) | | | (440,121) |
| Grants | (1,050,100) | | 173,200 | 173,200 | (876,900) | | | (876,900) |
| Better Care Fund | (936,700) | 200,000 | (88,700) | 111,300 | (825,400) | | 188,000 | (637,400) |
| Total Ring Fenced by Statute | (2,393,921) | 200,000 | 51,500 | 251,500 | (2,142,421) | 0 | 188,000 | (1,954,421) |
| Total Ring Fenced Reserves | (6,882,607) | 2,514,000 | (973,500) | 1,540,500 | (5,342,107) | 0 | (712,000) | (6,054,107) |
| | | | | | | | | |
| Invest to Save | (172,721) | | 100,000 | 100,000 | (72,721) | 72,721 | | 0 |
| Internal Audit | 0 | | | 0 | 0 | | | 0 |
| Staffing Contingency | 0 | | (290,800) | (290,800) | (290,800) | 290,800 | | 0 |
| Training | (125,144) | | 15,600 | 15,600 | (109,544) | 109,544 | | 0 |
| Repairs | (249,000) | | | 0 | (249,000) | 249,000 | | 0 |
| Highways | (396,438) | 30,000 | | 30,000 | (366,438) | 366,438 | | 0 |
| Brexit | (266,000) | | 266,000 | 266,000 | 0 | 0 | | 0 |
| Digital Rutland | (25,775) | | | 0 | (25,775) | 25,775 | | 0 |
| Social Care Reserve | (1,316,454) | | 34,000 | 34,000 | (1,282,454) | 1,282,454 | | 0 |
| Legal & Insurance | (100,000) | | | 0 | (100,000) | 100,000 | | 0 |

| | | | | | | | | |
|---|---------------------|----------------|----------------|------------------|---------------------|------------------|------------------|---------------------|
| Hardship Reserve | (187,174) | 40,000 | | 40,000 | (147,174) | 147,174 | | 0 |
| Pressure Reserve | 0 | | | 0 | 0 | 0 | | 0 |
| Ash Die Back | (500,000) | | | 0 | (500,000) | 500,000 | | 0 |
| Budget Carry Forward | (641,100) | | 404,000 | 486,300 | (154,800) | 154,800 | | 0 |
| CST Improvements | (145,900) | | 49,000 | 49,000 | (96,900) | 96,900 | | 0 |
| Rutland Adult Learning | (40,000) | | | 0 | (40,000) | 40,000 | | 0 |
| Covid | (613,100) | 79,000 | | 79,000 | (534,100) | 534,100 | | 0 |
| Neighbourhood Plans | (27,000) | | | 0 | (27,000) | 27,000 | | 0 |
| Culture Reserve | (6,200) | | | 0 | (6,200) | 6,200 | | 0 |
| Total Non-Ring-Fenced Earmarked Reserves | (4,812,006) | 149,000 | 577,800 | 809,100 | (4,002,906) | 4,002,906 | 0 | 0 |
| | | | | | | | | |
| General Fund | (13,026,162) | | | 2,367,200 | (10,658,962) | (4,002,906) | 1,489,192 | (13,172,676) |
| | | | | | | | | |
| Total Non-Ring Fenced Reserves | (17,838,168) | 149,000 | 577,800 | 3,176,300 | (14,661,868) | 0 | 1,489,192 | (13,172,676) |

Appendix 7 – Capital Programme

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| | Asset Management Requirements Capital Programme | | | | | | | | |
|---|--|-----------------------------------|------------------------|-----------------------------|--|------------------------------------|---|--|------------------------------------|
| Project | Project Description | Total Project Budget at M8 | Approval Sought | Total Project Budget | Prior Year's Outturn (include estimate for 2022/23) | Estimated spend for 2023/24 | Estimated Project Outturn for future years | Total Estimated Project Outturn | Project Over/ (Under) spend |
| Schools Maintenance | The capital project is to address maintenance issues in maintained schools and to support the smooth transition to Academy Status. (Report 184/2017) | 36 | 0 | 36 | 19 | 12 | 5 | 36 | 0 |
| Schools Capital Expansion Project – Catmose Project | The capital programme enables the local authority to meet its statutory obligation to provide sufficient secondary school places within Rutland (Report 38/2021) | 5,400 | 0 | 5,400 | 4,860 | 362 | 178 | 5,400 | 0 |
| Asset Review | The Asset Review Project will be used for any essential works to council owned assets, that were identified within the Corporate Asset Programme (Report 183/2022) | 565 | 0 | 565 | 100 | 465 | 0 | 565 | 0 |

| | | | | | | | | | |
|--|--|---------------|----------|---------------|--------------|--------------|------------|---------------|----------|
| Highways Capital Projects | The highways capital project is for the permanent repair of carriageways, footways, surface dressing and bridges in Rutland (Report 39/2021 & 65/2021) | 2,606 | 0 | 2,660 | 2,660 | 0 | 0 | 2,660 | 0 |
| Integrated Transport Block | The capital project is for the improvement of new transport schemes within Rutland (Report 25/2021) | 1,324 | 0 | 1,324 | 445 | 450 | 429 | 1,324 | 0 |
| Emergency Active Travel Project | The project is to support the installation of temporary projects for the COVID-19 pandemic (Ring Fenced Funding & Report 25/2021) | 103 | 0 | 103 | 85 | 18 | 0 | 103 | 0 |
| St Eabba's Close | The capital project is to improve existing infrastructure at St Eabba's Close, Ryhall. (Delegated Approval) | 4 | 0 | 4 | 0 | 0 | 4 | 4 | 0 |
| ITCP 2019/42 Barleythorpe Roundabout | The capital project is to provide a formal pedestrian crossing at the Barleythorpe roundabout. (Delegated Approval) | 100 | 0 | 100 | 100 | 0 | 0 | 100 | 0 |
| Total Asset Management Requirements | | 10,138 | 0 | 10,138 | 8,216 | 1,307 | 616 | 10,139 | 0 |

| | Strategic Aims and Priorities Capital Programme | | | | | | | | |
|---------------------------------------|--|----------------------------|-----------------|----------------------|---|-----------------------------|--|---------------------------------|-----------------------------|
| Project | Project Description | Total Project Budget at M8 | Approval Sought | Total Project Budget | Prior Year's Outturn (include estimate for 2022/23) | Estimated spend for 2023/24 | Estimated Project Outturn for future years | Total Estimated Project Outturn | Project Over/ (Under) spend |
| Devolved Formula Capital | The funding is passed directly to schools to use for capital improvements to buildings and other facilities. (Ring- fenced funding) | 12 | 12 | 24 | 12 | 12 | 0 | 24 | 0 |
| Schools Energy Efficiency Improvement | The capital project is for eligible schools and six form colleges to improve buildings and facilities, prioritising works to improve energy efficiencies. (Ring Fenced Funding) | 26 | 0 | 26 | 26 | 0 | 0 | 26 | 0 |
| Disabled Facilities Grants | The project supports disabled people to live more independently and safely in their own homes by providing home adaptations. (Ring- fenced funding) | 495 | 270 | 765 | 365 | 400 | 0 | 765 | 0 |
| Changing Place at Anglian Water | Grant funding was awarded for the installation of a changing place toilet at Rutland Water (Ring Fenced Funding) | 78 | 0 | 78 | 0 | 78 | 0 | 78 | 0 |

| | | | | | | | | | |
|--|--|-------|---|-------|-------|-----|-----|-------|---|
| Changing Place at Uppingham | Grant funding was awarded for the installation of a changing place toilet at Uppingham (Ring Fenced Funding) | 80 | 0 | 80 | 0 | 80 | 0 | 80 | 0 |
| SEND | The project provides Rutland with the opportunity for additional local education places to improve outcomes for children and young people with Special Educational Needs and Disabilities (SEND) and assist them as they mature into independence. (Report 86/2018) | 1,549 | 0 | 1,549 | 731 | 400 | 418 | 1,549 | 0 |
| Sports Grants | The project allowed communities to bid for funds relating to sports, recreation, leisure and community facilities (Report 80/2015) | 418 | 0 | 418 | 343 | 0 | 75 | 418 | 0 |
| Catmose Pool - contribution towards demolition | This is a contribution to Catmose College to facilitate the demolition of the Swimming pool (Report 76/2022) | 150 | 0 | 150 | 150 | 0 | 0 | 150 | 0 |
| Digital Rutland Full Fibre | The project supports the connecting of homes and businesses within Rutland to a faster broadband (Report 159/2019) | 2,229 | 0 | 2,229 | 1,686 | 0 | 543 | 2,229 | 0 |

| | | | | | | | | | |
|---|---|-----|---|-----|----|---|-----|-----|---|
| Uppingham Town Centre WC | The project is a contribution towards the refurbishment of the public convenience at Uppingham Town Centre (Report 90/2020) | 27 | 0 | 27 | 27 | 0 | 0 | 27 | |
| Exton Play Area Refurbishment | The project is to support the improvement and safety requirement of Exton children's play area (Delegated Approval) | 14 | 0 | 14 | 14 | 0 | 0 | 14 | 0 |
| Great Casterton C of E Primary (S106) | The project is for extension works to provide wheelchair friendly access to a cloakroom and classroom. (Delegated Approval) | 43 | 0 | 43 | 43 | 0 | 0 | 43 | 0 |
| SMSJ Fire Exit and Emergency Lighting | The project will contribute towards the fire exit and emergency lighting works needed at the school (Delegated Approval) | 17 | 0 | 17 | 6 | 0 | 11 | 17 | 0 |
| Affordable Housing, Brooke Road, Oakham | The project is a grant award to Platform Housing Group for the development of the former allotments at Brooke Road, Oakham (Report 03/2021) | 650 | 0 | 650 | 0 | 0 | 650 | 650 | 0 |
| UK Share Prosperity Allocation (UKSPF) | The project is a contribution towards the delivery and implementation of the council's investment plan. (Ring Fenced Funding) | 24 | 0 | 24 | 24 | 0 | 0 | 24 | 0 |
| Oakham Enterprise Park - Unit 2 and 4 | The capital project for Oakham Enterprise Park is to develop the site to maximise the return on the asset (Report 75/2019) | 110 | 0 | 110 | 66 | 0 | 44 | 110 | 0 |

| | | | | | | | | | |
|--|--|---------------|------------|---------------|---------------|--------------|--------------|---------------|----------|
| Website Development | The capital project is for a new council website platform (Report 173/2021) | 49 | 0 | 49 | 49 | 0 | 0 | 49 | 0 |
| IT Projects | The allocation will support a number of IT capital projects within the council (Delegated Approval required) | 30 | 0 | 30 | 0 | 0 | 30 | 30 | 0 |
| Total Strategic Aims and Priorities | | 6,000 | 282 | 6,282 | 3,542 | 970 | 1,771 | 6,282 | 0 |
| Total Capital Programme | | 16,138 | 282 | 16,420 | 11,758 | 2,277 | 2,387 | 16,420 | 0 |

Appendix 8 – Consultation

Rutland County Council budget consultation 2023/24

Introduction

Public consultation on Rutland County Council's latest annual budget runs until 5.00pm on Friday 3 February 2023. All the feedback received as part of this consultation will be reported to Cabinet and Full Council at the end of February, helping to councillors to make their decision.

Key points

A full copy of our latest draft budget can be read and downloaded on our website. Some of the key points to note in our 2023/24 budget are:

- The total cost of funding local services in Rutland in 2023/24 is **£46.5million** (up from **£42.3million** last year)
- The latest Local Government Finance Settlement has awarded Rutland County Council more money than it did in 2022/2023. However, this increase is not enough to cover the rising cost of services
- Service pressures of **£5.401m** have been included in the budget. This has been driven largely by inflation, which averaged around 10% for the year 2022. This has added to costs across every one of the council's services and contracts. Increased demand for services like social care is also a contributing to these increased costs
- National government continues to give councils the flexibility to raise Council Tax by as much as **4.99%** (half the 12-month rate of inflation for 2022) and expects local authorities to make full use of this to help fund local services
- Rutland's budget therefore includes a Council Tax increase of **2.99%**, together with **2%** precept to help fund adult social care services.
- If approved, the average Council Tax increase for a Band D equivalent property would be just under **£8 per month**
- The draft budget for 2023/24 is balanced using **£589k** of the Council's General Fund reserves
- Rutland's funding gap is projected to be **£1.4m** in 2024/35, assuming **£1.485m** savings are made in the next year and Council Tax is raised by a further 5%.

Budget consultation survey

Q1. Setting the council's budget

Rutland County Council must set a balanced budget each year. The amount we spend on running your local services can't be more than the total amount of money we get from our three main sources of income – money given to us by national government, fees and charges and Council Tax.

National government uses something called 'Core Spending Power' to measure the total resources available to councils to fund local services. Core spending power for councils in England has increased this year. However, it is based on the government's assumption that councils will raise Council Tax by the maximum 4.99% allowed (2.99% Council Tax and 2% just for Adult Social Care).

The current government funding formula does nothing to make up for historic inequalities in the way Councils have been funded over many years. Some councils get more money from the government than others, which means Council Tax makes up a smaller proportion of their overall Core Spending Power. Under the current funding model, Rutland gets less government funding per household than other councils with the same responsibilities. As a result, Council Tax accounts for 78% of our Core Spending Power. Nationally, other authorities rely on Council Tax for around 57% of their Core Spending Power. This is a big difference.

Do you understand the role that Council Tax plays in funding local services?

- Yes
- No
- Not sure

Do you understand why Council Tax is even more important in Rutland than many other local authority areas?

- Yes
- No
- Not sure

Do you support Rutland County Council's view that there should be fairer government funding for local councils?

- Yes
- No
- Not sure

Please use the space below to leave any additional comments:

Q2. Our financial health

The Council has worked hard to manage its budget carefully over many years. We consistently receive positive value for money assessments from independent auditors, while the Local Government Association recently highlighted Rutland as a national example of good practice for the quality of its financial management. This is because we spend less money to deliver the same services as other local authorities and often achieve better results.

Our approach to financial management has worked well over the past 10 years – allowing us to absorb much of the pressure caused by rising inflation and growing demand for key services like adults and children’s social care. To put this in context, Rutland County Council made savings of almost £12.5million between 2011 and 2021 while still managing to protect local services.

The current state of the UK economy is placing even more pressure on the public sector. The cost of delivering local services is rising way beyond any increase in council funding or Core Spending Power. Despite making even more savings in 2022, increased demand for local services, rising energy prices and an inflation rate of 10% over the past 12 months mean that it will cost us £5million more to deliver the same local services in 2023/24, compared to last year.

Do you think that Rutland County Council manages its finances well?

- Yes
- No
- Not sure

Do you understand why the cost of running local services has increased significantly in the past 12 months?

- Yes
- No
- Not sure

Please use the space below to leave any additional comments:

Q3. Transforming the council

Because of the current economic climate and the severe financial pressure on councils, Rutland is facing a big funding gap – the amount of money we need to run local services is now much bigger than the funding we have available to us. Knowing this, Councillors recently approved new plans to use Council Tax, cost reductions and a safe amount of reserve funding to balance Rutland’s annual budget in each of the next four years, while using this time to reorganise the council and make it as efficient as it can be. Our total savings target over this period is around £4.9million.

Although the situation is very serious, many other councils are in a worse position and face the prospect of sweeping cuts to balance their budgets. Rutland has enough reserves to manage the situation carefully and create a more sustainable council over the next four

years – one where we spend less money by fundamentally changing the way we work. This process of wholesale change is taking the form of a council-wide ‘Transformation Programme.’ As well as changing how we work, it is inevitable that we will need to reduce our overall spending and prioritise key services for vulnerable people if we are to continue operating in the current economic climate.

Do you agree with the following principles that form the basis of Rutland County Council’s Transformation Programme:

We will transform the way we deliver local services so that we reduce waste and maximise efficiency, getting maximum value for the money we spend

- Agree
- Disagree
- Not sure

We will create a smaller but functional council that spends less overall, while protecting the most vulnerable and enabling the community to do more for itself

- Agree
- Disagree
- Not sure

Please use the space below to leave any additional comments:

Q4. Our latest budget

While councils feel that they are being treated unfairly, we are left with little choice but to set a budget based on the UK’s current economic outlook, rate of inflation and local government funding model. This means using our reserves to balance our budget in the short term, implementing a Transformation Programme to reshape the council (create more savings) and raising Council Tax by the maximum amount allowed, to fund local services.

If we do not follow this course of action, our funding gap will grow and our ability to balance the budget will be reliant on external factors like inflation and the level of government funding, over which councils have no control. Rutland County Council would be solvent for the next few years. However, our long-term future would be out of our hands, effectively risking bankruptcy.

With the 12-month rate of inflation running at 10% for 2022, the government expects councils to raise Council Tax by the maximum amount allowed (4.99%), as well as using reserves and making savings to balance their budgets and keep delivering local services.

Do you agree with the following actions, as proposed on the council’s draft budget for 2023/24:

Use a safe amount of the council’s financial reserves to balance the budget in the short term

- Agree
- Disagree
- Not sure

Implement a Transformation Programme to reshape the council and create more savings

- Agree
- Disagree
- Not sure

Use the Council Tax flexibility given to us by national government on the explicit understanding that councils will make maximum use of this to help fund local services

- Agree
- Disagree
- Not sure

Please use the space below to leave any additional comments:

Q5. Do you have any other suggestions on how the Council could increase income, reduce costs or make savings to help us balance the budget?

ENDS

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STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

FEES AND CHARGES

Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

| | | |
|--------------------------------|---|--|
| Strategic Aim: | All | |
| Key Decision: No | Forward Plan Reference: FP/140422 | |
| Exempt Information | No | |
| Cabinet Member(s) Responsible: | Councillor K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation | |
| Contact Officer(s): | Saverio Della Rocca, Strategic Director for Resources (s.151 Officer) | 01572 758159 sdrocca@rutland.gov.uk |
| | Andrew Merry, Finance Manager | 01572 758152 amerry@rutland.gov.uk |
| Ward Councillors | N/A | |

DECISION RECOMMENDATIONS

That the Committee recommends to Council:

1. To approve the level of fees and charges for 23/24, set out in Appendices A, B and C.
2. To approve new fees for:
 - Highways - temporary access vehicle crossing applications and permits on major developments (para 4.3.1)
 - Highways – new developments technical approval process (para 4.3.2)
 - Highways – roadside gullies mapping onto Kaarbon Tech (para 4.3.3)
 - Bulky Waste – including stopping free collections and £3 surcharge (para 4.5.2)
 - Recycling and Residual Waste bins for new build properties (para 4.5.5)
 - A new monitoring and management fee for the First Home Scheme para 4.8.1)
3. To note that taxi and private hire vehicle licenses fees will be subject to change based on the outcome of forthcoming consultation through a public notice procedure and be brought back for approval following that consultation.
4. To note that Appendix D includes fees set nationally (some are still to be confirmed).
5. To note that fees and charges excluded from this report are listed at 2.3.

1 PURPOSE OF THE REPORT

- 1.1 This report sets out the proposals for fees and charges for services provided by the Council for the financial year 2023/24 and is to seek approval for discretionary fees and charges.

2 BACKGROUND

2.1 Financial Objective

- 2.1.1 Fees and charges represent a significant source of finance for the Council. The Council receives approximately £4.2 million from fees and charges each year. It is important that fees and charges are set at an appropriate level to maximise income to the Council and to recover cost. Main income generating fees and charges (in excess of £50k per annum) are shown below:

| Area | Budget 23/24 | Details |
|----------------------------|--------------|--|
| Planning Application Fees | 444,800 | Nationally set, Appendix 4 |
| Land Charges | 68,600 | Locally set, Appendix 2 |
| Post 16 Transport | 54,600 | Locally set, Appendix 2 |
| Registrars Fees | 178,700 | Locally set, Appendix 2 |
| Traffic Regulation Orders | 90,000 | Locally set, Appendix 2 |
| Parking | 594,800 | Locally set, Appendix 2 |
| Green Waste | 641,000 | Approved – Report (182/2022) |
| Licensing | 66,000 | Locally set, Appendix 2 |
| Adult Social Care Charging | 1,575,100 | Day opportunities fees – Appendix 1 Homecare, Residential Care – set separately |

2.2 Fee setting process

- 2.2.1 Fees and charges are reviewed annually as part of the budget and council tax setting process. Fees and charges need to be approved to be effective from 1 April 2023. In reviewing the level of fees for 2023/24, key considerations have included:

- Cost recovery - across all fees and charges inflation has been used at 10% based on the 12-month CPI rate to October 2022 of 10.1% unless there is business case to do something different.
- It has been recognised in some cases that charges needed to be refined as often an umbrella fee - a single fee covering an area - does not allow for the variability in cases and hence undermines the principle of cost recovery. For this reason, some fees have now been split.
- There are a small number of fees where no increase is proposed. Typically, this is either because there has been a recent increase or where increases may negatively impact income yield; and

- In some areas, fees have been increased in line with those charged by neighbouring Councils or to cover costs associated with related service delivery.

2.2.2 Sections 3 to 6 of this report highlight the key issues for each Directorate and the rationale where it is different to the above or a new fee.

2.3 Other fees

2.3.1 There are other fees and charges which are set outside of this report. These include:

- Social care rates – for residential care and homecare – the Council has market responsibilities in this area and fee it pays to providers is recharged to service users according to a financial assessment;
- CIL fees – set by Council taking into account other planning matters;
- Rents – set by Director according to market conditions and other considerations;
- Building Control – set by the Leicestershire Building Control Partnership to recover costs; and
- Moderation of Key Stage 1 and 2 Assessments – set in consultation with Schools Forum.

2.4 Fee setting and future considerations

2.4.1 In 22/23 the Council set some charges at a lower rate if residents accessed services online in recognition of the lower costs incurred via this route. The Council has moved away from this principle for 23/24 as it wanted to consider this across all areas and it will do so as part of its Transformation work.

3 ADULT SERVICES PROPOSALS

3.1 A detailed schedule of all fees and charges is provided at Appendix A.

3.2 **Day Opportunities Service** - In 2022/23 the Day Opportunities Service was moved from Catmose to OEP for adults with learning disabilities (including autism). The service provide 3-hour blocks, 7 days a week, during the day and in evenings. Fees were increased last year and these are now in place after some negotiation with Health and other partners. No increases to fees are proposed this year. This is to encourage families to continue accessing the service.

4 PLACES DIRECTORATE PROPOSALS

4.1 Fees which are set nationally are set out in Appendix D. Locally set fees are set out in Appendix B.

4.2 Many of services in the Places Directorate are provided by Peterborough City Council (PCC) on behalf of Rutland. Where fees are charged to cover costs then the Council has received assurances from PCC that this is the case.

4.3 Highways

- 4.3.1 A new £3,500 fee is proposed for vehicle crossing applications and permits for Temporary Construction Access under S184 of the Highways Act 1980. The fee will be payable by the applicant in full in advance. The level of fee reflects the complexity of this type of work and the time spent on the whole process of the application, receipt, validation, technical review and design checks, technical input, issue of the licence, inspection of work and sign-off. These temporary works will then be followed up by permanent works under Section 278 of the Highways Act 1980.
- 4.3.2 A section 38 (S38) agreement is the legal agreement that the developer must enter into for the local authority to adopt a road in a new development off the highway, such as a new highway in a new housing estate, as public highway. Implementation of a minimum fee will ensure that. The fee will cover the full and reasonable cost which the Council incurs in the preparation, completion and administration of the S38 agreement regardless of whether the development goes ahead. Sub-section 6 of Section 38 of the Highways Act 1980 allows Local Highway Authorities to charge a reasonable cost associated with the provision of this work. The process for a S38 application includes, receipt, validation, technical review and design checks, technical approval, instruction to Legal, review of the legal agreement, site inspections (including pre-maintenance and pre-adoption), issue of provisional and final certificates and formal adoption notifications. This new minimum fee will be non-refundable, the same as the current fee, to ensure that our costs are covered if the developer decides not to progress with adoption as costs will have been incurred by the Council and should reasonably be recovered. All other Local Authorities make such a charge and ensure it is reasonable yet fully covers their costs. The fee level (percentage of the CECC) was set previously by benchmarking, as is this current proposal to implement a minimum fee.
- 4.3.3 When roadside gullies are adopted as part of a section 38 agreement, they must be mapped onto a Highways Asset Management system). Rutland County Council currently pay for this mapping to be updated so it is proposed to pass this charge onto the developers in order to recover all of our costs. The fee for updating is £1,500 and a straight cost recovery is proposed.
- 4.4 **Taxis**
- 4.4.1 There is currently a standard fee in place for taxi operator licenses based on a 5-year licence irrespective of the number of vehicles operated. This has been increased by 10%, but the fee and fee structure will be subject to change based on the outcome of a consultation exercise now scheduled to take place in early 2023 as part of the Licensing Policy review.
- 4.5 **Waste Management**
- 4.5.1 Appendix C includes the Green Waste charges. There is now a flat rate of £50 for all subscribers as approved by Cabinet on 15 November 2022 (Report No: 182/2022). A discount of 25% will continue to be available to residents in receipt of Local Council Tax Support.
- 4.5.2 Changes to the pricing structure of bulky waste are proposed to ensure full cost recovery of this discretionary service to our residents. Our contract costs are expected to increase significantly next year due to high levels of inflation and by making these changes to the pricing structure, the increase can be offset whilst still

providing a reasonably priced service to residents.

4.5.3 The charge which currently covers up to 4 items for £36 is proposed to be changed as follows:

- The charge is to be split into 2. A £40 charge for up to 3 items and £50 for up to 4 items; and
- No free collections will be made available (previously collections were free to those on Local Council Tax Support and 153 free collections were provided in 2021/22 out of 1004 collections provided).

4.5.4 The £3 surcharge where they are not booked online has been removed (see 2.6). Bulky waste will therefore be charged at £13 for each of the first three items and £10 for the fourth. Benchmarking shows that our proposed pricing is reasonable and comparable with other similar LAs.

4.5.5 Local authorities can make a charge to cover the cost of the provision of bins and so a new charge is proposed for the provision of recycling and residual waste bins to new build properties (one black bin and one grey bin) of £100.

4.6 **Culture and Leisure (Events)**

4.6.1 New charges will be levied for the enabling of events as per the Events Policy approved in September. Three bands are proposed as follows:

- small events under 500 attendees;
- medium events 500 to 4,000; and
- large events over 4000.

4.6.2 Charges raised may vary according to the nature of the event and will be based on a principle of cost recovery.

4.6.3 No notification or charge is required for small events under 500 where there is no VIP attendance or military presence and there is no impact on the highway or community. Full details of the Event Notification process are included in the Council's Events Policy

4.6.4 Land charges and planning preliminary advice fees have increased by 10% in line with inflation.

4.7 **Parking**

4.7.1 Parking fees increase of 10% approved in 2022/23 will be implemented from January 2023 and the free 30-minute tariff to support town centre shopping continues. There was an unavoidable delay in the re-procurement of the pay by mobile contract which needed to be completed before fee increases could be implemented.

4.7.2 It is proposed that there will be no further increases or changes to the tariff in 2023/24 to avoid annual expenditure on changes to signage, reprogramming of machines and pay by phone fees. Parking income is gradually returning to pre-

pandemic levels. The mid-year forecast income was £521k up slightly from £513k in 2021/22 compared to pre pandemic levels of c£576k.

4.8 First Home

4.8.1 A new monitoring and management fee per “First Home” is proposed at £150 based on the allowance used by Home England for pilots used across the country. This is a new scheme, approved by Members in May 2022, designed to help local first time buyers and key workers onto the property ladder, by offering homes at a discount of 30% compared to the market price. The discounts will apply to the homes forever, meaning that generations of new buyers and the local community will continue to benefit every time the property is sold.

4.8.2 The charge proposed is based on the charge levied during the grant-funded pilot process.

4.9 S106 monitoring - Legal fees

4.9.1 There was previously included in the fees and charges schedule a minimum fee for s106 Agreements of £760 (equating to 4 hours work) and thereafter £190 per hour. The fees are being deleted from the fees and charges schedule in 2023/24 as the agreements have a specific provision which allows the Council to reclaim its legal costs. This is agreed on a case-by-case basis and is guaranteed by the other side providing a unilateral undertaking for the Council costs.

4.9.2 The Council's hourly rate for legal advice recharged to customers is also being removed in 2023/24 as legal advice is not provided to the public.

5 RESOURCES DIRECTORATE PROPOSALS

5.1 A detailed schedule of all fees and charges is provided at Appendix C. There are no proposed changes to the 2023/24 fees and charges.

5.2 Reprographics Services

5.2.1 The Council is permitted to make a charge for ad-hoc copying of information subject to the Local Government (Access to Information) Act 1985 and for information requested under the Freedom of Information Act 2000. This legislation allows the Council to recover reasonable costs in respect of providing the documentation. This includes direct material costs plus overheads. The price per copy had been increased from £0.15 to £0.20 per copy for 2023/24.

5.3 Elections & Referendums – Charges to Parishes

5.3.1 The representation of the People Act 1983, Section 36 (4) requires the Council to cover all expenditure incurred by the Returning Officer in the holding of an election (or the Counting Office in the holding of a referendum). The fees for conducting Parliamentary, and European Parliamentary and Police and Crime Commissioner elections are regulated by the Returning Officers' Fees and Charges Orders made by the Government.

5.3.2 The Act allows the Council to recharge the costs of elections and referendums to parish councils. The Council works collaboratively with other authorities across Leicestershire to agree consistent fees.

5.3.3 The Council recharges Parishes for Parish Elections based on the actual amount incurred and this process will continue. There is no change to this approach.

5.4 Disclosure and Barring Service (DBS) Checks

5.4.1 The HR Service acts as the 'administrator' for processing DBS Applications for:

- a) Employees and volunteers engaged by the Council
- b) Organisations who have some 'affiliation' to the Council or its services and provide voluntary services
- c) Fostering/Adoption service

5.4.2 An administration fee for undertaking these checks is charged, as permitted under section 93 of the Local Government Act 2003. This is not a statutory service – RCC and other organisations are able to secure the service from another Registered Body. We process approximately 60 applications per year for voluntary organisations.

5.4.3 We have developed an on-line application process. Considering the time involved in processing the application, the fee was set at £10 and there is no reason to change this at this time.

5.5 Blue Badges

5.5.1 Charges levied for Blue Badges (disabled parking permits) will remain at £10 per badge in line with the national Blue Badge Scheme.

6 CONSULTATION

6.1 The fees and charges were considered at Scrutiny Panels in January. COMMENTS TO BE UPDATED AFTER SCRUTINY.

6.2 Except for drivers' licences, the Council is required to consult upon the fees it intends to levy for taxi licences through a public notice procedure and as such these fees will be subject to change based on the outcome of a consultation exercise planned for 2023.

7 ALTERNATIVE OPTIONS

7.1 The alternative options are to retain the current level of fees and charges or propose alternatives. To do so could have a negative impact on the Council's financial position and in some instances mean the actual costs of services provided are not recovered. Costs increase year on year and as such need to be reflected in this Policy.

8 FINANCIAL IMPLICATIONS

8.1 Income budgets are in many instances driven by demand and can be volatile. It is not always the case that an increase in charges will lead to increases in income received. There are two reasons for this: a) demand for the service may reduce, and b) additional income received helps address the underachievement of income targets rather than generate new income above existing budgets.

- 8.2 For this reason, even where fees and charges are increased, income budgets are not always amended. Those budgets that have increased are Bulky Waste £22,500, Registrars £8,000, and Green Waste Fees £101,000 but in all cases the income covers increased costs.
- 8.3 In other areas where new fees are introduced, the Council will use 23/24 to determine what fees might be generated to help set future budgets.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

- 9.1 The annual review of fees and charges is an integral part of the budget and Council Tax Setting process. The approved fees and charges will form part of the overall budget presented to full Council for approval in February.
- 9.2 The majority of the Council's statutory services, Building Control being a key exception, are funded directly from the Council's other main sources of revenue, i.e. government grants and local taxation. Income received by Rutland from fees and charges is generated by both statutory and discretionary services. Where fees and charges apply to statutory services these are often set nationally, for example, some planning and licensing fees.
- 9.3 Under the Localism Act 2011 there is a general power of competence which explicitly gives Councils the power to do anything that an individual can do which is not prohibited by other legislation. This activity can include charging (i.e., to recover the costs of providing a discretionary service which the person has agreed to) or can be undertaken for a commercial purpose (i.e., to generate efficiencies, surpluses, and profits) through a special purpose trading company.
- 9.4 The 2003 Act empowers councils to charge for any discretionary services (i.e. services councils have the power to provide but do not have a duty to provide by law) on a cost recovery basis. Statutory guidance published in 2003 outlines how costs and charges should be established, and that guidance remains in force (see: 'General Power for Best Value Authorities to Charge for Discretionary Services', ODPM, 2003). The Council must have regard to the guidance when charging for discretionary services under the 2003 Act. The 2003 Act also enables Councils to trade in activities related to their functions on a commercial basis with a view to profit through a company. Rutland does not undertake such activity.

10 DATA PROTECTION IMPLICATIONS

- 10.1 A Data Protection Impact Assessment (DPIA) has not been completed because there are no service, policy or organisational changes being proposed.

11 EQUALITY IMPACT ASSESSMENT

- 11.1 An Equality Impact Assessment Screening (EIAS) has been completed for the general increases and new fees set out in this report. Implementing the fees and charges proposed does not have any impact on how the authority complies with its duties and it is deemed that there is no potential discriminatory impact, and no further assessment is required.

12 COMMUNITY SAFETY IMPLICATIONS

- 12.1 There are no community safety implications arising from this report.

13 HEALTH AND WELLBEING IMPLICATIONS

- 13.1 There are no health and wellbeing implications arising from this report.

14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 14.1 The annual review of fees and charges is an integral part of the budget and council tax setting process and is also to ensure the Council is compliant with legislative guidance. It is therefore recommended that the Committee approve the proposals set out in the document.

15 BACKGROUND PAPERS

- 15.1 There are no additional background papers to the report

16 APPENDICES

- 16.1 Appendix A – People Directorate Proposed Fees and Charges 2023/24
- 16.2 Appendix B – Places Directorate Locally Set Fees and Charges 2023/24
- 16.3 Appendix C – Resources Directorate Proposed Fees and Charges 2023/24
- 16.4 Appendix D – Places Directorate Nationally Set Fees and Charges 2023/24

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Appendix A. People Directorate Proposed Fees and Charges 2023/24

| People Fees and Charges 2023/24 | | | |
|--|---------|---------------------|---|
| Item | 2022/23 | 2023/24 Proposed | Additional information 2023/24 |
| Adult Social Care | | | |
| Deferred Payment Agreements (DPAs) | | | |
| DPA setup and management fee | £550.00 | £610.00 | Increase in line with inflation 10% |
| Interest on deferred payments | 0.75% | 1.55% | The Government sets the maximum interest rate, which changes every 6 months. The latest published rate is quoted for 2023/24). The actual rate charged will be aligned to the latest published rate. |
| Learning Disability Day Centre Places - charges to third parties | | | |
| Level 1 (1:2 support) | £61.70 | £61.70 | No Increase is proposed. |
| Level 2 (standard 1:1 support) | £97.90 | £97.90 | |
| Level 3 (2:1 / complex support) | £150.50 | £150.50 | |
| Admissions (Support, Ranking and Distance Measurements) | | | |
| Level 1 | | | |
| Based on number of applications received for the school (per hr) | £41.00 | £45.00 | |
| Advice and Support (fixed fee) | £55.00 | £60.00 | |
| Distance Measurement Primary Schools (fixed fee) | £66.00 | £73.00 | |
| Distance Measurement Secondary Schools (fixed fee) | £93.00 | £102.00 | |
| Level 2 | | | |
| Advice and Support (fixed fee) | £55.00 | £60.00 | |
| Distance Measurement Primary Schools (fixed fee) | £66.00 | £73.00 | |
| Distance Measurement Secondary Schools (fixed fee) | £93.00 | £102.00 | |
| Level 3 | | | |
| Advice and Support (fixed fee) | £82.00 | £90.00 | |

Appendix B. Places Directorate Locally Set Proposed Fees and Charges 2023/24

| Places Fees and Charges 2023/24 | | | |
|---|---------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Land Charges | | | |
| Inspection of documents filed in respect of each parcel of land | £3.70 | £4.10 | |
| Official search (including issue of official certificate of search) | | | |
| (a) in any one part of the register | £14.00 | £15.00 | Will not be required once Land Charges Service is Transferred to Land Registry |
| (b) in the whole of the register | £25.00 | £28.00 | |
| (c) in addition, in respect of each parcel of land above one, where more than one parcel is included in the same requisition (whether the requisition is for a search in the whole or any part of the register) | £11.00 | £12.00 | |
| Office copy of any entry in the register (not including a copy or extract of any plan or document filed) | | | |
| Standard enquiries (CON29R). | £101.00 | £111.00 | |
| Additional parcel of land | £22.00 | £24.00 | |
| Optional enquiry (CON 29O) | £16.00 | £18.00 | |
| Additional typed enquiry | £40.00 | £44.00 | |
| Charges for landowner statements made under s15A of the Commons Act 2006 | | | |
| Deposit of a Statement and Map - Fee includes provision for a single site notice erected on an existing structure. | | | |
| Size A4 | £239.00 | £263.00 | |
| Size A3 | £270.00 | £297.00 | |
| Size A2 | £298.00 | £328.00 | |
| Size A1 | £327.00 | £360.00 | |
| Size A0 | £356.00 | £392.00 | |
| Additional deposit notice (price per notice). Each application (fee) includes provision of a single notice. Deposits with multiple parcels of land will require additional notices | | | |
| Size A4 | £29.00 | £32.00 | |
| Size A3 | £35.00 | £39.00 | |
| Size A2 | £47.00 | £52.00 | |
| Size A1 | £58.00 | £64.00 | |
| Size A0 | £76.00 | £84.00 | |
| Additional fee for joint applications made under s31 Highways Act 1980 AND s15A of the Commons Act 2006 | | | |

| Places Fees and Charges 2023/24 | | | |
|---|-----------|---------------------|---|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Charge added to fees described above | £28.00 | £31.00 | |
| Declarations under s31 of the Highways Act made in respect of documents previously deposited | | | |
| Charge in addition to fee for deposit | £105.00 | £116.00 | |
| Village Greens corrective applications | | | |
| To remove buildings/land wrongly registered | £1,050.00 | £1,155.00 | |
| Correction of a mistake made by the Commons Registration authority | No fee | | |
| Development Control | | | |
| Copies of planning documents | | | As per reprographics charges |
| Copy Decision Notices (No charge for Parish Councils) | | | |
| Preliminary Planning Advice | | | |
| Commercial, minerals and waste, wind or solar installations | | | |
| 0m² to 99m² | £161.00 | £177.00 | |
| 100m² to 499m² | £268.00 | £295.00 | |
| 500m² to 999m² | £536.00 | £590.00 | |
| 1000m² plus | | | |
| Householder and other applications | £73.00 | £80.00 | |
| Residential | | | |
| 1 to 4 dwellings | £214.00 | £235.00 | 10% increase inflation (with exception of £1,100 in order to work with the next increment) |
| 5 to 9 dwellings (first 5) | £268.00 | £295.00 | |
| 5 to 9 dwellings (each additional dwelling over 5) | £54.00 | £60.00 | |
| 10 to 24 | £1,071.00 | £1,100.00 | No Specific Fee. Charge will be 10% Planning App Fee |
| 25 plus | | | |
| Additional time (in excess of 3hrs) & communications requested by applicant (per hour) | £78.00 | £86.00 | |
| High Hedge Complaint | £450.00 | £495.00 | |
| Building Control | | | |
| Completion Certificate (Re-issue) | £32.00 | | Now covered by partnership |
| Completion Certificate (Re-issue) | £54.00 | | Now covered by partnership |

| Places Fees and Charges 2023/24 | | | |
|--|---------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Environmental Services | | | |
| Housing - House of Multiple Occupation (HMO) licence fee | £840.00 | £924.00 | |
| Housing - immigration inspection fee | £114.00 | £125.00 | |
| Housing - improvement notice charge | £193.00 | £212.00 | |
| Housing - prohibition notice charge | £74.00 | £81.00 | |
| Housing - works in default per hour (maximum rate, depending on officer grade) | £35.00 | £38.00 | |
| H&S - (registrations) Food Premises | Free | Free | |
| H&S - (registrations) Person Registrations (acupuncture, ear piercing, electrolysis, hairdressing, skin piercing, tattooist) | £102.00 | £112.00 | |
| H&S - (registrations) Premises Registrations (acupuncture, ear piercing, electrolysis, hairdressing, skin piercing, tattooist) | £227.00 | £250.00 | |
| Animal welfare - Selling animals as pets - first application fee Part A | £308.00 | £339.00 | |
| Animal welfare - Selling animals as pets - renewal application fee Part A | £220.00 | £242.00 | |
| Animal welfare - Selling animals as pets - grant fee 1 year licence Part B | £269.00 | £296.00 | |
| Animal welfare - Selling animals as pets - grant fee 2-year licence Part B | £349.00 | £384.00 | |
| Animal welfare - Selling animals as pets - grant fee 3 year licence Part B | £429.00 | £472.00 | |
| Animal welfare - Selling animals as pets - full re-inspection / variation fee | £178.00 | £196.00 | |
| Animal welfare - Providing or arranging for the provision of boarding (franchise premises) - first application fee Part A | £410.00 | £451.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|---------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Animal welfare - Providing or arranging for the provision of boarding (franchise premises) - renewal application fee Part A | £273.00 | £300.00 | |
| Animal welfare - Providing or arranging for the provision of boarding (franchise premises) - grant fee 1 year licence Part B | £310.00 | £341.00 | |
| Animal welfare - Providing or arranging for the provision of boarding (franchise premises) - grant fee 2-year licence Part B | £390.00 | £429.00 | |
| Animal welfare - Providing or arranging for the provision of boarding (franchise premises) - grant fee 3 year licence Part B | £470.00 | £517.00 | |
| Animal welfare - Providing or arranging for the provision of boarding (franchise premises) - full re-inspection / variation fee | £239.00 | £263.00 | |
| Animal welfare - Commercial operation - one animal type: kennels or catteries, including commercial dog day-care - first application fee Part A | £291.00 | £320.00 | |
| Animal welfare - Commercial operation - one animal type: kennels or catteries, including commercial dog day-care - renewal application fee Part A | £203.00 | £223.00 | |
| Animal welfare - Commercial operation - one animal type: kennels or catteries, including commercial dog day-care - grant fee 1 year licence Part B | £269.00 | £296.00 | |
| Animal welfare - Commercial operation - one animal type: kennels or catteries, including commercial dog day-care - grant fee 2-year licence Part B | £349.00 | £384.00 | |
| Animal welfare - Commercial operation - one animal type: kennels or catteries, including commercial dog day-care - grant fee 3 year licence Part B | £429.00 | £472.00 | |

| Places Fees and Charges 2023/24 | | | |
|---|---------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Animal welfare - Commercial operation - one animal type: kennels or catteries, including commercial dog day-care - full re-inspection / variation fee | £178.00 | £196.00 | |
| Animal welfare - Commercial operation - two animal types: kennels with catteries and kennels with dog day-care - first application fee Part A | £410.00 | £451.00 | |
| Animal welfare - Commercial operation - two animal types: kennels with catteries and kennels with dog day-care - renewal application fee Part A | £273.00 | £300.00 | |
| Animal welfare - Commercial operation - two animal types: kennels with catteries and kennels with dog day-care - grant fee 1 year licence Part B | £310.00 | £341.00 | |
| Animal welfare - Commercial operation - two animal types: kennels with catteries and kennels with dog day-care - grant fee 2-year licence Part B | £390.00 | £429.00 | |
| Animal welfare - Commercial operation - two animal types: kennels with catteries and kennels with dog day-care - grant fee 3 year licence Part B | £470.00 | £517.00 | |
| Animal welfare - Commercial operation - two animal types: kennels with catteries and kennels with dog day-care - full re-inspection / variation fee | £239.00 | £263.00 | |
| Animal welfare - Home activities boarding / day-care - first application fee Part A | £172.00 | £189.00 | |
| Animal welfare - Home activities boarding / day-care - renewal application fee Part A | £134.00 | £147.00 | |
| Animal welfare - Home activities boarding / day-care - grant fee 1 year licence Part B | £177.00 | £195.00 | |
| Animal welfare - Home activities boarding / day-care - grant fee 2-year licence Part B | £246.00 | £271.00 | |
| Animal welfare - Home activities boarding / day-care - grant fee 3 year licence Part B | £316.00 | £348.00 | |

| Places Fees and Charges 2023/24 | | | |
|---|----------------|-----------------------------|---------------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Animal welfare - Home activities boarding / day-care - full re-inspection / variation fee | £117.00 | £129.00 | |
| Animal welfare - Hiring out horses - first application fee Part A | £297.00 | £327.00 | |
| Animal welfare - Hiring out horses - renewal application fee Part A | £209.00 | £230.00 | |
| Animal welfare - Hiring out horses - grant fee 1 year licence Part B | £274.00 | £301.00 | |
| Animal welfare - Hiring out horses - grant fee 2-year licence Part B | £361.00 | £397.00 | |
| Animal welfare - Hiring out horses - grant fee 3-year licence Part B | £447.00 | £492.00 | |
| Animal welfare - Hiring out horses - full re-inspection / variation fee | £178.00 | £196.00 | |
| Animal welfare - Breeding dogs - first application fee Part A | £297.00 | £327.00 | |
| Animal welfare - Breeding dogs - renewal application fee Part A | £203.00 | £223.00 | |
| Animal welfare - Breeding dogs - grant fee 1 year licence Part B | £269.00 | £296.00 | |
| Animal welfare - Breeding dogs - grant fee 2-year licence Part B | £349.00 | £384.00 | |
| Animal welfare - Breeding dogs - grant fee 3 year licence Part B | £429.00 | £472.00 | |
| Animal welfare - Breeding dogs - full re-inspection / variation fee | £178.00 | £196.00 | |
| Animal welfare - Keeping or training animals for exhibition - first application fee Part A | £172.00 | £189.00 | |
| Animal welfare - Keeping or training animals for exhibition - renewal application fee Part A | £134.00 | £147.00 | |
| Animal welfare - Keeping or training animals for exhibition - grant fee 3-year licence Part B | £316.00 | £348.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|------------------|-----------------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Animal welfare - Keeping or training animals for exhibition - full re-inspection / variation fee | £117.00 | £129.00 | |
| Zoo Licence | N/A | £350.00 | Not previously included in the fees and charges. The licensing of zoo's requires significant officer resource (site inspection, travel, PPE, operational procedure for each species etc) |
| Gambling - Gambling Act premises licence - new application - Bingo | £3,137.00 | £3,451.00 | |
| Gambling - Gambling Act premises licence - new application - Betting premises | £2,220.00 | £2,442.00 | |
| Gambling - Gambling Act premises licence - new application - Tracks | £2,220.00 | £2,442.00 | |
| Gambling - Gambling Act premises licence - new application - Family entertainment centres | £1,777.00 | £1,955.00 | |
| Gambling - Gambling Act premises licence - new application - Adult gaming centre | £1,777.00 | £1,955.00 | |
| Gambling - Gambling Act premises licence - annual fee - Bingo | £934.00 | £1,027.00 | |
| Gambling - Gambling Act premises licence - annual fee - Betting premises | £562.00 | £618.00 | |
| Gambling - Gambling Act premises licence - annual fee - Tracks | £934.00 | £1,027.00 | |
| Gambling - Gambling Act premises licence - annual fee - Family entertainment centres | £704.00 | £774.00 | |
| Gambling - Gambling Act premises licence - annual fee - Adult gaming centre | £934.00 | £1,027.00 | |
| Gambling - Gambling Act premises licence - variation application - Bingo | £1,556.00 | £1,712.00 | |
| Gambling - Gambling Act premises licence - variation application - Betting premises | £1,334.00 | £1,467.00 | |
| Gambling - Gambling Act premises licence - variation application - Tracks | £1,112.00 | £1,223.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|------------------|-----------------------------|---------------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Gambling - Gambling Act premises licence - variation application - Family entertainment centres | £890.00 | £979.00 | |
| Gambling - Gambling Act premises licence - variation application - Adult gaming centre | £890.00 | £979.00 | |
| Gambling - Gambling Act premises licence - transfer fee - Bingo | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - transfer fee - Betting premises | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - transfer fee - Tracks | £845.00 | £930.00 | |
| Gambling - Gambling Act premises licence - transfer fee - Family entertainment centres | £844.00 | £928.00 | |
| Gambling - Gambling Act premises licence - transfer fee - Adult gaming centre | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - application for re-instatement - Bingo | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - application for re-instatement - Betting premises | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - application for re-instatement - Tracks | £845.00 | £930.00 | |
| Gambling - Gambling Act premises licence - application for re-instatement - Family entertainment centres | £844.00 | £928.00 | |
| Gambling - Gambling Act premises licence - application for re-instatement - Adult gaming centre | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement - Bingo | £3,137.00 | £3,451.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement - Betting premises | £2,562.00 | £2,818.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement - Tracks | £2,220.00 | £2,442.00 | |

| Places Fees and Charges 2023/24 | | | |
|---|-----------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Gambling - Gambling Act premises licence - application for provisional statement - Family entertainment centres | £1,778.00 | £1,956.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement - Adult gaming centre | £1,778.00 | £1,956.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement holders - Bingo | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement holders - Betting premises | £1,069.00 | £1,176.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement holders - Tracks | £845.00 | £930.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement holders - Family entertainment centres | £844.00 | £928.00 | |
| Gambling - Gambling Act premises licence - application for provisional statement holders - Adult gaming centre | £1,026.00 | £1,129.00 | |
| Gambling - Gambling Act premises licence - copy licence | £13.00 | £14.00 | |
| Gambling - Gambling Act premises licence - notification of change | £29.00 | £32.00 | |
| Private water supplies - Risk assessment | £45.00 | £50.00 | |
| Private water supplies - Sampling visit | £45.00 | £50.00 | |
| Private water supplies - Investigation | £45.00 | £50.00 | |
| Private water supplies - Authorisation | £45.00 | £50.00 | |
| Private water supplies - Analysis - under reg. 10 (domestic supplies) | £29.00 | £32.00 | |
| Private water supplies - Analysis - check monitoring (commercial supplies) | £40.00 | £44.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|-----------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Private water supplies - Analysis - audit monitoring (commercial supplies) | £90.00 | £99.00 | |
| Scrap Metal - Site licence fee | £356.00 | £392.00 | |
| Scrap Metal - Metal Collectors licence fee | £248.00 | £273.00 | |
| Scrap Metal - Licence variation fee | £45.00 | £50.00 | |
| Scrap Metal - Replacement licence fee | £29.00 | £32.00 | |
| Street Trading - A1 laybys | £768.00 | £845.00 | |
| Street Trading - non-A1 laybys | £262.00 | £288.00 | |
| Street Trading - service charge | £2,232.00 | £2,455.00 | |
| Taxis - Hackney carriage driver's licence - 3 year (new) | £160.00 | £176.00 | |
| Taxis - Private hire driver's licence - 3 year (new)* | £130.00 | £143.00 | |
| Taxis - Hackney carriage driver's licence - 3 year (renewal)* | £101.00 | £111.00 | |
| Taxis - Private hire driver's licence - 3 year (renewal)* | £101.00 | £111.00 | |
| Taxis - Driver's licence change between hackney carriage and private hire | £40.00 | £44.00 | |
| Taxis - Hackney carriage vehicle licence fee (new / renewal) (yearly)* | £165.00 | £182.00 | |
| Taxis - Private hire vehicle licence fee (new / renewal) (yearly)* | £165.00 | £182.00 | |
| Taxis - Private hire operators' licence - 5 years - 1 to 5 vehicles* | £350.00 | £385.00 | |
| Taxis - Private hire operators' licence - 5 years - 6 to 10 vehicles* | £350.00 | £385.00 | |
| Taxis - Private hire operators' licence - 5 years - 11 to 30 vehicles* | £350.00 | £385.00 | |
| Taxis - Private hire operators' licence - 5 years - 31 to 50 vehicles* | £350.00 | £385.00 | |
| Taxis - Private hire operators' licence - 5 years - 51+ vehicles* | £350.00 | £385.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|---------|---------------------|---|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Taxis - Replacement plate and / or replacement bracket | £21.00 | £23.00 | |
| Taxis - Replacement vehicle and reinstatement of place (accident) | £165.00 | £182.00 | |
| Taxis - Replacement driver's badge | £21.00 | £23.00 | |
| Taxis - Private hire plate exemption (new) | £59.00 | £65.00 | |
| Taxis - Private hire plate exemption (renewal) | £39.00 | £43.00 | |
| Taxis - Change of address | £16.00 | £18.00 | |
| Taxis - Replacement exemption certificate or replacement driver's licence | £16.00 | £18.00 | |
| Taxis - Driver Suitability Test | £40.00 | £45.00 | |
| Taxis - Driver Knowledge Test | £40.00 | £45.00 | |
| * Taxis licences which require consultation upon the fees to be levied through a public notice procedure. | | | |
| Bulky Waste - collection of up to three items of bulky waste | £36.00 | £40.00 | Number of items changed from four to three. No free collections will be made available (previously collections were free to those on Local Council Tax Support) |
| Bulky Waste - collection of up to four items of bulky waste | N/A | £50.00 | Amended pricing structure to reflect the different prices charged for three / four items of bulky waste (as above). |
| Bulky Waste - collection of up to four heavy duty bags full of soils and rubble (bags provided by the Council) | £52.00 | £57.00 | |
| Waste Disposal - chargeable household waste (per tonne) | £130.00 | £143.00 | |
| Waste Disposal - Trade Waste (per tonne) | £130.00 | £143.00 | |
| Waste Collection - 1100 litre size Recycling (per collection, excluding disposal costs) | £9.00 | £10.00 | |
| Waste Collection - 660 litre size Recycling (per collection, excluding disposal costs) | £9.00 | £10.00 | |
| Waste Collection - 240 litre size Recycling (per collection, excluding disposal costs) | £9.00 | £10.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|----------------|-----------------------------|---------------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Waste Collection - 1100 litre size Residual Waste (per collection, excluding disposal costs) | £11.00 | £12.00 | |
| Waste Collection - 660 litre size Residual Waste (per collection, excluding disposal costs) | £11.00 | £12.00 | |
| Waste Collection - 240 litre size Residual Waste (per collection, excluding disposal costs) | £11.00 | £12.00 | |
| Waste Collection/Disposal - 1100 Litre size Recycling (per collection) | £9.00 | £10.00 | |
| Waste Collection/Disposal - 660 Litre size Recycling (per collection) | £9.00 | £10.00 | |
| Waste Collection/Disposal - 240 Litre size Recycling (per collection) | £9.00 | £10.00 | |
| Waste Collection/Disposal - 1100 Litre size Refuse (per collection) | £24.00 | £26.00 | |
| Waste Collection/Disposal - 660 Litre size Refuse (per collection) | £18.00 | £20.00 | |
| Waste Collection/Disposal - 240 Litre size Refuse (per collection) | £13.00 | £14.00 | |
| Provision of recycling and residual waste bins for new build properties | N/A | £100.00 | |
| Green Waste collection charge (annual, per bin) online applications | £45.00 | £50.00 | |
| Green Waste collection charge (annual, per bin) other applications | £48.00 | £50.00 | |
| Burials - reservation for the next available plot | £91.00 | £100.00 | |
| Burials - reservation for a chosen plot | £112.00 | £123.00 | |
| Burials - reservation for non-Rutland residents | £134.00 | £147.00 | |
| Burials - interment of the body of a stillborn child or child whose age at death did not exceed one year * | £0.00 | £0.00 | |
| Burials - interment of the body of a child under the age of 18 | £0.00 | £0.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|-----------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Burials - interment of the body of a person whose age at death was over the age of seventeen * | £1,010.00 | £1,111.00 | |
| Burials - interment of cremated remains * | £352.00 | £387.00 | |
| Burials - additional charge for interment at a depth exceeding five feet * | £145.00 | £160.00 | |
| Burials - exclusive right of burial in earthen graves (child's grave) * | £149.00 | £164.00 | |
| Burials - exclusive right of burial in earthen graves (single grave up to five feet in depth) * | £2,334.00 | £2,567.00 | |
| Burials - a flat stone on a single grave space * | £301.00 | £331.00 | |
| Burials - a flat stone on a double grave space * | £417.00 | £459.00 | |
| Burials - a headstone on a single grave space * | £301.00 | £331.00 | |
| Burials - a headstone on a double grave space * | £417.00 | £459.00 | |
| Burials - a footstone on a single grave space * | £301.00 | £331.00 | |
| Burials - a footstone on a double grave space * | £417.00 | £459.00 | |
| Burials - kerbstones or border stones on a single grave space * | £301.00 | £331.00 | |
| Burials - kerbstones or border stones on a double grave space * | £417.00 | £459.00 | |
| Burials - vase (not exceeding twelve inches in height) * | £82.00 | £90.00 | |
| Burials - vase (exceeding twelve inches in height) * | £90.00 | £99.00 | |
| Burials - tablet on any grave, gardens of remembrance or in the Chapel (to include Vase in the gardens of remembrance) * | £82.00 | £90.00 | |
| Burials - any other monument not exceeding two feet in height on a single grave space * | £114.00 | £125.00 | |
| Burials - any other monument exceeding two feet in height on a grave space * | £201.00 | £221.00 | |
| Burials - charge for additional inscriptions * | £72.00 | £79.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|---------|---------------------|---|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Burials - charge for placing a vase not exceeding twelve inches on a grave without exclusive right of burial * | £72.00 | £79.00 | |
| * Burial fees doubled for non-Rutland residents | | | |
| Forestry | | | |
| Forestry Advice & Inspections/hour | £58.00 | £64.00 | |
| Highways | | | |
| Section 50 licence | | | |
| Opening of street/road for new service | £571.00 | £628.00 | |
| Additional charge per 200m for works in excess of 200m | £156.00 | £172.00 | |
| Opening of street/road for existing service repairs | £403.00 | £443.00 | |
| Section 171 trial hole | £347.00 | £382.00 | |
| Inspection of works and reinstatement following: | | | |
| Brown Signs | | | |
| Initial assessment fee (non-refundable) | £252.00 | £277.00 | No Set Fee. Term Maintenance Contract actual costs, plus 10% staff time |
| Design fee per each design (not each sign) | £128.00 | £141.00 | |
| Sign washing fee per sign | £56.00 | £61.50 | |
| Manufacture and installation - Sign(s) and post(s) | | | |
| Removal fee (at end of agreement period, if agreement not re-applied for and approved) - Sign(s) and post(s) | | | |
| Temporary Direction signs (e.g. to new housing developments) | | | |
| Application fee | | | As per Brown Signs (all additional costs calculable in the same way) |
| Manufacture and installation fee Sign(s) and post(s) | | | No Set Fee. Term Maintenance Contract actual costs, plus 10% staff time |
| Sign cleaning fee | £56.00 | £62.00 | 10% inflation applied |
| Removal fee (at end of agreement period, if agreement not re-applied for and approved) - Sign(s) and post(s) | | | Term Maintenance Contract actual costs, plus 10% staff time |
| Other licences | | | |

| Places Fees and Charges 2023/24 | | | |
|--|---------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Skips - 1 week period – or part thereof | £40.00 | £44.00 | |
| Skips - Extension for 1 weeks or part thereof | £40.00 | £44.00 | |
| Skips - in addition to skip permit where suspension of parking bay per 6m2 per day | £26.00 | £29.00 | |
| Weekly charge for skips illegally placed on the highway or found to have exceeded its permit | £142.00 | £156.00 | |
| Scaffolds/Hoardings - 4 week period – or part thereof | £112.00 | £123.00 | |
| Scaffold/Hoarding - Extension for 4 weeks or part thereof | £84.00 | £92.00 | |
| Weekly charge for any scaffolding illegally placed on the highway or found to have exceeded its permit | £142.00 | £156.00 | |
| Mobile scaffold tower - per day | £112.00 | £123.00 | |
| Mobile tower extension - per day | £84.00 | £92.00 | |
| Cherry picker - per day | £112.00 | £123.00 | |
| Cherry picker extension - per day | £84.00 | £92.00 | |
| Building Material on the Highway - per week | £40.00 | £44.00 | |
| Building Material on the Highway - per additional week | £17.00 | £19.00 | |
| To place benches or obstruction i.e. notice board in Highway (initial fee to make or amend license) | £285.00 | £314.00 | |
| To amend bench or obstruction license | £210.00 | £231.00 | |
| Annual | | | |
| License to Cultivate | £76.00 | £83.50 | |
| Street Café License - initial fee | £285.00 | £314.00 | |
| Street Café License - renewal | £143.00 | £158.00 | |
| Pavement License | £100.00 | £100.00 | Fee capped by legislation, which has extended period for pavement licenses to 30/09/2023 |
| To place A-board in highway - initial license | £56.00 | £62.00 | |
| To place A-board in highway - annual renewal | £28.00 | £31.00 | |
| Vehicle Access Permit | | | |

| Places Fees and Charges 2023/24 | | | |
|---|---|--|---|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Vehicle crossing application and permit Fee for Section 184 up to 2 properties (Domestic). | £170.00 | £187.00 | |
| Vehicle crossing application and permit fee for Section 184 over 2 properties and commercial | £500.00 | £550.00 | |
| Vehicle crossing application and permit for Section 184 temporary access (on MAJ (major) developments whereby a S278 / S38 agreement will follow) | N/A | £3,500.00 | See para 4.3.1 of main report |
| H-Bar Marking | £173.00 | £191.00 | |
| Other Charges | | | |
| Request for accident data – enquiry with no accidents (N.B. to commercial organisations – cost to litigants) | £50.00 | £55.00 | |
| Request for accident date (raw data – any enquiry up to 50 accidents) (N.B. to commercial organisations – cost to litigants) | £96.00 | £106.00 | |
| Request for accident date (major enquiry – over 50 accidents) (N.B. to commercial organisations – cost to litigants) | | | Cost plus F.O.I. duplicating & postage charges |
| Speed Surveys | £447.00 | £492.00 | |
| Post for speed survey | | | Post at Term Maintenance Contract actual costs, plus staff time |
| Land charges enquiry | £53 inc VAT | £58.5 inc VAT | |
| Section 38, 278 and 106 Agreements | | | |
| Section 38 Agreement Fee (supervision fees) | 11% to £500,000 then 5% plus legal fees | 11% on first £500,000 then 5% thereafter plus legal fees | This is for the ongoing supervision construction works |
| Section 278 Agreement Fee (Minimum fee £3,500 Non-Refundable) | Minimum £3,500 or | Minimum £3,500 or | The agreement fee is to be charged upfront. Legal fees as quoted in Appendix – Resources. |

| Places Fees and Charges 2023/24 | | | |
|---|---|---|---|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| | 11% on first £500,000 then 5% thereafter plus legal fees | 11% on first £500,000 then 5% thereafter plus legal fees | |
| S38 - Technical Approval (non-refundable). | N/A | £3,000 to £5,000 depending on size of site | This is in addition to the S38/278 agreement fee and covers the cost of the technical approval process. This is non-refundable. If the developer decides to not progress, the money is retained due to officer time |
| Adoption of roadside gullies as part of S38 agreement | N/A | £1,500.00 | Cost to map gullies from new developments onto KaarbonTech system. Currently RCC pay for this |
| Road Closures and Traffic Management [TM] | | | |
| Temporary Road Closure Application | £860.00 | £946.00 | |
| (including advertising for works longer than 5 days) | £1,260.00 | £1,386.00 | |
| Temporary Traffic Regulation Order Application | £860.00 | £946.00 | |
| Deferring start date of an order already processed | £431.00 | £474.00 | |
| Emergency Road Closure (by Notice) | £573.00 | £630.00 | |
| Turning off of traffic signals for required works | £347.00 | £382.00 | |
| Temporary Traffic Signals | £61.00 | £67.00 | |
| Review of TM proposal: | | | |
| Major | £229.00 | £252.00 | |
| Minor | £61.00 | £67.00 | |
| re-submit | £61.00 | £67.00 | |
| design of TM | £287.00 | £316.00 | 10% inflation applied |
| installation of TM Sign(s) and post(s) | | | Term Maintenance Contract actual costs, plus 10% staff time |
| Traffic Regulation Orders on / for new development | | | Highway's staff time, advertising, works at cost, legal fees plus duplication and postage as required |

| Places Fees and Charges 2023/24 | | | |
|--|--|--|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Materials & works ordered on behalf of third parties (e.g. Parish Councils) | | | Term Maintenance Contract actual costs, plus 10% staff time |
| Filling of Parish Grit Bins | £65.00 | £72.00 | |
| The Removal, Storage and Disposal of Structure with Highway i.e. Caravan, Highways Act 1980 | | | |
| Removal of vehicles equal to or less than 3.5 tonnes: | | | |
| Vehicle on road, upright and not substantially damaged or any two wheeled vehicle | £229.00 | £252.00 | |
| Road Traffic Accidents | | | |
| Minimum charge | £224.00 | £247.00 | 10% inflation applied. Fee Waived if fatal and no-one convicted of an offence |
| Parking | | | |
| Penalty Charge Notices | | | |
| Car Parking Contravention - Higher Level Penalty | £70.00 | £70.00 | Set regionally by third party |
| Car Parking Contravention - Lower-Level Penalty | £50.00 | £50.00 | Set regionally by third party |
| Littering from Vehicles - Higher Level Penalty | £300.00 | £300.00 | Not used but reserved |
| Littering from Vehicles - Lower-Level Penalty | £150.00 | £150.00 | Not used but reserved |
| Car park tariffs (by machine / physical ticket) | | | |
| Up to 30mins | £0.00 | £0.00 | Free, no increase |
| 1 hour | £1.10 | £1.10 | No Car Parking increases for 2023/24. Increased in 2022/23 |
| 3 hours | £2.75 | £2.75 | |
| Up to six hours | £4.75 | £4.75 | |
| Day | £5.30 | £5.30 | |
| Weekly (Monday - Saturday = MS) | £19.00 | £19.00 | |
| 1 month (MS) | £50.70 | £50.70 | |
| Solo Motorcycles | As above | As above | |
| Blue Badge concession | As above but free for first 3 hours | As above but free for first 3 hours | |
| Car park tariffs (by mobile) | | | |

| Places Fees and Charges 2023/24 | | | | |
|---|---|---|--|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 | |
| up to 30mins | £0.00 | £0.00 | No Car Parking increases for 2023/24 Increased in 2022/23 | |
| 1 hour | £0.90 | £0.90 | | |
| 3 hours | £2.55 | £2.55 | | |
| Up to six hours | £4.55 | £4.55 | | |
| Day | £5.10 | £5.10 | | |
| Weekly (Monday - Saturday = MS) | £18.80 | £18.80 | | |
| 1 month (MS) | £50.50 | £50.50 | | |
| Solo Motorcycles | as above | as above | | |
| Blue Badge concession | as above but free for first 3 hours | as above but free for first 3 hours | | |
| Kilburn Road Coach Park per bay per day | £5.10 | £5.10 | | |
| Season Tickets for car parks | | | | |
| 3 months (MS) | £152.00 | £152.00 | No Car Parking increases for 2023/24 Increased in 2022/23 | |
| 6 months (MS) | £304.15 | £304.15 | | |
| Season (MS) | £608.30 | £608.30 | | |
| Permits for resident bays | | | | |
| Resident permit (standard) | £50.00 | £50.00 | No Car Parking increases for 2023/24 Increased in 2022/23 | |
| "VARIOUS" resident permits (Uppingham / Oakham D,N,L & S Zones) | Not offered | Not offered | | |
| "VARIOUS" resident(/for visitor) permits (Oakham C,E&V Zones) | £50.00 | £50.00 | | |
| Residents permit A zone | £20.00 | £20.00 | | |
| U3A permits (for visitors) for residents each (only in C,E&V) | £20.00 | £20.00 | | |
| Professional Carers permit (non-RCC) | £20.00 | £20.00 | | |
| Professional Carers permit (RCC) | £0.00 | £0.00 | | |
| Residential Carers permit | £20.00 | £20.00 | | |
| Barleythorpe Road resident permit | £288.20 | £288.20 | | |
| Miscellaneous parking | | | | |
| Dispensation per week | £37.50 | £37.50 | | |

| Places Fees and Charges 2023/24 | | | |
|---|-----------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Suspension for domestic removals per 6m per day (bay, yellows if safe) | £37.50 | £37.50 | |
| Resident Permit / season ticket / form hand-delivery within Oakham or Uppingham within 2 working days | £2.50 | £2.50 | |
| Resident Permit / season ticket / form hand-collection within Oakham or Uppingham within 2 working days | £2.50 | £2.50 | |
| Photocopy / scan per (A4) side in conjunction to both above | £0.50 | £0.50 | |
| Advisory Blue Badge bay (6.6m x 2.4m 16m of lining and 8 x 350mm letters) | £255.00 | £255.00 | |
| Business Space | £1,100.00 | £1,100.00 | |
| Transport | | | |
| Home to School Transport | | | |
| Concessionary fare -Students living in Rutland and attending their qualifying school but lives under the 2-mile primary or 3 mile secondary distance criteria | £158.00 | £175.00 | |
| Concessionary fare -Students living in Rutland but not attending their qualifying school | £315.00 | £350.00 | |
| Concessionary fare -Students living outside Rutland | £604.00 | £650.00 | c8% Increase based on benchmarking against other LA charges whilst also offsetting rising transport costs |
| Replacement bus pass | £10.00 | £10.00 | |
| Post 16 Transport | | | |
| Student charge – for receiving assisted transport. | £578.00 | £600.00 | c4% Increase based on benchmarking against other LA charges whilst also offsetting rising transport costs. |
| Concessionary Travel | | | |
| English National Concessionary Travel pass – Access & Freedom travel schemes. Initial and replacing life expired passes | Free | Free | |

| Places Fees and Charges 2023/24 | | | |
|---|--|---|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| English National Concessionary Travel pass – Access & Freedom travel schemes. Issue of replacement passes for lost or stolen passes | £10.00 | £10.00 | |
| Delivery charges | | | |
| Delivery of post/meals to schools/colleges and voluntary organisations within Rutland | £14.00 p/h plus 0.35p per mile | £15.00 p/h plus 0.45p per mile | |
| Electric Bike loan scheme | £40 per month charge (£20 per month for low-income households) | £50 per month charge (£25 per month for low- income households) | £80 deposit also taken |
| One to one cycle training (on or off road/ all ages). 1 instructor | £31.50 p/h | £35.00 p/h | |
| Playground/ off the road group cycle training sessions (all ages). Minimum group size of 6. 2 instructors | £10.50 p/h | £11.50 p/h | |
| On and off road, beginners group cycle training sessions for children and young adults (minimum group size of 6) - 2 instructors | £10.50 p/h | £11.50 p/h | |
| On road, advanced group cycle training sessions for children and young adults (groups of 4) - 2 instructors | £16.54 p/h | £18.50 p/h | |
| On and off road, group cycle training sessions for adults (groups of 2) - 1 instructor | £16.54 p/h | £18.50 p/h | |
| Playground/ off the road family cycle training sessions for children and parents/ guardians (groups of 6) - 1 instructor | £31.50 p/h | £35.00 p/h | |
| On and off road, family cycle training sessions for children and parents/ guardians (groups of 6) - 2 instructors | £63 p/h | £70.00 p/h | |

| Places Fees and Charges 2023/24 | | | |
|---|---------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| £6.30 (including VAT) additional charge per individual or £12 additional charge per family booking for non-Rutland residents. Subject to staff capacity, free training will be available for low income Rutland families/ individuals. | | | |
| Road Closures and Traffic Management | | | |
| Public Path Orders | | | Officer time, advertising, works at cost, legal fees plus duplication and postage as required. |
| Charges for Definitive Map Extracts (rights of way searches) | | | |
| A4, first copy | £51.00 | £56.00 | |
| A3, first copy | £72.00 | £79.00 | |
| A2, first copy | £89.00 | £98.00 | |
| A1, first copy | £96.00 | £105.50 | |
| Charges for highways statements made under section 31(6) of the Highways Act. These may be waived at the discretion of the Director in consultation with the Portfolio Holder if there is a significant public benefit. | | | |
| Deposit of a Statement and Map under section 31(6) of the Highways Act. | £203.00 | £223.00 | |
| | £225.00 | £247.50 | |
| | £241.00 | £265.00 | |
| | £257.00 | £283.00 | |
| | £269.00 | £296.00 | |
| Additional fee for joint applications made under s31 Highways Act 1980 AND s15A of the Commons Act 2006 | | | |
| Charge added to fees described above | £28.00 | £31.00 | |
| Declarations under s31 of the Highways Act made in respect of documents previously deposited | | | |
| Charge in addition to fee for deposit | £105.00 | £115.50 | |
| Rights of Way Enforcement Action | | | |
| Planning Policy | | | |
| Local Plan | | | |
| Rutland Core Strategy - Adopted July 2011 | £34.00 | £37.00 | |
| Minerals Core Strategy & Development Control Policies DPD - Adopted October 2010 | £34.00 | £37.00 | |
| Site Allocations & Policies Document - Adopted October 2014 | £43.00 | £47.00 | |
| Neighbourhood Plans | £15.00 | £18.00 | |
| Supplementary Planning Documents | £15.00 | £18.00 | |

| Places Fees and Charges 2023/24 | | | |
|--|------------|---------------------|---|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Local Development Scheme (April 2018) | £15.00 | £18.00 | |
| Statement of Community Involvement (January 2014) | £15.00 | £18.00 | |
| Annual Monitoring Report 1 April 2016-31 March 2017 (November 2017) | £15.00 | £18.00 | |
| Conservation Area Appraisals | £15.00 | £18.00 | |
| Housing Strategy | | | |
| Homelessness Review | £15.00 | £17.00 | |
| Housing and Homelessness Strategy | £15.00 | £17.00 | |
| Tenancy Strategy - Adopted January 2013 | £5.00 | £6.00 | |
| Self-build and Custom Housebuilding Register | | | |
| New entry to the register | £86.00 | £93.00 | |
| S106 Monitoring Fees 2023/2024 apply to S106 agreements signed after 31/03/2023 (Monitoring fees to be paid on signing of the agreement, fees are non-refundable) | | | |
| Single dwelling/annexe | £150.00 | £165.00 | Based on an average hourly rate of £31.50 (includes increase of 10% and total figure rounded up) and an estimated 5 hours taken from start to finish and rounded to the nearest hour. |
| 2-9 dwellings | £300.00 | £330.00 | |
| 10-20 dwellings | £750.00 | £825.00 | |
| 21-50 dwellings | £1,500.00 | £1,650.00 | |
| 50+ dwellings | £3,000.00 | £3,300.00 | |
| Commercial | £450.00 | £495.00 | |
| Other non-residential | £450.00 | £495.00 | |
| Monitoring and management fee per "First Home" (paid on the Implementation of the consent). | New charge | £150.00 | Based on the £150 allowance used by Homes England for pilots elsewhere. In addition to the section 106 monitoring fee. |
| Community Infrastructure Levy | | | |
| Exceptional Circumstances Review | £150.00 | £165.00 | Based on an hourly rate of £52.50 (includes increase of 10% and total figure rounded up) for the Planning and Housing Policy Manager for 3 hours |
| Museum | | | |
| Research Fees | | | |
| First 30 minutes | | | Free |
| Subsequent time, per hour | £38.00 | £42.00 | |

| Places Fees and Charges 2023/24 | | | |
|---|---------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Postage, Packing and Handling | | | |
| All sales | £3.70 | £4.10 | |
| Storage of archaeological items (per standard box) 2017- current | £75.00 | £85.00 | |
| Storage of archaeological items (per standard box) pre-2017 | £50.00 | £55.00 | |
| Storage of paper archive (per standard box) | £50.00 | £55.00 | |
| Archive administration fee (charged when archives do not meet standard guidelines) per hour plus VAT | £50.00 | £55.00 | |
| Room Hire Charges (Community Users) | | | |
| Use during opening hours, per hour | £17.00 | £19.00 | |
| Use outside of opening hours, per hour (plus 1 hour for set up and tidy up) | £34.00 | £38.00 | |
| Room Hire Charges (Commercial Users) | | | |
| Use during opening hours, per hour | £34.00 | £38.00 | |
| Use outside of opening hours, per hour (plus 1 hour for set up and tidy up) | £70.00 | £77.00 | |
| Exhibition Space Charges (Commercial Users) | | | |
| Use during opening hours, per day | £65.00 | £72.00 | |
| Museum & Library Hire Charges (Whole Site) | | | |
| Use outside of opening hours, per hour (plus 1 hour for set up and tidy up) | | | |
| Events serving alcohol or undertaking licensable or commercial activities | £130.00 | £145.00 | |
| Weekdays | £55.00 | £60.00 | |
| Saturdays | £65.00 | £70.00 | |
| Sundays | £85.00 | £95.00 | |
| Museum daytime hire | £330.00 | £365.00 | |
| Castle Great Hall Hire Charges (Except Weddings) | | | |
| Use outside of opening hours, per hour (plus 1 hour for set up and tidy up) | | | |

| Places Fees and Charges 2023/24 | | | |
|--|--------------------|---------------------|--------------------------------|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Events serving alcohol or undertaking licensable or commercial activities | £132.00 | £145.00 | |
| Weekdays | £90.00 | £100.00 | |
| Saturdays | £110.00 | £120.00 | |
| Sundays | £130.00 | £145.00 | |
| Great Hall daytime hire | £330.00 | £365.00 | |
| Use of castle grounds daytime hire | £336.00 | £365.00 | |
| Room Hire Deposit - All users except weddings (50% non-refundable) | £110.00 | £120.00 | |
| Civil Ceremonies at Oakham Castle: including Marriages, Civil Partnerships, Naming and Memorial Ceremonies | | | |
| Use of Great Hall, including photography permit | | | |
| Monday-Thursday | £662.00 | £700.00 | |
| Friday & Saturday | £824.00 | £850.00 | |
| Sunday | £662.00 | £700.00 | |
| Full Day Exclusive Hire for Ceremonies | £1,200.00 | £1,300.00 | |
| Use of grounds only, for photography | £100.00 | £110.00 | |
| Cancellation charges: | | | |
| More than 12 weeks in advance (Non-Refundable Deposit) | £210.00 | £230.00 | |
| Less than 12 weeks in advance | 50% of full charge | 50% of full charge | No change |
| Less than 72 hours' notice | Full charge | Full charge | No change |
| Registrars | | | |
| The majority of Registrars Fees are set nationally, however there are discretionary charges in the following areas. | | | |
| Wedding and Civil Partnership Ceremonies at Approved Premises (fee includes 1 certificate) | | | |
| Monday - Thursday | £394.00 | £435.00 | |
| Friday | £515.00 | £565.00 | |
| Saturday | £515.00 | £565.00 | |
| Sundays & Bank Holidays | £515.00 | £565.00 | |
| Licence Fee for Approval of Premises | £1,900.00 | £2,100.00 | |
| Licence Amendment Fee | £273.00 | £300.00 | |

| Places Fees and Charges 2023/24 | | | |
|---|-------------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Use of the decommissioned Register Office room as an Approved Premises | | | |
| Monday - Thursday | £220.00 | £245.00 | |
| Friday | £284.00 | £370.00 | Align with Saturday fee due to volume of bookings |
| Saturday | £336.00 | £370.00 | |
| Sundays & Bank Holidays | £389.00 | £430.00 | |
| Cancellation Charges: | | | |
| Non-Refundable Deposit | £75.00 | £85.00 | |
| Less than 1 month notice | Full Charge | Full Charge | No change |
| Fee for diary amendment to an Approved Premise or Decommissioned Room ceremony | | | |
| Standard Amendment | £40.00 | £45.00 | |
| Amendment within 6 weeks of ceremony | £100.00 | £110.00 | |
| Proof of Life Declaration | £20.00 | £20.00 | Retain current level - higher charge than neighbouring areas |
| Postage, Packing and Handling | £2.00 | £2.50 | |
| Library | | | |
| Service Charges | | | |
| Requests for Rutland residents | £2.00 | £2.20 | |
| Requests for non-Rutland residents | £7.00 | £7.70 | |
| Requests for items that are in stock or on order are free | | | |
| DVDs & Blu-ray (7 day loan) | £1.00 | Free | Purchase of DVDs to cease in 23/24, run down collection |
| Childs "U" Cert. DVDs & Blu-ray (7 day loan) | Free | Free | Purchase of DVDs to cease in 23/24, run down collection |
| Self-service Printer/Photocopier | | | |
| B&W A4 per side | £0.10 | £0.20 | |
| Colour A4 per side | £1.00 | £1.20 | |
| B&W A3 per side | £0.20 | £0.40 | |
| Colour A3 per side | £1.50 | £2.00 | |
| Postage, Packing and Handling | | | |
| All sales | £3.70 | £4.10 | |

| Places Fees and Charges 2023/24 | | | |
|--|---------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional information 2023/24 |
| Events | | | |
| Fees for Notification of an Event taking place in the County | | | Full details of the Event Notification process are included in the Council's Events Policy |
| Small events (under 500 attendees) | N/A | No charge | No notification or charge required |
| Small events (under 500 attendees but involving VIP attendance; the presence of the military; an impact on the highway; or an impact on the community) | N/A | £40.00 | New charge in line with Events Policy |
| Medium events (500 to 4,000 attendees) | N/A | £40.00 | New charge in line with Events Policy |
| Large events (over 4,000 attendees) | N/A | £150.00 | New charge in line with Events Policy |
| Admin Buildings | | | |
| Room Hire Charges (External Users) | | | |
| Monday - Friday 08:00 to 21:00 | | | |
| Council Chamber | | | |
| Hourly rate | £68.00 | £75.00 | All increased by 10%. There is a minimum 2 hour booking and charge to allow for ventilation cleaning and room preparation. |
| Full day rate (08:00-18:00)* | £410.00 | £451.00 | |
| | | | |
| Alstoe/Wytchley/Martinsley | | | |
| Hourly rate | £26.00 | £29.00 | |
| Full day rate (08:00-18:00)* | £158.00 | £174.00 | |
| *Note that the full day rates applies to 08:00 – 18:00. Additional hours to be charged at the hourly rate. | | | |

Appendix C. Resources Directorate Proposed Fees and Charges 2023/24

| Resources Fees and Charges 2023/24 | | | |
|---|---------------|---------------------|--|
| Item | 2022/23 | 2023/24 Proposal | Additional Information 2023/24 |
| Reprographics Service: Fees and charges for ad-hoc copying of information subject to the Local Government (Access to Information) Act 1985 and for information requested under the Freedom of Information Act: | | | |
| B&W A4 per side | £0.15 | £0.20 | |
| Disclosure and Barring Service Checks (DBS) | | | |
| Administration fee for voluntary organisations, per check | £10.00 | £10.00 | No change |
| Blue Badge Scheme | | | |
| Fee per application | £10.00 | £10.00 | No change. Maximum charge is still £10 |

Appendix D. Places Directorate Nationally Set Fees and Charges 2023/24

| Places Nationally Set Fees and Charges 2023/24 | | | |
|---|------------------|------------------|---|
| Item | 2022/23 | 2023/24 | Additional information 2023/24 |
| Development Control Planning Application Fees | | | |
| Planning Application Fees - Apply from 17 January 2018 onwards. Based upon The Town and Country Planning Regulations 2012 (as amended) - Please see link. | | | Apply for Planning Permission Rutland County Council |
| Environmental Services | | | |
| EPA - annual subsistence charge (low risk) | £749.00 | £749.00 | Add £35 if paid quarterly. |
| EPA - annual subsistence charge (medium risk) | £1,125.00 | £1,125.00 | Add £35 if paid quarterly. |
| EPA - reduce fee activities (dry cleaners, petrol vapour recovery, waste oil burners) | £77.00 | £77.00 | |
| EPA - odourising of natural gas | £378.00 | £378.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 1 year | £185.00 | £185.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 2 year | £243.00 | £243.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 3 year | £304.00 | £304.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 4 year | £374.00 | £374.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 5 year | £423.00 | £423.00 | |
| Explosives - (licence to store) new application (no minimum separation distance) 1 year | £109.00 | £109.00 | |
| Explosives - (licence to store) new application (no minimum separation distance) 2 year | £141.00 | £141.00 | |
| Explosives - (licence to store) new application (no minimum separation distance) 3 year | £173.00 | £173.00 | |
| Explosives - (licence to store) new application (no minimum separation distance) 4 year | £206.00 | £206.00 | |
| Explosives - (licence to store) new application (no minimum separation distance) 5 year | £238.00 | £238.00 | |

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|---|----------------|----------------|--|
| Explosives - (licence to store) new application (separation greater than 0 metres) 1 year | £86.00 | £86.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 2 year | £147.00 | £147.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 3 year | £206.00 | £206.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 4 year | £266.00 | £266.00 | |
| Explosives - (licence to store) new application (separation greater than 0 metres) 5 year | £326.00 | £326.00 | |
| Explosives - (licence to store) renewal of application (no minimum separation distance) 1 year | £54.00 | £54.00 | |
| Explosives - (licence to store) renewal of application (no minimum separation distance) 2 year | £86.00 | £86.00 | |
| Explosives - (licence to store) renewal of application (no minimum separation distance) 3 year | £120.00 | £120.00 | |
| Explosives - (licence to store) renewal of application (no minimum separation distance) 4 year | £152.00 | £152.00 | |
| Explosives - (licence to store) renewal of application (no minimum separation distance) 5 year | £185.00 | £185.00 | |
| Explosives - (licence to store) transfer/variation/replacement | £36.00 | £36.00 | |
| Gambling - Gambling Act Permits Family Entertainment Centres (Application fee) | £300.00 | £300.00 | |
| Gambling - Gambling Act Permits Family Entertainment Centres (Renewal fee) | £300.00 | £300.00 | |
| Gambling - Gambling Act Permits Family Entertainment Centres (Change of name) | £25.00 | £25.00 | |
| Gambling - Gambling Act Permits Family Entertainment Centres (Copy of permit) | £15.00 | £15.00 | |
| Gambling - Gambling Act Permits Prize Gaming (Application fee) | £300.00 | £300.00 | |
| Gambling - Gambling Act Permits Prize Gaming (Renewal fee) | £300.00 | £300.00 | |

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| Gambling - Gambling Act Permits Prize Gaming (Change of name) | £25.00 | £25.00 | |
| Gambling - Gambling Act Permits Prize Gaming (Copy of Permit) | £15.00 | £15.00 | |
| Gambling - Gambling Act Permits Notification of two machines (Application fee) | £50.00 | £50.00 | |
| Gambling - Gambling Act Permits ALGMP (Application fee) | £150.00 | £150.00 | |
| Gambling - Gambling Act Permits ALGMP (Annual fee) | £50.00 | £50.00 | |
| Gambling - Gambling Act Permits ALGMP (Change of name) | £25.00 | £25.00 | |
| Gambling - Gambling Act Permits ALGMP (Copy of permit) | £15.00 | £15.00 | |
| Gambling - Gambling Act Permits ALGMP (Variation fee) | £100.00 | £100.00 | |
| Gambling - Gambling Act Permits ALGMP (Transfer) | £25.00 | £25.00 | |
| Gambling - Gambling Act Permits Club Gaming and Machine (Application fee) | £200.00 | £200.00 | |
| Gambling - Gambling Act Permits Club Gaming and Machine (Annual fee) | £50.00 | £50.00 | |
| Gambling - Gambling Act Permits Club Gaming and Machine (Renewal fee) | £200.00 | £200.00 | |
| Gambling - Gambling Act Permits Club Gaming and Machine (Variation fee) | £100.00 | £100.00 | |
| Gambling - Gambling Act Permits Club Gaming and Machine (Copy of permit) | £15.00 | £15.00 | |
| Gambling - lottery (new application) | £40.00 | £40.00 | |
| Gambling - lottery (renewals) | £20.00 | £20.00 | |
| Licensing - Licensing Act Annual Premises Licence Fee (based on rateable value of premises) - A | £70.00 | £70.00 | |
| Licensing - Licensing Act Annual Premises Licence Fee (based on rateable value of premises) - B | £180.00 | £180.00 | |
| Licensing - Licensing Act Annual Premises Licence Fee (based on rateable value of premises) - C | £295.00 | £295.00 | |

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| Licensing - Licensing Act Annual Premises Licence Fee (based on rateable value of premises) - D | £320.00 | £320.00 | |
| Licensing - Licensing Act Annual Premises Licence Fee (based on rateable value of premises) - E | £350.00 | £350.00 | |
| Licensing - Licensing Act Annual Club Premises Certificate (based on rateable value of premises) - A | £70.00 | £70.00 | |
| Licensing - Licensing Act Annual Club Premises Certificate (based on rateable value of premises) - B | £180.00 | £180.00 | |
| Licensing - Licensing Act Annual Club Premises Certificate (based on rateable value of premises) - C | £295.00 | £295.00 | |
| Licensing - Licensing Act Annual Club Premises Certificate (based on rateable value of premises) - D | £320.00 | £320.00 | |
| Licensing - Licensing Act Annual Club Premises Certificate (based on rateable value of premises) - E | £350.00 | £350.00 | |
| Licensing - Licensing Act Temporary Event Notice | £21.00 | £21.00 | |
| Licensing - Licensing Act Personal Licence | £37.00 | £37.00 | |
| Licensing - Licensing Act Premises Licence Transfer | £23.00 | £23.00 | |
| Licensing - Licensing Act Premises Licence Variation of DPS | £23.00 | £23.00 | |
| Licensing - Licensing Act Premises Licence Minor Variation | £89.00 | £89.00 | |
| Licensing - Licensing Act Premises Licence Notification of Interest | £21.00 | £21.00 | |
| Licensing - Licensing Act Premises Licence Interim Authority Notice | £23.00 | £23.00 | |
| Licensing - Licensing Act Premises/Club Copy of Licence | £10.50 | £11.00 | |
| Licensing - Licensing Act Premises/Club Notification of change | £10.50 | £11.00 | |
| Taxis - vehicle plate deposit | £20.00 | £20.00 | |
| Petroleum - Licence to keep petroleum spirit (of a quantity not exceeding 2,500 litres) | £43.00 | £43.00 | |
| Petroleum - Licence to keep petroleum spirit (of a quantity exceeding 2,500 litres but not exceeding 50,000 litres) | £59.00 | £59.00 | |

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| Petroleum - Licence to keep petroleum spirit (of a quantity exceeding 50,000 litres) | £123.00 | £123.00 | |
| Petroleum - transfer of petroleum fee | £8.00 | £8.00 | |
| Petroleum - Driver controlled licence (initial fee) | £205.00 | £205.00 | |
| Petroleum - Driver controlled licence (transfer of petroleum fee) | £31.00 | £31.00 | |
| Petroleum - Driver controlled licence (notices fee) | £5.00 | £5.00 | |
| Dogs - dog recovery fee | £25.00 | £25.00 | |
| Abandoned Vehicles - removal of vehicles equal to or less than 3.5 tonnes (vehicle on road, upright and not substantially damaged, or removal of any two-wheeled vehicle) | £150.00 | £150.00 | |
| Abandoned Vehicles - removal of vehicles equal to or less than 3.5 tonnes, other than two-wheeled vehicles (vehicle on road but either not upright, substantially damaged or both) | £250.00 | £250.00 | |
| Abandoned Vehicles - removal of vehicles equal to or less than 3.5 tonnes, other than two-wheeled vehicles (vehicle off road, upright and not substantially damaged) | £200.00 | £200.00 | |
| Abandoned Vehicles - removal of vehicles equal to or less than 3.5 tonnes, other than two-wheeled vehicles (vehicle off road but either not upright, substantially damaged or both) | £300.00 | £300.00 | |
| Abandoned Vehicles - storage of two-wheeled vehicles (per day) | £10.00 | £10.00 | |
| Abandoned vehicles - storage of vehicles equal to or less than 3.5 tonnes, other than two-wheeled vehicles (per day) | £20.00 | £20.00 | |
| Abandoned Vehicles - disposal of two-wheeled vehicles | £50.00 | £50.00 | |
| Abandoned Vehicles - disposal of vehicles equal to or less than 3.5 tonnes, other than two-wheeled vehicles | £75.00 | £75.00 | |
| Highways | | | |

| Inspection of works and reinstatement following: | | | |
|--|-------------------|-------------------|---|
| Charges in relation to works occupying the carriageway during period of overrun (Prescribed by legislation - New Roads and Street Works Act 1991) | | | |
| Traffic-sensitive street or protected street not in road category 2, 3 or 4. - First 3 days | £5,000.00 | £5,000.00 | |
| Amount (£) each subsequent day | £10,000.00 | £10,000.00 | |
| Other street not in road category 2, 3 or 4. | £2,500.00 | £2,500.00 | |
| Amount (£) each subsequent day | £2,500.00 | £2,500.00 | |
| Traffic-sensitive street or protected street in road category 2. | £3,000.00 | £3,000.00 | |
| Amount (£) each subsequent day | £8,000.00 | £8,000.00 | |
| Other street in road category 2. | £2,000.00 | £2,000.00 | |
| Amount (£) each subsequent day | £2,000.00 | £2,000.00 | |
| Traffic-sensitive street or protected street in road category 3 or 4. | £750.00 | £750.00 | |
| Amount (£) each subsequent day | £750.00 | £750.00 | |
| Other street in road category 3 or 4. | £250.00 | £250.00 | |
| Amount (£) each subsequent day | £750.00 | £750.00 | |
| NRSWA sample inspections | £50.00 | £50.00 | |
| Defect Inspection | £47.50 | £47.50 | |
| Third Party Defect | £68.00 | £68.00 | |
| Land Drainage | | | |
| Land Drainage Consent application | £50.00 | £50.00 | Fee set by Land Drainage Act 1991 s23 |
| Section 74 Traffic Management Act 2004 | | | |
| Fixed Penalty Notices | £120.00 | £120.00 | Fixed Fee. set by central government/as revised by The Traffic Management Act |
| Discounted rate | £80.00 | £80.00 | |
| Temporary Traffic Signal applications | N/A | £50.00 | New charge- Fixed National Rate (subject to National Change) |

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Strategic Overview and Scrutiny Committee

Work Plan 2022-23

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| 233 | Standing Agenda Items for Every Meeting | Welcome and Apologies | |
| | | Record of Meeting | |
| | | Actions Arising | |
| | | Declarations of Interest | |
| | | Petitions, Deputations and Questions | |
| | | Questions with Notice from Members | |
| | | Notices of Motion from Members | |
| | | Consideration of Any Matter Referred to the Committee in Relation to the Call-In of a Decision | |
| | | Group and Panel Updates: | |
| | | a) Culture / Asset Review | Councillor A Walters |
| | | b) Customer Experience | Councillor N Begy |
| | | c) Highways and Speeding | Councillor P Browne |
| | | d) Homelessness Evidence Panel | Councillor G Waller |
| | | e) Economic Development Strategy, Devolution & Levelling Up Evidence Panel | Councillor A Brown |
| | | Portfolio Holder's Update | |
| | | Review of the Forward Plan | |
| | | Any Urgent Business | |
| | | Date of Next Meeting | |

| Meeting Date | Publication Date | Proposed Item | Why | Author |
|---------------------------------|---------------------------|---|-----------|--------|
| 9th June 2022 | 1 st June 2022 | Election of Vice-Chair | Statutory | |
| | | Confirmation of Co-opted Members | Statutory | |
| | | LLR Joint Health Scrutiny Committee: Confirmation of Representation | Statutory | |
| | | DRAFT Improvement Plan | | |
| | | Annual Work Plan | Statutory | |

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|---------------------------------|----------------------------|----------------------------|---------------|--|
| 7th July 2022 | 29 th June 2022 | LLR CCGs' Performance Data | For Info Only | Kate Allardyce Senior Performance Manager |
| | | Waste and Street Cleansing | Report | Strategic Director of Places/Angela Culleton |
| | | Dental Services Update | | Rose Lynch, Senior Commissioning Manager – Primary Care |

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|--|--|------------------------------------|--------|--|
| | | | | Dental Services (East) |
| | | Homelessness Evidence Panel: Scope | Report | Councillors Waller, Toseland & Lambert |

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| 235 8th September 2022 MEETING ADJOURNED | 31 st August 2022 | Election of New Vice-Chair | Statutory | |
| | | LLR Joint Health Scrutiny Committee: appointment of new substitute representative | Statutory | |
| | | Dental Services Update: Rutland Specific | Report | Rose Lynch, Senior Commissioning Manager – Primary Care Dental Services (East) |
| | | Improvement Plan (Following on from the scrutiny training held on the 21 st July 2022) | | Chair |
| | | Scrutiny Review of Public Transport Service Proposals: a) Scoping Document | Briefing | Councillor Waller |

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|--|--|---|--|---------------------------------|
| | | b) Timescale | | |
| | | Economic Development Strategy, Devolution & Levelling Up | | Strategic Director of Places |
| | | a) Scoping Document | | |
| | | Culture Review | | Councillor G Brown |
| | | a) Scoping Document | | |

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| 5th October 2022 <small>236</small> RE- SCHEDUL ED MEETING | 31 st August 2022 | Election of New Vice-Chair | Statutory | |
| | | LLR Joint Health Scrutiny Committee: appointment of new substitute representative | Statutory | |
| | | Dental Services Update: Rutland Specific | Report | Rose Lynch, Senior Commissioning Manager – Primary Care Dental Services (East) |
| | | Improvement Plan (Following on from the scrutiny training held on the 21 st July 2022) | | Chair |

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| 237 | | Scrutiny Review of Public Transport Service Proposals: c) Scoping Document d) Timescale | Briefing | Councillor Waller |
| | | Economic Development Strategy, Devolution & Levelling Up b) Scoping Document | | Strategic Director of Places |
| | | Culture Review b) Scoping Document | | Councillor G Brown |

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| 13th October 2022 | 5 th October 2022 | Dental Services Update: Rutland Specific | Report | Rose Lynch, Senior Commissioning Manager – Primary Care Dental Services (East) |
| | | Council Asset Review – how can the SOSC assist with the asset review? | | Strategic Director of Places |
| | | Highways Contract – Procurement Outputs | | Andy Tatt / Dee Rajput |

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| 17th November 2022 238 | 9 th November 2022 | LLR ICS Performance Data | For Info Only | Kate Allardyce Senior Performance Manager |
| | | Mid-Year Performance & Corporate Strategy Progress put in link Corporate Strategy | | Strategic Director of Resources |
| | | Mid-Year Finance Update (with a focus on the Medium Term Financial Plan (MTFP)) | Statutory | Strategic Director of Resources |
| | | Catmose Sports Leisure Contract | | Strategic Director of Places |
| | | Update on the plans for economic development, levelling up and Local Enterprise Partnerships (LEPs) | | Councillor Stephenson |

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| 8th December 2022 | 30 th November 2022 | Public Health: Update | | Councillor Harvey |
| | | Corporate Asset Review and Strategy (Private) | Report | Penny Sharp |

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|--|-------------------------------------|--|--------------|---|
| 13th December 2022 | 5 th December 2022 | Homelessness Evidence Panel: Report | | Councillors Waller, Toseland & Lambert |
| | | Public Bus Transport Review (Private) | Presentation | Penny Sharp |
| | | Leisure Strategy (Private) | Briefing | Penny Sharp |

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| 26th January 2023 | 18 th January 2023 | <u>Scrutiny of the Budget</u> Draft Revenue and Capital Budget 2023/24 | Statutory | Strategic Director of Resources |
| | | <u>Scrutiny of the Budget</u> Fees and Charges 2023/24 | Statutory | Strategic Director of Resources |
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| 9th February 2023 | 1 st February 2023 | Access to GP Services – Review of Actions | | Councillor Harvey |
| | | GROUP & PANEL UPDATE Homelessness Evidence Panel: Report | | Councillors Waller, Toseland & Lambert |
| | | GROUP & PANEL UPDATE Minerals Authority Contract Evidence Panel: Scope | | Councillor Begy |

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| 9th March 2023 | 1 st March 2023 | LLR ICS Performance Data | For Info Only | Kate Allardyce Senior Performance Manager |
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|-----------------------------------|-----------------------------|---|---------------|-------------|
| 20th April 2023 | 12 th April 2023 | Purdah compliant items only | | |
| | | CQC Inspection Framework (Verbal update requested by Cllr Waller 09.01.23) | For Info Only | John Morley |

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| 25th May | 17 th May | | | |
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| 2023 | 2023 | | | |
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| 15th June 2023 | 7 th June 2023 | End of Year Performance & Corporate Plan Progress | Statutory | |
| | | End of Year Finance Management Report | Statutory | Strategic Director of Resources |
| | | LLR ICS Performance Data | For Info Only | Kate Allardyce Senior Performance Manager |

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