

AGENDA



For a meeting of the
COUNCIL
to be held on
FRIDAY, 1 MARCH 2013
at
2.00 PM
in the
COUNCIL CHAMBER, COUNCIL OFFICES, ST. PETER'S HILL, GRANTHAM
Beverly Agass, Chief Executive

Members of the Council are invited to attend the above meeting to consider the items of business listed below.

For those Councillors who wish to attend, prayers will be held in the Council Chamber at 1:55pm before the commencement of the meeting. Please be seated by 1:50pm.

1. PUBLIC OPEN FORUM

The public open forum will commence at **2.00 p.m.** and the following formal business of the Council will commence at **2.30 p.m.** or whenever the public open forum ends, if earlier.

2. APOLOGIES FOR ABSENCE

3. DISCLOSURE OF INTERESTS

Members are asked to disclose any interests in matters for consideration at the meeting.

4. MINUTES OF THE MEETING HELD ON 13 DECEMBER 2012

(Attached)

5. COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)

(Attached)

6. DETERMINATION OF BUDGET 2013/14 (AND INDICATIVE FOR 2014/15 AND 2015/16) - GENERAL FUND, HOUSING REVENUE ACCOUNT AND CAPITAL PROGRAMME AND PAY POLICY STATEMENT

Report number HOF225 of the Leader of the Council, the Resources and Assets Portfolio Holder and the Good Housing Portfolio Holder. (Attached)

7. CONTRACT PROCEDURE RULES

Report number HOF222 of the Head of Finance. (Attached)

8. QUESTIONS WITHOUT DISCUSSION

To note the list of questions asked under Council procedure rule 11.1 as circulated at the start of the meeting and their reference to the relevant Policy Development Group.

9. NOTICES OF MOTION GIVEN UNDER COUNCIL PROCEDURE RULE 12:

From Councillor Mrs Linda Neal

Members have before them a copy of a letter from the End Fuel Poverty Coalition and a copy of the proposed commitment. Fuel poverty is a growing issue and recent energy price rises could force many more households into fuel poverty. Energy efficiency improvements to homes are the most effective means to take people out of fuel poverty in the medium to long term. £4 billion will be raised each year for the next 15 years from the European Emissions Trading Scheme and the Carbon Floor Price. The funding from carbon taxes could potentially take 9 out of 10 fuel poor households out of fuel poverty if spent on improving the energy efficiency standards of their homes.

Taking into account the content of the letter and the commitment, this Council is asked to resolve to:

- Support the End Fuel Poverty Coalition's local authority fuel poverty commitment
- Support the Energy Bill Revolution's campaign call for carbon taxes to be spent on reducing fuel poverty.

The deadline for notices of motion for the meeting scheduled for 18 April 2013 will be 2pm on Friday 5 April 2013.

MINUTES

COUNCIL

THURSDAY, 13 DECEMBER 2012

2.00 PM



PRESENT

Councillor Mrs Rosemary Kaberry-Brown Chairman

Councillor Bob Adams
Councillor Mark Ashberry
Councillor Jean Bevan
Councillor Pam Bosworth
Councillor Robert Broughton
Councillor Terl Bryant
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor George Chivers
Councillor Michael Cook
Councillor Kelham Cooke
Councillor Alan Davidson
Councillor Phil Dilks
Councillor Breda Griffin
Councillor David Higgs
Councillor Reginald Howard
Councillor Vic Kerr
Councillor Michael King
Councillor David Nalson
Councillor Mrs. Linda Neal
Councillor John Nicholson
Councillor Alan Parkin
Councillor Helen Powell
Councillor Nick Robins

Councillor Graddon Rowlands
Councillor Bob Russell
Councillor Bob Sampson
Councillor Susan Sandall
Councillor Bob Sandall
Councillor Trevor Scott
Councillor Ian Selby
Councillor Rob Shorrocks
Councillor John Smith
Councillor Mrs Judy Smith
Councillor Jacky Smith
Councillor Peter Stephens
Councillor Judy Stevens
Councillor Adam Stokes
Councillor Brenda A Sumner
Councillor Mike Taylor
Councillor Mrs Jean Taylor
Councillor Jeff Thompson
Councillor Frank Turner
Councillor Bruce Wells
Councillor Martin Wilkins
Councillor Rosemary H Woolley
Councillor Raymond Wooten

OFFICERS

Chief Executive (Beverly Agass)
Strategic Director (Daren Turner)
Strategic Director (Tracey Blackwell)
Head of Finance (Richard Wyles)

OFFICERS

Head of Legal and Democratic Services
(Lucy Youles)
Benefits Manager (Lee Sirdifield)
Principal Democracy Officer (Jo Toomey)

50. PUBLIC OPEN FORUM

Transcript of Public Open Forum

Mrs Patrick

Good afternoon madam chairman, good afternoon Councillors. My question today is to Councillor Bryant. Councillor Bryant, have you considered putting solar panels on Council property to help offset large electricity bills where consumption is great.

Councillor Bryant

Thank you Mrs Patrick for that question, I could just say yes but I will give you a full answer. Potential use of solar panels to upgrade communal buildings will form a key consideration along with a range of other issues when we review our assets management strategy for the Council's housing stock. Work will commence on this early in 2013 and will take into account the implications of central government's initiatives on the Green Deal, eco-obligations and the potential for a range of incentive schemes; all of the implications are, as yet, totally unclear. Heating upgrades have taken place in 127 properties this year with a further 93 properties planned by the end of March 2013. Of these properties, 112 have been switched from solid fuel to gas, er...sorry, from electric to gas, all of which is greener options. Loft insulation as you very well know is being topped up in 195 properties across the district with an additional 37 properties planned for completion. During 2012 we brought in £800,000 of external funding alongside our own investment which has improved the energy efficiencies of 155 hard-to-heat council-owned homes. An additional 62 properties are being externally wall insulated in Rippingale, Billingham and Folkingham using the eco-funds. We currently have plans to further invest in energy efficiency improvements during 2013 and 14, which subject to budget approval could see significant numbers of homes helped with the energy efficiency measures. I look forward to your supplementary question.

Mrs Patrick

Mr Bryant, the reason I ask this question, last week we had a conference here and Mr Ian Richardson mentioned about eco and electricity and everything else. Well we have a complex on Essex Road which has lighting on 24/7 365 days of the year, three washing machines and three dryers which run for about 12 hours a day and on the south side of that building if solar panels were put you'd get 16 hours of daylight a day in the summer and 8 in the winter and perhaps that would take your electricity bill down greatly because it's in a sun spot, thank you very much.

Councillor Bryant

May I answer that? Thank you very much indeed Mrs Patrick, I won't ask where

the clothes lines went now we're using electricity. Fine, maybe I should see about getting a clothesline installed. Optimising energy efficiency and energy utilisation will be key features on the Council's review process and we'll be looking to evaluate a range of approaches to minimise energy use whilst of course keeping our buildings comfortable, safe places to live work and visit. Thank you Mrs Patrick.

The public open forum ended at 14:09.

51. EAST MIDLANDS AMBULANCE SERVICE - 'BEING THE BEST'

The Chairman welcomed representatives from East Midlands Ambulance Service (EMAS) who gave councillors a presentation on their 'Being the Best' programme:

- Andrew Spice – Commercial Director
- Greg Cox – Service Delivery Manager – Lincolnshire
- Steve Illingworth – Operational Support Manager – Lincolnshire

Mr Spice provided a contextual overview of the service EMAS provided; it covered the whole of the East Midlands region and received approximately three-quarters of a million calls annually. Approximately 600,000 calls required the service to send staff out, either in a fast response vehicle, motorbike or double-crewed ambulance. The number of calls was increasing each year by approximately 5% to 7%.

The 'Being the Best' programme comprised a package of changes in respect of asset management, service provision, deployment and staff management. The consultation document on which the presentation was based, constituted an estate strategy which comprised changes aimed at making the most of clinical staff and improving performance against key targets.

Representatives reported that the service did receive some complaints, the majority of which were in respect of response times rather than the quality of care given. EMAS had a number of performance indicators it was required to meet including two key indicators relating to response times: A8 (reach 75% of all life-threatening calls in 8 minutes or less) and A19 (get an ambulance to transport a patient to hospital, on scene within 95% of all cases within 19 minutes). In September 2012 neither target was achieved in Lincolnshire (73.89% and 88% respectively); cumulative performance between April 2012 and September 2012 also fell below target levels (74.88 and 89.53% respectively). Below these performance indicators were a number of targets that measured the quality of service.

As part of the consultation, EMAS was talking to patients, the public and stakeholders. Key proposals included replacing 66 ambulance stations with 13 hubs/super stations and introducing 118 Community Ambulance Posts (CAPs). Five hubs were planned for Lincolnshire. The hubs would be the start and end

point of the working day, providing a base for vehicle maintenance and the clinical cleaning, stocking and preparing of ambulances; these activities currently carried out by ambulance crews would be undertaken by dedicated staff. There would also be an educational facility, which would replace regional facilities, so that staff could be trained locally. Management/supervisory staff would also be available at hubs to brief and debrief teams as appropriate.

CAPs would replace standby points (points at which ambulances park in laybys, car parks, etc.) All CAPs would include a building which provided facilities for crews to rest. These would either be shared facilities with other local stakeholders, or when this option was not available, modular buildings. The location for CAPs was based on modelling work that identified the best places from which to respond to help EMAS provide a better service. Local knowledge was helping inform the exact location of the CAPs.

The model proposed by EMAS had been successfully introduced by West Midlands Ambulance Service and the South Coast Ambulance Service who were two of the best performing services in the country.

The Council was advised that proposals would be formally submitted to the EMAS board in January 2013 and changes would be implemented over a five year period beginning at April 2013. Mr Spice informed Councillors that there would be no change to the level of cover provided within the district and investment would be made to the fleet. He added that the proposed changes were not designed to cut costs but drive improvements to services.

Several Members referred to a number of different consultation events that had been held within the district at which strong feelings were expressed by local residents, and the meeting of the Scrutiny Committee on 27 November 2012, at which a presentation was given. A number of examples were also given of instances where EMAS had failed to meet its targets in respect of response times. Mr Spice stated that these examples supported the need for change and improvements to service.

A small number of Councillors referred to a petition that had received 12,336 signatures over 23 days. The Chief Executive clarified that the petition was not undertaken on the Council's behalf and it was presented to EMAS representatives outside the meeting.

Concern was expressed by a number of Councillors that there was no plan to create an ambulance hub in Grantham and that the hub from which services from the district would start was in Sleaford. They suggested that the planned growth within the district supported the case for a hub in Grantham. They also highlighted the good transport links with easy access to the A1 and the south of the district. When asked whether EMAS had ever considered positioning a hub in Grantham, Mr Spice responded that all possible options had been considered, which would have included a hub in Grantham. In response to a question, Mr Spice denied that there had been recruitment for a hub in

Sleaford. One Member added that as part of consultation, concerns were expressed about engaging with blind and partially-sighted residents in the county; representatives stated they would follow this up after the meeting.

Debate ensued about the potential impact of changes on EMAS staff with specific reference to increased journey time between home and work and travelling between hubs and CAPs at the beginning and end of shifts. EMAS representatives advised that staff would be able to arrive at the hub, and after a quick check of their vehicle, leave the station in a very short-time. Work was also underway to stagger shifts to ensure that no area would be left without cover because of changeover. Consultation was also underway with staff in respect of shift lengths; any changes would need to strike a balance between staff preference, clinical need and staff safety.

Some Members suggested that EMAS providing a hub in Grantham would help support the sustainability of Grantham hospital and ensure it was protected from the further loss of services.

The consensus of Councillors was that services for the residents of South Kesteven should be of the highest quality and available within the times set out within the performance standards while taking account of the planned growth within the district.

Staff from EMAS were thanked for attending the meeting and giving their presentation.

52. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bisnauthsing, Channell, Cosham, Craft, Morgan, Ian Stokes, Wood and Wren.

53. DISCLOSURE OF INTERESTS

No interests were disclosed.

54. MINUTES OF THE MEETING HELD ON 18 OCTOBER 2012

It was proposed and seconded that the minutes from the meeting held on 18 October 2012 be agreed as a correct record. This was put to the vote and carried.

55. COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)

The Council noted the Chairman's engagements.

56. LOCALISATION OF SUPPORT FOR COUNCIL TAX BENEFITS POLICY

Decision:

- 1. The Council approves the scheme for the localisation of council tax support as detailed in the local scheme rules from 1 April 2013. The scheme for working age customers having the following characteristics:**
 - i. 80% maximum eligibility for those who do not fall into a vulnerable group**
 - ii. 100% maximum eligibility for vulnerable customers (as defined)**
 - iii. No restrictions based on size of property or council tax band**
 - iv. Carers, the disabled and war pensioners protected**
 - v. Inclusion of enhanced working disregards meaning that a certain amount of earnings is ignored in the calculation of support**
- 2. Council to approve amendments to the council tax discount and exemption arrangements in relation to Class C (unoccupied and unfurnished) to provide a one month exemption followed by 25% discount for remaining 5 months. This is to be introduced from 1 April 2013**
- 3. Council to approve amendments to the council tax discount and exemption arrangements in relation to Class A (in need of structural repair) to provide a 25% discount for 12 months. This is to be introduced from 1 April 2013.**
- 4. Council to introduce 100% charge for properties that have been empty for a period of between six months and two years. This is to be introduced from 1 April 2013.**
- 5. Council to introduce an empty homes premium of 150% for those properties that have been empty for two years or more. This is to be introduced from 1 April 2013.**
- 6. Council approves that delegation be given to the Strategic Director – Corporate Focus in consultation with the relevant Portfolio Holders to approve amendments to the local scheme (appendix 5 of report number HOF215) in order to ensure consistency with changes to the national default scheme. The changes provide clarification only**

The Portfolio Holder for Strategic Resources – Well Run Council moved the recommendations in report number HOF215 on the localisation of support for

council tax support policy and amendments to council tax discount and exemption arrangements. He also moved a further recommendation:

“that delegation be given to the Strategic Director - Corporate Focus in consultation with the Portfolio Holders to approve amendments to the local scheme (appendix 5 to the report) in order to ensure compliance with current changes to the national default scheme.”

The Portfolio Holder reminded Councillors that there had been a 10% cut in grants for council tax benefit and that there was a requirement for authorities to develop a local scheme for council tax support. Legislation stipulated that pensioners had to be protected from any reduction and the proposed local scheme protected a number of other vulnerable groups. He noted that protecting certain groups increased the burden of the cuts over the remaining recipients who did not fall into any of the exempt categories. Councillors were reminded that the changes also impacted on the county council and police, who had been consulted as other precepting authorities. The scheme would be reviewed at the end of its first year of operation. He also thanked the officers who helped produce the proposed scheme and the Resources PDG for their work. The proposal was seconded.

A number of Councillors spoke against adopting the proposed scheme, highlighting difficulties determining what should and should not be defined as vulnerable. They argued that the scheme would not achieve one of its objectives: making work pay; they stated that working families would be worse off. Concerns were also expressed about the impact of the changes on families with children. They felt the issue should have been brought to full Council at an earlier stage so that all members would have the opportunity to have input in the formation of the policy. The content of the equality analysis attached to the report was also challenged with some Members suggesting that changes would have a disproportionate impact on women, as were the way in which the consultation outcomes were recorded in the report.

Councillors who spoke in favour of the draft scheme refuted that the meeting provided the first opportunity for councillors to get involved; they highlighted the public consultation (including drop-in sessions), a briefing session which was held for Councillors and the discussions that were undertaken by the Resources and Communities Policy Development Groups. The grant the council would receive was to be based on outturn figures from 2009/10 and reduced by 10%; Members noted that the caseload had increased since that time. Members expressed regret about the position in which the Council found itself but stated that the Council had tried to ensure a higher disregard so that families working and on low wages in receipt of some form of benefit were allowed to earn a bit more before they were required to contribute to their council tax. The council had worked with other authorities in the county to try and form a common scheme; a Member who had been involved in those discussions stated that a common scheme had not been possible because of the diverse demography of the county's residents but stated that SKDC's

scheme was more generous than some other authorities who were only offering a discount of up to 75%.

A motion without notice was proposed in accordance with Article 13.4 of the Council's Constitution, which requested that the report be referred back so that the relevant officer could carry out a full Equality Impact Assessment on the basis of the consultation data and the information available to the Council as it stood currently. This was seconded.

Those speaking in favour of the motion highlighted their belief that the changed policy would have a disproportionate impact on women, particularly single mothers. Councillors speaking against the proposal and expressed their confidence in the Equality Analysis; they highlighted its thoroughness and that the neutral assessor was the Council's equality officer. Officers provided information on the numbers of claimants in work within different unprotected categories. The motion moved without notice was put to the vote and lost.

The mover of the original proposition was invited to sum up and stated that the scheme was designed to do the best for residents and highlighted the range of opportunities through which members could have influenced the scheme.

The recommendations as originally proposed were put to the vote and carried.

16:00 to 16:20 – the meeting was adjourned.

57. ELECTORAL REVIEW - COUNCIL SIZE

Decision:

- 1. The Council approves the draft submission on Council size which is attached as appendix A to report number LDS084 for submission to the Local Government Boundary Commission for England.***
- 2. That the Council delegates authority to the Electoral Review Working Group to make any alterations to the submission as requested by the Local Government Boundary Commission for England.***

The Governance and Communication Portfolio Holder moved the recommendations in report number LDS084. He reminded Members that the Local Government Boundary Commission for England (LGBCE) had given a presentation at a recent meeting and explained the criteria met by the Council which triggered an electoral review. The council appointed a politically balanced working group that was tasked with producing the draft submission document. The Portfolio Holder thanked the members of the working group, noting their hard work; he also thanked the officers who had supported the review. The chairman of the electoral review working group seconded the recommendations.

Brief discussion ensued about the draft submission and the recommendation to reduce the Council size by three. It was acknowledged the document was lengthy but it was required to address a number of specific areas, which were stipulated by LGBCE. Those councillors speaking in favour of the draft submission noted that the submission had to be based on evidence; this was collected through information on governance arrangements, levels of council business, Members' attendance and responses from an activity questionnaire.

A Councillor who spoke against the proposal to reduce the Council size by three members did not feel that, with a growing population, Councillors would be able to effectively represent their constituents and suggested a submission should be made to stay the same or increase the council size. Members noted that projected growth was included in the report and the requirement of LGBCE that any growth must be deliverable and completed within the five year period after the review's completion.

Councillors were advised that if they did not agree with the submission put forward by the Council, they would have the opportunity to put forward their own submissions on council size as part of the public consultation that LGBCE would undertake.

Following a brief summation by the Governance and Communication Portfolio Holder, the recommendations were put to the vote and carried.

58. UPDATES TO THE CONSTITUTION

Decision:

The Council approves the recommendations made by the Constitution Committee at its meeting on the 6th December 2012 as follows:

1 At page 104 of the Constitution relating to delegations to the Property Development Manager add:

8. In consultation with the Portfolio Holder for Governance and Communication, to determine the regulations and procedures from time to time applicable in accordance with the Localism Act, The Assets of Community Value (England) Regulations 2012 and guidance issued relating to applications to include a property on the list of assets of community value.

9. In consultation with the Head of Finance and the Head of Legal and Democratic Services in accordance with the provisions of the Assets of Community Value (England) Regulations 2012,

- to consider correctly completed applications received to nominate a property to be included on the list of assets of community value and
- to determine applications to include a property on the list of assets of community value or on the list of assets which have not been included on the list of community assets.
- To consider and determine applications for compensation received from owners or former owners of property which has been included on the list of assets of community value.

2 At page 93 of the Constitution relating to delegations to the Strategic Director Corporate Focus (Section 151 Officer) add:

27. To consider and determine applications for a review of a listing and applications received for compensation received from the owner of any property included on the list of assets of community value in accordance with the Assets of Community Value (England) Regulations 2012.

The recommendations in report number LDS085 were moved by the Chairman of the Constitution Committee who explained they related to the community right to bid, which enabled communities to identify assets of community value and have them listed. This had been debated by the Communities PDG. The recommendation gave officers delegated authority to consider applications for the listing of assets and to maintain a list of those assets. The proposition was seconded, put to the vote and carried unanimously.

59. NOTICES OF MOTION GIVEN UNDER COUNCIL PROCEDURE RULE 12:

Decision

This Council resolves to fly the Union flag at least during opening hours all year round and at its main offices in Grantham and where practical at its offices in Bourne, Stamford and the Deepings whilst not precluding flying special flags on special days.

Councillor Dilks proposed the notice of motion

“This Council resolves to fly the Union flag at least during opening hours all year round at its main offices in Grantham and where practical at its offices in Bourne, Stamford and the Deepings.”

In proposing the motion, Councillor Dilks highlighted the symbolism of the Union flag and the demonstration of national pride and unity that would come as a result of its flying. He also drew Councillors’ attention to recent celebrations in the district and nationally at which the Union flag was flown

including the Queen's Diamond jubilee, the royal wedding and the Olympic and Paralympic games.

In seconding the motion, Councillor Cooke suggested an addition that would not preclude the flying of special flags on special days. Councillor Dilks agreed to incorporate this in his motion.

Several Members spoke in favour of the motion as adapted, acknowledging the importance of flying special flags on special days and the positive, unifying message that would be communicated by flying the Union flag. A number of Councillors also expressed their pride in being able to vote on this motion.

The adapted motion was put to the vote and carried unanimously.

60. CLOSE OF MEETING

The Chairman wished all Councillors a merry Christmas and closed the meeting at 17:00.

Agenda Item 5

Chairman's Civic Events 1 December 2012 to 28 February 2013

DECEMBER 2012				
Date	Ref	Event	Location	Chauf
01.12.12	RKB081	Santa's Fun Run – Presentation of Prizes	St. Wulfram's Church	
02.12.12	RKB082	Advent Jubilee	Lincoln Cathedral	YES
02.12.12	VC019	The Diamond Jubilee Wood Community Tree Planting Day	Prince William of Gloucester Barracks	
07.12.12	RKB036	Annual Mencap Carol Festival	Finkin Street Methodist Church, Grantham	
07.12.12	RKB084	Bourne Town Mayor's Christmas Lunch (Traditional Lunch with entertainment)	Oasis Restaurant, Waterside, Kate's Bridge	YES
09.12.12	RKB088	Candlelit Carol Service – St. Wulfram's Church Grantham then refreshments at the Angel & Royal Hotel	St Wulfram's Church then Angel and Royal Hotel	
10.12.12		Chairman's Christmas Lunch (Staff and past Chairman)	Belton Park Golf Club	
11.12.12	RKB079 (B)	Grantham Choral Society – Carol Concert	Christ Church, Finkin Street, Grantham	
13.12.12	RKB080	Christmas 'Last Night of the Proms'		
15.12.12	RKB092	North Hykeham Town Council Christmas Carol Service – CHAIRMAN CANCELLED 12.12.12	All Saints Church on Moor Lane North Hykeham	
26.12.12	RKB091	Traditional Boxing Day Meet	St. Peter's Hill, Grantham, Lincolnshire	
JANUARY 2013				
Date	Ref	Event	Location	Chauf
14.01.13	RKB093	Dr Frier's Trust Meeting	Chief Executive's Office	-
24.01.13	RKB096	The Orders of St John Care Trust – Ground Breakfast Event at new care centre development	Springfield Road, Grantham, NG31 7BB	
25.01.13	RKB094	Showmen's Guild – Annual Civic Luncheon	Nottingham Belfry Hotel, Mellors Way, Off Woodhouse Way, Nottingham, NG8 6PY	Booked
25.01.13	RKB095	Bishop Grosseteste University Burns Night	The Dining Room, Bishop Grosseteste University, Lincoln	Booked
31.01.13	RKB100	A memorial Service to Commemorate the 60 th Anniversary of the East Coast Floods of 1953 – Service preceded by Bishop of Lincoln blessing the sea defences at Scarborough Esplanade, Skegness, the lighting of beacon and a torch lit procession to the church followed by civic reception	St. Matthews Church Skegness	Booked
FEBRUARY 2013				
Date	Ref	Event	Location	Chauf
02.02.13	RKB 098	Swimarathon	Meres Leisure Centre	-
08.02.13	RKB106	Mayor & Mayoress of Grantham's Charity Variety Show	The Guildhall Grantham	
09.02.13	RKB 083	Her Majesty's Lord Lieutenant of Lincolnshire's Reserve Service Personnel who have served on Operations throughout the world in 2012	The Royal Logistic Corps Territorial Army Headquarters, Prince William of Gloucester Barracks, Grantham	
11.02.13	RKB097	Jubilee Church Life Centre, opening of ground floor premises	1-5 London Road, Grantham	-
14.02.13	RKB090	Chairman of Lincolnshire County Council and Chairman of West Lindsey District Council – "A Bit of a Do"	Hemswell Court, Lancaster Green, Hemswell Cliff, DN21 5TQ	Car Booked
15.02.13	SEE FILE	Chairman's Charity Gala	The Guildhall Grantham	
19.02.13	RKB101	Newark and Sherwood District Council – "An Evening of Love, Music and Poetry" Charity Evening	Kelham Hall	
22.02.13	DD	Mayor of Boston – Mayor's Charity Hog Roast	The Conservative Club, Boston	Car booked

REPORT TO COUNCIL

REPORT OF: CLLR MRS L NEAL - LEADER
 COUNCILLOR M TAYLOR – RESOURCES AND
 ASSETS PORTFOLIO HOLDER
 COUNCILLOR T BRYANT – GOOD HOUSING
 PORTFOLIO HOLDER

REPORT NO.: HOF 225

DATE: 1ST MARCH 2013

TITLE:	Determination of Budget 2013/14 and indicative budgets to 2015/16 – General Fund, Housing Revenue Account and associated capital programmes.	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Budget Framework Proposal	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Cllr Mrs L Neal Leader of the Council Cllr Mike Taylor Resources and Assets Portfolio Holder Cllr Teri Bryant Housing Portfolio Holder	
CONTACT OFFICER:	Daren Turner – Strategic Director Corporate Focus Tel: 01476 406301 Email: d.turner@southkesteven.gov.uk Richard Wyles – Head of Finance Tel: 01476 406210 Email: r.wyles@southkesteven.gov.uk	
INITIAL IMPACT ANALYSIS:	Carried out and Referred to in the report:	Full impact assessment Required: N/A
Equality and Diversity	Yes – listed in background papers	
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council’s website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	Equality Analysis – General Fund: http://moderngov.southkesteven.gov.uk/mgConvert2PDF.aspx?ID=11433 Equality Analysis – Housing Revenue Account: http://moderngov.southkesteven.gov.uk/mgConvert2PDF.aspx?ID=11434 Equality Analysis – Fees and Charges: http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=261&MId=2818&Ver=4	

	<p>HOF216: http://moderngov.southkesteven.gov.uk/mgConvert2PDF.aspx?ID=11278&ISATT=1#search=%22hof216%22</p> <p>HOF219: http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=164&MID=2802#AI14948</p> <p>HOF223: http://moderngov.southkesteven.gov.uk/mgAi.aspx?ID=14948#mgDocuments</p>
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1. RECOMMENDATIONS

In relation to the General Fund (Revenue)

Make recommendations a. to c:

- a. to approve the original base estimate for 2013/14 and indicative base estimates for 2014/15 and 2015/16 and to set a General Fund budget requirement of £14.068M for 2013/14 (inclusive of special expenses) including the additional items listed at Appendix B and the savings listed at Appendix C as detailed in the summary at Appendix A page 1;
- b. to approve a Council Tax increase of £5 (for a Band D equivalent) for 2013/14 (including special expense areas) at Appendix A page 2;
- c. to approve increases in Fees and Charges for 2013/14 as set out at Appendix D

In relation to the Housing Revenue Account (HRA)

Make recommendations d to g:

- d. to set dwelling rent increases in accordance with Government guideline rent providing an average rent of £74.32 (and an average rental increase of 4.57% or £3.24 per week)
- e. to set an increase in garage rents of 2.6%
- f. to increase service charges by 2.6%
- g. to approve the Housing Revenue Account for the year 2013/14 (including the items at Appendix E in the report) and indicative years 2014/15 and 2015/16 shown at Appendix F

In relation to Capital and investment Programmes

Make recommendations h. to j:

- h. approve the General Fund Capital programme for 2013/14 to 2017/18 detailed at Appendix G page 1
- i. approve the indicative Housing Investment programme for 2013/14 to 2017/18 detailed at Appendix G page 2
- j. approve the Capital Financing statement detailed at Appendix G page 3

In relation to the Reserves and balances

Make recommendation k:

- k. To approve the use of the reserves as detailed at Appendix H.

Management and prudential indicators

Make recommendation l:

- l. to approve the Treasury Management Strategy provided at Appendix I;

Pay Policy Statement

Make recommendation m:

- m. to approve the pay policy statement shown at Appendix J

PART A

2. PURPOSE OF THE REPORT

- 2.1 The purpose of this report is to present to Council:-
- 2.2 The Budget estimates for 2013/14, revenue and capital, the level of Council tax, housing rent increase and the subsequent Treasury Management Strategy.
- 2.3 Members are asked to consider the contextual information presented and to recommend approval of the Council's budget for 2013/14.

3. Budget Process - Estimates for 2013/14

- 3.1 The budget has been prepared in line with the Council's priorities and the corporate plan. The budget process has been managed in accordance with the Council's current medium term financial plan and incorporates the budgetary principles of continuing to protect front line services, invest in priorities and the prudent use of reserves and balances.
- 3.2 The budget assumptions used in compiling the 2013/14 estimates are set out below:

Table 1

Inflation Factors	Assumption (%)
Retail Price Index	2.6
Salary Inflation	1
National Business Rate	2.6
Utility Cost increase	8.0
Drainage Board Levies	Ranging from 1.2 - 2.6
Fuel costs	5.0
Interest Rates	1.0
Salary Vacancy Factor	3.0
Growth in numbers of Band D equivalent properties	0.7

- 3.3. Investment Income - the financial forecasts in respect of investment income over the next three years have been modelled on the following anticipated levels of interest rates (provided by the investment advisors):

Table 2

Financial Year	2013/14	2014/15	2015/16
Base Rate	0.5%	1.0%	1.5%
Money Market Rate (average mid-term point.)	1.0%	1.8%	2.6%

This information has been utilised to anticipate the potential levels of interest income the Council will receive for its investment of the reserve balances. This income will be shared between the General Fund and the Housing Revenue Account. Forecast interest due to the General fund is shown in table 3 below and at line 6 in Appendix A and at line 18 of Appendix F in respect of the HRA. Further details of the Council's investment strategy are contained in Appendix I to this report

- 3.4 The General Fund budget proposes a net service expenditure of £15.619M broken down by directorate focus as follows:

Table 3

		Original base 2012/13 £'000	Estimated base 2013/14 £'000	Indicative base 2014/15 £'000	Indicative base 2015/16 £'000
1	Community and Environment Focus	9,383	8,744	8,627	8,740
2	Corporate Focus	3,912	4,190	4,116	4,343
3	Development and Growth Focus	2,219	2,079	1,778	1,680
4	Special Expense Areas	594	606	620	632
5	Net Service Expenditure	16,108	15,619	15,141	15,395
6	Net Interest	(144)	(245)	(305)	(383)
7	Minimum Revenue Provision	186	179	172	165
8	Capital Charges	(2,566)	(2,734)	(2,623)	(2,596)
9	Revenue contribution to capital	659	1,400	500	500
10	Net movement on reserves	(216)	(258)	168	(454)
11	Local CT support grant	0	107	108	104
12	Budget Requirement	14,027	14,068	13,161	12,731

- 3.5 The proposed budgets include a number of additional items that are cost pressures, investment in assets and a continuation of allocating resources to deliver key priority outcomes. The Council commitment to fund key front line

services continues throughout the duration of the Medium Term Financial Plan. (Details of these additions are provided at Appendix B). Specific items include the resurfacing and maintenance of car parks in the district, structural repairs to the Wharf Road Grantham multi-storey car park, a further contribution towards events and festivals across the district, investment in public realm improvements and the continued enhancement of street cleansing and fly tipping removal. In response to the risks associated with the new financing regime, the Council will create a volatility fund reserve to act as a buffer against difficulties in the collection of business rates and, of equal importance, will create a hardship fund to guard against unforeseen pressures amongst vulnerable groups created by the new Council Tax support scheme. It is also proposed to pay the living wage to its lowest earning employees.

- 3.6 In order to respond to declining government support the Council has also continued to identify and deliver a number of efficiencies and savings the detail of these are at Appendix C. Those listed are enabling the council to protect front line services, respond to extra burdens and continue to invest in priority areas. This is despite the loss of in excess of £2.4M in government grant over the last four years.
- 3.7 The proposed Council Fees and charges have been compiled in accordance with the new charges strategy which sets out key principles of the methodology to be used when setting fee structures. The proposals for 2013/14 also include the introduction of new fees in respect of pre-planning advice for householders and businesses. The full details of the fees and charges for 2013/14 are shown at Appendix D.

4. The District's basic amount of Council Tax 2013/14

- 4.1 The calculation of the Council's basic amount of Council Tax is made by deducting from the £14.068M budget requirement (including special expense areas, but excluding parishes), the external support that will be received from the Government in the form of projected Formula Grant £8.024M (including all specific grants - council support scheme, council tax freeze grant for 2011/12 and homelessness grant). Government has also announced a provisional settlement for 2014/15 of £6.992M (inclusive of all specific grants). This represents a further reduction of £1.032M when comparing to 2013/14. However it should be noted that this figure could change depending on the RPI figure prevailing at September 2013.
- 4.2 Following the Government's announcement regarding council tax proposals for 2013/14, South Kesteven has been identified as having a low quartile council tax base charge and therefore has the opportunity to increase its Council Tax by a maximum of £5 for 2013/14 (based on a Band D charge). Therefore, the average band D charge for South Kesteven, should this option be taken, will increase to £127.47 (£139.62 including SEA's) representing a 3.7% increase. The financial position after these 2 years will be informed by the comprehensive spending review that will take place in 2014.

5. Future outlook

- 5.1 The forecast opening requirements for 2014/15 and 2015/16 (£13.161M and £12.731M respectively) are included in the attached summary (Appendix A). This shows further forecast decreases of £907K in 14/15 and £430K in 15/16 which will be necessary to meet the reduced levels of funding anticipated from Government. The overall reduction in the four year period is 9%. Future Council Tax increases

will be subject to the referendum principles, the Council will seek to continue to drive out savings and efficiencies in order to protect front line services. However given the size and speed of the grant reductions and the risks associated with the business rates retention scheme the Council must begin to consider, as part their Financial Strategy refresh, the use (as many Councils have) of New Homes Bonus and balances to supplement the General Fund in the short to medium term.

6 Housing Revenue Account

- 6.1 The introduction of self-financing has presented the opportunity to review our approach to delivering housing services, enhance our investment in existing stock (where appropriate) and increase the amount of affordable housing stock within the district (either managed both inside and outside the HRA ring fence). In response to fundamental change in financing and changes introduced by the Localism Act the Council has embarked on a programme of housing related projects, including a wide ranging review of policies, plans and strategies which will ensure that services continue to improve whilst at the same time making the best use of our housing assets.
- 6.2 Cabinet on 18th February 2013 received a report with respect to the budget proposals for the Housing Revenue Account. Those draft budget proposals enable key areas of activity to be carried out including:
- Letting homes , managing and supporting tenancies;
 - Engaging and involving tenants in service delivery;
 - Ensuring that properties meet the decent homes standard (97% currently do)
 - Providing a timely and effective responsive repairs service;
 - Continuing to improve the energy efficiency of the stock and attracting external funding;
 - Ongoing investment in improving access to sheltered schemes and communal areas of accommodation;
 - Acquisition and/or development of additional homes within the HRA
- 6.3 The completion of a strategic review of HRA assets and management options and the appraisal of options for enabling and development of affordable housing are key projects that will contribute to a fundamental review of the existing HRA Business Plan during the course of 2013.
- 6.4 Rent Proposals - The Council's current policy is to keep in line with the Government's guidance on rent restructuring. This policy allows the Council to continue to invest significant sums in its housing service and assets.
- 6.5 Existing policy is to establish the percentage local authority rent by applying RPI inflation at the previous September, plus 0.5% "real growth" and a convergence factor to reflect the number of years to rental convergence.
- 6.6 The September 2012 inflation figure was 2.6% and the draft determination is based upon convergence within three years, by 2015/16.
- 6.7 The actual rent is calculated on a property by property basis using these parameters. This has produced an average increase for SKDC tenants of 4.57% (£3.24 per week). At the level of individual dwellings, the percentage increase will depend upon each property's proximity to its target, with increases varying

between 3.10% and 6.57%. In cash terms, the average rent will be £74.32 with a minimum of £50.17 and a maximum of £106.82. Consultation has been undertaken with tenants via the District Wide Tenants' Panel on 23rd January 2013 with respect to the proposed increases and no specific concerns were raised. All tenants are being contacted and details of their specific rent increase will be provided.

- 6.8 Changes by Government to the level of housing benefit being paid to social housing tenants is likely to impact on a proportion of South Kesteven's working age tenants who are considered to be under-occupying their existing properties. During the course of 2012/13 information has been provided generally to all tenants through Skyline and more recently individuals, who are likely to be affected, have received letters indicating the extent of the financial impact on their household. Advice and support is being provided to existing tenants who require more information or assistance with managing this issue including potential changes in accommodation. Provision has been made in 2013/14 budgets for potential loss of rent support and advice is available and the actual impact of this national policy will be monitored during the year.
- 6.9 The Housing Revenue Account summary is shown at Appendix F and reflects the proposed rent increase and includes a number of savings and efficiencies as well as additional items. Specifically these include the introduction of a flat roofs replacement programme, major voids refurbishments, asbestos removal for void properties, and a replacement door entry system programme. These are detailed at Appendix E.

7. Reserves and Balances

- 7.1 The Local Government Act 2003 requires the Chief Financial Officer, (section 151 officer), to report on the adequacy of financial reserves when consideration is given to the General Fund budget requirement for the year. Under the Local Government Finance Act 1988, all balances held by the Council are at the direct disposal of the General Fund with the exception of the Housing Revenue Account balance, the Collection Fund or any funds held in trust. A statement showing the forecast balances of revenue and capital reserves and their movements is provided at Appendix H.
- 7.2 It is proposed to introduce a new reserve entitled 'Business Rate and Council Tax Support Volatility Reserve' (line 8) which should be utilised should the Authority not be able to collect its forecast business rates during the year. The amount in the reserve is the equivalent amount between the projected business rates collectable and the level when the Government safety net mechanism will apply.
- 7.3 The General Fund working balance is required so that the council has sufficient funds available to meet its cash flow requirements and to protect services against unforeseen events that have a financial consequence and are not included in the budget framework. The forecast of revenue reserves reflects the Council's policy, as set out in the Medium term financial plan and maintains the General Fund balance at just under 15% of net expenditure.
- 7.4 The HRA has 2 specific reserves; namely the working balance and the Major Repairs Reserve. The working balance is intended to provide financial support to the HRA should any significant unforeseen costs arise during the financial year. The Major Repairs Reserve is the primary source of funding for the HRA capital

programme and is proposed to be utilised to fund the investment in the housing stock over the next 5 years.

- 7.5 It is also proposed to introduce 2 specific reserves for the HRA as part of the budget framework for 2013/14. A reserve is to be created that will be ring fenced in order to repay the £25m maturity loan (that was taken as part of the self financing of the HRA) in 2019/20 (line 21). Annual surplus contributions will be made to the reserve in order to build up the necessary level of balance. A further reserve will be introduced under the heading of 'HRA improvement reserve' (line 23). This reserve will be utilised on a service investment basis whereby service improvement and transformation projects can be financed that will, in the longer term, deliver improved services to tenants and the potential to improve the sustainability of the HRA. Details of these reserves can be found at Appendix H to the report.

8. Capital Programme 2013/14 - 2017/18

- 8.1 The recommended Capital Programme (Appendix G) provides a forecast outturn of £8.340M and an indicative 5 year programme totalling £36.282M. This is a significant and ambitious capital programme in terms of number of projects and level of investment and demonstrates the Council's continued commitment to enhancing the district and its amenities and infrastructure.

8.2 General Fund Programme

- 8.3 The primary focus of the Capital Programme will be in relation to the delivery of the Council's stated priorities with particular emphasis on the 'Grow the Economy' priority. Specifically this includes an allocation of funding contribution of £1.5M towards the delivery of the Southern Quadrant Relief Road. The remaining elements of the capital programme have been developed based on the delivery of improvements and investments in Council assets as identified in the Asset Management Plan and other key corporate strategies.

8.4 Housing Investment Programme (HIP)

- 8.5 The proposed 5 year programme currently focuses on delivery of the decent homes programme together with a range of additional estates management projects. In addition to this, the proposed programme brings forward opportunities for enabling and delivering more affordable housing and are important areas of work for the early part of 2013. The development of additional affordable housing within the HRA could include a range of potential approaches some suitable for the short term and others forming part of a medium to long term approach:

- Consideration of small scale in-fill and garages sites
- Larger scale development potentially in partnership with developers, RSLs or community trusts
- Remodelling of existing stock
- Purchase of new build or RTB buy back opportunities
- Acquiring land

- 8.6 Self financing arrangements now give the Council the opportunity through in year HRA surpluses and existing reserves to deliver the above, £1m in 2013/14 and an estimated further £2m in 2014/15 will be set aside to fund housing schemes. Existing Council sites have been assessed for suitability and those that present

opportunities for new build development that could be achieved with this proposed allocated sum and within a two year time frame have been brought forward. Allocations have been made at line 7 of the programme of £1M in 2013/14 and £2M in 2014/15 shown at Appendix G.

8.7 155 properties were improved during 2012/13 by fitting external cladding which levered in £800K of external funding. A total of £4.9m will be spent on a large-scale upgrade programme over 2 years which will result in 700 homes in urban and rural areas being insulated. £1.4m is being funded through the HRA capital programme split equally in 2013/4 and 2014/15 with the balance of the funding being externally grant aided

8.8 Proposed Financing of the Capital Programme

8.9 The detailed capital programme contained at Appendix G also identifies the proposed method of financial the capital programme, which will be reviewed when preparing the Statement of Accounts for each financial year to enable the most financially advantageous form of financing for the Council. In respect of the General fund it is proposed to utilise existing reserves and together with a revenue contribution of £1.4M in 2013/14 (thereafter an annual contribution of £500K) as shown at line 17 of the Capital Financing Statement. In respect of HIP it is proposed to utilise the Major Repairs Reserve and a revenue contribution of £1M in 2013/14.

9. Prudential Code

9.1 The Council complies with the Prudential Code for controlling Local Government capital. The key objectives of the code are to ensure that:

- Capital Investment Plans are affordable, prudent and sustainable
- All external borrowings and other long term liabilities are within prudent and sustainable levels
- Treasury Management decisions are taken in accordance with good practice and in a manner that supports prudence, affordability and sustainability
- The Local Authority is accountable for decisions made
- It supports local strategic planning, local asset management planning and proper option appraisal.

9.2 The Council's current financial planning systems demonstrate the affordability of the capital programme and the 2013/14 estimates have been prepared in the context of these plans and controls.

10. Treasury Management and Investment Strategy

10.1 In accordance with the requirements of Local Government Act 2003 a Treasury Management Strategy is provided within Appendix I outlining the Council's prudential indicators for 2013/14 – 2015/16 and sets out the expected treasury operations for this period. It fulfils four key legislative requirements as required by the Local Government Act 2003.

- The reporting of the prudential indicators setting out the expected capital activities as required by the CIPFA Prudential Code for Capital Finance in Local Authorities (Appendix I Section 1);

- The Council's Minimum Revenue Provision (MRP) Policy, which sets out how the Council will pay for capital assets through revenue each year (Appendix I Section 1);
- The treasury management strategy statement which sets out how the Council's treasury service will support the capital decisions taken above in accordance with the CIPFA Code of Practice on Treasury Management (Appendix I Section 2);
- The investment strategy which sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss (in accordance with the CLG investment guidance) (Appendix I Section 3);

11. Collection Fund

- 11.1 All relevant transactions associated with Council Tax are shown in the Collection Fund.
- 11.2 To comply with CIPFA's Best Value Accounting Code of Practice authorities are required to forecast the outturn on the Collection Fund as at 31st March each year in order to distribute this amount to precepting bodies in the following financial year (together with any remaining unallocated surplus from previous years).
- 11.3 For this financial year SKDC has forecast the outturn for 2012/13 and in 2013/14 will distribute this forecast together with the remaining surplus from the 2011/12 outturn. Remaining surplus (or deficit) from previous years occurs when there is a difference between the forecast for that year and the actual outturn.
- 11.4 Any surplus or deficit arising from Council Tax transactions is shared between South Kesteven District Council, Lincolnshire County Council and Lincolnshire Police (the precepting bodies) in proportion to their demands on the Collection Fund.
- 11.5 The accumulated surplus on the Collection Fund at 31st March 2012 was £41K of which £12K will have been distributed during 2012/13. The forecast outturn for 2012/13 is a surplus of £317K. A breakdown of the £317K which will be distributed during 2013/14 is:

Table 4.

Precepting Body	Distribution (£)
South Kesteven District Council	37,000
Lincolnshire CC	238,000
Lincolnshire Police	42,000
Total Surplus on Collection Fund	317,000

12 Statement by Chief Finance Officer (S151 officer)

- 12.1 The 2013/14 Budget and indicative budgets for 2014/15 to 2015/16 have been drawn up to take account of the Council's various strategies, policies and the financial context, in particular:
- The Corporate Plan

- The Medium Term Financial Plan (MTFP)
- Service Strategies and Plans
- Asset Management Strategy
- The economic context and recent grant announcements
- The 2012/13 forecast outturn

The MTFP was last reviewed and updated in December 2010. In order to reflect the massively changing environment in which the Council operates which includes; the continuing economic down turn, the rapidly reducing government grant contribution and the shift to funding from retained business rates the Council will refresh its MTFP and develop a strategy that will lay out how it will manage its resources in the coming five years. The current budget framework proposals have been prepared within the context of the existing MTFP, and the recent national grant settlements.

12.2 The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer must report on:

- the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves

12.3 **Comments of Financial Services**

12.4 In recommending the budget to the Council, the Cabinet must take account of the advice of the Chief Finance Officer in respect of the above. For 2013/14 it can be confirmed that the budget presented to the Cabinet is robust in its formulation and the level of reserves is adequate for the organisation.

13. **Issues arising from impact analysis**

13.1 An impact analysis has been undertaken and is available as background papers.

14. **Risks to the budget**

14.1 In formulating my opinion a number of risks and factors have been taken into account.

- a. The **funding from Central Government for the General Fund for future years.** The grant settlement has been announced for 2013/14 and a provisional amount for 2014/15. However the funding from Central Government in the form of the revenue support grant will diminish as the Council will become more dependent on local business rates collection and retention. Future funding levels will be largely dependent on the ability of the Council to increase its business rates base and the associated collection of business rates due. This provides both opportunities and risks to the Authority from a financial perspective.
- b. The impact of the **economic climate** will place higher demand on particular services in relation to social care and well being, specifically benefit advice and support and homelessness. This may create additional resource pressures in these service areas.

- c. **Investment Income and fees and charges** – the forecast in respect of investment income is included in the budget proposals and shows an improvement over the three year period. Given the current volatility in respect of the economic market there is a risk of investment income not achieving this level. A number of fee incomes have been included in the proposed budgets which, in themselves, carry a level of risk not being achieved due to the economic climate.
- d. **Council Tax Support scheme** – With effect from 1st April 2013, the Council will be directly responsible for the implementation of its local policy with respect to the administration of the Council Tax support scheme. These changes are being introduced in the context of a 10% reduction in grant award whilst adhering to the national compliance of protecting prescribed vulnerable groups. There is a risk that the policy could have a detrimental impact on particular groups and that demand for support could exceed the allocated grant for the scheme. In this scenario the Council will be financially liable to continue to allocate reductions in accordance with its scheme policy.
- e. **The Actuary review of the Pensions Fund** is due in 2014 which is expected to recommend a number of proposals to reduce the deficit on the fund, one of the anticipated recommendations will be in relation to an increase in employer contribution rates.
- f. **Rental income** – with the introduction of the bedroom tax and the Local Tax support scheme there will be extra emphasis on the collection of rent from tenants to ensure the current rental collection performance is achieved. This is particularly relevant in the context of the Housing Business Plan financial model in order to ensure the ambitious plans are financially affordable and delivered.

15 Comments of Legal and Democratic Services

The budget forms part of the Council's Budgetary Framework. Members should have regard to the comments of the Strategic Director – Corporate Focus as the Council's Chief Financial Officer which are set out in section 12 above when making their recommendations to Council in accordance with the Local Government Act 2003. Any budget must be set in accordance with the Budget and Policy Framework Procedure Rules as set out at part 4 of the Constitution.

16 Appendices:

- Appendix A – Revenue Estimate 2013/14 and indicative budgets 2014/15, and 2015/16
- Appendix B – General Fund Additional Items
- Appendix C – General Fund Savings and efficiencies
- Appendix D – Fees and Charges
- Appendix E – HRA Additional Items
- Appendix F – HRA Summary Account
- Appendix G – Capital Programme
- Appendix H – Reserves and balances
- Appendix I – Treasury Management Strategy
- Appendix J – Pay Policy Statement

COUNCIL TAX SETTING - PART B

1 INTRODUCTION

The purpose of this part of the report is to set the level of Council Tax for 2013/14 in accordance with relevant statutory requirements.

2 RECOMMENDATIONS

The requirements are set out in paragraphs 32 to 36 of the Local Government Finance Act 1992, as amended (the "Act") it is necessary for the Council to adopt the following formal recommendations:-

- 1) That the following amounts be calculated by the Council for the year 2013/14 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 (as amended)
 - a) £83,806,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act (including special expense and parish precepts).
 - b) £68,455,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act.
 - c) £15,351,000 being the amount by which the aggregate at a) above exceeds the aggregate at b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
 - d) £7,798,000 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates and Revenue Support Grant increased by the amount of the sum to be transferred from the Collection Fund to the General Fund
 - e) £172.50 being the amount at c) above less the amount at d) above, all divided by the Council's tax base of 43,786.7 as recorded in minute 38 of the cabinet meeting of 21 January 2013, in accordance Section 33(1) of the Act, as the basic amount of its Council Tax for the year 2013/2014.
 - f) £1,971,500 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
 - g) £127.47 being the amount of e) above, less the result given by dividing the amount of f) above by the Council's tax base relating to special items as set on 21 January 2013, calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for year for dwellings in those parts of its area to which no special item relates.

<u>Parish</u>	<u>Adjusted Band D Equivalents</u>
	No.
Grantham combined	10,295.8
Stamford combined	6,513.9
Bourne Combined	4,686.1
Allington	339.9
Ancaster	539.7
Aslackby	102.1
Barholm & Stowe	35.1
Barkston and Syston combined	248.2
Barrowby	677.3
Baston	517.3
Belton & Manthorpe	195.4
Billingborough	444.4
Bitchfield	55.4
Boothby Pagnell	60.9
Braceborough & Wilsthorpe	133.7
Ropsley, Humby, Braceby, Sapperton combined	312.0
Burton Coggles	37.2
Careby	64.0
Carlby	204.1
Carlton Scroop and Normanton combined	121.7
Castle Bytham	290.9
Caythorpe & Frieston	505.0
Claypole	490.1
Colsterwoth, Gunby & Stainby, North Witham combined	699.2
Corby Glen & Birkholme	380.8
Counthorpe & Creeton	31.9
Deeping St James	2,314.6
Denton	117.7
Dowsby	59.4
Dunsby	43.3
Stoke Rochford and Easton combined	80.5
Edenham	103.8
Fenton	56.5
Folkingham	277.7
Foston	205.4
Fulbeck	209.8
Greatford	124.8
Great Gonerby	738.2
Great Ponton	124.8
Haconby & Stainfield	183.7
Harlaxton	313.9

<u>Parish</u>	<u>Adjusted Band D Equivalents</u>
Heydour	145.9
Honington	66.2
Horbling	155.5
Hougham	75.4
Hough-on-the-Hill	157.8
Ingoldsby	108.6
Irnham	99.1
Kirkby Underwood	81.4
Langtoft	714.2
Lenton	65.6
Little Bytham	103.5
Little Ponton & Stroxton	66.7
Londonthorpe & Harrowby without combined	1,627.1
Long Bennington	856.4
Market Deeping	1,955.8
Marston	145.3
Morton & Hanthorpe	775.2
Old Somerby	84.8
Pickworth	72.3
Pointon	190.9
Rippingale	325.7
Sedgebrook	139.7
Skillington	126.0
South Witham	445.3
Stubton	72.3
Swayfield	142.4
Swinstead	80.2
Tallington	188.8
Thurlby	770.9
Toft Lound & Manthorpe	130.4
Uffington	300.9
Welby	74.1
Westborough & Dry Doddington	144.8
West Deeping	115.5
Witham-on-the-Hill	94.8
Woolsthorpe	134.4
Wyville cum Hungerton	16.7

being calculated by adding to the amount at (g) above the amounts of special item relating to dwellings in those parts of the Council's area, divided in each case by the individual tax bases as recorded in minute 40 in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which special item relates.

- i) The amounts on the attached schedule (Appendix A to Part B), being the amounts given by multiplying the amounts at g) above and h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in valuation Band 'D', calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
- j) That it be noted that for the year 2013/14 Lincolnshire County Council has stated the following amounts as a precept issued to the Council in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwellings shown below:-

Valuation Band

A £	B £	C £	D £	E £	F £	G £	H £
710.46	828.87	947.28	1065.69	1302.51	1539.33	1776.15	2131.38

- k) That it be noted that for the year 2013/14 Lincolnshire Police Authority has stated the following amounts as a precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Valuation Band

A £	B £	C £	D £	E £	F £	G £	H £
126.72	147.84	168.96	190.08	232.32	274.56	316.80	380.16

- l) That, having calculated the aggregate in each case of the amounts at i), j) and k) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts in Appendix B to part B as the levels of Council Tax for the year 2013/14 for the categories of dwellings shown in Appendix A to part B.

3 BACKGROUND

- 3.1 The Council's budget requirement has been recommended by the Cabinet and is dealt with in Part A of this report. Parish precepts are added to the District Council's net expenditure requirement. Government support and adjustments to Collection Fund relating to Community Charge and District Council's share of Council Tax are then deducted from the spending requirement to give a Demand on the Collection Fund.
- 3.2 The Council Tax Base of 43,786.7 was approved at the Cabinet meeting held on 21 January 2013 and the budget requirement will be spread by reference to the

tax base previously approved, taking into account the precepts of individual Parishes recoverable over the Parish tax base.

3.3 The Council Tax bill for 2013/14 includes the requirements of Lincolnshire County Council and the Lincolnshire Police Authority which are responsible for setting their own Council Tax levels.

3.4 Lincolnshire County Council determined its Council Tax requirement at the meeting held on 22nd February 2013, as follows:

Total Council Tax Requirement	TBC
SKDC precept element	TBC
Band D tax	TBC

3.5 Lincolnshire Police and Crime Panel considered the Police Commissioners proposals its meeting held on 7th February 2013. The Police Commissioner is required to set his final precept by the end of February (an addendum will be circulated at the Council meeting when the figures have been confirmed):

Total Council Tax Requirement	TBC
SKDC precept element	TBC
Band D tax	TBC

3.6 The overall increases for Band D tax payers, by Authority, are shown in the table below:

Council Tax Details 2013/14				
	2012/13 Band D	2013/14 Band D	Increase £	Increase %
Lincolnshire County Council	1065.69	1065.69	0	0
Lincolnshire Police Authority	186.39	190.08	3.69	1.98
South Kesteven District Council	122.76	127.47	4.71	3.84
South Kesteven + Special Expenses	134.62	139.62	5.00	3.71
South Kesteven + Special Expenses + Parishes	164.33	172.50	8.17	4.97

4 SETTING THE COUNCIL TAX

4.1 The Local Government and Finance Act 1992 requires the Council to set Council Tax across the 8 valuation bands, and all precepting Parishes. The levels of overall Council Tax by Parish are attached at Appendix B to part B.

5. COMMENTS OF FINANCIAL SERVICES

5.1 The financial implications of this section are included in Part A of the report above.

6 COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

6.1 The Local Government Finance Act 1992 sets out the requirements placed upon the Council in relation to making formal recommendations relating to the setting of Council Tax and the Council's responsibilities as a billing authority.

SUMMARY OF GENERAL FUND ESTIMATES

	2012/13 Original Base £'000	2013/14 Estimate Base £'000	2014/15 Indicative Base £'000	2015/16 Indicative Base £'000
1 Community and Environment Focus	9,383	8,744	8,627	8,740
2 Corporate Focus	3,912	4,190	4,116	4,343
3 Development and Growth Focus	2,219	2,079	1,778	1,680
4 Special Expense Areas	594	606	620	632
5 NET COST OF SERVICES	16,108	15,619	15,141	15,395
6 Interest and Investment Income	(298)	(275)	(325)	(399)
7 Interest Payable	154	30	20	16
8 Minimum Revenue Provision	186	179	172	165
9 Depreciation Charged to Revenue Accounts	(2,566)	(2,734)	(2,623)	(2,596)
10 Revenue Contribution to Capital	659	1,400	500	500
11 Local Council Tax Support Scheme Grant (Parish and SEA's)	0	107	108	104
12 <i>Movement on Reserves</i>				
13 Net Movement in General Fund Specific Reserves	(216)	(142)	400	596
14 New Homes Bonus	0	(116)	(232)	(1,050)
15 (Decrease)/Increase in General Fund Working Balance	0	0	0	0
16 BUDGET REQUIREMENT - GENERAL FUND	14,027	14,068	13,161	12,731
17 Formula Grant	(7,369)	(7,761)	(6,729)	(6,270)
18 Council Tax Freeze Grant	(316)	(157)	(157)	0
19 Council Tax Collection Fund Surplus	0	(37)	0	0
20 DISTRICT COUNCIL TAX REQUIREMENT (EXCL PARISHES)	6,342	6,113	6,275	6,461
21 SKDC Budget Requirement	5,783	5,582	5,730	5,900
22 Bourne Special Expense Area	25	24	25	26
23 Deepings Special Expense Area	13	13	13	13
24 Grantham Special Expense Area	442	419	430	443
25 Langtoft Special Expense Area	8	8	8	8
26 Stamford Special Expense Area	71	67	69	71
27 Parish Precepts	1,399	1,440	1,469	1,498
28 COUNCIL TAX REQUIREMENT (INCL PARISHES)	7,741	7,553	7,744	7,959

	<u>2012/13</u> <u>Original</u> <u>Base</u>	<u>2013/14</u> <u>Estimate</u> <u>Base</u>	<u>2014/15</u> <u>Indicative</u> <u>Base</u>
Band D Properties on which charges are based	47,105.8	43,786.7	44,093.2
Relating to Special Expense Areas			
Bourne Special Expense Area Charge	5,005.5	4,686.1	4,718.9
Deepings Special Expense Area Charge	4,511.2	4,270.4	4,300.3
Grantham Special Expense Area Charge	11,274.8	10,295.8	10,367.9
Langtoft Special Expense Area Charge	752.8	714.2	719.2
Stamford Special Expense Area Charge	7,131.8	6,513.9	6,559.5
BAND D CHARGES			
South Kesteven District Council Charge	£122.76	£127.47	£129.96
Bourne Special Expense Area Charge	£5.04	£5.22	£5.31
Deepings Special Expense Area Charge	£2.88	£2.97	£2.97
Grantham Special Expense Area Charge	£39.24	£40.68	£41.49
Langtoft Special Expense Area Charge	£10.17	£10.53	£10.71
Stamford Special Expense Area Charge	£9.99	£10.35	£10.53
SKDC including special expenses	£134.62	£139.62	£142.31

GENERAL FUND**Appendix B****ADDITIONAL ITEMS****Amount in
2013/14****Service Description**

1	Civic Function Administration following Legal and Democratic Service restructure	8,590
2	Utilities growth across council as a whole following increase in utility prices	20,294
3	External specialist support in planning decisions	5,000
4	Impact of 5% contamination rate on recycling credit income	33,990
5	Major Applications Planner – temporary post for 15 months	42,974
6	Car park resurfacing and maintenance to comply with Civil Parking Enforcement	46,000
7	Wharf Road Car Park Grantham Structural Repairs - pointing and brick work maintenance to multi storey car park	60,000
8	2 additional operatives and costs associated with caged vehicle to support enhanced fly tipping service	35,900
9	Enhanced street cleaning in town centres	19,400
10	Contribution towards events and festivals	50,000
11	St Peters Hill public realm development and street scene enhancement	200,000
12	Rural broadband connectivity improvements	30,000
13	Hardship fund for vulnerable groups	30,000
14	Community Based initiatives	232,000
15	Living wage award for employees	30,000
16	Total	844,148

SAVINGS AND EFFICIENCIES

Service Description	Amount in 2013/14
1 Insurance premium – contract review and change in internal premiums	92,000
2 Photocopier contract – review of existing arrangements and rationalisation of hardware requirements	22,000
3 Stamford civics contract – street scene service won the re-tender for the provision of this service on behalf of LCC	50,000
4 Audit Fees – following abolishment of Audit Commission and provision of new external auditors	45,000
5 Review of helpline and service provision requirements	150,000
6 Contract renewal of recycling gate fees	259,000
Previous Years savings carried forward (material items)	
7 Grounds Maintenance Contract review	70,000
8 Cash Collection Contract renewal	49,000
9 Environment Services Restructure	42,000
10 Review of staffing and management arrangements	300,000
11 Centralised ICT	22,000
12 Development and Growth Restructure	16,000
13 Shared Service Posts	43,000
14 Budget Reduction Work	226,000
15 Contribution to Green Waste Service	347,000
16 Major planning application income	125,000
17 Vacancy Management	120,000
18 Total	1,978,000

CAR PARK CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	CAR PARKS - GRANTHAM				
1	SHORT STAY (except Wharf Road Grantham)				
	Up to 30 mins	01/04/10	0.50	0.50	Inclusive
	Up to 1 hour	01/04/10	0.80	0.80	Inclusive
	Up to 2 hours	01/04/10	1.30	1.30	Inclusive
	Up to 3 hours	01/04/10	1.80	1.80	Inclusive
	Up to 4 hours	01/04/10	3.00	3.00	Inclusive
	Over to 4 hours	01/04/10	4.00	4.00	Inclusive
	SHORT STAY Wharf Road Grantham				
	Up to 30 mins	01/04/10	0.50	0.50	Inclusive
	Up to 1 hour	01/04/10	0.80	0.80	Inclusive
	Up to 2 hours	01/04/10	1.30	1.30	Inclusive
	Up to 3 hours	01/04/10	1.80	1.80	Inclusive
	Up to 4 hours	01/04/10	6.00	6.00	Inclusive
	Over to 4 hours	01/04/10	8.00	8.00	Inclusive
2	LONG STAY				
	Up to 3 hours	01/04/10	1.80	1.80	Inclusive
	Up to 4 hours	01/04/10	2.50	2.50	Inclusive
	All Day	01/04/10	3.00	3.00	Inclusive
3	LONG STAY SEASON TICKETS				
	(Monday to Friday)				
	Per Quarter	01/04/10	99.00	99.00	Inclusive
	Per 6 months	01/04/10	190.00	190.00	Inclusive
4	LONG STAY SEASON TICKETS				
	(Monday to Saturday)				
	Per Quarter	01/04/10	120.00	120.00	Inclusive
	Per 6 months	01/04/10	230.00	230.00	Inclusive
	Season Ticket Discount Offer	Purchase	Additional Tickets Free		
		4	1		
		8	2		
		15	5		
5	PENALTY CHARGE NOTICES				
	Failure to display	01/04/13	80.00	70.00	O/Scope
	Fine after discount for Payment in 14 Days	01/04/13	40.00	35.00	O/Scope
	Parking for longer etc.	01/04/13	60.00	50.00	O/Scope
	Fine after discount for Payment in 14 Days	01/04/13	30.00	25.00	O/Scope

CAR PARK CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	CAR PARKS - STAMFORD				
1	SHORT STAY				
	Up to 30 mins	01/04/10	0.50	0.50	Inclusive
	Up to 1 hour	01/04/10	0.80	0.80	Inclusive
	Up to 2 hours	01/04/10	1.30	1.30	Inclusive
	Up to 3 hours	01/04/10	1.80	1.80	Inclusive
	Up to 4 hours	01/04/10	3.00	3.00	Inclusive
	Over to 4 hours	01/04/10	4.00	4.00	Inclusive
2	LONG STAY				
	Up to 3 hours	01/04/10	1.80	1.80	Inclusive
	Up to 4 hours	01/04/10	2.50	2.50	Inclusive
	All Day	01/04/10	3.00	3.00	Inclusive
3	COACH PARKING (ALL DAY)				
	Cattle Market	01/04/10	10.00	10.00	Inclusive
4	LONG STAY SEASON TICKETS (Monday to Friday)				
	Per Quarter	01/04/10	99.00	99.00	Inclusive
	Per 6 months	01/04/10	190.00	190.00	Inclusive
5	LONG STAY SEASON TICKETS (Monday to Saturday)				
	Per Quarter	01/04/10	120.00	120.00	Inclusive
	Per 6 months	01/04/10	230.00	230.00	Inclusive
	Season Ticket Discount Offer	Purchase	Additional Tickets Free		
		4	1		
		8	2		
		15	5		
6	PENALTY CHARGE NOTICES				
	Failure to display	01/04/13	80.00	70.00	O/Scope
	Fine after discount for Payment in 7 Days	01/04/13	40.00	35.00	O/Scope
	Parking for longer etc.	01/04/13	60.00	50.00	O/Scope
	Fine after discount for Payment in 7 Days	01/04/13	30.00	25.00	O/Scope

BUS STATIONS

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	BUS STATION - GRANTHAM				
1	Per departure	01/04/11	0.75	0.75	Inclusive
2	<u>Minimum Charge</u> 1-75 departures per annum	01/04/11	50.00	50.00	Inclusive
	BUS STATION - STAMFORD				
3	Per departure	01/04/11	0.75	0.75	Inclusive
4	<u>Minimum Charge</u> 1-75 departures per annum	01/04/11	50.00	50.00	Inclusive
	BUS STATION - BOURNE				
5	Per departure	01/04/11	0.75	0.75	Inclusive
6	<u>Minimum Charge</u> 1-75 departures per annum	01/04/11	50.00	50.00	Inclusive

CYCLE CENTRE CHARGES

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	CYCLE CENTRE AT ST CATHERINE'S ROAD GRANTHAM				
1	<u>13 weeks charge</u>				
	Small locker	01/04/12	27.00	27.00	Inclusive
	Large locker	01/04/12	32.50	32.50	Inclusive
2	<u>26 weeks charge</u>				
	Small locker	01/04/12	42.00	42.00	Inclusive
	Large locker	01/04/12	53.00	53.00	Inclusive
3	<u>52 weeks charge</u>				
	Small locker	01/04/12	62.00	62.00	Inclusive
	Large locker	01/04/12	76.00	76.00	Inclusive
4	Deposit for entry key and locker key	01/04/12	10.80	10.80	Inclusive

BUILDING CONTROL CHARGES

Table A - Use this table if you intend to build a NEW DOMESTIC DWELLING of up to 300m²									
Category of work	Full Plans Applications						Building Notice Applications		
	Plan Charge			Inspection Charge			Building Notice Charge		
	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £
Single new dwelling up to 150m ² floor area (including single storey garage)	175.00	35.00	210.00	262.50	52.50	315.00	437.50	87.50	525.00
Single new dwelling over 150m ² and up to 300m ² floor area (including single storey garage)	208.34	41.66	250.00	312.50	62.50	375.00	520.84	104.16	625.00
For more than one new dwelling, or for dwellings over 300m ² floor area, please contact us on 01476 406187 or e-mail bcontrol@southkesteven.gov.uk for a quotation									

Where a standard charge for the work to be carried out is not specified in Tables A to D, involves more than one type of work or at the request of the relevant person, a quotation for the work will be given in accordance with the Building (Local Authority Charges) Regulations 2010.

Where the application is for a Regularisation Certificate, the charge will be the Building Notice charge for that type of work plus 30%. Note however that VAT is not payable on applications for a Regularisation Certificate.

BUILDING CONTROL CHARGES

Table B - Use this table for CERTAIN SMALL DOMESTIC BUILDINGS and EXTENSIONS									
Category of work	Full Plans Applications						Building Notice Applications		
	Plan Charge			Inspection Charge			Building Notice Charge		
	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £
Extension or loft conversion where floor area does not exceed 20m ²	141.67	28.33	170.00	212.50	42.50	255.00	354.17	70.83	425.00
Extension or loft conversion where the floor area exceeds 20m ² but does not exceed 60m ²	175.00	35.00	210.00	262.50	52.50	315.00	437.50	87.50	525.00
Erection or extension of a domestic garage or carport up to 60m ²	91.67	18.33	110.00	137.50	27.50	165.00	229.17	45.83	275.00
Conversion of a domestic garage into a habitable room(s)	91.67	18.33	110.00	137.50	27.50	165.00	229.17	45.83	275.00
<p align="center">Note that where more than one extension or loft conversion form part of the same application and are to be built at the same time, the floor areas can be added together and a single charge paid based on the total floor area.</p>									

Where a standard charge for the work to be carried out is not specified in Tables A to D, involves more than one type of work or at the request of the relevant person, a quotation for the work will be given in accordance with the Building (Local Authority Charges) Regulations 2010.

Where the application is for a Regularisation Certificate, the charge will be the Building Notice charge for that type of work plus 30%. Note however that VAT is not payable on applications for a Regularisation Certificate.

BUILDING CONTROL CHARGES

Table C - Use this table for CERTAIN SPECIFIED ALTERATIONS to a DOMESTIC DWELLING									
Category of work	Full Plans Applications						Building Notice Applications		
	Plan Charge			Inspection Charge			Building Notice Charge		
	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £
Renovation of a thermal element to a single existing dwelling (eg external insulation)	125.00	25.00	150.00				125.00	25.00	150.00
Replacement of windows/external doors of an existing dwelling (where all are replaced at the same time)	125.00	25.00	150.00				125.00	25.00	150.00
Any electrical work to a dwelling other than a complete rewire	154.17	30.83	185.00				154.17	30.83	185.00
Electrical work involving the complete re-wiring of an existing dwelling	208.34	41.66	250.00				208.34	41.66	250.00
Removal of a single load bearing wall or chimney stack in an existing dwelling	125.00	25.00	150.00				125.00	25.00	150.00
Installation of insulation into the cavity wall of an existing dwelling	66.67	13.33	80.00				66.67	13.33	80.00
Installation of PV panels or solar heating system to an existing dwelling	154.17	30.83	185.00				154.17	30.83	185.00
Installation of a controlled fitting to an existing dwelling (see list)*	154.17	30.83	185.00				154.17	30.83	185.00
Re roofing of an existing dwelling	125.00	25.00	150.00				125.00	25.00	150.00

Note - where work described in table C is to be carried out at the same time as work described in table B, then the table C charge will be reduced by 50%.

Where a standard charge for the work to be carried out is not specified in Tables A to D, involves more than one type of work or at the request of the relevant person, a quotation for the work will be given in accordance with the Building (Local Authority Charges) Regulations 2010.

Where the application is for a Regularisation Certificate, the charge will be the Building Notice charge for that type of work plus 30%. Note however that VAT is not payable on applications for a Regularisation Certificate.

BUILDING CONTROL CHARGES

Table D - Building Control fees for OTHER WORK									
Estimated cost of the building work	Full Plans Applications						Building Notice Applications		
	Plan Charge			Inspection Charge			Building Notice Charge		
	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £
Work for which the estimated cost is up to £5,000	83.34	16.66	100.00	125.00	25.00	150.00	208.34	41.66	250.00
Work for which the estimated cost is over £5,000 and up to £20,000	133.34	26.66	160.00	200.00	40.00	240.00	333.34	66.66	400.00
Where the estimated cost exceeds £20,000, please contact us on 01476 406187 or e-mail bcontrol@southkesteven.gov.uk for a quotation									

Where a standard charge for the work to be carried out is not specified in Tables A to D, involves more than one type of work or at the request of the relevant person, a quotation for the work will be given in accordance with the Building (Local Authority Charges) Regulations 2010.

Where the application is for a Regularisation Certificate, the charge will be the Building Notice charge for that type of work plus 30%. Note however that VAT is not payable on applications for a Regularisation Certificate.

BUILDING CONTROL CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	BUILDING CONTROL CHARGES				
1	<u>Ordnance Survey Plans</u>				
	Building Regs application site plans				
	Scale 1 - 500 rural & urban (up to 6 No.)	01/04/13	10.00	10.25	Zero rated
	Scale 1 - 1250 rural & urban (up to 6 No.)	01/04/13	26.00	26.70	Zero rated
	Scale 1 - 1250 rural & urban (7-8 No.)	01/04/13	28.00	28.70	Zero rated
	Scale 1 - 1250 rural & urban (9-10 No.)	01/04/13	32.00	32.85	Zero rated
	Scale 1 - 1250 rural & urban (11 No.)	01/04/13	36.00	36.95	Zero rated
	Scale 1 - 2500 rural (up to 6 No.)	01/04/13	26.00	26.70	Zero rated
	Scale 1 - 2500 rural (7-8 No.)	01/04/13	28.00	28.70	Zero rated
	Scale 1 - 2500 rural (9-10 No.)	01/04/13	32.00	32.85	Zero rated
	Scale 1 - 2500 rural (11 No.)	01/04/13	36.00	36.95	Zero rated
	Scale 1 - 2500 urban starts at £52 (but this scale is not required)				
2	<u>Plans and drawings produced in Dept. - Copies</u>				
	Copies of building control notices are available upon request				

MARKETS

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	MARKETS - GRANTHAM				
1	Standard Stall (3.05m x 1.22m)	01/04/12	21.50	21.50	Exempt
	Standard Casual Stall (3.05m x 1.22m)	01/04/12	23.50	23.50	Exempt
2	Pitch (3.05m x 3.05m)	01/04/12	20.00	20.00	Exempt
	Casual Pitch (3.05m x 3.05m)	01/04/12	20.50	20.50	Exempt
	Hot food units	01/04/12	23.50	23.50	Exempt
3	<u>Vehicles parked for storage</u>				
	Cars and light vans	01/04/12	6.40	6.40	Inclusive
	Large vehicles	01/04/12	9.80	9.80	Inclusive
	MARKETS - STAMFORD				
4	Standard Stall (3.05m x 1.22m)	01/04/12	23.00	23.00	Exempt
	Standard Casual Stall (3.05m x 1.22m)	01/04/12	25.50	25.50	Exempt
5	Pitch (3.05m x 3.05m)	01/04/12	20.50	20.50	Exempt
	Casual Pitch (3.05m x 3.05m)	01/04/12	22.50	22.50	Exempt
	Hot food units	01/04/12	25.50	25.50	Exempt
6	Craft Fair - Table	01/04/12	23.50	23.50	Exempt
7	Craft Fair - Stall	01/04/12	28.50	28.50	Exempt
8	<u>Vehicles parked for storage</u>				
	Cars and light vans	01/04/12	6.40	6.40	Inclusive
	Large vehicles	01/04/12	9.80	9.80	Inclusive
	MARKETS - BOURNE				
9	Standard Stall (3.05m x 1.22m)	01/04/12	18.50	18.50	Exempt
	Standard Casual Stall (3.05m x 1.22m)	01/04/12	19.50	19.50	Exempt
10	Pitch (3.05m x 3.05m)	01/04/12	15.50	15.50	Exempt
	Casual Pitch (3.05m x 3.05m)	01/04/12	15.50	15.50	Exempt
11	<u>Vehicles parked for storage</u>				
	Cars and light vans	01/04/12	6.40	6.40	Inclusive
	Large vehicles	01/04/12	9.80	9.80	Inclusive
12	Hire of stall for private function (collection only)*	01/04/12	10.30	10.30	Exempt
13	FOR ALL MARKETS				
	Farmers Markets - supply of stall cover in addition to standard stall charge	01/04/07	1.00	1.00	Exempt
	Fruit and Veg Excessive Waste Surcharge	01/04/10	£5 per stall	£5 per stall	

* any associated costs with delivery and set up will be charged accordingly

BOURNE LEISURE CENTRE

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	<u>BOURNE LEISURE CENTRE</u>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/13	4.45	4.55	Inclusive
	Swimming - concession	01/04/13	2.90	2.95	Inclusive
	Under 5's	01/04/12	0.75	0.75	Inclusive
	Parent and toddler session	01/04/13	4.50	4.60	Inclusive
	Exclusive pool hire (per hour)	01/04/13	131.68	135.00	Inclusive
	LCC Schools (per individual)	01/04/13	1.00	1.05	Inclusive
2	<u>Main Hall (per hour)</u>				
	Sporting - full rate	01/04/13	49.55	50.80	Inclusive
	Commercial	01/04/12	Negotiable		Inclusive
	Badminton - full rate	01/04/13	10.50	10.75	Inclusive
	Cricket nets - full rate	01/04/13	49.45	50.00	Inclusive
	Table tennis - full rate per hour	01/04/13	6.00	6.10	Inclusive
3	<u>Fitness Room (per hour)</u>				
	Individual use - full rate	01/04/13	7.25	7.35	Inclusive
4	<u>Miscellaneous (per hour)</u>				
	Crèche (per child)	01/04/13	2.60	2.65	Inclusive
	Activity room/meeting room - full rate	01/04/13	22.00	22.50	Inclusive
	Spectator (per individual)	01/04/12	1.05	1.05	Inclusive
5	<u>Hire of equipment</u>				
	Racket and balls (all types of rackets and balls)	01/04/12	2.00	2.00	Inclusive

BOURNE LEISURE CENTRE

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	<u>BOURNE LEISURE CENTRE</u>				
6	<u>Membership</u>				
	Adult member	01/04/13	21.30	21.50	Inclusive
	Junior (U16)	01/04/13	10.35	10.50	Inclusive
	Club	01/04/13	40.45	41.50	Inclusive
	Concessionary	01/04/13	10.35	10.50	Inclusive
	Family membership	01/04/13	45.00	45.10	Inclusive
	THE LIST OF CHARGES IS NOT DEFINITIVE AND ARE NON-MEMBER RATES LOWER CHARGES ARE AVAILABLE FOR LEISURE CENTRE MEMBERS				

DEEPINGS LEISURE CENTRE

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	<u>DEEPINGS LEISURE CENTRE</u>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/13	3.95	4.05	Inclusive
	Swimming - concession	01/04/13	2.50	2.55	Inclusive
	Under 5's	01/04/12	0.65	0.65	Inclusive
	Parent and toddler session	01/04/13	4.05	4.15	Inclusive
	Exclusive pool hire (per hour)	01/04/13	85.00	87.20	Inclusive
2	<u>Main Hall (per hour)</u>				
	Sporting - full rate	01/04/13	45.00	46.15	Inclusive
	Commercial	01/04/12	Negotiable		Inclusive
	Badminton - full rate	01/04/12	11.15	11.15	Inclusive
	Roller skating - adult	01/04/13	2.90	3.00	Inclusive
	Roller skating - concession	01/04/13	2.40	2.45	Inclusive
	Cricket nets - full rate	01/04/13	45.00	46.15	Inclusive
	Table tennis - full rate per hour	01/04/13	6.70	6.85	Inclusive
3	<u>Squash Court (per 40 mins) - full rate</u>	01/04/12	7.55	7.55	Inclusive
4	<u>Second Hall (per hour)</u>				
	Sporting - full rate	01/04/13	22.00	22.55	Inclusive
	Commercial	01/04/12	Negotiable		Inclusive
5	<u>Fitness Room (per hour)</u>				
	Individual use - full rate	01/04/13	4.80	4.90	Inclusive
6	<u>Miscellaneous (per hour)</u>				
	Crèche (per child)	01/04/13	1.75	1.80	Inclusive
	Activity room/meeting room - full rate	01/04/13	14.00	14.35	Inclusive
	Sports bar - full rate	01/04/13	14.00	14.35	Inclusive
	Committee room - full rate	01/04/13	7.34	7.55	Inclusive
	Whole bar area - full rate	01/04/13	28.00	28.75	Inclusive
	Spectator (per individual)	01/04/13	1.20	1.25	Inclusive

DEEPINGS LEISURE CENTRE

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	<u>DEEPINGS LEISURE CENTRE</u>				
7	<u>Hire of equipment</u>				
	Table tennis bat/ball	01/04/13	2.00	2.05	Inclusive
	Skate Hire / Shuttlecock	01/04/13	2.00	2.05	Inclusive
	Badminton/tennis/squash racket	01/04/13	2.00	2.05	Inclusive
8	<u>Synthetic Pitch(per hour)</u>				
	Full synthetic pitch - full rate	01/04/13	45.00	46.15	Inclusive
	Six-a-side - full rate	01/04/13	17.47	17.90	Inclusive
	Floodlights (full pitch) - full rate	01/04/13	18.10	18.55	Inclusive
	Floodlights (six-a-side) - full rate	01/04/13	6.70	6.85	Inclusive
9	<u>Outdoor Facilities (per hour)</u>				
	Tennis court - full rate	01/04/13	10.00	10.25	Inclusive
	Netball - full rate	01/04/13	19.59	20.10	Inclusive
10	<u>Outdoor pitches</u>				
	per pitch (2 hours) - full rate	01/04/13	51.00	52.35	Inclusive
	Includes marking our and accommodation				

GRANTHAM MERES LEISURE CENTRE

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	<u>THE GRANTHAM MERES LEISURE CENTRE</u>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/13	4.45	4.55	Inclusive
	Swimming - concession	01/04/13	2.95	3.05	Inclusive
	Under 5's	01/04/12	0.75	0.75	Inclusive
	Parent and toddler session	01/04/13	4.60	4.70	Inclusive
	Exclusive pool hire (per hour)	01/04/13	130.00	133.40	Inclusive
	LCC Schools (per individual)	01/04/13	1.00	1.05	Inclusive
2	<u>Main Hall (per hour)</u>				
	Sporting - full rate	01/04/13	70.00	71.80	Inclusive
	Commercial	01/04/12	Negotiable		Inclusive
	Badminton - full rate	01/04/13	10.35	10.60	Inclusive
	Climbing wall - full rate	01/04/13	7.05	7.25	Inclusive
	Table Tennis Centre Hall	01/04/13	52.10	53.45	Inclusive
	Table tennis - full rate per hour	01/04/13	6.10	6.25	Inclusive
3	<u>Second Hall (per hour)</u>				
	Sporting - full rate	01/04/13	33.20	34.05	Inclusive
	Commercial	01/04/12	Negotiable		Inclusive
4	<u>Fitness Room (per hour)</u>				
	Individual use - full rate	01/04/13	7.80	8.00	Inclusive
5	<u>Miscellaneous (per hour)</u>				
	Activity room/meeting room - full rate	01/04/13	14.50	14.90	Inclusive
	Sports bar - full rate	01/04/13	16.70	17.15	Inclusive
	Function room - full rate	01/04/13	15.30	15.70	Inclusive
	Spectator (per individual)	01/04/13	1.15	1.20	Inclusive
6	<u>Hire of equipment</u>				
	Table tennis bat/ball	01/04/13	2.10	2.15	Inclusive
	Badminton/tennis/squash racket	01/04/13	2.10	2.15	Inclusive

GRANTHAM MERES LEISURE CENTRE

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	<u>THE GRANTHAM MERES LEISURE CENTRE</u>				
7	<u>Synthetic Pitch(per hour)</u>				
	Full synthetic pitch - full rate	01/04/13	49.00	50.25	Inclusive
	Six-a-side - full rate	01/04/13	17.35	17.80	Inclusive
	Floodlights (full pitch) - full rate	01/04/13	19.90	20.40	Inclusive
	Floodlights (six-a-side) - full rate	01/04/13	6.80	7.00	Inclusive
8	<u>Outdoor Facilities (per hour)</u>				
	Floodlights - full rate	01/04/13	7.95	8.15	Inclusive
	Tennis court - full rate	01/04/13	12.60	12.95	Inclusive
	Netball - full rate	01/04/13	18.00	18.45	Inclusive
9	<u>Membership</u>				
	Adult member	01/04/13	22.95	23.55	Inclusive
	Junior (U16)	01/04/13	11.00	11.30	Inclusive
	Concessionary	01/04/13	11.00	11.30	Inclusive
	Family membership	01/04/13	52.95	54.35	Inclusive
	THE LIST OF CHARGES IS NOT DEFINITIVE AND ARE NON-MEMBER RATES LOWER CHARGES ARE AVAILABLE FOR LEISURE CENTRE MEMBERS.				

STAMFORD LEISURE CENTRE

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	<u>STAMFORD LEISURE CENTRE</u>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/13	4.40	4.50	Inclusive
	Swimming - concession	01/04/13	2.95	3.05	Inclusive
	Under 5's	01/04/12	0.75	0.75	Inclusive
	Parent and toddler session	01/04/13	4.65	4.75	Inclusive
	Exclusive pool hire (per hour)	01/04/13	131.50	134.90	Inclusive
	LCC Schools (per individual)	01/04/12	1.05	1.05	Inclusive
	Spectator (per individual)	01/04/13	1.15	1.20	Inclusive
2	<u>Membership</u>				
	Adult member	01/04/13	22.95	23.55	Inclusive
	Junior (U16)	01/04/13	11.00	11.30	Inclusive
	Concessionary	01/04/13	11.00	11.30	Inclusive
	Family membership	01/04/13	52.95	54.35	Inclusive
	THE LIST OF CHARGES IS NOT DEFINITIVE AND ARE NON-MEMBER RATES LOWER CHARGES ARE AVAILABLE FOR LEISURE CENTRE MEMBERS.				

SPORTS STADIUM

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	SOUTH KESTEVEN SPORTS STADIUM				
1	<u>Track Hire</u>				
	Adult	01/04/13	43.00	44.10	Inclusive
	Concession	01/04/13	27.00	27.70	Inclusive
	Floodlights	01/04/13	33.50	34.35	Inclusive
	Commercial	01/04/12	Negotiable		Inclusive
	Non sporting/non commercial	01/04/13	51.39	52.75	Inclusive
2	<u>Individual use (per hour)</u>				
	Adult	01/04/13	3.70	3.80	Inclusive
	Concession	01/04/13	2.35	2.40	Inclusive
	Spectator (per individual)	01/04/13	1.15	1.20	Inclusive
	Hire of equipment (per booking)	01/04/13	21.30	21.85	Inclusive
	Setting up time - by SKDC	01/04/13	21.30	21.85	Inclusive
3	<u>Football pitch hire</u>				
	Pitch hire (up to 2 hours):				
	Adult	01/04/13	119.00	122.10	Inclusive
	Concession	01/04/13	71.50	73.35	Inclusive
	Floodlights (per match)	01/04/13	67.40	69.15	Inclusive
	Commercial (per hour)	01/04/12	Negotiable		Inclusive
4	<u>Individual room hire (per hour)</u>				
	P.A. room	01/04/13	13.15	13.50	Inclusive
	Committee room	01/04/13	13.15	13.50	Inclusive

CULTURAL SERVICES

	Detail	Effective Date	2012/13	2013/14	VAT
	ARTSCENE MEMBERSHIP - ARTS CENTRES				
1	<u>Annual membership</u>		£	£	
	Individual	01/04/13	18.50	19.00	Inclusive
	Double	01/04/13	23.50	24.00	Inclusive
	STAGED PERFORMANCES				
	The theatres and ballrooms are available for hire for theatrical productions, concerts, lectures, demonstrations, films and other performing arts events. Prices are as below.				
	Guildhall Arts Centre, Grantham		£	£	
2	<u>Theatre Hire</u>				
	Performances -Commercial	01/04/13	285.00	292.00	Exempt
	Performances - Non Profit making	01/04/13	235.00	241.00	Exempt
	Dress rehearsals	01/04/13	185.00	191.00	Exempt
	Rehearsals (incl tech)	01/04/13	118.00	122.00	Exempt
	Lecture/demonstrations (Daytime)	01/04/13	87.00	90.00	Exempt
	Lecture/demonstrations (Evening)	01/04/13	190.00	196.00	Exempt
	Set up charge/technical support (max. 8 hours)	01/04/13	118.00	122.00	Exempt
3	Stamford Arts Centre				
	<u>Theatre Hire</u>				
	Performances -Commercial	01/04/13	300.00	308.00	Exempt
	Performances - Non Profit making	01/04/13	260.00	267.00	Exempt
	Dress rehearsals	01/04/13	185.00	191.00	Exempt
	Rehearsals (incl tech)	01/04/13	118.00	122.00	Exempt
	Lecture/demonstrations (Daytime)	01/04/13	87.00	90.00	Exempt
	Lecture/demonstrations (Evening)	01/04/13	190.00	196.00	Exempt
	Set up charge/technical support (max. 8 hours)	01/04/13	118.00	122.00	Exempt
	Technical surcharge per hire	01/04/13	52.00	53.00	Exempt
4	Bourne Corn Exchange				
	<u>Theatre Hire - Main Hall</u>				
	Performances	01/04/13	115.00	118.00	Exempt
	Dress rehearsals	01/04/13	90.00	93.00	Exempt
	Rehearsals	01/04/13	75.00	77.00	Exempt
	Set up charge/technical support (max. 8 hours)	01/04/13	115.00	118.00	Exempt
	Performers Right Society charges may be applicable in addition to the above rates				
	Hire conditions are available giving details of equipment and support offered; quotations provided on request.				

CULTURAL SERVICES

	Detail	Effective Date	2012/13	2013/14	VAT
WEDDING RECEPTIONS, PARTIES AND OTHER ROOM HIRE					
All three venues are available for wedding parties and similar functions. Packages are available to include provision of bars and catering. Prices are as below.					
5	Guildhall Arts Centre, Grantham		£	£	
	<u>Casually let rooms (per hour)</u>				
	Ballroom - day rate up to 6pm	01/04/13	32.00	33.00	Exempt
	Ballroom - hourly evening rate 6 to 11pm	01/04/13	52.00	53.00	Exempt
	Ballroom - whole evening 6 to 11pm parties	01/04/13	270.00	277.00	Exempt
	Ballroom - whole evening 6 to 11pm concerts	01/04/13	215.00	221.00	Exempt
	Ballroom - (all day) Wedding rate	01/04/13	420.00	431.00	Exempt
	Ballroom - (all day) Wedding rate including setting up charge previous evening	01/04/13	695.00	713.00	Exempt
	Use of Ballroom kitchen per day	01/04/13	52.00	53.00	Exempt
	<u>Meeting rooms (per hour)</u>				
	Newton Room	01/04/13	26.50	27.00	Exempt
	Studio 4	01/04/13	21.50	22.00	Exempt
6	Bourne Corn Exchange				
	<u>Casually let rooms</u>				
	Main Hall - hourly rate	01/04/11	36.00	36.00	Exempt
	Main Hall - Friday or Saturday whole evening 6pm-12pm incl prem rate	01/04/13	260.00	267.00	Exempt
	Main Hall - (all day) 9am to 12pm excluding kitchen	01/04/13	410.00	420.00	Exempt
	Kitchen hire (use of kitchen area excluding equipment) *	01/04/13	62.50	64.00	Exempt
	Kitchen hire (full use of kitchen and equipment including crockery and cutlery etc) *	01/04/13	-	120.00	Exempt
	Room set up or clear down (as per hourly rate or part thereof)	01/04/11	36.00	36.00	Exempt
	Room set up or clear down after midnight (as per hourly rate or part thereof)	01/04/11	51.00	51.00	Exempt
	Use of bar for functions when hirer providing bar for sale of alcohol	01/04/13	-	50.00	Exempt
7	Stamford Arts Centre				
	<u>Casually let rooms (per hour)</u>				
	Ballroom - day rate up to 6pm	01/04/13	32.00	33.00	Exempt
	Ballroom - hourly evening rate 6 to 11pm	01/04/13	52.00	53.00	Exempt
	Ballroom - whole evening 6 to 11pm parties	01/04/13	410.00	421.00	Exempt
	Ballroom - whole evening 6 to 11pm concerts	01/04/13	310.00	318.00	Exempt
	Function ballroom/Blue room - (all day) Wedding rate	01/04/13	755.00	775.00	Exempt
	Function ballroom/Blue room Wedding rate including setting up charge previous evening	01/04/13	1,160.00	1,190.00	Exempt
	<u>Meeting rooms - per hour</u>				
	Blue Room/Rehearsal evening	01/04/13	21.40	22.00	Exempt
	Blue Room/Rehearsal daytime	01/04/13	16.30	17.00	Exempt
	Ireson/Burley/Exeter Room evening	01/04/13	15.30	16.00	Exempt
	Ireson/Burley/Exeter Room daytime	01/04/13	13.20	14.00	Exempt
	Additional cleaning charge for social functions	01/04/13	56.00	58.00	Inclusive
	* access to kitchen up to 4 hours prior to event start time, additional earlier access will incur additional hourly rate of £10				
	Performers Right Society charges may be applicable in addition to the above rates				
	ROOM HIRE				
	Meeting Rooms and function halls may be available for hire at each venue, prices from £10 per hour off peak. Additional meeting rooms may be available at the main council offices Grantham. Information available upon request.				

STREET SCENE

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
1	Green Waste				
	Green Waste bin (joining fee, first bin only)	01/04/12	10.00	10.00	O/Scope
	Additional Green Waste Bin	01/04/10	26.00	26.00	O/Scope
	Annual collection charge (first bin)	01/04/12	25.00	25.00	O/Scope
	Annual collection charge (each subsequent bin)	01/04/12	10.00	10.00	O/Scope
2	Other street scene charges				
	Additional Silver Recycling Bin	01/04/10	26.00	26.00	O/Scope
	Additional clear recycling sacks (pack of 15)	01/04/10	1.25	1.25	O/Scope
	Replacement of damaged wheelie bins*	01/04/10	26.00	26.00	O/Scope
	Replacement of damaged wheels and axles*	01/04/10	20.00	20.00	O/Scope
	Replacement of bin lid pegs*	01/04/10	5.00	5.00	O/Scope
3	Domestic Refuse Collection				
	Bulk household items - first item	01/04/03	10.00	10.00	O/Scope
	- each additional item	01/04/03	5.00	5.00	O/Scope
	Fridge collection	01/04/03	10.00	10.00	O/Scope
	Provision of additional recycling bags (per pack - 14 bags)	01/04/10	5.00	5.00	O/Scope
4	Private Street Cleansing	01/04/10	Based on cost recovery		
	*where bins have been damaged by the resident				

MOT TESTING

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
1	MOT Testing				
2	Classes 1 and 2				
	Motorcycles	01/04/10	29.65	29.65	O/Scope
	Motorcycles with sidecar	01/04/10	37.80	37.80	O/Scope
3	Class 3				
	3 Wheeled Vehicles (up to 450kg unladen weight)	01/04/10	37.80	37.80	O/Scope
4	Class 4				
	Cars (up to 8 passenger seats) and Motor Caravans	01/04/10	54.85	54.85	O/Scope
	3 Wheeled Vehicles (over 450kg unladen weight)	01/04/10	54.85	54.85	O/Scope
	Quads (max unladen weight 400kg - for goods vehicles 550kg and max net power of 15kw)	01/04/10	54.85	54.85	O/Scope
	Dual Purpose Vehicles	01/04/10	54.85	54.85	O/Scope
	Private Hire Vehicles and PSVs (up to 8 seats)	01/04/10	54.85	54.85	O/Scope
	Goods Vehicles (up to 3,000kg DGW)	01/04/10	54.85	54.85	O/Scope
	Ambulances and Taxis (Taxis and Private Hire Vehicles may be subject to additional local requirements)	01/04/10	54.85	54.85	O/Scope
	Private Passenger Vehicles and Ambulances	01/04/10	54.85	54.85	O/Scope
5	Class 7				
	Goods Vehicles (over 3000kg up to 3500kg DGW)	01/04/10	58.60	58.60	O/Scope

NOTES

Fees fixed in accordance with Vehicle and Operator Standards Agency - these will be confirmed by April 2013

ENVIRONMENTAL HEALTH

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	ENVIRONMENTAL HEALTH				
1	Premise/Business Registration Fees				
	Acupuncture	01/04/13	125.00	128.00	O/Scope
	Tattooing	01/04/13	125.00	128.00	O/Scope
	Electrolysis	01/04/13	125.00	128.00	O/Scope
	Cosmetic Piercing	01/04/13	125.00	128.00	O/Scope
	Semi Permanent Skin Colouring	01/04/13	125.00	128.00	O/Scope
	Additional activities (eg cosmetic piercing and tattooing) per activity	01/04/13	63.00	64.00	O/Scope
	Amendment or Replacement certificate	01/04/13	N/A	20.00	O/Scope
2	Personal Registration Fees (Per activity)				
	Acupuncture	01/04/13	63.00	64.00	O/Scope
	Tattooing	01/04/13	63.00	64.00	O/Scope
	Electrolysis	01/04/13	63.00	64.00	O/Scope
	Cosmetic Piercing	01/04/13	63.00	64.00	O/Scope
	Semi Permanent Skin Colouring	01/04/13	63.00	64.00	O/Scope
	Amendment or Replacement certificate	01/04/13	N/A	20.00	O/Scope
3	<u>Unsound Food</u>				
	Voluntary Surrender Certificate	01/04/13	34.00	35.00	Inclusive
4	<u>Frozen Food Exports</u>				
	Inspection and Certification	01/04/13	69.00	70.00	Inclusive
	Certification only	01/04/13	25.00	26.00	Inclusive
5	<u>Control of dogs</u>				
	Collecting and detaining stray dogs	01/04/96	25.00	25.00	O/Scope
	Kenneling charge	01/04/13	14.90	15.20	O/Scope
6	<u>Vehicle Salvage Operators</u>				
	Application	01/04/13	77.00	79.00	O/Scope
	Renewal	01/04/13	65.00	66.00	O/Scope
7	Dog Fouling Penalty	01/04/09	75.00	75.00	O/Scope
8	Litter - Fixed Penalty Notice	01/04/09	75.00	75.00	O/Scope
	ENQUIRIES IN CONNECTION WITH CONTAMINATED LAND				
9	Enquiries	01/04/13	110.00	112.00	O/Scope
10	Private sector housing charges	01/04/12	Hourly Rate	Hourly Rate	O/Scope
11	Immigration inspections	01/04/12	Hourly Rate	Hourly Rate	O/Scope
12	HOUSES OF MULTIPLE OCCUPATION				
	Initial licence	01/04/13	390.00	420.00	O/Scope
	Renewal of licence	01/04/13	N/A	150.00	O/Scope

ENVIRONMENTAL SERVICES

ENVIRONMENTAL HEALTH

	Detail	Effective Date	2012/13	2013/14	2013/14	2013/14	VAT
			£	£	£	£	
	POLLUTION PREVENTION AND CONTROL ACT 2010						
	AIR POLLUTION FEES AND CHARGES SCHEME						
1	Initial application for permitting	01/04/10	1,579.00	1,579.00			O/Scope
	Additional fee for operating without a permit except:-	01/04/10	1,137.00	1,137.00			O/Scope
	- where the process comprises one or more waste oil burning appliance under 0.4MW	01/04/10	148.00	148.00			O/Scope
	Additional fee for operating without a permit	01/04/10	68.00	68.00			O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/10	148.00	148.00			O/Scope
	Additional fee for operating without a permit	01/04/10	68.00	68.00			O/Scope
	-where the process relates to Dry Cleaners	01/04/10	148.00	148.00			O/Scope
	Additional fee for operating without a permit	01/04/10	68.00	68.00			O/Scope
	PVR I & II combined	01/04/10	246.00	246.00			O/Scope
	Vehicle refinishers (VR's)	01/04/10	346.00	346.00			O/Scope
	- mobile screening and crushing plant	01/04/10	1,579.00	1,579.00			O/Scope
	- for the third to seventh application	01/04/10	943.00	943.00			O/Scope
	- for the eighth and subsequent applications	01/04/10	477.00	477.00			O/Scope
	Where an application for any of the above is for a combined Part B and waste application, add an extra £294 to the above amounts						
2	Substantial changes to permits (Schedule 7)	01/04/10	1,005.00	1,005.00			O/Scope
	except:-						
	- where the process comprises one or more waste oil burning appliance under 0.4MW	01/04/10	98.00	98.00			O/Scope
	- where the charge is to implement an upgrading plan	01/04/10	141.00	141.00			O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/10	98.00	98.00			O/Scope
	-where the process relates to Dry Cleaners	01/04/10	98.00	98.00			O/Scope
	Transfer of a permit	01/04/10	162.00	162.00			O/Scope
	- in respect of a waste oil burner less than 0.4 MW	01/04/11	75.00	75.00			O/Scope
	-where the process relates to Dry Cleaners	01/04/11	75.00	75.00			O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/11	75.00	75.00			O/Scope
	Partial transfer of a permit	01/04/10	476.00	476.00			O/Scope
	- in respect of a waste oil burner less than 0.4 MW	01/04/10	45.00	45.00			O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/10	45.00	45.00			O/Scope
	-where the process relates to Dry Cleaners	01/04/10	45.00	45.00			O/Scope
3	Temporary transfer for mobiles						
	First transfer	01/04/10	51.00	51.00			O/Scope
	Repeat transfer	01/04/09	10.00	10.00			O/Scope
	Repeat following enforcement or warning	01/04/10	51.00	51.00			O/Scope
4	Annual Subsistence Charge						
	Standard Process LOW	01/04/10	739.00	739.00			O/Scope
	Standard Process MEDIUM	01/04/10	1,111.00	1,111.00			O/Scope
	Standard Process - HIGH	01/04/10	1,672.00	1,672.00			O/Scope
	except:-		LOW	LOW	MED	HIGH	
	oil burning appliance under 0.4MW	01/04/10	76.00	76.00	151.00	227.00	O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/10	108.00	108.00	216.00	326.00	O/Scope
	Vehicle refinishers	01/04/10	218.00	218.00	349.00	524.00	O/Scope
	petrol into storage tanks at a service station	01/04/10	76.00	76.00	151.00	227.00	O/Scope
	-where the process relates to Dry Cleaners	01/04/10	76.00	76.00	151.00	227.00	O/Scope
	- odourising of natural gas	01/04/10	76.00	76.00	151.00	227.00	O/Scope

NOTES

The above fees are those currently proposed by DEFRA, a full copy of which can be viewed on their web www.defra.gov.uk

ENVIRONMENTAL HEALTH

	Detail	Effective Date	2012/13	2012/13	2013/14	2013/14	2013/14	2013/14	VAT
	POLLUTION PREVENTION AND CONTROL ACT 2010 AIR POLLUTION FEES AND CHARGES SCHEME		£	£	£	£	£	£	
5	LAPPC mobile plant charges		Application fee	LOW	Application fee	LOW	MED	HIGH	
	Number of permits								
	1	01/04/12	1,579.00	618.00	1,579.00	618.00	989.00	1,484.00	O/Scope
	2	01/04/12	1,579.00	618.00	1,579.00	618.00	989.00	1,484.00	O/Scope
	3	01/04/12	943.00	368.00	943.00	368.00	590.00	884.00	O/Scope
	4	01/04/12	943.00	368.00	943.00	368.00	590.00	884.00	O/Scope
	5	01/04/12	943.00	368.00	943.00	368.00	590.00	884.00	O/Scope
	6	01/04/12	943.00	368.00	943.00	368.00	590.00	884.00	O/Scope
	7	01/04/12	943.00	368.00	943.00	368.00	590.00	884.00	O/Scope
	8 and over	01/04/12	477.00	189.00	477.00	189.00	302.00	453.00	O/Scope
6	LA-IPPC								
	Application (LA element)	01/04/10	3,218.00		3,218.00				O/Scope
	Additional fee for operating without a permit	01/04/10	1,137.00		1,137.00				O/Scope
	Annual subsistence LOW	01/04/10	1,384.00		1,384.00				O/Scope
	Annual subsistence MEDIUM	01/04/10	1,541.00		1,541.00				O/Scope
	Annual subsistence HIGH	01/04/10	2,233.00		2,233.00				O/Scope
	Late Payment Fee	01/04/10	50.00		50.00				O/Scope
	Substantial variation	01/04/10	1,309.00		1,309.00				O/Scope
	Transfer	01/04/10	225.00		225.00				O/Scope
	Partial transfer	01/04/10	668.00		668.00				O/Scope
	Surrender	01/04/10	668.00		668.00				O/Scope

NOTES

The above fees are those currently proposed by DEFRA, a full copy of which can be viewed on their website www.defra.gov.uk

LICENSING CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	LICENCES				
1	<u>Hackney Carriage and Private Hire</u>				
	Driver's licence - annual	01/04/13	78.00	80.00	O/Scope
	Dual licence - supplementary charge	01/04/13	12.00	12.50	O/Scope
	Driver's badge - replacement	01/04/13	11.30	12.00	O/Scope
	Lost plate replacement	01/04/13	35.00	36.00	Inclusive
	Replacement licence certificate	01/04/13	N/A	10.00	O/Scope
	Replacement of internal vehicle plate	01/04/13	N/A	5.00	O/Scope
	Transfer of vehicle ownership	01/04/13	N/A	23.00	O/Scope
	DVLA driver entitlement enquiry	01/04/13	N/A	5.00	O/Scope
	Knowledge test (new applications and retest)	01/04/13	21.00	25.00	O/Scope
	Annual vehicle licence:				
	Private Hire	01/04/13	183.00	188.00	O/Scope
	Hackney Carriage	01/04/13	200.00	205.00	O/Scope
	*10% reduction for LPG/Hybrid vehicles				
	Private Hire operators licence - annual	01/04/13	98.00	100.00	O/Scope
2	Refund for unexpired days due to change of vehicle		Daily	Daily	
	Private Hire	01/04/13	0.50	0.52	O/Scope
	Hackney Carriage	01/04/13	0.55	0.56	O/Scope
3	One-off admin charge in respect of refund				
	Hackney Carriage	01/04/12	18.00	18.00	O/Scope
	Private Hire	01/04/12	17.00	17.00	O/Scope
4	<u>Animals Licences</u>				
	Animal Boarding Establishments	01/04/13	87.00	95.00	O/Scope
	Dog Breeding Establishments	01/04/13	87.00	95.00	O/Scope
	Pet Shops	01/04/13	87.00	95.00	O/Scope
	Riding Establishments	01/04/13	87.00	95.00	O/Scope
	Dangerous Wild Animals	01/04/13	87.00	95.00	O/Scope
5	Sex Establishments	01/04/13	1,420.00	1,455.00	O/Scope
6	<u>Street Trading</u>				
	Stamford Pedestrian Precinct Per Day	01/04/13	21.50	22.00	O/Scope
	Other Locations per day from	01/04/13	17.00	17.50	O/Scope

LICENSING CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	LICENCES				
1	Premise Licences*				
	New application and variation				
	Non-domestic RV				
	0-£4300	24/11/05	100.00	100.00	O/Scope
	£4301-£33000	24/11/05	190.00	190.00	O/Scope
	£33001-£87000	24/11/05	315.00	315.00	O/Scope
	£87001-£125000	24/11/05	450.00	450.00	O/Scope
	£125001+	24/11/05	635.00	635.00	O/Scope
2	multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises				
	Non-domestic RV				
	0-£4300	24/11/05	N/A	N/A	O/Scope
	£4301-£33000	24/11/05	N/A	N/A	O/Scope
	£33001-£87000	24/11/05	N/A	N/A	O/Scope
	£87001-£125000	24/11/05	900.00	900.00	O/Scope
	£125001+	24/11/05	1,905.00	1,905.00	O/Scope
3	Annual charge*				
	Non-domestic RV				
	0-£4300	24/11/05	70.00	70.00	O/Scope
	£4301-£33000	24/11/05	180.00	180.00	O/Scope
	£33001-£87000	24/11/05	295.00	295.00	O/Scope
	£87001-£125000	24/11/05	320.00	320.00	O/Scope
	£125001+	24/11/05	350.00	350.00	O/Scope
4	multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises				
	Non-domestic RV				
	0-£4300	24/11/05	N/A	N/A	O/Scope
	£4301-£33000	24/11/05	N/A	N/A	O/Scope
	£33001-£87000	24/11/05	N/A	N/A	O/Scope
	£87001-£125000	24/11/05	640.00	640.00	O/Scope
	£125001+	24/11/05	1,050.00	1,050.00	O/Scope

NOTES

Fees fixed by Government- these will be confirmed by April 2013

- * There are additional fees for premises licence applications, and the annual fee for exceptionally large scale events (5000+), unless certain conditions apply. Please refer to Regulation 4(4) and 4(5) of the Licensing Act 2003 (Fees) Regulations 2005

LICENSING CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	LICENCES				
	Additional Fees				
1	Additional Premises Licence Fee				
	Number in attendance at any one time				
	5000-9999	24/11/05	1,000.00	1,000.00	O/Scope
	10000-14999	24/11/05	2,000.00	2,000.00	O/Scope
	15000-20109	24/11/05	4,000.00	4,000.00	O/Scope
	20000-29999	24/11/05	8,000.00	8,000.00	O/Scope
	30000-39999	24/11/05	16,000.00	16,000.00	O/Scope
	40000-49999	24/11/05	24,000.00	24,000.00	O/Scope
	50000-59999	24/11/05	32,000.00	32,000.00	O/Scope
	60000-69999	24/11/05	40,000.00	40,000.00	O/Scope
	70000-79999	24/11/05	48,000.00	48,000.00	O/Scope
	80000-89999	24/11/05	56,000.00	56,000.00	O/Scope
	90000 and over	24/11/05	64,000.00	64,000.00	O/Scope
2	Additional annual fee payable if applicable				
	Number in attendance at any one time				
	5000-9999	24/11/05	500.00	500.00	O/Scope
	10000-14999	24/11/05	1,000.00	1,000.00	O/Scope
	15000-20109	24/11/05	2,000.00	2,000.00	O/Scope
	20000-29999	24/11/05	4,000.00	4,000.00	O/Scope
	30000-39999	24/11/05	8,000.00	8,000.00	O/Scope
	40000-49999	24/11/05	12,000.00	12,000.00	O/Scope
	50000-59999	24/11/05	16,000.00	16,000.00	O/Scope
	60000-69999	24/11/05	20,000.00	20,000.00	O/Scope
	70000-79999	24/11/05	24,000.00	24,000.00	O/Scope
	80000-89999	24/11/05	28,000.00	28,000.00	O/Scope
	90000 and over	24/11/05	32,000.00	32,000.00	O/Scope

NOTES

These charges are statutory set by Government and will be confirmed in April 2013

LICENSING CHARGES

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	LICENCES				
	Other Fees				
3	Application for the grant or renewal of a personal licence	24/11/05	37.00	37.00	O/Scope
	Temporary Event Notice	24/11/05	21.00	21.00	O/Scope
	Theft, loss etc of premises licence or summary	24/11/05	10.50	10.50	O/Scope
	Application for a provisional statement where premises being built etc	24/11/05	315.00	315.00	O/Scope
	Notification of change of name or address	24/11/05	10.50	10.50	O/Scope
	Application to vary licence to specify individual as premises supervisor	24/11/05	23.00	23.00	O/Scope
	Application for transfer of premises licence	24/11/05	23.00	23.00	O/Scope
	Interim authority notice following death etc of licence holder	24/11/05	23.00	23.00	O/Scope
	Theft, loss etc of certificate or summary	24/11/05	10.50	10.50	O/Scope
	Notification of change of name or alteration to club rules	24/11/05	10.50	10.50	O/Scope
	Change of relevant registered address of club	24/11/05	10.50	10.50	O/Scope
	Theft, loss etc of temporary event notice	24/11/05	10.50	10.50	O/Scope
	Theft, loss etc of personal licence	24/11/05	10.50	10.50	O/Scope
	Duty to notify change of name or address	24/11/05	10.50	10.50	O/Scope
	Right of freeholder etc to be notified of licensing matters	24/11/05	21.00	21.00	O/Scope

NOTES

These charges are statutory set by Government and will be confirmed in April 2013

LICENSING CHARGES

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	LICENCES				
	Gambling Fees				
1	Bingo Premises Licence				
	Fast Track Advance Application*	01/04/13	265.00	270.00	O/Scope
	Non - Fast Track Advance Application	01/04/13	605.00	620.00	O/Scope
	Application Fee for Provisional Status	01/04/13	630.00	645.00	O/Scope
	License for Provisional Statement Premises	01/04/13	420.00	430.00	O/Scope
	Application Fee New Premises	01/04/13	660.00	680.00	O/Scope
	Annual Fee	01/04/13	445.00	455.00	O/Scope
	Variation of Licence	01/04/13	605.00	620.00	O/Scope
	Transfer Fee	01/04/13	505.00	520.00	O/Scope
	Application For Reinstatement	01/04/13	505.00	520.00	O/Scope
2	Adult Gaming Centre				
	Fast Track Advance Application*	01/04/13	265.00	270.00	O/Scope
	Non - Fast Track Advance Application	01/04/13	560.00	575.00	O/Scope
	Application Fee for Provisional Status	01/04/13	580.00	595.00	O/Scope
	License for Provisional Statement Premises	01/04/13	370.00	380.00	O/Scope
	Application Fee New Premises	01/04/13	605.00	620.00	O/Scope
	Annual Fee	01/04/13	390.00	400.00	O/Scope
	Variation of Licence	01/04/13	560.00	575.00	O/Scope
	Transfer Fee	01/04/13	455.00	465.00	O/Scope
	Application For Reinstatement	01/04/13	455.00	465.00	O/Scope
3	Family Entertainment Centre				
	Fast Track Advance Application*	01/04/13	265.00	270.00	O/Scope
	Non - Fast Track Advance Application	01/04/13	560.00	575.00	O/Scope
	Application Fee for Provisional Status	01/04/13	580.00	595.00	O/Scope
	License for Provisional Statement Premises	01/04/13	370.00	380.00	O/Scope
	Application Fee New Premises	01/04/13	605.00	620.00	O/Scope
	Annual Fee	01/04/13	390.00	400.00	O/Scope
	Variation of Licence	01/04/13	560.00	575.00	O/Scope
	Transfer Fee	01/04/13	455.00	465.00	O/Scope
	Application For Reinstatement	01/04/13	455.00	465.00	O/Scope
4	Betting Premises				
	Fast Track Advance Application*	01/04/13	265.00	270.00	O/Scope
	Non - Fast Track Advance Application	01/04/13	560.00	575.00	O/Scope
	Application Fee for Provisional Status	01/04/13	580.00	595.00	O/Scope
	License for Provisional Statement Premises	01/04/13	370.00	380.00	O/Scope
	Application Fee New Premises	01/04/13	605.00	620.00	O/Scope
	Annual Fee	01/04/13	390.00	400.00	O/Scope
	Variation of Licence	01/04/13	560.00	575.00	O/Scope
	Transfer Fee	01/04/13	455.00	465.00	O/Scope
	Application For Reinstatement	01/04/13	455.00	465.00	O/Scope
5	Miscellaneous				
	Change of Circumstances	01/04/13	27.00	28.00	O/Scope
	Fee for copy of licence	01/04/13	16.00	16.50	O/Scope
6	Gaming Machines				
	2 or less machines - One Off Fee	31/01/07	50.00	50.00	O/Scope
	3 or more machines plus Annual Fee below	31/01/07	100.00	100.00	O/Scope
	LPGMP Conversion Application	31/01/07	100.00	100.00	O/Scope
	Transfer LPGMP	31/01/07	25.00	25.00	O/Scope
	Variation LPGMP	31/01/07	100.00	100.00	O/Scope
	Annual Fee (within one month)	31/01/07	50.00	50.00	O/Scope
7	Small lotteries - Registration	01/09/07	40.00	40.00	O/Scope
	Small lotteries - Renewal	01/09/07	20.00	20.00	O/Scope

* Fast track applications only available for establishments who are able to transfer pre-legislative licenses to the new regime. Not available for new premises

SPECIAL EXPENSE AREAS**Appendix D****OUTDOOR RECREATION**

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	OUTDOOR RECREATION				
1	<u>Pitches - Football/Rugby</u> Senior pitch letting (2 hrs), marking out and changing accommodation included:				
	Full rate	01/04/13	41.00	42.00	Inclusive
	Concessions	01/04/13	24.50	25.00	Inclusive
2	Junior pitch (ages 11-16) letting (2 hrs) and marking out:				
	Full rate	01/04/13	18.00	18.40	Inclusive
3	Mini pitch letting (ages 8-11) (1 hr) and marking out:				
	Full rate	01/04/13	10.80	11.00	Inclusive
4	<u>Tennis Court</u> Hard Courts		Free	Free	
5	<u>Cricket</u> Per Match	01/04/13	38.50	39.50	Inclusive

NOTESGrantham

Dysart Park - tennis

Harrowby Lane - football

Wyndham Park - tennis

Stamford

Empingham Road - football, rugby, cricket

Uffington Road - football, cricket

Bourne

Recreation Road - football

SPECIAL EXPENSE AREAS

Appendix D

CEMETERY CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	GRANTHAM CEMETERY				
	TRADITIONAL BURIAL GROUND				
1	Exclusive Right of Burial (Not exceeding 50 years) Standard grave space - Parishioners	01/04/13	455.00	467.00 *	Exempt
2	<u>Interment</u> Person aged 16 years or over - single depth Person aged 16 years or over - double depth Child stillborn or below 16 years Each additional coffin space	01/04/13 01/04/13 01/04/13 01/04/13	465.00 520.00 205.00 163.00	477.00 534.00 210.00 167.00	Exempt Exempt Exempt Exempt
3	<u>Licence for the Erection of Memorials</u> Headstone (not exceeding 3 feet in height) Headstone (each additional 6 inches) Metal faced tablet Additional inscription Kerbed memorial	01/04/13 01/04/13 01/04/13 01/04/13 01/04/13	113.00 113.00 78.00 44.00 N/A	116.00 116.00 80.00 45.00 125.00	Exempt Exempt Exempt Exempt Exempt
4	<u>Mausoleum</u> Single vault mausoleum plot	01/04/13	N/A	600.00	Exempt
5	<u>Re Open Graves</u> Interment Fee - single depth Interment Fee - double depth Interment ashes into grave	01/04/13 01/04/13 01/04/13	465.00 520.00 135.00	477.00 534.00 139.00	Exempt Exempt Exempt
	WOODLAND BURIAL GROUND				
6	All inclusive charge covering standard grave space, single depth interment, tree and plaque - Parishioners	01/04/13	1,045.00	1,072.00 *	Exempt
	*Please note there is a 50% additional charge for Non Parishioners (i.e. outside of Grantham boundary)				

LAND CHARGES

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	LOCAL LAND CHARGE FEES				
1	Registration of a Charge on Part II of Register	01/04/13	75.00	77.00	O/Scope
2	Filing a Definitive Certificate of Lands Tribunal	01/04/13	3.00	3.25	O/Scope
3	Filing adjustment etc. for variation - cancellation of entry in Part II	01/04/13	8.00	8.25	O/Scope
4	Inspection of documents filed under Rule 10	01/04/13	3.00	3.25	O/Scope
5	Official search (including issue of Certificate) - whole of register	01/04/13	13.00	13.50	O/Scope
6	Office copy of entry in Register	01/04/13	12.00	12.50	O/Scope
7	Con 29 Part I enquiries - one parcel of land - each additional parcel	01/04/13 01/04/13	82.00 14.00	84.00 14.50	O/Scope O/Scope
8	Supplementary Part II enquiries - each printed enquiry except question 5 - Question 5 optional enquiry - Solicitor/Clients own enquiry - Question 22 common land	01/04/13 01/04/13 01/04/13 01/04/13	12.00 15.00 15.00 15.00	12.50 15.50 15.50 15.50	O/Scope O/Scope O/Scope O/Scope
9	Enquiries by personal searchers (per item)	01/04/13	15.00	15.50	O/Scope
10	Commercial Basic Search LLC1 and CON 29R	01/04/13	123.00	126.00	O/Scope
11	Expedited Search - 3 Day Turnaround	01/04/13	30.00	31.00	O/Scope
	CON29R UNREFINED DATA CHARGES				
12	Building Regulations Q1.1 (F to H)	01/04/13	6.85	7.15	O/Scope
13	Nearby Railway Schemes Q3.5	01/04/13	1.00	1.05	O/Scope
14	Outstanding Notices Q3.7 (A-D & F)	01/04/13	5.75	5.90	O/Scope
15	Contravention of Building Regulations Q3.8	01/04/13	1.50	1.55	O/Scope
16	Notices, Orders, Directions and Proceedings under Planning Acts Q3.9 (A-N)	01/04/13	4.70	4.80	O/Scope
17	Conservation Area Q3.10 (B)	01/04/13	1.00	1.05	O/Scope
18	Compulsory Purchase Q3.11	01/04/13	1.50	1.55	O/Scope
19	Contaminated Land Q3.12 (Bi & C)	01/04/13	10.60	10.90	O/Scope

DEVELOPMENT CONTROL

A. OUTLINE APPLICATIONS (residential, commercial and agricultural)	
1. Where the site area does not exceed 2.5 hectares.	£385 for each 0.1 hectare (or part thereof) of site area.
2. Where the site area exceeds 2.5 hectares.	£9,527 and an additional £1115 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares up to a maximum of £125,000.
B. FULL APPLICATIONS AND RESERVED MATTERS	
1. Extensions or alterations to a dwelling and works within the curtilage, eg domestic outbuildings, garages, fences, walls etc.	172 per dwelling (where the application relates to two or more dwellinghouses, £339).
2. Erection of new dwellings (a) 50 or fewer (b) 51 or more	£385 for each dwelling £19,049 and an additional £115 for each dwelling in excess of 50, up to a maximum of £250,000.
3. Erection of buildings other than dwellings, agricultural buildings, glasshouses, or plant and machinery.	(a) Where no floor space is to be created, or works not creating more than 40 sq m. of additional floor space £195. (b) Works creating more than 40 sq m. but not exceeding 75 sq m. of additional floor space £385, (c) Works creating more than 75 sq m. but not exceeding 3750 sq m. of additional floor space £385 for each 75 sq m of that area (or part thereof). (d) Works creating more than 3750 sq m. of additional floor space, £19,049 and an additional £115 for each 75 sq m. (or part thereof) in excess of 3750 sq m. up to a maximum of £250,000.
4. Erection, on land for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in section 5 below).	(a) Where gross floor space created does not exceed 465 sq m., £80 (b) Where floor space created is between 465 sq m. and 540 sq m., £385 (c) Where floor space created is between 540 sq m. and 4215 sq m., £385 for the first 540 sq m. and an additional £385 for each 75 sq m. (or part thereof) in excess of 540 sq m. (d) Where the floor space created exceeds 4215 sq m., £19,049 and an additional £115 for each 75 sq m. (or part thereof) in excess of 4215 sq m. up to a maximum £250,000.
5. Erection of glasshouses on land used for the purposes of agriculture.	(a) Works creating floor space not exceeding 465 sq m., £80. (b) Works creating floor space exceeding 465 sq m. £2,150.
6. The construction of car parks, service roads and other means of access on land used for the purpose of a single undertaking, where the development is required for a purpose incidental to the existing use of land.	£195.00
7. The erection, alteration or replacement of plant machinery.	(a) Where the site area does not exceed 5 hectares, £385 for each 0.1 hectare (or part thereof) of the site area. (b) Where the site area exceeds 5 hectares, £19,049, and an additional £115 for each 0.1 hectares (or part thereof) in excess of 5 hectares, up to a maximum of £250,000.
8. The carrying out of any operations associated with exploratory drilling for oil or natural gas.	(a) Where the site area does not exceed 7.5 hectares, £385 for each 0.1 hectare (or part thereof) of the site area. (b) Where the site area exceeds 7.5 hectares, £28,750 and an additional £115 for each 0.1 hectares (or part thereof) in excess of 7.5 hectares, up to a maximum of £250,000.

DEVELOPMENT CONTROL

C. CHANGES OF USE (land and buildings)	
1. Change of use or subdivision of an existing single dwelling house.	(a) Where the change of use is to use as 50 or fewer dwelling houses, £385 for each additional dwelling. (b) Where the change of use is to use as more than 50 dwelling houses, £19,049 and an additional £115 for each dwelling house in excess of 50, up to a maximum of £250,000.
2. Change of use to one or more dwelling houses of any other building.	(a) Where the change of use is to use as 50 or fewer dwelling houses, £385 for each dwelling. (b) Where the change of use is to use as more than 50 dwelling houses, £19,049 and an additional £115 for each dwelling house in excess of 50, up to a maximum of £250,000.
3. The making of a material change in the use of a building or of land (other than a material change of use coming within any of the above categories).	£385

D. CERTIFICATE OF LAWFULNESS	
1. For existing use.	Same fee as if a planning application was being submitted.
2. For proposed use.	Half the equivalent planning fee.

E. OTHER OPERATIONS/APPLICATIONS	
1. For non-compliance with, or variation of conditions including retention of temporary buildings, continuation of temporary use etc.	£195.00
2. The carrying out of any other operations not coming in any of the above categories.	£195 for each 0.1 hectare (or part thereof) of the site area, up to maximum of £1,690.

F. ADVERTISEMENTS	
1. Relating to a business on the premises or advance signs directing the public to a business.	£110.00
2. Other advertisements.	£385.00

G. APPROVAL OF DETAILS	
1. Agricultural or forestry development.	£80.00
2. Demolition of buildings.	£80.00
3. Development by telecommunications code system operators.	£385.00

H. CONCESSIONARY FEES AND EXEMPTIONS	
1. NO FEE REQUIRED (a) Works to improve the disabled persons access to a public building or alterations to accommodate a registered disabled persons access, safety, health or comfort at that persons dwelling house. (b) Application requires because of the removal of permitted development rights by a condition, Article 4 direction or local development order. (c) Revised or fresh application for development (or advertisement) of the same character, description, site and applicant within 12 months of refusal or of the making of the earlier application if withdrawn, or within 12 months of expiry of the statutory (d) Revised or fresh application for development of the same character, description, site and applicant within 12 months of receiving permission.	
2. Applications by Parish Councils etc. (including advertisement applications)	Half the normal fee.
3. Alternative applications for one site	Highest of the fees applicable for each alternative and sum equal to half the rest.
4. Development crossing planning authority boundaries.	Only one fee paid to the authority having the larger site but calculated for the whole scheme to special ceiling.
5. Reserved matters where applicants earlier reserved matters applications have incurred total fees equaling that for a full application for the entire scheme.	£385.00

This is only a summary of scales of fees, listing only the most common types of application.

DEVELOPMENT CONTROL

	Detail	Effective Date	2012/13	2013/14	VAT
			£	£	
	PLANNING CHARGES				
1	<u>Ordnance Survey Plans</u>				
	Planning application site plans				
	Scale 1 - 500 rural & urban (up to 6 No.)	01/04/13	10.00	10.25	Zero rated
	Scale 1 - 1250 rural & urban (up to 6 No.)	01/04/13	26.00	26.70	Zero rated
	Scale 1 - 1250 rural & urban (7-8 No.)	01/04/13	28.00	28.70	Zero rated
	Scale 1 - 1250 rural & urban (9-10 No.)	01/04/13	32.00	32.85	Zero rated
	Scale 1 - 1250 rural & urban (11 No.)	01/04/13	36.00	36.95	Zero rated
	Scale 1 - 2500 rural (up to 6 No.)	01/04/13	26.00	26.70	Zero rated
	Scale 1 - 2500 rural (7-8 No.)	01/04/13	28.00	28.70	Zero rated
	Scale 1 - 2500 rural (9-10 No.)	01/04/13	32.00	32.85	Zero rated
	Scale 1 - 2500 rural (11 No.)	01/04/13	36.00	36.95	Zero rated
	Scale 1 - 2500 urban starts at £52 (but this scale is not required)				
2	<u>Charges in connection with land/property transactions</u>				
	Detailed queries on consents involving search for relevant information*	01/04/13	25.00	25.65	Inclusive
	* stated charge plus relevant copying charges				
	Check involving site inspection*	01/04/13	20.00	20.50	Inclusive
	* stated charge plus mileage plus officer hourly rates				

DEVELOPMENT CONTROL

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	PRE - PLANNING CHARGES				
1	<u>Householders</u> Charge for any pre-planning advice that is undertaken	01/04/13	N/A	50.00	Exclusive
2	<u>Non-residential changes of use including siting of caravans for sites</u> under 1 ha or buildings under 1,000 sqm (gross) of 1 ha or above or buildings of 1,000 sqm or above (gross)	01/04/13 01/04/13	N/A N/A	150.00 300.00	Exclusive Exclusive
3	<u>Development of dwellings</u> 1-9 dwellings including changes of use to residential, for 1st dwelling for each additional dwelling 10-49 dwellings including changes of use to residential, for the 10th dwelling for each additional dwelling	01/04/13 01/04/13 01/04/13 01/04/13	N/A N/A N/A N/A	200.00 100.00 1,000.00 50.00	Exclusive Exclusive Exclusive Exclusive
4	<u>Non-residential development</u> where no floor space is created up to 499sqm floor area or 0.5ha site area between 500 and 999 sqm floor area, or between 0.51ha and 1.0ha between 1,000 and 4,999 sqm floor area or between 1.1ha and 2.0ha between 5,000 sqm or more or 2.1ha or more * * minimum fee for specified service and hourly rate thereafter	01/04/13 01/04/13 01/04/13 01/04/13 01/04/13	N/A N/A N/A N/A N/A	75.00 150.00 250.00 500.00 1,000.00	Exclusive Exclusive Exclusive Exclusive Exclusive
5	<u>Others</u> Variation or removal of condition Advertisements Development that would require conservation area consent Non-householder works or alterations to a listed building Hazardous substances	01/04/13 01/04/13 01/04/13 01/04/13 01/04/13	N/A N/A N/A N/A N/A	75.00 75.00 50.00 50.00 100.00	Exclusive Exclusive Exclusive Exclusive Exclusive

HELPLINE

	Detail	Effective Date	2012/13 £	2013/14 £	VAT
	HELPLINE SERVICE PRIVATE AND PUBLIC SECTOR				
1	<u>Monitoring Costs (per week)</u>				
	Monitoring only	01/04/13	1.65	1.69	Inclusive
	Monitoring and Mobile Warden	01/04/13	4.80	4.92	Inclusive
2	<u>Rented Helpline (per week)</u>				
	Monitoring only	01/04/13	3.95	4.06	Inclusive
	Monitoring and Mobile Warden	01/04/13	7.10	7.28	Inclusive
3	<u>Rented Portal unit (per week)</u>				
	Monitoring only	01/04/13	3.40	3.50	Inclusive
	Monitoring and Mobile Warden	01/04/13	6.55	6.73	Inclusive
4	Daily call-out from the Care Centre	01/04/13	1.65	1.69	Inclusive
5	Responsive visit by Mobile Warden	01/04/13	12.10	12.41	Inclusive
6	Rental of Lifeline Fall Detector	01/04/13	0.60	0.62	Inclusive

HOUSING REVENUE ACCOUNT

Appendix E

		Category	2013/14 £	2014/15 £	2015/16 £
SUMMARY OF SAVINGS					
1	Insurance Premium	Saving	42,000	42,000	42,000
2	Utilities (gas and heating systems)	Saving	52,000	52,000	52,000
3	Total Saving		94,000	94,000	94,000
ADDITIONAL ITEMS					
4	Flat Roofs programme		125,000	100,000	100,000
5	Painting programmes		0	200,000	200,000
6	Major Void Refurbishment - Increase in the number of voids and associated work required		100,000	100,000	100,000
7	Guttering cleaning Programme - Introduction of a cyclical clearance programme to cope with increased customer complaints		30,000	30,000	30,000
8	DDA & FRA Sheltered Housing Schemes		0	105,000	90,000
9	Asbestos removal on void properties		150,000	150,000	150,000
10	Riverside complex Grantham stairwells - Work at Riverside, Grantham to enclose apertures. One off spend		22,000	0	0
11	New door entry systems		80,000	80,000	0
12	Project Officer		33,370	33,704	34,378
13	Pumping Station Drainage works		25,000	0	0
			565,370	798,704	704,378

	Detail	2012/13 Original Base £'000	2013/14 Estimate Base £'000	2014/15 Indicative Base £'000	2015/16 Indicative Base £'001
	INCOME				
1	Dwelling Rents	(22,780)	(23,832)	(24,868)	(25,922)
2	Non Dwelling Rents	(281)	(280)	(287)	(294)
3	Charges for Services and Facilities	(1,275)	(1,344)	(1,375)	(1,410)
4	Other Income	(60)	(60)	(62)	(63)
5	TOTAL INCOME	(24,396)	(25,516)	(26,592)	(27,689)
	EXPENDITURE				
6	Repair and Maintenance	7,489	7,781	7,642	7,637
7	Supervision and Management - General	2,637	2,536	2,533	2,574
8	Supervision and Management - Special	2,003	1,993	2,024	2,064
9	HRA share of Corporate and Democratic Costs	296	296	296	296
10	Depreciation and Impairment of Fixed Assets	5,200	5,200	5,200	5,200
11	Debt Management Expenses	23	24	25	25
12	Provision for bad debts	50	150	160	170
13	Repayment of Principal	1,591	3,222	3,222	3,222
14	Transfer to General Fund in respect of Rent Rebates	40	0	0	0
15	TOTAL EXPENDITURE	19,329	21,202	21,102	21,188
16	NET COST OF HRA SERVICES	(5,067)	(4,314)	(5,490)	(6,501)
17	Interest Payable and Similar Charges	3,592	3,460	3,342	3,217
18	Interest and Investment Income	(204)	(290)	(350)	(506)
19	DEFICIT (SURPLUS) FOR THE YEAR ON THE HRA	(1,679)	(1,144)	(2,498)	(3,790)
	MOVEMENT ON THE HRA BALANCE				
20	(Deficit)/Surplus for the Year	1,679	1,144	2,498	3,790
21	Contribution to HRA Improvement Reserve	0	(1,144)	(2,498)	(3,790)
22	Revenue Contributions to Capital	0	(1,000)	(2,000)	0
23	Housing Revenue Account balance at start of Year	8,482	8,953	7,953	5,953
24	Housing Revenue Account Balance at end of year	10,161	7,953	5,953	5,953
25	Major Repairs Reserve balance at start of Year	3,611	5,109	5,383	6,259
26	Depreciation	5,200	5,200	5,200	5,200
27	Capital Financing	(4,411)	(4,926)	(4,324)	(3,665)
28	Major Repairs Reserve balance at end of Year	4,400	5,383	6,259	7,794
Balances shown as at 31st March 2013 on lines 24 and 28 are based on original budget position. The opening balances are based forecast position as at 1st April 2013					

GENERAL FUND

	2012/2013 Forecast Outturn £'000	2013/2014 Updated Base £'000	2014/2015 Indicative Base £'000	2015/2016 Indicative Base £'000	2016/2017 Indicative Base £'000	2017/2018 Indicative Base £'000
GROW THE ECONOMY						
<i>Town Centre Development</i>						
1	Town Centre Projects - Bourne Core Area	1,050	1,195	-	-	-
2	Business Innovation Centre	-	250	50	-	-
3	Station Approach	-	1,100	100	-	-
4	Shop front scheme	90	120	80	-	-
5	Strategic Asset Acquisition	-	900	-	-	-
6	Serviced Land	600	1,400	500	-	-
7	Southern Quadrant- Relief road	-	-	1,000	500	-
		1,740	4,965	1,730	500	-
SUPPORT GOOD HOUSING FOR ALL						
<i>Regional Housing Grant</i>						
8	Better Homes Grant	200	276	-	-	-
9	Empty Homes Grant	50	100	-	-	-
10	Disabled Facilities Grant	500	500	500	500	500
		750	876	500	500	500
PROMOTE LEISURE, ARTS & CULTURE						
<i>Provision for Existing Assets</i>						
11	BMS Trend System - Bourne Leisure Centre	4	-	-	-	-
12	Bourne Leisure Centre Improvements	39	14	-	-	-
13	Air Handling Unit - Stamford Leisure Centre	4	-	-	-	-
14	BMS Trend System - Stamford Leisure Centre	4	-	-	-	-
15	Stamford Leisure Centre Improvements	10	-	-	-	-
16	Pool Air Handling Unit - Deepings Leisure Centre	-	-	80	-	-
17	Deepings Leisure Centre Improvements	25	-	-	-	-
18	Swimming Pool Air Handling Unit - Grantham Meres Leisure Centre	18	-	-	-	-
19	Premises at Broad Street Stamford- heating system	-	35	-	-	-
20	Heating System Alterations, Stamford Arts Centre	-	85	-	-	-
21	Wyndham Park, Grantham- interactive water feature	-	40	-	-	-
22	Deepings Leisure Centre- distribution boards and LV panel	-	16	-	-	-
23	Stamford Arts Centre - lift renewal	-	20	-	-	-
		104	210	80	-	-
KEEP SK CLEAN, GREEN & HEALTHY						
<i>Waste Management</i>						
24	Street Scene Vehicle Procurement	870	860	306	674	502
25	Wheelie Bin Replacements	70	70	77	85	99
26	Pool Vehicle Replacements	-	-	-	8	114
27	Cemetery Works	4	-	-	-	-
28	Cycle/Footpath Repair Maintenance	30	30	40	-	-
29	Sudbrook Sewer	20	-	-	-	-
30	Air Quality Monitor Provision and Brook Street/ Manthorpe Road	16	-	-	-	-
31	Low voltage panel replacement- Grantham Council offices	-	25	-	-	-
		1,010	985	423	767	626
WELL RUN COUNCIL						
32	Area Offices Customer Service Centre Upgrades	190	-	-	-	-
33	New Asset Management Software Package	22	-	-	-	-
34	ICT Infrastructure	-	75	-	-	-
35	ICT Refresh programme	120	-	-	-	-
		332	75	-	-	-
36	TOTAL GENERAL FUND CAPITAL PROGRAMME	3,936	7,111	2,733	1,767	1,126

	Description	2012/2013 Forecast Outturn £'000	2013/2014 Updated Base £'000	2014/2015 Indicative Base £'000	2015/2016 Indicative Base £'000	2016/2017 Indicative Base £'000	2017/2018 Indicative Base £'000
HOUSING REVENUE ACCOUNT							
Repairs and Improvements							
1	Upgrading Sheltered Housing Scheme	90	-	-	-	-	-
2	Passenger Lifts, Rectory Close, Barrowby	15	-	-	-	-	-
3	Purchase of land for creation of road	-	20	-	-	-	-
4	Refurbishment works to Rectory Close, Barrowby	150	-	-	-	-	-
5	Scooter store, Hilary close, Stamford	25	-	-	-	-	-
Energy Efficiency Initiatives:							
6	Central Heating, Ventilation and boiler replacements	1,400	1,200	1,000	1,000	1,000	1,000
Refurbishment and Improvement:							
7	New Build Properties	-	1,000	2,000	-	-	-
8	Windows	-	125	-	131	136	-
9	Property Refurbishments	262	150	150	150	150	150
10	Re-roofing	715	925	960	1,000	934	550
11	Re-wiring	175	175	175	110	175	175
12	Kitchen & Bathroom Refurbishments	750	1,000	1,000	850	850	438
13	Chimney works	165	115	150	150	150	105
14	Essential Works	100	-	-	-	-	-
15	Replacement of Canopies	-	230	-	-	-	-
16	Refurbishment of Bin Stores, Earlsfield Estate	58	-	-	-	-	-
17	Replacement door programme	-	91	26	76	35	-
18	Passenger lifts: Riverside Grantham	-	15	-	-	-	-
19	Passenger lifts: Church View Great Gonerby	-	10	-	-	-	-
20	External Wall Insulation	-	700	700	-	-	-
21	Balance of outstanding works from 2011/12	320	-	-	-	-	-
		4,225	5,756	6,161	3,467	3,430	2,418
IT Software							
22	Upgrade Opti-time software	-	25	-	-	-	-
23	Upgrade Tunstall system	-	-	-	-	-	-
24	Vehicle management system for repairs	-	50	-	-	-	-
25	Mobilisation of Craft Working	104	-	-	-	-	-
		104	75	-	-	-	-
Purchase of Vehicles							
26	Repairs Vehicles	38	58	126	161	152	144
27	Tenancy and Care Services	37	37	37	37	37	37
		75	95	163	198	189	181
28	TOTAL - HOUSING INVESTMENT PROGRAMME	4,404	5,926	6,324	3,665	3,619	2,599

SUMMARY FINANCING STATEMENT

	Description	2012/2013 Forecast Outturn £'000	2013/2014 Updated Base £'000	2014/2015 Indicative Base £'000	2015/2016 Indicative Base £'000	2016/17 Indicative Base £'000	2017/18 Indicative Base £'000
	<u>HOUSING REVENUE ACCOUNT</u>						
1	Stock Improvements	4,225	5,756	6,161	3,467	3,430	2,418
2	IT Software	104	75	-	-	-	-
3	Purchase of Vehicles	75	95	163	198	189	181
4	TOTAL - HOUSING REVENUE ACCOUNT	4,404	5,926	6,324	3,665	3,619	2,599
	<u>OTHER SERVICES</u>						
5	Grow the economy	1,740	4,965	1,730	500	-	-
6	Support good housing for all	750	876	500	500	500	500
7	Promote leisure, arts and culture	104	210	80	-	-	-
8	Keep SK clean, green and healthy	1,010	985	423	767	912	626
9	Well run council	332	75	-	-	-	-
10	TOTAL - OTHER SERVICES	3,936	7,111	2,733	1,767	1,412	1,126
11	TOTAL - CAPITAL PROGRAMME	8,340	13,037	9,057	5,432	5,031	3,725
	<u>GENERAL FUND FINANCED BY:</u>						
12	Supported Borrowing	-	-	-	-	-	-
13	Unsupported Borrowing	-	-	-	-	-	-
14	Specific Reserve - Capital	2,546	515	-	-	-	-
15	Usable Capital Receipts	-	4,822	1,934	971	648	372
16	Capital Grants and Contributions						
	- Disabled Facility Grant	254	254	254	254	254	254
	- Regional Housing Allowance	300	-	-	-	-	-
17	Direct Revenue Financing						
	- Cemetery works	35	35	35	32	-	-
	- Wyndham Park Water Fountain- SEA	-	10	10	10	10	-
	- ICT reserve	-	75	-	-	-	-
	- Contribution from Revenue	801	1,400	500	500	500	500
18	TOTAL - GF CAPITAL PROGRAMME	3,936	7,111	2,733	1,767	1,412	1,126
	<u>HRA FINANCED BY:</u>						
19	Major Repair Reserve	4,404	4,926	4,324	3,665	3,619	2,599
20	Contribution from Revenue	-	1,000	2,000	-	-	-
21	TOTAL - HRA CAPITAL PROGRAMME	4,404	5,926	6,324	3,665	3,619	2,599
22	TOTAL - CAPITAL PROGRAMME	8,340	13,037	9,057	5,432	5,031	3,725

RESERVES STATEMENT AS AT 31st MARCH 2013

	Projected Balance as at 31 March 2013 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2014 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2015 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2016 £'000	Reserve Commentary
GENERAL FUND								
Revenue Reserves								
1	477	-	477	-	477	-	477	Reserve to fund insurance losses during the year
2	307	-	307	-	307	-	307	Reserve to meet pension costs associated with former employees
3	1,486	-	1,486	-	1,486	-	1,486	Reserve to meet any significant pension employer contribution increases
4	(83)	-	(83)	41	(42)	42	0	To fund any surplus or deficits on the trading account
5	60	3	63	6	69	7	76	Balance to meet unforeseen costs arising within the SEA's and future improvements
6	62	(62)	-	-	-	-	-	Funds set a side to meet specific project expenditure
7	500	-	500	-	500	-	500	Reserve to fund service improvement initiatives
8	-	313	313	-	313	-	313	Funding to meet any shortfall in the business rate retention scheme
9								
10	4,564	(18)	4,546	465	5,011	551	5,562	Funds allocated to meet specific improvement and priority project expenditure*
	7,373	236	7,609	512	8,121	600	8,721	
Unapplied Grants								
11	671	(276)	395	-	395	-	395	Government Grants which have yet to be utilised
12	222	(164)	58	(56)	2	(2)	0	Previously awarded Housing Planning Delivery Grant funding
13	1,955	1,932	3,887	2,601	6,488	2,833	9,321	Funding received associated with the new homes bonus scheme
	2,848	1,492	4,340	2,545	6,885	2,831	9,716	
14	1,571	-	1,571	-	1,571	-	1,571	Working balance to meet unforeseen costs arising
15	11,792	1,728	13,520	3,057	16,577	3,431	20,008	
Capital Reserves								
16	515	(515)	-	-	-	-	-	Reserve to fund capital expenditure items
17	6,891	(2,995)	3,896	(847)	3,049	(459)	2,590	Funds received through the sale of general fund assets to support capital schemes
18	7,406	(3,510)	3,896	(847)	3,049	(459)	2,590	
19	19,198	(1,782)	17,416	2,210	19,626	2,972	22,598	
Housing Revenue Account(HRA)								
Revenue Reserves								
20	231	0	231	0	231	0	231	reserve to fund insurance losses during the year
21	177	1,144	1,321	2,498	3,819	3,790	7,609	new reserve established to repay maturity loan in 2019/20
22	8,953	(1,000)	7,953	(2,000)	5,953	-	5,953	working balance to meet unforeseen costs arising
23	500	0	500	-	500	-	500	new reserve to fund service improvement initiatives
24	9,861	144	10,005	498	10,503	3,790	14,293	
Capital Reserve								
25	5,109	274	5,383	876	6,259	1,535	7,794	reserve to fund capital expenditure items
26	14,970	418	15,388	1,374	16,762	5,325	22,087	

* this includes individual allocations agreed at Budget setting in March 12 and Retro fit.

Treasury Management Strategy Report 2013/14

INTRODUCTION

Background

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

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

CIPFA defines treasury management as:

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

Reporting Requirements

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

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

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

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

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

Governance and Audit – As part of the committees terms of reference the above reports are presented to them for consideration and scrutiny during the year. The Committee also have delegated authority to approve in year ammendments to the Treasury Management Strategy.

Treasury Management Strategy for 2013/14

The strategy for 2013/14 covers two main areas:

Capital issues

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

Treasury management issues

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

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

Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training has been undertaken by members of the Governance and Audit during in December 2012 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

Treasury management consultants

The Council uses Sector as its external treasury management advisors.

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

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their

value will be assessed are properly agreed and documented, and subjected to regular review.

SECTION 1 - THE PRUDENTIAL INDICATORS 2013/14 to 2015/16**Introduction**

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

The Capital Expenditure Plans

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

£m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Capital Expenditure				
Non-HRA	3.936m	7.111m	2.733m	1.767m
HRA	4.404m	5.926m	6.324m	3.665m
Total	8.340m	13.037m	9.057m	5.432m

3. Other long term liabilities. The above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.
4. The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need

£m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Capital Expenditure				
Non-HRA	3.936m	7.111m	2.733m	1.767m
HRA	4.404m	5.926m	6.324m	3.665m
Financed by:				
Capital receipts reserve	0.000m	4.822m	1.934m	0.971m
Capital grants	0.554m	0.254m	0.254m	0.254m
Capital reserves	6.950m	5.441m	4.324m	3.665m
Revenue	0.836m	2.520m	2.545m	0.542m
Net financing need for the year	0	0	0	0

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

5. The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of Council's underlying borrowing need. The capital expenditure above which has not immediately been paid for will increase the CFR.
6. Following accounting changes the CFR includes any other long term liabilities (e.g. PFI schemes, finance leases) brought onto the balance sheet. Whilst this increases the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has no such schemes within the CFR
7. The Council is asked to approve the CFR projections below:

£m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Capital Financing Requirement				
CFR – Non Housing	4.476m	4.297m	4.125m	3.960m
CFR - Housing	124.480m	124.480m	124.480m	124.480m
Total CFR	128.956m	128.777m	128.605m	128.440m
Movement in CFR	(0.187m)	(0.179m)	(0.172m)	(0.165m)

£m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Movement in CFR represented by				
Net Financing need for the year (above)	0.000m	0.000m	0.000m	0.000m
Less MRP/VRP and other financing movements	(0.187m)	(0.179m)	(0.172m)	(0.165m)
Movement in CFR	(0.187m)	(0.179m)	(0.172m)	(0.165m)

8. The Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision - MRP), although it is also allowed to undertake additional voluntary payments (VRP). The MRP is the reason for the negative year on year movements in the CFR forecasts shown above.
9. CLG Regulations have been issued which require full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils to replace the existing Regulations, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement.
10. For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:
 - **Existing practice** - MRP will follow the existing practice outline in former CLG Regulations.

11. From 1 April 2008 for all new unsupported borrowing the MRP policy will be:

- **Asset Life Method** – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Directive).

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

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

Core Funds and Expected Investment Balances

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

Year End Resources £m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Fund balances	10.221m	11.949m	15.006m	18.437m
Capital receipts	7.406m	3.896m	3.049m	2.590m
HRA reserve	9.861m	10.005m	10.503m	14.293m
Major Repairs Reserve	5.109m	5.383m	6.259m	7.794m
Total Core Funds	32.597m	31.233m	34.817m	43.114m
Working Capital*	1.571m	1.571m	1.571m	1.571m
Expected Investments	34.168m	32.804m	36.388m	44.685m

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

Affordability Prudential Indicators

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

15. **Actual and Estimates of the ratio of financing costs to net revenue stream –** This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2012/13 Revised	2013/14 Estimated	2014/15 Estimated	2015/16 Estimated
Non-HRA	(2.47%)	(1.74%)	(2.32%)	(3.01%)
HRA	16.84%	14.95%	14.18%	12.79%

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

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

18. **Incremental impact of capital investment decisions on the Band D Council Tax**

£	2012/13 Revised	2013/14 Estimated	2014/15 Estimated	2015/16 Estimated
Variance change in original to revised spending programme	(£1.72)	£2.81	£0.42	(£0.23)

19. **Estimates of the incremental impact of capital investment decisions on Housing Rent levels –** Similar to the council tax calculation, this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

20. Incremental impact of capital investment decisions Housing Rent levels

£	2012/13 Revised	2013/14 Estimated	2014/15 Estimated	2015/16 Estimated
Variance change in original to revised spending programme	(£1.12)	£340.57	£260.55	(£168.17)

21. This indicator shows the revenue impact on any newly approved schemes if there was no rent restructuring in place. However, there is no actual impact on rent levels through any decisions on capital investments due the operation of rent restructuring currently.

SECTION 2 - Borrowing**Debt and Investment Projections 2012/13 – 2014/15**

22. The capital expenditure plans set out in Section 1 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

Current Portfolio Position

23. The Councils revised treasury portfolio position at 31 March 2013, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (CFR), highlighting any over or under borrowing.

£m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
External Debt				
Existing Debt at 1 April	(124.217)m	(120.969m)	(116.721m)	(113.486m)
Expected change in debt	0.026m	1.026m	0.013m	0.500m
HRA Settlement	3.222m	3.222m	3.222m	3.222m
Debt at 31 March	(120.969m)	(116.721m)	(113.486m)	(109.764m)
CFR	128.956m	128.777m	128.605m	128.440m
Under / (over) borrowing	7.987m	12.056m	15.119m	18.676m
Total Investments at 31 March				
Investment change	32.597m	33.491m	39.129m	46.917m
Net Debt	(86.801m)	(81.659m)	(72.786m)	(61.277m)

24. Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its total debt, net of any investments, 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 2013/14 and the following two financial years (shown as net borrowing above). This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes
25. The Head of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report

Limits to Borrowing Activity

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

Operational Boundary £m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Debt	2.539m	1.513m	1.500m	1.000m
+ HRA Reform	121.652m	118.430m	115.209m	111.987m
Other long term liabilities	0.000m	0.000m	0.000m	0.000m
Total	124.191m	119.943m	116.709m	112.987m

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

28. 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 no control has yet been exercised.

29. The Council is asked to approve the following Authorised:

Authorised limit £m	2012/13 Revised £	2013/14 Estimated £	2014/15 Estimated £	2015/16 Estimated £
Debt	18.000m	18.000m	18.000m	18.000m
+ HRA Reform	121.652m	118.430m	115.209m	111.987m
Other long term liabilities	0.000m	0.000m	0.000m	0.000m
Total	139.652m	136.430m	133.209m	129.987m

Prospects for Interest Rates

30. The Council has appointed Sector as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Annex 1 draws together a number of current City forecasts for short term (Bank Rate) and longer fixed interest rates. The following table gives the Sector central view

Annual Average %	Bank Rate	PWLB Borrowing Rates (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2012	0.50	1.50	3.70	3.90
March 2013	0.50	1.50	3.70	3.90
June 2013	0.50	1.50	3.70	3.90
Sept 2013	0.50	1.60	3.80	4.00
Dec 2013	0.50	1.70	3.80	4.00
March 2014	0.50	1.80	3.90	4.10
June 2014	0.50	1.90	4.00	4.20
Sept 2014	0.50	2.00	4.10	4.30
Dec 2014	0.50	2.10	4.20	4.40
March 2015	0.75	2.30	4.30	4.50

31. The UK continues its worst and slowest recovery from recession in recent history. Growth prospects are weak, although the economy did come out of recession in the third quarter of 2012. Consumer spending, the driving force of recovery, is likely to remain under pressure due to the repayment of personal debt, general malaise about the economy and employment fears.
32. The primary drivers of the UK economy are likely to remain external. 40% of UK exports go to the Eurozone so the difficulties in this area are likely to continue to hinder UK growth. The US, the main world economy, faces similar debt problems to the UK, but is unlikely to address these before the outcome of the Presidential elections in November 2012. The resulting US fiscal tightening and continuing Eurozone problems will depress UK growth from the original expectations and is likely to see the UK deficit reduction plans slip.
33. This challenging and uncertain economic outlook has several key treasury management implications:
- The Eurozone sovereign debt difficulties provide a clear indication of high counterparty risk. This continues to suggest the use of higher quality counterparties for shorter time periods;
 - Investment returns are likely to remain relatively low during 2013/14 and beyond;
 - Borrowing interest rates continue to be attractive and may remain relatively low for some time. The timing of any borrowing will need to be monitored carefully;
 - There will remain a cost of carry – any borrowing undertaken that results in an increase in investments will incur a revenue loss between borrowing costs and investment returns.

A more detailed economic outlook for both the Global and UK economy is included in Annex 2.

Borrowing Strategy 2013/14 – 2015/16

34. The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council’s reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is high and will be maintained for the borrowing excluding the HRA reform settlement
35. Against this background and the risks within the economic forecast, caution will be adopted with the 2012/13 treasury operations. The Head of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.
36. The uncertainty over future interest rates increases the risks associated with treasury activity. As a result the Council will take a cautious approach to its treasury strategy.
37. The option of postponing borrowing and running down investment balances will also be considered. This would reduce counterparty risk and hedge against the expected fall in investments returns.

Treasury Management Limits on Activity

38. There are three debt related treasury activity limits. The purpose of these are to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs/improve performance. The indicators are:
 - Upper limits on variable interest rate exposure – This identifies a maximum limit for variable interest rates based upon the debt position net of investments
 - Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates.
 - Maturity structures of borrowing – These gross limits are set to reduce the Council’s exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

39. The Council is asked to approve the limits:

£m	2012/13	2013/14	2014/15	2015/16
Interest rate Exposures				
	Upper	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	125.000m	125.000m	125.000m	125.000m
Limits on variable interest rates based on net debt	40.000m	40.000m	40.000m	40.000m
Maturity Structure of fixed interest rate borrowing 2013/14				
		Lower	Upper	Upper
Under 12 months		0%	40%	0%
12 months to 2 years		0%	40%	40%

2 years to 5 years	0%	100%	100%
5 years to 10 years	0%	100%	100%
10 years and above	0%	100%	100%

Policy on Borrowing in Advance of need

40. The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
41. The Head of Finance 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 Head of Finance 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.
42. It would not look to borrow more than 24 months in advance of need.
43. 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.

Debt Rescheduling

44. As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).
45. 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).
46. Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

SECTION 3 - ANNUAL INVESTMENT STRATEGY

Investment Policy and Counterparty Selection Criteria

47. The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second and then return.
48. In accordance with guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings, watches and outlooks published by all three ratings agencies with a full understanding of what these reflect in the eyes of each agency. Using the Sector ratings service potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.
49. Furthermore, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings. This is fully integrated into the credit methodology provided by the advisors, Sector in producing its colour codings which show the varying degrees of suggested creditworthiness.
50. 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.
51. The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk. The intention of the strategy is to provide security of investment and minimisation of risk.
52. Investment instruments identified for use in the financial year are listed in annex 3 under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

Creditworthiness policy

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

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

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

- Yellow 5 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 3 months
- No colour not to be used

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

55. Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of short term rating F1, long term rating A-, viability rating of A-, and a support rating of 1. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

56. All credit ratings are monitored daily and the Council is alerted to changes to ratings of all three agencies through its use of the Sector creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx

benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

57. Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on government support for banks and the credit ratings of that supporting government.
58. The Local Authority Mortgage Scheme (LAMS) – The Council is currently participating in the cash backed mortgage scheme which requires the Council to place a matching five year deposit to the life of the indemnity. This investment is an integral part of the policy initiative and is outside the criteria above.

Investment Strategy

59. **In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).
60. **Investment returns expectations.** Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 1 of 2015. Bank Rate forecasts for financial year ends (March) are:
- 2012/13 0.50%
 - 2013/14 0.50%
 - 2014/15 1.00%
 - 2015/16 1.50%
61. There are downside risks to these forecasts (i.e. start of increases in Bank Rate is delayed even further) if economic growth remains weaker for longer than expected. However, should the pace of growth pick up more sharply than expected there could be upside risk, particularly if Bank of England inflation forecasts for two years ahead exceed the Bank of England's 2% target rate.
62. The suggested budgeted investment earnings rates for returns on investments placed for periods up to three months during each financial year for the next five years are as follows:
- 2012/13 0.50%
 - 2013/14 0.50%
 - 2014/15 0.70%
 - 2015/16 1.50%
63. **Investment treasury indicator and limit** - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.
64. The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
£m	2013/14	2014/15	2015/16

Principal sums invested > 364 days	£9.000m	£10.000m	£12.000m
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65. **Risk Benchmarking** – A development in the revised Codes and the CLG Investment Guidance is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance. Discrete security and liquidity benchmarks are new requirements to the Member reporting, although the application of these is more subjective in nature.

66. These benchmarks are simple targets (not limits) and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy depending on any changes. Any breach of the benchmarks will be reported, with supporting reasons in the Mid-Year or Annual Report.

67. **Security** - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- 0.1% historic risk of default when compared to the whole portfolio.

68. **Liquidity** – In respect of this area the Council seeks to maintain:

- Bank overdraft - £0.25m
- Liquid short term deposits of at least £5m available with a week's notice.
- Weighted Average Life benchmark is expected to not exceed a maximum of 1 year.

69. **Yield - Local measures of yield benchmarks are :**

- Investments – Internal returns above the 7 day LIBID rate
- Investments – External fund managers - returns 10% above 7 day compounded LIBID.

70. **And in addition that the security benchmark for each individual year is:**

	1 year	2 years	3 years	4 years	5 years
Maximum	0.08%	0.22%	0.37%	0.52%	0.70%

Note: This benchmark is an average risk of default measure (potential loss on investments), and would not constitute an actual expectation of loss against a particular investment.

End of year Investment Report

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

Policy on Use of External Service Providers

72. The Council uses Sector as its external treasury management advisors.

73. 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.

74. 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.

Annex 1 - Interest Rate Forecast 2013/2015

Sector's Interest Rate View														
	Now	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Sector's Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%
3 M onth LIBID	0.39%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.60%	0.60%	0.70%	0.80%	1.10%	1.40%	1.70%
6 M onth LIBID	0.54%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.80%	0.90%	1.00%	1.10%	1.30%	1.60%	1.90%
12 M onth LIBID	0.88%	1.00%	1.00%	1.00%	1.00%	1.00%	1.10%	1.10%	1.20%	1.30%	1.30%	1.50%	1.80%	2.10%
5yrPW LB Rate	1.84%	1.50%	1.50%	1.60%	1.60%	1.70%	1.70%	1.80%	2.00%	2.20%	2.30%	2.50%	2.70%	2.90%
10yrPW LB Rate	2.84%	2.50%	2.50%	2.60%	2.60%	2.70%	2.70%	2.80%	3.00%	3.20%	3.30%	3.50%	3.70%	3.90%
25yrPW LB Rate	3.98%	3.80%	3.80%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.30%	4.40%	4.60%	4.80%	5.00%
50yrPW LB Rate	4.11%	4.00%	4.00%	4.00%	4.00%	4.10%	4.10%	4.20%	4.30%	4.50%	4.60%	4.80%	5.00%	5.20%
Bank Rate														
Sector's View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%
UBS	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-
Capital Economics	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-
5yrPW LB Rate														
Sector's View	1.84%	1.50%	1.50%	1.60%	1.60%	1.70%	1.70%	1.80%	2.00%	2.20%	2.30%	2.50%	2.70%	2.90%
UBS	1.84%	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Economics	1.84%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.50%	1.60%	-	-	-	-	-
10yrPW LB Rate														
Sector's View	2.84%	2.50%	2.50%	2.60%	2.60%	2.70%	2.70%	2.80%	3.00%	3.20%	3.30%	3.50%	3.70%	3.90%
UBS	2.84%	3.00%	3.10%	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	-	-	-	-	-
Capital Economics	2.84%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	-	-	-	-	-
25yrPW LB Rate														
Sector's View	3.98%	3.80%	3.80%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.30%	4.40%	4.60%	4.80%	5.00%
UBS	3.98%	4.20%	4.30%	4.40%	4.50%	4.50%	4.50%	4.50%	4.50%	-	-	-	-	-
Capital Economics	3.98%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	-	-	-	-	-
50yrPW LB Rate														
Sector's View	4.11%	4.00%	4.00%	4.00%	4.00%	4.10%	4.10%	4.20%	4.30%	4.50%	4.60%	4.80%	5.00%	5.20%
UBS	4.11%	4.30%	4.40%	4.50%	4.60%	4.60%	4.60%	4.60%	4.60%	-	-	-	-	-
Capital Economics	4.11%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	-	-	-	-	-

Annex 2 – Economic Background

Global economy

The Eurozone debt crisis has continued to cast a pall over the world economy and has depressed growth in most countries. This has impacted the UK economy which is unlikely to grow significantly in 2012 and is creating a major headwind for recovery in 2013. Quarter 2 of 2012 was the third quarter of contraction in the economy; this recession is now the worst and slowest recovery of any of the five recessions since 1930. The Eurozone sovereign debt crisis has abated somewhat following the ECB's pledge to buy unlimited amounts of bonds of countries which ask for a bailout. The immediate target for this statement is Spain which continues to prevaricate on making such a request and so surrendering its national sovereignty to IMF supervision. However, the situation in Greece is heading towards a crunch point as it fails yet again to live up to its commitments to reduce its annual government deficits in line with the agreement under the second bailout. This is jeopardising the next tranche of bailout monies, without which, Greece will run out of cash before the end of 2012. Many commentators view a Greek exit from the Euro as inevitable and question whether the current coalition government would disintegrate if even more severe austerity measures were to be attempted. The question is more in terms of how much damage would a Greek exit do and whether contagion would spread to cause Portugal and Ireland to also leave the Euro.

Sentiment in financial markets has improved considerably following this ECB action, the German courts agreeing that the bailout mechanisms are legal, and the Dutch general election voting for pro Eurozone policies. However, the foundations to this "solution" to the Eurozone debt crisis are flimsy and events could easily conspire to put this into reverse.

The US economy has only been able to manage disappointingly weak growth in 2012 despite huge efforts by the Federal Reserve to stimulate the economy by liberal amounts of quantitative easing (QE) combined with a commitment to a continuation of ultra low interest rates into 2015. Unemployment levels have been slowly reducing but against a background of a fall in the numbers of those available for work. The fiscal cliff facing the new President at the start of 2013 has been a major dampener discouraging business from spending on investment and increasing employment more significantly in case there is a sharp contraction in the economy in the pipeline. However, the housing market does look as if it has, at long last, reached the bottom and house prices are now on the up.

Hopes for a broad based recovery have, therefore, focused on the emerging markets. However, there are increasing concerns over flashing warning signs in various parts of the Chinese economy that indicate it may be heading for a hard landing rather than a gradual slow down.

UK economy

The Government's austerity measures, aimed at getting the public sector deficit into order over the next four years, now look as if they will fail to achieve their objectives in the original planned timeframe. Achieving this target is dependent on the UK economy growing at a reasonable pace but recession in the Eurozone, our biggest trading partner, has depressed growth whilst tax receipts have not kept pace with additional welfare benefit payments. It will be important for the Government to retain investor confidence in UK gilts so there is little room for it to change course other than to move back the timeframe.

Currently, the UK is enjoying a major financial benefit from some of the lowest sovereign borrowing costs in the world as the UK is seen as a safe haven from Eurozone debt. There is, though, little evidence that consumer confidence levels are recovering nor that the manufacturing sector is picking up. On the positive side, growth in the services sector has rebounded in Q3 and banks have made huge progress since 2008 in shrinking their balance sheets to more manageable levels and also in reducing their dependency on wholesale funding. However, availability of credit remains tight in the economy and the Funding for Lending scheme, which started in August 2012, has not yet had the time to make a significant impact. Finally, the housing market remains tepid and the outlook is for house prices to be little changed for a prolonged period.

Economic Growth. With the exception of recently released Q3 data, economic growth has, basically, flat lined since the election of 2010 and, worryingly, the economic forecasts for 2012 and beyond were revised substantially lower in the Bank of England Inflation quarterly report for August 2012. Quantitative Easing (QE) was increased again by £50bn in July 2012 to a total of £375bn. Many forecasters are expecting a further round of QE to stimulate economic activity regardless of any near-term optimism.

Unemployment. The Government's austerity strategy has resulted in a substantial reduction in employment in the public sector. Despite this, total employment has increased to the highest level for four years by August 2012 and the numbers of unemployment benefit claimants have also been falling slightly.

Inflation and Bank Rate. Inflation has fallen sharply during 2012 from a peak of 5.2% in September 2011 to 2.2% in September 2012. Inflation is expected to fall further to the 2% target level within the two year horizon.

AAA rating. The UK continues to enjoy an AAA sovereign rating. However, the credit rating agencies will be carefully monitoring the rate of growth in the economy as a disappointing performance in that area could lead to a major derailment of the plans to contain the growth in the total amount of Government debt over the next few years.

Sector's forward view

Economic forecasting remains difficult with so many external influences weighing on the UK. There does, however, appear to be consensus among analysts that the economy remains relatively fragile and whilst there is still a broad range of views as to potential performance, expectations have all been downgraded during 2012. Key areas of uncertainty include:

- the potential for the unravelling of the second Greek bailout package causing a worsening of the Eurozone debt crisis and heightened risk of the breakdown of the bloc or even of the currency itself;
- inter government agreement on how to deal with the Eurozone debt crisis could fragment; the impact of the Eurozone crisis on financial markets and the banking sector;
- the impact of the Government's austerity plan on confidence and growth and the need to rebalance the economy from services to exporting manufactured goods;

- the under-performance of the UK economy which could undermine the Government's policies that have been based upon levels of growth that are unlikely to be achieved;
- the economic performance of the UK's trading partners, in particular the EU and US, with some analysts suggesting that recession could return to both;
- stimulus packages failing to stimulate growth;
- elections due in the US and Germany in 2012 and 2013 respectively;
- potential for protectionism i.e. an escalation of the currency war / trade dispute between the US and China.
- the potential for action to curtail the Iranian nuclear programme
- the situation in Syria deteriorating and impacting other countries in the Middle East

The overall balance of risks remains weighted to the downside. Many consumers, corporates and banks are still focused on reducing their borrowings rather than spending so this will continue to act as a major headwind to a return to robust growth.

Sector believes that the longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries.

Given the weak outlook for economic growth, Sector sees the prospects for any interest rate changes before the end of 2014 as very limited. There is potential for the start of Bank Rate increases to be even further delayed if growth disappoints.

Annex 3

Treasury Management Practice (TMP) 1 – Credit and Counterparty Risk Management

CLG issued Investment Guidance in 2010, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which are under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for Councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code on 23 June 2004 and will apply its principles to all investment activity. In accordance with the Code, the Head of Finance has produced its treasury management practices (TMPs). This part, TMP 1(5), covering investment counterparty policy requires approval each year.

Annual Investment Strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of the following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments the Council will use. These are high security, and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

Strategy Guidelines – The main strategy guidelines are contained in the body of the treasury strategy statement.

Specified Investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are low risk assets where the possibility of loss of principal or investment income is small. The Council's Treasury Management Officer is restricted to placing Specified Investment funds with:

Table A – Specified Investments

	Specified Investments Category	Limit
a	<p>A body of high credit quality, this category includes the following –</p> <ul style="list-style-type: none"> <input type="checkbox"/> A UK bank or building society using Sector Creditworthiness service, with a minimum colour band of GREEN <input type="checkbox"/> Nationalised and Part nationalised banks can be included within specified investments as long as they remain part-nationalised 	<p>£10m per institution or a maximum of 30% of total investment (whichever is the greatest), £10m per corporate group</p>
b	<p>The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity)</p>	no amount limit
c	<p>UK local authorities</p>	<p>£5m per LA, £10m all LAs</p>
d	<p>Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. This category covers pooled investment vehicles, such as money market funds, rated AAA by Standard and Poor’s, Moody’s or Fitch rating agencies.</p> <p>CLG Investment Guidance specifies that Money Market Funds with high credit ratings are classified as Specified Investment. These funds are instant access investment. There is possibility that part of the investment may be exposed to counterparties the Council would not approve normally or invest directly. The counterparty risk is mitigated by that –</p> <ul style="list-style-type: none"> • The Fund Managers diversify investment in a range of counterparties; • The Funds are instant access; • The Council only invests in funds rated AAA; • DCLG Investment Guidance classifying such funds as Specified Investment. 	<p>£5m per fund,</p>

Non-Specified Investments – Non-specified investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

Amounts invested with any one institution shall not exceed £2m for periods of more than 2 years. Amounts invested with any one corporate group shall not exceed £5m (with the exception of Councils own bank).

Amounts invested in non specified fixed term investment would normally not exceed 25% of the total Invested. The Head of Finance has the discretion if required to exceed the limit which may occur during the course of the year should rate of return on investment be beneficial to the council. Any decision will be based on taking into account current and future market conditions as well counterparty strength and rating. If these circumstances are required this will be reported back to the appropriate committee.

Table B – Non Specified Investments

	Non Specified Investment Category	Limit
a.	Any institutions meeting the criteria set out for Specified Investments , with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	£4m maximum of 2-years per institution
b.	Councils Bank – Should its ratings fall below that required for specified investment, monies will be restricted to instant access.	£7m
c.	Top 10 building societies, by asset value.	£2m maximum of 2-years per institution. £6m for all B/S sector

Local Authority Mortgage Scheme. Under this scheme the Council will place a maximum fund of £5m, with one of the approved lenders participating in the LAMS scheme for a fixed period of 5 years. This is classified as being a service investment, rather than a treasury management investment, and is therefore outside of the Specified / Non specified categories

Use of External Fund Managers –The Council currently uses external fund managers for part of its investment portfolio. The Council is not restricted to placing funds with cash managers, and will manage funds in house, use fund managers, or brokers if it is appropriate to do so.

The fund managers will use both specified and non-specified investment categories, and are contractually committed to keep to the Council’s investment strategy. Currently the Council has an agreement with Tradition UK and Sterling International. The fund managers are required to adhere to the following:

- All investments restricted to sterling denominated instruments;

Appendix I

- Amounts invested with any one institution or Corporate Group should not exceed the limits specified in Table A and Table B.
- Portfolio management is measured against the return provided by the 3 month sterling LIBID, or in accordance with the measures specified in the contract.

The performance of investment managed by Fund Managers is reviewed at least quarterly by the Head of Finance.

Ethical Investment Statement - The council has approved the following ethical investment statement that will apply to all cash investments made by, or on behalf of, the council

“The Council, in making investments through its treasury management function, fully supports the ethos of socially responsible investments. We will actively seek to communicate this support to those institutions we invest in as well as those we are considering investing in by:

- encouraging those institutions to adopt and publicise policies on socially responsible investments;
- requesting those institutions to apply council deposits in a socially responsible manner.”

Counterparties shall be advised of the above statement.

Annex 4

Risk Management – The Council undertakes risk assessment for all fixed term deposits or greater than one month. The risk assessment uses the following template –

Risk assessment of new investment (last updated March 2011)

Investment	Institution	Risk Assessment		
Investment Product	Institution name	<i>Risk of the counterparty defaulting on investment</i>		
			<i>Likelihood</i>	
		Counterparty on our specified list: Instant access	1.4	
		Counterparty only on non specified list: Instant access	1.7	
Principal Value	Eligibility	Counterparty on our specified list: <=364 days	2	Unlikely
		Counterparty on our specified list: <=3 months	1	Unlikely
		Counterparty only on non specified list: <=364 days	2.4	
		Counterparty only on non specified list: >364 days	3	Likely
Term	Limit with this institution			
		<i>Impact of losing the investment</i>		<i>Impact</i>
Rate	Existing investment value	Total principal less than £700,000	1	Negligible
		Total principal between £700,000 and £1.4m	2	Minor
		Total principal between 1.4m and £3.5m	3	Major
Rate %	Value inc new investment	Total principal greater than £3.5m	4	Critical
		Risk Score :		
Internal Reference	Is it within the limit?			

Risk assessed by:

Risk assessment date:

South Kesteven Pay Policy Statement 2013-2014

Introduction

1. It is a requirement of the Localism Act 2011 that the Council produces an annual pay policy statement. This pay statement summarises current policies and arrangements already in place. The Council will honour its contractual arrangements with employees – as such the pay policy statement is one of fact.
2. Any decisions in relation to pay will comply with this Pay policy statement for the period 1st April 2013 to 31st March 2014.
3. The Council may amend the pay policy statement any point in the year.

Context

4. The Councils pay and reward arrangements have been designed to ensure consistency through the job evaluation process and with reference to the external market. It does not currently make any specific arrangements with respect to personal performance and does not pay bonuses.
5. The Council employs all staff on local terms and conditions. It has a local pay agreement in place in respect of the payment of the national agreement on annual pay awards. The Council will make its own determination of cost of living awards in April every year in line with this agreement.

Chief Officer pay determination

6. The Localism Act refers to Chief Officers. The Chief Officers at South Kesteven District Council are the following:
The Chief Executive who is Head of Paid Service, S.151 Officer,
The Monitoring Officer, Strategic Directors, Heads of Service.
7. The Council determines its pay for its Chief Executive through the Chief Executive's remuneration panel. The panel and its remit is detailed in the Council's constitution.
8. The appointment of the Chief Executive and Statutory officers is a decision of the Council, in line with the Council's constitution. The Council does not have a separate pay policy in relation to Chief Officers and their pay determination is the same process as the determination of all staff.
9. The Council pays its chief officers on spot rates based on job evaluation and these are detailed in the Council's salary scale each year. The total remuneration package defined in employment contracts for the Chief executive and chief officers is the same as all staff. It includes a spot rate salary, the same holiday entitlement, the same sick pay arrangements, the same pension scheme arrangements, No enhanced remuneration elements are included. The Council does not pay car allowances or provide cars to any individual member of staff as the Council operates a pool car system available to all employees. Where the Chief executive, chief officers or staff use their own cars for Council business they are reimbursed at a flat rate of 45p. per mile in line with the HMRC guidelines.
10. Local government elections are a separate statutory responsibility and election rates are set in accordance with a Lincolnshire County wide election scale of fees and charges. These rates differ according to the size of the ward contested. Local elections do not necessarily take place every year.
11. The Council publishes senior management salary rates on its website in line with the requirements of the Government's transparency agenda.

Pay Determination Arrangements

12. The Council determines its pay for all staff through the relevant job evaluation scheme. The job evaluation score determines the grade at which the employee is paid and a collective agreement is in place with regard to the implementation of job evaluation.
13. The Council pays spot rate salaries based on the job evaluation outcome. It does not use salary bands, pay annual bonuses nor is pay a subjective decision. There are no additional benefits payable.
14. There are currently no performance related pay schemes or bonus schemes in operation for any staff, including chief officers. No car allowances are paid to staff and the Council no longer has an active health care scheme or any other additional benefits.
15. The Council will monitor pay locally and nationally as required and will undertake market reviews in relation to specific posts.
16. The salary for newly appointed staff (including chief officers) is determined on appointment in relation to the job evaluation score for the post. The job evaluation score assumes full competence at the job. Where a new appointee for the job has some development needs, the Council may choose to place the employee on a salary progression until full competence has been confirmed or qualifications have been completed. The Council will apply this approach to trainees.
17. Where a post is hard to recruit to at any level, particularly where there are supply pressures, the Council has a process in place to consider applying market supplements to pay or to offer recruitment incentives. Market supplements are kept under review and may be withdrawn if market conditions change.
18. As pay is determined through job evaluation it follows that pay rates can only increase if an individual's post has changed and they take on additional responsibilities. The council has a clearly defined process in place to ensure that employees are paid the correct rate of pay for the job they do. Annual cost of living awards, when made, are reflective of any national agreements and are paid in accordance with the Councils local agreement.
19. The Council will pay job related allowances to staff where it is a requirement of the job to do so. For example, instead of providing craft employees directly with tools it pays an allowance in line with JNC rates. Staff who are required to respond to emergencies outside normal working hours are also in receipt of standby and call out arrangements, depending on the nature of the work.
20. Overtime is payable at flat rate and can only be done with the prior approval of the line manager. Chief Officers and Managers are required to work evenings and weekends to meet the requirements of the job and are expected to balance their hours with time off in lieu without any overtime payments and no overtime is payable.
21. Honoraria and acting up payments may be paid for those staff who have taken up additional responsibilities for a defined period of time to cover absence or additional responsibilities. Where possible such payments will be based on the job evaluated rates of pay for those responsibilities. Each case will be considered on its own merits and a fair recompense will be calculated.
22. Temporary short term appointments of chief officers and staff will be paid in line with the job evaluated rate for the job and the prevailing market rate for such short term appointments.
23. Remuneration for staff on secondment will be in line with the Councils secondment policy.

Pay Multipliers

24. Whilst job evaluation and the market determines the relationship between the highest and lowest paid employees, an analysis of pay multiples has been undertaken in the light of the requirements of the Localism Act.

25. The Council defines its lowest paid employees in relation to their grade. This definition has been selected to enable fair comparison on a Full Time Equivalent basis.

26. The Ratio of the highest paid employee to mean salary per Full Time Equivalent is 1:5 (based on actual salary paid).

27. The council has no policy about the maximum or minimum levels of such ratio statistics.

Termination Payments

28. The Council recognises that chief officers and staff leave the council for a whole range of reasons, including retirement, redundancy, voluntary resignation, employment termination. Each case will be treated on its own merit and will comply with Council policies and the law. The Council reserves the right to make any appropriate payments to protect the reputation of the Council and manage risk of litigation. This will be in line with legislation and with reference to best value.

29. The Council has a pension's policy in place approved in 2008 and it has exercised its discretion not to augment pensions. No Chief Officer or any other employee has a contractual right to an increase in pension entitlement other than through their actual service. Employee contribution rates are linked to pay and set by an independent actuarial review. The lowest paid staff pay the lowest level of pension contribution currently 5.5% rising to 7.5% for the Chief Executive and Directors. The Pensions Act 2008 requires us to auto enrol new employees into the pension scheme from a staging date, which for South Kesteven District Council is 1 November 2013. The auto-enrolment of current staff will not take place until October 2017.

30. The Council has determined that it will allow flexible retirements in line with its retirement policy statement and Regulation 18 of the Pension Regulations. This permits flexible retirement from age 55 from 1st April 2010 with consent. The policy has a provision for individuals to retire from their substantive post and continue in employment at a lower grade or with reduced hours. The Council's policy is that any consent given for flexible retirement will only be given in the interests of the efficiency of the service. The Council has already defined interests of the efficiency of the service on 26th October 2006 as "efficiency shall include (but not be limited to) both financial savings and or quantifiable quality improvements judged on a case by case basis". It will take into account service delivery / efficiency considerations, skill retention and the financial implications of the cost of early release in every case.

31. The Council has a redundancy policy in place approved by Cabinet on 6th July 2009 which applies equally to all staff. Where redundancy payments are made to any employee the Council reserves the right to recover the redundancy severance payment under the Continuity in Local Government (Modification order) 1999 if the employee obtains employment within a month and a day of their termination date.

31. The Council has a redundancy policy in place approved by Cabinet on 6th July 2009 which applies equally to all staff. Where redundancy payments are made to any employee the Council reserves the right to recover the redundancy severance payment under the Continuity in Local Government (Modification order) 1999 if the employee obtains employment within a month and a day of their termination date.

32. The Council does not have any specific termination payments built into any employee's employment contracts. It reserves the right to do so should such a need arise in the interests of the efficiency of the service.

Shared Staffing arrangements

33. The Council will enter into shared staffing arrangements with other Councils and agencies as and when it is advantageous to do so in order to deliver efficiencies. Such arrangements will be determined on a case by case basis on terms agreed between the partners in a formal agreement.

REPORT TO COUNCIL

REPORT OF: HEAD OF FINANCE

REPORT NO: HOF222

DATE: 1 March 2013

TITLE:	Updating of Contract and Procurement Procedure Rules	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	None	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Cllr Mike Taylor Assets and Resources Portfolio Holder	
CONTACT OFFICER:	Richard Wyles, Head of Finance r.wyles@southkesteven.gov.uk 01476406210	
INITIAL IMPACT ASSESSMENT:	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:
Equality and Diversity	N/A	No
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	HOF168 – Contract and Procurement Procedure Rules HOF213 – Updating of the Contract and Procurement Procedure Rules The above reports can be located by putting their reference number in the search section of the committee website via the link below: http://moderngov.southkesteven.gov.uk/ieDocSearch.aspx?bcr=1	

1. RECOMMENDATION

1.1 Council is asked to approve the updated Contract and Procurement Procedure Rules in relation to supporting local suppliers up to the contract value of £25,000.

1.2 Council is asked to approve the definition of local supplier as: 'suppliers whose trading premises are located within Lincolnshire and/or a 20 mile radius of the county of Lincolnshire's boundary'.

2. PURPOSE OF THE REPORT

- 2.1 The Contract and Procurement Procedure Rules (CPPR) set out the regulations which must be followed by the Council when it procures goods, services and works. The current CPPR were last updated in December 2011 to ensure they remained in line with best practice in terms of procurement practices and methodologies. Recently officers from South Kesteven and Procurement Lincolnshire have been reviewing how the Council can support local suppliers as part of its priority to 'Grow the Economy'.
- 2.2 Members of Governance and Audit Committee have considered this item at their meeting on 6th December 2012 and recommend that Council approve the updated CPPR.

3. DETAILS OF REPORT

- 3.1 The Council has been working with Procurement Lincolnshire and all its partners to adopt a Countywide strategy to support local Lincolnshire businesses which outlines a number of initiatives within its Joint Action Plan. Work has been undertaken with both senior management and the executive on how the Council can engage and deliver the Strategy which also includes defining what South Kesteven defines as 'local'.
- 3.2 The potential for positive action to support 'local suppliers' is substantially limited by EU Procurement Law. The EU Public Contract Regulations 2006 do not allow procurement awards to be made based on geographical location or ability to favour local businesses as this may be seen as discriminatory. However there are many ways that local businesses and the local economy can be legitimately supported through procurement based initiatives without contravening the Regulations
- 3.3 One of the procurement based initiatives detailed within the Joint Action Plan is the adoption of a procurement policy "Supporting Local Suppliers and SMEs for low value purchases that are not subject to the EU regime and below the Council's threshold of £25,000, where a series of detailed rules must be followed which regulate how contracts are to be awarded. This draft Policy outlined in the table below has been developed to encourage officers to consider purchasing from local suppliers when appropriate. The activities detailed in the table below demonstrate how the Councils in Lincolnshire can maximise their use of local suppliers ensuring that adequate competition is maintained whilst minimising legal risk.

Total Contract Value	Process	Action to be taken	Benefit
£0 - £10,000	3 quotations – supported in writing	A local supplier should be used where appropriate	Local suppliers will be given the opportunity to bid for work.
£10,001 - £25,000	Minimum of three written quotations	One of the quotations must be from a local supplier and a local supplier should be used where they provide the most economically advantageous offer.	
£25,001 - £75,000	Request for Quotation	Advertise via Contract Publications but this must include advertising on Source Lincolnshire	Local suppliers can register on Source Lincolnshire to receive email alerts, ensuring they don't miss an opportunity to bid for work.*
£75,001 – EU Thresholds	Tender Process		
Above EU Thresholds	Tender Process	Advertise on OJEU and Source Lincolnshire	

3.4 The policy, if adopted, will form part of the authority's Contract Procedure Rules and will require that, for all purchases up to £25,000, one of the quotations must be from a local supplier and that the local supplier should be used where they provide the most economically advantageous offer.

3.5 Members of Governance and Audit Committee considered the matter of the definition of 'local' and agreed that this should not be limited to businesses located within Lincolnshire only, given the geographical location of South Kesteven. It was therefore proposed that to have a consistent definition with other county authorities, suppliers will be defined as those whose trading premises are located within Lincolnshire and/or a 20 mile radius of the county of Lincolnshire's boundary.

4. OTHER OPTIONS CONSIDERED

4.1 None

5. RESOURCE IMPLICATIONS

5.1 The approval of the Contract and Procurement Procedure Rules has no direct resource implications

6. RISK AND MITIGATION (INCLUDING HEALTH & SAFETY AND DATA QUALITY)

- 6.1 In order to ensure contract and procurement activities are undertaken in accordance with legislative requirements and policy, training and resource support will be provided to assist officers.

7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT

- 7.1 None

8. CRIME AND DISORDER IMPLICATIONS

- 8.1 None

9. COMMENTS OF FINANCIAL SERVICES

- 9.1 Supporting Local suppliers and the impact on the local economy is an important issue for the council as it has significant influence in this area given the size of its spending power. The council has already adopted some of the initiatives suggested by Procurement Lincolnshire such as paying local suppliers in 10 days – 92.59% as at January 2013.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 10.1 Any change to the Council's Contract and Procurement Procedure Rules should take into account the guidance provided by Procurement Lincolnshire and ensure compliance with the Public Contract Regulations 2006 to minimise the risk of challenge. The Public Contract Regulations 2006 apply to contracts over a specific threshold. Current thresholds are £173,934 for supplies and services contracts and £4,348,350 for works contracts. The proposals in this report will impact on contracts valued below the current thresholds.

11. APPENDICES

- 11.1 None



28 January 2013

Dear Councillor

Local authority action on fuel poverty

I am writing to draw your attention to a set of initiatives the End Fuel Poverty Coalition, Consumer Focus and local authority partners are taking to encourage council action on fuel poverty. They include:

- Commissioning of the report *Going local* – this details a survey of council activity and makes recommendations for improvements. In particular, it calls for the introduction of a new local authority fuel poverty duty, following an assessment of burdens and resources required. See: <http://www.consumerfocus.org.uk/publications/going-local-a-report-for-consumer-focus-on-local-authorities-work-to-tackle-fuel-poverty>
- Development of the local authority fuel poverty commitment (attached) which we would like your council to sign up to.
- Organisation of a major conference on fuel poverty – *Local action for warm homes* – at Islington Council on 31 October which highlighted good practice. The conference was addressed by the Energy Minister, LGA and leading local authorities (conference presentations available on request).
- Sponsorship of NEA regional fuel poverty forums – these provide an opportunity for councils, NGOs and others to share information and develop good practice.
- Commissioning of research, with NEA and DECC, on the health and social care costs of cold homes as part of an initiative to encourage action by Health and Well-being boards on the new fuel poverty public health outcome (publication due March 2013).

We think there are important new opportunities for increased council action on fuel poverty, including new sources of funding. They include under-spent fuel company funds, the new Energy Company Obligation, new DECC and DoH funds for local action on fuel poverty, the revised HECA guidance and the transfer of public health to local government.

However, despite new funds coming on stream we recognise that local authorities have borne the brunt of public expenditure cutbacks. We are calling, alongside our partners in the Energy Bill Revolution (EBR) coalition, for the Government to use its carbon tax proceeds to invest in an energy efficiency programme focussed on the fuel poor (see www.energybillrevolution.org). We think councils could play an important role in implementing the proposed programme and would urge your council to support the EBR campaign.

We hope you find the report of interest. Please sign the 'fuel poverty commitment' and support the EBR campaign. We have drafted a model resolution in support of this which you may find of use – see overleaf. You can find more information about the End Fuel Poverty Coalition at our website: www.endfuelpoverty.org.uk. You can also get advice on local initiatives to tackle fuel poverty from NEA (www.nea.org.uk) and the Carbon Action Network (www.can.uk.net).

Yours sincerely

William Baker
On behalf of the End Fuel Poverty Coalition

Consumer Focus
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Local authority fuel poverty commitment

Fuel poverty is a scourge on our communities. It harms the physical and psychological health, welfare and quality of life of our residents.

Local authorities can play an important role in tackling fuel poverty through, for example, our new public health responsibilities, our strategic role in improving housing and our concern to encourage residents to contribute to the local economy and community.

We commit our Council to:

- Make sure we understand the extent of fuel poverty in our area, its impact on health, housing and quality of life, and to take action to address it
- Make sure that the Joint Strategic Needs Assessment, agreed between Councils and local NHS organisations, informs strategies to tackle fuel poverty
- Work with partners such as Health and Wellbeing Boards and advice services to develop effective referral systems to reduce fuel poverty and cold-related ill health
- Develop a strategic approach to improve energy efficiency in all housing and fulfil its potential to create jobs and prosperity in our local communities
- Work with energy companies and related organisations to help make sure the Green Deal, Energy Company Obligation (ECO) and other energy efficiency programmes are delivered effectively in our area
- Administer the benefits we are responsible for efficiently and fairly, and help make sure eligible households receive the benefits to which they are entitled
- Explore ways of reducing fuel poverty that involve the whole community, including community groups and town and parish councils

We want the Government to:

- Help us meet our ambitions to eliminate fuel poverty in our area
- Make sure Public Health Directors can effectively deliver on their responsibility for meeting the public health outcome on fuel poverty
- Work with the LGA to support local authorities provide peer-to-peer support and sign up to locally appropriate actions and targets
- Help disseminate information and guidance on legislation, policy initiatives and best practice
- Help compile standardised housing stock data on all housing in the country
- Require Green Deal and ECO providers to inform local authorities of works taking place in their area, to enable authorities to report on referrals and outcomes
- Make sure we have the resources to make an effective contribution towards meeting the national target to eliminate fuel poverty by 2016

Council

commits to do everything within its powers to help eliminate fuel poverty in its area.

This commitment was written by the End Fuel Poverty Coalition (EFPC) and local authority officers. For more information on the EFPC, go to our website: www.endfuelpoverty.org.uk.