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Uttlesford District Council

Chief Executive: Peter Holt

To all Members of Uttlesford District Council, you are hereby summoned to attend the meeting of the District Council to be held as shown below to deal with the business set out in the agenda.

Chief Executive: Peter Holt

Budget Meeting - Council

Date: Monday, 26th February, 2024

Time: 7.00 pm

Venue: Council Chamber - Council Offices, London Road, Saffron Walden, CB11 4ER

Chair: Councillor G Driscoll

Members: Councillors M Ahmed, A Armstrong, H Asker, G Bagnall, S Barker, N Church, M Coletta, A Coote, C Criscione, J Davey, A Dean, B Donald, J Emanuel, J Evans, C Fiddy, M Foley (Vice-Chair), R Freeman, R Gooding, N Gregory, N Hargreaves, R Haynes, P Lees, M Lemon, J Loughlin, T Loveday, S Luck, C Martin, D McBirnie, J Moran, E Oliver, R Pavitt, A Reeve, N Reeve, B Regan, G Sell, R Silcock, M Sutton and M Tayler

Public Speaking

At the start of the meeting there will be an opportunity of up to 15 minutes for members of the public to ask questions and make statements, subject to having given notice by 12 noon two working days before the meeting. A time limit of 3 minutes is allowed for each speaker.

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AGENDA

PART 1

Open to Public and Press

1 Apologies for Absence and Declarations of Interest

To receive any apologies and declarations of interest.

2 Minutes of the previous meeting

5 - 16

To receive the minutes of the previous meetings held on 17 January 2024 and 5 December 2023.

3 Chair's Announcements

To receive any announcements from the Chair.

4 Reports from the Leader and Members of the Executive

To receive matters of report from the Leader and members of the Executive.

5 Matters referred from the Executive and the Council's committees

To consider any reports referred from the Executive and the Council's committees and receive questions and answers on any of those reports.

5a Proposed 2024/25 Licence Fees for Hackney Carriage and Private Hire Drivers, Vehicles and Operators

To Follow

To consider the proposed Licence fees for the period of 1 April 2024 to 31 March 2025 relating to Hackney Carriage and Private Hire Drivers, Vehicles and Operators.

6 Matters received about joint arrangements and external organisations

To consider matters concerning joint arrangements and external organisations.

- No matters received.

7 Pay Policy Statement 2024/25

17 - 34

To consider the Pay Policy Statement 2024/25.

- 8 Corporate Plan 2023-27** 35 - 50

To consider the Corporate Plan 2023-27.

- 9 Medium Term Financial Strategy 2024-2028 and Annual Budget 2024/25** 51 - 304

To consider the Medium Term Financial Strategy 2024-28 and the Annual Budget 2024/25.

- 10 Member Motion: Written Questions to the Executive and Committee Chairs Protocol** 305

To consider the Member Motion regarding the Written Questions to the Executive and Committee Chairs Protocol.

- 11 Member Motion: Waste Service Disruption** 306

To consider the Member Motion regarding Waste Service Disruption.

- 12 Exclusion of public and press**

To exclude the public and press due to consideration of reports containing exempt information within the meaning of section 100I and paragraph 3 (information relating to the financial or business affairs of any person, including the authority holding that information) part 1 Schedule 12A Local Government Act 1972.

PART 2

Exclusion of Public and Press

- 13 Sale of Commercial Portfolio Asset(s)** 307 - 387

To consider the report regarding the Sale of Commercial Portfolio Asset(s).

MEETINGS AND THE PUBLIC

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The agenda is split into two parts. Most of the business is dealt with in Part I which is open to the public. Part II includes items which may be discussed in the absence of the press or public, as they deal with information which is personal or sensitive for some other reason. You will be asked to leave the meeting before Part II items are discussed.

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EXTRAORDINARY COUNCIL held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on WEDNESDAY, 17 JANUARY 2024 at 7.00 pm

Present: Councillor G Driscoll (Chair)
Councillors M Ahmed, A Armstrong, H Asker, G Bagnall, S Barker, N Church, M Coletta, A Coote, J Davey, A Dean, B Donald, J Evans, C Fiddy, M Foley, R Freeman, R Gooding, N Gregory, N Hargreaves, R Haynes, P Lees, T Loveday, S Luck, C Martin, J Moran, E Oliver, R Pavitt, A Reeve, N Reeve, B Regan, G Sell, R Silcock, M Sutton and M Tayler

Officers in attendance: P Holt (Chief Executive), B Ferguson (Democratic Services Manager), D Hermitage (Strategic Director of Planning) and N Katevu (Monitoring Officer and Head of Legal Services)

C69 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors McBirnie, Emanuel, Loughlin, Criscione and Lemon.

Councillors Barker, Foley and Gooding declared an interest as Essex County Council members.

C70 REQUISITION FOR AN EXTRAORDINARY MEETING: RESPONSE TO THE LETTER RECEIVED FROM THE SECRETARY OF STATE FOR LEVELLING UP, HOUSING AND COMMUNITIES

The Chair said Members had been summoned to consider the requisition regarding the Leader's proposed response to the letter received from the Rt Hon Michael Gove, Secretary of State for Levelling up, Housing and Communities dated 19th December 2023. The purpose of the meeting was for the Leader to present her proposed response, which was attached to the agenda papers, and to answer questions on the proposed response.

The Leader said the draft response to the Secretary of State had been attached to the agenda papers for Members consideration, and that an email had been circulated before Christmas to all councillors, which had expressed surprise at receipt of the letter relating to the Local Plan, as the Council had been in regular contact with department to keep them updated. She said the proposed response was factual and calm in tone; she did not intend to politicise the Local Plan.

Councillor Barker said the requisition had been submitted as she felt the response to the letter should be in the public domain. Furthermore, she had concerns regarding the spatial strategy and allocation numbers pertaining to the Regulation 18 decision in October 2023. Days before that decision, the Planning Inspector had approved 1,200 houses in Little Easton, which she said demonstrated that the spatial strategy was now "out of the window" as the site

had not been deemed suitable by officers working on the Plan. These permissions were also a “game changer” in terms of the number of houses that needed to be allocated. She said questions relating to planning permissions had been raised at Council and by a Freedom of Information request but she had not received a response. She asked whether Council believed that there would be substantial changes to the Local Plan before the Regulation 19 stage, as the Chief Executive had previously said, or whether these would be less significant. She welcomed the recent information received regarding the establishment of a new Local Plan working group, which suggested that changes were forthcoming, and more work was to be done before Regulation 19. She asked the Leader to reconsider her response and include reference to the permissions that had been granted between April 23 and April 24, which would reduce the Council’s housing allocation numbers before the Regulation 19 stage. In addition, she asked that the Leader reflect on ECC’s comments on the draft Plan as the statutory Highways and Education authority.

Councillor Gooding raised the issue of education and lack of school places in the district; particularly, he was concerned with the number of places for pre-school and early years learning, and special education needs were not mentioned in the draft Local Plan. He said the Council had to ensure such omissions did not cause any future delays.

Councillor Sell said he considered the Secretary of State’s letter political as he saw little merit in sending such an instruction when the Council had recently reached the Regulation 18 stage of the process. He said the Leader’s proposed response was a “model of restraint” and he supported such an approach.

Councillor Moran asked what the strategy would be for villages in the district, such as his ward of Ashdon. He said the Council needed to be open with the community in terms of any further changes to the Local Plan.

Councillor Fiddy said the Secretary of State was already aware of the Council’s timetable and that this was a political vanity project. She said there had been no need for this meeting, which would be at the cost of the taxpayer and reduce officer time spent working on the Local Plan.

Councillor Pavitt agreed and said this was a waste of time and “gesture politics”.

Councillor Bagnall urged caution and said it was worth reflecting on ECC’s comments to ensure the timetable was kept on track.

Councillor Gregory said it was the Leader of the Opposition’s role to hold the administration to account in public, as per this extraordinary meeting. However, a Local Plan was needed in the district to prevent speculative development and he felt the letter was politically motivated. He urged the local MP to support the constituency.

Councillor Reeve said the Local Plan was an exercise in community building and there was an opportunity to “build better” rather than impose development on the district. He said officers had not been put under political pressure in producing the draft Local Plan, which had also been subject to public consultation.

Councillor Hargreaves said ECC were the local educational authority and were responsible for school places. He cited an instance in Newport whereby ECC refused a free parcel of land which would have allowed the expansion of a local primary school.

Councillor Coote said the Government was responsible for the lack of school and pre-school places across the nation and referred to Councillor Gooding's earlier speech and Rt Hon Michael Gove's appointment as Education Secretary in 2010, whereby he decided to not proceed with a future school building programme. He said this would have saved the current Government £1.2billion.

Councillor Gooding said the scheme was dropped due to extraordinary costs, with repayments still being paid today.

Councillor Coote said there were 1,600 under-ones who could not find a nursery place in Essex. He said this was not a real local plan, rather one imposed on the district by a Conservative Government.

Councillor Freeman said he thought the Secretary of State had been ill-advised in sending the letter and he had little confidence in the current Government. The district required a Local Plan in order to prevent speculative development and he was confident that the Council was on track to make this happen.

Councillor Asker said the meeting had been a waste of time. She asked the Conservative Group to read the draft response in the agenda papers, specifically bullet points 4 and 5, as these were the main reasons for the requisition.

Councillor Evans said the Local Plan would be dealt with in the public domain and a new iteration of the Local Plan working group would begin work in February. The planning policy team were currently working on responding to the consultation comments and these too would be published in due course. He said the Council would be extending its duty to co-operate with ECC, although this was a reciprocal arrangement and officers had been surprised at the county council's comments in relation to education. In respect of the village communities, he said they would have an opportunity to request where housing allocations were located. Changes would be made to the Local Plan following consideration of the representations made in response to the Regulation 18 consultation. He said he felt that the issues raised by the Opposition had been adequately addressed.

Councillor Church said the meeting had been called to ensure member concerns regarding the response to the Secretary of State's letter were heard. He said he had concerns regarding the timing of the letter, which was sent after the Regulation 18 decision, and he felt the Plan was flawed. He asked that in future the Local Plan leaflets were delivered to the public in a timely manner.

The Leader was invited to summarise the debate. She said the points raised today could have been better made in a different format, such as a group leaders' briefing, and very few material matters had been raised at this public meeting. Comments relating to ECC and school places were a surprise as ECC

was the authority responsible for education. In regards to housing allocations, she stated that 7,546 planning permissions had been granted up to November 2023. She said the draft response was deliberately apolitical and based on facts, and the Local Plan was too important to be politicised. She asked that members work collaboratively in order to produce a Local Plan for the district and to contact her in the event they had questions or concerns regarding the process.

The meeting was closed at 7.59pm.

COUNCIL held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on TUESDAY, 5 DECEMBER 2023 at 7.00 pm

Present: Councillor G Driscoll (Chair)
Councillors M Ahmed, S Barker, N Church, M Coletta, A Coote, J Davey, A Dean, B Donald, J Emanuel, J Evans, C Fiddy, M Foley, R Freeman, R Gooding, N Gregory, N Hargreaves, P Lees, T Loveday, S Luck, J Moran, E Oliver, R Pavitt, A Reeve, N Reeve, B Regan, G Sell, R Silcock, M Sutton and M Tayler

Officers in attendance: P Holt (Chief Executive), B Ferguson (Democratic Services Manager) and N Katevu (Monitoring Officer and Head of Legal Services)

Also present: Steven Dale (Independent Remuneration Panel) and Brigid Dyson (Independent Remuneration Panel – Chair)

C57 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Criscione, Loughlin, Martin, Asker, Armstrong, Lemon, Bagnall, Haynes and McBirnie.

Councillors Barker, Foley and Gooding declared an interest as members of Essex County Council in respect of the Local Council Tax Support Scheme.

C58 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 10 October 2023 were approved as a correct record.

Councillor Hargreaves proposed an amendment in respect of Minute C56 of the meeting held on 30 October 2023. Council consented to the following additional wording being added to Councillor Hargreaves statement:

“The document was three times the length of the NPPF and twice that of the 2005 Local Plan and required far fewer words. He was concerned that too many words would “make easy picking for lawyers”.

Councillor Dean said the Leader’s contribution to the meeting held on 30 October 2023, as denoted in C56, was too brief and required further wording in respect of her statement pertaining to the Local Plan and no political deal making by members, which she had said led to previous Local Plans failing, and the future commitments to the member working group that would play a role in the ongoing Local Plan process.

The Chair said the officer would make the necessary alterations. Council approved the minutes of the meeting on 30 October, subject to the forementioned alterations, as a correct record.

C59 CHAIR'S ANNOUNCEMENTS

The Chair listed his activities since the previous Council meeting, which included Remembrance Day commemorations at Hall Green School and Birchanger, the Christmas tree lights at the Birchanger Light Up and a charity event on the Saffron Walden common.

C60 REPORTS FROM THE LEADER AND MEMBERS OF THE EXECUTIVE

The Leader updated Council on the proposed devolution of power to Essex councils and said a plan had been put forward to combine Southend on Sea City Council, Thurrock Council and Essex County Council into a single Authority. District Councils would not have a vote at the table but talks were ongoing.

The Chair invited questions on any matter set out in Cabinet member reports.

Councillor Sell said it would be good to see a written report from the Leader in future.

In response to a question from Councillor Barker regarding Airport Parking issues, Councillor Hargreaves said the notes of a meeting with Manchester Airport would be circulated in the coming days.

In response to a question from Councillor Fiddy regarding the use of hydrogen energy, Councillor Reeve confirmed that he did not believe hydrogen energy would be utilised for domestic consumption. It would, however, have a role to play in the renewable energy sector and would be relevant to the industries based at Stansted Airport and for Heavy Goods Vehicles.

Councillor Emanuel thanked Councillor Coote, the Portfolio Holder for Housing, for the recent work at Reynolds Court, Newport. She also thanked Mark Dyer for his excellent communication throughout the project.

C61 QUESTIONS TO THE LEADER, MEMBERS OF THE EXECUTIVE AND COMMITTEE CHAIRS (UP TO 30 MINUTES)

Councillor Gregory confirmed he did not have a question of clarification.

In response to Councillor Sell's clarification question, Councillor Hargreaves said free parking at Christmas was reviewed every year and would be reviewed again next year.

Councillor Silcock confirmed he did not have a question of clarification.

Councillor Fiddy confirmed she did not have a question of clarification.

Councillor Barker said she was disappointed that the number of planning permission granted since 1 April 2023 had not been made available and she had submitted a Freedom of Information request in order to acquire the data.

Councillor Barker confirmed she did not have a question of clarification in regards to question 8.

Councillor Gooding said he was also disappointed that the requested information had not been provided; he would be submitting a Freedom of Information request in regards to the Council's investment portfolio and the cost of borrowing, revenue income and estimated interest costs over the next 5 years.

Councillor Moran highlighted the press article which stated Uttlesford District Council was in the top 20 indebted councils in the country. Councillor Hargreaves said the council had responded to this via a press release at the time of the article.

Councillor Church confirmed he did not have a question of clarification.

Councillor Oliver confirmed he did not have a question of clarification.

Councillor Regan confirmed he did not have a question of clarification.

C62 **MATTERS RECEIVED ABOUT JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS**

There were no matters received regarding joint arrangements or external organisations.

C63 **MATTERS REFERRED FROM THE EXECUTIVE AND THE COUNCIL'S COMMITTEES**

There were no matters referred from the Executive nor the Council's Committees.

C64 **MEMBERS SCHEME OF ALLOWANCES 2024/25**

Brigid Dyson, Chair of the Independent Remuneration Panel (IRP), spoke to the report produced by the IRP in respect of the Members Allowances Scheme for 2024/25. The report recommended a 4% uplift to the Members' Basic Allowance, and she highlighted the proposed uplift to a number of Special Responsibility Allowances (SRAs), specifically those relating to the Planning Committee Chair, Planning Committee members and portfolio holders. She said it had been a difficult review, what with issues such as the Cost of Living Crisis and high inflation to consider, but it was important to acknowledge members' workload as well as ensuring that the remuneration available to members did not disincentivise candidates from standing for office in future. She thanked her fellow Panel members, Steve Dale and James Dyson, and Democratic Services for their support throughout the review.

Councillor Lees proposed the IRP's recommendation set out in the report. She said it was a fair proposal and she was pleased that the work of all Planning Committee members had been acknowledged. She said individual members who did not agree with the uplift to the Allowance Scheme were free to forgo, in full or in part, the allowance but they should respect the independent recommendation.

Councillor Luck seconded the proposal. He said it was right that fair remuneration was available to councillors to ensure that the Members Allowances scheme did not prove to be a disincentive for anyone thinking of standing for local government.

Councillor Sell said he was pleased with the recommendations and agreed with the uplift to SRAs in those roles which were particularly time consuming, such as Planning Committee.

The Chair took the proposal to a vote.

RESOLVED to:

- I. Agrees to a rise of 4.00% to the current level of basic allowance.
- II. Adopts the changes to the individual SRAs as set out in Appendix A and detailed in the report, for the municipal year 2024/25.
- III. Notes the addition of details relating to the remuneration for Parish and Town Councils.

C65

LOCAL COUNCIL TAX SCHEME PROPOSALS 2024/25 AND CONSULTATION RESPONSES

Councillor Hargreaves presented the report regarding the Local Council Tax Scheme Proposals (LCTS) 2024/25. He said there was an annual requirement to review the LCTS Scheme and consult on proposals for the following financial year. He said the Council had the lowest percentage contribution requirement of any authority in Essex and this had been the case for ten years. He also highlighted the fall in claimants for the second year running. He said the consultation had received 70 responses, with over 62% of responses supporting, in full or in part, the proposed scheme. He proposed approval of the recommendations set out in the report.

Councillor Emanuel seconded the proposals.

Councillor Alex Reeve commended the report and said vulnerable people should be supported. He praised the work of the Council and officers for overseeing a system that had seen a fall in claimants while ensuring a high rate of revenue collection at the same time. He said this was a great result for the district.

Councillor Fiddy said that the true number of people assisted by the Scheme was

greater than that set out in the report, as the published figure of 3,187 related to the number of households, not the number of people, benefitting from the LCTS scheme.

In response to a question from Councillor Barker relating to the rate of council tax collection, Councillor Hargreaves confirmed the collection rate was higher than 90%.

The Chair moved to a vote. The proposal was carried unanimously.

RESOLVED to approve the Local Council Tax Support Scheme for 2024/25 as set out below:

- I. The contribution rate is frozen at 12.5% for 2024/25.
- II. The Council continues to protect Pensioners, Vulnerable and Disabled Residents and their Carer's on a low income.

C66 CALENDAR OF MEETINGS 2024/25

The Calendar of Meetings 2024/25 was received and noted by Council.

C67 COMMITTEE APPOINTMENTS

Councillor Barker proposed the following changes to the Conservative Group's committee appointments:

Appointments Committee – Councillor Moran to replace Councillor Criscione.

Investigatory Disciplinary Committee – Councillor Regan to replace Councillor Criscione.

Councillor Loveday seconded the appointments.

The proposal was carried unanimously.

RESOLVED to:

- I. Appoint Councillor Moran to the Appointments Committee, in place of Councillor Criscione.
- II. Appoint Councillor Regan to the Investigatory Disciplinary Committee to replace Councillor Criscione.

C68 MEMBER MOTION: SEWAGE

Councillor Sell spoke to his motion regarding the discharge of raw sewage in Uttlesford's rivers and waterways. He said a similar motion had been carried at

East Hertfordshire District Council and he also recognised the good work on the issue from Councillors Pavitt and Emanuel and former Councillor Isham. He said the state of the sewage system in this country was indicative of crumbling infrastructure, a symptom of the privatisation of the water companies that prioritised profit over modernisation and the natural environment. He said 75% of rivers were polluted and the Environment Agency had reported that there had been 300,000 spills in the UK since 2022. In terms of Uttlesford, “storm overflows” had been conducted 321 times in 2022, although he said the figures released may not present an accurate reflection of “storm overflow” incidents. He said investment in the system was required. He asked members to support the motion.

Councillor Dean seconded the motion and said this was relevant to the emerging Local Plan process. He said policies 34 (contamination) and 35 (protection and enhancement) already covered this subject and the Council was “plugged in” to the issue.

Councillor Gooding cited the adage that “plumbers did more for health in Victorian England than any other profession” and this legacy needed to be upgraded. However, he said upgrading the infrastructure was not straight forward and would cost billions of pounds, and he noted that while Anglian Water had made a profit of £185 million, this was a “drop in the ocean” compared to the investment required. He said it would be unfortunate if the taxpayer had to bail out the water companies.

Councillor Coote supported the motion and said the poor state of infrastructure was due to the privatisation of state industries and the water companies needed to put the money back into the system to ensure the system was fit for purpose. He said investment should be backdated and it was estimated that water companies would need to payback 18% of profits in order to cover the lack of investment in the past 30 years.

Councillor Pavitt said the water companies had been “given away” when privatised. He said this was a useful motion which reinforced previous work on the issue. He said the motion did not identify the invisible elements that made up a healthy waterway, such as nutrients. Furthermore, when water companies pledged to upgrade their systems, they were talking in capacity terms, not upgrading the technology to ensure pollutants and microplastics were extracted from the water. Members would need to be mindful of this when considering Local Plan proposals in future. He asked the Chief Executive to note in his letter that there was a need to control what was recycled into rivers, not just what was dumped into them.

Councillor Emanuel said the UK was the only country on the planet that had privatised its water companies. She said there had been great news in the River Camb in Newport as otters had been reintroduced and trout had begun to lay their eggs. However, effluent was being discharged into the river, harming the prospects of these creatures, and constant monitoring was required. She said she had an issue with point 4 of the motion and asked the Chief Executive to include reference in his letter to the Prime Minister regarding the need for constant monitoring of sewage discharge.

Councillor Lees said profit should not be the priority of water companies and she referenced a recent summit in parliament whereby Anglian Water made commitments to invest in water infrastructure. She asked whether the Chief Executive could incorporate member comments into the letter to Government, such as the importance of monitoring rivers and sewage works to ensure compliance.

The Chair confirmed that this could be done.

Councillor Moran said he agreed with the sentiment that “what gets measured, gets done” in terms of monitoring the health of the district’s rivers. He said otters had also returned to the River Bourne in the parish of Ashdon.

Councillor Sell said he was delighted to hear that wildlife was returning to the district’s rivers. He asked the Portfolio Holder for Planning to monitor the capacity of sewage works in the district, particularly in light of emerging housing developments. He added that the Council had a role to play in improving the health of the area’s rivers and thanked members for their support.

The Chair took the motion to a vote; it was approved unanimously.

RESOLVED to:

- I. Note that despite repeated calls to put a stop to the dumping of raw sewage into our precious rivers and chalk streams, the latest annual assessment by the Environment Agency showed “totally unacceptable” performance on pollution for most of England’s water and sewage companies. Thames Water was given just 2 stars for performance for 2022, meaning that they require significant improvement.
- II. Call on the Prime Minister and the Secretary of State for the Environment to strengthen the legislation on the discharging of raw sewage into our rivers by:
 - 1) Tightening and clarifying the regulations and law on the circumstances in which discharge of sewage might be permitted.
 - 2) Requiring prompt prosecution and fining of all offending companies.
 - 3) Requiring the Environment Agency to audit the Water and sewerage companies regularly, every year, to ensure that they are reporting their operations accurately.
 - 4) The Council also requests the Government to bring forward the date by which Water Companies are required to reduce their discharges by 50% -to bring it forward from 2048 to 2030.
 - 5) This Council authorises the Chief Executive and the Leader of the Council to write to the Secretary of State for the Environment and to our Member of Parliament to make these four requests.

The meeting was closed at 8.10pm.

Agenda Item 7

Committee:	Council	Date:	Monday, 26 February 2024
Title:	Pay Policy Statement		
Portfolio Holder:	Councillor Neil Hargreaves, Portfolio Holder for Finance and the Economy		
Report Author	Nicola Roberts, Head of Human Resources nroberts@uttlesford.gov.uk Angela Knight, Director – Business Performance and People aknight@uttlesford.gov.uk		

Summary

1. There is a requirement under the Localism Act 2011 for councils to publish an annual Pay Policy Statement which sets out the pay and remuneration of its employees for the forthcoming year.
2. The policy also includes data on the gender pay gap. Publication of this data is required by the Equalities Act 2010 (Specific Duties and Authorities).

Recommendations

3. Council is recommended to:
 - i. Approve the Pay Policy Statement
 - ii. Give delegated authority to the Director – Business Performance and People to update the Pay Policy Statement and associated documents with:
 - a. Pay multiple and average salary figures as at 31 March 2024.
 - b. Revised salary information once the 2024/25 national pay award is agreed.
 - c. The new grading structure if the Chief Executive (Head of Paid Service) decides to amend the grading structure between the current grades 12 and 13.
 - iii. Decide whether it wishes to debate the Pay Policy Statement at this meeting or defer debate until all figures are updated as per paragraphs 11, 12 and 13 below.

Financial Implications

4. There are no implications for the Council’s budget beyond those approved as part of the 2024/25 budget setting process.

Background Papers

5. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 6.

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	The policy sets out the council’s remuneration scheme for staff

Situation

7. The Localism Act 2011 put in place a requirement for Councils to approve a Pay Policy Statement before the start of each financial year. The Pay Policy Statement will be used for the forthcoming year to determine recruitment, retention and reward for existing and new staff.
8. All relevant legislation, government directives and guidance notes have been used to compile this Pay Policy Statement.
9. In accordance with the Council’s wish to demonstrate transparency, and to comply with the requirements of the Localism Act, the Pay Policy Statement and associated documents will be published on the Council’s website.

10. Delegated authority is sought to update figures in the Pay Policy Statement during the 2024/25 year without the need to bring the policy back to Full Council for further approval:

Pay Multiple, Average salaries and Cost of Living increases

11. Under the Localism Act the Council is required to publish pay multiple data. This is the ratio between the highest paid taxable earnings and the median earnings figure of the Council's workforce and is in section 6 of the Pay Policy Statement. The Act specifies the Pay Multiple should be calculated using figures as at 31 March. There is also a requirement to publish average salary data as at 31 March as in section 10 of the statement. Given the need to approve the Pay Policy Statement before 1 April, it is not possible to include the current year's data. Instead, the statement includes last year's data which at the time of submitting the report is the most recent available.
12. At the time of publishing the Pay Policy Statement, there has been no agreement regarding the 2024/25 annual cost of living increases, which is negotiated on behalf of councils between the Local Government Association and Trade Unions. Once agreement is reached, the Council's published pay scales, which are linked from the Pay Policy Statement, will be updated.
13. At the time of writing this report and statement the Chief Executive (Head of Paid Service) is reviewing the grading structure which may result in another grade being added between the current grades 12 (Heads of Service) and 13 (Directors). Recruitment and retention are becoming increasingly difficult at the Head of Service level and benchmarking against other councils has shown that our current grade 12 salary is not competitive for specialist posts at this level. There is a significant difference in salary between the two grades, giving room for an additional grade to be created if considered necessary.
14. Members are invited to indicate if they would like to set aside time in a future Council meeting once the figures have been updated to discuss the revised Pay Policy Statement.

Risk Analysis

15.

Risk	Likelihood	Impact	Mitigating actions
Council does not approve the Pay Policy by 31 March deadline	1 – the Pay Policy Statement is presented in advance of the deadline. It summarises established schemes and practices and contains data that is	3 – the council would be in breach of the Localism Act and Equalities Act	The Pay Policy Statement is presented well ahead of the deadline for publication

	mandated by Government		
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- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.



Pay Policy Statement 2024/25

Published
April 2024

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1. Background

Localism Act 2011 – Openness and accountability in local pay

- 1.1. Section 38(1) of the Localism Act requires local authorities to produce an annual pay policy statement.
- 1.2. The provisions in the Act do not seek to change the right of each local authority to have autonomy on pay decisions, however, it emphasises the need to deliver value for money for local taxpayers.
- 1.3. This statement has been approved by Full Council on 26 February 2024. Any proposed changes during the year will be brought back to Full Council for decision at the earliest opportunity, except where Full Council has already granted delegated authority.
- 1.4. This statement applies to all Council employees (except Apprenticeships and other national trainee schemes which are subject to the relevant national pay schemes).

Local Government Transparency Code 2015

- 1.5. The Council follows the transparency requirements on remuneration as set out in the Local Government Transparency Code 2015 (“the Code”), published by the Department for Communities and Local Government in February 2015, and the Local Transparency Guidance issued on 30 November 2015 by the Local Government Association.
- 1.6. Part of the Code includes publishing information relating to senior salaries within a local authority. A full list of all posts that are paid £50,000 or more per year that fall within the scope of the Accounts and Audit Regulations 2015 is published on the Council’s [website](#).

2. Introduction

- 2.1. The Council recognises that to attract, retain and motivate quality employees, fair and equitable pay and reward processes need to be adopted and managed. These processes should be based on the current and future requirements of the organisation. They should also recognise that changes in both employee expectations and motivational needs, along with influential external factors such as labour market conditions, need to be continually considered and managed through these policies.
- 2.2. Robust pay and reward processes provide clarification and understanding of what contributions and responsibilities are required of employees at all levels

and how their input is recognised and rewarded. It also supports the identification of the required values, behaviours and performance levels of the organisation in order for it to meet its key corporate and operational goals.

2.3. All of the policies referred to in this document have been formulated in accordance with local and national pay and reward standards and guidance.

2.4. Employees will only be paid in accordance with the conditions outlined in this document.

3. Terms and Conditions of Employment

3.1. For all roles, the terms and conditions of employment are in accordance with the following collective agreements/policies:

- the National Joint Council for Local Government Services, set out in the Scheme of Conditions of Service (commonly known as the Green Book), as adopted by or on behalf of the Council
- the East of England Regional Council for Local Government Employees Regional Agreements, as adopted by or on behalf of the Council
- local collective agreements reached with trade unions recognised by the Council and
- the policies of the Council.

In addition, the Council may from time to time adopt procedures which affects the terms and conditions of service. Local Agreements or those adopted by the Council will prevail over those agreed nationally or regionally.

4. Remuneration arrangements of Chief Officers

4.1. For the purpose of this policy only, the term 'Chief Officer' is defined as:

- Any member of the Corporate Management Team (CMT)
- Any senior role on the pay grades 12 to 15

4.2. Roles that are evaluated on Grades 12 to 15 have an independent salary grade scheme applied to them which is determined locally.

- 4.3. The salary grades for Chief Officers from April 2024 are outlined in the table below:

Role	Grade	Minimum Annual Salary	Maximum Annual Salary
Chief Executive	15	£125,252	£130,957
Strategic Directors	14	£100,144	£103,568
Directors	13	£77,320	£80,745
Senior Managers	12	£59,061	£62,485

NOTE: At the time of publishing this statement the NJC annual cost of living increase for 2024/25 had not yet been agreed.

- 4.4. Appointments of the Chief Executive and the Statutory Officers are approved by Full Council.

5. Remuneration arrangements of employees who are not Chief Officers

- 5.1. The Council adopts the recognised National Joint Council (NJC) salary grades for roles evaluated on grades 3 to 10 as detailed in the [‘Green Book’](#). These are developed through negotiations with Local Government employers and trade unions and are updated and applied in line with national circumstances.
- 5.2. Roles that are evaluated on Grade 11 have an independent salary grade scheme applied to them which is determined locally.
- 5.3. Each salary grade has incremental rises called Spinal Column Points (SCP).

6. Pay Multiple

- 6.1. The ‘pay multiple’ is the ratio between the highest paid taxable earnings and the median earnings figure of the whole of the Council’s workforce. The Council’s highest paid employee is the Chief Executive and the current pay multiple is shown in the table below.
- 6.2. Earnings for the purpose of calculating the ‘pay multiple’ are defined covering all elements of remuneration that can be valued (e.g. all taxable earnings for 2023/24 including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind). The calculation of earnings excludes the cash value of pension provision.
- 6.3. The Council defines its lowest paid employees as those staff members whose role is evaluated at Grade 3 on the NJC salary grades. The reason for this definition is that this is the lowest grade in the Council. This excludes

trainees and apprentices. The authority offers opportunities for apprenticeships and other national schemes such as school work experience placements. Apprenticeships have their own national pay scheme and are therefore outside of this policy.

Description	2023/2024 (FTE)
Highest Paid	£124,944
Median	£33,545
Lowest	£22,369
Highest to median ratio	3.7:1
Highest to lowest ratio	5.6:1

The salary for the highest paid employee (Chief Executive) includes an allowance paid for Returning Officer duties as outlined in paragraph 14.1

As outlined in section 11 of the cover report, the figures in red are last year's figures. This year's figures cannot be calculated until the March 2024 payroll has been run and we will therefore update this statement with the new figures in time for publishing in April.

7. Increments in Pay

- 7.1. For all roles, increments in pay normally occur on an annual basis, subject to satisfactory performance demonstrated through the council's UPerform appraisal scheme. The increment reflects a move to the next level SCP within a grade. Once a role has reached the highest SCP within a grade there will be no further incremental pay awards.
- 7.2. It is expected that new recruits will commence their employment on the minimum point of the grade, except in exceptional circumstances.

8. Annual cost of living award

- 8.1. For all roles, an annual 'cost of living' salary increase is applied in accordance with the National Joint Council (NJC). At the time of publishing this statement the NJC annual cost of living increase for 2024/25 had not yet been agreed

9. Living Wage

- 9.1. The Living Wage is an hourly rate set independently, updated annually and is calculated according to the basic cost of living using the "Minimum Income Standard" for the UK.
- 9.2. In January 2015, The Living Wage Foundation accredited the Council as a Living Wage Employer.
- 9.3. The Living Wage commitment will see that everyone working at the Council, regardless of whether they are permanent employees or third-party

contractors and suppliers; receive a minimum hourly wage of at least the Living Wage. The minimum hourly rate that we pay our employees is £12.59 which is higher than the National Living Wage of £11.44per hour and the Real Living Wage of £12.00per hour.

10. Average Salaries

- 10.1. Based on staffing levels at the time of issuing this policy the approximate mean average salary for non-Chief Officer employees is **£32,873** and the median salary is **£31,099**.
- 10.2. The minimum salary of our employees is £24,294 FTE, Grade 3.
- 10.3. Based on staffing levels at the time of issuing this policy the mean average salary for Chief Officers is **£76,081** and the median is **£77,180**.
- 10.4. At the time of publishing this statement the NJC annual cost of living increase for 2024/25 had not yet been agreed.
As outlined in section 11 of the cover report, the figures in red are last year's figures. This year's figures cannot be calculated until the March 2023 payroll has been run and we will therefore update this statement with the new figures in time for publishing in April.

11. Salary Ranges

- 11.1. It is the council's policy that the salary range for the role of Chief Executive will normally be no greater than seven times the average salary of a Grade 3 'Green Book' employee.
- 11.2. It is the council's policy that the salary range for the role of Strategic Director will normally be no greater than five times the average salary of a Grade 3 'Green Book' employee.
- 11.3. It is the council's policy that the salary range for the role of Director will normally be no greater than four times the average salary of a Grade 3 'Green Book' employee.
- 11.4. All annual salaries are paid pro rata to part time working officers based on the number of hours they are contracted to work.

12. Pay Protection

- 12.1. The Council operates a pay protection policy which provides a mechanism to assist employees to adjust to a reduction in pay arising from organisational change, job evaluation or redeployment. Pay protection will apply to

permanent employees from the effective date of the change of grade for a period of two years as follows:

- Where the alternative suitable employment within the Council is at a lower grade, pay protection will be up to a maximum of one grade only from the highest SCP of that lower graded post regardless of the employee's grade in their previous role for the first year following redeployment
- Pay protection for the second year will reduce to 50% of the amount paid in the first year.

13. Job Evaluation

- 13.1. The salary grades and therefore the remuneration levels of employees are determined by the use of a job evaluation scheme. Job evaluation is a systematic process used to determine the relative worth of jobs within the organisation. It creates a rank order from the smallest to the largest job and ensures that consistent decisions in grades and rates of pay are made.
- 13.2. A job will be evaluated when a new role is created or a current post has significantly changed.
- 13.3. The Council uses two job evaluation schemes dependent on the expected outcome of the role being evaluated as follows:

Expected Grade outcome	Job Evaluation Scheme
Grade 3 to Grade 12	The Council's agreed Scheme
Grade 13 and above	The Hay Scheme

14. Additional Payments

14.1. Fees for Election Duties

- 14.1.1. The Council has a duty to appoint a Returning Officer for all elections that it runs. For District and Parish elections, the Returning Officer fee is met by the District Council. This fee, and the fees of all other people employed by the Returning Officer, is paid in accordance with the Council's agreed scale of fees and expenses for elections. For County Council elections the Returning Officer's fee and all people directly employed by him are met by Essex County Council. For national elections/referendums the fees are paid in accordance with the appropriate Statutory Fees and Charges order and DLUHC guidelines.

14.2. Statutory/Deputy Statutory Officer Allowances

14.2.1. The Authority pays a Statutory Officer's Allowance of £10,000 per annum to officers on Grades up to and including Grade 12 who undertake Statutory Officer duties. Statutory Officers on Grades 13 to 15 are not entitled to this allowance. For this purpose, the Statutory Officers are the Head of Paid Service (Chief Executive), the Monitoring Officer and the Section 151 Officer.

14.2.2. The Authority pays a Deputy Statutory Officer's Allowance of £3,000 per annum to officers on Grades up to and including Grade 12 who undertake Deputy Statutory Officer duties. Deputy Statutory Officers on Grades 13 to 15 are not entitled to this allowance. For this purpose, the Deputy Statutory Officers are the Deputy Monitoring Officer and the Deputy Section 151 Officer.

14.3. Acting-up Payments

14.3.1. Acting up payments are awarded where employees temporarily undertake duties at a higher grade. Payment is usually made where an employee is covering over 20% of the duties of the higher-grade post. The amount payable is calculated by assessing the percentage of the higher-level post covered and the difference between the employee's current salary and the minimum of the grade of the post covered.

14.4. Secondments

14.4.1. The authority provides the opportunity for employees to undertake roles on a secondment basis. In most cases the secondee will be paid at the same level as their substantive post however, where the secondment post is of a higher pay band than their current role, a higher salary may be applied for the secondment period. This salary will be agreed by all relevant managers and HR representatives.

14.5. Essential User Car Allowance and Mileage Rates

14.5.1. The authority pays an Essential User Car Allowance to roles that meet the specified criteria. Where officers require the use of a vehicle to complete their day-to-day responsibilities, business mileage can be claimed. Essential user car allowance is only available to those qualifying people on salary grades up to and including Grade 11.

14.5.2. Any such allowances and mileage payments are calculated and applied in accordance with the HM Revenue and Customs rates.

14.6. Excess Travel Allowance

14.6.1. Additional travelling expenses can be claimed by employees when their work base is changed by circumstances beyond their control or they are transferred to a new work base. The Officer is paid an allowance equal to the difference between the cost of travelling from their home to their new work place and from their home to their original workplace. The allowance is paid for a maximum period of three years from the date of transfer and is agreed within the scope of the 'Green Book' conditions.

14.7. Meeting Allowances

14.7.1. Officers graded at 'Green Book' Grade 7 to Grade 12 can claim an allowance for attendance at evening and out of hours meetings relating to council business.

14.8. Overtime, Standby and Recall, and Emergency Response Payments

14.8.1. Officers on SCP 27 and below may be entitled to overtime payments if they work beyond their normal contracted hours and have the agreement of their line manager. They will be paid at time and a half, Monday to Saturday, and double time on Sundays at their hourly rate of pay, capped at SCP 27. Overtime worked on Public and Extra Statutory holidays will in addition to their normal pay for that day, be paid at plain time at their hourly rate of pay, capped at SCP 27 plus time off in lieu. Chief Officers have the discretion to authorise overtime payments above SCP 27 should they consider it appropriate.

14.8.2. Standby and Recall to Work payments apply if officers, in respect of their contracted duties, are required to be on a call out rota or list, or respond to calls outside of normal working hours. Eligibility for standby and recall to work payments will be confirmed in the terms and conditions of the officer's contract of employment and details are set out on our [website](#).

14.8.3. Officers who respond to a civil emergency either in the district or through mutual aid arrangements with other local authorities, are eligible for payment in line with the Council's overtime arrangements.

14.9. Market Supplements

14.9.1. The authority does not normally apply market supplement payments to any role. If however, the employment market dictates the need to apply a supplement to a particular role; this will be applied in accordance with a

business case approved by the Chief Executive and Section 151 Officer in conjunction with the HR Manager.

14.10. Long Service Awards

14.10.1. The authority acknowledges the importance of employees who are committed to their work and wishes to reward the loyalty of those who have Long Service with the Council. Long Service Awards are given upon the successful completion of 20, 30 and 40 continuous service at the Council or one of its predecessor authorities as follows:

Completed Years' Service	Reward
20	£250 of vouchers
30	£500 of vouchers
40	£750 of vouchers

14.11. Childcare Vouchers

14.12. The Government launched a scheme designed to assist employees with their childcare costs in 2018. The Council will continue to offer the Childcare Voucher scheme to existing users who entered the scheme on or before 4 October 2018 for as long as there is a demand and taxation advantage to offering it.

14.13. Vine Extras

14.14. From April 2016 the authority has subscribed to Vine Extras. This is a reward gateway to a large number of retailers where employees can make savings on purchases. The cost to the authority is £4.20 per employee. As at 31 December 2023 there were 237 registered users who had placed 4,715 orders with a total value of £367,251.

15. Career Progression Schemes

15.1. In some areas of the authority officers are offered progression in their roles through a career progression scheme. Within such schemes, progression is usually awarded after successful completion of particular qualifications or work experience. Details of the scheme and how it will be applied to an individual will be documented in their contract of employment.

16. Pension

16.1. The Local Government Pension Scheme (LGPS) is open to all new and existing employees of the authority. This is a qualifying pension scheme,

which means it meets or exceeds the government's standards. Details of the scheme can be found on the [Essex Pension Fund website](#).

- 16.2. Details of the Council's policy and decisions in respect of discretionary elements of the Scheme are published on the council's [website](#).

17. Severance Payments

- 17.1. On cessation of employment from the authority, officers including Chief Officers will only receive compensation:

- (a) in circumstances that are relevant e.g. redundancy
- (b) in the application of any employer discretions provided by the LGPS and/or
- (c) that complies with the specific term(s) of a Settlement Agreement.

- 17.2. The authority adopts an early retirement policy which is published on the Council's [website](#).

- 17.3. In exceptional circumstances to avoid or settle a claim or potential dispute, the authority may agree payment of a settlement sum through the issue of a Settlement Agreement [in accordance with the statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England](#). All cases will be overseen by the Legal & HR Departments in conjunction with the relevant Strategic Director/Director and Section 151 Officer to ensure all legal, financial and contractual responsibilities have been met. All settlement agreements must be signed off as follows:

- (a) Payments of £100,000 and above must be approved by Full Council
- (b) Payments of £20,000 and above, but below £100,000, must be approved by the Chief Executive (Head of Paid Service), the Leader of the Council and the Section 151 Officer
- (c) Payments below £20,000 must be approved by the Section 151 Officer and the Chief Executive (Head of Paid Service).

- 17.4. Where the proposed payment is to the Chief Executive (Head of Paid Service), to avoid a conflict of interest it is expected that the payment should be approved by a panel including at least two independent persons.

18. Gender Pay Gap

- 18.1. The Equalities Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires employers to report on the gender pay gap within their organisation.

- 18.2. The gender pay gap is a measurement of the difference between men and women’s average salaries. It is not about men and women being paid differently for the same job, which has been prohibited by equal pay legislation since 1975.
- 18.3. The UK’s gender pay gap has fallen over time. In 2007 it was 25%, while the Office for National Statistics (ONS) published in October 2022 put the figure at 14.9%, a decrease from 15.1% in 2021 and in April 2023 it stands at 14.3%. See section 18.6 for UDC’s figures.
- 18.4. The 2017 Regulations apply to defined public sector bodies (including councils) with at least 250 employees and require the publication of the following four measures of information based on a snapshot of pay information taken on 31 March:
- 18.5. The Council’s Gender Pay Gap Information as at 31 March 2023 (snapshot date) is as follows:
- 18.6. The Council had a total of 308 employees, 142 (46%) were males and 166 (54%) were females.

I. The difference between the average (mean and median) hourly rate of pay for male and female employees

	Mean Hourly Rate	Median Hourly Rate
Male	£18.49	£16.58
Female	£17.87	£16.95
Difference in hourly rate of pay	3.4%	-2.2%

II. The difference between the average (mean and median) bonuses paid to male and female employees over the period of 12 months ending with the snapshot date of 31 March

No bonuses were paid

III. The proportion of male employees, and of female employees who were paid bonuses during the period of 12 months ending with the snapshot date

No bonuses were paid

IV. The proportion of male and female employees in each quartile (from highest paid to lowest paid) of the pay distribution (77 employees in each quartile)

	No. of male employees	No. of female employees	Percentage of male employees	Percentage of female employees
Quartile 1	44	33	57	43
Quartile 2	26	51	34	66
Quartile 3	26	51	34	66
Quartile 4	46	31	60	40

Commentary

- 18.7. The figures demonstrate there are no significant gender pay gap issues at Uttlesford District Council and that women are paid 2.2% higher on average (median) and men are paid 3.4% higher on average (mean). Which is significantly lower than the national average of 14.3%.
- 18.8. The council continues to be an equal opportunities employer and offers a range of flexible working options and family friendly policies for women and men alike.

19. More information and help

- 19.1. All associated documents listed in this policy are available on the council's [website](#). If you have any queries about this Statement please email: humanresources@uttlesford.gov.uk, or call on 01799 510424.

Agenda Item 8

Committee: Council

Date:

Title: Corporate Plan 2023-27

Monday, 26
February 2024

Portfolio Holder: Cllr Petrina Lees,
Leader of the Council

Report Author: Richard Auty, Director of Corporate Services
rauty@uttlesford.gov.uk

Summary

1. This report presents the Corporate Plan 2023-27, which sets out the council's key priorities. This is the version of the plan for the 2024/25 year.
2. The Corporate Plan was considered at the Scrutiny Committee on 13 February 2024 and was due to be discussed at Cabinet on 20 February 2024. Scrutiny did not request changes to the document.

Recommendations

3. Council approves the Corporate Plan.

Financial Implications

4. There are none directly arising from the Corporate Plan but the council's budget will reflect allocations for the members' priorities.

Background Papers

5. None

Impact

- 6.

Communication/Consultation	Corporate priorities are shaped in part by consultation activity
Community Safety	None
Equalities	None

Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	The Corporate Plan sets out the priority areas of work for the council's staff

Situation

7. The Corporate Plan sets out the vision for the next four years and the priority areas of work to deliver that vision. As is customary, the Corporate Plan underwent a comprehensive rewrite last year following the election to ensure it reflected the priorities of the new administration. Each following year of the plan it undergoes a refresh to include one-year measurable objectives that contribute towards the overall aspirations of the plan.
8. The Corporate Plan 2023-27 adopts a template that is not dissimilar to that used by many other local authorities. It provides continuation from the previous Plan by identifying four key priority areas, although these do not necessarily have the same names as in the previous Plan. The Plan is consciously more streamlined than the previous Plan, focusing tightly on key priorities and setting out measurable delivery targets.
9. The four priority areas are:
 - Protecting & Enhancing Our Environment
 - Encouraging Economic Growth
 - Building Strong Communities
 - Putting Residents First
10. The priorities reflected in the Corporate Plan demonstrate a considerable degree of continuity with the previous Corporate Plan, though the current plan reflects up to date circumstances, national context, and progress made by the authority over the life of the previous plan.
11. As well as these refreshed priorities, there is one new priority – the explicit focus on the rural character of our district. It has been a central focus of Uttlesford District Council ever since its creation in 1974 to serve the specific challenges and nature of our beautiful rural district of 247 square miles, with two historic market towns, and our many villages and smaller countryside settlements.

12. What is new about this Corporate Plan priority is the emphasis on holistically drawing together a focus on all of these rural-specific initiatives and working patterns, both across council services and more broadly across partner agencies. This way, it will pull together into one place an holistic overview of rural issues, identify any possible gaps (or overlaps), and stimulate a more over-arching discussion about future priorities.
13. In addition, the plan acknowledges the rapidly evolving world of technology, including the potential benefit artificial intelligence could bring for customer service delivery across the organisation. This inevitably will develop through further iterations of the Plan in coming years.
14. The Corporate Plan is reviewed annually but the expectation is that revisions will be light touch and focus mainly on the third and fourth columns which detail the in-year activity to meet the priorities.
15. Progress against the priorities in this four-year plan will be reported annually. Many of the priorities will be met through the successful completion of actions in other plans and strategies which are subject to their own governance and reporting arrangements at officer and member level, including:
- The Local Plan
 - The Economic Development Recovery Plan
 - The Climate Crisis Strategy and Action Plan
 - The Blueprint Uttlesford transformation programme

Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
The council fails to deliver on its priorities	1	3	The Corporate Plan clearly sets out deliverable priorities

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.



Corporate Plan 2023-27

Making Uttlesford the best place to live, work and visit



Protecting & enhancing our environment

We will protect and improve our environment by reducing our carbon footprint, promoting biodiversity, managing waste and recycling, and supporting green initiatives.



Building strong communities

We will build strong and resilient communities by engaging with our residents, plan effectively for new housing and tackling social isolation.



Encouraging economic growth

We will support and promote a vibrant and diverse economy by attracting investment, facilitating business growth, enhancing skills and employability, and improving connectivity and infrastructure.



Putting residents first

We will deliver excellent services for the benefit of our residents by ensuring budgetary stability and value for money, embracing new technology and developing our workforce.



<https://www.uttlesford.gov.uk/corporate-plan>

Priorities

To achieve our vision, we have four strategic priorities that will guide our work over the next four years:



Protecting and enhancing our environment



Encouraging economic growth



Building strong communities



Putting residents first

Delivery

To deliver this corporate plan, we will:

- Develop annual service plans that detail how each service area will contribute to the corporate priorities
- Monitor and report on our performance against key indicators and targets on a quarterly basis
- Review our financial position regularly and ensure effective budget management and control
- Engage with our stakeholders, including residents, businesses, partners, staff and councillors on a regular basis
- Review this corporate plan annually and update it as necessary to reflect changing circumstances

Our four-year plan will be delivered during challenging financial times in which we need to reduce our budget by around 25 percent.



Protecting and enhancing our environment

We will protect and improve our environment by reducing our carbon footprint, promoting biodiversity, managing waste and recycling, and supporting green initiatives.

Priority	What we will do	How we will do it	How we will measure it
Take action on climate change	Clearly set out and publicise our priorities for the coming years to meet our net zero by 2030 pledge, including reducing emissions from our vehicle fleet and corporate buildings.	We will implement the new 24/25 Climate Change Action Plan that details the projects we will focus on during the year. These will support work to reduce carbon emissions.	We will monitor successful completion of activities with the Action Plan and provide quarterly updates on progress.
	Reduce direct emissions from council housing stock. This includes new-build homes being planned/developed.	We will install clean-air heating solutions and develop measures to retro-fit homes to improve sustainability and contribute towards meeting the 2030 net zero pledge.	We will publish a Carbon Management framework and plan by December 2024 to track carbon emission reduction in Council operations, including energy, fuel and water consumption.
	Provide community leadership and enable local action on climate change.	We will review the Zero Carbon Communities Grant fund to agree a revised scheme to support delivery of community projects that are focused on carbon emission reduction and biodiversity restoration or enhancement.	We will submit a bid to the Social Housing Decarbonisation Fund with the aim of improving the environmental performance of c.200 of our housing stock. Subject to a successful bid we will commence the decarbonisation project in quarter 1 of 2024/25. A proposal for a revised grants scheme for community groups will be agreed by June 2024 subject to approval of the scheme, applications will be submitted by December 2024 and a decision made in the early part of 2025.

	<p>Deliver sustainable ways of working across the council to reduce the carbon impact of business activities.</p>	<p>We will develop and deliver Carbon Literacy training for all staff to support embedding sustainability and climate change into ways of working across the council.</p> <p>We will set up a Sustainability and Climate Action Board to lead delivery of the Council climate action plan across all parts of the organisation and commence work to develop a corporate Carbon Management Plan.</p>	<p>Training will be developed and piloted to the first staff cohort by May 2024.</p> <p>We will set up the new Board in April 2024 and review its effectiveness after 12 months.</p>
<p>Conserve and enhance the quality and diversity of the district's natural habitats and wildlife</p>	<p>Fulfil our bio-diversity duty by using the planning system to conserve, enhance and create new ecological habitat.</p>	<p>We will support and promote the public consultation on the Local Nature Recovery Strategy for Uttlesford, to ensure widespread reach and engagement.</p> <p>We will manage Council land and property using environmentally friendly practices that will promote biodiversity.</p> <p>We will develop robust planning policies as part of the Local Plan relevant to habitat protection, enhancement and creation.</p> <p>We will require and monitor bio-diversity net gain in relation to new development and ensure the council has access to specialist advice from a qualified ecologist.</p>	<p>We will promote the consultation, which is due to be published in early 2024 through our communication channels to drive engagement among district residents.</p> <p>We will identify and deliver projects on our own estate and publish our progress and achievements by March 2025</p> <p>We will fully consider Regulation 18 consultation responses and use them to draft a Regulation 19 version of the plan for consultation in July 2024.</p> <p>Bio-diversity net gain data will be monitored for every major planning decision from January 2024 with a rolling target of 100% of schemes to include bio-diversity net gain.</p>

<p>Manage waste in a sustainable way</p>	<p>Work with partners across Essex on a new waste strategy for the county.</p> <p>Review our domestic recycling and waste services to make sure they are as efficient as possible and review and improve our waste service for businesses.</p>	<p>Following national policy, we will treat the waste and recycling we collect as a resource. We will contribute to the development of the new Waste Strategy for Essex which will help determine how we will manage waste for the next generation.</p> <p>We will conduct a detailed review of all our waste and recycling services through the change programme Blueprint Uttlesford to ensure they are operating efficiently and effectively.</p>	<p>We will play an active role in the development of the county-wide strategy through attendance at appropriate meetings and forums, ensuring the views of this district are taken into account. We anticipate the strategy being approved in the summer of 2024.</p> <p>The review of Environmental Services is scheduled for 2024/25. In the meantime, support from national charity the Waste Resources Action Programme has been sought to explore potential improvements.</p>
<p>Work with partners to deliver sustainable transport</p>	<p>Steer development to the most sustainable locations using the Local Plan and via planning decisions.</p> <p>Work with Essex County Council and other stakeholders to promote and facilitate sustainable, reliable, and adaptable transport infrastructure.</p>	<p>Deliver the active travel and shared transport pilot schemes in Saffron Walden as part of the DEFRA funded Clean Air project, to build evidence to support roll out of schemes elsewhere in the district.</p> <p>Develop a spatial development strategy and robust planning policies as part of the Local Plan in order to support sustainable travel.</p> <p>Complete the Uttlesford Local Walking and Cycling Infrastructure Plan.</p>	<p>EV Car Club scheme was launched in November 2023 and uptake will be monitored and evaluated through 2024 as part of the two-year trial period.</p> <p>We will fully consider Regulation 18 consultation responses and use them to draft a Regulation 19 version of the plan for consultation in July 2024.</p> <p>We will complete the Plan by March 2024 and following consultation will develop from it a priority list of schemes for investment during 2024/25.</p>



Encouraging economic growth

We will support and promote a vibrant and diverse economy by attracting investment, facilitating business growth, enhancing skills and employability, and improving connectivity and infrastructure.

Priority	What we will do	How we will do it	How we will measure it
Improve connectivity infrastructure	<p>Support work to ensure residents and businesses benefit from superfast broadband.</p> <p>Identify opportunities to improve connectivity, including 5G technology.</p>	<p>We will continue to work with Essex County Council on the Superfast Essex project, particularly targeting areas where major broadband suppliers cannot deliver service.</p> <p>Work as part of the Essex and Herts Digital Innovation Zone (DIZ) to ensure residents and businesses get maximum benefit from superfast/gigabit broadband and 5G delivery.</p>	<p>We will have an officer representative in attendance at all Gigaclear Project Board Meetings to ensure our position is presented against the delivery plan outcome for the district.</p> <p>We will continue to have a member and an officer in attendance at the DIZ meetings and regular engagement with Digital Essex, ensuring we have early access to information and initiatives available to enhance connectivity across the district.</p>
Support the resilience and growth of the local economy	<p>Provide business support, information and advice to help the business community recover and grow.</p>	<p>We will complete the actions set out in the Economic Development Recovery Delivery Plan which contains detailed information about the way the council supports the business community.</p>	<p>We will deliver the schemes as set out in the Economic Development Recovery Plan, progress on which will be reported to the Scrutiny Committee.</p> <p>The delivery programme of the plan was over three years with 2023/24 being the final year. Delivery outcomes for the whole plan will be presented to Cabinet in the summer of 2024/25.</p>

	<p>Enhance the skills and employability of local residents. Attract tourism and investment to the district.</p>	<p>UK Shared Prosperity Fund (UKSPF) and the Rural England Prosperity Fund (REPF) are government funded schemes related to the levelling up agenda to support the local economy and administered at a local level. This provides a local business support package, skills training and grants for the rural business community.</p> <p>We will work with partners including other Essex councils to deliver economic priorities across a wider area, benefitting from economies of scale in procurement and scope of delivery.</p>	<p>The UKSPF and REPF allocations/awards are reviewed by the local partnership panel made up of members, officers and community/voluntary representatives on a quarterly basis.</p> <p>The outcomes of the awards are included in the progress reports for the Economic Development Recovery Plan to Scrutiny.</p> <p>We will play an active role in relevant county and regional forums including the London Stansted Cambridge Consortium, the Innovation Core Group and the North Essex Economic Board, ensuring at least one council attendee at all relevant meetings to ensure the district's views and priorities are represented.</p>
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Building Strong Communities

We will build strong and resilient communities by engaging with our residents, delivering new housing and tackling social isolation.

Priority	What we will do	How we will do it	How we will measure it
Provide and maintain quality homes and invest in thriving communities	Commit to improving the condition of our homes by investing in our housing stock.	Develop an Asset Management Strategy aligned to the HRA Business Plan that delivers Decent Homes compliance through planned work programmes.	We will publish and maintain a five-year Capital Works Programme and our progress against it by March 2025. We will refresh asset data through stock condition surveys, asset grading and maintaining a validated compliance register. This is an ongoing process.
	Provide quality homes through managed growth.	Seek development opportunities and work with other social housing providers to maximise the delivery of affordable housing.	We will draft and publish an Asset Management Strategy by March 2025. We will publish the HRA 30-year business plan to identify capacity for investment in new and affordable housing by April 2024.
	Deliver high-quality housing management services to empower our tenants and ensure communities prosper.	Use customer feedback and engagement to shape the services we provide and continue our multi-agency community events.	We will produce an action plan to deliver the priorities of the Tenant Engagement Strategy by March 2025.
Plan for future housing needs in a sustainable way	Introduce a Community Infrastructure Levy (CIL) to support the Local Plan and fund new infrastructure in the district.	Work with a range of stakeholders, including Essex County Council, the NHS, water companies, and neighbouring councils to ensure adequate provision of infrastructure is made to support new development.	We have an agreed Local Plan timetable (the LDS) which sets out that a Regulation 19 Version will be published in July, consulted on, then submitted to government in December 2024.

	<p>Deliver a robust Local Plan that sets out a vision, and objectives, for addressing climate change, meeting future development needs in a planned and managed way, and setting out policies and standards to ensure that our historic and natural environment is conserved and enhanced.</p>	<p>Prepare a draft Local Plan, for public consultation, utilising a range of approaches to resident engagement to ensure that all who want to contribute are able to do so. Use the outcome of consultations and best possible evidence to produce final plan for submission to government.</p>	<p>We have an agreed Local Plan timetable (the LDS) which sets out that a Regulation 19 Version will be published in July, consulted on, then submitted to government in December 2024.</p>
<p>Tackle rural priorities</p>	<p>Draw together our understanding of issues and challenges particularly facing our villages and rural communities – including rural isolation, rural poverty and homelessness, rural economy, rural crime and safety issues etc.</p> <p>Develop this into a coherent plan across of the range of interventions we and other partners both currently make and can potentially introduce to serve our rural communities to the fullest.</p>	<p>Work with our partner agencies, councils and communities to map out the issues and the interventions, and to stimulate a debate around priorities, leading to a new and coordinated plan.</p>	<p>The project’s priorities will be mapped out in a three-stage discovery, challenge and action process involving stakeholder representatives, through to April 2024.</p> <p>Progress with the mapping of issues and services will then be tracked against the project plan developed.</p> <p>The ultimate product of this work is improved opportunities and outcomes for local communities, and those measures will be identified along the way as part of the process.</p>



Putting Residents First

We will deliver excellent services for the benefit of our residents by ensuring budgetary stability and value for money, embracing new technology and developing our workforce.

Priority	What we will do	How we will do it	How we will measure it
Ensure financial stability	<p>Deliver a balanced budget every year.</p> <p>Review services through a structured programme to ensure efficiency and value for money.</p> <p>Prioritise money towards the areas of greatest need and impact.</p>	<p>The required budget savings over the next four years will be delivered through the Blueprint Uttlesford programme, through which every council service is being reviewed. Savings will come from a combination of increased income and budget reductions.</p> <p>The Medium Term Financial Strategy (MTFS) for 2024 to 2029 demonstrates a need to reduce the net the Genral Fund budget by £5.5 million, once year 1 Blueprint Uttlesford savings are taken into account.</p>	<p>A separate workstream of benefit realisation and cost control has been established and is being led by the Director of Finance and Revenues and Benefits. This ensures financial changes are logged and maintained.</p> <p>The financial position of the council is reported on a regular basis to Cabinet and annually the budget and MTFS are approved by Full Council.</p>
Use commercial assets to fund services	<p>Manage the commercial asset portfolio to maximise income for the council to be used on services for residents.</p> <p>Review the portfolio to ensure it represents best value for the council.</p>	<p>The commercial asset portfolio generates income to support the council's services. Regular reviews will continue to be undertaken to ensure it still provides the best value.</p>	<p>The CIPFA Prudential Code requires an annual report on commercial investments and option appraisals. This report will be presented to the Investment Board and as necessary to Cabinet and Council.</p>

<p>Enhance digital access and innovation across council services</p>	<p>Consider emerging technology, such as AI, when redesigning services.</p> <p>Review our online services to ensure they are helping residents do what they need to do, within the council's financial constraints.</p>	<p>Through the Blueprint Uttlesford programme and the ICT Business Plan, service reviews will include consideration of the best way to deploy value for money technology to ensure we can continue to deliver the services on which our residents rely.</p> <p>We will implement enhanced technology including the use of AI to improve customer service.</p>	<p>Through the ICT Business Plan, we are beginning to make use of robotics and artificial intelligence to streamline routine tasks and processes.</p> <p>Each Blueprint Uttlesford review has a set review methodology and template. Through this it will be possible to demonstrate how technology has been used to maintain or enhance service delivery. The Blueprint Uttlesford programme will last for four years.</p> <p>Procure and implement AI systems through the Blueprint Uttlesford transformation programme, considering service requirements during each review., This programme runs until the end of 2027/28</p>
<p>Further develop a skilled, motivated and diverse workforce</p>	<p>Review our recruitment, onboarding, induction and retention processes to ensure we attract and retain a workforce that is representative of our community. Promote an inclusive workplace to help us recruit the best people in line with our values and behaviours.</p> <p>Ensure our learning and development offer is accessible to all, affordable, efficiently delivered and aligned to emerging developmental priorities.</p>	<p>We will monitor progress against the activities set out in the Workforce Action Plan and will use self and external assessments to measure success such as Disability Confident and Armed Forces accreditation, an increased number of candidates for jobs, a reduction in staff turnover rates, targeted training for our priority areas and improved compliance with mandatory training.</p>	<p>This priority will be delivered through the Workforce Plan and Action Plan 2023-2027, which will be regularly reviewed and updated according to corporate priorities and engagement with staff.</p>

Agenda Item 9

Committee:	Council	Date:	Monday, 26 February 2024
Title:	Medium Term Financial Strategy and 2023/24 Budget Proposals		
Portfolio Holder:	Cllr Neil Hargreaves, Portfolio Holder for Finance and the Economy		
Report Author:	Jody Etherington, Director of Finance, Revenues and Benefits		

Summary

1. The Council is required to prepare detailed budget reports to enable the annual budgets for the General Fund and council tax, Housing Revenue Account (HRA), and the capital programme to be set.
2. The Section 151 Officer is required to provide members with a section 25 report giving advice and assurance on the reserves position, including the minimum safe level of contingency funds that need to be held, and the robustness of any estimates used in the calculation of the proposed budgets. The report also provides commentary on the assumptions in the Medium Term Financial Strategy and any associated plans and strategies.
3. In addition, the Council is required to prepare a number of supporting strategies on an annual basis:
 - Commercial Strategy
 - Medium Term Financial Strategy
 - Treasury Management Strategy
 - Capital Strategy
4. The Council is also required to consider and approve the council tax resolution for 2024/25 which sets the combined council tax charge in respect of the Council and its preceptors (Essex County Council, the Police, Fire and Crime Commissioner for Essex, and town and parish councils).

Scrutiny

5. The Scrutiny Committee reviewed all of the reports (except the council tax resolution) at its meeting on 13 February 2024.
6. The Investment Board reviewed the Commercial Strategy at its meeting on 15 February 2024, and recommended it as part of the budget setting process, subject to a slight amendment to the Performance Reporting section, to reference the annual review. This change has been effected in the version attached at Appendix B.
7. Proposed changes to housing rents and service charges in the HRA were discussed by the Tenants and Leaseholders' Panel on 30 November 2023, and the Housing Board on 7 December 2023, and endorsed by both.

8. Cabinet is due to review all of the reports (except the council tax resolution) at its meeting on 20 February 2024. The Portfolio Holder for Finance and the Economy will provide a verbal update to Full Council at its meeting on 26 February 2024, in respect of the outcome of this meeting and any resolutions passed.

Recommendations

9. The recommendations to Council are set out in the following table:

Report Title	Purpose of Report	Recommendations
Appendix A - Section 25 Report - Robustness of Estimates and Adequacy of Reserves	A statutory report issued by the Section 151 Officer to provide members with advice and assurance on reserves, safe levels of contingency, assumptions used for budget estimates and any significant associated risks.	<p>Council is recommended to:</p> <p>(i) note and have regard to the section 25 report when considering the budgets for 2024/25;</p> <p>(ii) note the risk assessment relating to the robustness of estimates as set out at paragraph 9 of the section 25 report;</p> <p>(iii) set the working balances for 2024/25 at £1.909 million for the General Fund and £654,000 for the Housing Revenue Account;</p>
Appendix B - Commercial Strategy 2024-29	Sets the Council's strategy with regards to its commercial investments.	(iv) approve the Commercial Strategy 2024-29;
Appendix C - Medium Term Financial Strategy 2024-29	Details all known factors affecting the financial position of the council over a five year period, providing a clear and concise view of future sustainability and resilience, allowing for effective medium term planning.	<p>(v) note the key risks and assumptions set out at paragraph 30 of the Medium Term Financial Strategy 2024-2029;</p> <p>(vi) approve the Medium Term Financial Strategy 2024-2029;</p>
Appendix D - Treasury Management Strategy 2024/25	Sets out the strategy and governance relating to the Council's cash flow management, use of banks, investments, and borrowing, taking into account guidance from our independent advisers and risk appetite.	<p>(vii) approve an increase in the sector limit for other investments from £2 million to £3 million, as detailed at paragraph 50 of the Treasury Management Strategy 2024/25;</p> <p>(viii) set the treasury management prudential indicators as set out at paragraphs 63-71 of the Treasury Management Strategy 2024/25;</p> <p>(ix) approve the Treasury Management Strategy 2024/25;</p>
Appendix E - Capital Strategy 2024/25	An overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability	<p>(x) approve an increase in both the authorised limit and operational boundary for other long term liabilities from £5 million to £10 million, as set out in paragraphs 25-26 of the Capital Strategy 2024/25;</p> <p>(xi) approve the Minimum Revenue Provision Statement 2024/25 as set out at Annexe E1;</p> <p>(xii) set the capital prudential indicators as summarised at Annexe E2;</p>

Report Title	Purpose of Report	Recommendations
<p>Appendix F - Capital Programme 2024/25 - 2028/29</p> <p>Appendix G - Housing Revenue Account Budget 2024/25</p>	<p>Sets out capital expenditure and the associated financing sources over a five year period.</p> <p>Sets the detailed budget for the Housing Revenue Account for 2024/25, including the setting of rent and service charges.</p>	<p>(xiii) approve the Capital Strategy 2024/25;</p> <p>(xiv) approve the Capital Programme 2024/25 - 2028/29, including the planned application of capital financing set out at Annexe F4;</p> <p>(xv) approve the increases in HRA rents as follows:-</p> <ul style="list-style-type: none"> - General needs, supported accommodation and temporary accommodation – a 7.7% increase in accordance with the cap set by government for social rents; - Garage rents – to be increased in line with September 2023 CPI (6.7%) <p>(xvi) approve the changes in HRA support and service charges set out at paragraphs 21-27 of the Housing Revenue Account budget report;</p> <p>(xvii) approve the proposed HRA reserve movements for 2024/25 set out at paragraphs 47-50;</p> <p>(xviii) approve the Housing Revenue Account Budget 2024/25;</p>
<p>Appendix H - General Fund Budget and Council Tax 2024/25</p>	<p>Sets the detailed budget for the General Fund for 2024/25, including the proposals for the council tax precept and fees and charges.</p>	<p>(xix) approve the Council Tax Requirement for 2024/25 of £7,055,774, equivalent to £176.74 for a band D property, representing a £5.13 increase on the 2023/24 amount;</p> <p>(xx) resolve that a council tax premium of 100% shall be charged to properties which have been empty and furnished for one year or more, with effect from 1 April 2025;</p> <p>(xxi) approve the rollover of any unspent amounts remaining from the 2023/24 cost of living support fund as at 31 March 2024, in order for the Council to operate a similar scheme in 2024/25, and delegate authority to the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer), in consultation with the Cabinet, to make such amendments to the scheme as may be deemed necessary in order to ensure its impact can be maximised.</p> <p>(xxii) approve the proposed General Fund reserve movements for 2024/25 as set out at paragraphs 63-66 of the General Fund budget report, including the use of £1.141 million from the Medium Term Financial Strategy reserve to balance the General Fund budget;</p> <p>(xxiii) approve the schedule of fees and charges for 2024/25 as set out at Annexe H5;</p>

Report Title	Purpose of Report	Recommendations
Appendix I - Budget Consultation Report 2024/25	Sets out the results of the budget consultation exercise undertaken to inform the budget setting process.	(xxiv) delegate authority to the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) to set and/or amend fees and charges in relation to services which are operating in competition with commercial providers, for example trade waste; (xxv) approve the General Fund budget for 2024/25; (xxvi) note the contents of the Budget Consultation Report 2024/25;
Appendix J - Council Tax Resolution 2024/25	Sets the combined council tax charge for all property bands for the 2024/25 financial year	(xxvii) approve the Council Tax Resolution 2024/25 report; and (xxviii) adopt the formal council tax resolution as set out at Annexe J1.

Financial Implications

10. All financial implications are included in the individual reports and strategies

Impact

Communication/Consultation	Tenant and Leaseholders' Panel, Scrutiny Committee, Cabinet, CMT and budget managers
Community Safety	No specific implications
Equalities	See EqHIAs at Annexe G4 and Annexe H6
Health and Safety	Failure to recover the full costs of the HRA through rent and service charges may threaten the Council's ability to undertake safety critical work in the future
Human Rights/Legal Implications	The recommendations fulfil the legal requirement to set a balanced budget
Sustainability	Affordable rent levels and appropriate housing supply are an important factor in the sustainability of local communities and in particular rural communities
Ward-specific impacts	No specific implications
Workforce/Workplace	As detailed in the reports

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
As set out in the individual appendices. The most significant risks are summarised at paragraph 9 of the Section 25 report (Appendix A) and paragraph 30 of the Medium Term Financial Strategy (Appendix C).			

Section 25 Report – Robustness of Estimates and Adequacy of Reserves

Introduction

1. Section 25 of the Local Government Act 2003 requires that, when the Council is setting its annual budget and council tax requirement, the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) must report on the robustness of estimates made, and the adequacy of the Council's financial reserves.
2. The Council is required by statute to have regard to this report when setting the annual budget.
3. In preparing this report, the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) has considered the financial management and control frameworks that are in place, the budget assumptions used, the financial risks facing the Council, and the level and type of Council reserves.
4. Taking the above into account, it is the opinion of the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) that the budget estimates are robust and the level of reserves adequate and satisfactory, as required by the Local Government Act 2003.

Financial Management and Control Frameworks

5. The Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) has responsibility for ensuring that an effective system of internal control is maintained to provide an assessment of the current position across the whole council, and for identifying areas for improvement where appropriate. Areas for improvement are reported to the Audit and Standards Committee on a regular basis.

Robustness of Estimates

6. In setting the budget for 2024/25, it has been necessary to make a number of key assumptions and estimates about future events, for example future inflation rates and the outcome of future local government finance settlements. The most significant assumptions made for 2024/25 and beyond are set out within the Medium Term Financial Strategy (Appendix C).
7. In order to arrive at realistic estimates, a comprehensive process of scrutiny, review and challenge of budgets by managers, finance officers and the Corporate Management Team has taken place. This included, for example, checking that contractual commitments are provided for, salary budgets reflect the approved establishment and current staff in post, and income budgets are based on an assessment of price and demand.
8. Where significant estimates are based upon external factors outside of the Council's control, external inputs and/or consultants have been used wherever possible in order to have the greatest possible confidence over the estimates applied. For example, the estimate for borrowing costs is based upon interest rate forecasts prepared by the Council's external treasury advisers.
9. However, despite the above safeguards no budget can ever be completely free from risk. The most significant risks as they relate to the 2024/25 budget are set out in the following table:

Risk	Probability of Variance Arising	Potential Impact	Overall Risk
<p>Staff costs Staff cost budgets are based upon assumptions made in respect of the 2024/25 pay settlement. Should the actual settlement (negotiated nationally) differ from these assumptions, this could have a significant impact on the Council's budget.</p>	High	High adverse / high favourable	High
<p>Agency costs Whilst significant provision has been made in the budget for the cost of employing agency staff to cover hard to recruit posts, this may not prove sufficient if further vacancies arise during the year. Conversely, should recruitment be successful the actual cost may be lower.</p>	High	High adverse / high favourable	High
<p>Waste and recycling services This is an area which is particularly susceptible to market volatility. Fuel costs and disposal costs are highly variable, as is the income derived from recycling credits.</p>	High	High adverse / high favourable	High
<p>Business rates appeals Provision has been made in the budget for some degree of successful business rate appeals, based upon external advice. If the volume or value of appeals differs from the assumptions made this could have a significant impact on the Council's income from business rates in 2024/25 and beyond.</p>	High	High adverse / high favourable	High
<p>Housing maintenance and capital improvement expenditure The current contract with Uttlesford Norse Services Ltd (UNSL) will end in March 2025. This is the Council's largest single contract, and there will be a significant level of work involved in exiting the contract and setting up the new arrangements. Whilst provision has been made in the HRA budget for one-off transitional costs, there is a risk that actual costs may be significantly higher or lower than budgeted.</p>	High	High adverse / high favourable	High
<p>Council dwelling depreciation The budgeted depreciation charge for council dwellings is based upon estimated valuation movements since 31 December 2023. The dwelling stock will be subject to a desktop valuation review at 1 April 2024 - should the value be higher or lower than anticipated, this will result in a higher or lower depreciation charge to the Housing Revenue Account.</p>	High	High adverse / high favourable	High
<p>Housing benefit subsidy Housing benefit subsidy claims have not yet been fully certified and closed from 2020/21 onwards due to delays in the local audit market. There is a risk that the certification process may uncover other issues which may result in an increase or decrease to the subsidy which can be claimed.</p>	High	High adverse / low favourable	High
<p>Sale of commercial asset or assets Currently, the budget for 2024/25 does not assume the sale of any of the Council's commercial assets - however this is currently being actively pursued as part of the Council's medium term deficit management plan. Should a sale incur during the year, this would result in a net benefit to the Council from a reduction in minimum revenue provision (MRP) charges and borrowing costs, offset by a loss of investment income.</p>	High	High favourable	High

Risk	Probability of Variance Arising	Potential Impact	Overall Risk
<p>Sales, fees and charges</p> <p>Many of the Council's sales, fees and charges are highly sensitive to external factors such as economic conditions, changes in behaviour, and changes to government regulation or legislation. In particular, with the cost of living rising, there could be a reduction in demand for services such as planning and building control.</p> <p>The specific services with a higher risk of variable income levels include border inspection, food imports, licensing, planning, building control and waste services.</p>	Medium	High adverse / high favourable	Medium
<p>Car park income</p> <p>The budget for car park income has been based upon proposed forthcoming increases to charges, which were subject to public consultation closing 2 February 2024. Should the final charges differ from those initially proposed, this could impact upon the income received. In addition, budgets are based on assumptions regarding the impact that new charges will have on demand - should these assumptions prove to be incorrect, then actual income could be higher or lower.</p>	Medium	High adverse / medium favourable	Medium
<p>General cost inflation</p> <p>Inflationary increases have been applied to the budget where contractual provisions exists, or else the service has been able to demonstrate a strong likelihood of unavoidable inflation.</p> <p>Whilst service managers have been heavily involved in the budget setting process, there remains a risk of unforeseen and unavoidable inflation in areas where no provision has been made in the budget, leading to service overspends.</p>	Medium	High adverse	Medium
<p>Borrowing costs</p> <p>Around one third of the Council's borrowing is on the short-term local authority market, and will fall due for refinancing during 2024/25. If interest rates are higher or lower than assumed at the point of refinancing, the Council's cost of borrowing could go up or down.</p>	Low	High adverse / high favourable	Medium
<p>Planning appeals</p> <p>The fact that the Council does not currently have an adopted local plan increases the risk around planning appeals, which can be costly to defend and result in costs being awarded against the Council.</p>	Low	High adverse	Medium
<p>Housing rents income</p> <p>There is an inherent risk of non-collection of housing rents, which increases at times of economic pressure. Should collection rates fall below those assumed when setting the budget, this could have a significant impact on the financial performance of the Housing Revenue Account. There is also a risk that void levels may differ from the assumptions made, for example if it takes longer than anticipated to return void properties to use.</p>	Low	High adverse	Medium

10. Further details of other risks arising from budget assumptions are set out in the Medium Term Financial Strategy (Appendix C), whilst individual service level risks can be found at Annexe H4 to the 2024/25 General Fund budget (Appendix H) and Annexe G3 to the 2024/25 Housing Revenue Account (HRA) budget (Appendix G).

Adequacy of Reserves

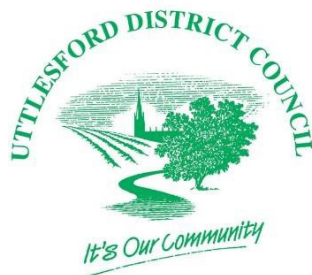
11. The Council holds a minimum level of reserves in both the General Fund and HRA, called the Working Balance, to allow for unexpected impacts in line with the risk assessment above. This is set at 2% of gross variable income and costs. The working balances for 2024/25 have been set as follows:-

Working Balance Calculation 2024/25	General Fund £'000	Housing Revenue Account (HRA) £'000
Gross budgeted variable expenditure	57,455	12,903
<i>Contribution to working balance (2%)</i>	<i>1,149</i>	<i>258</i>
Gross budgeted variable income	37,989	19,807
<i>Contribution to working balance (2%)</i>	<i>760</i>	<i>396</i>
Total working balance requirement	1,909	654

12. The 2024/25 budget shows that the above working balances will be maintained throughout the financial year. In addition, other reserves have been set aside for general and specific purposes as set out in the General Fund budget (Appendix H) and the HRA budget (Appendix G). It is therefore confirmed that the Council holds adequate reserves to support the proposed budget for 2024/25, with sufficient amounts to cover any risks which can reasonably be expected to crystallise during the year.

Conclusion

13. It is the opinion of the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) that the budget estimates are robust and the level of reserves adequate, as required by the Local Government Act 2003.
14. Whilst the budget is balanced for 2024/25, there are funding deficits within the General Fund from 2026/27 which will need to be addressed in the medium term. A proposed medium term deficit management plan has been put into place to deal with this, as set out in the Medium Term Financial Strategy (Appendix C). The latest estimates show that the Council has sufficient reserves to fund this plan over the next five years, but it remains important that the Council maintains focus on the delivery of the savings required by this plan (primarily through the Blueprint Uttlesford programme) in order to secure its long term financial sustainability.



Uttlesford District Council

Commercial Strategy 2024 to 2029

Prepared by:
Commercial Team
Uttlesford District Council
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Introduction

1. The Council recognises that as a consequence of reducing government funding there is an increased requirement to generate additional income to underpin the core services provided by the Council to its residents. Traditional ways of generating additional income such as through Council Tax and fees and charges will not be able to absorb the reduction in government funding. By way of illustration, a 1% rise in Council Tax is equivalent to about £65,000 in additional income.
2. When the 2020-2024 Commercial Strategy was approved in February 2020, the Administration indicated that they proposed to address the significant shortfalls identified in the Medium Term Financial Strategy (MTFS) primarily through investments. To achieve that the Council agreed to set an investment fund approved limit of £300 million.
3. Changes in both the CIPFA Prudential Code (the Code) and Government legislation on Minimum Revenue Provision (MRP) now mean that the 2024-2029 MTFS has significant and rising shortfalls in funding, despite the commercial portfolio that has been acquired. It is likely that in order to comply with CIPFA guidance on asset performance and review, at least one of the commercial portfolio assets will be identified as suitable for sale, with the receipt being used to reduce the need for future short term borrowing.
4. 2022 was a turbulent year as the country emerged from the pandemic. The first six months saw continued growth within the sector. The change of Prime Minister and Chancellor in September saw a mini-budget that sent shock waves through the whole country and resulted in significant valuation reductions for commercial assets, although some sectors such as Life Sciences continued to outperform the market. The effect of the September 2022 budget has impacted the sector throughout 2023 and this is expected to continue well into 2024.
5. The Council has a commercial asset portfolio for revenue generation purposes, not capital growth. Whilst asset values have declined, the rental income has increased through rent reviews. The quality of the tenants has meant that the Council has not had any default on rental payments, since the assets were acquired. However, the Council has established an investment reserve, with one aim being to mitigate the risk of tenant rent default should that scenario ever arise.
6. This strategy has been developed alongside several corporate strategies including an Ethical Investment Policy which is attached as Appendix One.

Vision

7. The original 2021 Commercial Strategy had a vision of the Council undertaking the investments in order to become self-sufficient and thereby not reliant on Government funding. The changes introduced by Government and CIPFA now makes that vision unachievable. The vision below sets out what is achievable given the constraints under which the Council is working

To generate income to maximise the number and quality of services provided by the Council, whilst following the Government and CIPFA rules including review of potential asset sales.

CIPFA Prudential Code 2021 (the Code), Public Works Loan Board (PWLB) and Minimum Revenue Provision (MRP)

8. The Code was revised and published in December 2021. There are a number of changes but two in particular have a negative impact on future commercial investments
 - a) The Code previously said commercial activity should not be undertaken for yield. The Code now says ‘an authority must not borrow to invest primarily for financial return’.
 - b) It further strengthens the statement by ‘It is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority and where any financial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose.’
9. There are useful points of clarification which enable the Council to continue to invest in Chesterford Research Park and retain the existing commercial assets, subject to regular review.
 - a) ‘Authorities with existing commercial investments (including property) are not required by this Code to immediately sell these investments. However, Authorities which have an expected need to borrow should review options for exiting their financial investments for commercial purposes in their annual treasury management or investment strategies. The options should include using the sale proceeds to repay debt or reduce new borrowing requirements. They should not take new borrowing if financial investments for commercial purposes can reasonably be realised instead, based on a financial appraisal which takes account of financial implications and risk reduction benefits. Authorities with commercial property may also invest in the repair, renewal and updating of their existing commercial properties.’
 - b) ‘the risks associated with investments for service and commercial purposes are proportionate to their financial capacity – ie that plausible losses could

be absorbed in budgets or reserves without unmanageable detriment to local services.'

10. Whilst the Code does not require the sale of commercial assets it suggests that commercial investments should, where the local authority has a need to borrow, be subject to an on-going review to consider exit arrangements, taking into account the financial implications and risk implications of doing so.
11. In addition to the requirements of the Prudential Code, the Treasury has also restricted access to the PWLB where councils borrow for yield. Those that do will be unable to undertake new borrowing from the PWLB for any other purpose (such as council house building) in the year that the borrowing is taken out and the following year. This will cause the Council issues in that with Chesterford Research Park there is an almost annual need to invest further as the park develops.
12. The Government has also strengthened the position with regards to MRP. Councils are now required to set aside annually monies, so as to ensure that, at the end of the borrowing term, there is sufficient funds available to pay off the amount borrowed.
13. The rule changes now do not allow the council to follow its intended strategy of potentially selling assets at the best market opportunity with years remaining on the leases and reinvesting to refresh the portfolio and ensure it remains balanced.

Aims of the Strategy

14. Given the changes in the Code and MRP the following seven principles guide the new strategy
 - (a) There will be no new commercial investments.
 - (b) Subject to (d) and (e) below, The portfolio, as set out in this document is therefore complete. Of the £300 million allocated in 2020 to building the fund, £268,469,231 (£268 million) has been used or allocated.
 - (c) MRP will be applied on an annuity basis over the life of each asset. No MRP will be applied on an asset in the year which it is scheduled to be sold, providing the receipt is used in its entirety to repay debt.
 - (d) As the Council already owns, through Aspire (CRP) Ltd, the land at Chesterford Research Park it will continue to develop the asset to maximise its value.
 - (e) The portfolio will be reviewed on a regular basis, by the Investment Board to determine the requirements of the Council and the appropriateness of retaining or selling each asset.
 - (f) The Council will look to maintain the commercial asset portfolio at an investment level of no more than £268 million. However, it should be noted that investments may need to take place ahead of sales which could temporarily increase that number.

Purpose of the Investments

15. The investments are to generate income to enable the council to provide its core services. This income requirement has arisen because of reductions in the Council's financing from central government. Government also restricts the ability of councils to raise income from council tax increases.
16. The Council seeks to operate in the most cost effective ways and will continuously look for improvements in operations that will reduce costs or avoid increased costs. However, the scale of reduction in external finance was such that other income sources had to be found.

Current Portfolio

Chesterford Research Park

17. In May 2017 the Council, through its wholly owned subsidiary Aspire (CRP) Ltd, acquired a 50% share in Chesterford Research Park and formed a joint venture with Aviva Investors. As part of the Cambridge Life Science cluster the Park is world renowned, having been in existence for 19 years, with available space to significantly increase the commercial floor space, plus expand the Park into other areas of research to diversify and reduce the risk.
18. The Council gave a loan to Aspire (CRP) Ltd for the purchase of 50% of Chesterford Research Park (£47.25m). The loan was funded by
 - a) Phoenix Life – borrowing of £37m for 40 years on a repayment basis @ 2.86% fixed. The first £10m drawdown was 5 July 2017 with the remainder as follows
 - 5 July 2020 - £12m
 - 5 July 2021 - £15m
 - b) Use of reserves and balances (£10.25m) funds the balance.
19. Since the initial purchase the Council has made additional ongoing loans to Aspire (CRP) Ltd for further development totaling £16,646,000 taking the current investment to £63,896,500.
20. In August 2023 Council approved a request from Aspire (CRP) Ltd for additional borrowing of £21,060,000 to fund the 50% share of the new build that is known as Building 800 and the development of phase 1 of the solar farm. As at December 2023 the drawdown of the first £3,300,000 had taken place and is included in the figure in paragraph 19 above. No payment is due on this loan until 1 April 2025, to

allow for construction and occupation of the new building to take place.

21. Further drawdowns are planned during 2024/25 as Building 800 is delivered. This will be a multi-let, near 60,000 sq ft building, a mix of office and laboratory space. Phase 1 of the solar farm has a total panel area of circa 1,500m² which equates to 3,060 individual PV cells, which are set out in 85 PV tables, with each table consisting of cells in a 9x4 grid formation. The solar farm will then provide electricity to the following buildings

- The Mansion House
- Building 60
- Science Village
- Building 52
- Building 800 (when complete)

22. Plans are also being developed for a similar sized building to Building 800 (to be known as Building 1100/1200).

23. For 2024/25 the income from Chesterford Research Park is expected to be £2,814,950 rising to £4,394,450 by the end of the period. There is also repayment to the Council of staff time whilst undertaking company work on Aspire (CRP) Ltd.

Skyway House, Takeley

24. On 30 June 2020 the Council completed the purchase of Skyway House at Takeley. The tenant is Weston Homes Plc who have signed a 25 year lease with no break clause.



Stane Retail Park, Colchester

25. On 4 August 2020 the Council completed on the forward funding opportunity at Stane Retail Park on the outskirts of Colchester adjacent to the A12. This development saw the construction of two buildings, one for Aldi and the other for B&Q located on an extension to the existing site. Aldi has signed a 25 year lease with a break option at year 20 (2041). B&Q has signed a 15 year lease with no break and a tenant right to renew option.



1 Deer Park Road, Livingston

26. On 21 August 2020 the Council completed on the acquisition of 1 Deer Park Road, Livingston. The tenant, Veterinary Specialist (Scotland) Ltd had recently taken occupation and final fit out was taking place. The lease is for 20 years with no break.



27. At the time of purchase Veterinary Specialist (Scotland) Limited was a partnership between Pets At Home (Guarantors) and Dick White Referrals. Pets At Home have remained the guarantor but they have sold their interest to Linnaeus Group. Dick White Referrals have also joined Linnaeus Group which is part of the Mars Veterinary Health Group.

28. The tenant is currently going through a Board approval process to develop the second and third floors of the building into a training facility for both vets and veterinary nurses. The level of investment they will make will be in the region of £8 million to £10 million.

Regional Distribution Centre, Chorley

29. On 16 September 2020 the Council completed the purchase of a large logistics

building on Matrix Park, Chorley adjacent to the M6. The tenant is Waitrose Limited who have a 30 year lease with no break option expiring in 2042. Waitrose have fully sub-let to GXO a worldwide distribution company. [GXO Logistics](#)



Distribution Warehouse, Gloucester

30. The Council completed the forward funding acquisition in March 2021 for a large scale distribution centre. The tenant is Amazon and they will use it as a 'final mile' van based distribution centre. Occupation by the tenant is delayed and it is likely they will look to sublet the facility for a number of years before they themselves take occupation. The lease is for 15 years with break ending in 2037.



Headquarters, Tewkesbury

31. In March 2021 the Council acquired a site in Tewkesbury for a new build head office and warehouse. The tenant will be Moog Controls Ltd. The lease started in May 2023 and is for 35 years with no break and a tenant option to extend for a further 15 years.



Loans to wholly owned subsidiaries

32. The Council recognises that, to further support the budget ongoing and to ensure the continued delivery of services at the level currently provided, further investment in the expansion of Chesterford Research Park will be necessary. To date, the following loans to Aspire (CRP) Ltd have been made

Drawdown Date	Amount £	Loan Term	Rate %	Repayment Basis	Loan Interest Receivable 2023/24 £
03/05/2017	47,250,000	50 years	4.0	Interest Only	1,890,000
26/03/2018	223,000	49 years 1 month	4.0	Interest Only	8,920
02/01/2019	2,518,000	48 years 4 months	4.0	Interest Only	100,720
09/06/2020	1,250,000	20 years	4.5	Principal & Interest	96,095
01/07/2020	2,600,000	20 years	4.5	Principal & Interest	199,878
20/08/2019	3,000,000	20 years	4.5	Principal & Interest	230,628
15/03/2021	2,975,500	20 years	4.5	Principal & Interest	228,745
26/08/2021	780,000	20 years	4.5	Principal & Interest	59,963
06/12/2023	3,300,000	50 years	7.5	Interest Only commencing 1/4/2025	0
Total of Loans	63,896,500			Annual payment from Aspire (CRP) Ltd	2,814,950

33. Interest only loans relate to new builds and refurbishment of existing buildings and thereby extending their useful life. Principal and interest loans are where it is for fit out works which have a 20-year life expectancy.

The Investment Fund

34. The original 2020 Commercial Strategy set out an investment fund requirement of £300 million with a portfolio yield target (before borrowing costs) of 4%. As set out earlier completion of that portfolio sum is not now an option. The following table shows the current portfolio position and is split into two parts

- a) Completed investments – those already in the portfolio
- b) Future committed investments – forward funding approved yet to complete

	Capital Investment (exc. Fees)
Completed Investments	
Loan to Aspire (CRP) Ltd	63,896,500
Skyway House, Takeley	20,000,000
1 Deerpark Road, Livingston	4,758,374
Regional Distribution Centre, Chorley	54,608,773
Stane Retail Park – Aldi	27,004,322
Stane Retail Park – B&Q	42,692,000
Distribution Warehouse, Gloucester	37,749,262
	250,709,231
Future Committed Investments	
Loan to Aspire (CRP) Ltd	17,760,000
	17,760,000
Investment Total	268,469,231

35. With the change in the Code and MRP the Portfolio is now complete, and no further assets will be added, although additional investment at Chesterford Research Park will take place.

36. In 2024/25 the portfolio yield for the completed investments is 5.12%. The rental income for the next five years is shown in the following table.

	Annual Rental Income				
	2024/25	2025/26	2026/27	2027/28	2028/29
Completed Investments					
Loan to Aspire (CRP) Ltd	2,814,950	4,394,450	4,394,450	4,394,450	4,394,450
Skyway House, Takeley	1,128,000	1,128,000	1,239,273	1,276,228	1,276,228
1 Deerpark Road, Livingston	391,933	411,321	411,321	411,321	411,321
Regional Distribution Centre, Chorley	2,840,000	2,840,000	2,840,000	3,325,757	3,355,324
Stane Retail Park – Aldi	360,395	360,395	379,279	405,716	405,716
Stane Retail Park – B&Q	1,342,275	1,342,275	1,400,440	1,481,872	1,481,872
Distribution Warehouse, Gloucester	2,293,433	2,293,433	2,293,433	2,581,841	2,581,841
Headquarters, Tewkesbury	1,680,500	1,680,500	1,680,500	1,737,959	1,910,335
	12,851,487	14,450,374	14,638,696	15,615,143	15,817,088
Future Committed Investments					
Loan to Aspire (CRP) Ltd		1,332,000	1,332,000	1,332,000	1,332,000
Investment Total	12,851,487	15,782,374	15,970,696	16,947,143	17,149,088

The Portfolio Moving Forward

37. The original plan had been to acquire assets, hold them for a period of time to generate income, but then to sell them at the appropriate time to realise a sum at least the level of which was paid for the asset. The monies received would then be reinvested in a new asset and the process repeated. By doing this the need to refurbish buildings, find new tenants etc. would be avoided and the portfolio kept 'current'.
38. The changes introduced by Government and CIPFA have resulted in the need to revise the plan for the portfolio moving forward. It will not now be possible to sell assets and buy new, the council will need to retain some or all of the assets for the longer term.
39. In line with the need to retain the asset for a longer period of time it will now be necessary to set aside some of the income raised each year into a reserve to cover increased risk of business failure, voids and future costs of refurbishment at the end of lease.
40. The Council is committed to investing in Chesterford Research Park and changes to the Prudential Code do not stop it from doing so. The Council is keen to see existing tenants expand and grow on the Park and for the Park to attract new tenants from a diverse range of research activities. The Park is within the district boundary and investing helps to sustain existing employment, introduce new employment opportunities, and generate additional Business Rates.
41. Regular reviews of all assets in the portfolio will be undertaken to determine the most appropriate point in time for sale. The reviews will not only look at the asset itself but also the financial position of the Council and the opportunities that could be addressed if an asset is sold for a profit. Under the various guidelines within which the commercial portfolio now operates it is likely that, should the evaluation identify a positive cost benefit of selling an asset, the council would be expected to sell. As part of that sale there would be a requirement that the sale receipt is used in its entirety to reduce the level of borrowing.
42. It is likely that in 2024/25 the Council will need to sell an asset or assets to assist the setting of balanced budgets in the coming years.

Funding and Reserves

43. With the uncertainty over changes to the Code and MRP resolved, the Council during 2022/23 secured long term borrowing with the Public Works Loans Board. These loans coincided with the end dates for short term financing and followed lengthy discussion with Government departments around the plans for ongoing development at Chesterford Research Park.

44. With monies being set aside to repay the principal annually through MRP the main loan was secured on a repayment basis over 35 years. The reason for moving to a repayment loan is that the new Code requires the Council to demonstrate that its debt levels are reducing.
45. In 2023 as part of the Commercial Strategy a Commercial Asset Reserve (part of the MTFs Reserve) was established to cover costs at the end of the tenancy for each asset. This reserve will pay for any refurbishment, void period and rent free period for new tenants. The lease terms and approximate costs of refurbishment over the period 2022 – 2070 have been mapped and timings of costs established. The resulting position is that a sum of £1,000,000 per annum, from the investment income, will be placed in the reserve.
46. This reserve will grow without being drawn upon for a number of years but will then be heavily used between years 15 and 25 (2037 – 2047) as most of the assets have lease expiry during that time period.

Success and Performance Reporting

47. Success will be primarily measured in the financial return to the Council.
48. A quarterly report is produced for the portfolio which is presented to the Investment Board. This includes a
- a) professional valuation undertaken by a market leading specialist for each asset
 - b) commercial market trading update to help inform investment decisions
 - c) report on each asset by professional asset managers who are responsible for tenant liaison, rent collection, rent reviews etc.
49. In accordance with CIPFA guidance an annual report is prepared for the Investment Board which, in addition to setting out key information about each asset, also sets out for each asset the following five, locally determined, financial criteria
- Individual asset purchase price compared to current valuation
 - Individual asset purchase price compared to current valuation including disposal costs
 - Revenue position should asset be sold
 - Portfolio value compared to borrowing depending on each sale option
 - Total rental income, less borrowing and management costs, depending on each sale option

Under the CIPFA guidance, if the evaluation determines that an asset or assets will by selling have a positive impact on the revenue position then the asset or assets should be sold.

50. As at 31 December 2023 the value of the completed acquisitions is set out below

	Price paid (including future commitments)	Amount paid as at 31 December 2023	Valuation as at 31 December 2023
	£	£	£
Colchester, Stane RP	27,004,322	26,504,322	27,125,000
Chorley, Waitrose RDC	54,608,773	54,608,773	50,900,000
Livingston, 1 Deer Park Road	4,758,374	4,758,374	4,675,000
Takeley, Skyway House	20,000,000	20,000,000	15,425,000
Gloucester, Amazon	42,692,000	42,278,237	36,300,000
Tewkesbury, MOOG HQ	37,749,262	37,464,079	32,900,000
	186,812,731	185,613,785	167,325,000
Aspire (CRP) Ltd	63,896,500	63,896,500	101,775,000
Total Portfolio	250,709,231	249,510,285	269,100,000

Security, Liquidity and Yield

51. As the Council only has a small amount of money of its own to invest, any further expansion at CRP will necessarily be funded from a mix of external borrowing, from financial institutions, Public Works Loan Board (PWLB) and other local authorities. The Council will not invest in high yield, high risk opportunities. This will be reflected in an average portfolio yield target of 5% (before cost of borrowing).

52. Investments at Chesterford Research Park will be made by way of loans to Aspire (CRP) Ltd the Council's wholly owned subsidiary. All commercial investments outside of Chesterford Research Park will be undertaken by the Council.

53. The option to liquidate funds is either by selling the investment (or part thereof) or by refinancing the debt.

Risks

54. The Council takes advice from its professional advisers at all times. For example, with the purchase of the 50% share at Chesterford Research Park the Council engaged

- a) Arlingclose as its financial advisers who project managed the funding tender
- b) Cushman and Wakefield who undertook all of the purchase negotiations and due diligence
- c) Hogan Lovells for Legal due diligence

For Aspire (CRP) Ltd the Council has two non-executive directors to serve on the Board and bring independent challenge and support.

55. There are five main risks with regard to the wider portfolio and the new strategy of asset retention which are set out on the following pages.

Risks

Likelihood Scores

Score	Probability
1 (Little Likelihood)	Less than 10%
2 (Some Likelihood)	10% to 50%
3 (Significant Likelihood)	51% to 90%
4 (Near Certainty)	More than 90%

Impact Scores

Score	Impact Level on Strategic Objectives
1	Minor impact/delay/difficulty
2	Small impact/delay/difficulty
3	Considerable impact/delay/difficulty
4	Extreme impact/delay/Difficulty

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Each risk score for likelihood and impact is plotted onto a risk matrix to produce its score. A green score indicates risks which the organisation is most prepared to accept and red those which are less likely to be accepted.

	4	4	8	12	16
LIKELIHOOD	3	3	6	9	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		IMPACT			

23-IB-01 LONG TERM BORROWING

The council is unable to secure long term borrowing	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	2	4	8	<ul style="list-style-type: none"> Phoenix loan is secured 2 x PWLB loans are secured 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		2	4	8	<ul style="list-style-type: none"> Evaluate sale of one or more assets 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
1	4	4	AW	ongoing		

Progress Update (December 2023)

- No further long term borrowing is planned at the present time

23-IB-02 INTEREST RATES

Interest rates increase leading to a further reduction in net income	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	2	4	8	<ul style="list-style-type: none"> Phoenix loan and 2 x PWLB loans are secured 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		3	4	12	<ul style="list-style-type: none"> Evaluate sale of one or more assets Consider additional PWLB loans 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
1	4	4	AW	ongoing		

Progress Update (December 2023)

- Base rate has stayed static for the last 3 months, as therefore has the cost of borrowing. Over the next few of years the investment net contribution will be lower than in previous years, recovering towards the end of the five year period as reflected in the Council's MTFS

23-IB-03 TENANT DEFAULT

Tenants default on rental payments either short term or because of business failure	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	2	4	8	<ul style="list-style-type: none"> • Additional financial due diligence undertaken ahead of all purchases • Monitoring of tenants both financial information and news channels 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		1	3	3		
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
		1	4	4	AW	ongoing

Progress Update (December 2023)

- Tenants passed the viability test and no adverse financial reports this quarter
- Commercial asset reserve will enable short term rent losses to be covered without detriment to council services

23-IB-04 BUILDING LOSS

Loss of building due to fire/flood leading to no rent being received for duration of the repair/reinstatement	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	1	4	4	<ul style="list-style-type: none"> • UDC fully insures the building and recharges the tenant • Copies of fire safety procedures/test etc. held by agent 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		1	4	4	<ul style="list-style-type: none"> • Monitor procedures as part of the inspection process 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
		1	4	4	AW	ongoing

Progress Update (December 2023)

- Discussions with all tenants on fire safety etc. Inspections check for issues and ensure maintenance repairs etc. are undertaken
- Commercial asset reserve will enable short term loss in rent to be covered without detriment to council services

23-IB-05 REPUTATION

Actions of tenants affect the reputation of the Council	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	1	4	4	<ul style="list-style-type: none"> • Tenants checked as part of initial due diligence • Continuous monitoring of tenants both financial information and news channels 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		1	3	3		
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
1	3	3	AW	ongoing		

Progress Update (December 2023)

- No adverse or positive news stories this quarter

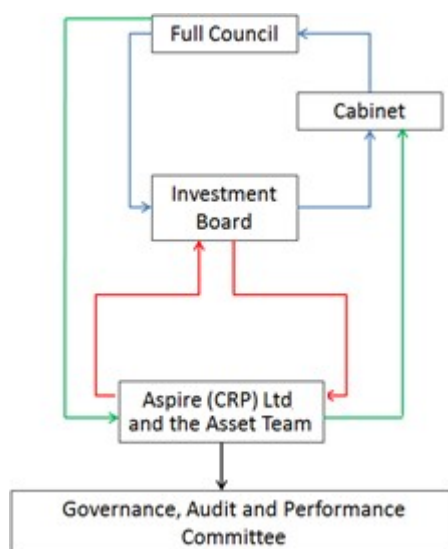
Proportionality

56. The income requirement has arisen as a result of reductions in the Council's finance from central government. Government also restricts the ability of councils to raise income from council tax increases.
57. The Council has established a Commercial Asset Reserve (see para 44) which will be established with the sum of £3 million to cover the risk of investment failure. In addition, the Reserve will increase by £1,000,000 per annum to cover the cost of future refurbishment, void and rent free periods for each of the assets.
58. As part of the regular review of the portfolio the Council will look to, at the right points in time, reduce the level of borrowing in place by selling one or more of the assets. An annual asset review will be undertaken to help inform this decision.

Capacity, Skills and Culture

Investment Board (IB)

59. The IB will operate in accordance with the Commercial Strategy which is adopted annually by Full Council. Cabinet will delegate to the Leader; Portfolio Holder for Finance and the Economy, Chair of the Investment Board and the S151 Officer (or Director of Finance and Revenue and Benefits for Aspire investments) to conclude investments or disposals where authorisation has been given by Full Council.
60. Constitution of the IB
 - a) The IB is a Working Group of Cabinet and membership will be determined by the Leader of the Council
 - b) In addition, there will be two independent members to supplement the skills of the elected Members.
61. The investment decision making and monitoring process is as set out below



62. Democratic Process (blue line)

- a) As part of the annual budget setting process, Cabinet develops the Commercial Strategy in consultation with the IB. Cabinet recommends to Council the adoption of the Commercial Strategy.
- b) Council adopts the Commercial Strategy.
- c) The Cabinet will receive from the IB quarterly updates, including KPIs, on the performance of the portfolio.
- d) For new investments or disposal of existing, the IB reviews the business case and if appropriate supports a recommendation to Cabinet for the acquisition or disposal.
- e) Cabinet reviews the business case and recommendation for either an acquisition or disposal, and if satisfied recommends to Council that either funding is made available, or the disposal is approved.

63. Internal Process (red line)

- d) Aspire (CRP) Ltd looks after developments at Chesterford Research Park. The Council's Asset Team will manage all other non-CRP commercial investments.
- e) Depending on the category of investment or disposal sought, Aspire (CRP) Ltd or the Asset Team, working with professional advisors, will identify assets which meet the requirements set out by the IB. They will prepare business cases for consideration by the IB. The IB will review and consider the cases in detail and if suitable will make the recommendation to the Cabinet to proceed. Approval by the Board of Aspire (CRP) Ltd is also required prior to submission to the IB.
- f) Aspire (CRP) Ltd, along with the Asset Team, prepare the quarterly KPI and other information for submission to the IB.

64. New investments or disposal of existing assets (green line)

- a) At an Extraordinary Meeting of Council a decision is taken on whether or not to allocate the funding for a new investment or agree to the disposal of an existing asset.
- b) If an investment is agreed, funding will be made available to Aspire (CRP) Ltd or to the Asset Team to enable the purchase to be made in accordance with paragraphs 60 to 62.
- c) If the authority is for a sale the disposal will be undertaken in accordance with paragraphs 60 to 62.

65. A report on annual performance of Aspire (CRP) Ltd will be presented to Cabinet

Uttlesford District Council

Medium Term Financial Strategy 2024 – 2029



February 2024



Introduction

1. This Medium Term Financial Strategy (MTFS) sets out how the Council plans to manage its finances over the next five years, aligning its resources closely to the priorities set out in the Corporate Plan and its commitment to providing services that meet the needs of local people.

Corporate Plan

2. The Corporate Plan sets out the Council's priorities and is a key document in establishing the way in which resources should be allocated when setting this MTFS and annual council budgets.
3. The Corporate Plan sets out the Council's overall vision, namely:

“Making Uttlesford the best place to live, work and visit”

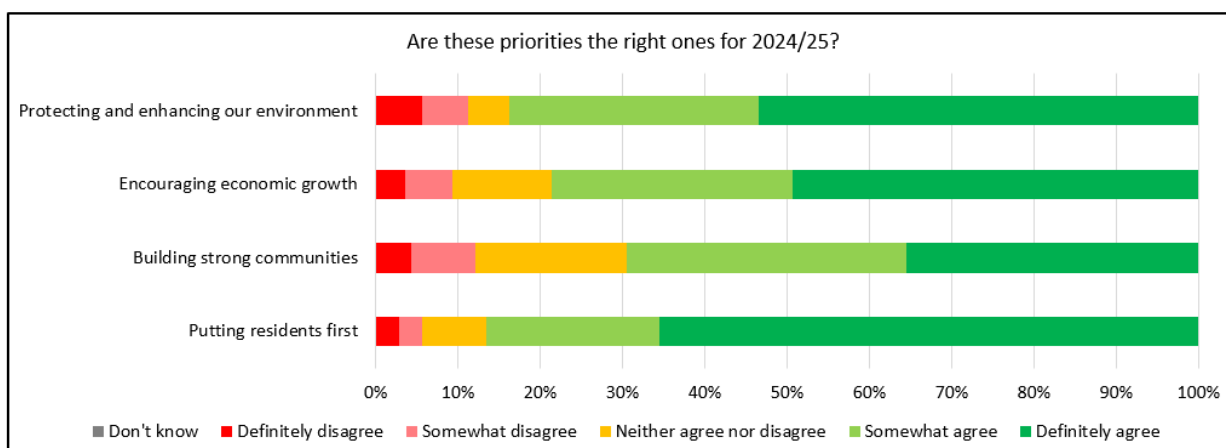
4. Under this overarching vision there are four strategic priorities, each with a set of specific actions, as follows:

Protecting and enhancing our environment	Encouraging economic growth
<p>We will:-</p> <ul style="list-style-type: none"> - take action on climate change; - manage waste in a sustainable way; - conserve and enhance the quality and diversity of the district's natural habitats and wildlife; and - work with partners to deliver sustainable transport. 	<p>We will:-</p> <ul style="list-style-type: none"> - support the resilience and growth of the local economy; and - improve connectivity infrastructure
Building strong communities	Putting residents first
<p>We will:-</p> <ul style="list-style-type: none"> - provide and maintain quality homes and invest in thriving communities; - plan for future housing needs in a sustainable way; and - tackle rural priorities 	<p>We will:-</p> <ul style="list-style-type: none"> - ensure financial sustainability; - use commercial assets to fund services; - enhance digital access and innovation across council services; and - further develop a skilled, motivated and diverse workforce.

Budget Consultation

5. A budget consultation was carried out between 25 September and 5 November 2023, seeking views on the Council's priorities for service delivery over the next financial year. The Council received a total of 147 responses, of which the vast majority (at least 89%) were from local residents.

6. As part of the consultation, respondents were asked whether the Corporate Plan priorities were the right ones for 2024/25. The responses received were as follows:

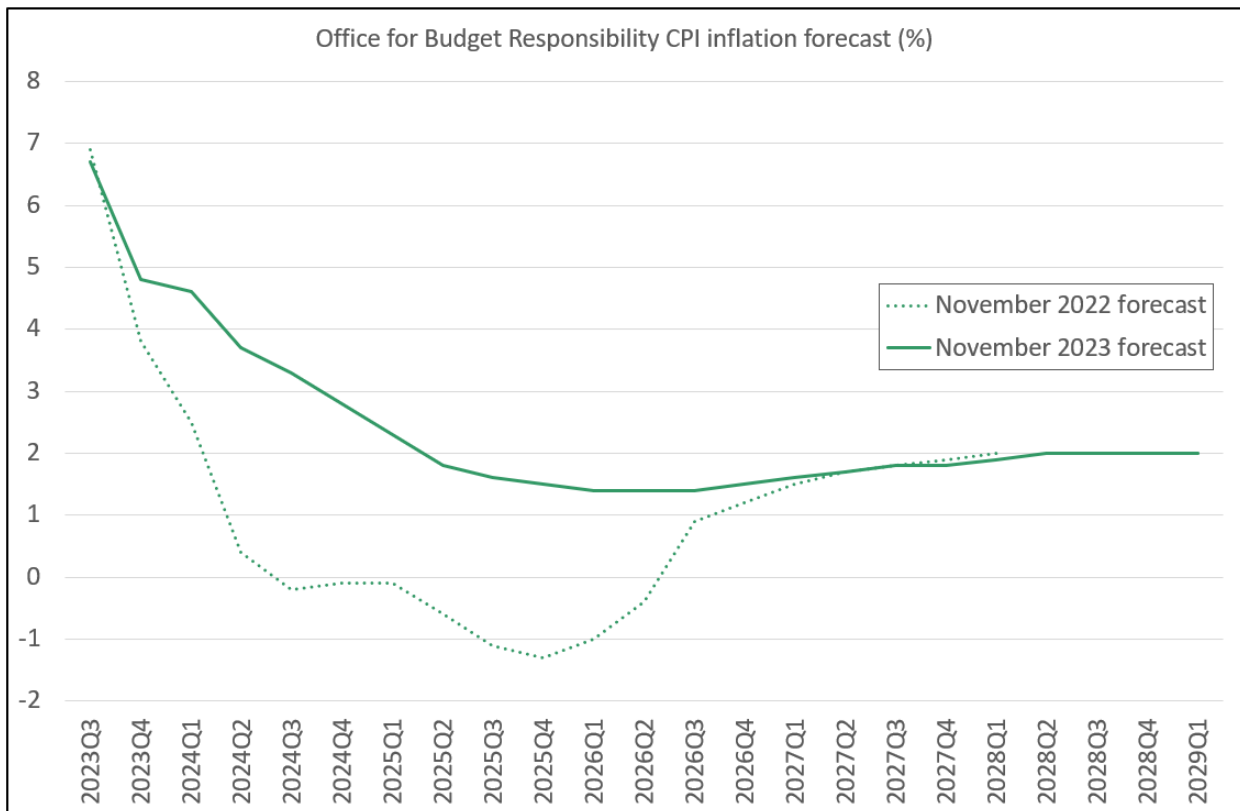


7. As shown above, overall the Corporate Plan priorities are supported by the consultation. For each individual priority, somewhere between 70% and 87% of respondents indicated that they 'definitely agree' or 'somewhat agree' that the priority is right. This supports the use of the Corporate Plan priorities to underpin the 2024/25 budget setting process, and by extension this MTFS.
8. The full results of the consultation are set out at Appendix I, including the view of respondents on individual services and their priorities.

Economic Context

9. The UK economy continues to be impacted by higher interest rates and inflation, an uncertain political climate due to an upcoming general election, and global factors such as war in Ukraine and the Middle East, all of which are contributing to a weakening economic outlook.
10. CPI inflation, whilst still significantly above the Bank of England's 2% target, has fallen sharply from its October 2022 peak of 11.1%, reaching 3.9% in November 2023 before rising slightly again to 4.0% in December 2023.
11. Figures from the Office for National Statistics (ONS) show that the UK economy contracted by 0.1% between July and September 2023, and the Bank of England forecasts low Gross Domestic Product (GDP) growth throughout 2024. Growth is predicted to remain weak over the medium term, constrained by ongoing higher interest rates.
12. The Office for Budget Responsibility (OBR) published its latest Economic and Fiscal Outlook in November 2023, which forecasts average CPI rates for the financial years 2025/26 to 2028/29 of 1.6%, 1.5%, 1.8% and 2.0% respectively. This represents a change from the same forecast this time last year, which showed a sharper fall throughout 2023 and the early part of 2024, with inflation dropping below 0% for a period of two years before rising back to the 2% target in 2028. The main reason for this change in view is that the economy has recovered more fully from the pandemic and weathered the energy price shock better than anticipated, which is likely to cause inflation to remain higher for longer.
13. Since the Council uses the OBR forecast to inform its future inflation assumptions, this has had a significant effect on the MTFS, contributing to £1.110 million of additional inflationary pressure on the General Fund budget by 2027/28, as set out later in this report. However, it should be noted that the impact is not as great as it may otherwise have been, due to the prudent decision made last year to apply a 1.0% floor to future inflation assumptions during periods when the OBR forecast fell below this.

14. The following chart shows the latest OBR forecast for CPI inflation, with a dotted line showing last year's forecast over the equivalent period for comparison:



15. In response to falling inflation, the Bank of England has held the official bank interest rate (base rate) at 5.25% at the last four meetings of the Monetary Policy Committee (MPC), although this follows 14 consecutive increases from 0.10% in December 2021 to 5.25% in August 2023. Many commentators now believe that the base rate has reached its peak, with the Council's external treasury management consultants (Arlingclose) forecasting the first reductions in the second half of 2024, and the rate gradually reducing in stages to 3.00% by the middle of 2026.

16. In the context of the above the squeeze on UK households continues. The OBR now estimate that living standards (based upon real disposable income) will be 3.5% lower in 2024/25 than their pre-pandemic level. Although this is half the fall previously anticipated, it still represents the largest reduction in real living standards since ONS records began in the 1950s.

Local Government Finance Settlement

17. The local government finance settlement for 2024/25 was published in provisional form on 18 December 2022. It broadly follows the same pattern as the 2023/24 settlement – however it should be noted that this is again a one year settlement with no clear indication yet as to the level of funding from 2025/26 onwards. The continuing use of single year settlements makes it almost impossible for local authorities to plan their resources over the medium term, and the sector will no doubt continue to lobby central government for a greater degree of funding certainty in the future, particularly following the forthcoming general election.

18. The key features of the 2024/25 settlement are as follows:-

- A guarantee that all authorities will receive at least a 4% increase in core spending power before any increases to council tax rates. (Note that this was originally 3% in line with 2023/24, but was increased to 4% in a ministerial statement on 24 January 2024.) The effect of this guarantee, together with other changes outlined in the settlement, is that the Council's core spending power (prior to council tax increases) is forecast to increase by £476,000. However, this must be seen in the context of identified annual inflationary pressures on the General Fund totalling £1.998 million in 2024/25.
- New Homes Bonus has been extended for one further year to cover 2024/25. The Council's allocation has increased by £128,000 – however this is already included in the £476,000 increase in core spending power above.
- Changes to other grants (Rural Services Delivery Grant, Services Grant and Revenue Support Grant) are small in net terms, and again already included within the £476,000 increase in core spending power above.
- District councils are permitted to increase band D council tax by the higher of 2.99% or £5.00 without a local referendum, in line with 2023/24. For this Council, the maximum increase is £5.13 (calculated as 2.99% of the 2023/24 amount of £171.61), bringing the 2024/25 figure to £176.74. Given the ongoing inflationary pressures explained above, the Council feels it has no choice but to apply the maximum increase next year.
- The standard business rates multiplier (representing the cost to businesses) will be increased for the first time since 2020/21, from 51.2p to 54.6p (based upon the September 2023 CPI figure of 6.7%). The small business multiplier will be frozen at 49.9p for the fourth consecutive year, and councils will once again receive compensation from the government for the income lost.

19. The final settlement was published on 5 February 2024, and this MTFs and the associated budget papers have been updated to reflect the final confirmed amounts to be received.

Funding Reform and Business Rates Reset

20. The current method for allocating government funding to local authorities is based upon data about spending needs which has not been updated since 2013/14. Since then, the government has announced its intention to review the position a number of times, but this review has been repeatedly delayed.
21. Alongside this, the business rates retention system also relies upon baseline income figures dating back to 2012/13. When the system was first implemented, it was intended that business rates would be 're-baselined' every few years, but this has also been delayed by the government many times.
22. Local government funding reform is a large piece of work which will require widespread consultation and is likely to generate a number of conflicting views. In addition, as more time passes, the work becomes yet more challenging as the existing funding landscape becomes deeper embedded, and gap between actual funding and relative needs continues to grow. It is therefore considered extremely unlikely that there will be any significant system changes for the 2025/26 settlement, particularly in light of the forthcoming general election. Nevertheless, a post-election government is likely to want to tackle this issue early on, so for the purposes of this MTFs it is assumed that funding reform and a business rates reset will take effect from 2026/27.
23. The Council engages external consultants who are experts in the sector to assist with forecasting future funding allocations. The latest forecast shows that the combined effect of funding reforms and the business rates reset could see the Council lose £6.762 million of external funding annually, if and when these occur. This is a significant driver of the Council's

forecast future budget gap, and by extension the Blueprint Uttlesford transformation programme which has been developed to close it. However, it must be acknowledged that there remains significant uncertainty in this area, and there is a risk that the actual funding position will vary materially from the assumptions currently in use.

24. In particular, the MTFS currently assumes that any future funding reforms occur simultaneously alongside a full business rates reset in 2026/27, i.e. that the Council suffers the full effect of any funding reduction in one hit. In reality, it is likely that some form of transitional support will be put into place, which could involve significant one-off funding being awarded to the Council. This has not been included in the MTFS for two reasons. Firstly, there is no certainty as to how such funding would be calculated (or indeed whether it would be made available at all) and secondly, any such funding would be for a limited period of time only. At best, therefore, transitional funding would provide more time for the Council to achieve the necessary budget savings to operate at a lower level of ongoing funding – it would not remove entirely the need to make these savings.
25. In addition to the above, the government has not yet made any firm commitment on the future of the New Homes Bonus scheme after 2024/25. The Council will receive £560,000 of New Homes Bonus payments in 2024/25, so any changes to the scheme could have a significant impact. The government has announced its intention to explore a potential replacement scheme, therefore for the purposes of this MTFS it has been assumed that this funding stream continues at its 2024/25 levels over the medium term.

Commercial Strategy

26. Over the past few years, the Council has acquired a substantial portfolio of commercial investment properties, the income from which has been used to support general Council services. All investments have been undertaken in line with the Council's Commercial Strategy (Appendix B), which is reviewed annually.
27. When undertaking any form of capital expenditure, including commercial investments, local authorities are required to have regard to the Prudential Code for Capital Finance in Local Authorities ('the Prudential Code'), published by CIPFA.
28. In 2021 the Prudential Code was revised, partly in response to government concerns about the level of commercial investments undertaken by some local authorities. The revised Prudential Code is explicit that an authority must not borrow to invest primarily for financial return. However, authorities with existing commercial investments may carry out prudent active management and rebalancing of their portfolios, and authorities with commercial land and property may also invest in maximising its value, including repair, renewal and updating of the properties.
29. Following these changes, the Commercial Strategy has been updated and its main aims are now as follows:-
 - a. There will be no new commercial investments.
 - b. Subject to (d) and (e) below, the portfolio is therefore complete. Of the £300 million allocated in 2020 to building the fund, approximately £268 million has been used or allocated.
 - c. Minimum revenue provision (MRP) will be applied on an annuity basis over the life of each asset. No MRP will be applied on an asset in the year in which it is scheduled to be sold, providing the receipt is used in its entirety to repay debt.
 - d. As the Council already owns, through Aspire (CRP) Ltd, the land at Chesterford Research Park, it will continue to develop the asset to maximise its value.
 - e. The portfolio will be reviewed on a regular basis by the Investment Board to determine the requirements of the Council and the appropriateness of retaining or selling each asset.

- f. The Council will look to maintain the commercial asset portfolio at an investment level of no more than £268 million. However, it should be noted that investments may need to take place ahead of sales which could temporarily increase that number.

Key Risks and Assumptions

30. The key assumptions which have been applied in preparing this MTFS, and the most significant risks arising, are set out in the following table:

Area of Estimate	Assumptions Used - 2024/25	Assumptions Used - Future Years	Risks and Sensitivities
General cost inflation	Only applied where there is contractual provision, or other demonstrable unavoidable cost increases, at the levels specified in the relevant contracts. Where no amount is specified, 4% has been used.	Applied to all service costs using CPI as forecasted by the OBR, specifically: - 2025/26: 1.6% - 2026/27: 1.5% - 2027/28: 1.8% - 2028/29: 2.0%	The decision to apply inflationary increases in 2024/25 only where specific pressures are identified was taken in recognition of the need to seek out efficiencies at a time of intense budgetary pressure, but does increase the risk of service overspends during the year. Future inflation assumptions are based upon the latest economic forecasts, which will include an element of inherent uncertainty. Actual inflation could be higher or lower than forecast, which could have a significant impact upon net service expenditure.
Pay inflation	Based upon a best estimate of the likely pay settlement and historic experience.	General cost inflation (as set out above) +0.9% to represent contractual pay progression for those staff not yet at the top of their band.	The current economic situation and rising cost of living is likely to result in a significant pay claim from unions in 2024/25, and potentially again in future years. Since staff costs form a significant proportion of the Council's gross expenditure, any variations from the assumptions used could have a significant impact on the Council's finances.
Demand growth	None - service costs are based upon current best estimates.	Net service costs to increase by £500,000 per year across the Council to represent as yet unidentified demand growth, for example from an increasing population, changing demographics, or changes to statutory service requirements which are not fully funded by government.	The allowance for future demand growth has been increased from last year's estimate of £250,000 per year based upon actual experience during the 2024/25 budget setting round. Nevertheless, there remains a significant degree of estimation involved in this area, and actual results could be higher or lower than anticipated due to future unforeseen events.
Utility costs	Set by reference to forecasts provided by the Council's external energy consultants, historic consumption figures and current energy prices.	General cost inflation as set out above.	Energy prices are extremely volatile, and the Council's current price fix ends in September 2024. Utility costs are also sensitive to consumption levels, for example a particularly cold winter could lead to higher heating costs.

Area of Estimate	Assumptions Used - 2024/25	Assumptions Used - Future Years	Risks and Sensitivities
Agency costs	Corporate Management budget includes £249,000 of agency (or external consultancy) costs in respect of current vacancies in hard to recruit areas (Planning and Legal), based upon current spend.	Assumed that costs are inflated in line with general cost inflation (as above), but with adjustments to reflect some recruitment to vacant posts and/or changes to service needs:- - 2025/26: £253,000 - 2026/27 : £257,000 - 2027/28: £12,000 - 2028/29: £13,000	Whilst the spend on agency staff has reduced from the previous year, recruitment in these areas remains challenging and there is always a risk of further vacancies arising. The significant drop in forecast spend from 2027/28 assumes that the Local Plan has been completed by then - any further delays are likely to increase the level of external resource required. Conversely, if the Council is successful in recruiting to vacancies quicker than anticipated, actual spend could be lower.
Fees and charges income	Based upon best estimates as provided by services.	Increased using general cost inflation figures (as set out above), unless better information is available from the service.	Fees and charges income is sensitive to both the price charged and volume of demand. In terms of demand, this is often governed by external market forces and can be difficult to predict (e.g. planning applications often fall in times of economic downturn).
Investment property income	Based upon known rental amounts.	Based upon known current rental amounts and future contractual rent reviews (using the above future CPI inflation assumptions where relevant).	The amount of any future rent increases will depend upon the contractual terms of the relevant lease, many of which refer to external factors such as inflation rates and market rents. There is a risk that the actual rent achieved will be higher or lower than currently assumed.
Borrowing costs	Based upon fixed interest rates on current borrowing, with an assumption that any refinancing will take place at the following rates:- - General borrowing (up to 12 months), including refinancing of local authority debt: 5.00-5.50% (depending upon timing) - Refinancing of long-term HRA debt with the Public Works Loan Board (PWLB): 3.88% These rates are based upon those currently available on the relevant market, adjusted for future changes to rates as forecast by the Council's treasury advisors.	Assumed an average cost of borrowing for up to 12 months on the local authority market as follows:- - 2025/26: 4.44% - 2026/27: 3.44% - 2027/28-2028/29: 3.25% These rates are based upon those currently available on the local authority market, adjusted for future changes to the base rate as forecast by the Council's treasury advisors. Assumed an average cost of long-term HRA debt (both new debt and refinancing) as follows:- - 2025/26: 3.68% - 2026/27-2028/29: 3.76% These rates are based upon concessionary HRA rates currently available from the PWLB, adjusted for future changes to gilt rates as forecast by the Council's treasury advisors.	The Council is forecast to have £120.8 million of borrowing on the short-term local authority market at 31 March 2024, which represents 38% of total borrowing. Whilst all borrowing is at fixed interest rates, there remains a refinancing risk if interest rates are higher than anticipated when short-term loans are due for renewal. For example, a rate increase of 0.25% on £120.8 million represents an additional cost of £302,000. The risk of variance (both adverse and favourable) increases in later years as it becomes harder to predict future interest rate movements - indeed the Council's treasury management advisers only forecast rate movements until September 2026, after which point it has been assumed for the purpose of this MTFS that rates remain constant.

Area of Estimate	Assumptions Used - 2024/25	Assumptions Used - Future Years	Risks and Sensitivities
Capital financing and minimum revenue provision (MRP)	Based upon latest capital programme and expenditure forecasts, and forecast average cost of PWLB borrowing for the 2023/24 financial year. The Capital Programme is set out in full at Appendix F.	Based upon latest capital programme, and average cost of PWLB borrowing from the 2023/24 forecast average adjusted for future gilt rate movements as forecast by the Council's treasury advisers.	Capital financing cost is dependent upon the level of capital expenditure and availability of capital resources (such as capital receipts and grants) to finance this. Any additional expenditure (e.g. capital overspends) which can not be financed from capital resources will need to be financed from revenue, either by way of an upfront charge, or through increasing the annual MRP charge. MRP is also sensitive to the average cost of borrowing (as it is calculated on an annuity basis). If the cost of borrowing increases, MRP will decrease in the early years of an asset's life, but increase in the later years (so that the same total amount is payable over the life of the asset).
Corporate pension costs - deficit repair contribution	No contribution payable in 2024/25 as the last triennial contribution of £490,000 was paid in 2023/24, to cover the three years from 2023/24-2025/26.	No further costs in 2025/26 as the amount for this has been paid upfront. For 2026/27, assume again that a 3-year prepayment will be made at the same level as 2023/24.	The Pension Fund is highly sensitive to a number of actuarial assumptions such as interest and inflation rates and member life expectancy. Small changes to these actuarial assumptions can result in large changes to the overall pension deficit, which means that the actual amount to be paid in 2026/27 could vary significantly from that currently assumed.
Business rates income	Based upon the current ratings list, adjusted for forecast bad debt levels and future business rate appeals. Losses associated with appeals are forecast with the assistance of an expert external consultant. Assuming a benefit of remaining in the Essex business rates pool of approximately 45% of the levy which would otherwise be payable to central government.	As for 2024/25, but assuming further growth in gross business rates in the district of 1.2% per annum (in real terms), based upon historic experience. Assuming a full business rates reset in 2026/27, at which point all historic growth will be lost.	Should the business rates reset be further delayed (or cancelled), this would have a significant beneficial effect on the Council from 2026/27 onwards, as the current model forecasts that the Council's share of business rates income will fall by £3.4 million in the year the reset is applied.
Core government grant funding	Based upon final local government finance settlement.	As estimated by the Council's external funding consultants, assuming funding reforms and a full business rates reset take effect from 2026/27 onwards. Forecast transitional support funding has not been included in the MTFs, because it is not guaranteed, and in any case would only be temporary in nature.	Since the finance settlement only covers one year, there is significant risk (both upside and downside) from 2025/26 onwards. Any wider funding reform will now not take place until after the next general election, and an incoming government may take a different approach from that currently being forecast.

Area of Estimate	Assumptions Used - 2024/25	Assumptions Used - Future Years	Risks and Sensitivities
New Homes Bonus	Based upon published provisional local government finance settlement.	Assuming that the Council receives the same amount in future years as in 2024/25, either through a further extension to the existing scheme, or through an equivalent replacement.	The government are yet to confirm their intentions in respect of New Homes Bonus beyond 2024/25. In 2024/25 the Council will receive £560,000, which may be at risk if the scheme is discontinued or materially changed.
Council tax	Set using most recent taxbase forecast and assuming a 2.99% increase in band D council tax (equivalent to £5.13 per band D property).	Gross taxbase continues to increase in line with average for the past 3 years. Band D council tax increases will be £5.00 each year (assuming the government returns to a 1.99% or £5.00 referendum limit from 2025/26 onwards). Collection rate will remain as currently forecast for 2024/25.	Taxbase may grow faster or slower than anticipated, resulting in higher or lower income from council tax. The government referendum limits on raising band D council tax may be higher or lower than assumed, and/or members may opt not to apply the maximum permitted increase in any given year, which would result in a permanent loss of council tax income which could not be 'caught up' in future years. Actual collection rates may be higher or lower than forecast, necessitating adjustments to the taxbase in future years.
Preceptor shareback arrangement	Income of £374,000 based upon provisional forecast provided by Essex County Council, assuming collection rates remain as they currently are.	Assumed an additional 1 year of shareback contributions in 2025/26 (inflated to take into account projected council tax growth), as Essex County Council have indicated that the current arrangement which commenced in 2023/24 is likely to run for three years (pending evaluation). No further contributions have been assumed beyond this date at present.	The actual amount received in 2024/25 will depend upon council tax collection rates which may be higher or lower than assumed. For future years, the income is contingent upon Essex County Council and the other major preceptors continuing to support the arrangement, which given increasing budgetary pressures in all local authorities can by no means be guaranteed.
Sale of commercial asset or assets	No sales have been assumed in setting the 2024/25 budget as the timing and proceeds are too uncertain.	Not included in base five year budget model as timing and proceeds are uncertain, but deficit management plan assumes a future net medium term benefit based upon a reasonable timescale for completion by 1 April 2025, and sales proceeds based upon latest external valuations and current market conditions.	If the Council is not able to realise the forecast short-term benefits from the sale of commercial assets, for example if sales are delayed or the Council is unable to achieve a reasonable price in the current market, the Council will need to identify alternative savings in order to balance the budget over the medium term.

Area of Estimate	Assumptions Used - 2024/25	Assumptions Used - Future Years	Risks and Sensitivities
Dwelling rents	Set using information about current rents and a proposed 7.7% increase for 2024/25, with an allowance made for sales under the right-to-buy scheme, and voids.	Assuming an annual rent increase each year equivalent to the OBR forecast CPI level for September of the preceding year, adjusted for future forecast changes to stock levels (e.g. through new developments and right-to-buy sales).	<p>The current rent policy statement allows maximum annual rent increases of CPI + 1%, but this comes to an end in 2024/25 and no announcement has yet been made as to its replacement. For the purposes of this MTFS, CPI has been assumed - however in the past there have been periods where permitted increases have been lower than CPI, so actual rent levels could be higher or lower than forecast. In addition, the forecast CPI level is itself subject to significant inherent uncertainty.</p> <p>Rental income may also be affected by variations in stock levels (for example a higher than expected number of right-to-buy sales or delays to new developments).</p>
Housing maintenance and capital improvement expenditure	Based upon revenue contract costs and capital budget as agreed with Uttlesford Norse Services Ltd (UNSL)	The contract with UNSL will come to an end in March 2025. For 2025/26 onwards, it has been assumed that revenue and capital costs remain the same as under the current contract (adjusted for CPI inflation as above).	This is a significant contract (£9.938 million of combined revenue and capital spend in 2024/25), and there is a risk that replacement arrangements may be more expensive (or conversely cheaper), which could have a material impact on the medium term financial sustainability of the Housing Revenue Account.
Housing Revenue Account depreciation	<p>Estimated using the draft stock valuation figures as at 31 December 2023, adjusted for forecast stock movements between this date and 31 March 2024.</p> <p>Assuming a useful economic life of 60 years for the housing stock.</p>	Estimated based upon anticipated stock movements (new dwellings and right-to-buy sales), assuming that property valuations move in line with forecast CPI inflation as set out above.	<p>The depreciation charge is highly sensitive to property values, which are difficult to predict. Also, the number of right-to-buy sales and new dwelling completions in each year may vary, or the Council's external valuer could recommend changes to the estimated useful life of the stock, or the proportion of the stock value which relates to land (and is not therefore subject to depreciation).</p> <p>Changes to HRA depreciation will not alter the overall resources available to the HRA, but can change the balance between revenue and capital resources, with a higher depreciation charge resulting in more money being ringfenced for capital works.</p>

General Fund Savings Target and Blueprint Uttlesford

31. Last year's MTFS, published in February 2023, identified a need to reduce the General Fund budget by a net £6.598 million per year by 2027/28. This savings target formed the basis of the Council's Blueprint Uttlesford transformation programme.
32. Savings targets do not remain static, and it was always the intention to revisit this target on an annual basis, taking account of changes to key assumptions (for example the inflation assumptions set out earlier in this report), and additional unforeseen pressures and other changes of circumstance which may arise.

33. Following these changes, the overall savings target has increased by £763,000 to £7.361 million. This is as a result of a number of individual factors, many of which are outside of the Council's control, such as external economic conditions.
34. However, against this revised target, Blueprint Uttlesford has already delivered net recurring savings totalling £2.097 million. This means that the programme has delivered over a quarter of its four year financial target in its first year, leaving a remaining budget gap in 2027/28 (before future Blueprint Uttlesford savings) of £5.264 million.
35. The following table sets out a reconciliation between last year's savings target of £6.598 million, and the current updated target (after savings already realised) of £5.264 million:

General Fund Savings Target Reconciliation	£'000	£'000
2027/28 savings target per last year's MTFS		6,598
Increase in forecast service budgets		
Updates to inflation assumptions	1,110	
Additional unavoidable demand growth	989	
Service investment (e.g. member priority areas)	341	
Other adjustments to service budgets	16	
Subtotal - Increase in forecast service budgets		2,456
Increase in forecast net investment property income		(235)
Increase in forecast business rates income		(832)
Increase in forecast central government grant funding		(459)
Changes to other non-service income and expenditure forecasts		(167)
Revised 2027/28 savings target before savings		7,361
Blueprint Uttlesford initiatives realised to date		
- Year 1 initiatives	(1,224)	
- Early progress on future year initiatives	(873)	
Subtotal - Blueprint Uttlesford initiatives realised to date		(2,097)
2027/28 savings target per current MTFS		5,264

36. A summary of the Blueprint Uttlesford savings realised to date is set out in the table on the following page. Note that all savings are presented in 2027/28 figures for consistency with the table above, and the basis upon which savings targets were originally set.

Blueprint Uttlesford Savings Realised		£'000
Year 1 initiatives		
Review of car park charges		(534)
Review of external grant expenditure		(250)
Corporate Management Team review (phase 1)		(115)
Ending of membership of Local Highways Panel		(100)
Closure of Highways Ranger service (following withdrawal of external funding)		(86)
Service review - Revenues and Benefits (phase 1)		(66)
Service review - Saffron Walden Museum (phase 1)		(39)
Saving in utility and operating costs from old Great Dunmow depot site		(21)
Closure of Great Dunmow and Thaxted Community Information Centres		(13)
Subtotal - Year 1 initiatives		<u>(1,224)</u>
Early progress on future year initiatives		
Planning		(282)
Waste Services		(143)
Environmental Health and Licensing		(136)
Legal		(126)
Communities		(49)
Mailroom		(46)
Facilities		(43)
Revenues and Benefits (phase 2)		(21)
Homelessness		(17)
Other future year initiatives (individually <£10,000)		(10)
Subtotal - Early progress on future year initiatives		<u>(873)</u>
Total - Blueprint Uttlesford savings realised to date		<u><u>(2,097)</u></u>

General Fund Five Year Budget Model

37. After taking account of the changes to assumptions set out above, and Blueprint Uttlesford savings already realised, the updated five year budget model for the General Fund (before any future Blueprint Uttlesford savings) is set out on the following page:

General Fund Five Year Budget Model	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Original	Forecast	Forecast	Forecast	Forecast
	Budget	Budget				
	£'000	£'000	£'000	£'000	£'000	£'000
Net service expenditure						
Gross service expenditure	40,221	41,790	40,195	40,518	41,321	42,048
Gross service income	(20,947)	(23,425)	(22,808)	(22,766)	(23,172)	(23,629)
Demand growth	-	-	500	1,000	1,500	2,000
Subtotal - Net service expenditure	19,274	18,365	17,887	18,752	19,649	20,419
One-off transformation costs	-	400	400	400	400	-
Investment property	(760)	1,812	75	(1,580)	(2,837)	(3,067)
Corporate items						
Capital financing	2,830	1,957	1,535	1,567	1,490	1,521
Net recharges to Housing Revenue Account (HRA)	(1,967)	(2,011)	(2,051)	(2,090)	(2,136)	(2,185)
Other corporate items	542	(42)	42	563	98	76
Subtotal - Corporate items	1,405	(96)	(474)	40	(548)	(588)
External funding						
Retained business rates (including S31 grants)	(5,272)	(6,158)	(6,607)	(3,184)	(3,357)	(3,542)
Collection fund (surplus)/deficit	249	(1,752)	-	-	-	-
Government grants	(3,333)	(3,614)	(3,929)	(560)	(560)	(560)
Subtotal - External funding	(8,356)	(11,524)	(10,536)	(3,744)	(3,917)	(4,102)
Subtotal - Net operating expenditure	11,563	8,957	7,352	13,868	12,747	12,662
Transfers to/(from) earmarked reserves	(4,869)	(1,901)	(121)	304	449	954
Total - Council tax requirement	6,694	7,056	7,231	14,172	13,196	13,616
Council tax	(6,694)	(7,056)	(7,343)	(7,635)	(7,932)	(8,233)
(Surplus)/deficit	-	-	(112)	6,537	5,264	5,383

38. Note that 2027/28 column has been highlighted in the table above as this represents the planned end of the Blueprint Uttlesford programme and the year upon which the programme's targets was based. It is assumed that a new action plan will be required in advance of 2028/29 in order to close any budget gap arising in subsequent years. However, as can be seen, there is positive news in that the financial pressure in the new fifth year of the MTFs (2028/29) is only marginally higher than that in 2027/28. This will be kept under review with each annual refresh of the MTFs, and further plans put into place accordingly should the gap continue to grow.
39. It should also be noted that the 2024/25 budget shows a balanced position as this is required by statute. However, in order to achieve this a drawdown of £1.141 million is required from the MTFs reserve in order to fund the deficit which would otherwise arise in the General Fund next year. For context, the current budgeted deficit to be funded from reserves in 2023/24 is £2.940 million, so the reduction in the deficit next year represents a significant step in the right direction, and reflects the progress already made by the Blueprint Uttlesford programme. Further details of the 2024/25 General Fund budget are set out at Appendix H.

Managing the Deficit

40. The Council's primary method of managing the General Fund deficit up to and including 2027/28 is through the Blueprint Uttlesford programme. Revised forecasts have been developed showing the level of savings which is likely to be achieved by the programme over the remaining three years, updated to reflect the impact of savings achieved early which will be credited against future year initiatives.

41. In addition, the Council is required to review its commercial asset portfolio on at least an annual basis, and to consider whether best value can be achieved in respect of any particular asset through its sale. The deficit management plan in last year's MTFS assumed that estimated net savings of £2.812 million per year could be delivered through the sale of one or more of the Council's commercial assets, through a reduction in both borrowing costs and minimum revenue provision (MRP) charges which would exceed the level of investment income lost. This annual review has now been incorporated into the Blueprint Uttlesford programme, and again potential savings refreshed based upon the latest economic assumptions.
42. The table below sets out the impact of the revised future savings forecasts on the General Fund deficit position over the five year period of the MTFS:

General Fund Savings Delivery Model	2025/26 Forecast £'000	2026/27 Forecast £'000	2027/28 Forecast £'000	2028/29 Forecast £'000
Forecast deficit per five year budget model (before interventions)	(112)	6,537	5,264	5,383
In-year net ongoing Blueprint Uttlesford savings to be delivered	(1,006)	(364)	(461)	-
Cumulative impact of Blueprint Uttlesford savings delivered in previous years	-	(1,006)	(1,370)	(1,831)
Estimated impact of sale of commercial asset(s)	(1,931)	(891)	(673)	(642)
Remaining budget gap/(surplus) - Transfer (to)/from MTFS reserve	(3,049)	4,276	2,760	2,910

43. As can be seen above, there now exists an unmet budget gap of £2.760 million in 2027/28 (and £2.910 million in 2028/29) which will not be tackled by existing Blueprint Uttlesford plans based upon the latest forecasts. This is in part due to the additional net pressures which have increased the savings requirement as set out in the table at paragraph 35, but also because changes to economic conditions have reduced the potential savings which could be made through the sale of commercial assets in the longer term. However, the size of the budget gap over the MTFS period is not a significant concern to the Council at this time, for two reasons.
44. Firstly, as set out at paragraphs 20-25 above, there remains significant uncertainty around future government funding. The budget gap above assumes a loss of external funding of £6.792 million per year from 2026/27, with no transitional support in place. In reality, although difficult to quantify, there is a high likelihood that some form of additional support will be provided, even if on a short term basis.
45. Secondly, even assuming that the above budget gaps can not be closed in time, the Council holds sufficient reserves to cover these over the whole five year MTFS period. This is an important indicator of the Council's medium term financial sustainability. Further detail of the planned use of reserves over the next five years is set out at paragraphs 59-62 below.
46. There is currently much focus nationally on the financial sustainability of local authorities, with many authorities unable to balance budgets even with the use of reserves, and therefore being forced to call for government assistance. The fact that this Council has sufficient reserves to cover at least the next five years, alongside a clear plan to reduce deficit levels, places it in a strong financial position relative to many of its peers.
47. However, it is important not to be complacent, and the position will be kept under close review over the coming year. It is hoped that, by the time next year's MTFS and budget is set, there will be more certainty around the future of local government funding, which will allow more detailed refinement of future savings plans if the situation so requires.
48. The most significant risk to the above plan is that the Council is unable to fully realise the short term benefits from the sale of commercial assets from 1 April 2025 (which would require sales to take place before this date). This may occur, for example, because market conditions are not conducive to sale at this time (noting that last year's MTFS assumed a sale by the end of 2023/24 which has already been delayed once). This activity alone is forecast to generate

£4.137 million for the Council over the five year MTFS period, and if these amounts cannot be realised in time then alternative savings will need to be found elsewhere.

49. Annex C1 sets out the detailed five year MTFS for the General Fund, after the forecast impact of future savings, and assuming that all remaining deficits are funded from the MTFS reserve. Further details of the impact on the Council's reserve levels are set out at paragraphs 59-62 below.

Scenario Planning

50. Whilst the five year budget model has been prepared on the basis of the best available information, it is prudent to consider the potential impact should external factors differ significantly from the assumptions which are currently being made.

51. With this in mind, two alternative scenarios have been presented below. Note that these are not intended to represent any particular 'worst case' or 'best case', but simply to demonstrate the sensitivity of the MTFS to the assumptions used, and to present a range of reasonably possible outcomes covering the next five years.

Scenario 1 – Changes to Funding Reforms

52. This scenario demonstrates the impact on the Council's finances of removing the assumption of local government funding reforms and a business rates reset with effect from 2026/27. This could represent, for example, a scenario where the reforms are further delayed beyond 2028/29. Alternatively, following the general election a new government could elect to cancel the reforms entirely, or to take a different approach which more closely aligns with current funding allocations.

53. The assumption made for this scenario is that business rates income continues to increase in line with inflation from 2026/27 onwards, with an additional allowance for growth in the business rates baseline of 1.2%, of which the Council retains half. Meanwhile, other core government grants (including New Homes Bonus) are assumed to increase in line with CPI inflation for the remainder of the five year MTFS period.

54. The impact of this on the five year budget model would be as follows:

Scenario 1 - Changes to Funding Reforms	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
(Surplus)/deficit per base five year budget model	-	(112)	6,537	5,264	5,383
Increase to retained business rates income	-	-	(3,568)	(3,565)	(3,561)
Increase to core government grants	-	-	(3,432)	(3,507)	(3,589)
Revised surplus under scenario 1	-	(112)	(463)	(1,808)	(1,767)

Scenario 2 – Sustained Higher Inflation and Interest Rates

55. Under this scenario, ongoing conflict in Ukraine and the Middle East lead to higher energy prices and supply side pressures, resulting in inflation persisting for longer than the current OBR forecasts, taking the full five years of the MTFS period to return to the target 2% level. As a result, the Bank of England responds by raising interest rates higher and for longer than currently forecast.

56. The assumptions used in developing this scenario are as follows:

Scenario 2 Assumptions	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
CPI inflation	4.0%	3.5%	3.0%	2.5%	2.0%
Cost of borrowing from other local authorities	5.50-5.75%	4.94%	4.31%	4.25%	4.25%
Council tax % increase referendum limit	2.99%	2.99%	2.99%	2.99%	2.99%

57. The impact this would have on the 5 year budget model is as follows:

Scenario 2 - Sustained Higher Inflation and Interest Rates	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
(Surplus)/deficit per base five year budget model	-	(112)	6,537	5,264	5,383
Impact of increased inflation on gross service expenditure	-	734	1,352	1,671	1,701
Impact of increased inflation on gross service income	-	(363)	(712)	(869)	(896)
Impact of increased inflation on investment property income	-	-	(32)	(279)	(343)
Impact of higher interest rates on borrowing costs	396	720	1,232	1,396	1,365
Impact of higher interest rates on treasury investment income	(18)	(39)	(68)	(78)	(78)
Impact of increased inflation on recharges to the HRA	-	(37)	(69)	(86)	(88)
Changes to external funding (where index linked)	-	(48)	(293)	(334)	(360)
Impact of higher council tax referendum limits	-	(11)	(29)	(55)	(88)
Other impacts of assumption changes	8	(3)	8	(9)	(26)
Revised deficit under scenario 2	386	841	7,926	6,621	6,570

58. The above scenarios serve to demonstrate the great extent to which the Council's finances are sensitive to external factors which are often outside of the Council's control. However, the base case as presented at paragraph 42 above remains the most likely estimate of the Council's financial performance over the medium term.

General Fund Reserves

59. The Council holds General Fund revenue reserves which have been put aside in previous years to fund future expenditure. The purpose of each of these reserves is as follows:

Reserve	Purpose
Ringfenced reserves	
Business rates	To support future deficits in the business rates collection fund (for example because collection rates were lower than forecast).
Capital slippage	To hold committed revenue contributions to capital projects where expenditure has 'slipped' into a later year.
Licensing	To hold surpluses generated by licensing services which are ringfenced under statute for supporting these services in the future.
Leisure / Private Finance Initiative	To meet increased Private Finance Initiative (PFI) costs in future years arising from inflation and utility bills.
Working balance	The prudent minimum balance to be held by the General Fund to manage unexpected financial impacts during the year. The amount held is determined by the Section 151 Officer based on a percentage of variable income and expenditure amounts.
Core reserves	
Commercial assets	To cover the cost of refurbishment or reinstatement of commercial investment assets at lease expiry to ensure that they remain in a lettable or saleable condition, and to cover any loss of income in the unlikely event of unexpected voids or tenant arrears. As agreed by Full Council in August 2023, this reserve will also be used to fund borrowing costs associated with the new loans to Aspire during the interest free period.
Transformation	To fund one-off transitional costs in support of the Blueprint Uttlesford transformation programme (both capital and revenue), expected to be drawn down over the four years from 2024/25-2027/28.
Medium Term Financial Strategy (MTFS)	Unallocated reserves which are available to fund one-off deficits in the General Fund as the Council transitions to a lower cost base through the Blueprint Uttlesford programme.
Member priorities	
Economic development	Following the Covid-19 pandemic and its effects on the local economy and businesses, £1 million was allocated to this reserve to support businesses and local High Streets to recover, in line with the Economic Recovery Action Plan.
Planning	To support planning appeals and additional costs relating to the delivery of the Planning service and neighbourhood plans.
Sustainable communities	To support the delivery of the new Local Plan.
Climate change	Following the declaration of a climate emergency by the Council, £1 million was allocated to this reserve to support specific climate change actions.
Major sports facilities; Voluntary sector; Coronation celebration grants	To hold funds earmarked by the Council for specific grant programmes which have not yet been awarded or drawn down by recipients.
Grants	
Homelessness; Health and wellbeing; Air quality; Public health; Shared Prosperity Fund; Other	To hold any unspent balances from external grants which are ringfenced for specific activities (for example Homelessness Prevention Grants).

60. Over the course of the five year MTFS, total General Fund revenue reserves are anticipated to decrease by £7.212 million, from a forecast balance of £22.048 million at 1 April 2024 to £14.836 million by 31 March 2029. Within this, the MTFS reserve (representing the unallocated

reserve balance) is forecast to decrease by £8.012 million, from £8.157 million at 1 April 2024 to £145,000 by 31 March 2029. This is due to the planned use of this reserve to fund medium term budget deficits as set out at paragraphs 40-49 above, and in line with government expectations that local authorities should look to reduce large reserve balances over time.

61. Whilst the forecast residual balance on the MTFs reserve at 31 March 2029 is relatively low in the context of General Fund expenditure, it should be noted that this balance sits in addition to a prudent minimum working balance of £1.925 million. Should future forecasts show that this prudent minimum balance was likely to be breached, this would indicate a significant risk to the medium term financial sustainability of the General Fund – however this is not the case at present. As set out at paragraphs 40-49 above, there remains significant uncertainty around future government funding of local authorities, and the forecast reserve position will be kept under close review and refreshed again next year when there may be more certainty. In the meantime, the Council is able to demonstrate its medium term financial sustainability through the use of reserve balances to balance the budget over the following five year period.
62. The tables below show the forecast position on each of the General Fund reserves over the five year MTFs period, assuming the delivery of future savings (including from the sale of commercial assets) as set out at paragraph 42 above.

General Fund Revenue Reserves	Balance at 1 April 2023	Forecast additions to reserves 2023/24	Forecast use of reserves 2023/24	Forecast transfers 2023/24	Forecast balance at 31 March 2024	Budgeted additions to reserves 2024/25	Budgeted use of reserves 2024/25	Forecast balance at 31 March 2025
	£'000	£'000		£'000	£'000	£'000	£'000	£'000
Ringfenced reserves								
Business rates	5,724	-	(238)	(5,000)	486	1,736	-	2,222
Capital slippage	921	-	(798)	(7)	116	-	(116)	-
Licensing	63	26	-	-	89	7	-	96
Leisure/Private Finance Initiative	1,102	-	(295)	-	807	-	(100)	707
Working balance	1,666	178	-	-	1,844	65	-	1,909
Total - Ringfenced reserves	9,476	204	(1,331)	(5,007)	3,342	1,808	(216)	4,934
Core reserves								
Commercial assets	4,000	1,000	(107)	-	4,893	1,000	(869)	5,024
Transformation	1,000	-	-	1,000	2,000	-	(800)	1,200
Medium Term Financial Strategy	5,903	-	(1,754)	4,008	8,157	25	(1,141)	7,041
Total - Core reserves	10,903	1,000	(1,861)	5,008	15,050	1,025	(2,810)	13,265
Member priorities								
Economic development	670	-	(486)	-	184	-	(184)	-
Planning	733	-	(19)	-	714	-	(21)	693
Sustainable communities	1,464	-	(214)	-	1,250	-	(742)	508
Climate change	842	-	(290)	-	552	-	(388)	164
Major sports facilities	255	-	(255)	-	-	-	-	-
Voluntary sector	40	-	(5)	-	35	-	(35)	-
Coronation celebration grants	32	-	(32)	-	-	-	-	-
Cost of living support fund	-	135	-	-	135	-	(135)	-
Total - Member priorities	4,036	135	(1,301)	-	2,870	-	(1,505)	1,365
Grants								
Homelessness	273	64	-	-	337	-	(104)	233
Health and wellbeing	205	-	(11)	-	194	-	(24)	170
Air quality	120	-	(120)	-	-	-	-	-
Public health	123	131	(47)	-	207	-	(76)	131
Shared Prosperity Fund	40	-	(39)	(1)	-	-	-	-
Other	31	37	(20)	-	48	3	(2)	49
Total - Grants	792	232	(237)	(1)	786	3	(206)	583
Total General Fund revenue reserves	25,207	1,571	(4,730)	-	22,048	2,836	(4,737)	20,147

General Fund Revenue Reserves	Forecast balance at 1 April 2025 £'000	Budgeted additions to reserves 2025/26 £'000	Budgeted use of reserves 2025/26 £'000	Forecast balance at 31 March 2026 £'000	Budgeted additions to reserves 2026/27 £'000	Budgeted use of reserves 2026/27 £'000	Forecast balance at 31 March 2027 £'000
Ringfenced reserves							
Business rates	2,222	-	-	2,222	-	-	2,222
Capital slippage	-	-	-	-	-	-	-
Licensing	96	2	-	98	3	-	101
Leisure/Private Finance Initiative	707	-	(100)	607	-	(100)	507
Working balance	1,909	-	(26)	1,883	-	(21)	1,862
Total - Ringfenced reserves	4,934	2	(126)	4,810	3	(121)	4,692
Core reserves							
Commercial assets	5,024	1,000	-	6,024	1,000	-	7,024
Transformation	1,200	-	(400)	800	-	(400)	400
Medium Term Financial Strategy	7,041	3,075	-	10,116	25	(4,277)	5,864
Total - Core reserves	13,265	4,075	(400)	16,940	1,025	(4,677)	13,288
Member priorities							
Economic development	-	-	-	-	-	-	-
Planning	693	-	(15)	678	-	(15)	663
Sustainable communities	508	-	(333)	175	-	(68)	107
Climate change	164	-	(164)	-	-	-	-
Major sports facilities	-	-	-	-	-	-	-
Voluntary sector	-	-	-	-	-	-	-
Coronation celebration grants	-	-	-	-	-	-	-
Cost of living support fund	-	-	-	-	-	-	-
Total - Member priorities	1,365	-	(512)	853	-	(83)	770
Grants							
Homelessness	233	-	(112)	121	-	(120)	1
Health and wellbeing	170	-	-	170	-	-	170
Air quality	-	-	-	-	-	-	-
Public health	131	-	-	131	-	-	131
Shared Prosperity Fund	-	-	-	-	-	-	-
Other	49	3	(2)	50	3	(2)	51
Total - Grants	583	3	(114)	472	3	(122)	353
Total General Fund revenue reserves	20,147	4,080	(1,152)	23,075	1,031	(5,003)	19,103

General Fund Revenue Reserves	Forecast balance at 1 April 2027 £'000	Budgeted additions to reserves 2027/28 £'000	Budgeted use of reserves 2027/28 £'000	Forecast balance at 31 March 2028 £'000	Budgeted additions to reserves 2028/29 £'000	Budgeted use of reserves 2028/29 £'000	Forecast balance at 31 March 2029 £'000
Ringfenced reserves							
Business rates	2,222	-	-	2,222	-	-	2,222
Capital slippage	-	-	-	-	-	-	-
Licensing	101	3	-	104	3	-	107
Leisure/Private Finance Initiative	507	-	(100)	407	-	(100)	307
Working balance	1,862	-	35	1,897	-	28	1,925
Total - Ringfenced reserves	4,692	3	(65)	4,630	3	(72)	4,561
Core reserves							
Commercial assets	7,024	1,000	-	8,024	1,000	-	9,024
Transformation	400	-	(400)	-	-	-	-
Medium Term Financial Strategy	5,864	25	(2,859)	3,030	25	(2,910)	145
Total - Core reserves	13,288	1,025	(3,259)	11,054	1,025	(2,910)	9,169
Member priorities							
Economic development	-	-	-	-	-	-	-
Planning	663	-	(15)	648	-	(3)	645
Sustainable communities	107	-	-	107	-	-	107
Climate change	-	-	-	-	-	-	-
Major sports facilities	-	-	-	-	-	-	-
Voluntary sector	-	-	-	-	-	-	-
Coronation celebration grants	-	-	-	-	-	-	-
Cost of living support fund	-	-	-	-	-	-	-
Total - Member priorities	770	-	(15)	755	-	(3)	752
Grants							
Homelessness	1	-	(1)	-	-	-	-
Health and wellbeing	170	-	-	170	-	-	170
Air quality	-	-	-	-	-	-	-
Public health	131	-	-	131	-	-	131
Shared Prosperity Fund	-	-	-	-	-	-	-
Other	51	3	(2)	52	3	(2)	53
Total - Grants	353	3	(3)	353	3	(2)	354
Total General Fund revenue reserves	19,103	1,031	(3,342)	16,792	1,031	(2,987)	14,836

Housing Revenue Account 5 Year Budget Model

63. The proposed Housing Revenue Account (HRA) budget for 2024/25 is set out at Appendix G. Using the assumptions set out at paragraph 30 above, a five year budget model has been developed to inform the Council's medium term financial management. This is summarised in the table on the following page:

Housing Revenue Account 5 Year Budget Model	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Original	Forecast	Forecast	Forecast	Forecast
	Budget	Budget				
	£'000	£'000	£'000	£'000	£'000	£'000
Service income						
Dwelling rents	(16,506)	(18,067)	(18,668)	(19,227)	(19,497)	(19,830)
Non-dwelling rents	(279)	(286)	(290)	(293)	(298)	(304)
Service charges and other income	(1,448)	(1,328)	(1,349)	(1,370)	(1,394)	(1,422)
Subtotal - Service income	(18,233)	(19,681)	(20,307)	(20,890)	(21,189)	(21,556)
Service expenditure						
Finance and business management	114	185	190	137	141	144
Maintenance and repairs service	4,822	5,778	5,442	5,527	5,631	5,748
Management and homelessness expenditure	1,054	1,218	1,238	1,266	1,297	1,333
Additional one-off HRA revenue costs agreed in 2023/24	1,000	-	-	-	-	-
One-off transformation costs	-	750	250	-	-	-
Subtotal - Service expenditure	6,990	7,931	7,120	6,930	7,069	7,225
Other operating income and expenditure						
Depreciation	4,768	4,242	4,303	4,365	4,436	4,517
Borrowing costs	2,618	2,639	2,780	2,803	2,750	2,695
Net recharges from General Fund	1,967	2,011	2,051	2,090	2,135	2,186
Other	24	(24)	4	58	35	36
Subtotal - Other operating income and expenditure	9,377	8,868	9,138	9,316	9,356	9,434
Subtotal - Operating (surplus)/deficit	(1,866)	(2,882)	(4,049)	(4,644)	(4,764)	(4,897)
Capital financing	2,421	2,960	3,762	4,509	4,409	4,440
Transfers to/(from) earmarked reserves	(555)	(78)	287	135	355	457
(Surplus)/Deficit	-	-	-	-	-	-

64. The above table demonstrates that the HRA is able to deliver a balanced budget for the duration of the five year MTF5 period. In order to achieve this, the following changes are proposed to the previously agreed plans for financing future capital expenditure:

- new borrowing of £3 million in 2025/26; and
- a reduction in the planned rate of repayment of historic capital debt from 2026/27 onwards, from £3 million per year to £2 million per year (which will necessitate refinancing of £1 million per year of historic PWLB debt).

65. These proposals will allow the HRA capital programme to remain on track, whilst still delivering small revenue surpluses to the HRA in the years 2025/26-2028/29, thus demonstrating that the relatively low level of additional borrowing is sustainable.

66. The full 5 year budget model for the HRA is set out at Annex C2.

Uttlesford Norse Services Ltd (UNSL)

67. Since 2020, housing maintenance and capital improvement works have been carried out by Uttlesford Norse Services Ltd (UNSL), a joint venture arrangement between the Council and Norse Commercial Services Ltd. This is the Council's largest single contract, with total budgeted combined revenue and capital spend in 2024/25 of £9.938 million. The contract contains a natural break point at March 2025, with an option to extend with the agreement of both parties.

68. On 9 January 2024, Cabinet took the decision not to extend this contract due to the performance of UNSL, and notice has been served that the arrangement will end in March 2025. The Council will therefore need to put into place alternative arrangements for the delivery of these services following the end of the contract, and work is ongoing in this area.

69. For the purposes of this MTFS, it has been assumed that future spend in these areas will continue in line with the current spend with UNSL (adjusted for inflationary assumptions as set out at paragraph 30 above). However, clearly there is a risk that the new arrangements may cost more (or conversely less), which could have a significant impact on HRA surpluses and reserve balances in the medium term.

70. In terms of transitional costs, the following provisions have been made:

- one-off spend of £426,000 in 2024/25 on specific additional agency and consultancy costs, including (but not limited to) additional support for exiting the UNSL contract and setting up replacement arrangements; and
- a transformation reserve of £1 million which will be set aside to fund as yet unknown transitional costs which may arise, for example linked to the transfer of staff under TUPE arrangements.

71. In addition, the MTFS assumes ongoing spend of £402,000 per year (subject to usual inflation) on the expansion of the Council's housing repairs contract management function, in order to ensure sound management of whatever future arrangements are put into place.

72. The Council can therefore be confident that there is sufficient resource available to ensure an orderly transition to the new arrangements over the coming years. The main residual risk, as set out above, is that the final cost of the new arrangements will exceed current forecasts – this will be revisited as part of next year's MTFS when there is more certainty around the nature and cost of future arrangements.

Housing Revenue Account Reserves

73. As at 1 April 2023, unallocated revenue reserves in the HRA stood at £201,000. It was recognised that this balance is low in the context of the size of the HRA (equivalent to just over 1 weeks' gross service expenditure), and this year's MTFS makes provision to increase this balance over the five year period to a more prudent and sustainable level of £2.162 million.

74. The tables below set out the forecast movements on HRA revenue reserves over the five year MTFS period:

Housing Revenue Account Revenue Reserves	Balance at 1 April 2023	Forecast Additions to Reserves 2023/24	Forecast Use of Reserves 2023/24	Forecast Balance at 31 March 2024	Budgeted Additions to Reserves 2024/25	Budgeted Use of Reserves 2024/25	Forecast Balance at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ringfenced reserves							
Working balance	549	45	-	594	61	-	655
Subtotal - Ringfenced reserves	549	45	-	594	61	-	655
Usable reserves							
Revenue reserves	201	299	-	500	193	-	693
Transformation	160	420	-	580	420	(750)	250
Subtotal - Usable reserves	361	719	-	1,080	613	(750)	943
Earmarked for capital purposes							
Potential projects reserve	10	-	-	10	-	-	10
HRA capital slippage reserve	858	-	(856)	2	-	(2)	-
Subtotal - Earmarked for capital purposes	868	-	(856)	12	-	(2)	10
Total - HRA revenue reserves	1,778	764	(856)	1,686	674	(752)	1,608

Housing Revenue Account Revenue Reserves	Forecast Balance at 1 April 2025	Forecast Additions to Reserves 2025/26	Forecast Use of Reserves 2025/26	Forecast Balance at 31 March 2026	Forecast Additions to Reserves 2026/27	Forecast Use of Reserves 2026/27	Forecast Balance at 31 March 2027
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ringfenced reserves							
Working balance	655	12	-	667	-	(17)	650
Subtotal - Ringfenced reserves	655	12	-	667	-	(17)	650
Usable reserves							
Revenue reserves	693	525	-	1,218	152	-	1,370
Transformation	250	-	(250)	-	-	-	-
Subtotal - Usable reserves	943	525	(250)	1,218	152	-	1,370
Earmarked for capital purposes							
Potential projects reserve	10	-	-	10	-	-	10
HRA capital slippage reserve	-	-	-	-	-	-	-
Subtotal - Earmarked for capital purposes	10	-	-	10	-	-	10
Total - HRA revenue reserves	1,608	537	(250)	1,895	152	(17)	2,030

Housing Revenue Account Revenue Reserves	Forecast Balance at 1 April 2027	Forecast Additions to Reserves 2027/28	Forecast Use of Reserves 2027/28	Forecast Balance at 31 March 2028	Forecast Additions to Reserves 2028/29	Forecast Use of Reserves 2028/29	Forecast Balance at 31 March 2029
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ringfenced reserves							
Working balance	650	8	-	658	12	-	670
Subtotal - Ringfenced reserves	650	8	-	658	12	-	670
Usable reserves							
Revenue reserves	1,370	347	-	1,717	445	-	2,162
Transformation	-	-	-	-	-	-	-
Subtotal - Usable reserves	1,370	347	-	1,717	445	-	2,162
Earmarked for capital purposes							
Potential projects reserve	10	-	-	10	-	-	10
HRA capital slippage reserve	-	-	-	-	-	-	-
Subtotal - Earmarked for capital purposes	10	-	-	10	-	-	10
Total - HRA revenue reserves	2,030	355	-	2,385	457	-	2,842

75. Note that the above assumes that any surpluses not required for the financing of capital expenditure are added to revenue reserves. The movement on the 'Revenue reserves' line above, therefore, indicates the net overall surplus arising on the HRA in any given year, after capital financing and statutory reserve movements. The table shows a modest planned net surplus (after other reserve movements) in each year of the MTFS period, which results in the overall increase in revenue reserves described above.

Capital Reserves

76. The Council holds a number of reserves which can only be used for capital purposes, due to statutory restrictions or grant conditions. These are set out in the tables below:

Usable Capital Reserves	Balance at 1 April 2023	Forecast Additions to Reserves 2023/24	Forecast Use of Reserves 2023/24	Forecast Balance at 31 March 2024	Budgeted Additions to Reserves 2024/25	Budgeted Use of Reserves 2024/25	Forecast Balance at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund capital reserves							
Capital grants unapplied	1,487	870	(1,500)	857	961	(1,424)	394
Capital receipts	58	1,775	(563)	1,270	383	(383)	1,270
Subtotal - General Fund capital reserves	1,545	2,645	(2,063)	2,127	1,344	(1,807)	1,664
HRA capital reserves							
Major repairs reserve	1,183	4,547	(4,549)	1,181	4,242	(5,423)	-
Capital grants unapplied	-	-	-	-	900	(900)	-
Capital receipts	4,291	1,862	(1,254)	4,899	3,235	(1,132)	7,002
Subtotal - HRA capital reserves	5,474	6,409	(5,803)	6,080	8,377	(7,455)	7,002
Total - Capital reserves	7,019	9,054	(7,866)	8,207	9,721	(9,262)	8,666

Usable Capital Reserves	Forecast Balance at 1 April 2025	Forecast Additions to Reserves 2025/26	Forecast Use of Reserves 2025/26	Forecast Balance at 31 March 2026	Forecast Additions to Reserves 2026/27	Forecast Use of Reserves 2026/27	Forecast Balance at 31 March 2027
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund capital reserves							
Capital grants unapplied	394	235	(235)	394	235	(235)	394
Capital receipts	1,270	400	(400)	1,270	418	(418)	1,270
Subtotal - General Fund capital reserves	1,664	635	(635)	1,664	653	(653)	1,664
HRA capital reserves							
Major repairs reserve	-	4,303	(4,303)	-	4,365	(4,365)	-
Capital grants unapplied	-	2,100	(2,100)	-	-	-	-
Capital receipts	7,002	2,234	(800)	8,436	2,235	(800)	9,871
Subtotal - HRA capital reserves	7,002	8,637	(7,203)	8,436	6,600	(5,165)	9,871
Total - Capital reserves	8,666	9,272	(7,838)	10,100	7,253	(5,818)	11,535

Usable Capital Reserves	Forecast Balance at 1 April 2027	Forecast Additions to Reserves 2027/28	Forecast Use of Reserves 2027/28	Forecast Balance at 31 March 2028	Forecast Additions to Reserves 2028/29	Forecast Use of Reserves 2028/29	Forecast Balance at 31 March 2029
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund capital reserves							
Capital grants unapplied	394	235	(235)	394	235	(235)	394
Capital receipts	1,270	437	(437)	1,270	456	(456)	1,270
Subtotal - General Fund capital reserves	1,664	672	(672)	1,664	691	(691)	1,664
HRA capital reserves							
Major repairs reserve	-	4,436	(4,436)	-	4,517	(4,517)	-
Capital grants unapplied	-	-	-	-	-	-	-
Capital receipts	9,871	2,234	(800)	11,305	2,235	(800)	12,740
Subtotal - HRA capital reserves	9,871	6,670	(5,236)	11,305	6,752	(5,317)	12,740
Total - Capital reserves	11,535	7,342	(5,908)	12,969	7,443	(6,008)	14,404

77. The HRA capital receipts forecast above is based upon an assumption of an average of 12 right-to-buy sales per year from 2024/25 onwards. The table shows the level of resource this would generate, but current development plans are insufficient to utilise of all of this resource, which presents a risk that some funds would need to be returned to central government if they cannot be applied within the relevant time limits. As set out in the Capital Programme (Appendix F), there is a need to undertake a wider review of HRA capital development and financing plans alongside development of the new 30 Year Business Plan, and this will include consideration of the best way to utilise these receipts going forward.

Longer Term Financial Planning

78. In addition to the medium term factors set out in this report, the Council is also required to consider risks which may have a significant impact on its finances beyond the five year MTFS period. The only such risk identified this year relates to the Council's leisure PFI (Private Finance Initiative) arrangement. In 2031 this arrangement will come to an end, and the leisure facilities will return to the Council. At this point they will be relatively old and potentially in need of refurbishment. In addition, the Council will need to decide whether to take over the running of the facilities itself, or to outsource to a third party provider. Either course of action may result in additional ongoing costs and risks.

List of Annexes

- Annexe C1 – General Fund Medium Term Financial Strategy 2023/24 – 2027/28
- Annexe C2 – Housing Revenue Account Medium Term Financial Strategy 2023/24 – 2027/28

General Fund Medium Term Financial Strategy 2024/25 - 2028/29	2023/24 Current Budget	2024/25 Original Budget	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Net service expenditure						
Gross service expenditure	40,221	41,790	40,195	40,518	41,321	42,048
Gross service income	(20,947)	(23,425)	(22,808)	(22,766)	(23,172)	(23,629)
Demand growth	-	-	500	1,000	1,500	2,000
In-year net ongoing Blueprint Uttlesford savings to be delivered	-	-	(1,006)	(364)	(461)	-
Cumulative effect of savings delivered in previous years	-	-	-	(1,006)	(1,370)	(1,831)
Subtotal - Net service expenditure	19,274	18,365	16,881	17,382	17,818	18,588
One-off transformation costs	-	400	400	400	400	-
Investment property						
Investment property income (net of management costs)	(11,974)	(11,973)	(13,553)	(13,717)	(14,657)	(14,832)
Borrowing costs	8,410	11,017	10,733	9,182	8,805	8,691
Minimum revenue provision (MRP)	2,804	2,768	2,895	2,955	3,015	3,074
Subtotal - Investment property	(760)	1,812	75	(1,580)	(2,837)	(3,067)
Estimated impact of sale of commercial asset(s)	-	-	(1,931)	(891)	(673)	(642)
Corporate items						
Capital financing	2,830	1,957	1,535	1,567	1,490	1,521
Leisure PFI interest	334	319	303	285	266	245
Corporate pension costs (added years and deficit repair)	545	85	85	546	85	85
Treasury investment income	(337)	(446)	(346)	(268)	(253)	(254)
Net recharges to Housing Revenue Account (HRA)	(1,967)	(2,011)	(2,051)	(2,090)	(2,136)	(2,185)
Subtotal - Corporate items	1,405	(96)	(474)	40	(548)	(588)
External funding						
Retained business rates (including S31 grants)	(5,272)	(6,158)	(6,607)	(3,184)	(3,357)	(3,542)
Collection fund (surplus)/deficit	249	(1,752)	-	-	-	-
New Homes Bonus	(432)	(560)	(560)	(560)	(560)	(560)
Other government grants	(2,901)	(3,054)	(3,369)	-	-	-
Subtotal - External funding	(8,356)	(11,524)	(10,536)	(3,744)	(3,917)	(4,102)
Subtotal - Net operating expenditure	11,563	8,957	4,415	11,607	10,243	10,189
Transfers to/(from) earmarked reserves						
Ringfenced reserves	(1,371)	1,592	(124)	(118)	(62)	(69)
Core reserves	(2,140)	(1,785)	3,675	(3,652)	(2,234)	(1,885)
Member priority reserves	(1,137)	(1,505)	(512)	(83)	(15)	(3)
Grant reserves	(221)	(203)	(111)	(119)	-	1
Subtotal - Transfers to/(from) earmarked reserves	(4,869)	(1,901)	2,928	(3,972)	(2,311)	(1,956)
Total - Council tax requirement	6,694	7,056	7,343	7,635	7,932	8,233
Council tax	(6,694)	(7,056)	(7,343)	(7,635)	(7,932)	(8,233)
(Surplus)/deficit	-	-	-	-	-	-

HRA Medium Term Financial Strategy 2024/25 - 2028/29	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current Budget	Original Budget	Forecast	Forecast	Forecast	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000
Service income						
Dwelling rents	(16,506)	(18,067)	(18,668)	(19,227)	(19,497)	(19,830)
Garage rents	(245)	(254)	(258)	(261)	(266)	(272)
Other rents	(34)	(32)	(32)	(32)	(32)	(32)
Charges for services and facilities	(1,448)	(1,328)	(1,349)	(1,370)	(1,394)	(1,422)
Subtotal - Service income	(18,233)	(19,681)	(20,307)	(20,890)	(21,189)	(21,556)
Finance and business management expenditure						
Rents, rates and other property charges	114	185	190	137	141	144
Subtotal - Finance and business management	114	185	190	137	141	144
Maintenance and repairs service expenditure						
Common service flats	574	488	496	503	512	523
Estate maintenance	2	5	5	5	5	5
Housing sewerage	20	21	21	21	22	22
Newport Depot	10	3	3	3	3	3
Property services	256	1,043	631	645	661	678
Housing repairs (Norse)	3,960	4,218	4,286	4,350	4,428	4,517
Subtotal - Maintenance and repairs service expenditure	4,822	5,778	5,442	5,527	5,631	5,748
Management and homelessness expenditure						
Housing services	572	781	790	808	828	851
Sheltered housing services	482	437	448	458	469	482
Subtotal - Management and homelessness expenditure	1,054	1,218	1,238	1,266	1,297	1,333
Additional one-off HRA revenue costs agreed in 2023/24	1,000	-	-	-	-	-
One-off transformation costs	-	750	250	-	-	-
Subtotal - Service expenditure	6,990	7,931	7,120	6,930	7,069	7,225
Other operating income and expenditure						
Bad debts	100	100	100	103	105	106
Depreciation	4,768	4,242	4,303	4,365	4,436	4,517
Borrowing costs	2,618	2,639	2,780	2,803	2,750	2,695
Treasury investment income	(95)	(126)	(98)	(76)	(72)	(72)
Corporate pension costs (added years and deficit repair)	29	18	18	47	18	18
Share of corporate and democratic core costs	403	454	463	472	482	494
Other recharges from General Fund	1,564	1,557	1,588	1,618	1,653	1,692
Right to buy administration allowance	(10)	(16)	(16)	(16)	(16)	(16)
Subtotal - Other operating income and expenditure	9,377	8,868	9,138	9,316	9,356	9,434
Subtotal - Operating (surplus)/deficit	(1,866)	(2,882)	(4,049)	(4,644)	(4,764)	(4,897)
Capital financing						
Financing of capital expenditure in year	2,421	2,960	3,762	2,509	2,409	2,440
Repayment of historic capital debt	-	-	-	2,000	2,000	2,000
Subtotal - Capital financing	2,421	2,960	3,762	4,509	4,409	4,440
Transfers to/(from) earmarked reserves						
Working balance	30	61	12	(17)	8	12
Revenue reserves	78	(137)	275	152	347	445
Earmarked for capital purposes	(663)	(2)	-	-	-	-
Subtotal - Transfers to/(from) earmarked reserves	(555)	(78)	287	135	355	457
(Surplus)/Deficit	-	-	-	-	-	-

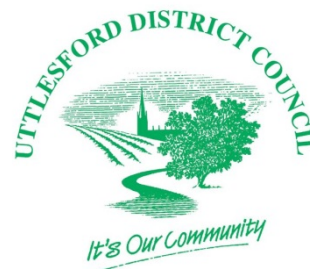


Uttlesford District Council

Treasury Management Strategy 2024/25



February 2024



Introduction

1. Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
2. Treasury risk management at the Council is conducted within the framework of CIPFA's Treasury Management in the Public Services: Code of Practice (the 'TM Code'), which was last updated in 2021. This requires the Council to approve a Treasury Management Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the TM Code.
3. Investments held for service purposes or for commercial profit are considered in a different report, the Commercial Strategy (Appendix B).
4. As set out in the Medium Term Financial Strategy (Appendix C), the Council is currently investigating opportunities to divest of a proportion of its commercial investment portfolio. However, no decisions have yet been taken around which (if any) investments to sell. As such, this Treasury Management Strategy has been prepared on the basis of the Council's existing commercial investment portfolio. Should one or more asset sales be realised, this will result in a reduction in the Council's long term need to borrow, along with a requirement to invest any excess cash received in the short term (while the Council waits for fixed term borrowing to mature). Any such change will be reported to Cabinet in the quarterly treasury management outturn reports throughout the year.
5. This Treasury Management Strategy has been prepared with the support and advice of the Council's external treasury management advisers, Arlingclose.

External Context

Economic Background

6. The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Council's treasury management strategy for 2024/25.
7. The Bank of England (BoE) increased the official Bank Rate of interest to 5.25% in August 2023, before maintaining this level for the rest of 2023. In February 2024, members of the BoE's Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. Of the three dissenters, two wanted to increase rates by another 0.25%, while one wanted to reduce rates by 0.25%.
8. The UK economy contracted by 0.1% between July and September 2023. The February 2024 quarterly BoE Monetary Policy Report (MPR) forecasts a period of weak growth, with Gross Domestic Product (GDP) projected to increase by 0.1% in the first quarter of 2024, and at a similar pace over the following few quarters.
9. Office for National Statistics (ONS) figures showed CPI inflation was 4.0% in December 2023, up slightly from 3.9% in the previous month. The core CPI inflation rate remained at 5.1%. Looking forward, the BoE expects CPI inflation to fall temporarily to the 2% target in the second quarter of 2024, before increasing again in the last two quarters as the negative impact of falling energy prices lessens. It is then projected to remain above the 2% target for nearly all of the three year forecast period, reflecting some persistence of domestic inflationary pressures.
10. The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult.

Earnings growth has remained strong, but has showed some signs of easing; regular pay (excluding bonuses) was up 7.3% over the period and total pay (including bonuses) up 7.2%. Adjusted for inflation, regular pay was up 1.4% and total pay 1.3%.

11. Having increased its key interest rate to a target range of 5.25-5.50% in August 2023, the US Federal Reserve appears now to have concluded the hiking cycle. It is likely this level represents the peak in US rates following a more dovish meeting outcome in December 2023. US GDP grew at an annualised rate of 4.9% between July and September 2023, ahead of expectations for a 4.3% expansion and the 2.1% reading for Q2. But the impact from higher rates has started to feed into economic activity and growth will weaken in 2024. Annual CPI inflation was 3.1% in November.
12. Eurozone inflation has declined steadily since the start of 2023, falling to an annual rate of 2.4% in November 2023. Economic growth has been weak and GDP contracted by 0.1% in the three months to September 2023. In line with other central banks, the European Central Bank has increased rates, taking its deposit facility, fixed rate tender, and marginal lending rates to 3.75%, 4.25% and 4.50% respectively.

Credit Outlook

13. Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of Credit Suisse by UBS. After then falling back in the second quarter of 2023, higher interest rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily in the second half of the year.
14. On an annual basis, CDS price volatility has been lower in 2023 compared to 2022, but with more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.
15. Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 mini-budget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.
16. Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long term ratings of those five local authorities were downgraded.
17. There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.
18. However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest Rate Forecast

19. Although UK inflation and wage growth remain elevated, the Council's treasury management adviser Arlingclose forecasts that Bank Rate has peaked at 5.25%. The Bank of England's Monetary Policy Committee will start reducing rates in 2024 to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. Arlingclose sees rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.
20. Arlingclose expects long term gilt yields to be broadly stable at current levels (amid continued volatility), following the decline in yields towards the end of 2023, which reflects the expected lower medium term path for Bank Rate. Yields will remain relatively higher than in the past, due

to quantitative tightening and significant bond supply. As ever, there will undoubtedly be short term volatility due to economic and political uncertainty and events.

21. A more detailed economic and interest rate forecast provided by Arlingclose is at Annexe D1.
22. For the purpose of setting the budget, it has been assumed that new fixed term treasury investments will be made at an average rate of 5.19%, and that new short term loans will be borrowed at an average rate of 5.36%.

Local Context

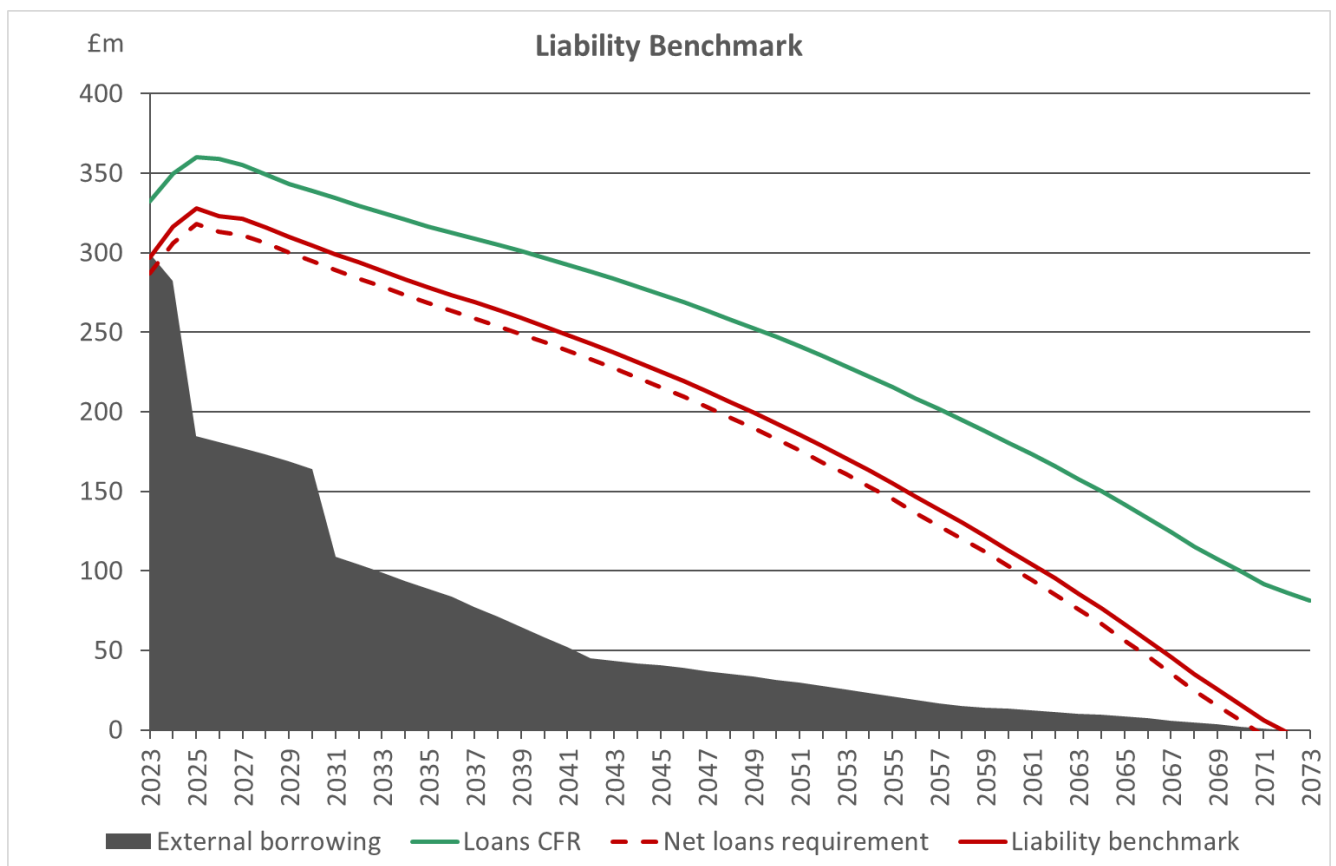
23. On 31 December 2023, the Council held £293.5 million of borrowing and £11.0 million of treasury investments. These are set out in further detail at Annexe D2. Forecast changes in these sums are shown in the balance sheet analysis in the table below:

Balance Sheet Summary and Forecast	31 March 2023 Actual £m	31 March 2024 Forecast £m	31 March 2025 Forecast £m	31 March 2026 Forecast £m	31 March 2027 Forecast £m
Capital financing requirement (CFR)					
General Fund	16.7	18.4	18.8	18.3	19.4
Commercial investments	238.5	253.1	263.8	260.5	257.1
Housing Revenue Account	80.9	81.9	80.9	83.9	81.9
Total - Capital financing requirement (CFR)	336.1	353.4	363.5	362.7	358.4
Less: Other debt liabilities*	(4.0)	(3.9)	(3.6)	(3.5)	(3.2)
Loans CFR	332.1	349.5	359.9	359.2	355.2
Less: External borrowing**	(299.4)	(282.1)	(184.8)	(180.9)	(177.0)
Internal borrowing	32.7	67.4	175.1	178.3	178.2
Less: Usable reserves	(34.0)	(31.9)	(30.4)	(35.1)	(32.7)
Less: Working capital	(11.3)	(11.3)	(11.3)	(11.3)	(11.3)
New borrowing / (investments)	(12.6)	24.2	133.4	131.9	134.2
* PFI liabilities that form part of the Council's total debt					
** Includes only loans to which the Council is committed and excludes refinancing					

24. The underlying need to borrow for capital purposes is measured by the capital financing requirement (CFR), while balance sheet resources are the underlying sums available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
25. The Council has an increasing CFR due to its capital programme, including the decision made by Full Council in August 2023 to loan an additional £21.1 million to Aspire (CRP) Ltd to finance further investment at Chesterford Research Park. The Council will be required to hold net borrowing of up to £318.2 million over the forecast period.
26. CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2024/25.

Liability Benchmark

27. To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as the table at paragraph 23 above, but that cash and investment balances are kept to a minimum level of £10 million at each year end to maintain sufficient liquidity but minimise credit risk.
28. The liability benchmark is an important tool to help establish whether the Council is likely to be a long term borrower or long term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.
29. The chart below shows the Council's long term liability benchmark, together with the maturity profile of the Council's existing borrowing:



30. In the chart above, the loans CFR (green line) represents the need to finance capital expenditure through borrowing. The net loans requirement (dotted line) represents the minimum level of borrowing required once reserves and working capital have been taken into account. The liability benchmark (solid red line) represents the minimum level of borrowing required once reserves and working capital have been taken into account, but allowing for investment balances being maintained at a minimum level of £10 million. Where the liability benchmark exceeds the Council's current borrowing levels (dark grey area), this indicates a future borrowing need.

31. The forecast liability benchmark over the next three years is as follows:-

Liability Benchmark	31 March	31 March	31 March	31 March	31 March
	2023	2024	2025	2026	2027
	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m
Loans CFR	332.1	349.5	359.9	359.2	355.2
Less: Usable reserves	(34.0)	(31.9)	(30.4)	(35.1)	(32.7)
Less: Working capital	(11.3)	(11.3)	(11.3)	(11.3)	(11.3)
Add: Minimum investments	10.0	10.0	10.0	10.0	10.0
Liability benchmark	296.8	316.3	328.2	322.8	321.2

Borrowing Strategy

32. As at 31 December 2023, the Council held £293.5 million of loans as part of its strategy for funding previous years' capital programmes. The liability benchmark forecast at paragraph 31 shows that the Council expects to hold borrowing of up to £328.2 million in 2024/25. The Council may also borrow additional sums to pre-fund future years' requirements, or to meet short term operational cashflow needs, providing this does not exceed the authorised limit for borrowing of £415 million (as set out in the Capital Strategy at Appendix E).
33. The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long term plans change is a secondary objective.
34. Given the significant cuts to public expenditure and in particular to local government funding in recent years, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer term stability of the debt portfolio. Short term interest rates are currently high but are expected to fall in the coming years, and it is therefore likely to be more cost effective over the medium term to either use internal resources, or to borrow short term loans instead.
35. By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal and short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long term fixed rates in 2024/25 with a view to keeping future interest costs low, even if this causes additional cost in the short term.
36. Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

Sources of Finance

37. The approved sources of long and short term borrowing are as follows:
- HM Treasury's Public Works Loan Board (PWLB) lending facility;
 - UK Infrastructure Bank Ltd;
 - any institution approved for investments (see paragraph 49);
 - any other bank or building society authorised to operate in the UK;

- any other UK public sector body;
- UK public and private sector pension funds (except Essex Pension Fund);
- capital market bond investors;
- retail investors via a regulated peer to peer platform; and
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.

38. The Council has previously raised the majority of its long term borrowing from the PWLB, but will consider long term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the TM Code.

39. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield. Since the Council's Commercial Strategy (Appendix B) includes planned further development at Chesterford Research Park, the Council is currently unable to access the PWLB for new borrowing – however it is permitted to use PWLB loans to refinance existing borrowing as and when it falls due for repayment.

40. UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report for approval. In addition to the above sources of borrowing, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:-

- leasing;
- hire purchase;
- Private Finance Initiative (PFI); and
- sale and leaseback.

Short term and Variable Rate Loans

41. Short term and variable rate loans leave the Council exposed to the risk of short term interest rate rises and are therefore subject to the interest rate exposure limits set out at paragraph 66. Financial derivatives may be used to manage this interest rate risk (see paragraphs 73-76).

Debt Rescheduling

42. The PWLB allows councils to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The rise in interest rates in recent years means that more favourable debt rescheduling opportunities may arise than in previous years.

Treasury Investment Strategy

43. The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the financial year to date, the Council's treasury

investment balance has ranged between £8.0 and £22.5 million, and similar levels are expected to be maintained in the forthcoming year.

44. The TM Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.
45. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
46. As demonstrated by the liability benchmark above, the Council expects to be a long term borrower and new treasury investments will therefore be made primarily to manage day to day cash flows using short term low risk instruments.

Environmental, Social and Governance (ESG) Policy

47. Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Business Model and Accounting for Investments

48. Under International Financial Reporting Standard (IFRS) 9, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved Counterparties

49. The Council may invest its surplus funds with any of the counterparty types in the table below, subject to the limits shown:

Counterparty	Time Limit	Counterparty Limit	Sector Limit
UK central government	50 years	Unlimited	N/A
UK local authorities including police and fire (irrespective of credit rating) - per authority	25 years	£5 million	Unlimited
Secured investments*	25 years	£5 million	Unlimited
Banks (unsecured)*	13 months	£3 million	Unlimited
UK building societies (unsecured)*	13 months	£3 million	£4 million
Saffron Building Society	100 days	£0.5 million	£4 million
Registered providers (unsecured)*	5 years	£3 million	£5 million
Money market funds*	N/A	£5 million	Unlimited
Strategic pooled funds	N/A	£3 million	£10 million
Real estate investment trusts	N/A	£3 million	£5 million
Other investments	5 years	£3 million	£3 million

* Investments will only be made with entities whose lowest published long term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

50. The above limits are unchanged from the previous year, with the exception of the sector limit for other investments, which has been increased from £2 million to £3 million to correct a previous inconsistency with the individual counterparty limit.

51. The limits above should be read in conjunction with the following notes:-

Counterparty Type	Notes
Government	Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Counterparty Type	Notes
Secured investments	Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
Banks and building societies (unsecured)	Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See paragraph 52 below for arrangements relating to operational bank accounts.
Registered providers (unsecured)	Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.
Money market funds	Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
Strategic pooled funds	Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
Real estate investment trusts (REITs)	Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.
Other investments	This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

52. In addition to the above investment limits, the Council may incur operational exposures (for example through current accounts, collection accounts and merchant acquiring services) to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £3 million per bank. The BoE has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

Risk Assessment and Credit Ratings

53. Credit ratings are obtained and monitored by Arlingclose, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Council's Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made;
 - any existing investments that can be recalled or sold at no cost will be; and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
54. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
55. The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.
56. The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.
57. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment Limits

58. The Council's revenue reserves (both General Fund and Housing Revenue Account) available to cover investment losses are forecast to be £23.7 million at 31 March 2024, and £21.8 million at 31 March 2025. In order that no more than 15% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government, local authorities and money market funds) will be £3 million. A group of non-government entities under the same ownership will be treated as a single organisation for limit purposes.
59. Credit risk exposures arising from non-treasury investments, financial derivatives and balances greater than £3 million in operational bank accounts count against the relevant investment limits.
60. In addition, an investment limit of £5 million is placed on any group of pooled funds under the same management.

Liquidity Management

61. The Council uses cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long term investments are set by reference to the Council's Medium Term Financial Strategy (Appendix C) and cash flow forecast.
62. The Council will spread its liquid cash over at least three providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Treasury Management Prudential Indicators

63. The Council measures and manages its exposures to treasury management risks using a number of prudential indicators as set out below.

Security

64. The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit Risk Indicator	Target
Portfolio average credit rating	A

Liquidity

65. The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity Risk Indicator	Target
Total cash available within 3 months	£2 million

Interest Rate Exposure

66. This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one year revenue impact of a 1% rise or fall in interest rates will be:-

Interest Rate Risk Indicator	Limit
Upper limit on one year revenue impact of a 1% rise in interest rates	£1.5 million
Upper limit on one year revenue impact of a 1% fall in interest rates	£1.5 million

67. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

Maturity Structure of Borrowing

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

Refinancing Rate Risk Indicator	Upper Limit
Proportion of borrowing maturing in:	
Under 1 year	50%
At least 1 year and under 2 years	50%
At least 2 years and under 5 years	50%
At least 5 years and under 10 years	80%
At least 10 years and under 20 years	80%
At least 20 years	100%

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

Long Term Treasury Management Investments

70. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long term treasury management investments will be:

Price Risk Indicator	Limit
Limit on principal invested beyond year end	£10 million

71. Long term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts, but exclude money market funds and bank accounts with no fixed maturity date as these are considered short term.

Other Matters

72. The TM Code requires the Council to include the following other matters in this Treasury Management Strategy.

Financial Derivatives

73. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals), and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

74. The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
75. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Council's Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.
76. In line with the TM Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Housing Revenue Account

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

Markets in Financial Instruments Directive

78. The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) believes this to be the most appropriate status.

Financial Implications

79. The implications of this Treasury Management Strategy for the General Fund and HRA budgets for 2024/25 are set out below. These are based upon a number of assumptions, such as the level and type of investments and borrowing held, and future interest rate movements. Should actual events differ from the assumptions made, performance against the budget may vary.
80. The full 2024/25 General Fund budget is set out at Appendix H, while the full 2024/25 HRA budget is at Appendix G. The key risks and assumptions as they relate to these budgets are included in the Medium Term Financial Strategy (Appendix C).

General Fund

81. The budget for interest payable on long term borrowing in 2024/25 is £4.352 million, based upon an average long term debt portfolio of £114.8 million at an average interest rate of 3.79%.
82. The budget for interest payable on short term borrowing in 2024/25 is £6.665 million, based upon an average short term debt portfolio of £124.6 million at an average interest rate of 5.35%.

83. The budget for treasury investment income in 2024/25 is £446,000, based upon the General Fund share of the average investment balance of £10.8 million at an average interest rate of 5.30%.

Housing Revenue Account

84. The budget for interest payable on long term borrowing in 2024/25 is £2.639 million, based upon an average long term debt portfolio of £78.4 million at an average interest rate of 3.37%. There is no short term borrowing in the HRA.

85. The budget for treasury investment income in 2024/25 is £126,000, based upon the HRA share of the average investment portfolio of £10.8 million at an average interest rate of 5.30%.

Other Options Considered

86. The TM Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer), having consulted the Portfolio Holder for Finance and the Economy, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness.

87. Some alternative strategies, with their financial and risk management implications, are listed below:

Alternative Strategy	Impact on Income and Expenditure	Impact on Risk Management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower.	Lower chance of losses from credit related defaults, but any such losses may be greater.
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher.	Increased risk of losses from credit related defaults, but any such losses may be smaller.
Borrow additional sums at long term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income.	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain.
Borrow short term or variable loans instead of at long term fixed rates	Debt interest costs will initially be lower.	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs may be less certain.
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income.	Reduced investment balance leading to a lower impact in the event of a default; however long term interest costs may be less certain.

List of Annexes

- Annexe D1 – Arlingclose Economic and Interest Rate Forecast – December 2023
- Annexe D2 – Existing Investment and Debt Portfolio Position – December 2023

Underlying assumptions:

- UK inflation and wage growth remain elevated but have eased over the past two months fuelling rate cuts expectations. Near term rate cuts remain unlikely, although downside risks will increase as the UK economy likely slides into recession.
- The Monetary Policy Committee (MPC)'s message remains unchanged as the Committee seeks to maintain tighter financial conditions. Monetary policy will remain tight as inflation is expected to moderate to target slowly, although some wage and inflation measures are below the Bank of England's last forecasts.
- Despite some deterioration in activity data, the UK economy remains resilient in the face of tighter monetary policy. Recent data has been soft but mixed; the more timely Purchasing Manager Index (PMI) figures suggest that the services sector is recovering from a weak Q3. Tighter policy will however bear down on domestic and external activity as interest rates bite.
- Employment demand is easing. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and interest rates remain high, consumer sentiment will deteriorate. Household and business spending will therefore be weak.
- Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC's attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further 'second-round' effects has diminished.
- Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant loosening in the future to boost activity.
- Global bond yields will remain volatile. Markets are currently running with expectations of near term US rate cuts, fuelled somewhat unexpectedly by US policymakers themselves. Term premia and bond yields have experienced a marked decline. It would not be a surprise to see a reversal if data points do not support the narrative, but the current 10-year yield appears broadly reflective of a lower medium term level for Bank Rate.
- There is a heightened risk of fiscal policy and/or geopolitical events causing substantial volatility in yields.

Forecast:

- The MPC held Bank Rate at 5.25% in December. We believe this is the peak for Bank Rate.
- The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.
- The immediate risks around Bank Rate have become more balanced, due to the weakening UK economy and dampening effects on inflation. This shifts to the downside in the short term as the economy weakens.
- Long term gilt yields are now substantially lower. Arlingclose expects yields to be flat from here over the short term reflecting medium term Bank Rate forecasts. Periodic volatility is likely.

	Current	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
3-month money market rate													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.40	5.40	5.40	5.30	5.15	4.80	4.30	4.10	3.80	3.50	3.25	3.05	3.05
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
5yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.77	3.75	3.75	3.75	3.70	3.60	3.50	3.50	3.40	3.30	3.30	3.30	3.35
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
10yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.72	3.75	3.80	3.80	3.80	3.80	3.80	3.80	3.75	3.65	3.60	3.65	3.70
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
20yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.16	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.25
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
50yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.76	3.80	3.85	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.95	3.95	3.95
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

UK Infrastructure Bank Rate = Gilt yield + 0.40%

Investment and Debt Portfolio	31 December 2023 Actual £m	31 December 2023 Average Rate %
External borrowing		
PWLB - General Fund	79.8	4.20
PWLB - Housing Revenue Account	78.4	3.32
Phoenix Life Ltd	35.8	2.86
Other local authorities	99.5	5.35
Subtotal - External borrowing	293.5	4.19
Other long-term liabilities		
Private Finance Initiative	4.0	8.29
Subtotal - Other long-term liabilities	4.0	8.29
Subtotal - Gross external debt	297.5	4.25
Treasury investments		
Government (including other local authorities)	11.0	5.60
Subtotal - Treasury investments	11.0	5.60
Net debt	286.5	4.19



Uttlesford District Council

Capital Strategy 2024/25



February 2024



Introduction

1. This Capital Strategy sets out how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, together with how associated risks are managed and the implications for the future financial sustainability of the Council.
2. Decisions made in respect of capital and treasury management can have financial consequences for the Council for many years into the future. As such, there are strict legislative requirements governing how capital expenditure is accounted for and financed, which are explained in further detail throughout this report.
3. In setting this Capital Strategy, the Council is required to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (2021 Edition) (the 'Prudential Code'). This requires a number of prudential indicators to be set before the start of each financial year, and to be monitored throughout the year. These are highlighted within this Capital Strategy.
4. As set out in the Medium Term Financial Strategy (Appendix C), the Council is currently investigating opportunities to divest of a proportion of its commercial investment portfolio, as part of its medium term deficit management plan. However, no decisions have yet been taken around which (if any) investments to sell. As such, this Capital Strategy has been prepared on the basis of the Council's existing commercial property portfolio. Should one or more asset sales be realised, this will result in a reduction in the Council's long term need to borrow, along with a requirement to invest any excess cash received in the short term (while the Council waits for fixed term borrowing to mature).

Capital Expenditure

5. Capital expenditure is any expenditure on the purchase or improvement of assets, such as property or vehicles, which will be used for more than one year. This includes spending on assets owned by other bodies, and loans and grants to other bodies or individuals enabling them to buy or improve their own assets (for example Disabled Facilities Grants). As a general rule, a de minimis level of £10,000 is applied, with any assets costing less than this charged to a revenue account in the year the spend is incurred.
6. Before any capital expenditure can be incurred, a budget must be agreed within the Council's Capital Programme. This sets out the Council's planned capital expenditure over the next five years, and is reviewed and approved by Council on a rolling annual basis.
7. The full Capital Programme setting out each individual project can be seen in detail at Appendix F. Note that, since the figures in this Capital Strategy are rounded to the nearest £0.1 million, small rounding differences may occur.

Prudential Indicator – Estimate of Capital Expenditure

8. The table below sets out the Council's planned capital expenditure totals for the next 3 years:

Estimate of Capital Expenditure	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
General Fund services	2.9	5.6	3.7	1.2	2.8
Commercial investments	14.5	17.6	13.8	-	-
Housing Revenue Account	8.9	9.7	9.6	14.0	7.7
Total - Estimate of capital expenditure	26.3	32.9	27.1	15.2	10.5

9. Of the £13.8 million of capital expenditure planned on commercial investments in 2024/25, £13.5 million relates to new loans to Aspire (CRP) Ltd to fund development at Chesterford Research Park (CRP), as approved by Full Council in August 2023. The remaining amount relates to a retention payment for another commercial asset completed in 2023/24. In line with the Commercial Strategy (Appendix B), there are no plans for to invest further amounts in commercial property, with the exception of any development opportunities at CRP which may potentially arise in the future.

Capital Financing

10. All capital expenditure must be financed from one of the following sources:

Financing Source	Description
External sources	Includes government grants and contributions from others (for example S106 contributions from developers). These may be restricted for use on particular projects by the terms of the relevant grant agreement.
Capital resources	Includes capital receipts from the sale of Council assets, and other reserves which are legally restricted for capital use. Many of these resources are restricted in terms of the capital projects they can support, for example the proceeds from the sale of Council homes under the right-to-buy scheme can only be used to provide replacement housing, whilst the Major Repairs Reserve can only be used to fund capital expenditure on the Council's housing stock.
Revenue resources	The use of revenue reserves in either the General Fund or Housing Revenue Account to finance capital expenditure. This can be by way of a direct allocation in the year of spend, or through the use of previously earmarked reserves (such as the capital slippage reserve).
Debt	If capital financing is not applied in the year of expenditure, this will result in an increase in the Council's need to borrow (also known as the capital financing requirement or CFR). This need can be met through either external borrowing, or internal borrowing (which is where the Council uses excess cash balances to pay for capital expenditure rather than investing these elsewhere).

11. The planned financing sources to support the Council's capital programme over the next three years are as follows:-

Capital Financing	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m
External sources	0.4	1.1	2.3	2.3	0.2
Capital resources	6.3	6.0	5.6	5.1	5.2
Revenue resources	3.7	4.2	3.8	4.1	2.8
Debt	15.9	21.6	15.4	3.7	2.3
Total - Capital Financing	26.3	32.9	27.1	15.2	10.5

12. Debt is only considered a temporary source of finance, since loans and leases must be repaid in time. This is therefore replaced by other financing sources over time, usually by way of a charge to revenue resources known as the minimum revenue provision (MRP). This is calculated in line with the Council's Minimum Revenue Provision Statement which is set out at Annexe E1. Alternatively, eligible capital resources (such as capital receipts) can be used to reduce the Council's debt and the need to make future MRP charges.

13. Statutory requirements relating to MRP do not apply to HRA assets. However, there is still a requirement to ensure that borrowing is at an affordable level to support future financial sustainability, and this is covered by the production of a 30 Year Business Plan. Further information is set out in the HRA budget at Appendix G.
14. Over the next three years, it is planned that debt financing will be replaced by the following amounts:-

Debt Financing Replacement	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
General Fund MRP charge	3.1	3.6	3.9	4.1	4.2
Use of HRA revenue resources	-	-	-	-	2.0
Use of capital resources	0.4	0.7	1.4	0.4	0.4
Total - Debt financing replaced	3.5	4.3	5.3	4.5	6.6

Prudential Indicator – Estimate of Capital Financing Requirement

15. The Council's total level of outstanding debt finance is measured by the capital financing requirement (CFR). This increases with new debt financed capital expenditure and reduces as debt is replaced with other financing sources as above. Based on the above figures for capital expenditure and financing, the Council's estimated CFR for the next 3 years will be as follows:-

Estimate of Capital Financing Requirement (CFR)	31 March	31 March	31 March	31 March	31 March
	2023	2024	2025	2026	2027
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
General Fund services	16.7	18.4	18.8	18.3	19.4
Commercial investments	238.5	253.1	263.8	260.5	257.1
Housing Revenue Account	80.9	81.9	80.9	83.9	81.9
Total - Estimate of capital financing requirement (CFR)	336.1	353.4	363.5	362.7	358.4

Asset Management

16. The Council has an asset management strategy in place to ensure that it can maximise the value of its capital assets.
17. When an asset is no longer required, it may be sold so that the proceeds (capital receipts) can be used to finance new assets or repay debt. Where capital loans are repaid to the Council, these also constitute capital receipts.
18. The table on the next page sets out the total amount of capital receipts the Council expects to receive over the next three years, which has been taken into account in setting the capital financing strategy. Clearly there is some inherent uncertainty around these (for example it is not known how many right-to-buy applications will be made on council homes), and should the actual amount received be higher or lower, then the amounts available to finance new capital spend may differ:

Capital Receipts Forecast	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Sale of assets	2.6	3.2	3.2	2.2	2.3
Loan repayments	0.4	0.4	0.4	0.4	0.4
Total - Capital receipts	3.0	3.6	3.6	2.6	2.7

Treasury Management

19. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.
20. This section includes a summary of the Council's approach to treasury management, and sets the prudential indicators required by the Prudential Code. More detailed information is set out in the Treasury Management Strategy (Appendix D).

Borrowing Strategy

21. As explained under 'Capital Financing' above, the Council has a long term need to borrow in respect of capital expenditure which has not yet been financed. However, in terms of revenue accounts, income is often received in advance of expenditure. Any surplus revenue cash is offset against capital cash shortfalls to reduce the Council's need to borrow externally – this is known as internal borrowing.
22. As at 31 December 2023, the Council had £293.5 million of external borrowing at an average rate of 4.19%.
23. The Council's main objectives when borrowing are to achieve a low but certain cost of finance, and to retain flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between short term loans which are usually cheaper, and long term fixed rate loans where the future cost is known but higher.

Prudential Indicators – Authorised Limit and Operational Boundary

24. The Council is required to set an authorised limit for external debt, which represents the maximum amount it is permitted to hold at any given time. In addition, a lower operational boundary should be set based upon current spending and financing plans, which acts as an early warning should it be breached. The limits set for the next three years are as follows:-

Authorised Limit and Operational Boundary	2022/23	2023/24	2024/25	2025/26	2026/27
	Limit	Limit	Limit	Limit	Limit
	£m	£m	£m	£m	£m
Authorised limit					
Authorised limit for borrowing	415.0	415.0	415.0	415.0	415.0
Authorised limit for other long term liabilities*	5.0	5.0	10.0	10.0	10.0
Total - Authorised limit for external debt	420.0	420.0	425.0	425.0	425.0
Operational boundary					
Operational boundary for borrowing	395.0	395.0	395.0	395.0	395.0
Operational boundary for other long term liabilities*	5.0	5.0	10.0	10.0	10.0
Total - Operational boundary for external debt	400.0	400.0	405.0	405.0	405.0
* Includes Private Finance Initiative (PFI) and lease liabilities					

25. From 1 April 2024, local authorities are required to adopt International Financial Reporting Standard (IFRS) 16, which will change the way in which councils account for certain leases. The main effect will be that councils may be required to recognise leased assets on their balance sheet, even where these have previously been classified as operating leases. There will be a corresponding lease liability in respect of the value of minimum payments to be made under the lease.

26. Work is ongoing to fully assess the impact of IFRS 16 on this Council's assets, although it should be noted that this is a technical accounting change and is not anticipated to have a significant net impact on the Council's finances. Nevertheless, since the value of lease liabilities forms part of the 'other long term liabilities' limits above, it is proposed to increase these limits from £5 million to £10 million with effect from 1 April 2024, in order to provide headroom for any leased assets which need to be brought on to the Council's balance sheet now or in the future.

Prudential Indicator – Gross Debt and the Capital Financing Requirement

27. The Prudential Code requires that the Council's gross debt remains below its CFR, except in the short term. This provides assurance that the Council is not borrowing in excess of its needs. The table below demonstrates that the Council expects to comply with this requirement for at least the next three years:

Gross Debt and the Capital Financing Requirement (CFR)	31 March	31 March	31 March	31 March	31 March
	2023	2024	2025	2026	2027
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Gross debt*	300.8	320.2	331.8	326.3	324.4
Capital financing requirement (CFR)	336.1	353.4	363.5	362.7	358.4
* Includes Private Finance Initiative (PFI) and lease liabilities					

Treasury Investment Strategy

28. Treasury investments are those which arise from receiving cash before it needs to be paid out again. Investments made for service reasons, or primarily for financial return (such as commercial properties), are not considered to form part of the Council's treasury management activities.

29. In making treasury investments, the Council is required to have regard to CIPFA's Treasury Management in the Public Services: Code of Practice (the 'TM Code'). This requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.
30. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
31. The Council also aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
32. As at 31 December 2023, the Council held £11.0 million of treasury investments at an average rate of 5.60%. Planned investment balances for the next three years are as follows:-

Treasury Investment Forecast	31 March	31 March	31 March	31 March	31 March
	2023	2024	2025	2026	2027
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Short-term investments	12.6	10.0	10.0	10.0	10.0
Total - Treasury investments	12.6	10.0	10.0	10.0	10.0

Risk and Governance

33. The effective management and control of risk are prime objectives of the Council's treasury management activities. The Treasury Management Strategy (Appendix D) therefore sets out various indicators and limits to constrain the risk of unexpected losses, and details the extent to which financial derivatives may be used to manage treasury risks.
34. Decisions on treasury management investment and borrowing are made on a daily basis and are therefore delegated to the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) and Financial Services officers, who must act in line with the Treasury Management Strategy and the Council's Treasury Management Practices. Reports on actual treasury management activity are presented to Cabinet at least quarterly, in line with the requirements of the TM Code.

Commercial Investments

35. The Council holds a number of investments primarily for the purpose of generating income to support wider Council services. These have been acquired and are managed in accordance with the Council's Commercial Strategy (Appendix B), which is approved by Council on an annual basis.
36. In line with the Commercial Strategy, a total allocation of approximately £268 million has been made for building up this portfolio, which consists of the following:-
- Investment properties owned directly by the Council (seven in total, including commercial space at the Council depot site in Little Canfield)
 - Loans to a Council subsidiary, Aspire (CRP) Ltd, which enabled it to acquire a 50% stake in Chesterford Research Park

Risks and Governance

37. Since the main objective of commercial investments is financial return, the Council is prepared to accept a higher level of risk than with treasury investments. The principal risks to which the Council is exposed are tenant defaults and unanticipated voids. This risk is managed through

the use of a commercial asset reserve, where amounts are set aside to cover any temporary shortfall in income. Further details of the risks and mitigations in relation to the commercial investment portfolio are set out in the Commercial Strategy (Appendix B).

38. Decisions on commercial investments are made by the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) in line with the criteria and limits approved by Council in the Commercial Strategy (Appendix B).

Other Liabilities

39. Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer). The risk of liabilities crystallising and requiring payment is monitored by Financial Services and reported quarterly to Cabinet where these are significant.

Revenue Budget Implications

40. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income received. These factors have been taken into account in setting the Council's Medium Term Financial Strategy (Appendix C).

Prudential Indicator – Financing Costs to Net Revenue Stream

41. The Prudential Code requires the Council to estimate the proportion of its General Fund financing costs to its net revenue stream (taxation and non-specific government grant income) over the next three years, as an indicator of the affordability of borrowing and the Council's exposure to risk. This is set out in the following table:

Estimate of Financing Costs to Net Revenue Stream	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Forecast	2026/27 Forecast
Proportion of financing costs to net revenue stream	55%	83%	82%	85%	120%

42. There has been a significant increase to this indicator in 2023/24, as a result of rising interest rates and a resultant increased cost of borrowing. The Council mitigated against this to some extent by fixing a greater proportion of its borrowing for the longer-term during 2022/23.
43. There is another large increase in the indicator forecast in 2026/27. This is related not to any planned significant change in the Council's Capital Strategy, but rather due to a significant drop in the forecast net revenue stream following local government funding reform. Further information on this is set out in the Medium Term Financial Strategy (Appendix C). The timing and effect of any funding reform remains highly uncertain, and the impact on the prudential indicators will be closely monitored as and when announcements are made, so that any required action can be taken.

Prudential Indicator – Net Income from Commercial Investments to Net Revenue Stream

44. The Prudential Code also requires the Council to estimate the proportion of its commercial investment income to its net revenue stream, as an indicator of the Council's exposure to risk in relation to the potential loss of commercial investment income. This is set out in the table on the following page:

Estimate of Net Income from Commercial Investments to Net Revenue Stream	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Forecast	2026/27 Forecast
Proportion of net income from commercial investments to net revenue stream	79%	83%	64%	76%	121%

45. Again, the increase forecast for 2026/27 is related to anticipated local government funding reform, rather than a change to the Council's Commercial Strategy.

Risk and Sustainability

46. The two prudential indicators above are calculated in line with the strict definitions set out in the Prudential Code. Whilst these show a relatively high degree of inherent risk exposure, they do not take into account the specific measures taken by the Council to mitigate these risks. As set out at paragraph 37, the Council holds a significant commercial assets reserve (forecast to stand at £4.9 million as at 31 March 2024), which can be used to cover any short term shortfall in commercial property income. In the longer term, the Council retains the option to sell some or all of its commercial properties should market conditions dictate, which would reduce both borrowing and MRP costs (although would clearly also result in an associated loss of income). Further information on the risks associated with the commercial property portfolio, and the ways in which these are mitigated, is included within the Commercial Strategy (Appendix B).

47. Due to the very long term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years could extend for up to 50 years into the future. Overall, the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) is satisfied that the proposed capital programme is prudent, affordable and sustainable.

Knowledge and Skills

48. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) and Director of Finance, Revenues and Benefits (Deputy Section 151 Officer) are both qualified accountants. The Council also provides appropriate professional development opportunities to more junior officers within Financial Services, including opportunities to study towards relevant professional qualifications such as the CIPFA Professional Qualification.

49. Where Council officers do not have the requisite knowledge or skills to take important decisions alone, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose as its treasury management adviser, and other specialists may also be engaged depending on the expertise required. This approach is more cost effective than employing highly specialised staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

List of Annexes

- Annexe E1 – Minimum Revenue Provision Statement 2024/25
- Annexe E2 – Summary of Prudential Indicators 2024/25 – 2026/27

- I. Where the Council finances capital expenditure using debt, it must put aside resources to repay that debt in later years. The amount charged annually to the revenue budget for the repayment of debt is known as minimum revenue provision (MRP), although there has been no statutory minimum since 2008, and it is now up to individual authorities to determine an appropriate amount of MRP which is prudent.
- II. In determining the MRP to be charged, the Local Government Act 2003 requires the Council to have regard to the Department for Levelling Up, Housing and Communities' Guidance on Minimum Revenue Provision (the 'DLUHC Guidance') effective from 1 April 2019.
- III. The DLUHC Guidance requires the Council to approve an annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.
- IV. This MRP Statement sets out the policy which will be applied in calculating the MRP charge for 2024/25. The methods set out below are in accordance with the DLUHC Guidance.

Annuity Method

- V. Under the annuity method, MRP is charged over the expected life of each asset. However, rather than charging on a straight line basis, an adjustment is made to reflect the time value of money, so that a lower charge is made in earlier years, with the charge increasing as time goes on.
- VI. The annuity method recognises the fact that the flow of benefits from an asset often increases with time, as income streams increase. This is particularly apparent in the case of commercial properties with regular rent reviews, however operational assets usually exhibit similar characteristics. For example, many of the Council's ICT assets support Council services whose fees and charges to the public increase on an annual basis.
- VII. As such, the annuity method is the default method which will be applied to all unfinanced capital expenditure, with the exception of the specific alternative cases set out in this statement.
- VIII. The annuity rate to be used for each asset will be calculated as the average interest rate applicable to new annuity loans from the Public Works Loan Board (PWLB) with a duration equal to the expected asset life, during the year the expenditure was incurred. For capital projects spanning multiple years, the rate used will be that for the final year of the project (excluding any snagging or retention payments made in the years following the asset being brought into use).

Finance Leases and Private Finance Initiative (PFI)

- IX. For assets held under finance leases or Private Finance Initiative (PFI) arrangements, the MRP charge will match the portion of the annual lease or PFI payment used to write down the liability on the Balance Sheet. This is effectively the same as the annuity method, but using the actual annuity rate implicit in the relevant contract.

Loans to Subsidiaries

- X. For capital loans, MRP will be charged on an annuity basis over the shorter of the life of the loan (assuming no early repayment), or the life of the underlying asset for which the loan has been given.

Commencement and Asset Lives

- XI. MRP charges will commence in the year following the year in which an asset is brought into use. As such, MRP is only charged on assets which are already in use by 1 April of the financial year in question.
- XII. Where subsequent unfinanced expenditure takes place on an asset already in use, this will either be treated as a separate capital project with its own associated MRP charge (if significant), or (where smaller) be added to the total unfinanced balance for the asset and future years' MRP charges adjusted accordingly.
- XIII. MRP will be charged over the asset life as estimated at the point of completion. Should the estimated asset life subsequently be extended or shortened, no change will be made to the MRP charge in future years. Similarly, should an asset be sold or otherwise disposed of before the end of its original useful life, MRP will continue to be charged in line with the original estimate (unless receipts from the sale of the asset are used to repay some or all of the associated debt in which case future MRP charges will reduce or cease).
- XIV. For assets which are deemed to have an infinite useful economic life for accounting purposes (such as land and investment properties), MRP will be charged over a maximum of 50 years, unless it is deemed prudent to use a shorter life given the nature of the asset.

Asset Disposals and Capital Receipts

- XV. No MRP charge shall be made in respect of an asset (or capital loan) in the year of its disposal, provided (and only if) all of the following conditions are met:-
 - the Council has disposed of its entire interest in the asset or capital loan in question;
 - the capital receipt generated is at least equal to the outstanding unfinanced balance relating to the asset or capital loan;
 - the capital receipt is applied in its entirety to the repayment of debt, starting with the outstanding debt associated with the asset or capital loan which has been disposed of.

Consultation and Review

- XVI. In late 2021, a consultation took place on changes to the DLUHC Guidance. Work is still ongoing in this area. Whilst there will be no formal changes for 2024/25, the Council will continue to monitor this area closely. Should any changes be announced, the Council will consider whether or not it would be prudent (or beneficial) to review this policy mid-year. Any changes to this policy during the year will require Council approval.

Prudential Indicators 2024/25 - 2026/27	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Forecast	Budget	Forecast	Forecast
	£m	£m	£m	£m	£m
Estimate of capital expenditure					
General Fund services	2.9	5.6	3.7	1.2	2.8
Commercial investments	14.5	17.6	13.8	-	-
Housing Revenue Account	8.9	9.7	9.6	14.0	7.7
Total - Estimate of capital expenditure	26.3	32.9	27.1	15.2	10.5
Estimate of capital financing requirement (CFR) at 31 March					
General Fund services	16.7	18.4	18.8	18.3	19.4
Commercial investments	238.5	253.1	263.8	260.5	257.1
Housing Revenue Account	80.9	81.9	80.9	83.9	81.9
Total - Estimate of capital financing requirement (CFR) at 31 March	336.1	353.4	363.5	362.7	358.4
Gross debt at 31 March*	300.8	320.2	331.8	326.3	324.4
Authorised limit					
Authorised limit for borrowing	415.0	415.0	415.0	415.0	415.0
Authorised limit for other long-term liabilities*	5.0	5.0	10.0	10.0	10.0
Total - Authorised limit for external debt	420.0	420.0	425.0	425.0	425.0
Operational boundary					
Operational boundary for borrowing	395.0	395.0	395.0	395.0	395.0
Operational boundary for other long-term liabilities*	5.0	5.0	10.0	10.0	10.0
Total - Operational boundary for external debt	400.0	400.0	405.0	405.0	405.0
Proportion of financing costs to net revenue stream	55%	83%	82%	85%	120%
Proportion of net income from commercial investments to net revenue stream	79%	83%	64%	76%	121%
* Includes Private Finance Initiative (PFI) and lease liabilities					

Capital Programme 2024/25 – 2028/29

Summary

1. This report sets the Council's capital programme for the five years from 2024/25 to 2028/29. The capital programme should be considered alongside the Commercial Strategy (Appendix B) and the Medium Term Financial Strategy (Appendix C).
2. Total planned capital expenditure over the five year period (including slippage from previous years) is £70.2 million, including £23.6 million for the General Fund and £46.6 million for the Housing Revenue Account (HRA).
3. This report also sets out how capital expenditure will be financed, which involves a mixture of ringfenced capital resources, contributions from revenue budgets, and borrowing. Borrowing is undertaken in line with the CIPFA Prudential Code, alongside the Council's Treasury Management Strategy (Appendix D) and Capital Strategy (Appendix E), to ensure that it is affordable in the longer term.
4. The revenue costs of financing the capital programme have been built into the 2024/25 General Fund budget (Appendix H), 2024/25 HRA budget (Appendix G), and Medium Term Financial Strategy (Appendix C).

Capital Expenditure

5. A summary of planned capital expenditure over the next five years is set out at Annexe F1, whilst the detailed capital programme by portfolio and project is at Annexe F2 (General Fund) and Annexe F3 (HRA).
6. The capital programme is reviewed on a rolling annual basis. It consists of both ongoing budgets for regular expenditure (for example recurring capital grant programmes, bins for new developments, minor IT projects, and cyclical works on the Council's estate), and one-off projects.

Changes to the capital programme from that which was approved in the previous year are set out in the table on the following page:-

Capital Programme Changes	2024/25	2025/26	2026/27	2027/28	2028/29
	Original	Original	Original	Original	Original
	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000
Capital programme approved in February 2023	9,747	14,579	10,726	8,266	8,191
Changes to recurring capital budgets					
Day centre cyclical improvements	(15)	(15)	(15)	(15)	(15)
Disabled Facilities Grants	94	35	35	35	35
Subtotal - Changes to recurring capital budgets	79	20	20	20	20
New one-off capital bids					
Air quality monitoring	239	-	-	-	-
UK Shared Prosperity Fund	116	-	-	-	-
Rural England Prosperity Fund	610	-	-	-	-
Saffron Walden CCTV	100	-	-	-	-
Asset management plan	317	392	354	235	80
Transformation fund	400	-	-	-	-
Investments	13,732	-	-	-	-
Subtotal - New one-off capital bids	15,514	392	354	235	80
Rephasing of one-off bids					
Vehicle replacement programme	885	-	(885)	-	-
Subtotal - Rephasing of one-off bids	885	-	(885)	-	-
Changes to HRA development projects					
Thaxted Road	54	-	-	-	-
Alexia House	(1,100)	(2,900)	-	-	-
Parkside	(1,250)	(3,200)	(50)	-	-
Unidentified new builds and redevelopment	2,350	6,100	128	-	-
Subtotal - Changes to HRA development projects	54	-	78	-	-
Changes to HRA existing stock maintenance budget	178	211	240	244	356
Revised capital programme for approval	26,457	15,202	10,533	8,765	8,647

7. Note that the above figures do not include the slippage of budgets approved in previous years. These will be reported in the 2023/24 final outturn report for approval by Cabinet. The capital programme at Annex F1 includes an estimate of the amounts to be carried forwards, however these figures will be updated with actual slippage amounts after year-end.

General Fund Capital Bids

8. The largest General Fund capital bids proposed this year are as follows:-
- Air quality monitoring – capital expenditure on air quality monitoring activities to be funded through a ringfenced external grant from Defra which the Council has already received.
 - UK Shared Prosperity Fund / Rural England Prosperity Fund – this is the capital portion of the Council's 2024/25 allocation from these central government grant schemes, to be distributed locally in accordance with the relevant scheme requirements.
 - Saffron Walden CCTV – the replacement of the CCTV system at London Road which is approaching the end of its life.

- Asset management plan – this relates to various specific priority works required to the Council’s General Fund estate, as identified through a recent stock condition survey of the whole estate.
- Transformation fund – this is to establish a capital transformation fund which services can bid into as part of their Blueprint Uttlesford review, for example for the procurement of new IT solutions in order to realise efficiency savings. This will be funded from a £2 million transformation reserve, as set out in the General Fund budget (Appendix H). There is also an £80,000 ongoing revenue budget bid in the General Fund to cover associated ongoing revenue costs (e.g. software licensing).
- Investments – this includes £13.510 million of the £21.060 million additional loan to Aspire (CRP) Ltd which was approved by Full Council in August 2023, for further development at Chesterford Research Park (on the assumption that the remaining £7.550 million will already have been paid out during 2023/24). There is also £222,000 additional budget required to fund the final retention payment following completion of one of the Council’s other commercial properties in 2023/24.
- Vehicle replacement programme – this is to bring forward funding from 2026/27 into 2024/25 for the purchase of three 32 tonne waste vehicles, including the replacement of two aging vehicles two years earlier than planned, plus the purchase of an additional vehicle to cover an additional waste round as proposed in the General Fund budget (Appendix H).

HRA Capital Bids

9. In previous years, budget has been allocated for the redevelopment of sheltered accommodation units at Alexia House and Parkside, which are currently vacant. However, significant time has now passed since this decision was made, and there is no firm up-to-date business case in place to support these schemes at present. It is therefore proposed to return the budget allocated to these projects back into the general new builds and redevelopment line, pending a full evaluation of the best way to utilise these amounts going forward.
10. Changes to the budget for existing HRA stock maintenance relate to the impact of inflation and extra works carried out under the contract with Uttlesford Norse Services Ltd (UNSL), which will now end in March 2025. For now, future costs beyond this date are assumed to remain at the same level (with increases for inflation), but a comprehensive review will be carried out over the coming year as the Council exits the UNSL arrangement and puts into place its replacement.

Capital Financing

11. Whenever the Council incurs capital expenditure, it can choose either to finance this upfront (from capital resources or revenue contributions), or to use borrowing. Where borrowing is used, there is a requirement to finance the expenditure over the life of the asset by way of an annual charge to the General Fund known as the minimum revenue provision (MRP).
12. The MRP charge does not apply to HRA assets – however there is still a requirement to ensure that any new borrowing is affordable in the long-term.
13. Where possible, the Council seeks to apply specific capital resources to the financing of capital expenditure. These are amounts which are legally ringfenced for capital spend, and include capital grants, the proceeds from the sale of other assets (capital receipts), and the Major Repairs Reserve which is used to fund maintenance of the Council’s housing stock.
14. Where specific capital resources can not be found, financing is by way of a direct contribution from revenue resources (the General Fund or HRA), or through borrowing.
15. The HRA capital financing arrangements are set in the context of a 30 year Business Plan as approved by Cabinet. The current plan covers the period from 2016-2046 and is available on

the Council's website. Following approval of this capital programme and the HRA Budget 2024/25 (Appendix G), work will be undertaken to refresh the Business Plan early in the new financial year. This refreshed plan will then be used in determining capital financing arrangements for the capital programme going forwards, with any proposed changes being subject to the Council's usual Financial Regulations and governance processes.

16. There is a full breakdown of all planned capital financing sources to support the capital programme at Annexe F4.

Risks and Assumptions

17. The key risks associated with the capital programme are set out in the table below:

Risk	Key Assumptions and/or Variable Outcomes
Capital slippage	There is a risk that projects may not be completed on time due to internal or external factors, for example a lack of available staff or contractor resource, or technical issues during the project. Where this occurs, this usually causes an underspend in the year the delay occurs, followed by overspends in future years. This can make it difficult for the Council to plan the best use of its resources, and also generally results in an overall overspend due to longer construction periods and cost inflation.
Availability of capital resources	The capital programme makes assumptions about the level of capital resources (capital grants and capital receipts) which will be received by the Council in future years. For example, it is assumed that government grant funding will be received to part-support new housing developments. Should this funding not be forthcoming, alternative sources of financing will be required, which will have a significant impact on the Council's revenue accounts (General Fund and HRA).

List of Annexes

- Annexe F1 – Capital Programme Summary 2024/25 – 2028/29
- Annexe F2 – General Fund Capital Programme Detail 2024/25 – 2028/29
- Annexe F3 – Housing Revenue Account Capital Programme Detail 2024/25 – 2028/29
- Annexe F4 – Capital Financing 2024/25 – 2028/29

Capital Programme Summary 2024/25 – 2028/29

Annexe F1

Capital Programme Summary 2024/25 - 2028/29	2023/24 Current Budget £'000	2023/24 Forecast Outturn £'000	2023/24 Forecast Slippage to 2024/25 £'000	2024/25 Original Budget £'000	2025/26 Original Budget £'000	2026/27 Original Budget £'000	2027/28 Original Budget £'000	2028/29 Original Budget £'000
General Fund								
Communities and Local Partnerships	262	266	-	150	150	150	150	150
Environment and Climate Change	760	953	-	1,249	125	1,820	125	125
Finance and the Economy	919	1,065	116	726	-	-	-	-
Housing and Equalities	240	256	-	334	275	275	275	275
Planning	250	176	-	-	-	-	-	-
Corporate Services	2,822	2,824	43	1,077	687	614	570	340
Investments	17,703	17,640	63	13,732	-	-	-	-
Subtotal - General Fund	22,956	23,180	222	17,268	1,237	2,859	1,120	890
Housing Revenue Account								
Existing stock maintenance	5,101	4,549	391	5,330	5,415	5,496	5,595	5,707
New builds and redevelopment	4,841	5,120	-	3,809	8,500	2,128	2,000	2,000
Other	72	57	-	50	50	50	50	50
Subtotal - Housing Revenue Account	10,014	9,726	391	9,189	13,965	7,674	7,645	7,757
Total - Capital Programme	32,970	32,906	613	26,457	15,202	10,533	8,765	8,647

General Fund Capital Programme Detail 2024/25 – 2028/29

Annexe F2

Communities and Local Partnerships	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Forecast	Forecast	Original	Original	Original	Original	Original
	Budget	Outturn	Slippage to	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	2024/25	£'000	£'000	£'000	£'000	£'000
Day centre cyclical improvements	25	25	-	10	10	10	10	10
Museum boiler	53	57	-	-	-	-	-	-
Guildhall exterior works	50	50	-	-	-	-	-	-
Museum buildings	6	6	-	30	30	30	30	30
Community project grants	128	128	-	110	110	110	110	110
Total - Communities and Local Partnerships	262	266	-	150	150	150	150	150

Environment and Climate Change	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Forecast	Forecast	Original	Original	Original	Original	Original
	Budget	Outturn	Slippage to	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	2024/25	£'000	£'000	£'000	£'000	£'000
Household bins	70	71	-	70	70	70	70	70
Trade waste bins	10	12	-	10	10	10	10	10
Kitchen caddies	10	16	-	10	10	10	10	10
Garden waste bins	20	16	-	20	20	20	20	20
Electric car chargers	29	29	-	15	15	15	15	15
Vehicle replacement programme	621	621	-	885	-	1,695	-	-
Air quality monitoring	-	188	-	239	-	-	-	-
Total - Environment and Climate Change	760	953	-	1,249	125	1,820	125	125

Finance and the Economy	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Forecast	Forecast	Original	Original	Original	Original	Original
	Budget	Outturn	Slippage to 2024/25	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Car park maintenance	255	255	-	-	-	-	-	-
Car parking machine replacement	64	48	16	-	-	-	-	-
Superfast broadband	600	500	100	-	-	-	-	-
UK Shared Prosperity Fund	-	59	-	116	-	-	-	-
Rural England Prosperity Fund	-	203	-	610	-	-	-	-
Total - Finance and the Economy	919	1,065	116	726	-	-	-	-

Housing and Equalities	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Forecast	Forecast	Original	Original	Original	Original	Original
	Budget	Outturn	Slippage to 2024/25	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Private sector renewal grants	35	16	-	35	35	35	35	35
Disabled Facilities Grants	200	240	-	294	235	235	235	235
Empty dwellings	5	-	-	5	5	5	5	5
Total - Housing and Equalities	240	256	-	334	275	275	275	275

Planning	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Forecast	Forecast	Original	Original	Original	Original	Original
	Budget	Outturn	Slippage to	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	2024/25	£'000	£'000	£'000	£'000	£'000
Mortimer's Gate*	250	176	-	-	-	-	-	-
Total - Planning	250	176	-	-	-	-	-	-

* Mainly financed through £150,000 external developer contribution

Corporate Services	2023/24 Current Budget	2023/24 Forecast Outturn	2023/24 Forecast Slippage to 2024/25	2024/25 Original Budget	2025/26 Original Budget	2026/27 Original Budget	2027/28 Original Budget	2028/29 Original Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Council offices improvements (general)	170	170	-	170	170	170	170	170
New depot site	2,100	2,100	-	-	-	-	-	-
London Road - Fire alarm upgrade	50	100	-	-	-	-	-	-
Minor items IT	20	20	-	20	20	20	20	20
PCI compliance	20	20	-	20	20	20	20	20
Members' IT equipment	21	15	-	-	-	-	-	-
PSN CoCo	30	30	-	30	30	30	30	30
Asset management system	30	30	-	-	-	-	-	-
Cyber security	40	40	-	20	20	20	20	20
Grounds maintenance and vehicle systems	43	-	43	-	-	-	-	-
Licensing - Lalpac to Idox Uni	-	7	-	-	-	-	-	-
Scanner replacement and postal software	15	12	-	-	-	-	-	-
Sharepoint	18	18	-	-	-	-	-	-
WiFi	20	20	-	-	-	-	-	-
ICT - new sites	187	187	-	-	-	-	-	-
Web-to-Print solutions	7	4	-	-	-	-	-	-
Move to servers Azure/AWS	50	50	-	-	-	-	-	-
E-form completion and e-signatures	1	1	-	-	-	-	-	-
Corporate mobile phone replacement	-	-	-	-	35	-	-	-
Corporate laptop/device replacement	-	-	-	-	-	-	75	-
Saffron Walden CCTV	-	-	-	100	-	-	-	-
Asset management plan	-	-	-	317	392	354	235	80
Transformation Fund	-	-	-	400	-	-	-	-
Total - Corporate Services	2,822	2,824	43	1,077	687	614	570	340

Investments	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Current	Forecast	Forecast	Original	Original	Original	Original	Original
	Budget	Outturn	Slippage to 2024/25	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investments	17,703	17,640	63	13,732	-	-	-	-
Total - Investments	17,703	17,640	63	13,732	-	-	-	-

Housing Revenue Account Capital Programme Detail 2024/25 – 2028/29

Annexe F3

Housing Revenue Account Capital Programme 2024/25 - 2028/29	2023/24 Current Budget £'000	2023/24 Forecast Outturn £'000	2023/24 Forecast Slippage to 2024/25 £'000	2024/25 Original Budget £'000	2025/26 Original Budget £'000	2026/27 Original Budget £'000	2027/28 Original Budget £'000	2028/29 Original Budget £'000
Existing stock maintenance	5,101	4,549	391	5,330	5,415	5,496	5,595	5,707
New builds and redevelopment								
The Moors	34	34	-	-	-	-	-	-
Thaxted Road	-	215	-	54	-	-	-	-
Great Chesterford	31	35	-	-	-	-	-	-
Takeley	42	42	-	1,080	400	-	-	-
Woodlands, Great Dunmow	2,292	2,322	-	-	-	-	-	-
Garden sites	563	563	-	275	-	-	-	-
Walden Place	1,857	1,879	-	50	-	-	-	-
Alexia House	22	22	-	-	-	-	-	-
Parkside	-	8	-	-	-	-	-	-
Unidentified new builds and redevelopment	-	-	-	2,350	8,100	2,128	2,000	2,000
Subtotal - New builds and redevelopment	4,841	5,120	-	3,809	8,500	2,128	2,000	2,000
Other								
Cash incentive scheme grants	50	35	-	50	50	50	50	50
Asset management system	22	22	-	-	-	-	-	-
Subtotal - Other	72	57	-	50	50	50	50	50
Total - Housing Revenue Account	10,014	9,726	391	9,189	13,965	7,674	7,645	7,757

Capital Financing 2024/25 – 2028/29

Annexe F4

Capital Financing	2023/24 Current Budget £'000	2023/24 Forecast Outturn £'000	2023/24 Forecast Slippage to 2024/25 £'000	2024/25 Original Budget £'000	2025/26 Original Budget £'000	2026/27 Original Budget £'000	2027/28 Original Budget £'000	2028/29 Original Budget £'000
General Fund								
Grants and external contributions	200	810	-	1,259	235	235	235	235
Direct revenue contributions	765	745	-	350	350	350	350	350
Earmarked reserves	921	828	116	400	-	-	-	-
Capital receipts	197	197	-	-	-	-	-	-
Borrowing	20,873	20,600	106	15,259	652	2,274	535	305
Subtotal - General Fund	22,956	23,180	222	17,268	1,237	2,859	1,120	890
Housing Revenue Account								
Grants and external contributions	338	338	-	1,065	2,100	-	-	-
Direct revenue contributions	1,696	1,729	-	2,958	3,762	2,509	2,409	2,440
Earmarked reserves	725	856	-	2	-	-	-	-
Major Repairs Reserve	5,101	4,549	391	5,032	4,303	4,365	4,436	4,517
Capital receipts	2,154	1,254	-	132	800	800	800	800
Borrowing	-	1,000	-	-	3,000	-	-	-
Subtotal - Housing Revenue Account	10,014	9,726	391	9,189	13,965	7,674	7,645	7,757
Total - Capital programme	32,970	32,906	613	26,457	15,202	10,533	8,765	8,647

Housing Revenue Account Budget 2024/25

Summary

1. This report sets the revenue budget for the Housing Revenue Account (HRA) for 2024/25. This budget must be considered alongside the Medium Term Financial Strategy (Appendix C), and the report by the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) on the robustness of estimates and adequacy of reserves, made under section 25 of the Local Government Act 2003 (Appendix A).
2. This budget makes the following proposals in respect of rents and service charges:-
 - Housing rents will increase by 7.7%, equivalent to an increase of CPI + 1% (based upon the September 2023 Consumer Price Index (CPI) figure of 6.7%), which is the maximum permitted increase under government social rent policy.
 - Garage rents will increase by 6.7% in line with the September 2023 CPI.
 - Service charges will increase in line with estimated costs.
3. The above proposals were discussed by the Tenant and Leaseholders' Panel on 30 November 2023, and by the Housing Board on 7 December 2023, and were supported by both.
4. The budget for 2024/25 results in a planned operating surplus of £2.882 million. This, together with a small planned net drawdown from earmarked reserves of £78,000, will be used to finance capital expenditure totalling £2.960 million.
5. The estimates in this report are based on the recommended Medium Term Financial Strategy (Appendix C), Treasury Management Strategy (Appendix D), Capital Strategy (Appendix E), Capital Programme (Appendix F), and 2024/25 General Fund budget (Appendix H).

Housing Revenue Account Business Plan

6. The HRA budget is set in the context of a 30 year Business Plan as approved by Cabinet. The current plan covers the period from 2016-2046 and is available on the Council's website. The Business Plan sets out four key priorities:-
 - i. operate a sound and viable housing business in a professional and cost effective manner;
 - ii. ensure that all the Council's tenants live in a decent home in settled communities for as long as needed, consistent with the Council's Tenant Strategy;
 - iii. help tenants and leaseholders get involved with decisions about their housing; and
 - iv. regenerate the stock/estates and build new affordable rented council housing in an efficient and effective manner..
7. Following approval of the 2024/25 budget and Medium Term Financial Strategy (MTFS), work will be undertaken to refresh this Business Plan early in the new financial year. Should any changes be required to the 2024/25 HRA budget as a result these will be subject to the Council's usual Financial Regulations and governance processes.

National Social Rent Policy

8. Since 2002, rents for properties let at 'social rent' have been set based on a formula set by government. This creates a 'formula rent' for each property, which is calculated based on the

relative value of the property, relative local income levels, and the size of the property. An aim of this formula-based approach is to ensure that similar rents are charged for similar social rent properties, bringing local authority and housing association rents into alignment. Formula rents were initially increased annually by the Retail Price Index (RPI) + 0.5%.

9. In 2011, the government introduced 'affordable rent' alongside social/formula rent, which permits rents to be set at up to 80% of market rent. The policy allows the Council to let new build properties at affordable rent where certain conditions apply. The government requires that any new homes built through its Affordable Homes Grant system are let at 'affordable rent'.
10. Most of the Council's new build properties are let at affordable rent and the additional income this generates makes it possible to build more homes.
11. In 2016, as part of the Welfare Reform and Work Act, the government introduced a new policy whereby social rents would reduce by 1% every year for four years. The main aim of this was to reduce the national housing benefit bill.
12. In October 2017, the government announced a long-term rent deal for social housing landlords in England. The new policy was to permit annual rent increases for both social rent and affordable rent properties of up to CPI plus one percentage point from 2020 onwards, for a period of at least five years. Increases are based upon the CPI figure for September in the preceding financial year. However, in 2023/24, the maximum increase for existing tenants was further capped at 7% (despite the September 2022 CPI figure standing at 10.1%), in recognition of cost of living pressures. This has resulted in a significant loss of income for housing authorities.
13. In September 2023, CPI stood at 6.7%, indicating a maximum rent increase for 2024/25 of 7.7%.

Housing Rents

14. The HRA continues to experience significant financial pressure, arising from high levels of cost inflation in recent years, below inflationary rent increases in 2023/24, and ongoing issues in respect of the housing maintenance contract with Uttlesford Norse Services Ltd as set out at paragraphs 30-32 below.
15. Furthermore, the current HRA business model and MTFs relies upon operating surpluses generated to fund the development of new council homes.
16. As such, it is proposed that the Council applies the maximum permitted rent increase of 7.7% in 2024/25. This has been discussed and supported by the Tenant and Leaseholders' Panel and Housing Board.
17. The average weekly rent as at January 2024 was £116.75. After applying the increase of 7.7%, the new average weekly rent will be £125.74.
18. The proposed rent increase will generate additional income of £1.318 million for the HRA as compared to the 2023/24 budget. Further additional income of £243,000 will be generated by changes to stock numbers and void assumptions. This means that the total budget for dwelling rents in 2024/25 will increase by £1.561 million, to £18.067 million. This should be seen in the context of a net increase to service expenditure budgets of £941,000, and a total budgeted surplus to be returned to unallocated revenue reserves of only £193,000, or less than 1% of gross HRA income.
19. As at 1 April 2023, the balance on unallocated HRA revenue reserves sat at £201,000. This is particularly low in the context of the size of the HRA, equivalent to just over one week's gross service expenditure, and this was identified as a significant risk within last year's MTFs. The decision to generate relatively modest surpluses in each of the next five years has been taken deliberately in order to return revenue reserves to a more sustainable level over time. Further detail is set out in the Medium Term Financial Strategy (Appendix C), which shows a forecast

revenue reserves balance of £2.162 million by 31 March 2029. This will provide some protection to the HRA in the case of future unforeseen events, particularly in the context of forthcoming changes to the housing maintenance contract as set out at paragraphs 30-32 below.

Garage Rents

20. The Council manages a total of 450 garages, of which 284 are rented by private residents. Garage rents are excluded from the government's rent setting policy. It is proposed to increase the garage rents by the September 2023 CPI of 6.7%. The current weekly rent is £12.69, and this will increase to £13.54 (excluding VAT) for 2024/25.

Service Charges

21. The Council manages a number of leasehold and freehold properties where service and sewerage charges are payable. These are calculated and set in line with estimated actual costs.
22. Service charges for tenants are calculated individually for each property depending upon the estimated cost of services used. The average charges for 2024/25 are set out in the following table:

Average HRA Service Charges	2023/24 Average Charge £ per week	2024/25 Average Charge £ per week	Includes VAT?
General service charge	3.56	4.04	No
General service charge - Sheltered accommodation	17.97	20.13	No
General service charge - Temporary accommodation (General Fund and HRA)	24.73	35.41	No
Water charges	3.47	2.79	No
Sewerage charges	11.40	11.67	No
Heating charges	29.08	20.48	No

23. In 2023/24, heating charges were increased significantly as a result of increased gas prices, which the Council had no choice but to pass on to tenants (to avoid the situation where tenants who do not receive heating services from the Council would be subsidising those that do). Fortunately, gas prices have since reduced slightly, which has contributed to a reduction of 29.6%, or £8.60 per week, in the average heating charge shown above. It is proposed that water charges are also reduced based upon latest actual consumption data.
24. The average general service charge increase of 13.5% (48p per week) for general needs properties, and 12.0% (£2.16 per week) for sheltered accommodation, reflects continuing high electricity costs which were not fully taken into account when setting last year's charge.
25. The increase in the general service charge for temporary accommodation of 43.2% (£10.68 per week) has arisen largely because recent increased energy prices over the past two years were not taken into account in setting the charge last year. This year's charge has now been set using the latest available energy price information.
26. Service charges for lessees are legally required to be set to meet the cost of services provided. If the estimated charges do not meet the cost of services in a year then there is a retrospective charge in the following year to meet the difference.

27. In addition, it is proposed that the following fixed service charges are set for 2024/25 as below:

Service Charges 2024/25	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Sheltered housing scheme management service			
Intensive Housing Management (IHM) - per week	18.53	17.68	No
Housing Related Support (HRS) - per week	7.21	7.06	No
Total charge - Sheltered housing scheme management service	25.74	24.74	
Garden welfare service			
One-off clearance	66.00	70.80	Yes
One-off substantial clearance (where the majority of the garden is higher than 1m; this includes bramble, grass and weeds)	105.60	112.80	Yes
Grass cutting (throughout the growing season and up to 2 hedge cuts per year) - weekly charge*	4.96	5.29	Yes
* This charge is payable throughout the year and is not covered by housing benefit			

28. The Intensive Housing Management (IHM) charge may be covered by housing benefit for those tenants who are eligible. The Housing Related Support (HRS) charge, however, must be paid by all sheltered housing tenants and is not eligible for housing benefit support. Both charges are being reduced this year as the result of savings made by the Council in the cost of providing this service, which are passed on in full to service users.
29. Charges associated with the garden welfare service will rise by 6.7% in line with the September 2023 CPI figure (with charges for one-off clearance services rounded to the nearest pound before VAT).

Uttlesford Norse Services Ltd

30. Housing maintenance and capital improvements works are currently carried out by Uttlesford Norse Services Ltd (UNSL), a joint venture arrangement between the Council and Norse Commercial Services Ltd. However, on 9 January 2024 Cabinet took the decision not to extend this contract beyond its next break point, and notice has now been served that the contract will end in March 2025.
31. The UNSL arrangement represents the Council's largest contract, with total budgeted combined revenue and capital spend in 2024/25 of £9.938 million. The process of exiting this contract and setting up replacement arrangements is therefore a significant undertaking, albeit with the goal that the new arrangements will provide a more effective service and better value for money for the Council.
32. Since the contract will end in March 2025, it is currently anticipated that UNSL will continue to provide the majority of the Council's housing maintenance and capital improvements services during 2024/25. As such, this budget has been set with reference to the existing contract with UNSL and agreed programme of capital works for the year. It is possible, however, that alternative transitional arrangements may be agreed as the situation develops. The budget will therefore be kept under close review, and regular updates provided to Cabinet through the quarterly financial monitoring reports.

Housing Revenue Account Budget

33. A summary of the 2024/25 HRA budget is shown in the table below. A more detailed breakdown is set out at Annexe G1.

Housing Revenue Account Budget	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Service income				
Dwelling rents	(16,506)	(16,506)	(18,067)	(1,561)
Non-dwelling rents	(279)	(279)	(286)	(7)
Service charges and other income	(1,448)	(1,448)	(1,328)	120
Subtotal - Service income	(18,233)	(18,233)	(19,681)	(1,448)
Service expenditure				
Finance and business management	114	114	185	71
Maintenance and repairs service	4,822	4,822	5,778	956
Management and homelessness	1,054	1,054	1,218	164
Additional one-off HRA revenue costs agreed in 2023/24	-	1,000	-	(1,000)
One-off transformation costs	-	-	750	750
Subtotal - Service expenditure	5,990	6,990	7,931	941
Other operating income and expenditure				
Depreciation	4,768	4,768	4,242	(526)
Borrowing costs	2,618	2,618	2,639	21
Net recharges from General Fund	1,967	1,967	2,011	44
Other	24	24	(24)	(48)
Subtotal - Other operating income and expenditure	9,377	9,377	8,868	(509)
Subtotal - Operating (surplus)/deficit	(2,866)	(1,866)	(2,882)	(1,016)
Capital financing	2,758	2,421	2,960	539
Transfers to/(from) earmarked reserves	108	(555)	(78)	477
(Surplus)/deficit	-	-	-	-

34. After allowing for the financing of capital expenditure and specific earmarked reserve movements, the HRA is forecast to deliver a small surplus of £193,000 in 2024/25. This will be transferred to unallocated revenue reserves as part of the medium term plan to build these reserves to a more sustainable level (see paragraph 19), and this transfer has been included in the 'transfers to/(from) earmarked reserves' line in the table above in order to set a balanced budget. Further detail on transfers to and from individual earmarked reserves can be seen in the table at paragraph 47.

Service Income and Expenditure

35. The increase to service income of £1.448 million can be explained by the changes to rents and service charges set out at paragraphs 14-29.

36. The movement in the service expenditure budget can be summarised as follows:-

Service Expenditure Budget Movements	£'000
2023/24 current expenditure budget	6,990
Remove one-off items	(1,000)
2023/24 base expenditure budget	5,990
Inflation	144
Unavoidable demand growth	182
Service investment	1,599
Efficiency savings and service reductions	(95)
Other adjustments	111
2024/25 proposed expenditure budget	7,931

37. The removal of £1 million of one-off spend in 2023/24 relates to additional revenue expenditure approved by Cabinet in March 2023, after the 2023/24 budget had already been approved by Full Council. This was in relation to urgent work required following the Council's self-referral to the Regulator for Social Housing in August 2022 for a potential breach of the Home Standard, and full subsequent stock condition survey.
38. This work is now largely complete, and the latest forecast shows that an estimated £776,000 of the £1 million allocated will be spent by 31 March 2024. The remaining £224,000 will be transferred to a new transformation reserve to be put towards the transitional costs associated with replacing the UNSL contract (see paragraphs 30-32).
39. Service investment of £1.599 million includes the following significant items:-
- one-off spend of £426,000 on specific additional agency and consultancy costs, including (but not limited to) additional support for exiting the UNSL contract and setting up replacement arrangements;
 - one-off spend of £750,000 on as yet unknown transitional costs which may arise in respect of exiting the UNSL contract and setting up replacement arrangements (for example costs linked to the transfer of staff under TUPE arrangements); and
 - ongoing spend of £402,000 on the expansion of the Council's housing repairs contract management function, in order to ensure sound management of whatever future arrangements are put into place.
40. During 2023/24, a service review of the Revenues service under the Blueprint Uttlesford transformation programme concluded that the housing rents function, currently within that service, should transfer to the Housing service from 1 April 2024. The other adjustments line of £111,000 in the table above represents the cost of this service being charged directly to the HRA service expenditure budget from 2024/25 onwards. There will be a corresponding reduction in the net recharge from the General Fund, so there is no net impact on either the HRA or the General Fund of implementing this change.
41. A full list of all service expenditure budget changes greater than £10,000 is set out at Annexe G2.

Other Operating Income and Expenditure

42. The budget for depreciation charges will decrease by £526,000 to £4.242 million. This is based upon a draft stock valuation carried out by the Council's external valuers as at 31 December 2023. There will be a desktop exercise to review this valuation as at 31 March

2024, therefore the actual depreciation charge for 2024/25 could be higher or lower than budgeted (e.g. if house prices increase, the depreciation charge will increase).

43. Under accounting regulations, the depreciation amount to be charged in any given year must be transferred to the ringfenced Major Repairs Reserve, which is used to fund capital improvements of the Council's existing housing stock. Changes to depreciation do not, therefore, impact on the overall level of resources available to the HRA.
44. Recharges from the General Fund are made in respect of General Fund services which are also used by the HRA, for example Financial Services, ICT, HR, and office accommodation. Taking into account the impact of the transfer of the housing rents function set out at paragraph 40, net recharges are predicted to increase by 8% in 2024/25 on a like for like basis. This largely reflects inflationary increases to a range of General Fund central service budgets. At the year-end, an exercise is carried out to ensure that the HRA is charged the correct amount based upon actual costs incurred.

Capital Financing

45. The budget for capital financing reflects the required contribution from the HRA towards the current Capital Programme. This will vary from year to year depending upon the programme agreed, and availability of other resources to support this (such as capital grants, and receipts from the sale of right-to-buy properties). The full Capital Programme, including planned financing sources, is set out in detail at Appendix F.

Risks and Assumptions

46. The key areas of risk to the achievement of the 2024/25 budget (both adverse and favourable) are detailed in the Section 25 Report – Robustness of Estimates and Adequacy of Reserves (Appendix A), together with the Section 151 Officer's assessment of the main assumptions used. A full analysis of key financial risks and assumptions specific to the HRA has also been included at Annexe G3.

Reserves

47. The forecast total revenue reserves balance at 1 April 2024 will be £1.686 million. The 2024/25 budget assumes a net drawdown from reserves of £78,000, leaving a forecast balance as at 31 March 2025 of £1.608 million. Forecast revenue reserve movements are set out in detail in the table on the following page:

Housing Revenue Account Revenue Reserves	Balance at 1 April 2023	Forecast Additions to Reserves 2023/24	Forecast Use of Reserves 2023/24	Forecast Balance at 31 March 2024	Budgeted Additions to Reserves 2024/25	Budgeted Use of Reserves 2024/25	Forecast Balance at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ringfenced reserves							
Working balance	549	45	-	594	61	-	655
Subtotal - Ringfenced reserves	549	45	-	594	61	-	655
Usable reserves							
Revenue reserves	201	299	-	500	193	-	693
Transformation	160	420	-	580	420	(750)	250
Subtotal - Usable reserves	361	719	-	1,080	613	(750)	943
Earmarked for capital purposes							
Potential projects reserve	10	-	-	10	-	-	10
HRA capital slippage reserve	858	-	(856)	2	-	(2)	-
Subtotal - Earmarked for capital purposes	868	-	(856)	12	-	(2)	10
Total - HRA revenue reserves	1,778	764	(856)	1,686	674	(752)	1,608

48. The Council sets a prudent minimum level of reserves known as the working balance, to manage unexpected financial impacts during the year. This amount is determined by the Section 151 Officer and is calculated by reference to variable gross income plus expenditure. The minimum working balance for 2024/25 will be £655,000.
49. During 2023/24, a decision was taken to repurpose the former 'revenue projects' reserve as a transformation reserve, to fund as yet unknown transitional costs associated with exiting the UNSL contract and setting up replacement arrangements. To the £160,000 already in this reserve will be added £420,000 from the forecast HRA revenue surplus in each of 2023/24 and 2024/25, to bring the total available balance to £1 million. (The transfer of £420,000 in 2023/24 will include the £224,000 underspend against the £1 million of additional one-off revenue costs, as described at paragraph 38). It is anticipated that this reserve will be drawn down over two years, with £750,000 budgeted for 2024/25, and the remaining £250,000 in 2025/26.
50. Following other reserve movements, there remains a modest budgeted surplus of £193,000 on the HRA which will be returned to unallocated revenue reserves, in recognition of the need to build this reserve to a more sustainable level over the next five years (see paragraph 19). More information on the medium term forecast for HRA revenue reserves is set out in the Medium Term Financial Strategy (Appendix C).

List of Annexes

- Annexe G1 – Housing Revenue Account Budget 2024/25
- Annexe G2 – HRA Service Expenditure Budget Movements 2024/25
- Annexe G3 – Housing Revenue Account Service Budget Risks and Assumptions
- Annexe G4 – Equality and Health Impact Assessment

Housing Revenue Account Budget 2024/25	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Service income				
Dwelling rents	(16,506)	(16,506)	(18,067)	(1,561)
Garage rents	(245)	(245)	(254)	(9)
Other rents	(34)	(34)	(32)	2
Charges for services and facilities	(1,448)	(1,448)	(1,328)	120
Subtotal - Service income	(18,233)	(18,233)	(19,681)	(1,448)
Finance and business management expenditure				
Rents, rates and other property charges	114	114	185	71
Subtotal - Finance and business management expenditure	114	114	185	71
Maintenance and repairs service expenditure				
Common service flats	574	574	488	(86)
Estate maintenance	2	2	5	3
Housing sewerage	20	20	21	1
Newport Depot	10	10	3	(7)
Property services	256	256	1,043	787
Housing repairs (Norse)	3,960	3,960	4,218	258
Subtotal - Maintenance and repairs service expenditure	4,822	4,822	5,778	956
Management and homelessness expenditure				
Housing services	572	572	781	209
Sheltered housing services	482	482	437	(45)
Subtotal - Management and homelessness expenditure	1,054	1,054	1,218	164
Additional one-off HRA revenue costs agreed in 2023/24	-	1,000	-	(1,000)
One-off transformation costs	-	-	750	750
Subtotal - Service expenditure	5,990	6,990	7,931	941
Other operating income and expenditure				
Bad debts	100	100	100	-
Depreciation	4,768	4,768	4,242	(526)
Borrowing costs	2,618	2,618	2,639	21
Treasury investment income	(95)	(95)	(126)	(31)
Corporate pension costs (added years and deficit repair)	29	29	18	(11)
Share of corporate and democratic core costs	403	403	454	51
Other recharges from General Fund	1,564	1,564	1,557	(7)
Right to buy administration allowance	(10)	(10)	(16)	(6)
Subtotal - Other operating income and expenditure	9,377	9,377	8,868	(509)
Subtotal - Operating (surplus)/deficit	(2,866)	(1,866)	(2,882)	(1,016)
Capital financing				
Financing of capital expenditure in year	2,758	2,421	2,960	539
Repayment of historic capital expenditure	-	-	-	-
Subtotal - Capital financing	2,758	2,421	2,960	539
Transfers to/(from) earmarked reserves				
Working balance	30	30	61	31
Revenue reserves	78	78	(137)	(215)
Earmarked for capital purposes	-	(663)	(2)	661
Subtotal - Transfers to/(from) earmarked reserves	108	(555)	(78)	477
(Surplus)/deficit	-	-	-	-

Service Budget Line	Description	Movement	Duration
		£'000	
Unavoidable demand growth			
Rents, rates and other property charges	Increase in empty property council tax charges due to sheltered housing units held vacant pending potential redevelopment	69	One-off - 1 year
Housing repairs (Norse)	Increase to housing repairs budget in respect of asbestos works required	80	Ongoing
Housing services	New mandatory fee payable to the Regulator of Social Housing	25	Ongoing
Various	Other items individually <£10,000	8	
Total - Unavoidable demand growth		182	
Service investment			
Property services	Ongoing cost of expanding housing repairs contract management function	402	Ongoing
Property services	Additional agency and consultancy costs associated with transition to new housing repairs service and cover for anticipated senior staff vacancy in difficult to recruit post	426	One-off - 1 year
Housing services	Growth bid to fund tenancy support and deal with estate management issues	15	Ongoing
Various	Estimated one-off transformation costs associated with transition to new housing maintenance arrangements, to be funded from transformation reserve	750	One-off - 1 year
Various	Other items individually <£10,000	6	
Total - Service investment		1,599	
Efficiency savings and service reductions			
Property services	Savings identified in business planning budget	(30)	Ongoing
Property services	Reduction to disrepair compensation budget to reflect current experience	(20)	Ongoing
Sheltered housing services	Holding vacant of one Sheltered Housing Officer post (0.8 FTE) pending full service review	(45)	Ongoing
Total - Efficiency savings and service reductions		(95)	
Other adjustments			
Housing services	Transfer of housing rent collection team to Housing services - this function was previously recharged from the General Fund so there will be a corresponding reduction in recharge expenditure and no net additional cost to the HRA	111	Ongoing
Housing services	Minor staff restructure resulting in a transfer of 0.43 FTE from sheltered housing services to housing services	15	Ongoing
Sheltered housing services	Minor staff restructure resulting in a transfer of 0.43 FTE from sheltered housing services to housing services	(15)	Ongoing
Total - Other adjustments		111	

Introduction

The tables below set out the key financial risks (both favourable and adverse) identified by budget managers in relation to the service income and expenditure budgets set for 2024/25. This is not intended to be an exhaustive list of all potential financial risks which could be faced by the HRA, rather it highlights the areas where it is considered most likely that outturn could differ from the budget, primarily for reasons outside of the Council’s control.

Key

Each risk is assessed using the following framework:-

Risk Framework	Low	Medium	High
Probability of variance arising	Possible, but unlikely	Probable	Almost certain
Impact (adverse and/or favourable)	£5,000 - £20,000	£20,001 - £50,000	> £50,000

Note that risks with an anticipated impact of less than £5,000 are not reported here.

Risks

Budget Line	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
All service income	All service income	Whilst there is a prudent provision made within the budget for some non-collection of rents and other income, there is a risk that the collection rate could fall, particularly in light of current cost of living pressures. This is mitigated to some extent by the fact that around one third of Council tenants are in receipt of housing benefit which covers some or all of their rent.	Low	N/A	High
All service income; Rents, rates and other property charges	Voids	Budgets have been set using an assumption that 1% of council properties will be void at any given time (in addition to known redevelopment projects) - however longer than anticipated void turnaround times could result in lost rent and service charge income, and higher empty property costs (e.g. council tax).	Low	N/A	High
Property services; One-off transformation costs	Transformation costs	The current housing maintenance and capital improvement contract with Uttlesford Norse Services Ltd will end in March 2025. The process of exiting this contract and setting up replacement arrangements will be a significant and costly undertaking, with £1 million of transformation costs assigned over 2 years, and further one-off spend of £426,000 on specific agency and consultancy costs in 2024/25 (relating mainly, but not entirely, to the UNSL contract). As the situation develops, actual transitional costs may be higher or lower than budgeted.	High	High	High
Common service flats	Utility costs	Budgeted utility costs have been based upon forecasts provided by an external consultant and historic consumption figures, and prices which are fixed until 30 September 2024, when the Council's current energy contract comes to an end. Changes to energy costs after this date, or fluctuations in consumption (for example in the event of a cold winter) may result in a charge which is higher or lower than budgeted.	Medium	Medium	Medium

Budget Line	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Housing services; Sheltered housing services; Property services	Employee costs	The actual pay award agreed nationally for 2024/25 may vary from the assumptions made when setting the budget.	High	Medium	Medium
Housing services	Administration and compensation costs	There is a risk that compliants management does not meet the requirements of the Housing Ombudsman Code or requirements of the Social Housing Regulation Act, leading to reputational damage and creating avoidable costs in compensation and staff resources.	Medium	Medium	Medium
Housing services	Tenant Satisfaction Measures	Poor performance against new Tenant Satisfaction Measures may result in regulatory intervention, loss of reputation, staff demotivation and increased costs.	Medium	Medium	Medium
Other recharges from General Fund	Employee costs	The HRA is recharged for its share of General Fund employee costs. This includes the post of Assistant Director - Housing, Health and Communities, which is currently vacant. Should the post prove difficult to recruit, additional agency costs may be incurred.	Medium	N/A	Medium
Financing of capital expenditure in year	Maintenance of existing housing stock	If housing assets are not properly maintained, there is a risk of deterioration, potentially affecting the health, safety and wellbeing of tenants and poor satisfaction. Required interventions could be costly and would need to be funded largely from revenue resources, e.g. if additional urgent capital works are required in year, as availability of ringfenced capital resources to fund such work is limited.	Medium	N/A	High



Uttlesford District Council

Equality & Health Impact Assessment (EqHIA)

Document control

Title of activity:	<i>Rent and Service Charge Setting 2024-25</i>
Lead officer:	<i>Judith Snares, Housing Strategy & Operations Manager</i>
Approved by:	<i>Kerry Clifford, Director of Housing, Health and Communities</i>
Date completed:	<i>5 February 2024</i>
Scheduled date for review:	<i>February 2025</i>

Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No
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Please note that EqHIAs are **public** documents and must be made available on the Council's [EqHIA webpage](#).

When completed, a copy of this form should be saved with the activity a policy, strategy, procedure, project, new or change in service, initiative or other's file for audit purposes and in case it is requested under the Freedom of Information Act.

When the EqHIA is completed send a copy to the following email address - EqHIA@Uttlesford.gov.uk

1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact your Divisional Equality Lead. Please refer to the Guidance in Appendix 1 on how to complete this form. **When EqHIA is completed send a copy to the following email address EqHIA@Uttlesford.gov.uk**

About your activity

1	Title of activity	Rent and Service Charge Setting 2024-25		
2	Type of activity	To establish the rent and service charge levels for 2024-25		
3	Scope of activity	To identify the changes in dwelling rents, garage rents, housing related support (HRS) charges and service charges required for the new financial year		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	No	If the answer to <u>any</u> of these questions is 'YES', please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	Yes		
4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes		
5	If you answered YES:	Please complete the EqHIA in Section 2 of this document. Please see Appendix 1 for Guidance.		
6	If you answered NO:	Please provide a clear and robust explanation on why your activity does not require an EqHIA. This is essential in case the activity is challenged under the Equality Act 2010. <i>Please keep this checklist for your audit trail.</i>		

Completed by:	Judith Snares
Date:	5 February 2024

2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

Background/context:
<p>Rent and service charge setting is carried out annually. Rents are set in line with Government policy and to that end the council's social and affordable rents have been modelled at the 7.7% cap for 2024/25.</p> <p>All other Housing related support charges and service charges are increased in line with estimated costs.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>

Who will be affected by the activity?
<p>An increase in rents and service charges will affect all tenants in council owned properties. Rents are kept within the housing allowances for the areas and will therefore be covered for those on benefits.</p> <p>An increase in service charges will impact on people's finances, although this is mitigated in part by various government grants.</p> <p>An increase in service charges will also affect owners of ex-Council owned properties, purchased through right-to-buy, which benefit from any continuing services provided by the Council, as stipulated in the lease or transfer deed.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>

Protected Characteristic - Age: Consider the full range of age groups		
<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive	<input type="checkbox"/>	<p>Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent.</p> <p>Last year's negative effect on those in sheltered housing will be neutral this year as there has been a reduction in heating costs so these reductions will offset the rent increase.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Neutral	<input checked="" type="checkbox"/>	
Negative	<input type="checkbox"/>	
Evidence:		
<p>Heating charges have reduced thus year due to the fall in fuel costs. Sheltered tenants have regular tenant meetings where they make comments and raise concerns about housing costs. They can also receive daily support from sheltered housing officers.</p>		

Tenant and Leaseholder Panel
 Tenant Satisfaction Survey Census 2021 data
 Office for National Statistics (ONS) data
 CORE data

Protected Characteristic - Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions	
<i>Please tick (✓) the relevant box:</i>	
Positive	Overall impact: Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent. The predicted impact of the rent and service charge setting for 2024/25 on people with disabilities is neutral as there is no identified direct, positive or indirect discrimination. <i>*Expand box as required</i>
Neutral ✓	
Negative	
Evidence: The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey.	
Sources used: Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data <i>*Expand box as required</i>	

Protected Characteristic - Sex/gender: Consider both men and women	
<i>Please tick (✓) the relevant box:</i>	
Positive	Overall impact: Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent. The predicted impact of the rent and service charge setting for 2024/25 on all genders is neutral as there is no identified direct, positive or indirect discrimination. <i>*Expand box as required</i>
Neutral ✓	
Negative	
Evidence: The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey. <i>*Expand box as required</i>	

<p>Sources used:</p> <p>Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
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Protected Characteristic - Ethnicity/race: Consider the impact on different ethnic groups and nationalities

<i>Please tick (✓) the relevant box:</i>		<p>Overall impact:</p> <p>Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent.</p> <p>The predicted impact of the rent and service charge setting for 2024/25 on ethnicity/race is neutral as there is no identified direct, positive or indirect discrimination.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Positive		
Neutral	✓	
Negative		

Evidence:

The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey.

**Expand box as required*

<p>Sources used:</p> <p>Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
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Protected Characteristic - Religion/faith: Consider people from different religions or beliefs including those with no religion or belief

<i>Please tick (✓) the relevant box:</i>		<p>Overall impact:</p> <p>Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent.</p>
Positive		
Neutral	✓	

Negative		<p>The predicted impact of the rent and service charge setting for 2024/25 on religion/faith is neutral as there is no identified direct, positive or indirect discrimination.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Evidence:		
<p>The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey.</p> <p style="text-align: right;"><i>Expand box as required</i></p>		
Sources used:		
<p>Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		

Protected Characteristic - Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual		
<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive		<p>Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent.</p> <p>The predicted impact of the rent and service charge setting for 2024/25 on sexual orientation is neutral as there is no identified direct, positive or indirect discrimination.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Neutral	✓	
Negative		
Evidence:		
<p>The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		
Sources used:		
<p>Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		

Protected Characteristic - Gender reassignment: Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth	
<i>Please tick (✓) the relevant box:</i>	
Positive	Overall impact: Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent. The predicted impact of the rent and service charge setting for 2024/25 on people who are seeking, undergoing or have received gender reassignment surgery is neutral as there is no identified direct, positive or indirect discrimination. <i>*Expand box as required</i>
Neutral	
Negative	
Evidence: The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey. <i>*Expand box as required</i>	
Sources used: Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data <i>*Expand box as required</i>	

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership	
<i>Please tick (✓) the relevant box:</i>	
Positive	Overall impact: Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent. The predicted impact of the rent and service charge setting for 2024/25 for marriage/civil partnership is neutral as there is no identified direct, positive or indirect discrimination. <i>*Expand box as required</i>
Neutral	
Negative	
Evidence: The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey. <i>*Expand box as required</i>	

Sources used:

Tenant and Leaseholder Panel
 Tenant Satisfaction Survey Census 2021 data
 Office for National Statistics (ONS) data
 CORE data

Protected Characteristic - Pregnancy, maternity and paternity: Consider those who are pregnant and those who are undertaking maternity or paternity leave

<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive		Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent. The predicted impact of the rent and service charge setting for 2024/25 for pregnancy, maternity and paternity is neutral as there is no identified direct, positive or indirect discrimination.
Neutral	✓	
Negative		

**Expand box as required*

Evidence:

The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey.

**Expand box as required*

Sources used:

Tenant and Leaseholder Panel
 Tenant Satisfaction Survey
 Census 2021 data
 Office for National Statistics (ONS) data
 CORE data

**Expand box as required*

Socio-economic status: Consider those who are from low income or financially excluded backgrounds

<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive		For most people, who are from low income or financially excluded backgrounds, social housing is the only available option. Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent. The predicted impact of the rent setting for 2024/25 for those who are from low income or financially excluded backgrounds, living in general needs accommodation, is neutral as there is no identified direct, positive or indirect discrimination.
Neutral		
Negative	✓	

	<p>Rents are kept within the housing allowances for the areas and will therefore be covered for those on benefits.</p> <p>Guidance and support will be given to those tenants who have problems managing their finances.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
<p>Evidence:</p> <p>The tenant satisfaction survey sent to all tenants gives the opportunity to express if tenants feel that they get value for money. People are free to make their comments and concerns known by returning the survey.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	
<p>Sources used:</p> <p>Tenant and Leaseholder Panel Tenant Satisfaction Survey Census 2021 data Office for National Statistics (ONS) data CORE data</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	

<p>Health & Wellbeing Impact: Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.</p>							
<p><i>Please tick (✓) all the relevant boxes that apply:</i></p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Positive</td> <td style="width: 50%;"></td> </tr> <tr> <td>Neutral</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Negative</td> <td></td> </tr> </table>	Positive		Neutral	✓	Negative		<p>Overall impact:</p> <p>Increasing rents and service charges will enable the Council to continue to provide safe affordable housing for rent.</p> <p style="text-align: right;"><i>*Expand box as required</i></p> <p>Do you consider that a more in-depth HIA is required as a result of this brief assessment?</p> <p style="text-align: right;">No</p>
Positive							
Neutral	✓						
Negative							
<p>Evidence:</p> <p>There should be a positive health & wellbeing impact on people's personal circumstances, access to services and social factors relating to housing.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							

Sources used:




Health & wellbeing impact tool

**Expand box as required*

3. Outcome of the Assessment

The EqHIA assessment is intended to be used as an improvement tool to make sure the activity maximises the positive impacts and eliminates or minimises the negative impacts. The possible outcomes of the assessment are listed below and what the next steps to take are:

Please tick (✓) what the overall outcome of your assessment was:

	<p>1. The EqHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u></p>		<p>Proceed with implementation of your activity</p>
	<p>2. The EqHIA identified some <u>negative impact</u> which still needs <u>to be addressed</u></p>		<p>COMPLETE SECTION 4: Complete action plan and finalise the EqHIA</p>
	<p>3. The EqHIA identified some <u>major concerns</u> and showed that it is <u>impossible to diminish negative impacts</u> from the activity to an acceptable or even lawful level</p>		<p>Stop and remove the activity or revise the activity thoroughly. Complete an EqHIA on the revised proposal.</p>

4. Action Plan

The real value of completing an EqHIA comes from the identifying the actions that can be taken to eliminate/minimise negative impacts and enhance/optimize positive impacts. In this section you should list the specific actions that set out how you will address any negative equality and health & wellbeing impacts you have identified in this assessment. Please ensure that your action plan is: more than just a list of proposals and good intentions; sets ambitious yet achievable outcomes and timescales; and is clear about resource implications.

Protected characteristic / health & wellbeing impact	Identified Negative or Positive impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer

Add further rows as necessary

* You should include details of any future consultations and any actions to be undertaken to mitigate negative impacts

** Monitoring: You should state how the impact (positive or negative) will be monitored; what outcome measures will be used; the known (or likely) data source for outcome measurements; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

5. Review

Review:

Annual review

Scheduled date of review: February 2025

Lead Officer conducting the review: Director of Housing, Health and Communities

In this section you should identify how frequently the EqHIA will be reviewed; the date for next review; and who will be reviewing it.

General Fund Budget and Council Tax – 2024/25

Summary

1. This report sets the revenue budget for the General Fund and the council tax requirement for 2024/25. This budget must be considered alongside the Medium Term Financial Strategy (Appendix C), and the report by the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) on the robustness of estimates and adequacy of reserves, made under section 25 of the Local Government Act 2003 (Appendix A).
2. The budget is based on the provisional local government finance settlement which was published by the government on 18 December 2023, the Local Government Finance Update ministerial statement made by the Secretary of State for Levelling Up, Housing and Communities on 24 January 2024, and direction from the Cabinet on their priorities and council tax increases.
3. The proposed budget shows a council tax requirement of £7,055,774, which is equivalent to £176.74 for a band D property, representing a £5.13 (2.99%) increase on the 2023/24 amount.
4. The Council is required by statute to set a balanced budget in advance of each financial year. This will be achieved for 2024/25 by the use of £1.901 million of reserves. This includes a net drawdown of £760,000 for planned specific purposes, and a further £1.141 million to cover a general deficit in the General Fund. This should be seen in the context of the current budgeted deficit for 2023/24 of £2.940 million, demonstrating that the Council has already made significant steps to reduce the annual General Fund deficit through the Blueprint Uttlesford transformation programme. This is dealt with in more detail within the Council's Medium Term Financial Strategy (Appendix C).
5. The estimates in this report are based on the recommended Commercial Strategy (Appendix B), Medium Term Financial Strategy (Appendix C), Treasury Management Strategy (Appendix D), Capital Strategy (Appendix E), Capital Programme (Appendix F), and Housing Revenue Account budget (Appendix G).

Council Tax

6. In calculating council tax, the Council is required to estimate the average number of households contributing to the council tax requirement over the coming year (known as the taxbase). This calculation takes into account those in receipt of discounts and exemptions, including under the Local Council Tax Support (LCTS) scheme. The taxbase calculation for 2024/25 is set out in the following table:

Council Taxbase	2024/25	2023/24	% Change
Band D equivalent properties before LCTS discounts	41,894.95	40,963.33	2.27%
Band D equivalent discounts under LCTS scheme	(1,973.18)	(1,956.12)	0.87%
Net taxbase	39,921.77	39,007.21	2.34%
Band D council tax (£)	176.74	171.61	2.99%
Council tax yield (£)	7,055,774	6,694,027	5.40%

7. In 2023/24, the Uttlesford District Council (UDC) element of council tax for a band D property was set at £171.61. In accordance with the Cabinet's guidance, an increase of £5.13 (2.99%) has been assumed for the purpose of preparing this report, giving a UDC band D council tax figure for 2024/25 of £176.74. Multiplied by the taxbase, this produces a council tax yield of £7,055,774 which balances against the council tax requirement as required by statute.
8. The increase in council tax yield results from a combination of an increased taxbase and the £5.13 increase to band D council tax, as follows:

Council Tax Yield		£
2023/24 council tax yield		6,694,027
Additional income arising from taxbase increases		156,948
Additional income arising from £5.13 increase in band D council tax		204,799
2024/25 council tax yield		7,055,774

9. The Council is required to set council tax for other property bands by reference to the band D amount, as set out in the following table:

Council Tax Band	Proportion of Band D Charge	UDC Council Tax		Increase
		2024/25 £	2023/24 £	£
A	6/9	117.83	114.41	3.42
B	7/9	137.46	133.47	3.99
C	8/9	157.10	152.54	4.56
D	9/9	176.74	171.61	5.13
E	11/9	216.02	209.75	6.27
F	13/9	255.29	247.88	7.41
G	15/9	294.57	286.02	8.55
H	18/9	353.48	343.22	10.26

10. In 2023/24, additional income of £195,000 generated by the £5.00 increase in band D council tax was put into a Cost of Living Support Fund. This has been used throughout the year to provide council tax discounts to households experiencing financial hardship. The latest forecast shows that approximately £60,000 of this fund is likely to have been distributed by the end of 2023/24. It is therefore proposed that the remaining £135,000 is rolled over to extend the scheme for a further year, with a plan to review this in summer 2024 to assess whether the scheme is meeting its objectives, and whether there are alternative, more effective ways to distribute this support.

Empty Homes Premium

11. Currently, the Council applies a 100% council tax premium (i.e. council tax is doubled) to properties which have been empty and unfurnished for two years or more. The purpose of this premium is to encourage empty homes to be brought back into use, at a time of national housing shortage.

12. Under the Levelling Up and Regeneration Act 2023, councils now have the ability to also apply a premium of up to 100% to 'second homes', defined as furnished properties where no one lives or the owner has a main home elsewhere, after one year. This is subject to giving at least one year's notice.
13. This Council supports the objective of bringing homes in the district into permanent use, and therefore it is proposed that notice is given of the intention to charge a council tax premium of 100% on properties which have been empty and furnished for one year or more, commencing on 1 April 2025.
14. Alongside this, over the coming months a review will be carried out of the existing premium on empty and unfurnished homes, in order to assess whether this is achieving its objectives or changes are needed. For example, the Council could decide to reduce the length of time which properties must be empty and unfurnished to trigger to premium from two years to one year, or to increase premium levels for properties empty and unfurnished for over five years (to up to 200%) and over ten years (to up to 300%). Since there is no required notice period associated with such changes, any proposals will be brought forward as part of the 2025/26 budget setting round and will again take effect from 1 April 2025.

Budget Consultation

15. A budget consultation was undertaken between 25 September and 5 November 2023. The Council sought the views of residents, partners and those who work within the district as it began the process of setting the budget for the 2024/25 financial year. A total of 147 responses were received.
16. The consultation asked for views on the Council's corporate priorities, and the future resourcing of specific service areas. An open text box was provided for respondents to express their views if they felt a different priority should be set by the Council. Feedback was also sought from residents regarding whether the UDC share of council tax represents value for money.
17. Key findings are set out below and the full report can be found at Appendix I:
 - i. Corporate plan priorities – the percentage of respondents who 'somewhat agree' or 'definitely agree' that these priorities are the right ones for 2024/25:
 - Putting residents first – 87%
 - Building strong communities – 70%
 - Encouraging economic growth – 79%
 - Protecting and enhancing our environment – 84%
 - ii. Value for money – 50% of respondents 'strongly agree' or 'tend to agree' that the council provides value for money, whilst 27% 'strongly disagree' or 'tend to disagree' (with the remainder answering 'neither agree nor disagree' or 'don't know').
 - iii. Council services – the services which ranked highest in terms of respondents classifying them as 'very important' or 'fairly important' were as follows:-
 - Refuse and recycling collections – 99%
 - Action to develop cleaner neighbourhoods and to tackle environmental crime – 94%
 - Pollution control – 90%

General Fund Budget

18. A summary of the 2024/25 General Fund budget is shown in the table below. A more detailed summary is set out at Annexe H1, and each portfolio budget is shown at Annexe H2.

General Fund Budget	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Service portfolios				
Communities and Local Partnerships	1,464	1,464	1,299	(165)
Environment and Climate Change	3,529	3,529	4,094	565
Finance and the Economy	1,613	1,613	1,375	(238)
Housing and Equalities	262	262	260	(2)
Planning	2,650	2,650	1,914	(736)
Strategy and Governance	4,241	4,241	3,741	(500)
Corporate Services	5,492	5,515	5,682	167
Subtotal - Service portfolios	19,251	19,274	18,365	(909)
One-off transformation costs	-	-	400	400
Investment property	(760)	(760)	1,812	2,572
Corporate items				
Capital financing	2,441	2,830	1,957	(873)
Net recharges to Housing Revenue Account (HRA)	(1,967)	(1,967)	(2,011)	(44)
Other corporate items	542	542	(42)	(584)
Subtotal - Corporate items	1,016	1,405	(96)	(1,501)
External funding				
Retained business rates (including S31 grants)	(5,272)	(5,272)	(6,158)	(886)
Collection fund (surplus)/deficit	249	249	(1,752)	(2,001)
Government grants	(3,333)	(3,333)	(3,614)	(281)
Subtotal - External funding	(8,356)	(8,356)	(11,524)	(3,168)
Subtotal - Net operating expenditure	11,151	11,563	8,957	(2,606)
Transfers to/(from) earmarked reserves	(4,457)	(4,869)	(1,901)	2,968
Total - Council tax requirement	6,694	6,694	7,056	362
Council tax	(6,694)	(6,694)	(7,056)	(362)
(Surplus)/deficit	-	-	-	-

19. The budget for 2023/24 has been balanced through the use of £1.901 million of revenue reserves, including a net drawdown on £760,000 for planned specific purposes, and a further £1.141 million to cover a general deficit in the General Fund. For context, the current budgeted deficit to be funded from reserves in 2023/24 is £2.940 million, so the reduction in the deficit next year reflects the progress already made by the Council in reducing its annual deficit through the Blueprint Uttlesford programme. It is proposed that this general deficit is funded from the Medium Term Financial Strategy reserve, and Medium Term Financial Strategy (Appendix C) sets out more detail around how the Council will use this reserve to manage forecast deficits over the medium term.

Service Portfolios

20. Service portfolios have been reorganised this year to align with the new Cabinet roles adopted by the Council following the election in May 2023.
21. The following table summarises movements in direct service portfolio budgets from the previous year:

Service Portfolio Budget Movements	£'000
2023/24 current budget	19,274
Remove one-off items	(520)
2023/24 base budget	18,754
Inflation	1,998
Unavoidable demand growth	1,297
Service investment	1,088
Efficiency savings and service reductions	(1,259)
Changes to income	(2,515)
Other adjustments	(998)
2024/25 proposed budget	18,365

22. As shown above, the Council continues to face significant budgetary pressure from factors outside of its control. General CPI inflation, whilst now on a downward trend, remains well above the Bank of England's 2% target. Staff costs are impacted by nationally negotiated pay settlements over which the Council has little influence. There are also significant cost pressures over and above general inflation in a number of key areas where costs are largely market driven, including waste processing and disposal, external audit and insurance.
23. In addition, the budget includes specific unavoidable demand growth pressures in 2024/25 totalling £1.297 million, of which £779,000 is ongoing. The largest areas of ongoing pressure include:
- the implementation of an additional waste round reflecting recent growth in the district;
 - increases to planned and ad hoc repairs budgets reflecting the aging General Fund estate and recent acquisitions of Little Canfield and Walpole Meadow;
 - the cost of maintaining vehicle washers and emptying waste tanks at the new depot site; and
 - a forecast increase in mandatory housing benefit expenditure (although just under 80% of this cost is offset by an increase to subsidy income).
24. Due to the extent of the external pressures the Council is facing, the opportunities for service investment in 2024/25 are extremely limited. In setting the budget, such investment has only been permitted if it will generate new income or savings at least equivalent to its cost, or in exceptional circumstances in areas of high member priority such as economic development, climate change and support for Blueprint Uttlesford. Of the £1.088 million of service investment identified above, only £324,000 is ongoing spend, with most of the one-off amounts funded from external grant income or specific reserves.
25. Against these pressures, the Council has been able to identify a total of £3.774 million of efficiency savings, service reductions, and net increases to income next year, of which £2.721 million is ongoing. The majority of these savings have been found through the Council's

transformation programme, Blueprint Uttlesford, and further information is set out in the Medium Term Financial Strategy (Appendix C).

26. Note that the ongoing savings figure above will not reconcile with the Blueprint Uttlesford savings in the Medium Term Financial Strategy as these are presented on different bases. Firstly, Blueprint Uttlesford savings are reported in 2027/28 equivalent figures, for consistency with the basis on which savings targets were set. In addition, the 'changes to income' line above includes all changes to income, including inflationary fee increases, whereas for Blueprint Uttlesford purposes any inflation has been stripped out to show only the 'real' additional income generated.
27. Other adjustments of £998,000 include planned changes to one-off reserve funded expenditure (for example of economic development and the Local Plan), and a reduction of £267,000 to the central contingency budget for agency staff based upon latest estimates.
28. Direct service budgets are fully broken down by portfolio at Annexe H2, and a detailed list of all changes to budgets greater than £10,000, broken down into the categories above, is set out at Annexe H3.
29. The service centres with the largest year-on-year movements are set out in the following table:

Service Centres with Budget Movement >£100,000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000	Main Reasons for Budget Movement
Communities and Local Partnerships				
Grants & Contributions	447	234	(213)	Mainly due to planned reduction in expenditure on grants to external organisations as part of Blueprint Uttlesford
Environment and Climate Change				
Licensing	(48)	(160)	(112)	Mainly due to increased income from higher volumes of taxi and alcohol licensing, and restoration of full fee for taxi vehicle licensing after a period of reductions to correct historic overcharging
Waste Management	543	867	324	Includes a forecast increase in market driven waste disposal and processing fees of £378,000, pay increases totalling £164,000, and a growth bid of £137,000 for the implementation of an additional waste round; offset by increased income of £321,000 relating primarily to kitchen and green waste
Finance and the Economy				
Car Parks	(432)	(876)	(444)	Mainly due to car park tariff review, net of decreased penalty income and one-off costs of town centre parking review
Economic Development	478	320	(158)	Mainly due to planned reduction in spend from economic development reserve as 3 year programme comes to an end
Financial Services	1,116	1,424	308	Includes £107,000 increase in insurance premiums due to market factors and claims history, £87,000 for new Finance Manager post to alleviate ongoing capacity concerns, and £50,000 budget transferred from Revenues Administration following staff restructure in 2023/24

Service Centres with Budget Movement >£100,000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000	Main Reasons for Budget Movement
Communities and Local Partnerships				
Grants & Contributions	447	312	(135)	Mainly due to planned reduction in expenditure on grants to external organisations as part of Blueprint Uttlesford
Environment and Climate Change				
Licensing	(48)	(160)	(112)	Mainly due to increased income from higher volumes of taxi and alcohol licensing, and restoration of full fee for taxi vehicle licensing after a period of reductions to correct historic overcharging
Waste Management	543	975	432	Includes a forecast increase in market driven waste disposal and processing fees of £378,000, pay increases totalling £164,000, and a growth bid of £137,000 for the implementation of an additional waste round; offset by increased income of £213,000 relating primarily to kitchen and green waste
Finance and the Economy				
Car Parks	(432)	(851)	(419)	Mainly due to car park tariff review, net of decreased penalty income and one-off costs of town centre parking review
Economic Development	478	320	(158)	Mainly due to planned reduction in spend from economic development reserve as 3 year programme comes to an end
Financial Services	1,116	1,424	308	Includes £107,000 increase in insurance premiums due to market factors and claims history, £87,000 for new Finance Manager post to alleviate ongoing capacity concerns, and £50,000 budget transferred from Revenues Administration following staff restructure in 2023/24

30. A subjective analysis of net service expenditure is detailed below:

Service Portfolio Budget by Subjective	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Service portfolio expenditure				
Employees	16,927	16,927	17,291	364
Premises	1,503	1,503	1,760	257
Transport	611	611	623	12
Supplies and services	9,134	9,157	9,912	755
Third party payments	351	351	346	(5)
Transfer payments	11,672	11,672	11,858	186
Subtotal - Service portfolio expenditure	40,198	40,221	41,790	1,569
Service portfolio income				
External funding	(1,936)	(1,936)	(2,275)	(339)
Fees and charges	(6,448)	(6,448)	(7,653)	(1,205)
Specific government grants	(12,132)	(12,132)	(13,160)	(1,028)
Other income	(431)	(431)	(337)	94
Subtotal - Service portfolio income	(20,947)	(20,947)	(23,425)	(2,478)
Net service portfolio expenditure	19,251	19,274	18,365	(909)

31. Employee budgets have increased modestly in 2024/25, as the impact of forecast future pay increases is offset to a large extent by staff cost savings identified through Blueprint Uttlesford, along with reductions to central contingency budgets for agency costs and future pay awards based upon latest estimates.
32. The increase in premises costs includes £130,000 ongoing increase in the budget for planned and ad hoc repairs on the Council's General Fund estate, reflecting the age of the estate and the recent acquisitions of the Little Canfield and Walpole Meadows sites. In addition, this line includes a £79,000 increase in property related insurance costs which are driven by market factors.
33. The increase in supplies and services expenditure includes a one-off amount of £535,000 in relation to UK Shared Prosperity Fund grants which are externally funded, alongside general and specific inflationary pressures across all services, offset by planned changes to one-off reserve funded expenditure (for example on economic development and the Local Plan), and other non-pay expenditure savings identified through Blueprint Uttlesford.
34. The increase in fees and charges income includes £477,000 relating to proposed changes to car parking charges across the district, £442,000 additional planning fee income following a national review of fees and increased volumes of work, and £126,000 from taxi licensing due to increased volumes and the ending of a previous discounted fee period on vehicle licenses (which was temporarily put into place following historic overcharging).
35. The increase in specific government grants includes £555,000 from the UK Shared Prosperity Fund (including an amount to cover the Council's administration costs), a forecast £259,000 increase in housing benefit subsidy (predicted to cover just under 80% of additional costs incurred on mandatory housing benefits), and predicted income of £214,000 from central government to cover the Council's cost of holding parliamentary elections in 2024/25.

Local Plan

36. The Council is currently in the process of developing a new Local Plan for the district, to replace the existing Local Plan 2005. The Local Plan is at the heart of the planning system, putting forward the Council's Spatial Vision and strategic objectives for addressing climate change, and setting out the Spatial Strategy for meeting future development needs, including proposed site allocations, design principles, and development management policies by which planning applications will be judged. Further information is available on the Council's website.
37. Development of a Local Plan requires significant financial investment over a number of years, therefore a multi-year budget has been set for this work which is reviewed on an annual basis.
38. The table below sets out the Local Plan budget as last reviewed in February 2023, together with an updated proposal which forms part of this General Fund budget and the Medium Term Financial Strategy (Appendix C):

Local Plan Expenditure and Financing	2023/24 Forecast £'000	2024/25 Budget £'000	2025/26 Forecast £'000	2026/27 Forecast £'000	Total £'000
Approved as part of Medium Term Financial Strategy in February 2023					
Total net expenditure	1,681	1,321	569	568	4,139
Funding from sustainable communities reserve	(417)	-	(416)	(416)	(1,249)
Net impact on unallocated reserves	1,264	1,321	153	152	2,890
Updated proposal					
Total net expenditure	1,478	1,362	829	576	4,245
Funding from sustainable communities reserve	(214)	(742)	(333)	(68)	(1,357)
Net impact on unallocated reserves	1,264	620	496	508	2,888

39. The table above shows a modest total increase in spend of £106,000 over the four years from 2023/24 to 2026/27, with some slippage of spend into later years.
40. The costs of the Local Plan are partly funded by the Sustainable Communities reserve which has been set aside for this purpose. In 2022/23, actual spend on the Local Plan was £215,000 less than was being forecast when the last Medium Term Financial Strategy was approved, and as a result there was £215,000 more in the Sustainable Communities reserve at 1 April 2023 than previous anticipated (bringing the total balance to £1.464 million). Using latest forecasts, it is proposed to increase the draw on this reserve by £108,000 over the next three years, which will return the net impact of the Local Plan on the Council's unallocated General Fund resources to almost the same level as forecast last year. The remaining £107,000 will be left in the Sustainable Communities reserve in order to provide some contingency to absorb any future overspends.

Transformation Costs

41. The 2024/25 budget includes £400,000 for as yet unidentified transformation costs associated with Blueprint Uttlesford (for example the cost of staff redundancies following service reviews). This will be funded from a £2 million transformation reserve, with £400,000 earmarked for capital expenditure in 2024/25 (with the option to slip to later years if required), and £400,000 per year of revenue expenditure for each of the years from 2024/25 to 2027/28.
42. The costs of transforming any particular service can be difficult to assess in advance, as they will depend upon decisions taken during the service review, for example in terms of future structures, and which posts (if any) are to be considered for redundancy. Redundancy costs are also highly variable depending upon salary, length of service and whether any pension strain costs are payable.

43. Including a general line for transformation costs in the budget, backed by a specific earmarked reserve, removes the need for specific approval by members each time an individual service wishes to incur transformation expenditure. However, internal governance arrangements will be set up to approve and monitor this expenditure at an appropriate level, including a section in the quarterly financial monitoring report to Cabinet which will explain how these funds have been allocated throughout the year.

Investment Property

44. Over the past few years, in line with its Commercial Strategy (Appendix B), the Council has acquired a substantial portfolio of investment property, valued at £269.1 million as at 31 December 2023. This has already delivered significant levels of income to the Council (in excess of £13 million net of financing costs over the four years from 2019/20 to 2022/23, with a further £1.350 million currently forecast for 2023/24).
45. The portfolio is financed using a mixture of short-term and long-term borrowing, representing a balance between achieving certainty of interest rates over the longer term, and allowing the Council the flexibility to keep the portfolio under continuous review.
46. UK interest rates have been increasing significantly over the past two years, which has increased the cost to the Council of refinancing short-term borrowing as it falls due. It is anticipated that new short-term borrowing taken out during 2024/25 will be at rates in the range of 5.00-5.50%, in comparison with an equivalent actual rate for 2020/21 of 0.25%.
47. In addition, in August 2023 the Council approved new loans to Aspire (CRP) Ltd of £21.060 million to finance new development at Chesterford Research Park, in which the Council owns a 50% stake. The terms of this loan allow for an interest free period during the development stage (until 1 April 2025). This means that, although the loans will be profitable for the Council in the medium to long term, for 2024/25 there is a deficit arising from the Council financing this development in advance of the new income commencing.
48. Altogether, these factors have led to a forecast increase in borrowing costs of £2.607 million, from £8.410 million in 2023/24 to £11.017 million in 2024/25.
49. Overall, the Council's investment property portfolio is budgeted to return a deficit of £1.812 million next year, as set out in the following table:

Investment Property	2023/24	2023/24	2024/25	Increase/
	Original Budget	Current Budget	Original Budget	(Decrease)
	£'000	£'000	£'000	£'000
Investment property income (net of management costs)	(11,974)	(11,974)	(11,973)	1
Borrowing costs	8,410	8,410	11,017	2,607
Minimum revenue provision (MRP)	2,804	2,804	2,768	(36)
Total - Investment property	(760)	(760)	1,812	2,572

50. Of the total budgeted deficit of £1.812 million, £869,000 relates directly to the new loans to Aspire and will be funded from the commercial assets reserve as agreed by Full Council. The residual impact on unallocated General Fund resources next year is therefore a loss of £943,000.
51. Current projections from the Council's external treasury management advisors (Arlingclose) show interest rates starting to fall from the second half of 2024, with a forecast reduction in the Bank of England base rate to 3.00% (from its current 5.25%) by the middle of 2026. The Medium Term Financial Strategy (Appendix C) models the impact of these predicted

movements over the next five years, with the portfolio forecast to deliver a small deficit of £75,000 in 2025/26, followed by surpluses of £1.580 million in 2026/27, £2.837 million in 2027/28 and £3.067 million in 2028/29.

52. The Council will continue to review its portfolio on at least an annual basis, as required by the CIPFA Prudential Code, in order to assess whether best value can be achieved by maintaining the current portfolio, or by divestment of particular assets in order to reduce the Council's borrowing levels and MRP charges. The current Medium Term Financial Strategy (Appendix C) models that a net benefit of £4.137 million over four years could potentially be achieved from the sale of one or more commercial assets during 2024/25, and this forms a key part of the Council's deficit management plan over the medium term. Any proposals to alter the investment property portfolio will be brought before Full Council in due course.
53. In addition, the Council will keep its borrowing portfolio under continuous review, and will seek out opportunities to fix a greater proportion of its borrowing in the longer term where rates are advantageous (subject to not tying the Council in to high levels of long-term borrowing which may limit its ability to take advantage of future divestment opportunities). All borrowing activity will be undertaken in line with the Treasury Management Strategy (Appendix D).

Corporate Items

54. The budget of corporate items in 2024/25 consists of the following individual income and expenditure lines:

Corporate Items	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Capital financing	2,441	2,830	1,957	(873)
Leisure PFI interest	334	334	319	(15)
Corporate pension costs (added years and deficit repair)	545	545	85	(460)
Treasury investment income	(337)	(337)	(446)	(109)
Net recharges to Housing Revenue Account (HRA)	(1,967)	(1,967)	(2,011)	(44)
Total - Corporate items	1,016	1,405	(96)	(1,501)

55. The capital financing budget covers both the MRP charge on existing Council assets (excluding investment properties), and also the cost of any new capital expenditure to be financed from revenue resources during the year. Such expenditure by its nature will fluctuate year-on-year depending on the Capital Programme. The Capital Programme for 2024/25 shows capital expenditure of £866,000 to be funded from revenue resources (including slippage from earlier years), which is a reduction of £820,000 on the current 2023/24 budget. The remaining difference relates to a small reduction in MRP charges. Full details of the Council's Capital Programme are set out at Appendix F.
56. Corporate pension costs consist of two elements. The first is the cost of ongoing contributions in respect of added years, equivalent to £85,000 per year to the General Fund. In addition, following each triennial actuarial review of the fund, the Council is usually required to make a one-off deficit repair contribution. A contribution of £460,000 was made in 2023/24, so no further contribution will now be required until 2026/27.
57. Recharges to the Housing Revenue Account (HRA) are calculated on the basis of estimated costs. Following the phase 1 service review of Revenues and Benefits as part of Blueprint Uttlesford, the housing rent billing and collection functions will transfer to the Housing team from 1 April 2024. The cost of this function, budgeted at £111,000, is therefore not included in

the General Fund budget for 2024/25, and there is a corresponding reduction in the recharge to the HRA. After taking this into account, other recharges to the HRA have increased by £155,000 (8%), which is broadly in line with inflationary pressures across a wide range of central services. At the year-end, an exercise is carried out to ensure that the HRA is charged the correct amount based upon actual costs incurred.

External Funding

58. Retained business rates income is forecast to increase by £886,000 to £6.158 million in 2024/25, based upon the latest ratings list and updated estimates on levels of relief. However, there remains a high degree of risk in relation to the level of business rate appeals which may be received, and the extent to which these are successful. The budget is currently based upon information provided to the Council by its external consultants, and this will be monitored continuously in case any adjustments are required.
59. There is a forecast surplus on the collection fund in 2023/24 of £1.752 million, which under accounting regulations will be credited to the General Fund in 2024/25. It is the Council's longstanding policy that any such surpluses are transferred to the business rates reserve to fund deficits which may arise in future years, although it should be noted that following several years of surplus a decision has been taken in 2023/24 to transfer £5 million out of this reserve to return it to a more prudent and sustainable level – see paragraph 66 below.
60. On 24 January 2024, the Secretary of State for Levelling Up, Housing and Communities made a ministerial statement committing that each local authority would see at least a 4% increase in its core spending power in 2024/25, in cash terms. This is worth an estimated £476,000 to the Council in total, including an increase of £281,000 to core government grants, with the remainder absorbed into retained business rates income and council tax.
61. The final local government finance settlement was published on 5 February 2024, and confirms total core government grant income (including New Homes Bonus) of £3.614 million in 2024/25.

Risks and Assumptions

62. The key areas of risk to the achievement of the 2024/25 budget (both adverse and favourable) are detailed in the Section 25 Report – Robustness of Estimates and Adequacy of Reserves (Appendix A), together with the Section 151 Officer's assessment of the main assumptions used. A full analysis of key service portfolio financial risks and assumptions has also been included at Annexe H4.

Reserves

63. The forecast total revenue reserves balance in the General Fund at 1 April 2024 is £22.048 million. The 2024/25 budget assumes a net use of reserves of £1.901 million, leaving a forecast balance as at 31 March 2025 of £20.147 million. Forecast and budgeted reserve movements are set out in the table on the following page:

General Fund Revenue Reserves	Balance at 1 April 2023	Forecast additions to reserves 2023/24	Forecast use of reserves 2023/24	Forecast transfers 2023/24	Forecast balance at 31 March 2024	Budgeted additions to reserves 2024/25	Budgeted use of reserves 2024/25	Forecast balance at 31 March 2025
	£'000	£'000		£'000	£'000	£'000	£'000	£'000
Ringfenced reserves								
Business rates	5,724	-	(238)	(5,000)	486	1,736	-	2,222
Capital slippage	921	-	(798)	(7)	116	-	(116)	-
Licensing	63	26	-	-	89	7	-	96
Leisure/Private Finance Initiative	1,102	-	(295)	-	807	-	(100)	707
Working balance	1,666	178	-	-	1,844	65	-	1,909
Total - Ringfenced reserves	9,476	204	(1,331)	(5,007)	3,342	1,808	(216)	4,934
Core reserves								
Commercial assets	4,000	1,000	(107)	-	4,893	1,000	(869)	5,024
Transformation	1,000	-	-	1,000	2,000	-	(800)	1,200
Medium Term Financial Strategy	5,903	-	(1,754)	4,008	8,157	25	(1,141)	7,041
Total - Core reserves	10,903	1,000	(1,861)	5,008	15,050	1,025	(2,810)	13,265
Member priorities								
Economic development	670	-	(486)	-	184	-	(184)	-
Planning	733	-	(19)	-	714	-	(21)	693
Sustainable communities	1,464	-	(214)	-	1,250	-	(742)	508
Climate change	842	-	(290)	-	552	-	(388)	164
Major sports facilities	255	-	(255)	-	-	-	-	-
Voluntary sector	40	-	(5)	-	35	-	(35)	-
Coronation celebration grants	32	-	(32)	-	-	-	-	-
Cost of living support fund	-	135	-	-	135	-	(135)	-
Total - Member priorities	4,036	135	(1,301)	-	2,870	-	(1,505)	1,365
Grants								
Homelessness	273	64	-	-	337	-	(104)	233
Health and wellbeing	205	-	(11)	-	194	-	(24)	170
Air quality	120	-	(120)	-	-	-	-	-
Public health	123	131	(47)	-	207	-	(76)	131
Shared Prosperity Fund	40	-	(39)	(1)	-	-	-	-
Other	31	37	(20)	-	48	3	(2)	49
Total - Grants	792	232	(237)	(1)	786	3	(206)	583
Total General Fund revenue reserves	25,207	1,571	(4,730)	-	22,048	2,836	(4,737)	20,147

64. The Council sets a prudent minimum level of reserves known as the working balance, to manage unexpected financial impacts during the year. This amount is determined by the Section 151 Officer and is calculated by reference to variable gross income plus expenditure. The minimum working balance for 2024/25 will be £1.909 million.
65. The Medium Term Financial Strategy (MTFS) reserve is the only unallocated reserve available to support general expenditure. It has been built up using surpluses from previous financial years which have not yet been earmarked for a particular purpose, and also with a transfer of £4 million of excess funds from the business rates reserve in 2023/24. This reserve forms an important part of the Council's deficit management strategy, as it is planned to be used over the next five years to fund deficits in the General Fund whilst the Council moves through the Blueprint Uttlesford process and transitions to a lower cost base. Further details is provided in the Medium Term Financial Strategy (Appendix C).
66. All other reserves are either legally ringfenced, or else otherwise earmarked by members for specific purposes. The main other reserves with movements during 2024/25 are as follows:-
- Business rates – collects surpluses from the business rates retention system to fund future deficits – the planned addition of £1.736 million in 2024/25 represents the Council's share of the forecast surplus on the business rates collection fund as at 31 March 2024, which will be credited to the General Fund in 2024/25. Note that after several years of surpluses,

the balance on the business rates reserve has grown to a level which far exceeds any reasonably likely deficit which may arise in the future. As such, a decision was taken in 2023/24 to plan to reduce this reserve to a level of around £2 million, representing the likely maximum annual deficit which may arise. As such, £5 million was transferred out of the reserve in 2023/24, with £1 million being put into the transformation reserve, and the remaining £4 million being transferred to the MTFS reserve. This will leave a forecast balance on the reserve of £2.222 million at 31 March 2025.

- ii. Capital slippage – used to put aside budgeted revenue contributions to capital expenditure which is delayed beyond the year in which it was originally budgeted – the planned use of £116,000 in 2024/25 represents the latest forecast of the amount which will slip into next year, but this will be updated as part of the 2023/24 year-end outturn report if necessary.
- iii. Leisure/Private Finance Initiative – includes funds set aside to meet increased Private Finance Initiative (PFI) costs in future years arising from inflation – as utility costs have now begun to fall from the 2023/24 peak, additional support to the operator which was previously agreed has now been reduced, and it is proposed that the remaining balance is drawn down at the rate of £100,000 per year in order to fund some of the now ingrained additional costs from historic inflationary increases.
- iv. Commercial assets – amounts set aside to cover the cost of refurbishment or reinstatement of commercial assets at the point of lease expiry, to ensure that they remain in a lettable or saleable condition such that the Council can continue to realise the value in its investments. The planned drawdown of £869,000 in 2024/25 is to cover the additional borrowing costs associated with the interest free period of new loans made to Aspire – see paragraphs 47-50 above.
- v. Transformation – used to fund the as yet unknown one-off transformation costs associated with Blueprint Uttlesford, for example the costs of carrying out service reviews and implementing changes to structure (including redundancy costs). Of the £2 million total balance, £400,000 is earmarked for capital expenditure in 2024/25 (with the option to slip some or all of this to later years if required), with the remaining £1.6 million being drawn down in equal amounts of £400,000 per year in the years 2024/25 to 2027/28 to fund revenue costs.
- vi. Economic development – used to finance the 3 year Economic Development Recovery Plan which commenced in 2022/23 (with a commitment of £1 million over the 3 years).
- vii. Sustainable communities – used to smooth the costs of the new Local Plan – see ‘Local Plan’ section above.
- viii. Climate change – used for a total of £1 million allocated by members to support climate crisis projects, with the reserve now forecast to be fully spent in 2025/26.
- ix. Cost of living support fund – used to hold the remaining balance from the 2023/24 cost of living support fund, which will now be extended until the end of 2024/25 (see paragraph 10 above).
- x. Homelessness – used to hold ringfenced government grant income related to the Council’s homelessness duties – the planned drawdown of £104,000 in 2024/25 represented the budgeted cost of providing these services in advance of the grant income to be received in year, to be funded from surplus income received in earlier years.

Fees and Charges Review

67. Fees and charges have been reviewed in line with the Council’s Pricing and Concessions Policy and Cabinet decisions where relevant. A schedule of proposed fees and charges is included at Annexe H5.
68. Where charges are statutory and outside the jurisdiction of the Council these have not been included but are available to view on the Council website.

69. It is requested that the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer) is given delegated authority to set and/or amend fees and charges in relation to services which are operating in competition with commercial providers, for example trade waste. This is to ensure that appropriate fees can be negotiated in the Council's best interests, particularly where there is a change in market conditions.

List of Annexes

- Annexe H1 – General Fund Budget 2024/25
- Annexe H2 – General Fund Service Portfolio Budgets 2024/25
- Annexe H3 – General Fund Service Portfolio Budget Movements 2024/25
- Annexe H4 – General Fund Service Portfolio Risks and Assumptions
- Annexe H5 – General Fund Fees and Charges 2024/25
- Annexe H6 – Equality and Health Impact Assessment

General Fund Budget 2024/25	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Service portfolios				
Communities and Local Partnerships	1,464	1,464	1,299	(165)
Environment and Climate Change	3,529	3,529	4,094	565
Finance and the Economy	1,613	1,613	1,375	(238)
Housing and Equalities	262	262	260	(2)
Planning	2,650	2,650	1,914	(736)
Strategy and Governance	4,241	4,241	3,741	(500)
Corporate Services	5,492	5,515	5,682	167
Subtotal - Service portfolios	19,251	19,274	18,365	(909)
One-off transformation costs	-	-	400	400
Investment property				
Investment property income (net of management costs)	(11,974)	(11,974)	(11,973)	1
Borrowing costs	8,410	8,410	11,017	2,607
Minimum revenue provision (MRP)	2,804	2,804	2,768	(36)
Subtotal - Investment property	(760)	(760)	1,812	2,572
Corporate items				
Capital financing	2,441	2,830	1,957	(873)
Leisure PFI interest	334	334	319	(15)
Corporate pension costs (added years and deficit repair)	545	545	85	(460)
Treasury investment income	(337)	(337)	(446)	(109)
Net recharges to Housing Revenue Account (HRA)	(1,967)	(1,967)	(2,011)	(44)
Subtotal - Corporate items	1,016	1,405	(96)	(1,501)
External funding				
Retained business rates (including S31 grants)	(5,272)	(5,272)	(6,158)	(886)
Collection fund (surplus)/deficit	249	249	(1,752)	(2,001)
New Homes Bonus	(432)	(432)	(560)	(128)
Other government grants	(2,901)	(2,901)	(3,054)	(153)
Subtotal - External funding	(8,356)	(8,356)	(11,524)	(3,168)
Subtotal - Net operating expenditure	11,151	11,563	8,957	(2,606)
Transfers to/(from) earmarked reserves				
Ringfenced reserves	(1,232)	(1,371)	1,592	2,963
Core reserves	(1,867)	(2,140)	(1,785)	355
Member priority reserves	(1,137)	(1,137)	(1,505)	(368)
Grant reserves	(221)	(221)	(203)	18
Subtotal - Transfers to/(from) earmarked reserves	(4,457)	(4,869)	(1,901)	2,968
Total - Council tax requirement	6,694	6,694	7,056	362
Council tax	(6,694)	(6,694)	(7,056)	(362)
(Surplus)/deficit	-	-	-	-

Communities and Local Partnerships	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Community Hubs	95	95	95	-
Emergency Planning	35	35	34	(1)
Grants & Contributions	447	447	312	(135)
Health Improvement	228	228	183	(45)
Saffron Walden Museum	266	266	275	9
Community Safety	393	393	400	7
Total - Communities and Local Partnerships	1,464	1,464	1,299	(165)

Environment and Climate Change	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Animal Welfare	4	4	-	(4)
Grounds Maintenance	445	445	451	6
Depots	(50)	(50)	30	80
Climate Change	450	450	457	7
Environmental Protection	526	526	539	13
Street Cleansing	466	466	513	47
Imported Food	(176)	(176)	(192)	(16)
Licensing	(48)	(48)	(160)	(112)
Vehicle Management	560	560	566	6
Environmental Health - Commercial	483	483	580	97
Waste Management	543	543	975	432
Street Services	326	326	335	9
Total - Environment and Climate Change	3,529	3,529	4,094	565

Finance and the Economy	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Car Parks	(432)	(432)	(851)	(419)
Economic Development	478	478	320	(158)
Financial Services	1,116	1,116	1,424	308
Private Finance Initiative	451	451	482	31
Total - Finance and the Economy	1,613	1,613	1,375	(238)

Housing and Equalities	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Homelessness	190	190	183	(7)
Housing Strategy	72	72	77	5
Total - Housing and Equalities	262	262	260	(2)

Planning	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Building Control	(97)	(97)	(7)	90
Development Management	194	233	(270)	(503)
Highways Infrastructure Planning	80	80	-	(80)
Planning Management	512	473	528	55
Planning Policy	1,696	1,696	1,378	(318)
Planning Specialists	265	265	285	20
Total - Planning	2,650	2,650	1,914	(736)

Strategy and Governance	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Contract, Performance and Risk Management	181	181	199	18
Committee Administration	345	205	183	(22)
Corporate Management	2,418	2,418	1,911	(507)
Democratic Representation	355	355	371	16
Conducting Elections	100	100	-	(100)
Electoral Registration	34	174	194	20
Internal Audit	165	165	176	11
Information Governance	-	65	111	46
Local Amenities	(13)	(13)	(13)	-
Legal Services	393	328	333	5
Communications	263	263	276	13
Total - Strategy and Governance	4,241	4,241	3,741	(500)

Corporate Services	2023/24 Original Budget £'000	2023/24 Current Budget £'000	2024/25 Original Budget £'000	Increase/ (Decrease) £'000
Asset Management	136	136	267	131
Benefits Administration	467	467	420	(47)
Customer Services Centre	603	603	645	42
Community Information Centres	23	23	11	(12)
Central Services	454	454	462	8
Housing Benefits	143	143	212	69
Human Resources	408	408	425	17
Information Technology	1,823	1,846	1,971	125
Land Charges	(53)	(53)	(71)	(18)
Council Tax Collection	(100)	(100)	(100)	-
Norse Partnership	437	437	454	17
Non Domestic Rates Collection	(146)	(146)	(152)	(6)
Offices	603	603	585	(18)
Revenues Administration	710	710	585	(125)
Council Tax Support	(16)	(16)	(32)	(16)
Total - Corporate Services	5,492	5,515	5,682	167

Remove One-off Items

Portfolio	Service	Description	Movement £'000
Communities and Local Partnerships	Health Improvement	Remove one-off grant funded expenditure on strength and balance and short break activities (with new one-off bid of £22,000 for strength and balance submitted for 2024/25 under 'Service Investment' below)	(25)
Environment and Climate Change	Grounds Maintenance	Remove one-off 2023/24 amount for specialist arborial services	(15)
Planning	Development Management	Remove one-off budget for fixed-term Enforcement Officer (note that due to late recruitment this post will now run into 2024/25 and an additional one-off amount of £16,000 has been included in the budget under 'Other adjustments' below)	(36)
Strategy and Governance	Corporate Management	Remove one-off additional contribution of £100,000 to Local Highways Panel (LHP) in 2023/24 - this contribution was not in fact required following changes to the organisation of the LHP which meant that the Council no longer has representation	(100)
Strategy and Governance	Conducting Elections	Remove one-off budget for cost of administering 2023 local elections	(100)
Corporate Services	Revenues Administration	Remove budget for fixed term Revenues Officer post funded from preceptor shareback scheme (a separate bid to extend this post for a further year has been included under 'Service Investment' below)	(40)
Corporate Services	Council Tax Support	Remove one-off budget for cost of living support fund - a total of £135,000 not spent in 2023/24 will be carried forward for the operation of a similar scheme in 2024/25 as included under 'Service Investment' below	(195)
Various	Various	Other items individually <£10,000	(9)
Total - Remove one-off items			(520)

Unavoidable Demand Growth

Portfolio	Service	Description	Movement	Duration
			£'000	
Environment and Climate Change	Depots	Cost of maintaining vehicle washers and emptying waste tanks at new depot site	100	Ongoing
Environment and Climate Change	Vehicle Management	Additional vehicle maintenance costs associated with additional waste round	13	Ongoing
Environment and Climate Change	Environmental Health - Commercial	Additional cost of implementing government changes to port inspection policies - funded through new burdens grant	76	One-off - 1 year
Environment and Climate Change	Waste Management	Implementation of additional waste round	137	Ongoing
Finance and the Economy	Financial Services	Increase in bank charges based upon current experience, offset slightly by savings elsewhere in service	11	Ongoing
Housing and Equalities	Homelessness	Increased cost of temporary accommodation due to increased demand, funded from increased rental income (see 'Changes to Income')	50	Ongoing
Strategy and Governance	Conducting Elections	Estimated cost of administering elections in 2024/25 based upon separate Parliamentary and Police, Fire and Crime Commissioner elections - will be reimbursed so no net cost to the Council (see 'Changes to Income')	428	One-off - 1 year
Corporate Services	Asset Management	Increase to planned and ad hoc repairs budgets reflecting aging estate and recent acquisitions of Little Canfield and Walpole Meadows sites	130	Ongoing
Corporate Services	Housing Benefits	Increase to forecast expenditure on mandatory housing benefits - this is driven by caseloads and government policy, and will be compensated to some extent by a forecast increase in subsidy income of £259,000 (see 'Changes to Income')	328	Ongoing
Corporate Services	Land Charges	Additional expenditure in respect of national changes to land charges regime, to be funded through new burdens grant (see 'Changes to Income')	13	One-off - 1 year
Various	Various	Other items individually <£10,000	11	
Total - Unavoidable demand growth			1,297	

Service Investment

Portfolio	Service	Description	Movement Duration £'000
Communities and Local Partnerships	Health Improvement	Extension of strength and balance activities for a further year (funded by grants from Essex County Council)	22 One-off - 1 year
Environment and Climate Change	Climate Change	New Climate Change Project Officer post	52 Ongoing
Finance and the Economy	Car Parks	Cost of phase 3 of car park review covering town centres	16 One-off - 1 year
Finance and the Economy	Economic Development	Growth bid to support various business initiatives including annual business awards, net of expenditure savings identified elsewhere in the service	8 Ongoing
Finance and the Economy	Economic Development	Payment of UK Shared Prosperity Fund grants to businesses, funded by new one-off government grant income (see 'Changes to Income')	535 One-off - 1 year
Finance and the Economy	Financial Services	Cost of new Finance Manager post to alleviate ongoing capacity issues in Finance team	87 Ongoing
Planning	Planning Specialists	Annual revenue cost of new software to support Biodiversity Net Gain process - anticipated to be funded from new income stream (see 'Changes to Income')	21 Ongoing
Planning	Planning Specialists	Software upgrades in relation to Council's Geographic Information System (GIS)	13 One-off - 1 year
Strategy and Governance	Corporate Management	Ongoing revenue costs associated with capital bid for Transformation Fund, e.g. software licensing costs - as these costs will be ongoing they need to be built into the base budget	80 Ongoing
Strategy and Governance	Corporate Management	Contingency for additional pay costs related to future staff restructures in various services	60 Ongoing
Corporate Services	Revenues Administration	Extend fixed term Revenues Officer post for a further year (funded through the preceptor shareback scheme)	43 One-off - 1 year
Corporate Services	Council Tax Support	Reinvesting unspent amount from 2023/24 cost of living support fund in order to offer a similar scheme in 2024/25	135 One-off - 1 year
Various	Various	Other items individually <£10,000	16
Total - Service investment			1,088

Efficiency Savings and Service Reductions

Portfolio	Service	Description	Movement Duration £'000
Communities and Local Partnerships	Grants & Contributions	Reduction in grants to external organisations as part of Blueprint Uttlesford programme	(172) Ongoing
Communities and Local Partnerships	Health Improvement	Hold vacant one post (0.68 FTE) pending full Blueprint Uttlesford review	(27) Ongoing
Communities and Local Partnerships	Health Improvement	Reduction in spend on health and wellbeing activities to align expenditure with grant income received	(17) Ongoing
Communities and Local Partnerships	Saffron Walden Museum	Net reduction in costs following phase 1 of Blueprint Uttlesford review - primarily as a result of staff restructure	(32) Ongoing
Communities and Local Partnerships	Community Safety	Reduction in expenditure on community safety activities as a result of reduction in grant income to fund such expenditure (see 'Changes to Income')	(12) Ongoing
Environment and Climate Change	Depots	Saving in utility and operating costs from planned sale of old depot site in Great Dunmow	(20) Ongoing
Environment and Climate Change	Vehicle Management	Savings identified in costs of managing and maintaining current vehicle fleet	(14) Ongoing
Environment and Climate Change	Waste Management	Reduction in service expenditure budgets identified in advance of full Blueprint review, including diesel and staff overtime, net of increases to contract hire costs for green waste and other small increases elsewhere	(33) Ongoing
Planning	Development Management	Remove budget for external consultancy in respect of pre-planning advice, as volumes are expected to reduce and it is anticipated that this work can now be carried out in-house - there is a corresponding reduction in income of £20,000 (see 'Changes to Income')	(75) Ongoing
Planning	Development Management	Reduction in expenditure on external consultancy and legal fees in respect of planning appeals, due to an anticipated reduction in volumes and more work being carried out in-house	(65) Ongoing
Planning	Development Management	Net expenditure savings identified in respect of core development control work in advance of full Blueprint Uttlesford review	(42) Ongoing
Planning	Highways Infrastructure Planning	Removal of budget for Highways Ranger service as this has now been closed following withdrawal of funding from Essex County Council	(80) Ongoing
Strategy and Governance	Corporate Management	Remove contingency set aside for higher than anticipated staff pay awards in 2023/24 - actual pay awards were very close to budgeted figures so this contingency is not required in the current or future years	(250) Ongoing
Subtotal - Efficiency savings and service reductions carried forward to next page			(839)

Portfolio	Service	Description	Movement Duration £'000
		Subtotal - Efficiency savings and service reductions brought forward from previous page	(839)
Strategy and Governance	Corporate Management	Savings from deletion of Assistant Director - Legal post, net of small increase on other Corporate Management expenditure lines	(107) Ongoing
Strategy and Governance	Corporate Management	Removal of contribution to Local Highways Panel following reorganisation which means that the Council no longer has representation	(100) Ongoing
Corporate Services	Central Services	Initial savings identified, including holding current vacancies in print room and mail room (1.19 FTE in total), pending full Blueprint review	(43) Ongoing
Corporate Services	Offices	Reduced budget for running costs at Little Canfield based upon current year forecast	(26) Ongoing
Corporate Services	Revenues Administration	Savings from phase 1 of the Blueprint Uttlesford service review - deletion of Revenues Manager and Benefits Manager posts and replacement with one combined Revenues and Benefits Manager post	(61) Ongoing
Corporate Services	Council Tax Support	Reduce budget for discretionary council tax support based upon current year forecast	(13) Ongoing
Various	Various	Other items individually <£10,000	(70)
		Total - Efficiency savings and service reductions	<u>(1,259)</u>

Changes to Income

Portfolio	Service	Description	Movement Duration £'000
Increases in income >£10,000			
Communities and Local Partnerships	Grants & Contributions	Proportion of increased car park income ringfenced for charitable use	(32) Ongoing
Communities and Local Partnerships	Community Safety	Income received from parish councils in respect of PCSO funding	(11) Ongoing
Environment and Climate Change	Imported Food	Increased income from imported food inspections from increased volume of work and inflationary fee increase	(27) Ongoing
Environment and Climate Change	Licensing	Increased income from alcohol licensing based upon currently experienced volumes	(10) Ongoing
Environment and Climate Change	Licensing	Increased income from taxi licensing due to increased volumes and restoration of full fee for vehicle licensing after a period of reductions to correct historic overcharging	(126) Ongoing
Environment and Climate Change	Vehicle Management	Increased income from vehicle maintenance for Uttlesford Norse Services Ltd	(23) Ongoing
Environment and Climate Change	Waste Management	Forecast increase in recycling credit income (including green and food waste) based upon increased volumes and updated inflation assumptions	(157) Ongoing
Environment and Climate Change	Waste Management	Increased income from green waste based upon increased volumes	(14) Ongoing
Environment and Climate Change	Waste Management	Increased income from bulky waste collection following increase to fees based upon local benchmarking analysis	(32) Ongoing
Finance and the Economy	Car Parks	Increased income following review of car park tariffs, net of amounts payable to third parties	(485) Ongoing
Finance and the Economy	Economic Development	UK Shared Prosperity Fund allocation for 2024/25 (including £20,000 for administering the scheme) - see 'Service Investment' for corresponding one-off expenditure bid	(555) One-off - 1 year
Housing and Equalities	Homelessness	Increased income from homelessness service (including temporary accommodation rents and increased government grant), with associated costs anticipated to increase broadly in line with this (see 'Unavoidable Demand Growth')	(68) Ongoing
Planning	Development Management	Increased planning fee income due to increased volumes of work and increases to fees	(442) Ongoing
Planning	Planning Specialists	New income stream in respect of Biodiversity Net Gain duty - will fund ongoing new software costs (see 'Service Investment')	(21) Ongoing
Subtotal - Increases in income >£10,000 carried forward to next page			(2,003)

Portfolio	Service	Description	Movement Duration £'000
		Subtotal - Increases in income >£10,000 brought forward from previous page	(2,003)
Strategy and Governance	Conducting Elections	Estimated reimbursement of costs of administering elections in 2024/25 based upon separate Parliamentary and Police, Fire and Crime Commissioner elections - see 'Unavoidable Demand Growth' for corresponding one-off increase to expenditure	(428) One-off - 1 year
Corporate Services	Benefits Administration	Increased government grant income in respect of benefits administration	(17) Ongoing
Corporate Services	Housing Benefits	Forecast increase in subsidy income to cover mandatory housing benefits - expenditure is forecast to increase by £328,000 but not all expenditure is eligible for subsidy (see 'Unavoidable Demand Growth')	(259) Ongoing
Corporate Services	Land Charges	New burdens grant and one-off transitional income in respect of changes to national land charges regime, which will see a permanent loss of income of around £40,000 per year in the future	(53) One-off - 1 year
Corporate Services	Revenues Administration	Anticipated increased investment by preceptors in specific recovery activities as part of shareback arrangements	(16) One-off - 2 years
		Subtotal - Increases in income >£10,000 carried forward to next page	(2,776)

Portfolio	Service	Description	Movement Duration £'000
Subtotal - Increases in income >£10,000 brought forward from previous page			<u>(2,776)</u>
Decreases in income >£10,000			
Communities and Local Partnerships	Saffron Walden Museum	Loss of rental income from school house building which is currently empty	16 Ongoing
Communities and Local Partnerships	Community Safety	Reduction in grant income for community safety activities - matched by a corresponding reduction in planned expenditure (see 'Efficiency Savings and Service Reductions')	12 Ongoing
Finance and the Economy	Car Parks	Reduction in PCN income based upon current year forecast	40 Ongoing
Finance and the Economy	Financial Services	Reduction in recharges to subsidiary due to changes in staff structure	10 Ongoing
Planning	Building Control	Net reduction in building control income based upon current year forecast - volumes reduced	58 Ongoing
Planning	Development Management	Reduced income from S106 monitoring work due to reduced volumes	35 Ongoing
Planning	Development Management	Reduced income from pre-planning advice due to reduced volume of work - expenditure budget in this area has been reduced by £75,000 on the basis that remaining work can be delivered in-house (see 'Efficiency Savings and Service Reductions')	20 Ongoing
Planning	Development Management	Reduced income from development management consultancy work due to lower volume of work - there is a reduction of £10,000 to the corresponding expenditure budget (see 'Other Adjustments')	15 Ongoing
Strategy and Governance	Legal Services	Reduction to S106 income based upon current year forecast	20 Ongoing
Corporate Services	Land Charges	Net reduction in income from land charges following changes to national regime, and reduced volumes of work, offset slightly by review of fees	23 Ongoing
Corporate Services	Council Tax Support	Anticipated reduction in income from preceptor shareback arrangements based upon council tax collection levels, based upon latest forecasts	55 Ongoing
Subtotal - Decreases in income >£10,000			<u>304</u>
Various	Various	Other items individually <£10,000	(43)
Total - Changes to income			<u>(2,515)</u>

Other Adjustments

Portfolio	Service	Description	Movement Duration £'000
Communities and Local Partnerships	Grants & Contributions	Accounting adjustment to reflect the value of benefits in kind offered by the Council to charitable organisations (namely the free use of office space at London Road, with a corresponding adjustment to Offices below) - being reviewed as part of Blueprint Uttlesford review of external grants	69 Ongoing
Environment and Climate Change	Climate Change	Reduction in expenditure from climate change reserve in 2024/25 in accordance with latest project plan	(51) Ongoing
Finance and the Economy	Economic Development	Reduction in expenditure from economic development reserve in 2024/25 in accordance with latest project plan	(154) Ongoing
Finance and the Economy	Financial Services	Transfer budget associated with sundry debtors function from Revenues Administration as a result of phase 1 Revenues and Benefits service review under Blueprint Uttlesford	50 Ongoing
Finance and the Economy	Private Finance Initiative	Reduction in additional utility support provided to operator as a result in fall in utility costs	(96) Ongoing
Planning	Development Management	Reduction in reimbursable consultancy spend on development control work, with a corresponding £15,000 reduction in income (see 'Changes to Income')	(10) Ongoing
Planning	Development Management	Remaining cost of fixed-term Enforcement Officer post which was approved for 2023/24, but due to recruitment delays will now extend into 2024/25	16 One-off - 1 year
Planning	Planning Management	Remaining cost of fixed-term Planning and Building Control Support Officer appointed for 1 year in October 2023, funded through increased income generated in 2023/24 by Building Control service	14 One-off - 1 year
Planning	Planning Policy	Reduction in expenditure on Local Plan in 2024/25 in accordance with latest forecasts	(330) Ongoing
Strategy and Governance	Committee Administration	Transfer one post (0.8 FTE) to Information Technology following internal staff restructure	(29) Ongoing
Strategy and Governance	Corporate Management	Reduction to central contingency for use of agency staff to cover hard to recruit vacancies in Planning, Legal and Finance, based upon current usage and latest forecasts	(267) Ongoing
Strategy and Governance	Information Governance	A new Information Governance service centre was set up following a CMT restructure which occurred part way through 2023/24 - this adjustment is to transfer the remaining element of staff costs associated with this service out of Legal Services	39 Ongoing
Subtotal - Other adjustments carried forward to next page			(749)

Portfolio	Service	Description	Movement Duration £'000
		Subtotal - Other adjustments brought forward from previous page	(749)
Strategy and Governance	Legal Services	A new Information Governance service centre was set up following a CMT restructure which occurred part way through 2023/24 - this adjustment is to transfer the remaining element of staff costs associated with this service out of Legal Services	(39) Ongoing
Corporate Services	Benefits Administration	Transfer budget associated with deleted Benefits Manager post to Revenues Administration as part of phase 1 Blueprint Uttlesford review prior to net saving being recognised	(71) Ongoing
Corporate Services	Information Technology	Transfer one post (0.8 FTE) from Committee Administration following internal staff restructure	29 Ongoing
Corporate Services	Offices	Accounting adjustment to reflect the value of benefits in kind offered by the Council to charitable organisations (namely the free use of office space at London Road, with a corresponding adjustment to Grants & Contributions above) - being reviewed as part of Blueprint Uttlesford review of external grants	(69) Ongoing
Corporate Services	Revenues Administration	Transfer housing rent function from Revenues service to Housing service - the cost of this service will now be met directly by the Housing Revenue Account (rather than through the existing practice of internal recharging); there is no net impact on either the General Fund or Housing Revenue Account	(111) Ongoing
Corporate Services	Revenues Administration	Transfer budget associated with deleted Benefits Manager post from Benefits Administration as part of phase 1 Blueprint Uttlesford review prior to net saving being recognised	71 Ongoing
Corporate Services	Revenues Administration	Transfer budget associated with sundry debtors function to Financial Services as a result of phase 1 Revenues and Benefits service review under Blueprint Uttlesford	(50) Ongoing
Various	Various	Other items individually <£10,000	(9)
		Total - Other adjustments	(998)

Introduction

The tables below set out the key financial risks (both favourable and adverse) identified by budget managers in relation to the service portfolio budgets set for 2024/25. This is not intended to be an exhaustive list of all potential financial risks which could be faced by the Council, rather it highlights the areas in each service where it is considered most likely that outturn could differ from the budget, primarily for reasons outside of the Council’s control.

Key

Each risk is assessed using the following framework:-

Risk Framework	Low	Medium	High
Probability of variance arising	Possible, but unlikely	Probable	Almost certain
Impact (adverse and/or favourable)	£5,000 - £20,000	£20,001 - £50,000	> £50,000

Note that risks with an anticipated impact of less than £5,000 are not reported here.

Risks

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
All	Employee costs	The actual pay award agreed nationally for 2024/25 may vary from the assumptions made when setting the budget. Since employee costs represent a significant proportion of the Council's overall expenditure, even small variances to individual pay awards can have a significant impact over the Council as a whole.	High	High	High
All	Utility costs	Budgeted electricity and gas costs have been based upon forecasts provided by an external consultant, and prices which are fixed until 30 September 2024, when the Council's current energy contract comes to an end. Changes to energy costs after this date, or fluctuations in consumption (for example in the event of a cold winter) may result in a charge which is higher or lower than budgeted.	Medium	Medium	Medium
Grants & Contributions	Grant expenditure	Possibility that budgeted amounts can not be fully paid out due to a lack of eligible grant applications.	Low	Medium	N/A
Grants & Contributions	Ward Member Initiative grants	Possibility that budgeted amounts are not fully allocated by members.	Low	Low	N/A
Health Improvement	Grant income	Risk that grant from Essex County Council may be reduced or removed due to budgetary pressures - this could be mitigated by reducing associated expenditure.	Low	N/A	Medium
Community Safety	External funding	Risk that external funding may be reduced or removed due to budgetary pressures.	Low	N/A	Low
Depots	Dunmow depot costs	The 2024/25 budget assumes sale of the old Dunmow depot by 31 March 2024, with a commensurate saving in running and utility costs. Should the sale not proceed or be delayed, ongoing revenue costs will be incurred which are not currently budgeted for.	Medium	N/A	Low

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Climate Change	Climate Change Action Plan	There is a risk that projects within the Climate Change Action Plan are not progressed and as a result expenditure will be lower than anticipated.	Medium	Medium	N/A
Environmental Protection	Environmental protection / enforcement - Works in default	The Council has a statutory duty to carry out works in default to abate nuisance and harm. There is no specific provision in the budget for this, as cases are relatively rare - however if one did happen there is a risk that the Council would incur costs which it may not be able to recover in full.	Low	N/A	Low
Environmental Protection	Contaminated land	The Council has a statutory duty to identify contaminated land. There is no specific provision in the budget for this, as cases are relatively rare - however such matters if they do occur can be complex and involve specialist consultants to test and provide advice.	Low	N/A	Low
Environmental Protection	Planning consultation advice	Incorrect advice could prevent the adoption of mitigation measures to protect residential amenity. There is a risk of potential claims against the Council should this occur.	Low	N/A	Low
Licensing	Licensing	Possibility that an operator responsible for the majority of licensing application income will move their applications to another licensing authority, or alternatively could substantially increase their applications to the Council.	Medium	Low	High
Environmental Health - Commercial; Imported Food	Border inspection; Food inspection	Unpredictability of the number and types of consignments coming into Stansted Airport or any changes to work governed by legislative requirements (i.e. what needs to be sampled and at what % and frequency), and the implications and remaining uncertainty of revised border controls leading to change. Uncertainty over the levels of charging that may be set by central government under the border operating model being insufficient to cover actual costs	Medium	Low	High
Environmental Health - Commercial; Imported Food	Border inspection; Food inspection	The land upon which the Border Control Post (BCP) facility is located has been sold to a developer. Its future is therefore uncertain. While discussions are ongoing, if the facility is not maintained or replaced it will no longer be possible to bring products of animal origin into the UK via Stansted. The lease for the current BCP is being renewed on a month by month basis. The BCP is forecast to generate £192,000 net income which would be lost . As there is no dedicated BCP team (only one post is fully funded via cost recovery), with all officers having a degree of input, the loss of the income would significantly impact the wider service.	Medium	N/A	High
Waste Management; Street Cleansing	Waste and recycling gate fees	Waste disposal and processing costs are driven by market forces. Market rates for recyclable materials remain fairly volatile. Uncertainty around European markets is mitigated to an extent by the Council's contractor spreading risks, however it could impact on costs / income.	High	High	High
Waste Management	Garden waste income	Budget assumes sales are higher than previous years due to an increased customer base, however the chargeable garden waste service may not reach expected levels.	Low	N/A	Low
Waste Management	Trade waste income	Income from trade waste customers may not continue at predicted levels or may be higher than anticipated. There may be an increased risk in 2024/25 as a result of operational issues which caused delays to waste collection in early 2024.	High	Medium	High
Waste Management	Agency costs	Agency budgets have been increased by inflation, however spend is dependent on sickness levels and the Council's ability to appoint to vacancies. Suppliers have increased their charges for LGV drivers due to a national shortage. Spend is therefore difficult to predict with certainty.	Medium	High	High
Waste Management	Container supply and delivery (new developments)	Budget has been set using estimated volumes based on anticipated new developments - may go up or down.	Medium	Low	Low

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Waste Management; Street Cleansing	Diesel	Diesel costs have been budgeted to be 4% higher than the average price forecast for 2023/24, however, fuel prices are volatile so actual costs may be higher or lower than this.	Medium	Low	Medium
Car Parks	All charges	All car park income budgets have been based on a proposed review of charges to take place 1 April 2024. Future income has been modelled with the assistance of an external expert, but the actual impact of the changes could be higher or lower if actual experience differs from the assumptions used (for example if demand for some car parks falls more than anticipated following price increases).	High	Low	High
Car Parks	Bank charges	Bank charges have been based on all 34 car park machines being cashless from 1 April 2024. However, as the change to cashless machines was not completed until December 2023, it is difficult to predict the level of transactions by card and therefore the level of bank charges which may be incurred.	High	Low	Medium
Car Parks	Management fee	The management fee payable to North Essex Parking Partnership may change as a result of the car park charging review, which will change the number of car parks in which enforcement action is required.	Medium	Medium	Low
Car Parks	Penalty charge income	Penalty charge income has remained significantly reduced during 2023/24 due to a reduction in the number of PCNs issued. This has been raised with the North Essex Parking Partnership and the issues are hoping to be resolved for 2024/25. However, if more or less PCNs continue to be issued than anticipated, the income will be reduced or increased from the £40,000 which is in the budget.	High	Medium	Medium
Financial Services	Statement of accounts	Well publicised delays to external audits of local authorities throughout England mean that the last set of audited accounts published by the Council relates to 2018/19. The government is shortly to commence consultation on a sector-wide approach to address this issue, which may require Councils to bring their accounts up to date and publish them by a specific backstop deadline. The level of work this is likely to involve raises the possibility that additional resource and/or consultancy may be required, depending upon the timescales involved.	Medium	N/A	High
Financial Services	Insurance costs	The Council's insurance premiums increased significantly during 2023/24 due to ongoing high inflation, market factors, and the Council's recent claims history. A further increase of 4% has been assumed from the next renewal date at 1 October 2024, however a full retender exercise will need to be carried out this year and the actual premium paid may be higher or lower than this.	Medium	Medium	Medium
Financial Services	Brokerage costs	The budget for brokerage costs has been held at the 2023/24 level, however exact amounts will depend upon the Council's borrowing requirements and the brokers used, so could be higher or lower than budgeted.	High	Medium	High
Financial Services	Bank charges	Bank charges vary depending upon the volume and type of the Council's transactions, so may be higher or lower than budgeted.	Medium	Low	Low
Private Finance Initiative	Contract costs	If the leisure contract does not provide value for money due to ineffective contract management then the Council may incur additional costs, or miss out on opportunities to identify cost savings or generate income.	Low	Medium	High
Homelessness	Temporary accommodation costs and income	Homelessness is a demand led statutory service - there is a risk of higher than anticipated requirement for temporary accommodation, for example due to the cost of living crisis, refugees and other external factors. Although this should be mitigated to some extent by increased income, in practice this can be difficult to recover and there is a risk of higher than anticipated levels of non-payment.	Medium	N/A	Low

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Building Control	Building control fees	There is a risk that the volume of building control work undertaken by the Council may be higher or lower than budgeted as this depends upon demand and general economic conditions for the construction industry.	Medium	High	Medium
Building Control	Out of hours service	It is assumed that the current contract with Harlow District Council for the provision of an out of hours service continues. The contract requires 6 months' notice, so there is a risk that they will cancel during the year resulting in a loss of income.	Low	N/A	Low
Development Management; Planning Management; Planning Policy; Building Control; Planning Specialists	Employee costs	Recruitment and retention is a significant challenge across the planning service. If more vacancies arise which can not be recruited to then there may be a need to use agency staff which will come at increased cost (although there is some contingency budget held under 'Corporate Management').	Medium	N/A	High
Development Management	Planning appeals costs	There is a risk that the level of planning appeals may be higher than assumed based upon historic experience, which would lead to higher legal and consultancy costs.	Low	N/A	High
Development Management	Ecology	The budget assumes a reduction in the level of ecology work which needs to be outsourced to external specialists. There is a risk that there is too much work and the Council needs to rely on external ecologist support to a greater extent.	Low	N/A	Medium
Development Management	Planning application fees	It is assumed that planning applications will continue to come in at the current rate. There is a risk that activity will slow down due to the cost of living crisis and/or more applicants deciding to apply directly to the Planning Inspectorate.	Low	N/A	High
Development Management	S106 monitoring fees	It is assumed that s106 monitoring will bring in £35,000 of income, however the risk is that the cost of living crisis will mean a slow down in commencement/completion of work and therefore the income could be significantly reduced.	Low	N/A	Medium
Development Management	Pre-application fees	It is assumed that pre-applications will continue to come in at the current rate. There is a risk that activity will slow down due to the cost of living crisis or requests being submitted directly to the Planning Inspectorate.	Low	N/A	Medium
Development Management	Planning Performance Agreement income	It is assumed that planning applications will continue to come in at the current rate and there will be some strategic sites coming forward. There is a risk that activity will slow down due to the cost of living crisis or applications being submitted directly to the Planning Inspectorate.	Low	N/A	Medium
Planning Policy	Local Plan	If planning policy processes are extended due to additional unplanned evidence requirements this may lead to undue pressure on budgets as extended plan preparation time will draw out increased costs.	Medium	N/A	High
Planning Policy	Local Plan	if the Local Plan doesn't go out to Regulation 19 consultation on time there is a risk that the deadline for adoption will not be met resulting in significant additional financial spend required.	Medium	N/A	High
Planning Specialists	Conservation	The budget assumes a reduction in the level of conservation work which needs to be outsourced to external specialists. There is a risk that there is too much work and the Council needs to rely on external conservation support to a greater extent.	Low	N/A	Medium

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Corporate Management	Agency costs	The budget includes a central contingency amount of £249,000 in relation to agency costs for hard to recruit areas across the Council, such as Planning and Legal. The budget has been set based upon current and estimated future spend - however if the Council is successful in recruiting to some of its vacancies sooner than anticipated then not all of this amount will be required. Conversely, should more vacancies arise which the Council is unable to fill, costs could be higher.	Medium	Medium	High
Corporate Management	External audit fees	The budget for external audit fees has been increased significantly in 2024/25 following publication of the appointing body's scale of fees. However, there is now a significant backlog of audit work dating back to 2019/20 with a lack of clarity at present as to how much of this work will be able to be completed. Government are likely to consult of options which may reduce the audit requirements for past years where audits have not yet been completed, which may result in a credit coming back to the Council. Conversely, it is possible that costs may actually increase due to additional time which has passed since initial audit testing was carried out, and newly imposed government deadlines for closing old year audits.	Medium	Medium	Low
Corporate Management	Ongoing transformation fund costs	An budget of £80,000 has been included in respect of ongoing revenue costs associated with expenditure from the £400,000 capital transformation fund, for example licensing and maintenance costs. The actual costs incurred will depend upon the extent to which the capital fund is utilised during the year, and the nature of capital works carried out.	Medium	Medium	Low
Corporate Management	Staff restructure contingency	An ongoing budget of £60,000 has been included in respect of additional staff costs which may arise as a result of staff restructures taking place during 2024/25 in services experiencing specific pressures or recruitment challenges. The actual cost may vary depending upon the nature and timing of any restructures.	Low	Low	Low
Legal Services	Section 106 income	The budget has been reduced to £50,000 in 2024/25 from £70,000 in 2023/24 as relevant planning applications have decreased. However, depending on economic conditions the number of planning applications may increase again or decrease further.	Medium	Low	Low
Legal Services	Agency costs	There are currently three vacancies in Legal Services, which may need to be covered using agency staff at additional cost should they not be filled for all or part of the year (although there is some contingency budget held for this under 'Corporate Management').	High	N/A	High
Legal Services	External legal fees	There is a budget of £30,000 for external legal fees relating to consulting solicitors - spend in this area is difficult to predict as it depends upon the volume and nature of legal work which arises. Recruitment challenges can also add to spend in this area, as work needs to be outsourced which would normally be done in house.	Medium	N/A	High
Asset Management	Repair costs	The budget for repair costs has been increased substantially in 2024/25 for the second year running, which reflects the Council's aging estate and recent acquisitions of Walpole Meadow and Little Canfield. There remains a risk that the level of urgent and ad hoc repairs may be higher (or lower) than anticipated, particularly in light of the Council looking to lease out areas of unused office space.	Medium	High	High
Benefits Administration	Overtime	Assumption made that no overtime will be required during 2024/25. Staff sickness, turnover, unfunded new burdens and/or external influences to workload might necessitate this.	Medium	N/A	Low

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Housing Benefits	Rent rebate expenditure	It is assumed that rent rebate expenditure will remain stable. There are no current plans to significantly increase the level of HRA stock. Natural migration to Universal Credit is anticipated to gradually reduce the number of active working age claims. However, actual caseloads may differ from the assumptions used, particularly in light of the current economic situation in the UK.	Medium	Low	High
Housing Benefits	Rent allowance expenditure	It is assumed that rent allowance expenditure will remain stable. Natural migration to Universal Credit is anticipated to gradually reduce the number of active working age claims. However, actual caseloads may differ from the assumptions used, particularly in light of the current economic situation in the UK. There is an additional risk that the cost of private rents could increase significantly in the Uttlesford area.	Medium	Low	High
Housing Benefits	Housing benefit subsidy	It is assumed that subsidy can continue to be claimed in line with levels reflected in previous years. There is however a continued risk that an increase in new burdens and DWP incentives could incur subsidy implications due to limitations on what can be claimed.	Medium	Low	High
Housing Benefits	Housing benefit subsidy	Due to delays in the local audit market, housing benefit subsidy claims have not yet been fully certified and closed from 2020/21 onwards. As a result, there is a risk that the subsidy claimed may have been too high (or too low), and adjustments may be required when the claims are closed.	High	Low	High
Housing Benefits	Discretionary Housing Payments	It is assumed the the government's Discretionary Housing Payment funding will remain relatively stable for the 2024/25 financial year. There is a risk however that the amount granted will not meet local requirements. The Council could choose to increase the expenditure budget by up 2.5 times the government funded amount.	Low	Low	Medium
Human Resources	Training costs	Most of the spend on training is as a result of corporate priorities and ad hoc training requirements. There is a risk of both under or overspending against this budget in 2024/25, particularly in light of Blueprint Uttlesford as the Council supports staff to develop new skills.	Medium	Low	Medium
Human Resources	Consultancy costs	There is a risk of overspends if external consultants are needed to help shape and implement Blueprint Uttlesford, or if there is a legal case to defend such as an employment tribunal.	Medium	Low	Medium
Information Technology	Contract costs	Renewal or replacement of software licenses and support costs will likely result in increased annual charges. These have been budgeted for 2024/25 at a 4% increase over the 2023/24 costs unless better information is available, but actual costs may be higher or lower than this.	High	Low	High
Land Charges	Fees income	Land charges fee income is reliant upon the level of activity in the local housing market. The budget has been set by reference to 2023/24 activity levels - actual volume of work may be higher or lower than this.	Medium	Low	Medium
Land Charges	Fees income	Responsibility for conducting LLC1 searches is being transferred to HM Land Registry. This will lead to the loss of an income stream previously budgeted at £40,000 per year. However, there is currently no time scale for the completion of the project, so the 2024/25 budget presumes income continues for 6 months. Should the transfer take place earlier or later, a lower or higher amount of income may be received next year.	High	Low	N/A
Land Charges	Grant income	The Council is expecting to receive a one-off payment off £40,000 to compensate for loss of LLC1 income following the transfer of this function to HM Land Registry. However, the timing of this is uncertain and some of this income may be deferred into a future year.	High	N/A	Medium

Service Centre	Budget Item	Key Assumptions and/or Variable Outcomes	Probability of Variance Arising	Favourable Impact	Adverse Impact
Norse Partnership	Facilities management and cleaning costs	The current facilities management and cleaning contract for the General Fund estate with Uttlesford Norse Services Ltd will end on 31 March 2024, with work underway on setting up replacement arrangements (which will likely involve large parts of the service coming back in house). The 2024/25 budget has been set on the basis of current contract costs plus inflation, but actual costs may be higher or lower depending on the structure of the new service and the cost of any outsourced elements.	High	High	Medium
Offices	Rental income	There is a risk that rental income may be reduced by unexpected voids and/or an inability to find new tenants for commercial space.	Low	N/A	High
Council Tax Collection	Preceptor shareback incentive scheme income	Budgeted income from the variable element of the preceptor shareback incentive scheme has been set using draft figures from Essex County Council assuming that collection rates remain the same across the county - however any changes to collection rates may impact the amount received.	High	N/A	Medium

Building Control - Standard Charges Schedule 1 - New Dwellings Dwelling Houses and Flats			Plan Charge	Inspection Charge*	Building Notice Charge*	Regularisation Charge*
			£	£	£	£
New build houses or bungalows not exceeding 250m²						
HO1	1 plot	Fee	430.00	640.00	1,130.00	1,412.50
		VAT	86.00	128.00	226.00	
		Total	516.00	768.00	1,356.00	
HO2	2 plots	Fee	545.00	980.00	1,700.00	2,125.00
		VAT	109.00	196.00	340.00	
		Total	654.00	1,176.00	2,040.00	
HO3	3 plots	Fee	650.00	1,330.00	2,110.00	2,637.50
		VAT	130.00	266.00	422.00	
		Total	780.00	1,596.00	2,532.00	
HO4	4 plots	Fee	720.00	1,500.00	2,370.00	2,962.50
		VAT	144.00	300.00	474.00	
		Total	864.00	1,800.00	2,844.00	
HO5	5 plots	Fee	800.00	1,680.00	2,630.00	3,287.50
		VAT	160.00	336.00	526.00	
		Total	960.00	2,016.00	3,156.00	
New build flats not exceeding 250m² and not more than 3 storeys						
FL1	1 plot	Fee	430.00	640.00	1,130.00	1,412.50
		VAT	86.00	128.00	226.00	
		Total	516.00	768.00	1,356.00	
FL2	2 plots	Fee	545.00	980.00	1,700.00	2,125.00
		VAT	109.00	196.00	340.00	
		Total	654.00	1,176.00	2,040.00	
FL3	3 plots	Fee	650.00	1,330.00	2,110.00	2,637.50
		VAT	130.00	266.00	422.00	
		Total	780.00	1,596.00	2,532.00	
FL4	4 plots	Fee	720.00	1,500.00	2,370.00	2,962.50
		VAT	144.00	300.00	474.00	
		Total	864.00	1,800.00	2,844.00	
FL5	5 plots	Fee	800.00	1,680.00	2,630.00	3,287.50
		VAT	160.00	336.00	526.00	
		Total	960.00	2,016.00	3,156.00	
<p>* These charges have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equal to the discount (see DNE on next page).</p> <p>Where Standard Charges are not applicable please contact Building Control on 01799 510510.</p>						

Building Control - Standard Charges			Plan Charge	Inspection Charge*	Building Notice Charge*	Regularisation Charge*
Schedule 1 - New Dwellings						
Dwelling Houses and Flats			£	£	£	£
Conversion to						
COH	Single dwelling house/annex (where total floor area does not exceed 150m ²)	Fee	400.00	560.00	960.00	1,200.00
		VAT	80.00	112.00	192.00	
		Total	480.00	672.00	1,152.00	
COF	Single flat/annex (where total floor area does not exceed 150m ²)	Fee	400.00	560.00	960.00	1,200.00
		VAT	80.00	112.00	192.00	
		Total	480.00	672.00	1,152.00	
Notifiable electrical work (in addition to the above, where applicable)						
DNE	(Where a satisfactory certificate will not be issued by a Part P registered electrician)**	Fee	450.00			
		VAT	90.00			
		Total	540.00			
<p>* These charges have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equal to the discount (see DNE above).</p> <p>** This charge relates to a first fix pre-plaster inspection of the wiring and final testing on completion. Revisits/testing will be subject to further charges. For regularisation applications a full appraisal and testing will be carried out.</p> <p>Where Standard Charges are not applicable please contact Building Control on 01799 510510.</p>						

Building Control - Standard Charges Schedule 2 - Work to a Single Dwelling Limited to Work Not More Than 3 Storeys Above Ground			Full Plans		Building	Regularisation
			Plan Charge	Inspection	Notice	Charge*
Level			£	£	£	£
Extension and new build						
DX1	Separate single storey extension with floor area not exceeding 40m ²	Fee	210.00	430.00	600.00	750.00
		VAT	42.00	86.00	120.00	
		Total	252.00	516.00	720.00	
DX2	Separate single storey extension with floor area exceeding 40m ² but not exceeding 100m ²	Fee	240.00	560.00	800.00	1,000.00
		VAT	48.00	112.00	160.00	
		Total	288.00	672.00	960.00	
DX3	Separate extension with some part 2 or 3 storeys in height and a total floor area not exceeding 40m ²	Fee	230.00	510.00	740.00	925.00
		VAT	46.00	102.00	148.00	
		Total	276.00	612.00	888.00	
DX4	Separate extension with some part 2 or 3 storeys in height and a total floor area exceeding 40m ² but not exceeding 100m ²	Fee	340.00	630.00	990.00	1,237.50
		VAT	68.00	126.00	198.00	
		Total	408.00	756.00	1,188.00	
DG0	A building or extension comprising solely of a garage, carport or store not exceeding 100m ²	Fee	150.00	340.00	500.00	625.00
		VAT	30.00	68.00	100.00	
		Total	180.00	408.00	600.00	
DNH	Detached non-habitable domestic building with total floor area not exceeding 50m ²	Fee	150.00	340.00	500.00	625.00
		VAT	30.00	68.00	100.00	
		Total	180.00	408.00	600.00	
Conversions						
DLC	First and second floor loft conversions	Fee	250.00	560.00	890.00	1,112.50
		VAT	50.00	112.00	178.00	
		Total	300.00	672.00	1,068.00	
DOC	Other work (eg. single garage conversions)	Fee	140.00	350.00	500.00	625.00
		VAT	28.00	70.00	100.00	
		Total	168.00	420.00	600.00	
<p>* These charges have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equal to the discount (see DNE on next page).</p> <p>Where Standard Charges are not applicable please contact Building Control on 01799 510510.</p>						

Building Control - Standard Charges			Full Plans		Building	Regularisation
Schedule 2 - Work to a Single Dwelling			Plan Charge	Inspection	Notice	Charge*
Limited to Work Not More Than 3 Storeys Above Ground				Charge*	Charge*	
Level			£	£	£	£
Alterations (including underpinning)						
DTH	Renovation of a thermal element	Fee	95.00	180.00	280.00	350.00
		VAT	19.00	36.00	56.00	
		Total	114.00	216.00	336.00	
DRW	Replacement windows, rooflights, roof windows or external glazed doors	Fee	95.00	180.00	280.00	350.00
		VAT	19.00	36.00	56.00	
		Total	114.00	216.00	336.00	
DA1	Cost of work not exceeding £5,000 (including renewable energy systems)	Fee	95.00	180.00	280.00	350.00
		VAT	19.00	36.00	56.00	
		Total	114.00	216.00	336.00	
DA2	Cost of work exceeding £5,000 but not exceeding £25,000	Fee	220.00	420.00	640.00	800.00
		VAT	44.00	84.00	128.00	
		Total	264.00	504.00	768.00	
DA3	Cost of work exceeding £25,000 but not exceeding £100,000	Fee	250.00	580.00	900.00	1,125.00
		VAT	50.00	116.00	180.00	
		Total	300.00	696.00	1,080.00	
DA4	Cost of work exceeding £100,000 but not exceeding £250,000	Fee	380.00	890.00	1,320.00	1,650.00
		VAT	76.00	178.00	264.00	
		Total	456.00	1,068.00	1,584.00	
Notifiable electrical work (in addition to the above, where applicable)						
DNE	(Where a satisfactory certificate will not be issued by a Part P registered electrician)**	Fee	450.00			
		VAT	90.00			
		Total	540.00			
<p>* These charges have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equal to the discount (see DNE above).</p> <p>** This charge relates to a first fix pre-plaster inspection of the wiring and final testing on completion. Revisits/testing will be subject to further charges. For regularisation applications a full appraisal and testing will be carried out.</p> <p>Where Standard Charges are not applicable please contact Building Control on 01799 510510.</p>						

Building Control - Standard Charges			Plan Charge	Inspection Charge	Regularisation Charge
Schedule 3 - All Other Non-Domestic Work					
Limited to Work Not More Than 3 Storeys Above Ground			£	£	£
Extensions and new build					
NX1	Single storey with floor area not exceeding 40m ²	Fee	230.00	490.00	900.00
		VAT	46.00	98.00	
		Total	276.00	588.00	
NX2	Single storey with floor area exceeding 40m ² but not exceeding 100m ²	Fee	270.00	620.00	1,112.50
		VAT	54.00	124.00	
		Total	324.00	744.00	
NX3	With some part 2 or 3 storey in height and a total floor area not exceeding 40m ²	Fee	410.00	780.00	1,487.50
		VAT	82.00	156.00	
		Total	492.00	936.00	
NX4	With some part 2 or 3 storey in height and a total floor area exceeding 40m ² but not exceeding 100m ²	Fee	450.00	1,010.00	1,825.00
		VAT	90.00	202.00	
		Total	540.00	1,212.00	
Where Standard Charges are not applicable or for complex multiple project applications please contact Building Control on 01799 510510.					

Building Control - Standard Charges			Plan Charge	Inspection Charge	Regularisation Charge
Schedule 3 - All Other Non-Domestic Work					
Limited to Work Not More Than 3 Storeys Above Ground			£	£	£
Alterations					
NO1	Cost of work not exceeding £5,000	Fee	110.00	250.00	450.00
		VAT	22.00	50.00	
		Total	132.00	300.00	
NO2	Replacement windows, rooflights, roof windows or external glazed doors (not exceeding 20 units)	Fee	110.00	250.00	450.00
		VAT	22.00	50.00	
		Total	132.00	300.00	
NO3	Renewable energy systems (not covered by an appropriate competent person scheme)	Fee	110.00	250.00	450.00
		VAT	22.00	50.00	
		Total	132.00	300.00	
NO4	Installation of new shop front	Fee	110.00	250.00	450.00
		VAT	22.00	50.00	
		Total	132.00	300.00	
NO5	Cost of work exceeding £5,000 but not exceeding £25,000	Fee	230.00	430.00	825.00
		VAT	46.00	86.00	
		Total	276.00	516.00	
NO6	Replacement windows, rooflights, roof windows or external glazed doors (exceeding 20 units)	Fee	230.00	430.00	825.00
		VAT	46.00	86.00	
		Total	276.00	516.00	
NO7	Renovation of thermal elements	Fee	230.00	430.00	825.00
		VAT	46.00	86.00	
		Total	276.00	516.00	
NO8	Installation of raised storage platform within an existing building	Fee	230.00	430.00	825.00
		VAT	46.00	86.00	
		Total	276.00	516.00	
NO9	Cost of works exceeding £25,000 but not exceeding £100,000	Fee	290.00	700.00	1,237.50
		VAT	58.00	140.00	
		Total	348.00	840.00	
N10	Fit out of building up to 100m ²	Fee	270.00	670.00	1,175.00
		VAT	54.00	134.00	
		Total	324.00	804.00	
N11	Cost of works exceeding £100,000 but not exceeding £250,000	Fee	530.00	1,060.00	1,987.50
		VAT	106.00	212.00	
		Total	636.00	1,272.00	

Where Standard Charges are not applicable or for complex multiple project applications please contact Building Control on 01799 510510.

Building Control - Other	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Copying charges (statutory limitation)	10p per sheet + £25.00 per hour if job exceeds 1 hour	10p per sheet + £25.00 per hour if job exceeds 1 hour	Yes

Car Parking - Great Dunmow	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Monday to Saturday			
<u>White Street</u>			
30 minutes	0.40	0.80	Yes
1 hour	0.60	1.20	Yes
3 hours	1.20	1.70	Yes
4 hours	2.00	2.70	Yes
5 hours	2.40	3.20	Yes
All day	3.50	4.20	Yes
Season ticket - employed locally (1 month)	30.00	45.00	Yes
Season ticket - employed locally (3 months)	90.00	135.00	Yes
Season ticket - employed locally (6 months)	175.00	260.00	Yes
Season ticket - employed locally (12 months)	300.00	450.00	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; all day)	N/A	22.50	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; 5 hours)	N/A	13.50	Yes
<u>New Street, Chequers Lane and Angel Lane</u>			
30 minutes	0.40	0.80	Yes
1 hour	0.60	1.20	Yes
3 hours	1.20	1.70	Yes
<u>Chequers Lane</u>			
Season ticket (6 months)	175.00	N/A	Yes
Season ticket (1 year)	300.00	N/A	Yes
Sunday and Bank Holidays			
Flat rate (all car parks)	N/A	1.00	Yes
Charging hours are 8:00am to 6:00pm Monday to Sunday (including bank holidays)			

Car Parking - Saffron Walden	2023/24 Charge	2024/25 Charge	Includes
	£	£	VAT?
Monday to Saturday			
<u>Faircroft</u>			
30 minutes	0.50	0.80	Yes
1 hour	0.70	1.20	Yes
2 hours	1.20	2.20	Yes
3 hours	2.00	3.20	Yes
<u>Common</u>			
30 minutes	0.50	0.80	Yes
1 hour	0.70	1.20	Yes
2 hours	1.20	2.20	Yes
3 hours	2.00	3.20	Yes
<u>Rose and Crown</u>			
30 minutes	0.50	0.80	Yes
1 hour	0.70	1.20	Yes
2 hours	1.20	2.20	Yes
<u>Swan Meadow</u>			
1 hour	0.70	1.20	Yes
2 hours	1.20	2.20	Yes
4 hours	2.00	3.20	Yes
5 hours	N/A	3.70	Yes
6 hours	2.50	N/A	Yes
All day	3.50	4.70	Yes
Season ticket - employed locally (1 month)	30.00	45.00	Yes
Season ticket - employed locally (3 months)	90.00	135.00	Yes
Season ticket - employed locally (6 months)	175.00	260.00	Yes
Season ticket - employed locally (12 months)	300.00	450.00	Yes
Season ticket - resident (12 months)	70.00	78.00	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; all day)	N/A	22.50	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; 5 hours)	N/A	13.50	Yes
Coaches - 5 hours	3.00	6.00	Yes
Coaches - All day	6.00	14.00	Yes
<u>Catons Lane (new charges from 1 April 2024)</u>			
1 hour	N/A	1.20	Yes
2 hours	N/A	2.20	Yes
4 hours	N/A	3.20	Yes
5 hours	N/A	3.70	Yes
All day	N/A	4.70	Yes
Season ticket - employed locally (1 month)	N/A	45.00	Yes
Season ticket - employed locally (3 months)	N/A	135.00	Yes
Season ticket - employed locally (6 months)	N/A	260.00	Yes
Season ticket - employed locally (12 months)	N/A	450.00	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; all day)	N/A	22.50	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; 5 hours)	N/A	13.50	Yes
Charging hours are 8:00am to 6:00pm Monday to Sunday (including bank holidays)			

Car Parking - Saffron Walden	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Saturday Only			
<u>London Road (new charges from 1 April 2024)</u>			
1 hour	N/A	1.20	Yes
2 hours	N/A	2.20	Yes
4 hours	N/A	3.20	Yes
5 hours	N/A	3.70	Yes
All day	N/A	4.70	Yes
Season ticket - resident (12 months)	N/A	78.00	Yes
Sunday and Bank Holidays			
Flat rate (all car parks)	N/A	1.50	Yes
Charging hours are 8:00am to 6:00pm Monday to Sunday (including bank holidays)			

Car Parking - Stansted Mountfitchet	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Monday to Saturday			
<u>Lower Street</u>			
30 minutes	0.40	0.80	Yes
1 hour	0.60	1.20	Yes
2 hours	1.00	1.70	Yes
3 hours	1.20	2.20	Yes
4 hours	2.00	2.70	Yes
5 hours	N/A	3.20	Yes
6 hours	2.40	N/A	Yes
All day	4.70	5.20	Yes
Season ticket - employed locally (1 month)*	30.00	45.00	Yes
Season ticket - employed locally (3 months)*	90.00	135.00	Yes
Season ticket - employed locally (6 months)*	130.00	260.00	Yes
Season ticket - employed locally (1 year)*	250.00	450.00	Yes
Season ticket - commuter employed elsewhere (6 months)	220.00	490.00	Yes
Season ticket - commuter employed elsewhere (1 year)	420.00	810.00	Yes
Season ticket - resident (12 months)	35.00	78.00	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; all day)*	N/A	22.50	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; 5 hours)*	N/A	13.50	Yes
Hybrid season ticket - employed elsewhere (12 visits in 28 days; all day)	N/A	40.50	Yes
Hybrid season ticket - employed elsewhere (12 visits in 28 days; 5 hours)	N/A	28.50	Yes
Coaches - 5 hours	3.00	6.00	Yes
Coaches - All day	6.00	14.00	Yes
<u>Crafton Green</u>			
30 minutes	0.40	0.80	Yes
1 hour	0.60	1.20	Yes
2 hours	N/A	1.70	Yes
3 hours	1.20	2.20	Yes
All day*	3.00	4.50	Yes
Season ticket - employed locally (6 months)*	130.00	260.00	Yes
Season ticket - employed locally (1 year)*	250.00	450.00	Yes
Season ticket - commuter employed elsewhere (6 months)	220.00	N/A	Yes
Season ticket - commuter employed elsewhere (1 year)	420.00	N/A	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; all day)*	N/A	22.50	Yes
Hybrid season ticket - employed locally (12 visits in 28 days; 5 hours)*	N/A	13.50	Yes
Sunday and Bank Holidays			
Flat rate (all car parks)	N/A	1.00	Yes
* Subject to ongoing consultation			
Charging hours are 8:00am to 6:00pm Monday to Sunday (including bank holidays)			

Democratic Services	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Road closure order	36.00	36.00	Yes

Environmental Health	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Food and water safety			
Health Certificate for Export	101.00	107.00	No
Food disposal if required	Charged at cost	Charged at cost	Yes
Voluntary Surrender Certificate	101.00	107.00	No
Water samples (airport)	28.00	29.00	Yes
Chemical water samples on request	Charged at cost	Charged at cost	Yes
Private Water supplies			
Regulation 9 property sample	N/A	211.50	No
Regulation 9 property risk assessment	N/A	282.00	No
Regulation 10 property (shared/small) sample	N/A	218.00	No
Regulation 10 property risk assessment	N/A	282.00	No
Regulation 10 (single property) sample	N/A	205.00	No
Regulation 10 property (single property) risk assessment	N/A	164.50	No
Regulation 8 sample	N/A	181.00	No
Regulation 8 risk assessment	N/A	239.00	No
Group A sample	N/A	205.00	No
Group B sample	N/A	211.50	No
Analysis	N/A	Recharge of costs + admin (£21.50)	No
Investigations (per hour - will include travel time)	N/A	£66.50 + mileage at 0.45pm/ mile	No

Environmental Health	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Imported food inspection charges			
POAO per CHEDP (products of animal origin) (per consignment)	164.50	174.00	No
POAO per CHEDP out of hours additional fee (products of animal origin)	263.00	278.00	No
POAO per additional CHEDP on same AWB	97.50	103.00	No
POAO replacement CHEDP	N/A	103.00	No
POAO breakdown and rebuild of consignment	N/A	83.00	No
POAO erroneous consignment release requiring liaison with inland authority	N/A	269.00	No
High Risk NAO sampling fee + laboratory charges	105.00	113.00	No
High Risk NAO out of hours sampling fee + laboratory charges	242.50	259.50	No
High Risk NAO per CHEDD (non animal origin)	31.00	34.50	No
High Risk NAO per CHEDD out of hours	49.50	55.00	No
High Risk destruction charge + disposal costs - 10 kilos	84.50	87.88	No
IUU Catch Certificate EEA	22.00	24.00	No
IUU Catch Certificate non EEA	50.50	54.50	No
Consignment abandon fee	25.00	27.00	No
ID check - weekdays	68.50	73.50	No
ID check - weekends	276.50	292.50	No
Organics check - weekdays	34.50	37.00	No
Organics check - weekends	50.00	53.50	No
Melamine check	48.00	51.50	No
Destruction supervision	83.00	88.50	No
Imported consignment exemption fee	19.00	20.00	No
Non presentation of appropriate documentation (requires examination)	19.00	20.00	No
Late prior notification fee FNAO - CHEDD	35.00	36.00	No
Fee for late cancellation of veterinary cover due to non-presentation of shipments	250.00	260.00	No
* Note, these charges are currently under Government review as part of the introduction of new controls reflecting leaving the UK leaving the EU. The final charges are unlikely to be finalised by April 2024.			
Animals			
(Note: We are entitled to charge all reasonable incurred expenses, including one or more of the following. All charges must be paid in full before we release your dog.)			
Stray dog - administrative costs *	58.00	38.50	No
Kennelling fee (per day) *	12.30	12.80	Yes
Stray dog - statutory fee *	29.00	26.00	No
Collection and transportation charge *	N/A	174.50	Yes
Vet treatment costs to be paid in full	Full cost	Full cost	Yes
* Fees are set by a 3rd party so the 2024/25 fees shown are estimates.			

Environmental Health	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Homes of Multiple Occupancy (HMO) licensing fees			
HMO licence fee for up to 5 bedrooms - part 1 fee*	588.00	623.00	No
HMO licence fee for up to 5 bedrooms - part 2 fee*	658.00	697.00	No
HMO licence fee for 5 letting rooms or more - charge per additional room	35.00	37.00	No
HMO licence fee for up to 5 bedrooms - renewal charge	658.00	697.00	No
HMO licence fee - incomplete application	35.00	37.00	No
Reminder letter on failure to apply for a licence	35.00	37.00	No
Variation of licence (i.e. change in address or new appointed manager)	11.00	12.00	No
Missed appointment	148.00	157.00	No
Any other correspondence such as sending out a final reminder letter	35.00	37.00	No
<p>* The total cost of licensing an HMO in 2024/25 will be £1,320.00 and is payable in 2 parts. Part 1 fees are to be paid at the time of application to cover the costs of processing the application and inspecting the property. Part 2 fees are levied upon completion of the application process to cover the costs of running and enforcing the scheme. Applicants will need to ensure that Part 2 fees have been paid to the Council prior to the licence being issued.</p> <p>For 2024/25 a discount of 5% will be applied for valid applications that are received without a request from the Council. This will also apply to valid renewal applications received within the time specified by the Council.</p> <p>The licensing period is 5 years from the date the application was made.</p> <p>HMO licensing fee charges will be subject to an annual review from 1 April each year.</p>			
Declarations of eligibility on behalf of energy suppliers for ECO4 Flex			
Full declaration checks	N/A	184.00	No
Reduced declaration checks	N/A	103.50	No
Private Sector Housing			
Housing Immigration Inspection	194.00	209.00	No
Housing improvement notice - fixed price	284.00	520.50	No
Suspended improvement notice - fixed price	284.00	520.50	No
Prohibition order - fixed price	284.00	453.00	No
Suspended prohibition order - fixed price	284.00	453.00	No
Emergency prohibition order - fixed price	284.00	453.00	No
Emergency remedial action notice	284.00	Based on contractor costs + officer time (incl travel) (£66.50 p/h) + mileage costs at 0.45 per mile	No
Mobile homes - fit and proper person test fee	296.00	296.00	No
Other			
EIR information	131.00	139.00	No
Contaminated land	131.00	139.00	No
Officer charges for works in default - per hour	63.00	66.50	No

Land Charges	2023/24 Charge £	2024/25 Charge £	Includes VAT?
LLC1 - residential/commercial	22.00	22.00	No
LLC1 - residential/commercial extra parcels of land	4.50	4.50	No
CON29 - residential	89.00	109.00	Yes
CON29 - residential extra parcels of land	12.60	15.40	Yes
CON29 - commercial	112.00	137.00	Yes
CON29 - commercial extra parcels of land	12.60	15.40	Yes
LLC1 and CON29 - residential	111.00	131.00	Yes (part)
LLC1 and CON29 - commercial	134.00	159.00	Yes (part)
CON290*	18.00	22.00	Yes

* The following CON290 questions are free of charge: 6, 7, 10, 11, 12, 13 and 14

Legal Services	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Solicitors and legal executives with over 8 years' experience (hourly rate)	261.00	261.00	No
Solicitors and legal executives with over 4 years' experience (hourly rate)	217.00	217.00	No
Letter of postponement	50.00	50.00	No
Deed of postponement	90.00	90.00	No
Licence fees for garden use	120.00	120.00	No
Lease for garden use	500.00	500.00	No
Selling a strip of land	500.00	500.00	No
Grant a right of way	600.00	600.00	No
Release of covenant	500.00	500.00	No

Licensing	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Taxi licensing			
Drivers - licence valid for 3 years (new application or renewal)	226.00	239.50	No
Operators - licence valid for 5 years (new application or renewal)	549.50	583.00	No
Vehicles - licence valid for 1 year (new application or renewal)	145.00	171.00	No
Vehicle licence transfer fee	116.50	123.50	No
DBS check	Charged at cost	Charged at cost	No
Caravan site licence fees			
<u>New applications</u>			
1-5 pitches	460.00	487.00	No
6-10 pitches	460.00	487.00	No
11-20 pitches	552.00	585.00	No
21-50 pitches	646.00	684.00	No
51-100 pitches	848.00	898.00	No
>100 pitches	920.00	974.00	No
Application for amending licensing conditions	N/A	371.00	No
Other licences			
Skin piercing premises and 1 person	208.00	222.50	No
Skin piercing additional person	12.00	13.00	No
Skin piercing additional treatment (at same time)	40.00	43.00	No
Additional ear piercing operator added at a later date	45.00	48.00	No
Additional operator added at a later date (other)	70.00	75.00	No
Additional treatment added at a later date	80.00	85.50	No
Table and chairs on the highway	100.00	100.00	No
Scrap metal			
Grant of a site or collector's licence	423.00	452.50	No
- Each additional site after first site	221.00	236.50	No
Renewal of a site or collector's licence	371.00	397.00	No
- Each additional site after first site	221.00	236.50	No
Variation of a site or collector's licence	150.00	160.50	No
- Each additional site being added to the licence	371.00	397.00	No
Alcohol Licensing Act 2003			
For the current schedule of statutory fees, please visit the Uttlesford District Council website:			
https://www.uttlesford.gov.uk/article/5519/Licensing-Act-2003-personal-licence			
https://www.uttlesford.gov.uk/article/5518/Licensing-Act-2003-premises-licence			
Gambling Act 2005			
For the current schedule of fees, please visit the Uttlesford District Council website:			
https://www.uttlesford.gov.uk/article/6353/Gambling-Act-2005-fees-and-charges			

Licensing	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Animal licences			
Animal boarding establishment (cattery, kennel, dog day care)*			
- Part A fee	307.50	325.00	No
- Part B fee	200.00	211.00	No
- Re-inspection	146.50	155.00	No
- Variation	22.50	24.00	No
Riding establishments*			
- Part A fee	379.50	401.00	No
- Part B fee	213.50	225.00	No
- Re-inspection	205.50	217.00	No
- Variation	22.50	24.00	No
Home boarding*			
- Part A fee	209.50	221.00	No
- Part B fee	218.50	231.00	No
- Re-inspection	146.50	155.00	No
- Variation	22.50	24.00	No
Dog breeding establishment*			
- Part A fee	283.50	299.00	No
- Part B fee	200.00	211.00	No
- Re-inspection	146.50	155.00	No
- Variation	22.50	24.00	No
Pet shop*			
- Part A fee	307.50	325.00	No
- Part B fee	203.50	215.00	No
- Re-inspection	146.50	155.00	No
- Variation	22.50	24.00	No
Dangerous wild animals (based on a 2 year licence)*	POA	POA	No
Zoo licence (based on a 5 year licence)*	POA	POA	No
Keeping or training animals for exhibition (based on a 5 year licence)*	POA	POA	No
* Part A fees need to be paid on application. Part B fees are paid on issuing report and confirmation of the licence and rating. The issuing of the licence will occur following payment of Part B fees.			
For licences where there is more than one activity, the fee will be based on the applicant's main business activity as judged by the inspecting officer.			
Additional charges will be applied for secondary activities as outlined below:			
- Cattery, kennel, dog day care	68.50	72.00	No
- Riding establishments	138.00	146.00	No
- Home boarders	68.50	72.00	No
- Breeders	68.50	72.00	No
- Pet shop	68.50	72.00	No
- Keeping or training animals for exhibition	POA	POA	No
Vets fees to be recharged to the operator + administration costs of £8.00 for Horse Riding Establishments and new breeders			

Planning Applications

For the current schedule of planning application fees, please visit the Uttlesford District Council website:

<http://www.uttlesford.gov.uk/article/4864/Planning-Application-Fees>

Planning - Pre-application Advice	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Householder			
Written advice only	108.00	113.00	Yes
Meeting - 1 hour (virtual) and written advice	180.00	189.00	Yes
Meeting - 1 hour (on-site) and written advice	270.00	284.00	Yes
Follow up written advice	108.00	113.00	Yes
Householder including heritage*/listed building consent			
Written advice only	360.00	378.00	Yes
Meeting - 1 hour (virtual) and written advice	510.00	536.00	Yes
Meeting - 1 hour (on-site) and written advice	600.00	630.00	Yes
Follow up written advice	234.00	246.00	Yes
Minor development			
Written advice only	275.00	289.00	Yes
Meeting - 1 hour (virtual) and written advice	420.00	441.00	Yes
Meeting - 1 hour (on-site) and written advice	510.00	536.00	Yes
Follow up written advice	275.00	289.00	Yes
5-9 units including up to 2 virtual meetings	2,500.00	2,625.00	Yes
Minor development including heritage* advice			
Written advice only	462.00	485.00	Yes
Meeting - 1 hour (virtual) and written advice	762.00	800.00	Yes
Meeting - 1 hour (on-site) and written advice	900.00	945.00	Yes
Follow up written advice	462.00	485.00	Yes
Major development			
Scoping Meeting - 1 hour virtual meeting to discuss high level principle (outline) and discuss further programme / PPA**	-	980.00	Yes
10-25 dwellings - to include at least 1 Planning Officer at up to 2 hours virtual meetings and written response*	7,500.00	7,875.00	Yes
26-99 dwellings - to include at least 1 Planning Officer at up to 3 hours virtual meetings and written response*	13,000.00	13,650.00	Yes
100-199 dwellings - to include at least 1 Planning Officer at up to 4 hours virtual meetings and written response*	24,000.00	25,200.00	Yes
Major or complex minor pre-app where the applicant does not want to enter into a PPA with the Council	POA	POA	Yes
* Includes access to heritage advice (locally listed buildings, ancient monuments, works or development in a conservation area), ecology Advice (biodiversity net gain) and urban design advice. Additional advice, for example environmental protection/noise, will incur an additional fee.			
** Includes schemes of 5-9 units and later netted off full pre-application fee.			

Planning Performance Agreements (PPA)

Charges depend on the complexity of the site and individual needs of the application, therefore will be determined on an individual basis.

Planning - Section 106 Monitoring Fees	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Monitoring charge schedule*			
Scheme (residential units)			
<10	1,664.00	1,747.00	No
10-40	1,664.00	1,747.00	No
41-80	5,164.00	5,422.00	No
81-120	7,746.00	8,133.00	No
121-160	15,184.00	15,943.00	No
161-200	18,980.00	19,929.00	No
201-240	22,776.00	23,915.00	No
241-280	26,572.00	27,901.00	No
281-320	30,368.00	31,886.00	No
321-360	34,164.00	35,872.00	No
361-400	37,960.00	39,858.00	No
401-440	41,756.00	43,844.00	No
441-480	45,552.00	47,830.00	No
481-520	49,348.00	51,815.00	No
521-560	53,144.00	55,801.00	No
561-600	56,940.00	59,787.00	No
601-640	60,736.00	63,773.00	No
641-680	64,532.00	67,759.00	No
681-720	68,328.00	71,744.00	No
721-760	72,124.00	75,730.00	No
761-800	75,920.00	79,716.00	No
Strategic site (>800) and mixed schemes	POA	POA	No
* Additional fee could be sought regarding any non-standard clauses requiring specific bespoke monitoring.			
The Council will seek a charge to fulfil its role to monitor all the required clauses for section 106 obligations - this charge does not include any charges sought by partner organisations such as Essex County Council.			

Planning - Street Naming and Numbering	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Charge per dwelling/unit			
Add a name to a numbered property	85.00	85.00	No
Name change/renumber	85.00	85.00	No
New dwelling/unit	120.00	120.00	No
2-5 dwellings/units	85.00	85.00	No
6-25 dwellings/units	65.00	65.00	No
26-75 dwellings/units	55.00	55.00	No
76 plus dwellings/units	40.00	40.00	No
New street name	220.00	220.00	No
Name of block of flats or industrial estate	195.00	195.00	No
Confirmation of plot or postal address for utility company (charged to utility companies only)	45.00	45.00	No
Issuing a new address following demolition and reconstruction	40.00	40.00	No
Change to new addresses due to the development changing after the schedule has been issued (applies to all amended plots)	65.00	65.00	No
Pre-app/query for general street naming and numbering enquiries prior to submission (applicable for 26+ dwellings/units)	66.00	66.00	Yes
Follow-up pre-app	42.00	42.00	Yes
System information check	25.00	25.00	No

Planning - Other	2023/24 Charge £	2024/25 Charge £	Includes VAT?
To retain a % of fee paid if an application is withdrawn			
- Pre-applications	15%	15%	Yes
- Planning applications prior to validation only	15%	15%	No
- Planning applications after validation	100%	100%	No
15 minute telephone conversation / discussion with a duty officer	90.00	90.00	Yes
Biodiversity Net Gain monitoring - Major development	-	Bespoke fee	Yes
Biodiversity Net Gain monitoring - Non-major	-	Bespoke fee	Yes
Fast Track CLE - aimed at those needing speedy clarification as to whether planning permission would have been required for development which has taken place - sometimes needed when trying to sell a property (certificate issue within 5 working days of valid application being submitted or money refunded)	800.00	800.00	Yes
High hedge complaint	650.00	650.00	No
Documents provided under Local Government Access to Information Act 1985 - TPO, BPN, LB, Planning & Building Regulation Decision Notices	10p per sheet plus £25.00 per hour if job exceeds 1 hour	10p per sheet plus £25.00 per hour if job exceeds 1 hour	Yes
Uttlesford Local Plan Adopted 2005	25.00	25.00	Yes
Emerging Local Plan	POA	35.00	Yes
Confirmation regarding agricultural ties	48.00	48.00	Yes
Parish and town councils - neighbourhood planning mapping	POA	POA	No
Solicitor's queries regarding compliance with Enforcement Notices - per 30 minutes	110.00	110.00	No
Solicitor's queries regarding compliance with Enforcement Notices - additional charge if site visit required	276.00	276.00	No
Planning conditions - variation / removal discussion	220.00	220.00	Yes
Change of use to house in multiple occupation	220.00	220.00	Yes
Requests seeking confirmation as to whether planning permission is required for development:			
- Householder	100.00	No charge	Yes
- All other development	186.00	No charge	Yes
Confirmation that Permitted Development Rights have not been removed:			
- Householder	70.00	70.00	Yes
- All other development	180.00	180.00	Yes
Confirmation of Designated Area - in response to customer requests we can provide confirmation of designated areas (self service is available), however we can provide a list of constraints on a property within 3 working days	75.00	75.00	Yes
Copy of history	25.00	25.00	Yes
Advice for variation or deletion of s106 Agreements - per 1 hour meeting*	288.00	302.00	Yes

*Additional specialism discussion will involve an additional fee to cover the cost of the specialist.

Print Room	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Printing services for town and parish councils, voluntary organisations, clubs and societies - hourly charge (materials charged on top)	41.50	44.00	No*
* Addition of VAT varies depending upon what is being printed.			

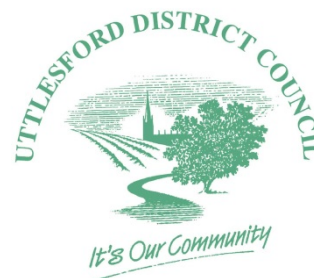
Refuse Collection and Recycling	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Bulky waste collection			
Minimum charge for 3 items	32.50	52.00	No
- Each additional item	5.40	8.00	No
Waste Electrical Equipment collection service:			
- Single item	32.50	52.00	No
- Each additional item	5.40	8.00	No
Collection of items containing persistent organic pollutants (POPs):			
- Single item	32.00	60.00	No
- Each additional item	10.00	15.00	No
Garden waste bags	1.36	2.00	No
Garden waste collection			
240 litre wheeled bin	50.00	50.00	No
Bin delivery charge	25.50	30.00	No
Waste container supply and delivery (new developments)			
Full set of containers - green lidded bin, grey lidded bin, food caddy	85.00	90.00	No
Town and parish council garden waste weekend collection			
Charge per hour	79.50	85.50	No
Trade waste collection and disposal charges			
Trade sacks (85 litres)	3.40	3.50	No
Bins - 180 litres	6.95	7.50	No
Bins - 240 litres	9.30	10.00	No
Bins - 660 litres	15.40	16.50	No
Bins - 1,100 litres	23.70	25.50	No
Skip - 12 cubic yards (light materials)	179.00	192.50	No
Skip - 12 cubic yards (heavy materials)	280.50	301.50	No

Saffron Walden Museum	2023/24 Charge £	2024/25 Charge £	Includes VAT?
Admission charges			
Admission - full adult	2.50	2.50	Yes
Admission - discounted adult (over 60 or disabled)	1.25	1.25	Yes
Admission - child (under 18)	Free	Free	N/A
Season ticket - full adult	8.00	8.00	Yes
Season ticket - discounted adult (over 60 or disabled)	4.00	4.00	Yes

Saffron Walden Museum	2023/24 Charge	2024/25 Charge	Includes
	£	£	VAT?
Learning services			
Taught session for schools per pupil	3.60	5.00	Yes
Taught session for schools minimum group charge	57.60	80.00	Yes
Taught session in schools half-day	120.00	120.00	Yes
Taught session in schools whole day	210.00	210.00	Yes
Online session for one school class	60.00	60.00	Yes
School loan of Reminiscence Box - half term	30.00	30.00	Yes
School loan of Reminiscence Box - 1 week	18.00	18.00	Yes
Charge for craft activities per child	2.40	2.40	Yes
Adult group minimum charge for craft activities (max 12 per group)*	96.00	96.00	Yes
* Charge may vary depending upon cost of materials for craft activity requested			
Group visits			
Self guided group visit	N/A	15.00	Yes
Daytime group introductory talk / tour (max 20 people)	30.00	30.00	Yes
Evening opening with talk / activity and viewing of galleries	96.00	96.00	Yes
Refreshments for groups of up to 20 people	30.00	30.00	Yes
Shirehill Store group visits and workshops			
Daytime group introductory talk / tour (max 20 people)	30.00	30.00	Yes
Evening talk / tour (max 20 people)	96.00	96.00	Yes
Saturday half-day workshop with collections (max 20 people)	180.00	180.00	Yes
Museum staff talks and lectures at other venues			
Talks to local groups in Uttlesford or within 20 mile radius of Saffron Walden	84.00	84.00	Yes
Talks to groups outside Uttlesford or 20 mile radius of Saffron Walden	96.00	96.00	Yes
Online talk to local groups (any location)	60.00	60.00	Yes
Image reproduction charges			
Non-commercial local community use, educational, academic, private study, not-for-profit or charity	Free	Free	N/A
Printed image (books etc) on cover - East of England region	96.00	96.00	Yes
Printed image (books etc) inside - East of England region	45.00	45.00	Yes
Printed image (books etc) on cover - UK and international	126.00	126.00	Yes
Printed image (books etc) inside - UK and international	64.80	64.80	Yes
Website image - corporate/commercial use	72.00	72.00	Yes
Television - East of England region	60.00	60.00	Yes
Television - UK	78.00	78.00	Yes
Television - International	120.00	120.00	Yes
Supply of new image (in-house photography)	5.00	5.00	Yes
Hire of museum premises (corporate and private)			
Museum - hire for first hour	75.00	75.00	No
Museum - hire per hour after first hour	50.00	50.00	No
Hire of castle and museum grounds			
Private outdoor events for up to 50 people during museum opening hours, including access to museum galleries and WCs - hire per hour	25.00	25.00	No
Private outdoor events for up to 50 people outside museum opening hours, no museum access - hire per hour	20.00	20.00	No
Private outdoor events for 51 to 100 people during museum opening hours, including access to museum galleries and WCs - hire per hour	50.00	50.00	No
Private outdoor events for 51 to 100 people outside museum opening hours, no museum access - hire per hour	40.00	40.00	No

Saffron Walden Offices	2023/24 Charge	2024/25 Charge	Includes
	£	£	VAT?
Room charges - Non-wedding (minimum 2 hour charge applies)			
Room hire - Flitch (Chairman's room) (per hour)	40.00	41.50	Yes
Room hire - Flitch (Chairman's room) (per hour) - charity rate	34.00	35.50	Yes
Room hire - Cutlers (Committee room) (per hour)	71.00	74.00	Yes
Room hire - Cutlers (Committee room) (per hour) - charity rate	45.00	47.00	Yes
Room hire - Gibson (Council Chamber) (per hour)	95.00	99.00	Yes
Room hire - Gibson (Council Chamber) (per hour) - charity rate	60.00	62.50	Yes
Refreshments - per 10 people	19.00	20.00	Yes
Tenants - Flitch (Chairman's room) (per hour)	29.00	30.00	Yes
Tenants - Cutlers (Committee room) (per hour)	34.00	40.00	Yes
Tenants - Gibson (Council Chamber) (per hour)	55.00	65.00	Yes
Room charges - Wedding			
Flitch (Chairman's Room) - Monday-Thursday	119.00	124.00	Yes
Flitch (Chairman's Room) - Friday	172.00	179.00	Yes

Little Canfield Offices	2023/24 Charge	2024/25 Charge	Includes
	£	£	VAT?
Room charges - (minimum 2 hour charge applies)			
Dominica Room (per hour) - tenants	N/A	40.00	Yes
Dominica Room (per hour) - non tenants	N/A	74.00	Yes
St Lucia Room (per hour) - tenants	N/A	40.00	Yes
St Lucia Room (per hour) - non tenants	N/A	74.00	Yes
St Vincent room (per hour) - tenants	N/A	55.00	Yes
St Vincent room (per hour) - non tenants	N/A	99.00	Yes



Uttlesford District Council

Equality & Health Impact Assessment (EqHIA)

Document control

Title of activity:	<i>General Fund Budget and Council Tax 2024/25</i>
Lead officer:	<i>Jody Etherington, Director of Finance, Revenues and Benefits</i>
Approved by:	<i>Adrian Webb, Strategic Director of Finance, Commercialisation and Corporate Services</i>
Date completed:	<i>05/02/2024</i>
Scheduled date for review:	<i>N/A – This budget covers a 1 year period and a new EqHIA will be carried out for next year's budget</i>

Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No
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Please note that EqHIAs are **public** documents and must be made available on the Council's [EqHIA webpage](#).

When completed, a copy of this form should be saved with the activity a policy, strategy, procedure, project, new or change in service, initiative or other's file for audit purposes and in case it is requested under the Freedom of Information Act.

When the EqHIA is completed send a copy to the following email address - EqHIA@Uttlesford.gov.uk

1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact your Divisional Equality Lead. Please refer to the Guidance in Appendix 1 on how to complete this form. **When EqHIA is completed send a copy to the following email address EqHIA@Uttlesford.gov.uk**

About your activity

1	Title of activity	<i>General Fund Budget and Council Tax 2024/25</i>		
2	Type of activity	<i>To set the income and expenditure for the financial year for the General Fund to enable the delivery of quality services to residents.</i> <i>To set the council tax precept for 2024/25.</i>		
3	Scope of activity	<i>To identify the costs and income associated with delivering council services during 2024/25.</i> <i>To set the council tax precept in line with member priorities and government limits.</i>		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes	If the answer to <u>any</u> of these questions is 'YES', please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	Yes		
4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes		
5	If you answered YES:	Please complete the EqHIA in Section 2 of this document. Please see Appendix 1 for Guidance.		
6	If you answered NO:	<i>Please provide a clear and robust explanation on why your activity does not require an EqHIA. This is essential in case the activity is challenged under the Equality Act 2010.</i>		

Please keep this checklist for your audit trail.

Completed by:

Jody Etherington, Assistant Director – Finance

Date:

05/02/2024

2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

▪ Background/context:

- The General Fund budget is set annually, and this is based on the delivery of both statutory and discretionary services. The budget incorporates the Council's priorities, and this is supported by the budget consultation with residents and other stakeholders and the responses received.
- The council tax increase is set in accordance with the allowable increase set by government as part of the annual financial settlement – for 2024/25 district councils are permitted to increase their council tax precept by the higher of 2.99% or £5 per band D property.

**Expand box as required*

▪ Who will be affected by the activity?

- This affects all residents in the districts. The budget sets the finances available for the delivery of all services to residents and businesses.
- The council tax is a charge levied on all residential properties, an increase in council tax affects all residents including those on benefits and low incomes.

**Expand box as required*

Protected Characteristic - Age: Consider the full range of age groups		
<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive		<p><i>Increasing council tax will enable the Council to continue to provide quality services to all its residents.</i></p> <p><i>The predicted impact of the increase in council tax for 2024/25 for people of all ages is neutral as there is no identified direct, positive or indirect discrimination.</i></p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Neutral	✓	
Negative		
Evidence:		
<p>The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.</p> <p>An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		
Sources used:		
<p>Budget consultation</p> <p>Local Council Tax Support scheme consultation</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		

Protected Characteristic - Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions		
<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive		<p><i>Increasing council tax will enable the Council to continue to provide quality services to all its residents.</i></p> <p><i>The predicted impact of the increase in council tax for 2024/25 for people with disabilities is neutral as there is no identified direct, positive or indirect discrimination.</i></p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Neutral	✓	
Negative		

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation

Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Sex/gender: Consider both men and women

*Please tick (✓)
the relevant box:*

Positive

Overall impact:

Increasing council tax will enable the Council to continue to provide quality services to all its residents.

Neutral

The predicted impact of the increase in council tax for 2024/25 on all genders is neutral as there is no identified direct, positive or indirect discrimination.

Negative

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation

Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Ethnicity/race: Consider the impact on different ethnic groups and nationalities

Please tick (✓) the relevant box:

Positive

Neutral

Negative

Overall impact:

Increasing council tax will enable the Council to continue to provide quality services to all its residents.

The predicted impact of the increase in council tax for 2024/25 on ethnicity and race is neutral as there is no identified direct, positive or indirect discrimination.

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation
Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Religion/faith: Consider people from different religions or beliefs including those with no religion or belief

*Please tick (✓)
the relevant box:*

Positive

Overall impact:

Increasing council tax will enable the Council to continue to provide quality services to all its residents.

Neutral

The predicted impact of the increase in council tax for 2024/25 on religion and faith is neutral as there is no identified direct, positive or indirect discrimination.

Negative

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation
Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual

<i>Please tick (✓) the relevant box:</i>		Overall impact: <i>Increasing council tax will enable the Council to continue to provide quality services to all its residents.</i> <i>The predicted impact of the increase in council tax for 2024/25 on sexual orientation is neutral as there is no identified direct, positive or indirect discrimination.</i>
Positive		
Neutral	✓	
Negative		

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation
Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Gender reassignment: Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth

<i>Please tick (✓) the relevant box:</i>		Overall impact: <i>Increasing council tax will enable the Council to continue to provide quality services to all its residents.</i> <i>The predicted impact of the increase in council tax for 2024/25 on gender reassignment is neutral as there is no identified direct, positive or indirect discrimination.</i>
Positive		
Neutral	✓	
Negative		

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation

Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership

Please tick (✓) the relevant box:

Positive

Neutral

Negative

Overall impact:

Increasing council tax will enable the Council to continue to provide quality services to all its residents.

The predicted impact of the increase in council tax for 2024/25 for marriage and civil partnership is neutral as there is no identified direct, positive or indirect discrimination.

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation

Local Council Tax Support scheme consultation

**Expand box as required*

Protected Characteristic - Pregnancy, maternity and paternity: Consider those who are pregnant and those who are undertaking maternity or paternity leave

Please tick (✓) the relevant box:

Overall impact:

Positive

Increasing council tax will enable the Council to continue to provide quality services to all its residents.

Neutral

✓

The predicted impact of the increase in council tax for 2024/25 for pregnancy, maternity and paternity is neutral as there is no identified direct, positive or indirect discrimination.

Negative

**Expand box as required*

Evidence:

The budget consultation provides the opportunity for residents to express their views on the proposed services' importance and whether the council provides value for money. This was available to all residents.

An earlier consultation was carried out on the Local Council Tax Support scheme, providing residents with the opportunity to express their views on the level of contribution for residents who are on a low income.

**Expand box as required*

Sources used:

Budget consultation

Local Council Tax Support scheme consultation

*Expand box as required

Socio-economic status: Consider those who are from low income or financially excluded backgrounds

Please tick (✓)
the relevant box:

Positive

✓

Overall impact:

For residents who are from low income or financially excluded backgrounds, the Council has a number of schemes in place to provide support.

Neutral

Negative

The Local Council Tax Support scheme is available to all residents and is means tested with the maximum benefit of 87.5% discount on their annual council tax bill. The scheme includes protection for pensioners and the vulnerable and their carers, with those on the lowest incomes receiving 100% discount.

The Council has the most generous Council Tax Support Scheme in Essex.

The Council also maintains an Extreme Hardship Fund which is available to all residents who find themselves in financial hardship. In addition to this there is a dedicated officer in post to provide support and advice on managing their finances and any arrears. The officer is also in contact with other support agencies who they can signpost to residents for additional help and support.

All Council services are available to all residents and some of our fee charging services offer discounted rates for people on a low income.

*Expand box as required

Evidence:

Local Council Tax Support scheme sets out all the available support.

*Expand box as required

Sources used:

Local Council Tax Support scheme

**Expand box as required*

Health & Wellbeing Impact: Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.

Please tick (✓) all the relevant boxes that apply:

Positive

✓

Overall impact:

Increasing council tax enables the Council to continue to provide a range of quality services, including a Health and Wellbeing service.

**Expand box as required*

Neutral

Negative

Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box

Yes

No

Evidence:

There will be a positive health and wellbeing impact due to continuing access to specific health and wellbeing services for residents.

**Expand box as required*

Sources used:




Budget consultation

**Expand box as required*

3. Outcome of the Assessment

The EqHIA assessment is intended to be used as an improvement tool to make sure the activity maximises the positive impacts and eliminates or minimises the negative impacts. The possible outcomes of the assessment are listed below and what the next steps to take are:

Please tick (✓) what the overall outcome of your assessment was:

	1. The EqHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u>		Proceed with implementation of your activity
	2. The EqHIA identified some <u>negative impact</u> which still needs <u>to be addressed</u>		COMPLETE SECTION 4: Complete action plan and finalise the EqHIA
	3. The EqHIA identified some <u>major concerns</u> and showed that it is <u>impossible to diminish negative impacts</u> from the activity to an acceptable or even lawful level		Stop and remove the activity or revise the activity thoroughly . Complete an EqHIA on the revised proposal.

4. Action Plan

The real value of completing an EqHIA comes from the identifying the actions that can be taken to eliminate/minimise negative impacts and enhance/optimize positive impacts. In this section you should list the specific actions that set out how you will address any negative equality and health & wellbeing impacts you have identified in this assessment. Please ensure that your action plan is: more than just a list of proposals and good intentions; sets ambitious yet achievable outcomes and timescales; and is clear about resource implications.

Protected characteristic / health & wellbeing impact	Identified Negative or Positive impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer

Add further rows as necessary

* You should include details of any future consultations and any actions to be undertaken to mitigate negative impacts

** Monitoring: You should state how the impact (positive or negative) will be monitored; what outcome measures will be used; the known

(or likely) data source for outcome measurements; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

5. Review

In this section you should identify how frequently the EqHIA will be reviewed; the date for next review; and who will be reviewing it.

Review:

This budget is for a one year period only and a new EqHIA will be carried out for next year's budget.

Scheduled date of review: January 2025 (as part of setting the 2025/26 budget and council tax).

Lead Officer conducting the review: Jody Etherington, Director of Finance, Revenues and Benefits

**Expand box as required*

Council spending - have your say

Survey response report

25 September 2023 - 5 November 2023

Uttlesford District Council budget 2024/25



CONTENTS

Narrative: 1

Survey questions summary: 3

Response detailed results: 5

Profiling: 37

Additional comments received: 44

Summary

Each year we have to prepare our budget and decide how much should be spent on the services we provide to the community.

Before we do that we ask for feedback in the form of a public survey on what our spending priorities should be in the financial year from April 2024 to March 2025.

Background

Central government funding used to be the biggest single source of money for many councils, including Uttlesford.

For the current financial year 2023/24 the council's total funding requirement is budgeted at £19,251,000. This is the net cost after taking into account fees for services such as Planning, Licensing, and car park income.

Council Tax income for the year is forecast to be £6,694,000, representing 35% of the net cost of services. The remaining cost is funding through a mixture of business rates, government grants, commercial investments and reserves set aside in previous years.

Increasing cost pressures, and real-terms reductions in government funding, have significantly increased the financial pressures on the council in recent years. This means that we need to ensure we remain efficient while continuing to provide the same high quality services residents expect.

The results of this consultation will help us to decide on the priorities for the budget for April 2024 to March 2025.

Consultation

The questions and format of the consultation followed a very similar format to that we used in 2022 (to inform the budget set for the year 2023-24).

The consultation concentrated on asking for respondents' views on:

- the priorities for council spending in relation to the Corporate Plan visions
- whether the Council Tax precept for Uttlesford District Council represents 'value for money'
- the prerogatives for the future resourcing of specific service areas

To help respondents form an opinion on the future resourcing of specific service areas the survey provided them with the net cost per household of providing each service, after taking into account any income from fees and charges.

The survey also invited (but did not require) participants to provide some brief profiling details (age, gender, ethnicity disability). Participants were also asked to identify if their response was as a resident, business or on behalf of an organisation (such as major preceptors).

The online survey was run as a web form on the Uttlesford District Council “Lets talk” consultation platform. This could be accessed via a direct link or from the main website home page, directly from the platform itself or from links sent out in various promotions, publicity and newsletters.

Promotion

The survey ran from 23 September to 5 November 2023.

At the start of the consultation period emails inviting participation in the survey were sent directly to:

- Essex County Council
- Essex Police, Fire and Crime Commissioner Fire and Rescue Authority
- Police, Fire & Crime Commissioner for Essex - Policing and Community Safety
- all Uttlesford members
- all town and parish councils in the district
- businesses on the Uttlesford Economic Development team’s distribution list

The survey was widely publicised to the citizens of Uttlesford who were encouraged to take part. A press release was distributed to all local media and newspapers on 29 September.

Promotion of the consultation was included in the *District News*, *Staff News* and *Parish Briefing* e-newsletters which were sent out to over 10,000 subscribers.

Social media promotion went on throughout the consultation period through:

- Facebook
- Twitter
- Instagram and LinkedIn

Those people who do not use digital services were offered the option of requesting a paper copy of the survey and proposals to be sent out by post (details were provided on the website, in the press releases and in all other publicity).

SURVEY QUESTIONS

Verified responses:
147

Summary

Online survey responses: 143

Paper survey responses: 2

Additional comments received: 2

Headline responses

Q1 Corporate priorities: Putting residents first ranked as the first priority

Q2 Uttlesford District Council provides value for money: Tend to agree by 52% of respondents

Service priorities

Where more than one activity was given under a service area, the priority is that identified by the largest number of respondents who rated it as very or fairly important.

For services with only one priority area the dominant view of respondents is given.

Q3 Environmental Health and Licensing

Service priority 2024-25: Action to develop cleaner neighbourhoods

Q4 Housing and homelessness

Service priority 2024-25: Temporary accommodation

Q5 Planning and Building Control

Service priority 2024-25: Planning Policy including the new Local Plan

Q6 Refuse and recycling

Service priority 2024-25: Refuse and recycling collections rated as 'very important' by 84% of respondents

Q7 Street cleansing

Service priority 2024-25: Street cleansing rated as 'very important' by 46% and 'fairly important' by 43% of respondents

Q8 Revenues and Benefits

Service priority 2024-25: Administering Council Tax and business rates

Q9 Maintaining amenity areas

Service priority 2024-25: Maintaining amenities rated as 'very important' by 41% and 'fairly important' by 40% of respondents

Q10 Community safety activities

Service priority 2024-25: Community safety rated as 'very important' by 34% and 'fairly important' by 39% of respondents

Q11 Economic development

Service priority 2024-25: Support for local businesses

Q12 Partnerships and communities

Service priority 2024-25: Supporting community groups to deliver projects

Q13 Running Saffron Walden Museum

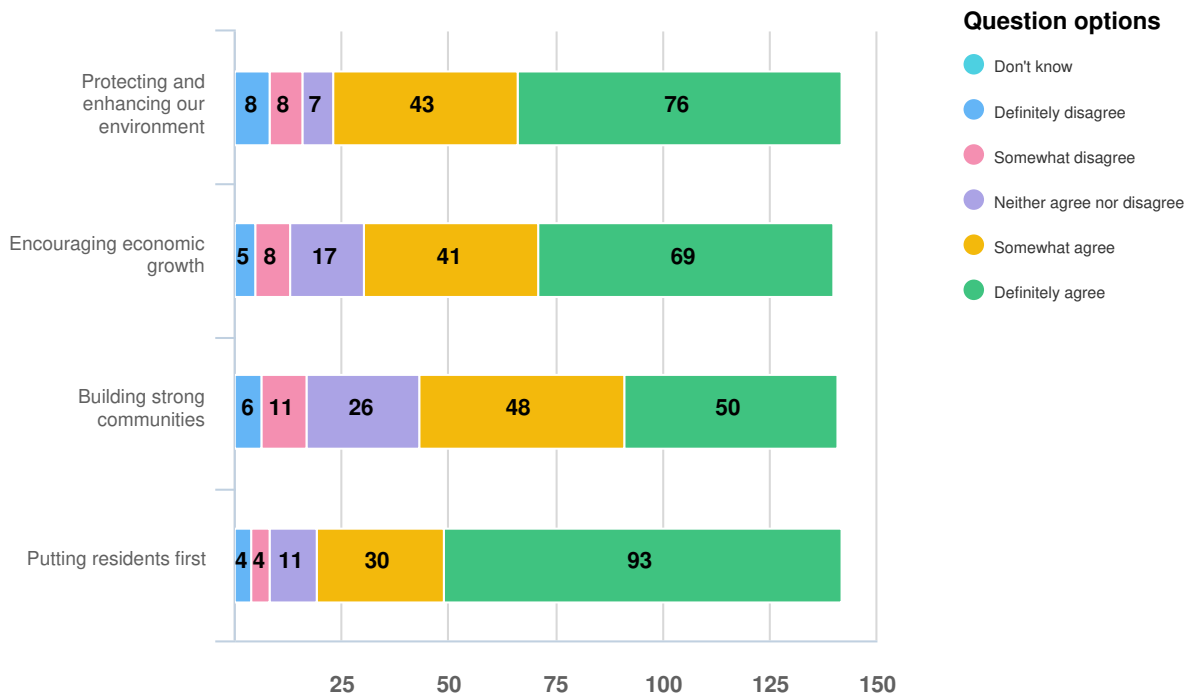
Service priority 2024-25: The museum is rated as 'very important' by 16% and 'fairly important' by 35% of respondents

Q14 Climate change activities

Service priority 2024-25: Climate change activities are rated as 'very important' by 29% but 'not so important' by 28% of respondents

SURVEY RESULTS

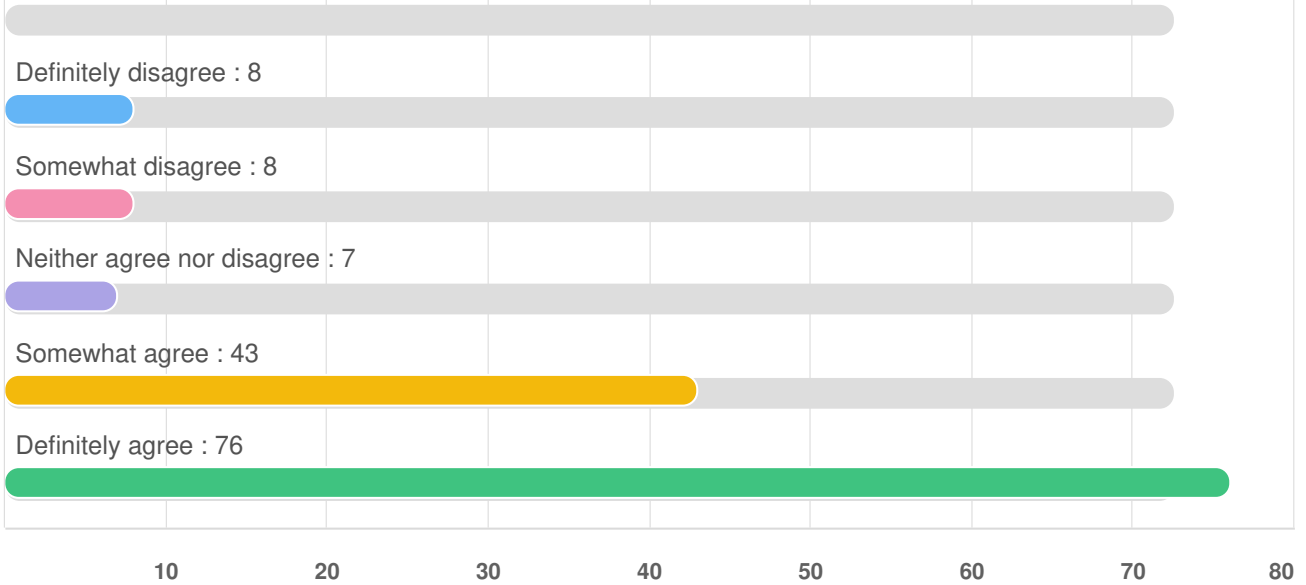
Q1 Are these priorities the right ones for 2024/25?

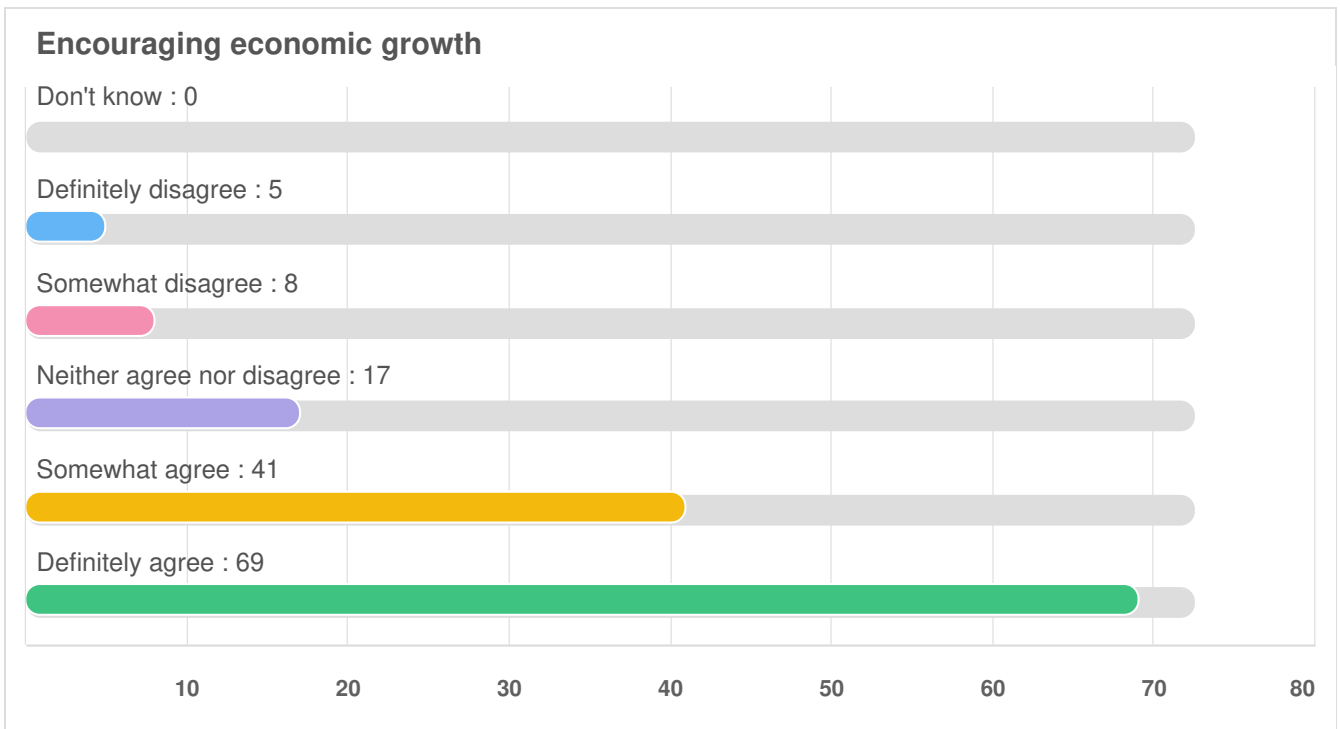


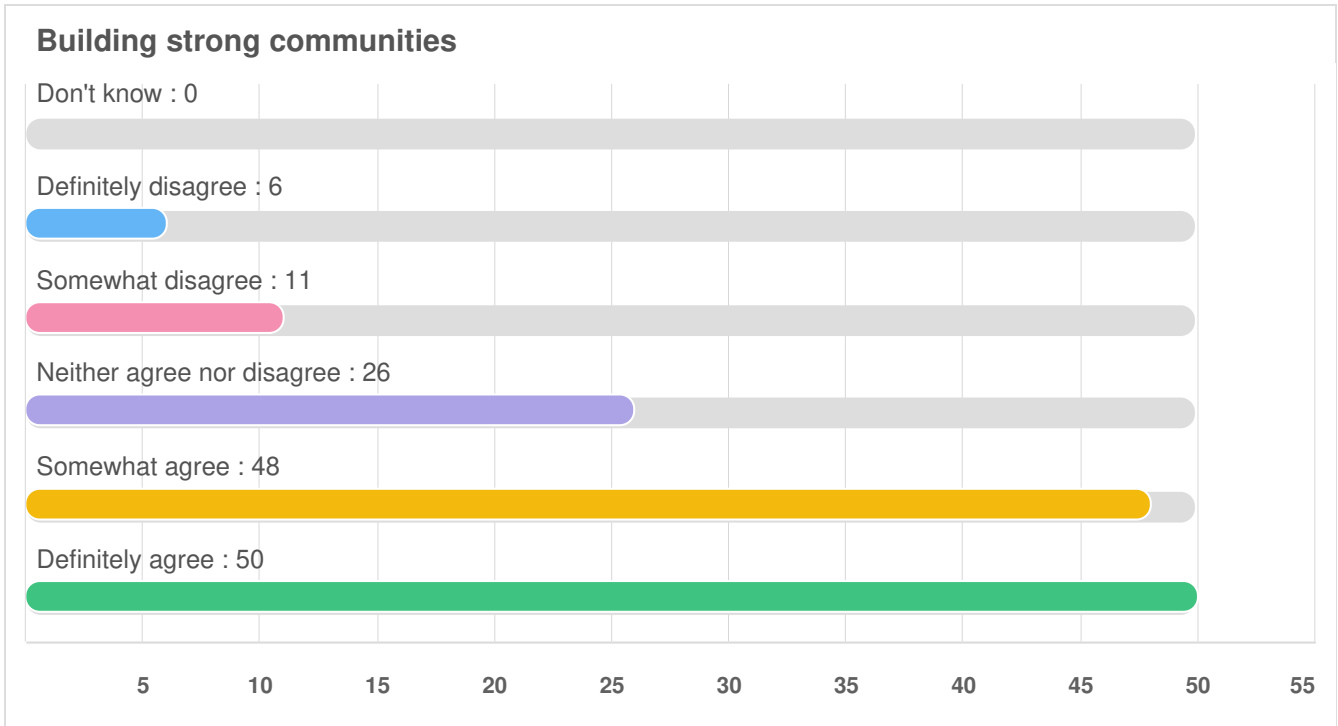
Optional question (142 response(s), 3 skipped)

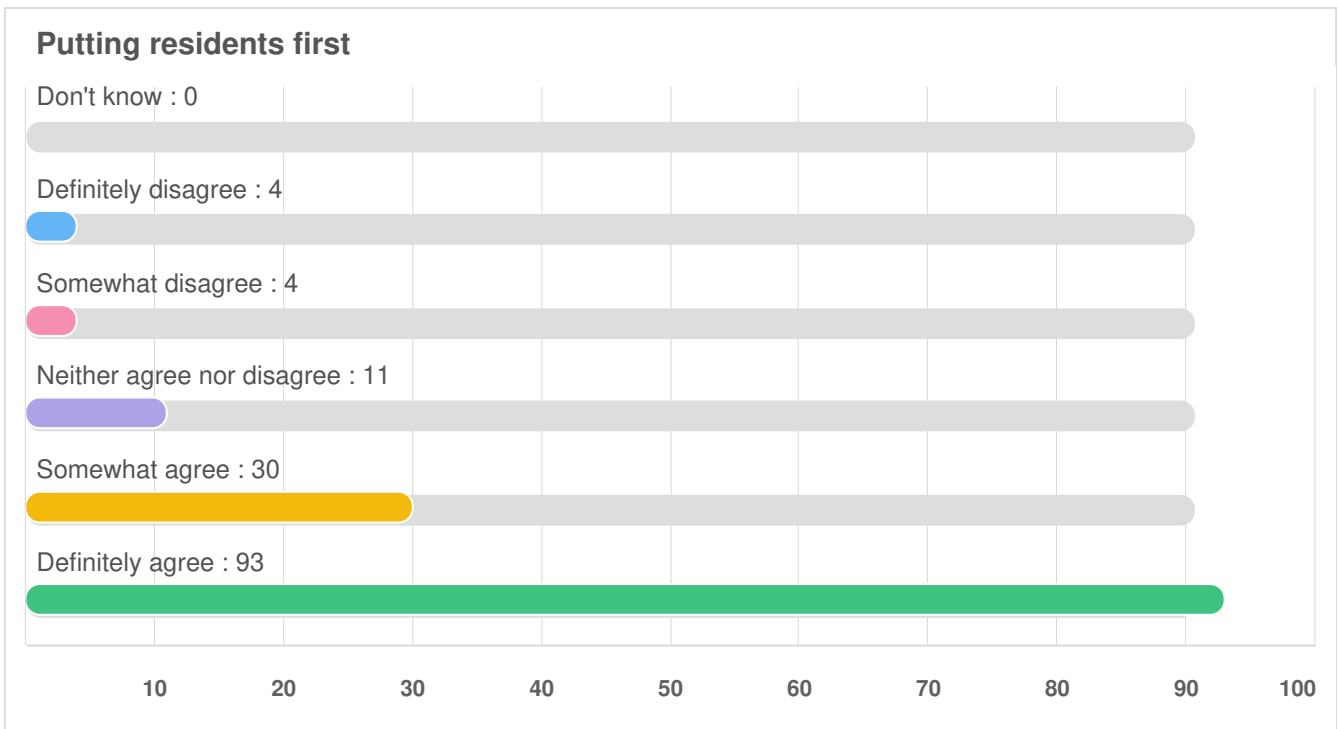
Q1 | Are these priorities the right ones for 2024/25?

Protectng and enhancing our environment

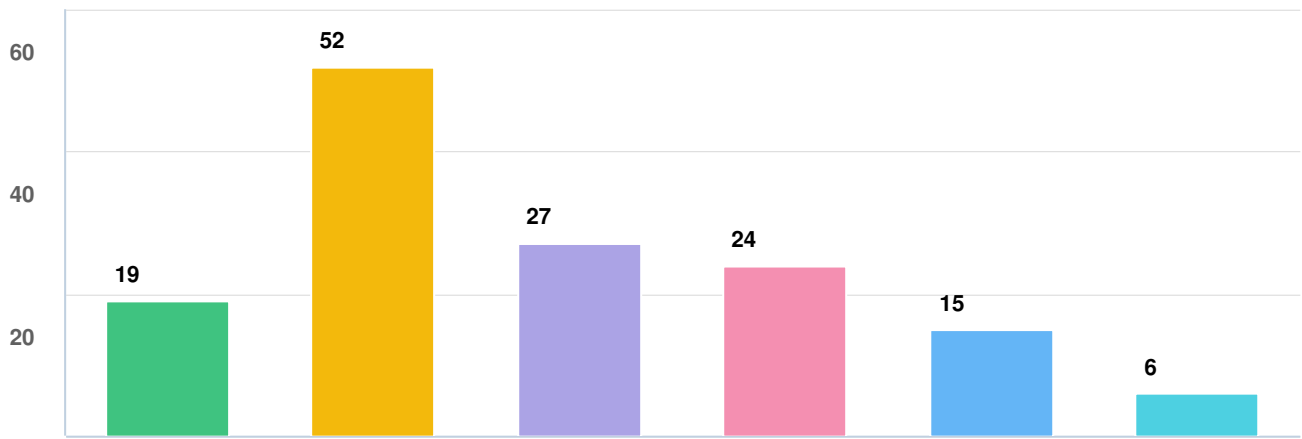








Q2 Bearing in mind Uttlesford householders only pay £171.61 per year for services provided by the council (based on average Band D Council Tax 2023/24), to what extent do you agree or disagree that Uttlesford District Council provides value for money?

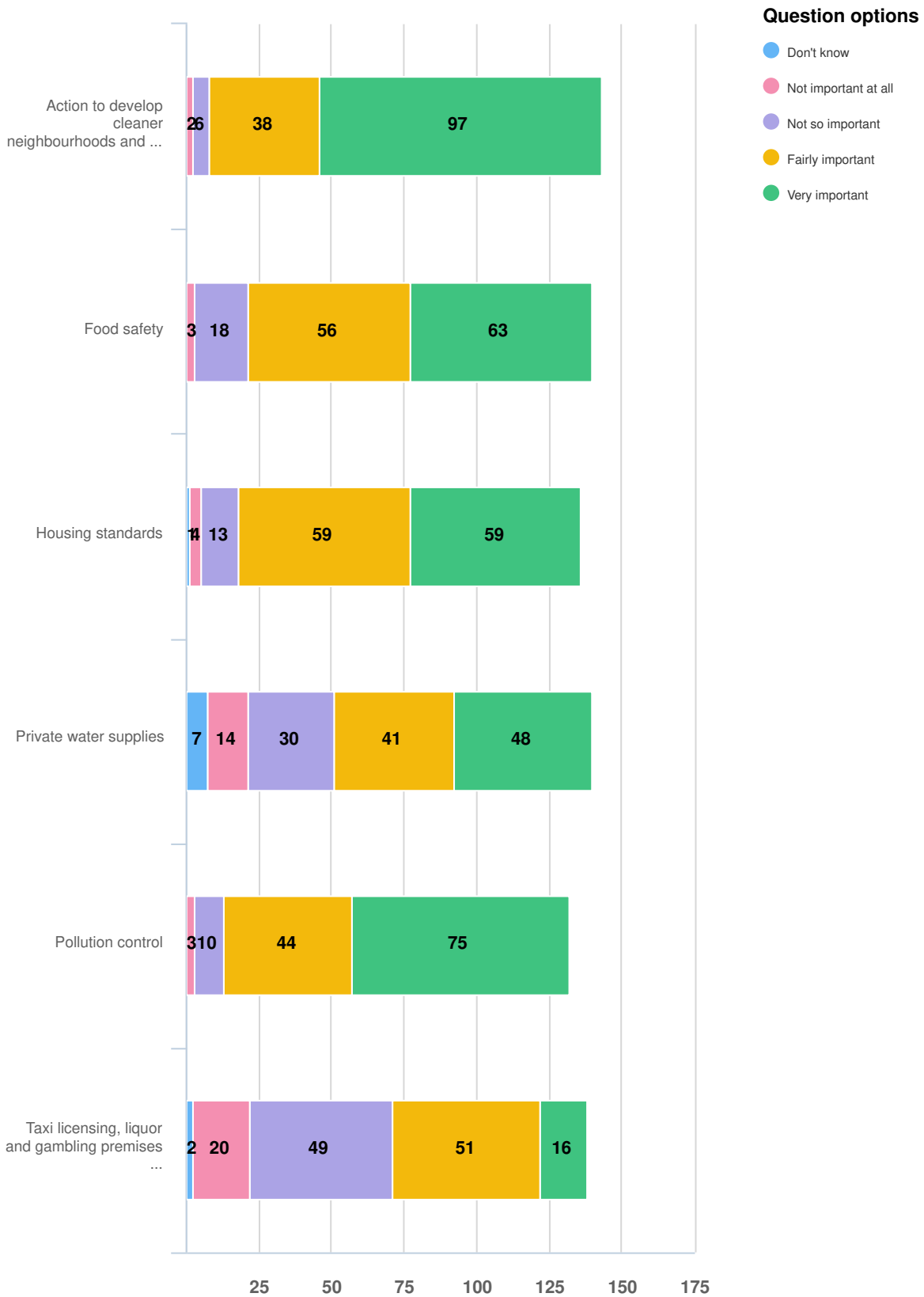


Question options

- Don't know
- Strongly disagree
- Tend to disagree
- Neither agree nor disagree
- Tend to agree
- Strongly agree

Optional question (143 response(s), 2 skipped)

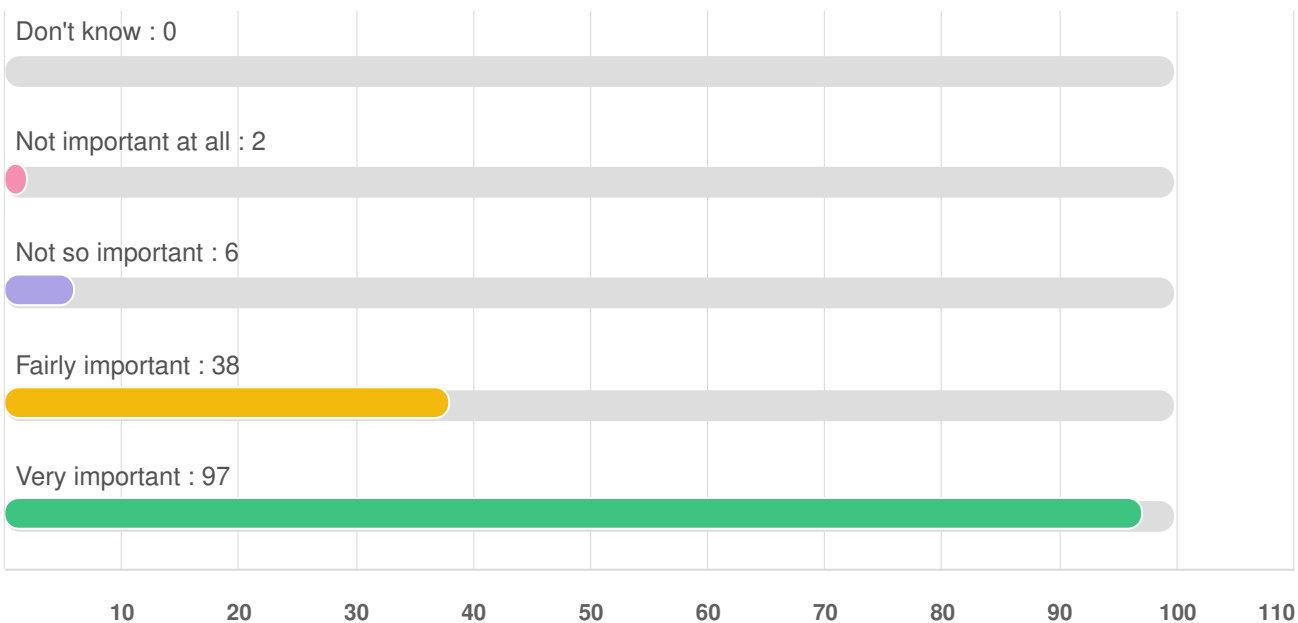
Q3 Environmental Health and Licensing costs about £32.49 per household per year

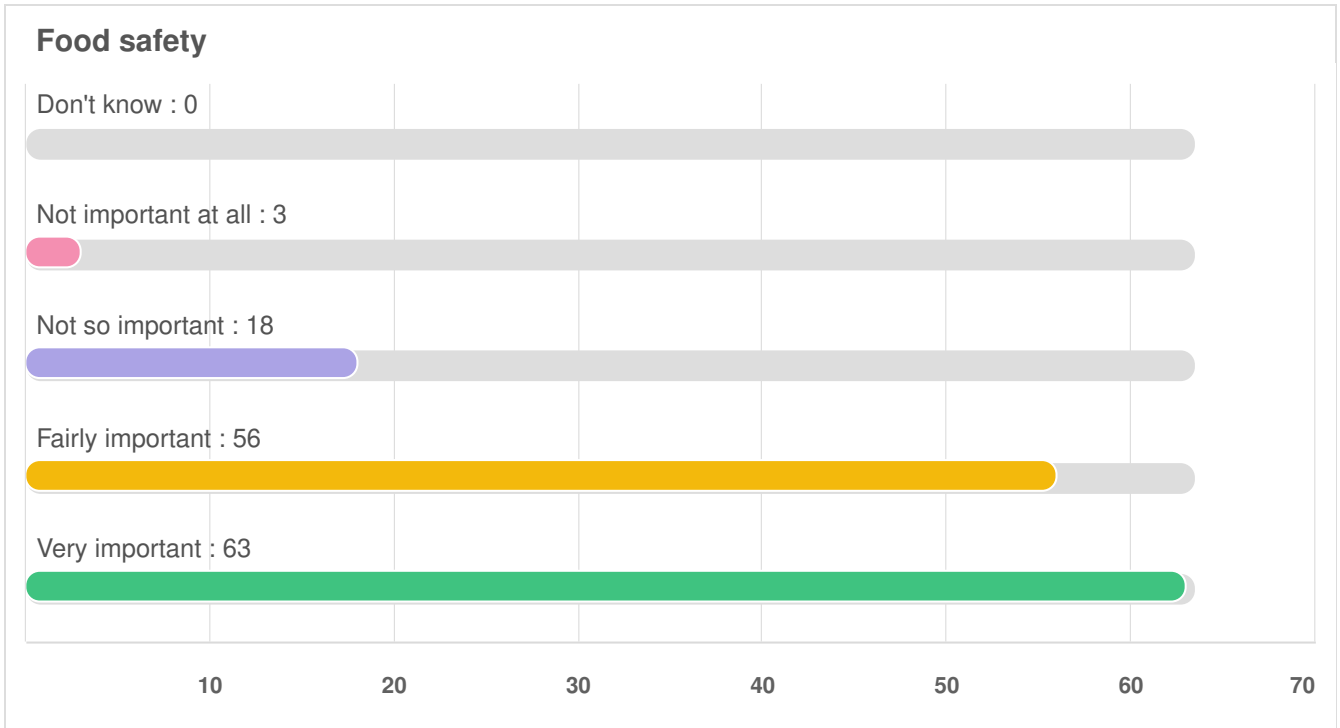


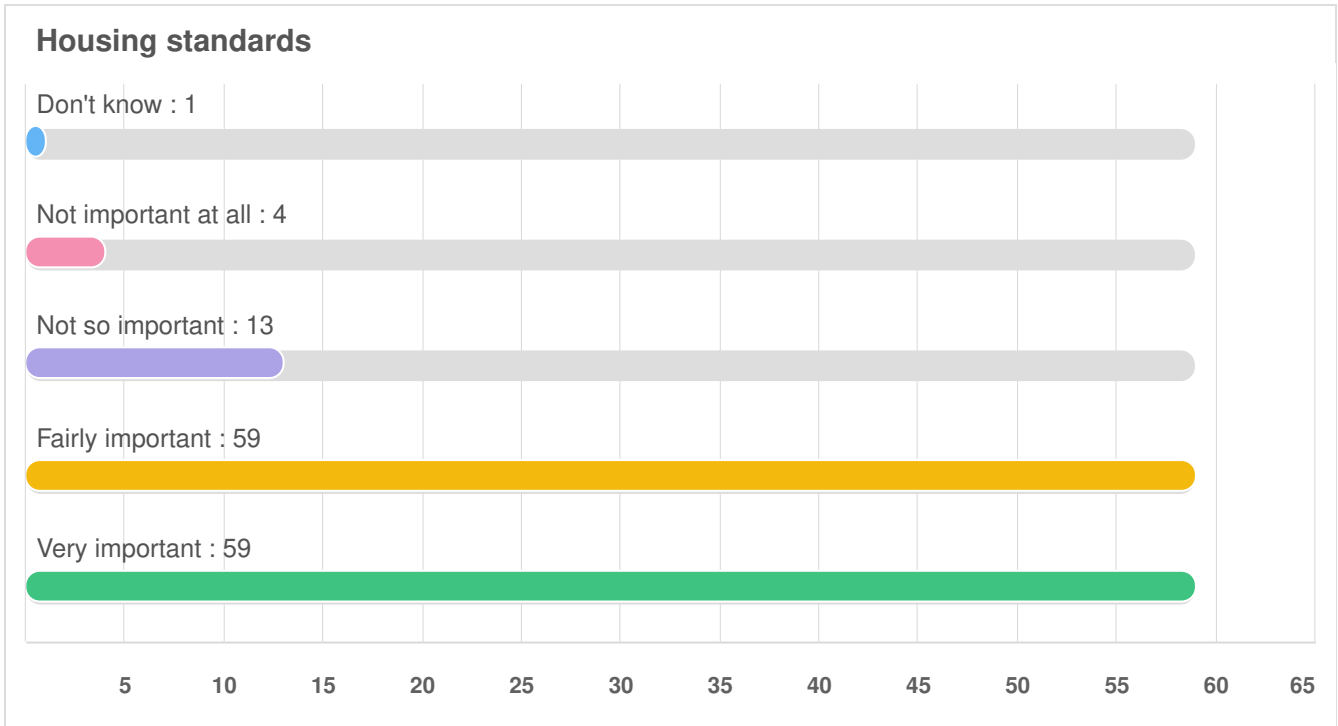
Optional question (142 response(s), 3 skipped)

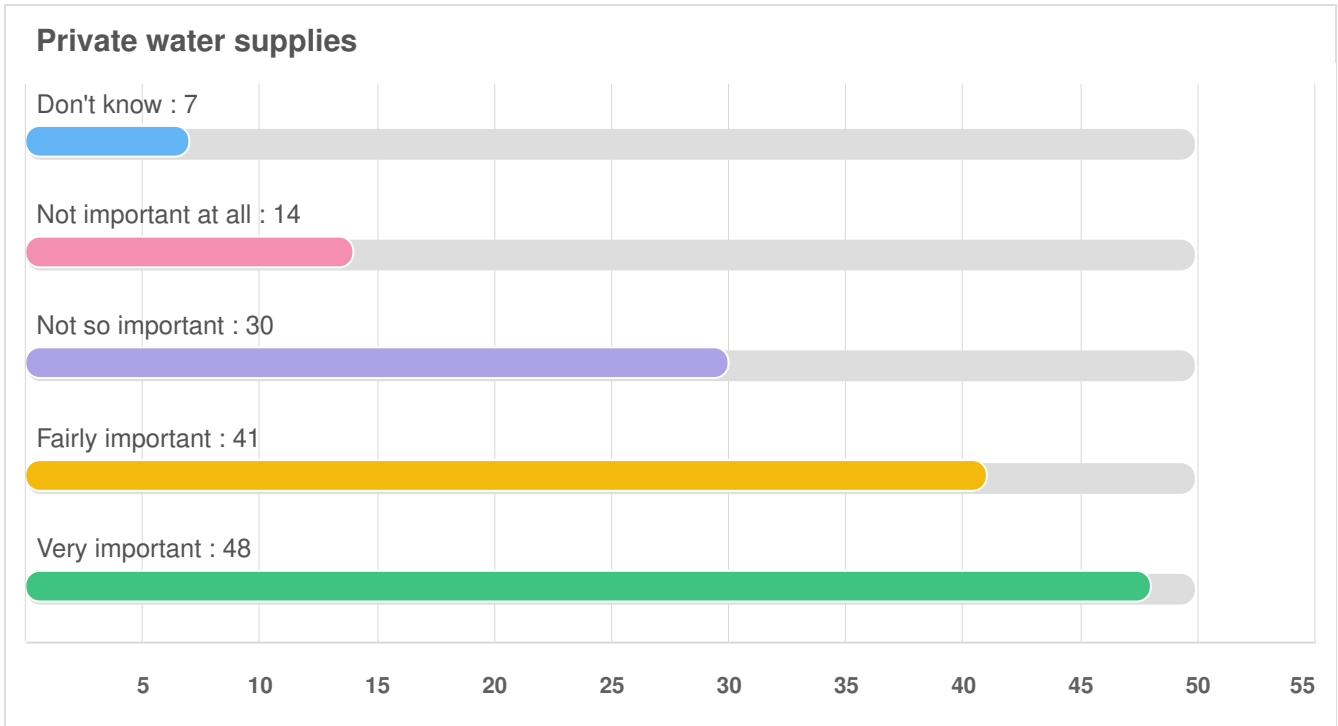
Q3 | Environmental Health and Licensing costs about £32.49 per household per year and includes:

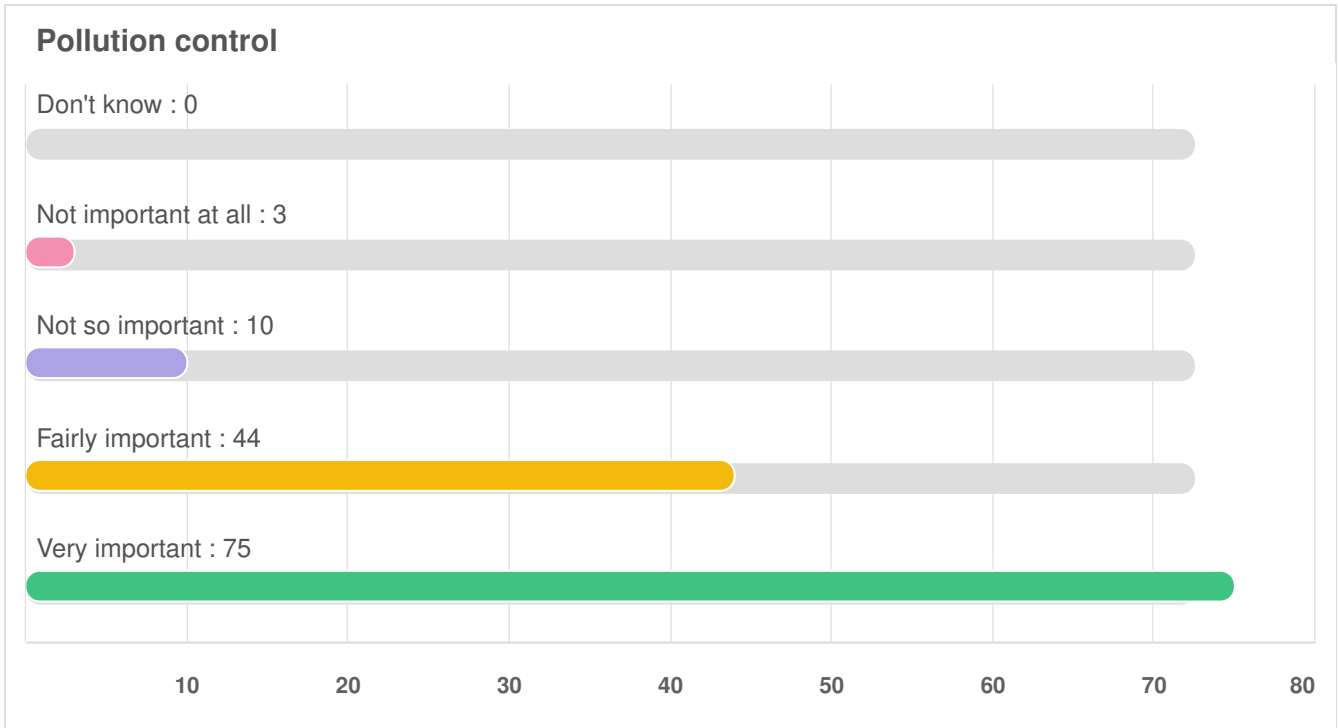
Action to develop cleaner neighbourhoods and to tackle environmental crime

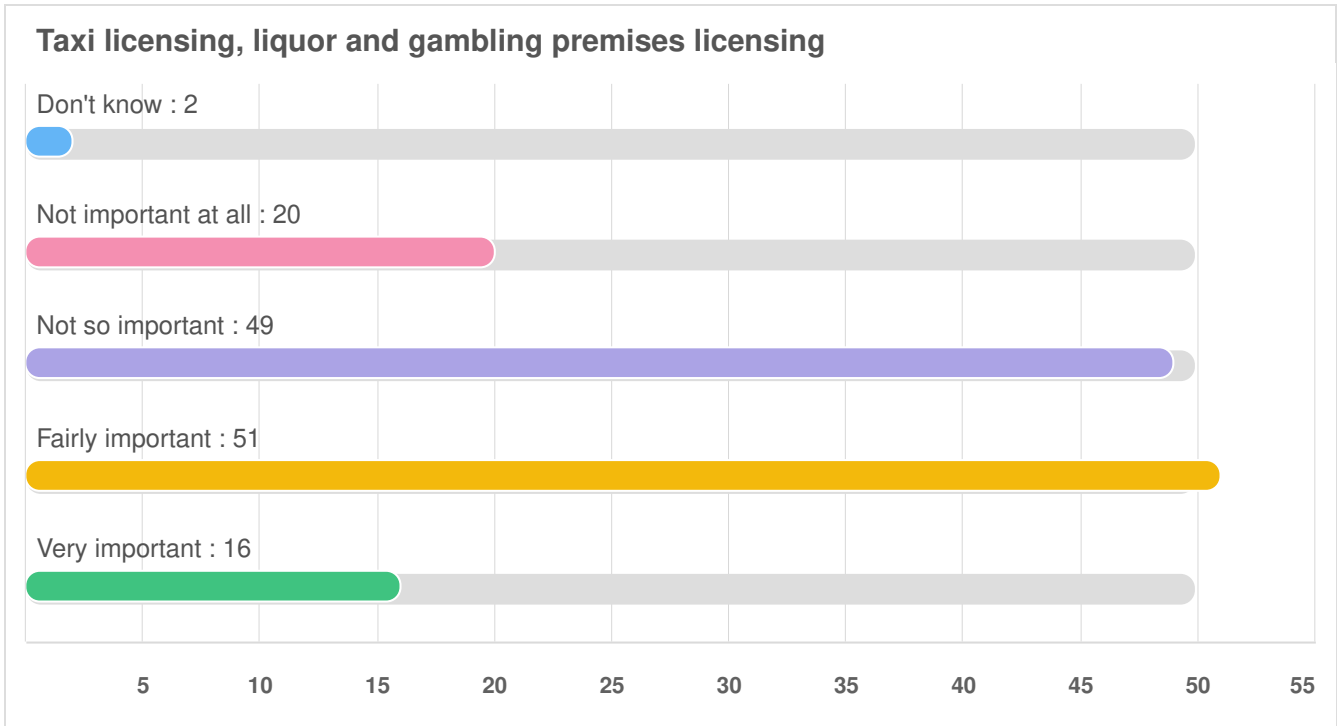




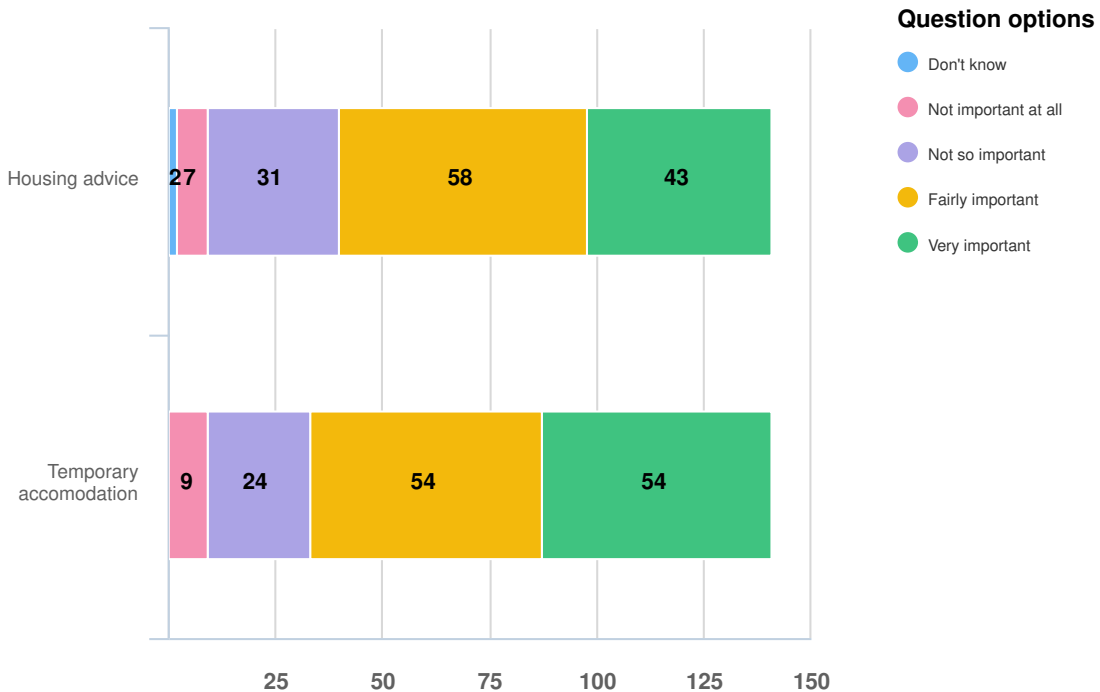








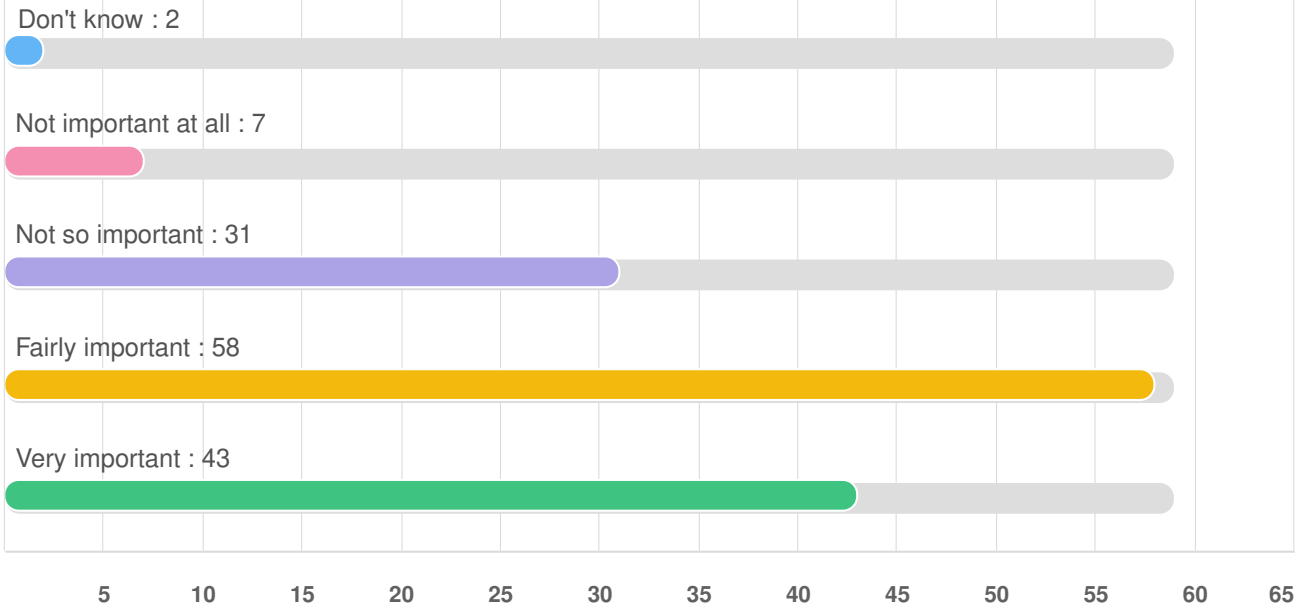
Q4 Housing and Homelessness costs about £14.28 per household per year

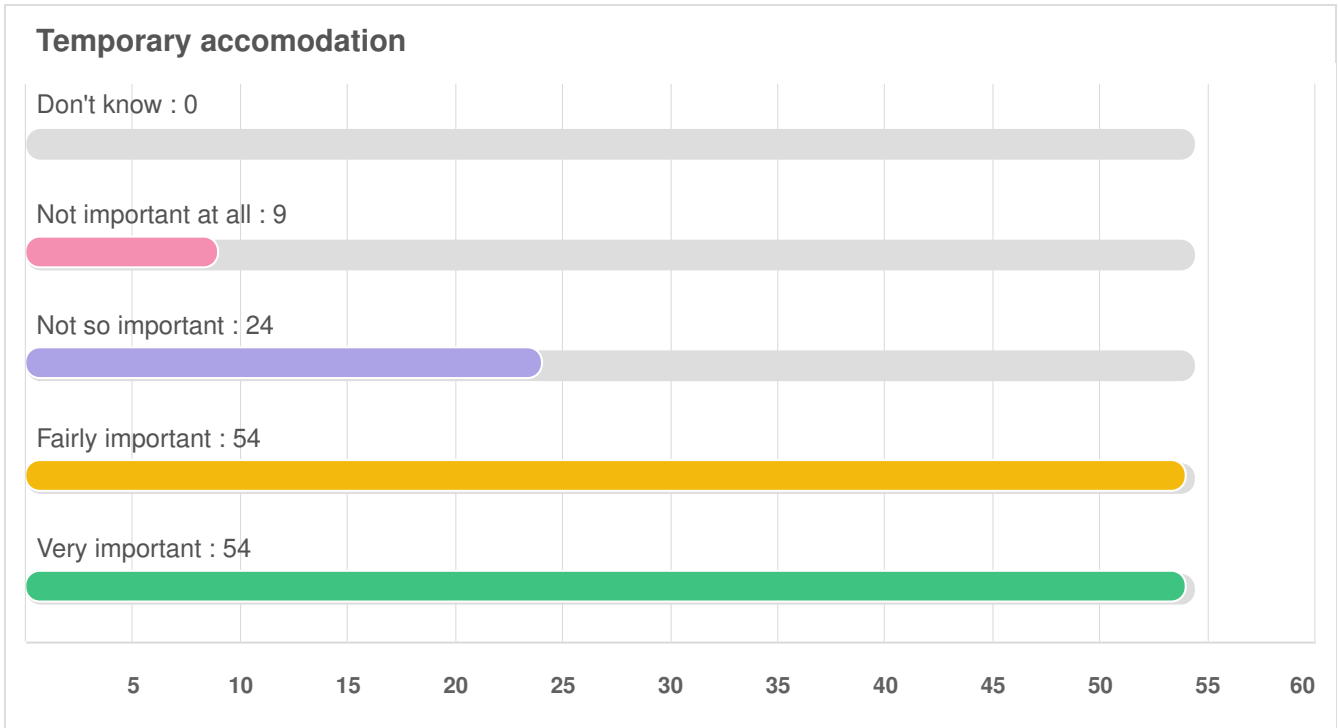


Optional question (140 response(s), 5 skipped)

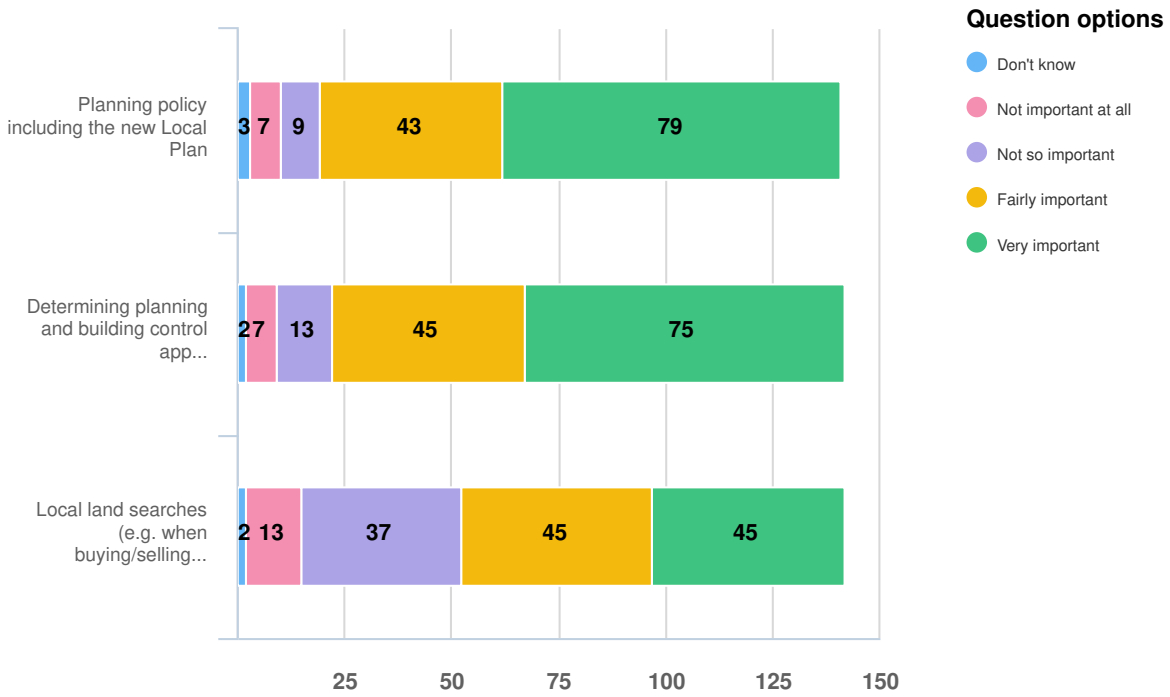
Q4 Housing and Homelessness costs about £14.28 per household per year and includes:

Housing advice





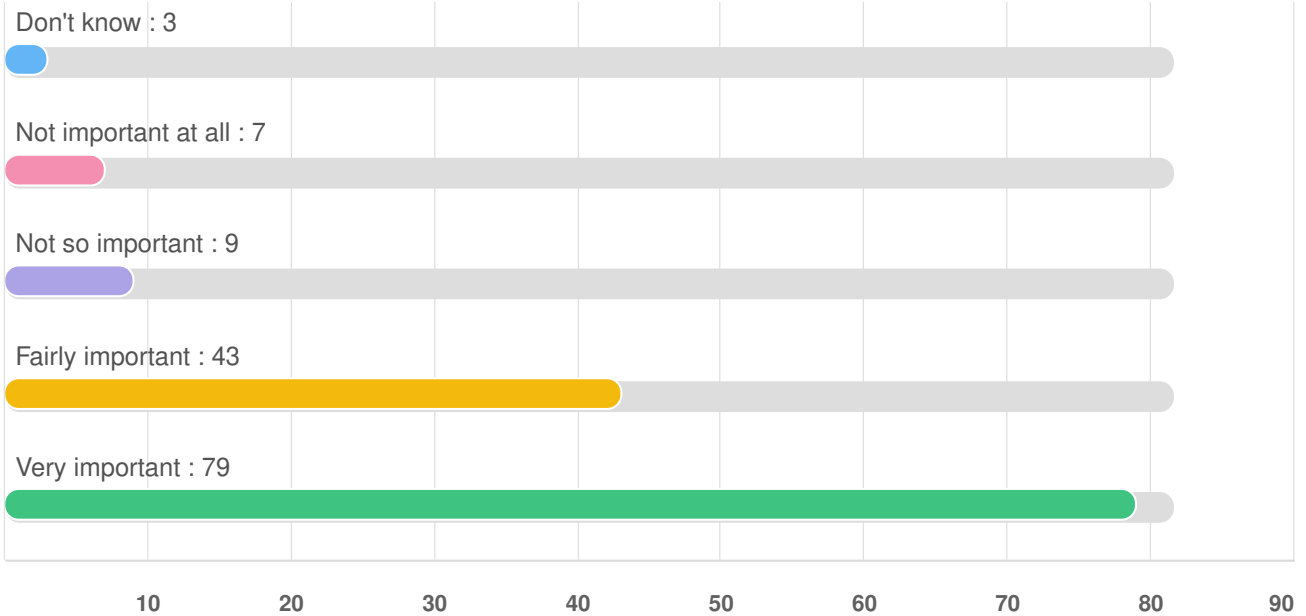
Q5 Planning and Building Control costs about £107.51 per household per year

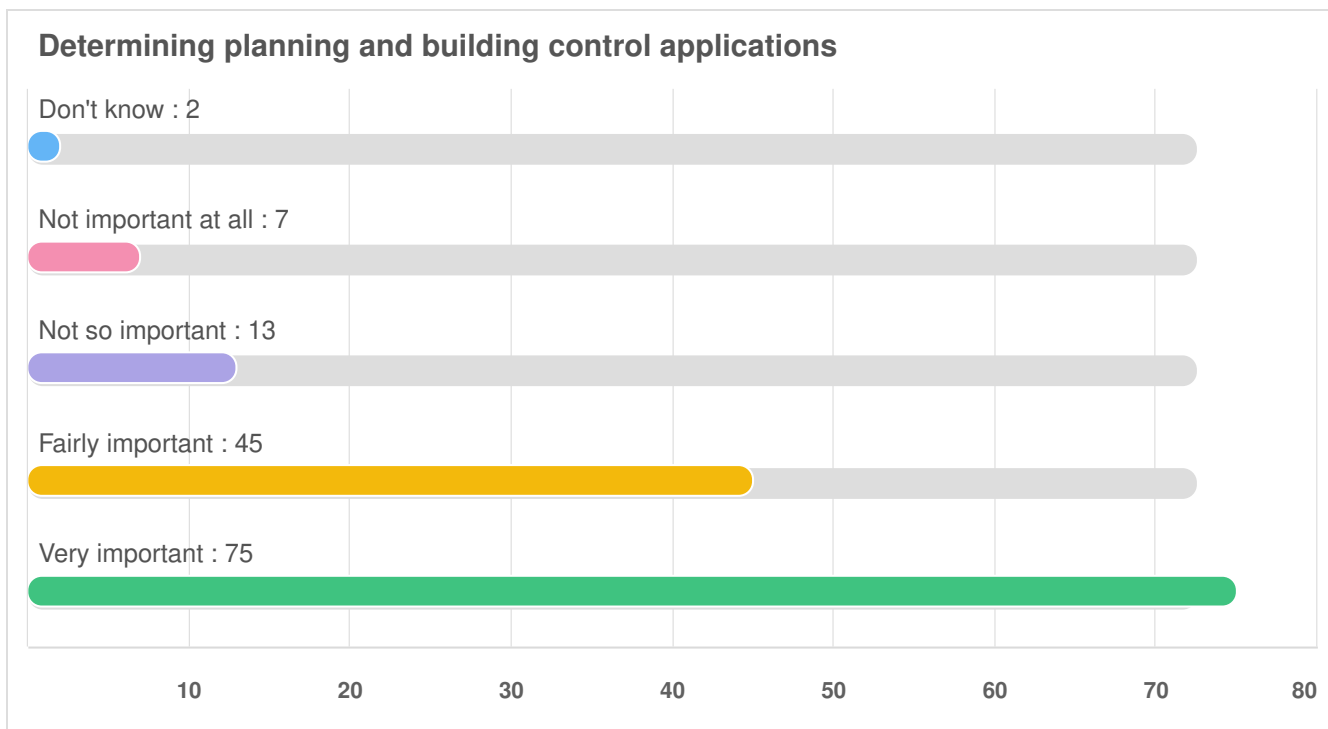


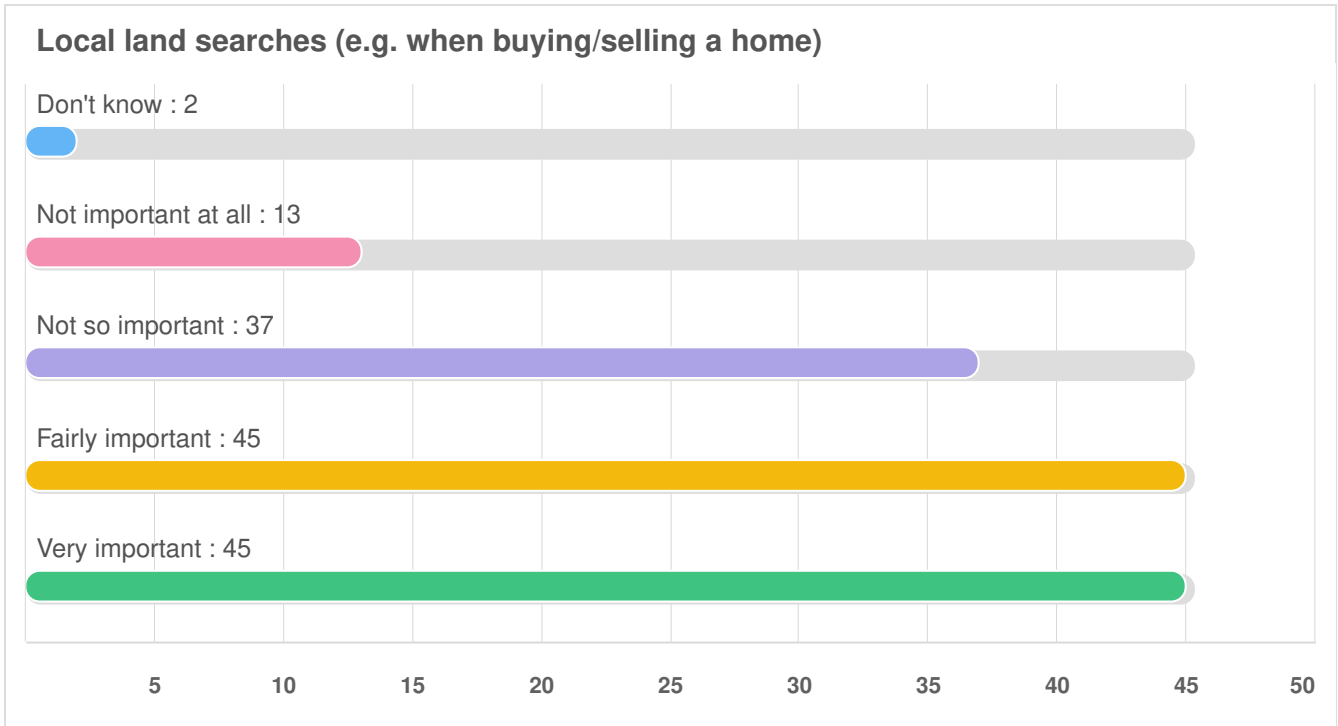
Optional question (141 response(s), 4 skipped)

Q5 | Planning and Building Control costs about £107.51 per household per year and includes:

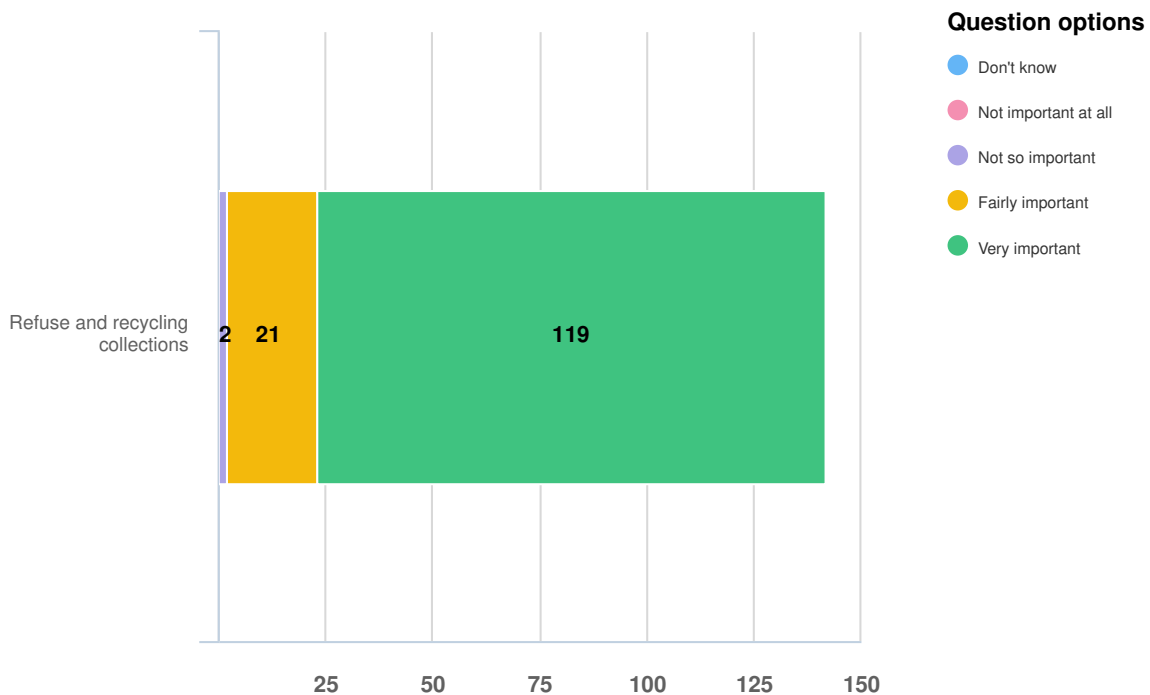
Planning policy including the new Local Plan







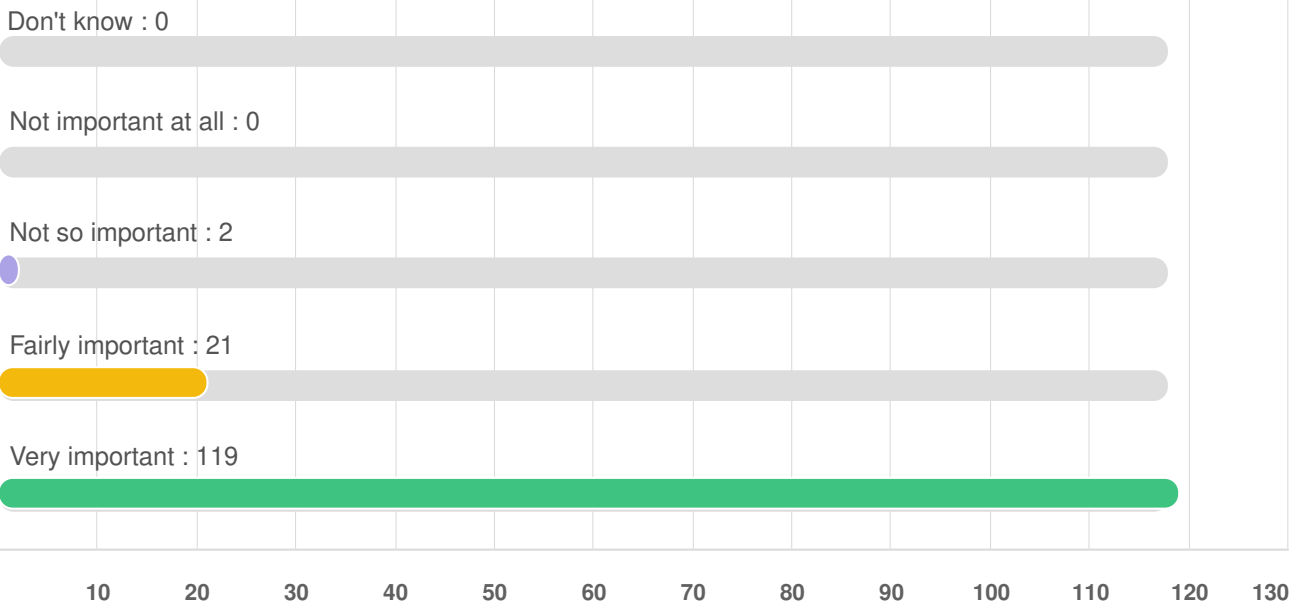
Q6 Refuse and recycling collection costs about £57.94 per household per year



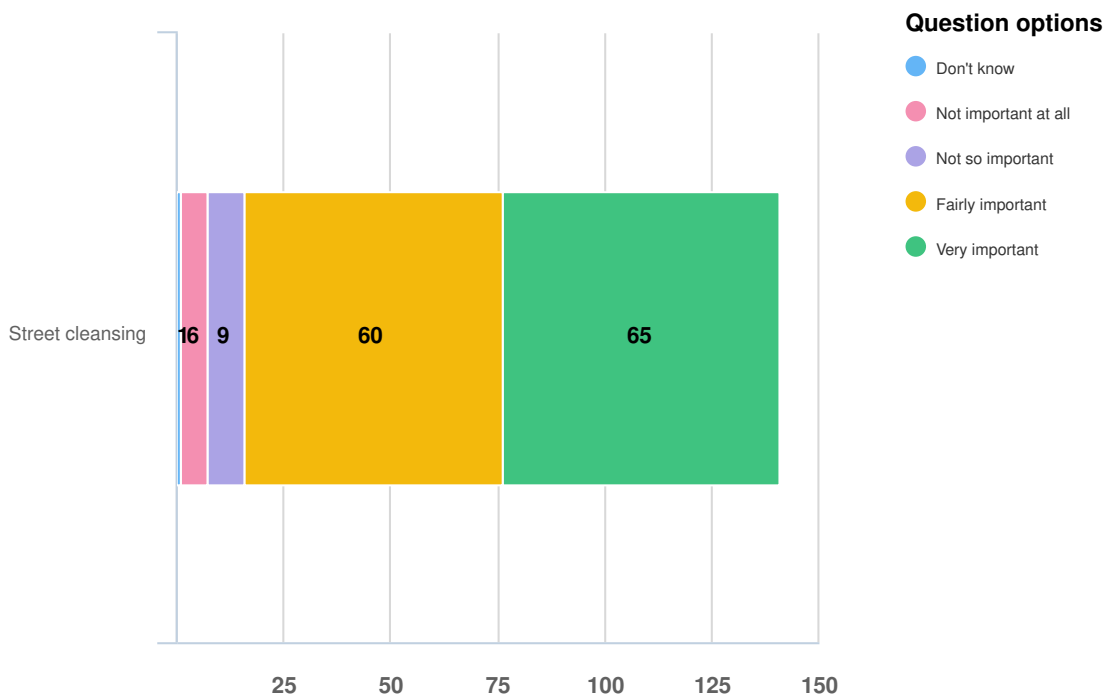
Optional question (141 response(s), 4 skipped)

Q6 Refuse and recycling collection costs about £57.94 per household per year

Refuse and recycling collections



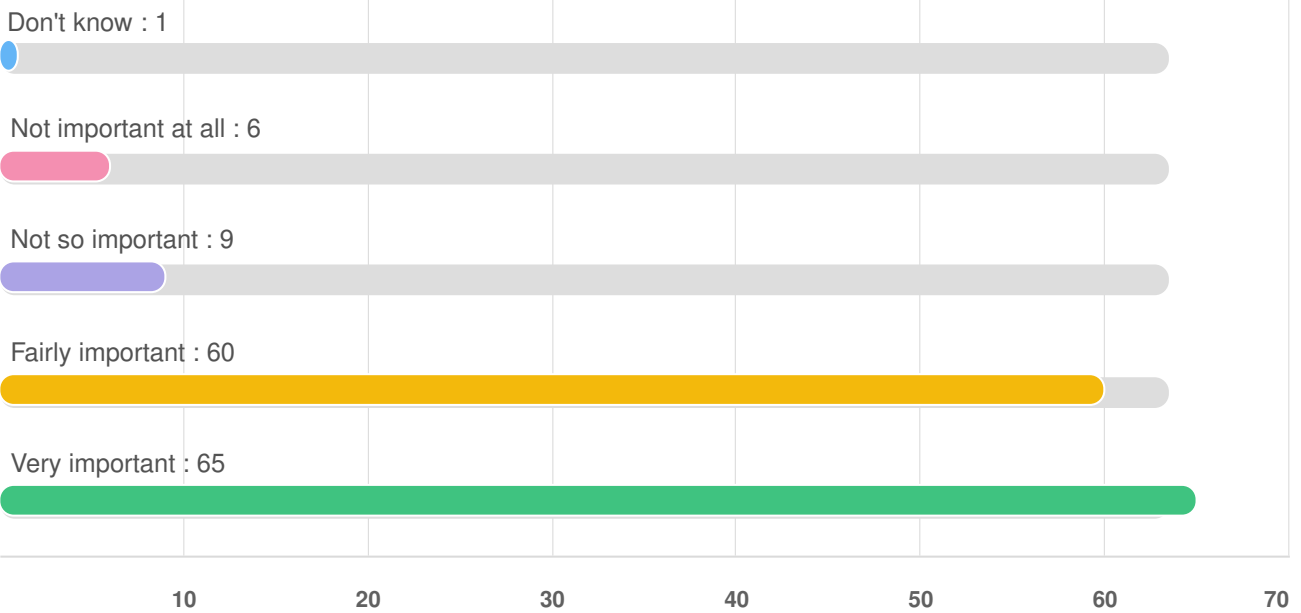
Q7 Street cleansing costs about £18.48 per household per year



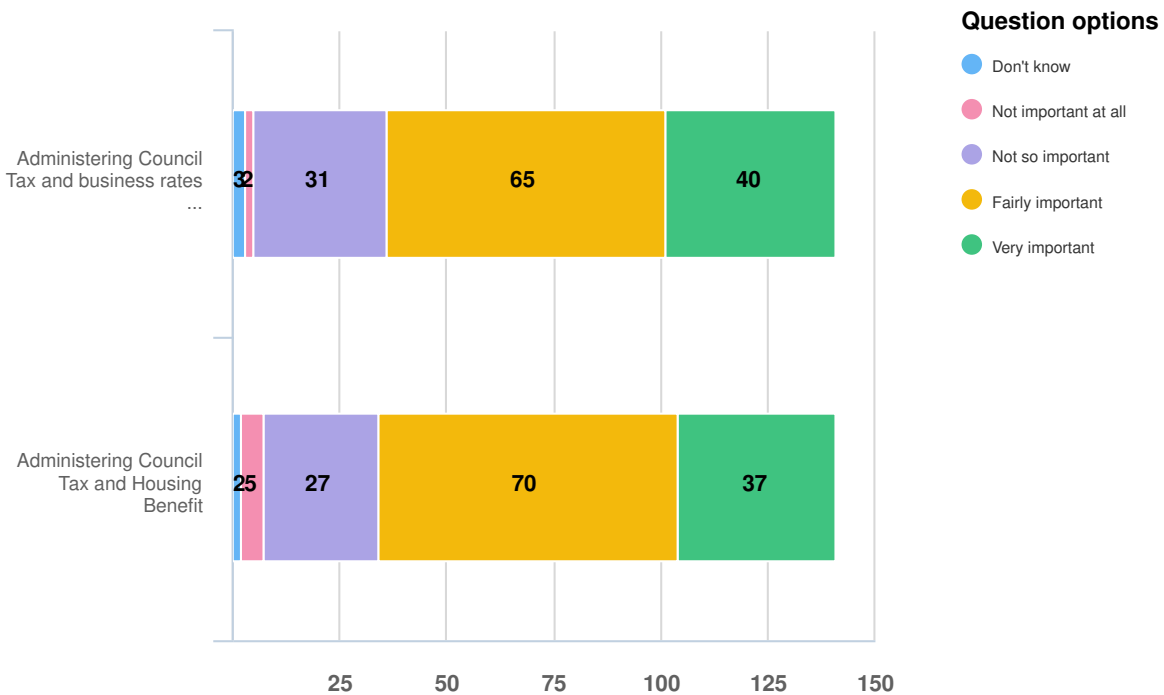
Optional question (140 response(s), 5 skipped)

Q7 | Street cleansing costs about £18.48 per household per year

Street cleansing



Q8 | Revenues and Benefits costs about £49.80 per household per year



Optional question (140 response(s), 5 skipped)

Q8 | Revenues and Benefits costs about £49.80 per household per year and includes:

Administering Council Tax and business rates collection

Don't know : 3



Not important at all : 2



Not so important : 31



Fairly important : 65



Very important : 40



10

20

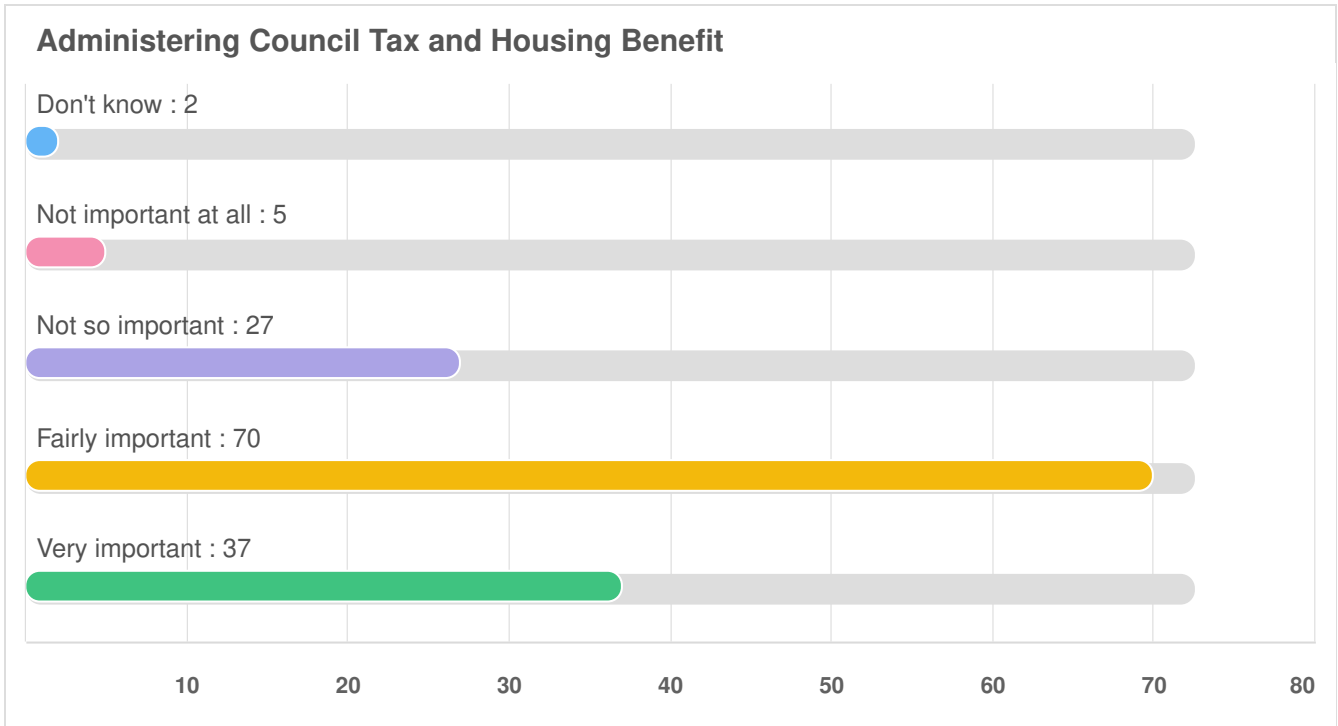
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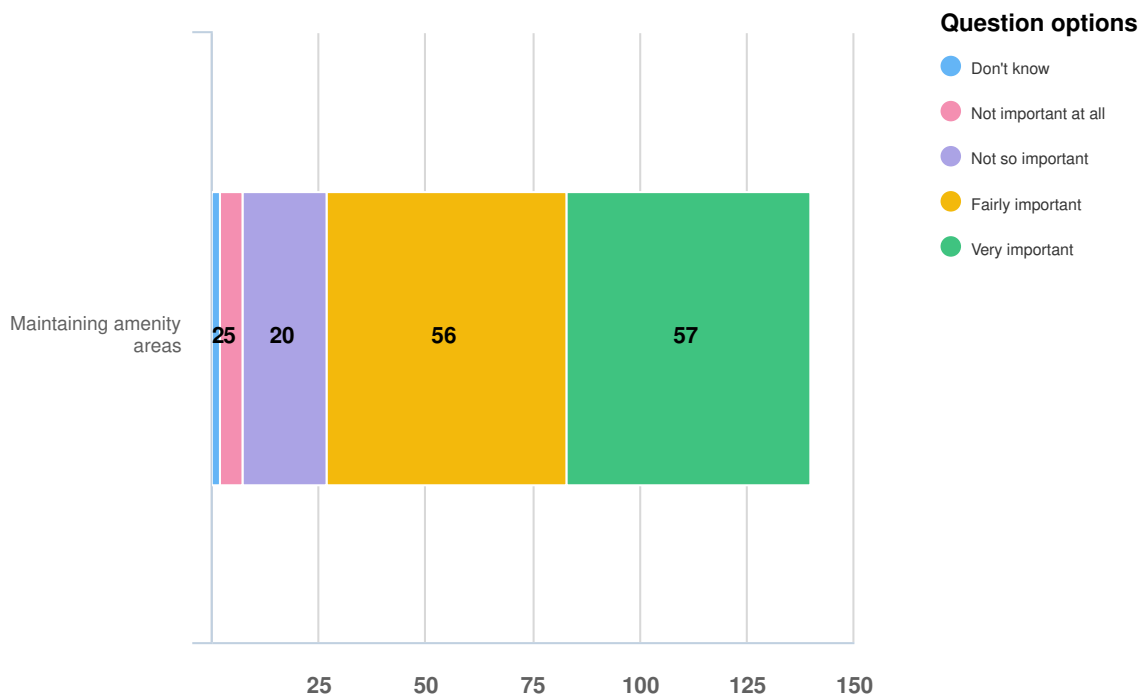
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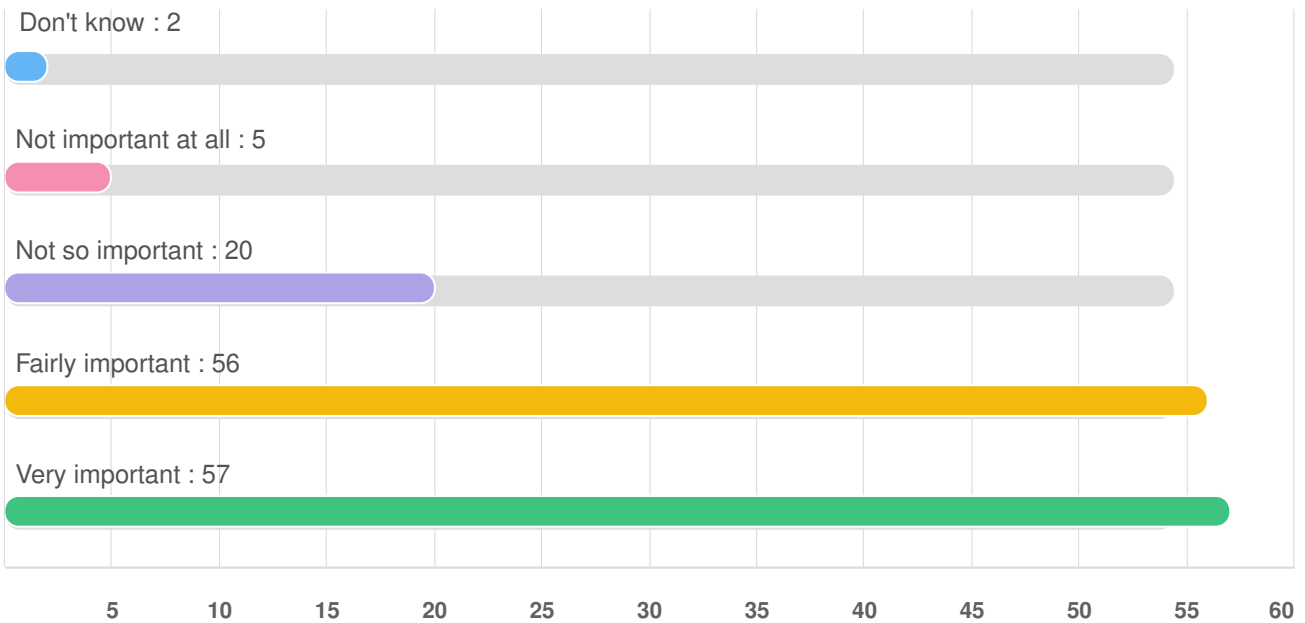
Q9 Maintaining amenity areas, such as grass cutting and general maintenance of various areas of council-owned land costs about £6.19 per household per year



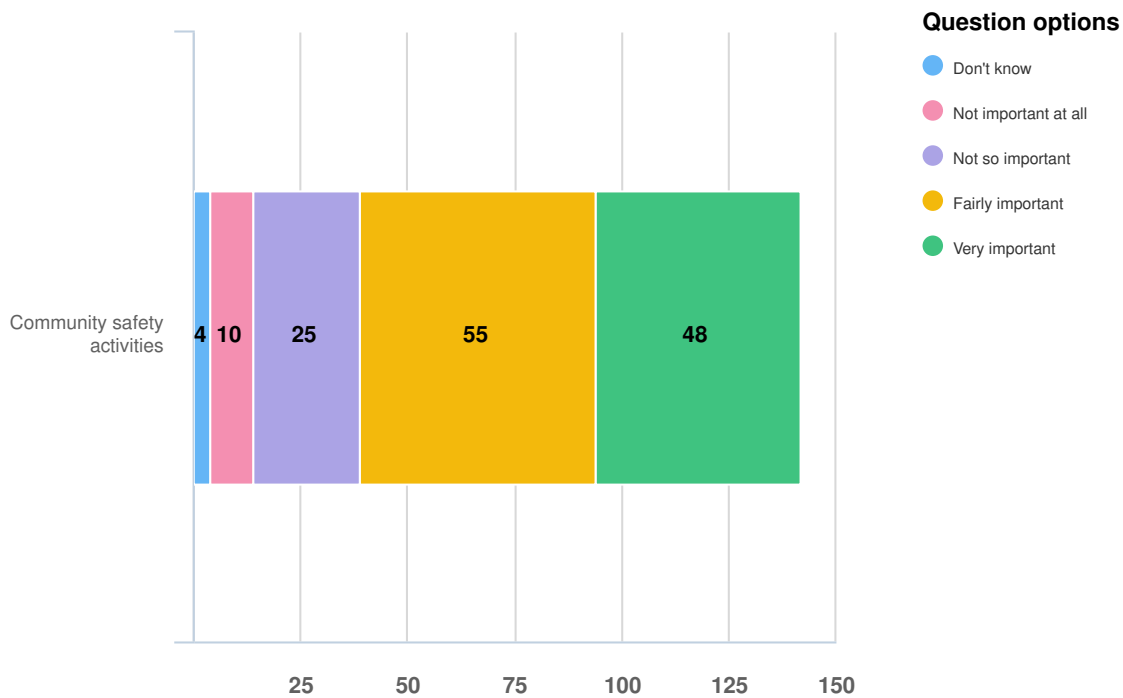
Optional question (139 response(s), 6 skipped)

Q9 | Maintaining amenity areas, such as grass cutting and general maintenance of various areas of council-owned land

Maintaining amenity areas



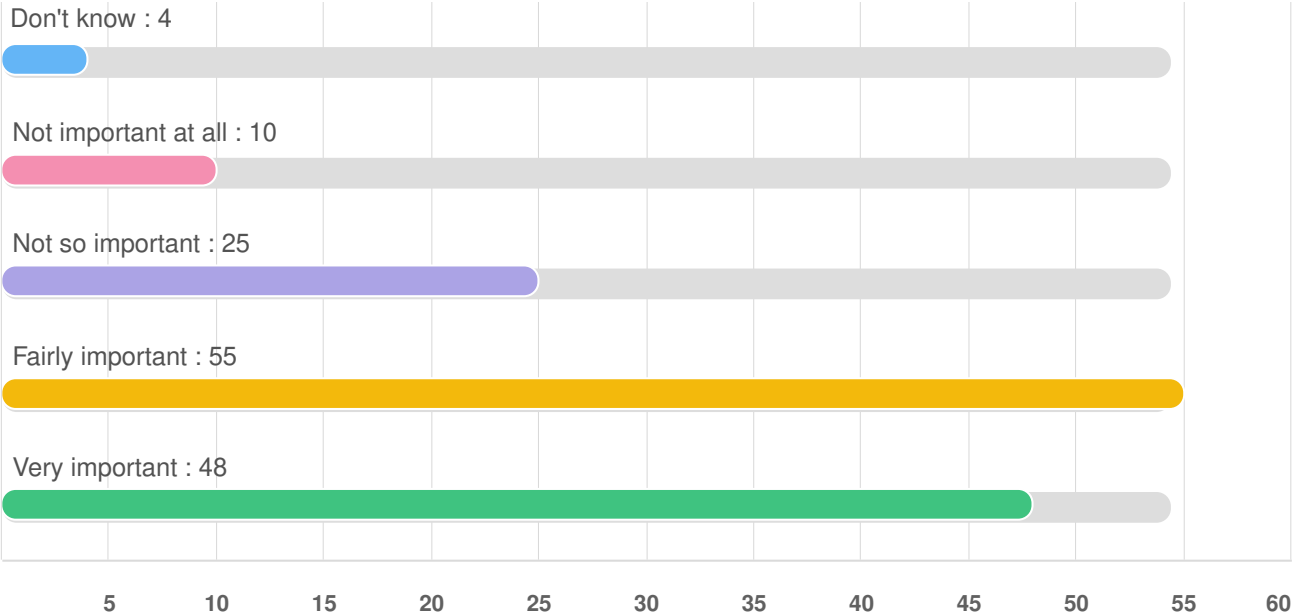
Q10 | Community safety activities to support the work of the Community Safety Partnership with the police and others costs about £11.00 per year



Optional question (141 response(s), 4 skipped)

Q10 | Community safety activities to support the work of the Community Safety Partnership with the police and others

Community safety activities



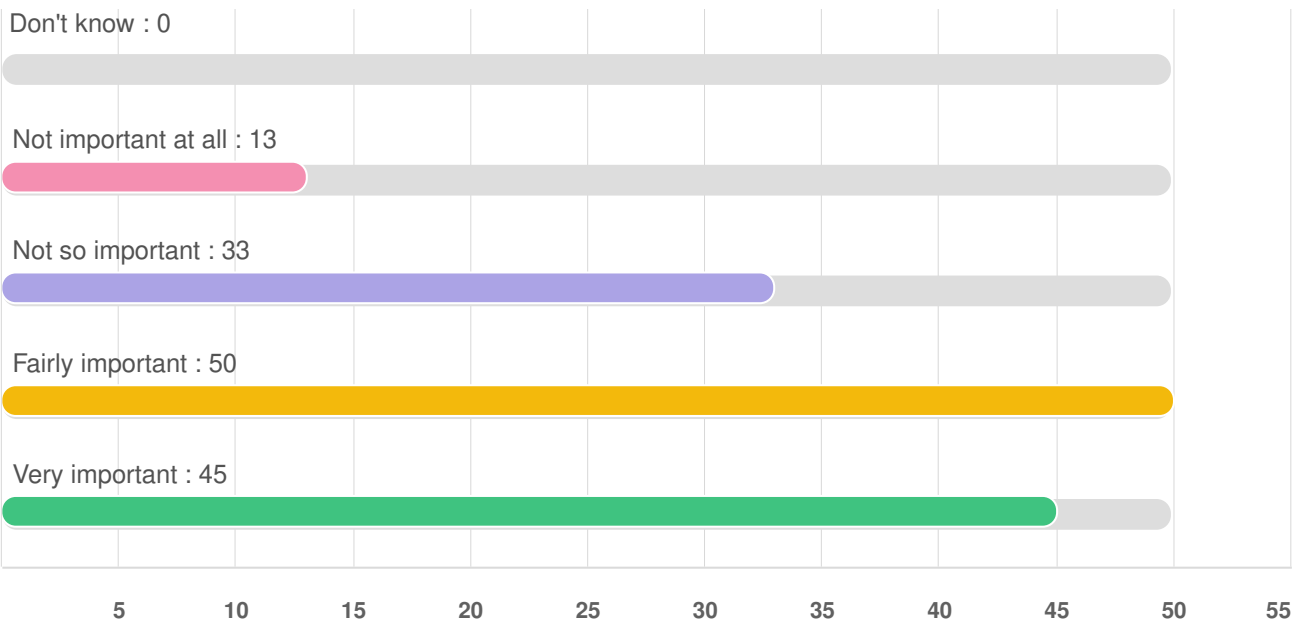
Q11 | Economic development costs about £14.10 per household per year

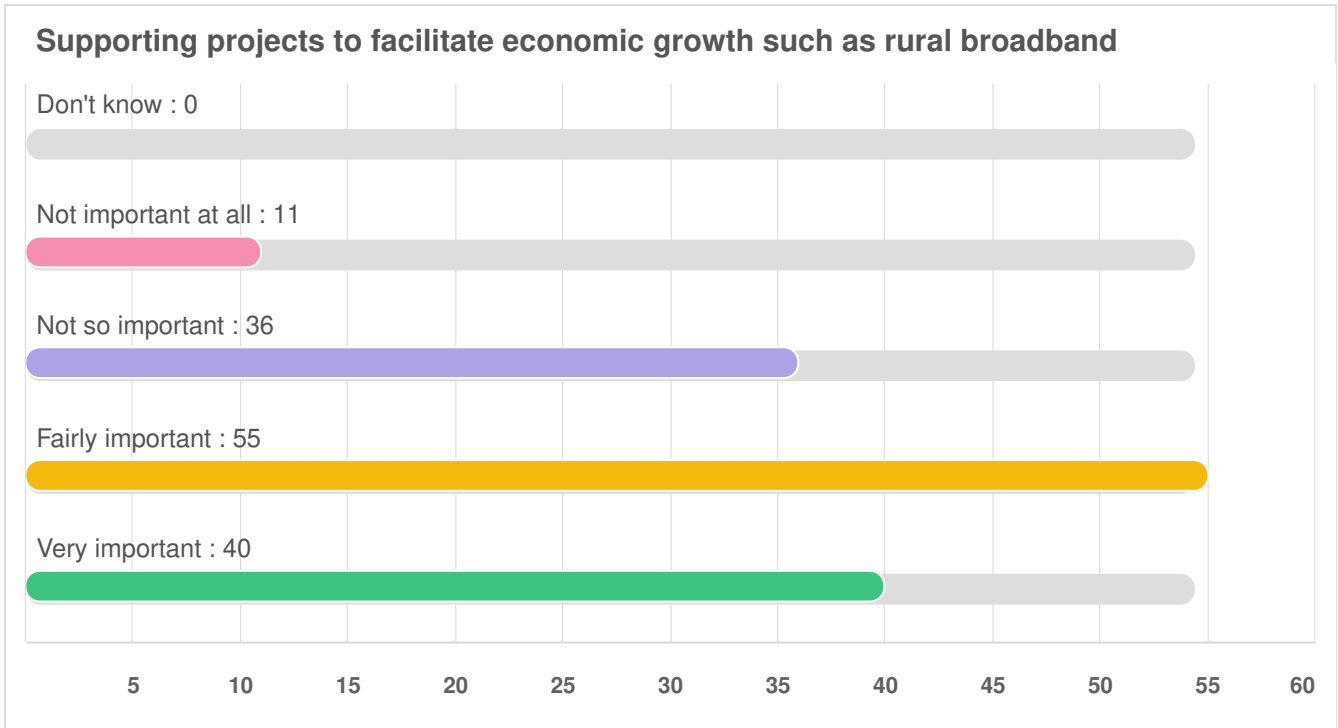


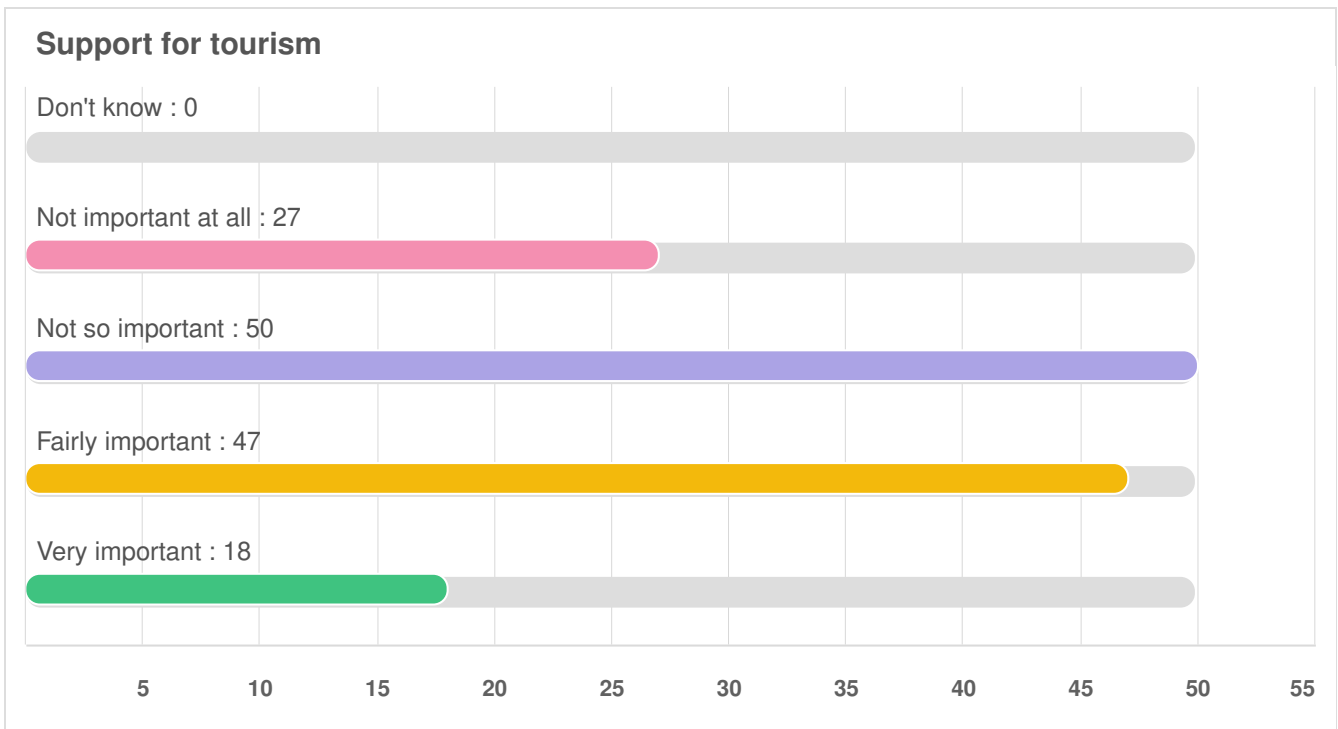
Optional question (141 response(s), 4 skipped)

Q11 | Economic development costs about £14.10 per household per year and includes:

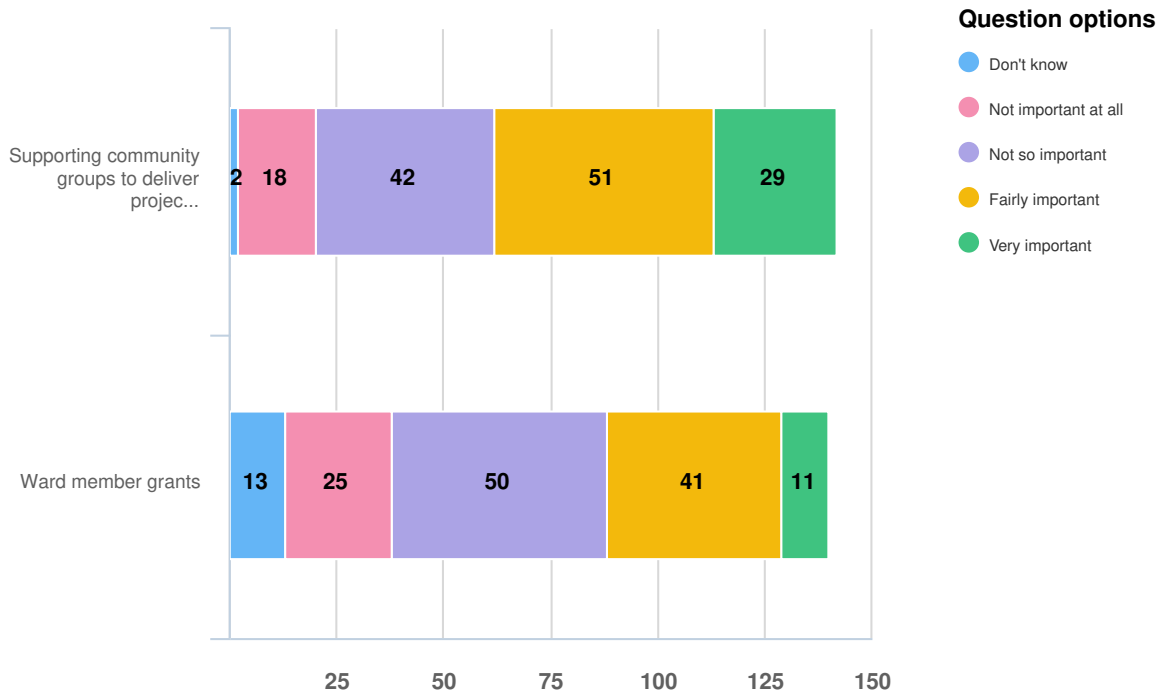
Support for local businesses







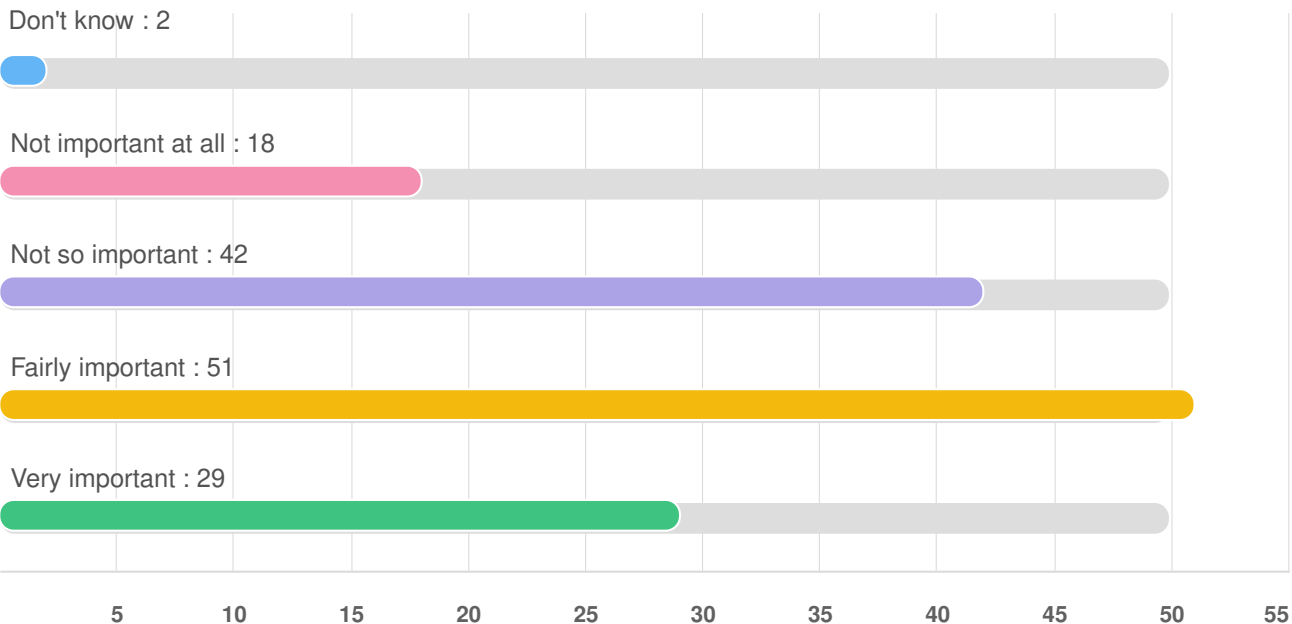
Q12 Partnerships and communities costs about £12.79 per household per year

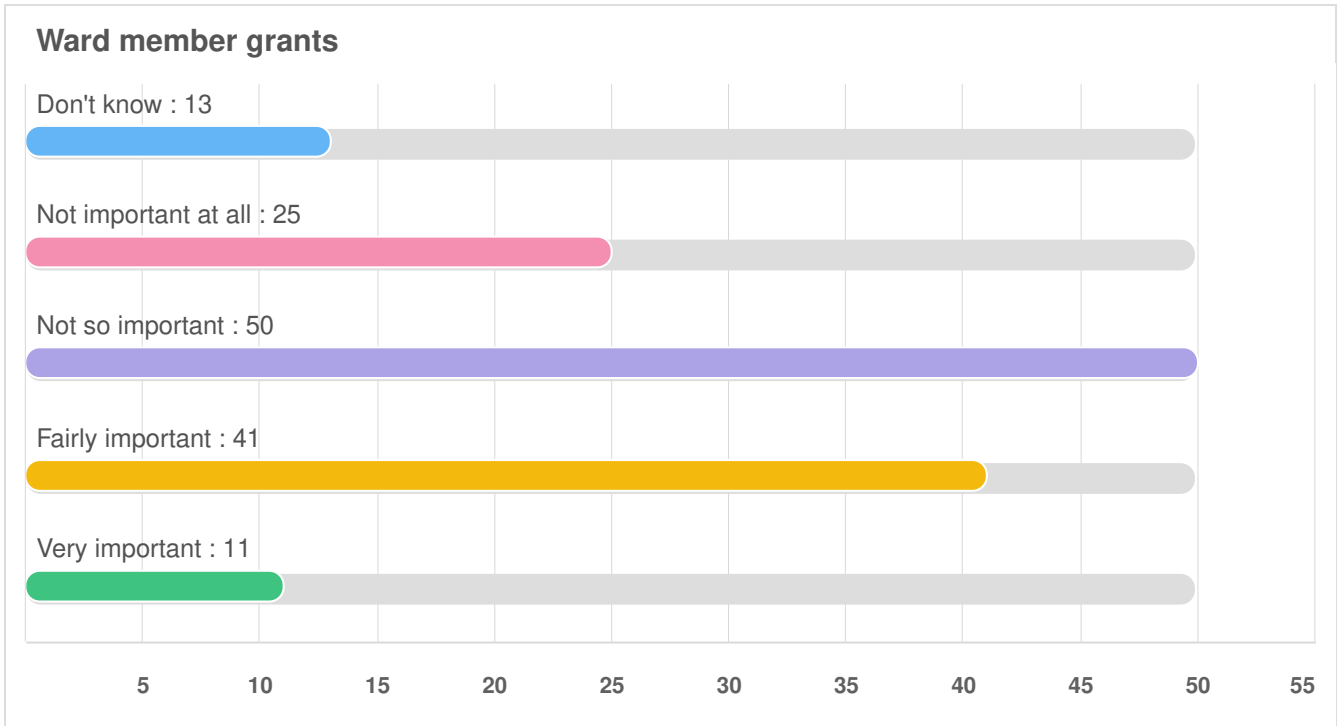


Optional question (141 response(s), 4 skipped)

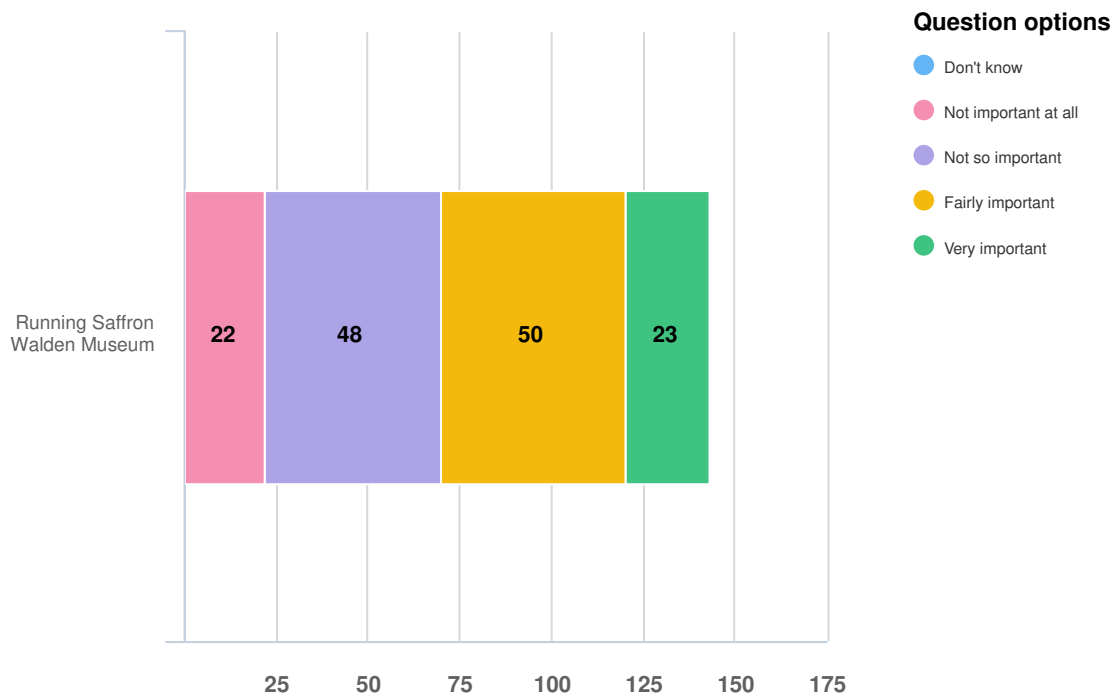
Q12 | Partnerships and communities costs about £12.79 per household per year and includes:

Supporting community groups to deliver projects





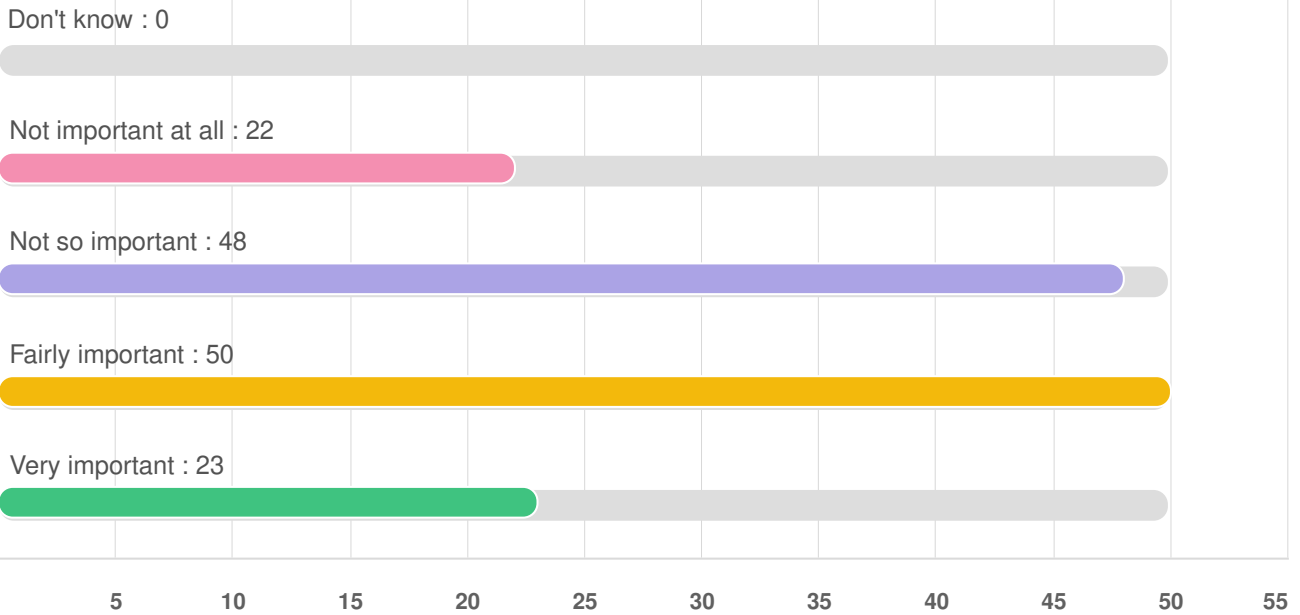
Q13 Running Saffron Walden Museum costs about £11.02 per year



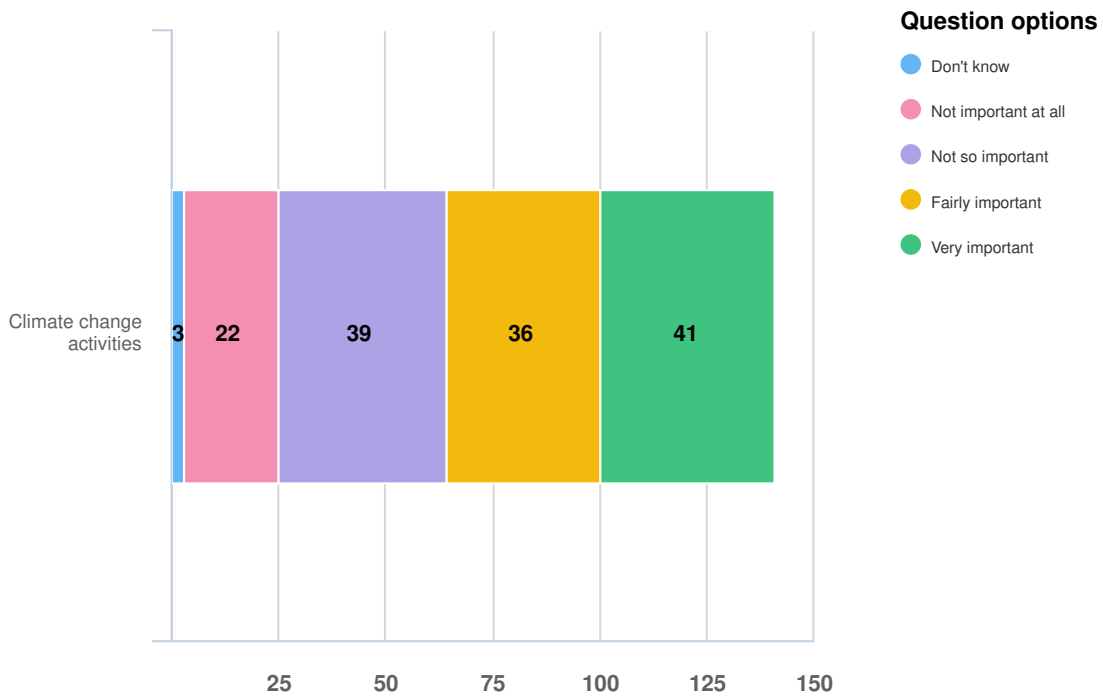
Optional question (142 response(s), 3 skipped)

Q13 | Running Saffron Walden Museum costs about £11.02 per year

Running Saffron Walden Museum



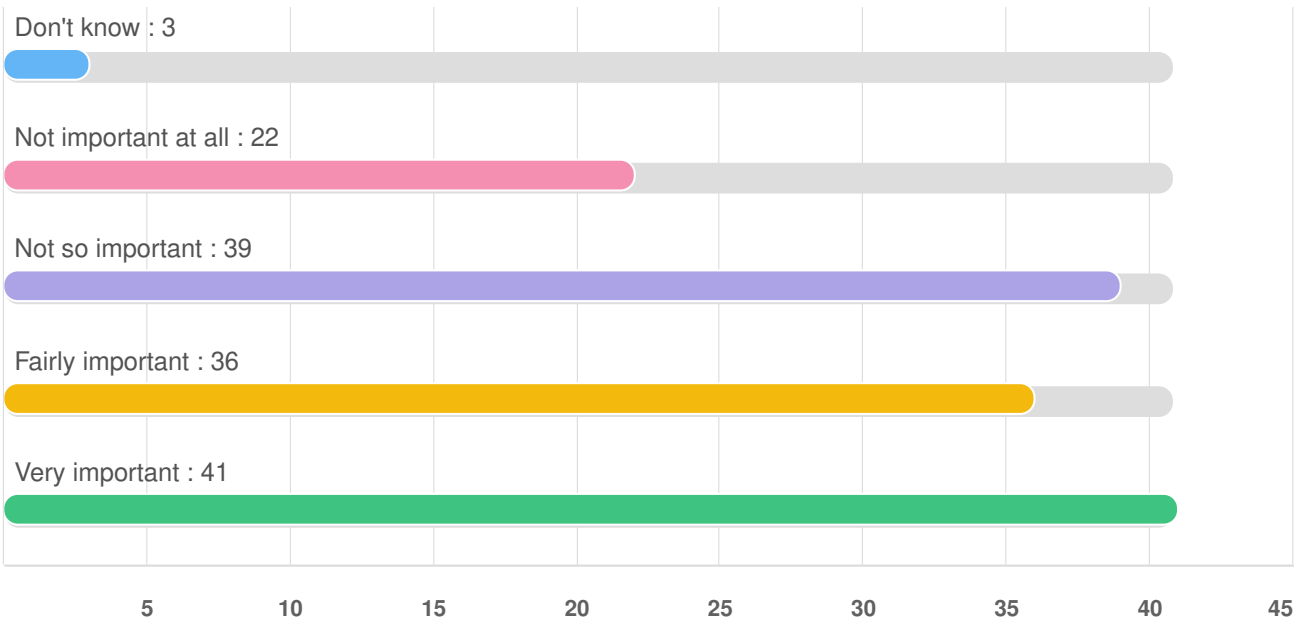
Q14 | Climate change activities cost about £11.63 a year



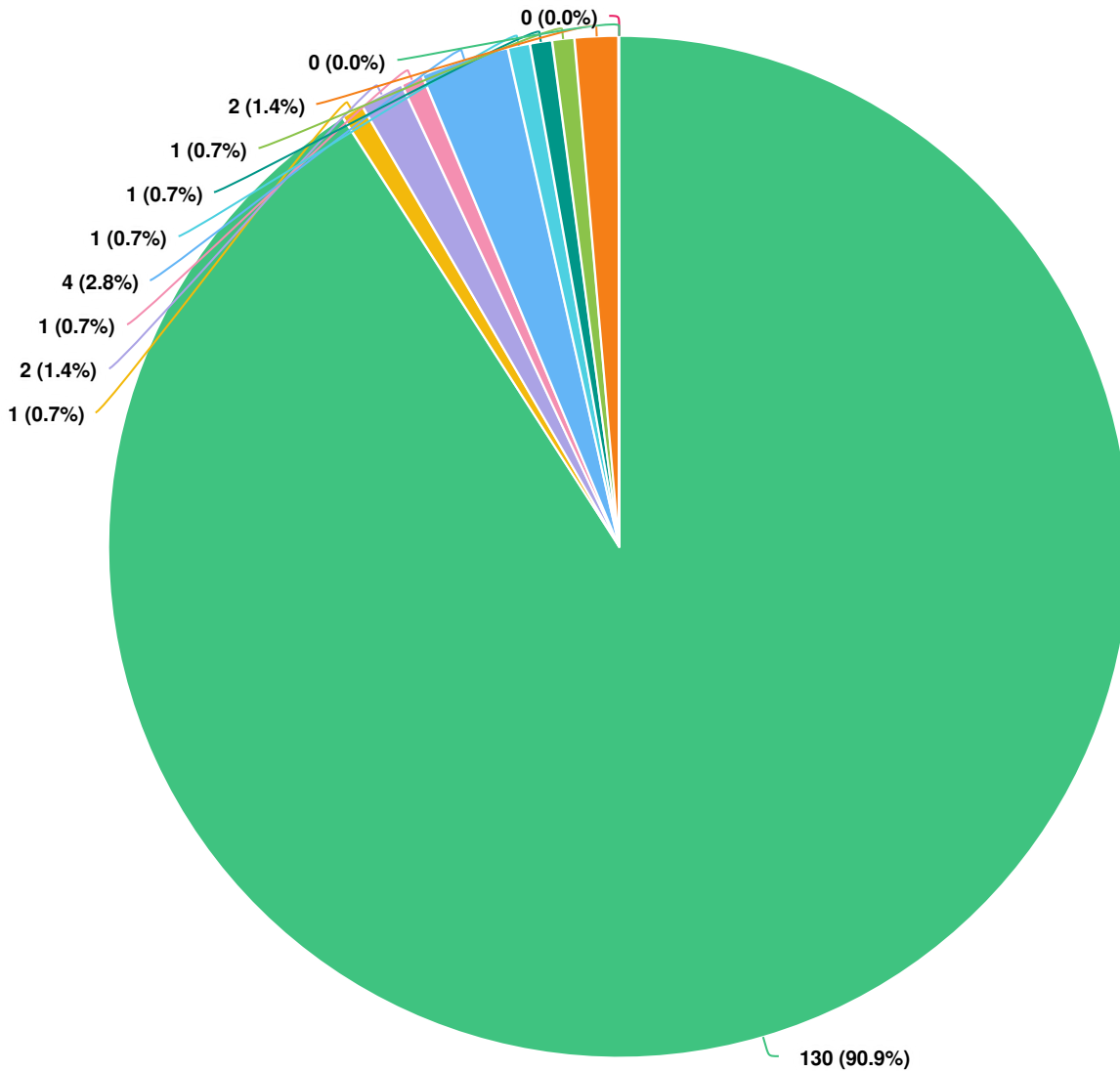
Optional question (140 response(s), 5 skipped)

Q14 | Climate change activities cost about £11.63 a year

Climate change activities



Q15 I am responding to this survey as:



Question options

- an Uttlesford District Council member
- Other (please specify)
- a person who works in the Uttlesford district
- a visitor to the Uttlesford district
- an Uttlesford District Council employee
- a local town or parish councillor
- a local community organisation representative
- a local business representative
- an Uttlesford district resident - but not a Council Tax payer
- an Uttlesford district resident - Council Tax payer
- a neighbouring local authority or partner organisation representative

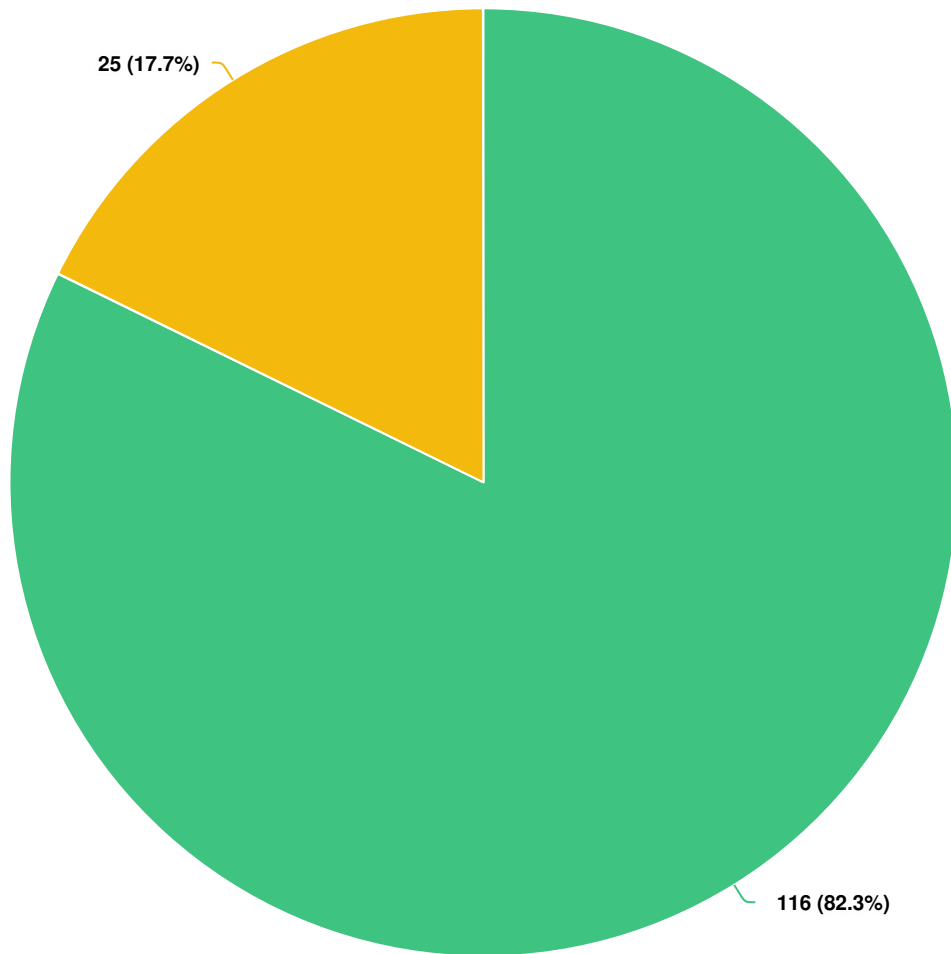
Optional question (143 response(s), 2 skipped)

Q17 | If you are responding as a community organisation please tell us which one.

Uttlesford neighbourhood Watch.

Optional question (1 response(s), 144 skipped)

Q19 | Would you now be willing to answer some questions about your age, ethnicity and where you live?

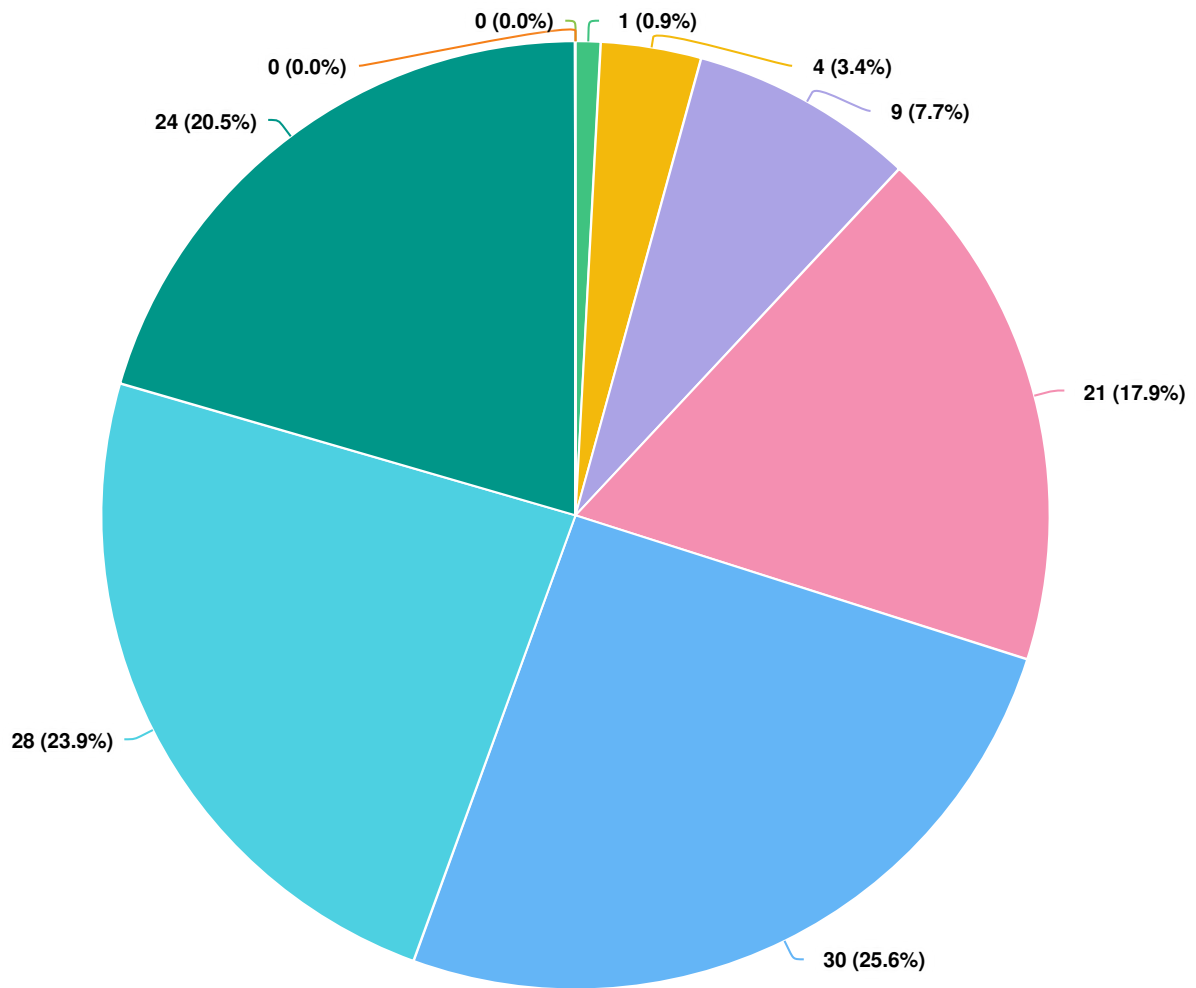


Question options

- No
- Yes

Optional question (141 response(s), 4 skipped)

Q20 Which age category do you belong to?

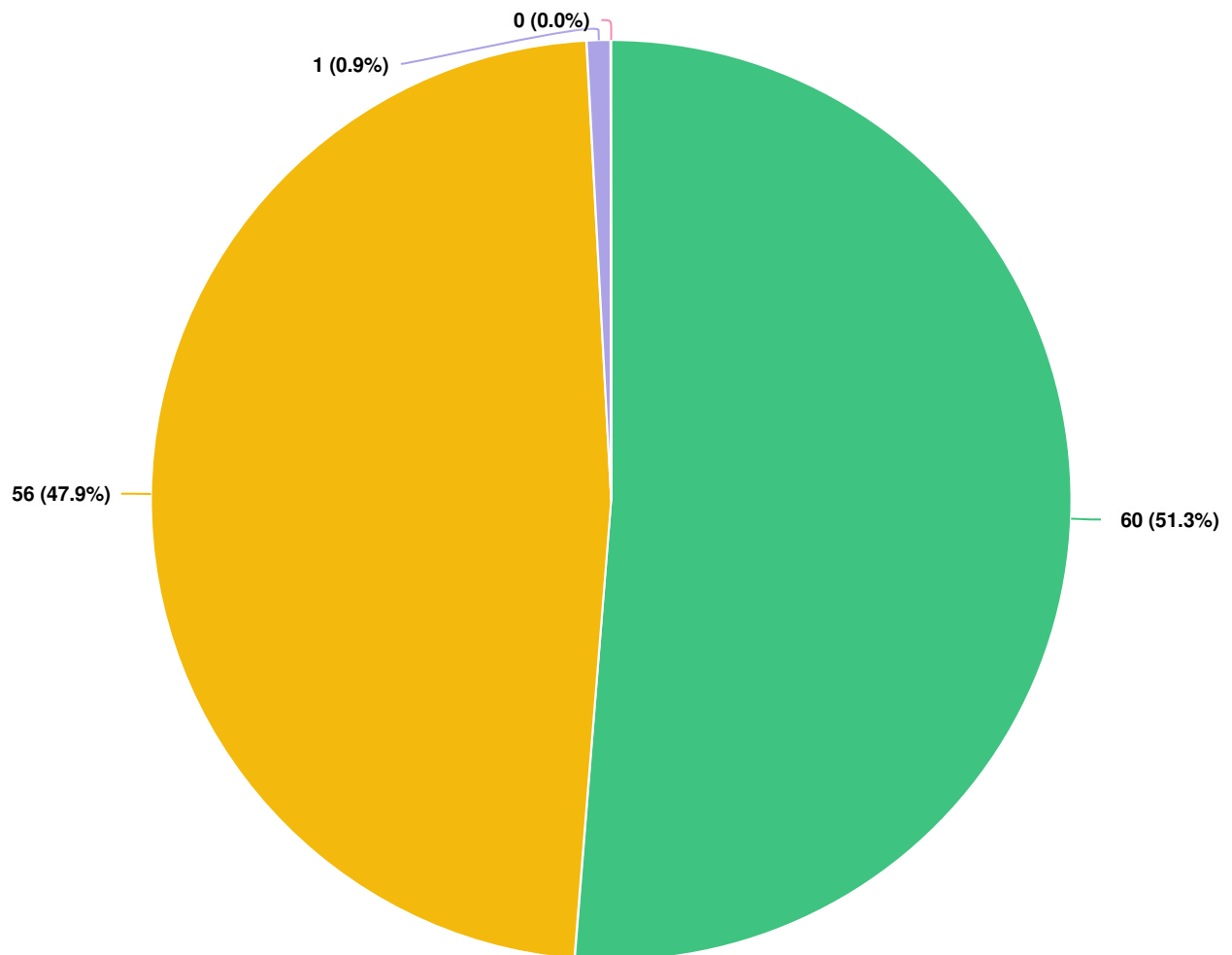


Question options

- 16-19
- Under 16
- 75 aand over
- 65-74
- 55-64
- 45-54
- 35-44
- 25-34
- 20-24

Optional question (117 response(s), 28 skipped)

Q21 | What is your gender?

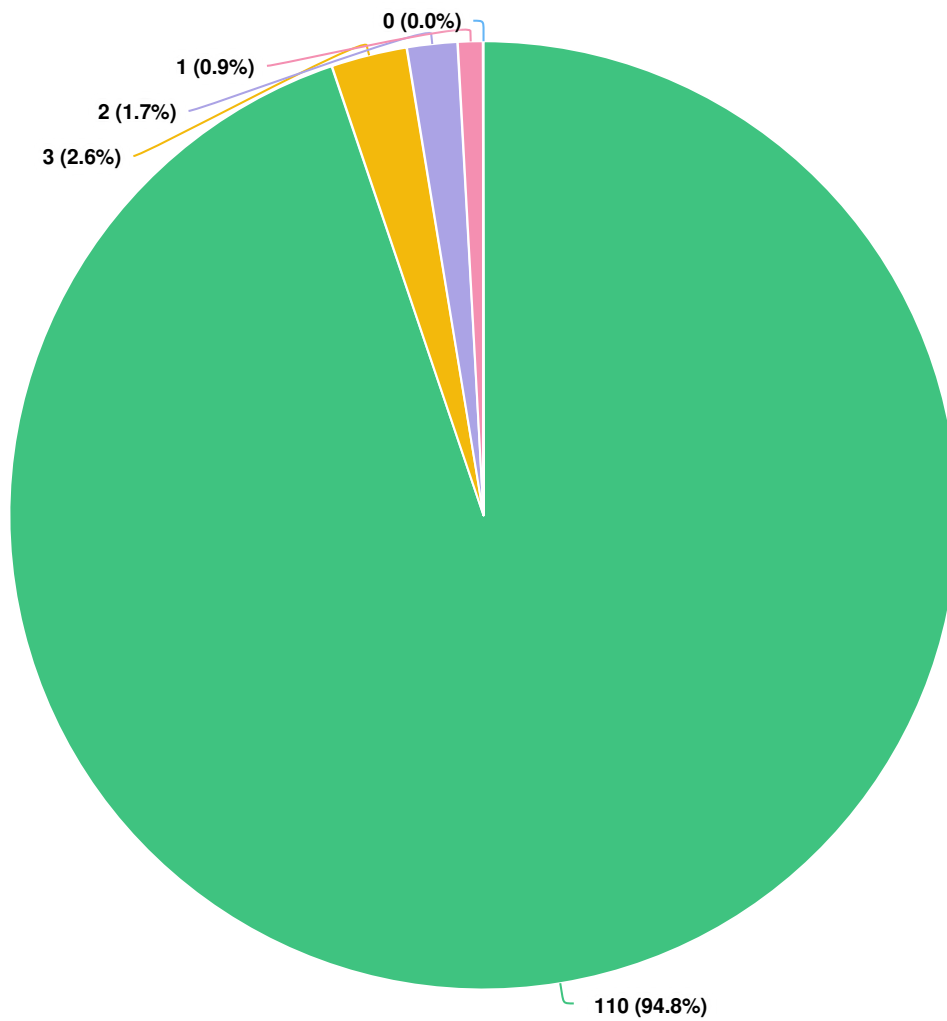


Question options

- Other (please specify)
- Prefer not to say
- Female
- Male

Optional question (117 response(s), 28 skipped)

Q22 | What is your ethnicity?

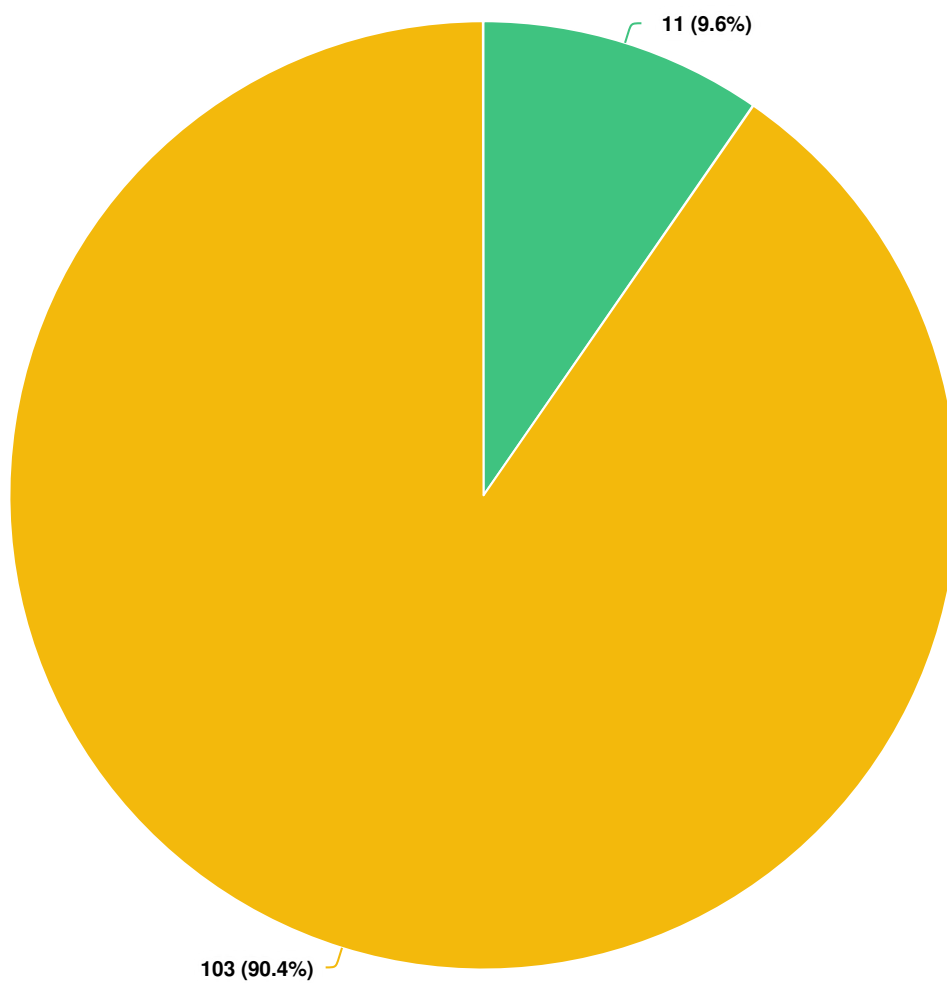


Question options

- Black or Black British
- Other (please specify)
- Asian or Asian British
- Mixed heritage
- White

Optional question (116 response(s), 29 skipped)

Q23 Do you consider yourself to have a disability?



Question options

- No
- Yes

Optional question (114 response(s), 31 skipped)

Additional comments

Anonymous

10/31/2023 17:12PM

We would like to see the Rangers services increased. They are about but this valuable service is a must on our country roads. Keeping pathways and roads clear of vegetation is vital for safety reasons.

We would also like the road signage kept clean and replaced when necessary.

Thank you for the invitation for residents to have their say on budgetary spending.

I believe you have the right headings listed in the online survey, however I would like to raise a couple of ideas and some may not cost the council money.

Anonymous

11/05/2023 10:14PM

Saffron Walden is a beautiful market town that is growing disproportionately to the facilities we have available. The place does look neglected and tired including the roads that lead into Saffron Walden and I wondered if the council can instil a better sense of pride in the town through local businesses, schools and residential areas. They often say architecture and its environment can have a positive impact on people's wellbeing and it also encourages people to take care of it.

1. The roundabout at the bottom of Sparrows End Hill. A company (ies) could sponsor it by having a simple planting display and signage to display the company logos - something which is easy to maintain and gives a better impression.
2. Have a regular update on social media and in the newspapers outlining activities happening.
3. Be realistic if you cannot fund everything then ask for help from the community maybe with skills rather than finance.
4. Encourage or support shops to take care of their cigarette butts and facias.
5. Provide more bins or replace bins with a better design to prevent people using the top of the bins for stubbing out or attaching chewing gum and stickers.
6. Employ or redirect resources to have a local street cleaner. The impact of having the local policeman has been fantastic and I am sure a visible local street cleaner would be warmly welcomed.
7. Build communities within communities to take care of their local area maybe with incentives.
8. Inform residents, especially those in new housing developments, of the wider local community and how they can get involved. The skills exist in the local community to help each other - we all just need a bit of direction, encouragement, support and motivation and the rewards from helping can be immense.

Optional question (2 response(s))

Council Tax Resolution 2024/25

Summary

1. The purpose of this report is to enable to Council to calculate and set the council tax for 2024/25.

Precepts and Council Tax Requirement

2. The Council has received the following precepts in respect of 2024/25:
 - Essex County Council met on 13 February 2024 and set their precept at £60,782,092. This results in a band D council tax charge of £1,522.53, an increase of £72.36 (4.99%) on the previous year. This comprises a 2.00% increase for the adult social care precept, and a 2.99% increase for general council tax.
 - The Essex Police, Fire and Crime Panel met on 1 February 2024 and endorsed a precept for Essex County Fire and Rescue Service of £3,298,337. This results in a band D council tax charge of £82.62, an increase of £2.34 (2.91%) on the previous year.
 - The Essex Police, Fire and Crime Panel met on 1 February 2024 and endorsed a precept for Essex Police of £9,837,523. This results in a band D council tax charge of £246.42, an increase of £12.96 (5.55%) on the previous year.
 - The precepts raised by town and parish councils are detailed at Annex J2 and total £4,816,443. This results in an average band D council tax charge of £120.65, an average increase of £11.50 (10.54%) on the previous year.
3. The Cabinet of Uttlesford District Council are due to meet on 20 February 2024, with a recommendation to approve a Council Tax Requirement for the District Council of £7,055,774 (subject to approval by Full Council). This results in a band D council tax charge of £176.74, an increase of £5.13 (2.99%) on the previous year.
4. The total council tax to be raised, including on behalf of preceptors, is therefore £85,790,169. This results in an average total band D council tax charge of £2,148.96, an increase of £104.29 (5.10%) on the previous year.
5. All proposed council tax increases are within the relevant referendum principle limits for 2024/25 as set by the government, therefore no referendum is required in respect of the Council's area.

Average Council Tax Charges

6. Subject to approval of the Council Tax Resolution at Annex J1, the following table sets out the breakdown of the average band D council tax bill for 2024/25:

Average Band D Council Tax Charge	2023/24 Band D Charge £	2024/25 Band D Charge £	Change £	Change %
Essex County Council	1,450.17	1,522.53	72.36	4.99%
Police, Fire and Crime Commissioner for Essex - Fire	80.28	82.62	2.34	2.91%
Police, Fire and Crime Commissioner for Essex - Police	233.46	246.42	12.96	5.55%
Uttlesford District Council	171.61	176.74	5.13	2.99%
Town/parish councils (average)	109.15	120.65	11.50	10.54%
Total band D council tax charge (average)	2,044.67	2,148.96	104.29	5.10%

7. The total charge for each council tax band will be as follows:-

Council Tax Charge by Band	Chargeable Dwellings No.	Chargeable Dwellings %	Proportion of Band D Charge	Average 2023/24 Council Tax Before Discounts £	Average 2024/25 Council Tax Before Discounts £	Change £
Band A	1,176	3.02	6/9	1,363.12	1,432.64	69.52
Band B	3,890	10.00	7/9	1,590.29	1,671.41	81.12
Band C	8,579	22.06	8/9	1,817.48	1,910.18	92.70
Band D	7,730	19.88	9/9	2,044.67	2,148.96	104.29
Band E	7,246	18.63	11/9	2,499.05	2,626.51	127.46
Band F	5,074	13.05	13/9	2,953.41	3,104.05	150.64
Band G	4,766	12.25	15/9	3,407.79	3,581.60	173.81
Band H	431	1.11	18/9	4,089.34	4,297.92	208.58
Total chargeable dwellings	38,892	100.00				

8. The formal Council Tax Resolution is set out at Annex J1.

List of Annexes

- Annexe J1 – Council Tax Resolution 2024/25
- Annexe J2 – Town and Parish Councils Taxbase and Precepts 2024/25
- Annexe J3 – Council Tax Amounts 2024/25

The Council is recommended to resolve as follows:-

1. To note that on 6 December 2023, the Strategic Director of Finance, Commercialisation and Corporate Services (Section 151 Officer), acting under delegated authority, calculated the following council taxbase for 2024/25:-
 - a. Taxbase for the whole council area is 41,894.95 band D equivalent properties, before adjusting for Local Council Tax Support discounts.
 - b. For the whole council area, the estimated value of Local Council Tax Support discounts is a taxbase reduction of 1,973.18 band D equivalent properties.
 - c. Taxbase for the whole council area, after adjusting for Local Council Tax Support discounts, is 39,921.77 band D equivalent properties, this being the figure to be used for council tax calculation purposes.
 - d. Taxbase for those parts of the council area to which a town or parish council precept relates are as shown at Annex J2.
2. To determine that the Council Tax Requirement for the Council’s own purposes for 2024/25 (excluding town and parish council precepts) is £7,055,774.
3. That the following amounts be calculated for the year 2024/25 in accordance with sections 31 to 36 of the Local Government Finance Act 1992, as amended (the ‘Act’):-
 - (a) £105,102,773 Being the aggregate of the amounts which the Council estimates for the items set out in section 31A(2) of the Act taking into account all precepts issued to it by town and parish councils.
 - (b) £93,230,556 Being the aggregate of the amounts which the Council estimates for the items set out in section 31A(3) of the Act.
 - (c) £11,872,217 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with section 31A(4) of the Act as its Council Tax Requirement for the year (including town and parish precepts).
 - (d) £297.39 Being the amount at 3(c) above, divided by the council taxbase shown at 1(c) above, as the basic amount of its council tax for the year (including town and parish precepts) calculated in accordance with section 31B of the Act.
 - (e) £4,816,443 Being the aggregate amount of all special items (town and parish precepts) referred to in section 34(1) of the Act (as per the attached Annex J2).
 - (f) £176.74 Being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the council taxbase shown at 1(c) above, calculated by the Council, in accordance with section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no town or parish precept relates.
4. To note that Essex County Council and the Police, Fire and Crime Commissioner (‘PFCC’) for Essex have issued precepts to the Council in accordance with section 40 of the Act for each category of dwellings in the Council’s area and these are shown in the table at point 5 below.

5. That the Council, in accordance with sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the table below as the amounts of council tax for 2024/25 (excluding town and parish council precepts) for each part of its area and for each of the categories of dwellings:

Aggregate Council Tax Amounts Excluding Town and Parish Council Precepts	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Essex County Council	1,015.02	1,184.19	1,353.36	1,522.53	1,860.87	2,199.21	2,537.55	3,045.06
PFCC for Essex - Fire	55.08	64.26	73.44	82.62	100.98	119.34	137.70	165.24
PFCC for Essex - Police	164.28	191.66	219.04	246.42	301.18	355.94	410.70	492.84
Uttlesford District Council	117.83	137.46	157.10	176.74	216.02	255.29	294.57	353.48
Aggregate amount excluding town and parish council precepts	1,352.21	1,577.57	1,802.94	2,028.31	2,479.05	2,929.78	3,380.52	4,056.62

6. To determine that the Council's basic amount of council tax for 2024/25 is not excessive in accordance with the principles approved under section 52ZD(1) of the Act, therefore no referendum is required, as shown in the calculation below:
- Amount defined by the Secretary of State as constituting an excessive basic amount for 2023/24: an increase of 3% (or more than 3%), or more than £5.00, whichever is greater.
 - Change in the Council's basic amount of council tax: £5.13 or 2.99%.
7. That the Council, in accordance with sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the table at Annexe J3 as the amounts of council tax for 2024/25 (including town and parish council precepts) for each of the categories of dwellings in each relevant part of its area.

Town and Parish Councils Taxbase and Precepts 2024/25

Annexe J2

Town and Parish Councils - Taxbase, Precepts and Band D Council Tax Charge 2024/25	2024/25 Taxbase			2024/25 Precept	2024/25 Band D Charge	2023/24 Band D Charge	Increase/ (Decrease) %
	Gross (Before	Local Council	Net (After				
	Local Council	Tax Support	Local Council				
	Tax Support	Discounts	Tax Support				
	Discounts)	Discounts	Discounts)				
Band D	Band D	Band D					
Equivalent	Equivalent	Equivalent	£	£	£	%	
Arkesden	217.97	(0.37)	217.60	14,000	64.34	58.41	10.15%
Ashdon	397.80	(13.64)	384.16	43,160	112.35	111.04	1.18%
Aythorpe Roding	145.83	(2.57)	143.26	6,000	41.88	25.18	66.32%
Barnston	402.56	(25.07)	377.49	29,730	78.76	75.98	3.66%
Berden	230.95	(8.09)	222.86	9,973	44.75	43.34	3.25%
Birchanger	377.22	(18.84)	358.38	26,227	73.18	57.81	26.59%
Broxted	267.82	(10.64)	257.18	20,250	78.74	80.15	-1.76%
Chickney	23.81	(0.89)	22.92	-	-	-	0.00%
Chrishall	264.93	(7.44)	257.49	31,000	120.39	116.76	3.11%
Clavering	697.33	(18.37)	678.96	30,576	45.03	32.77	37.41%
Debden	426.95	(10.72)	416.23	50,372	121.02	138.57	-12.67%
Elmdon, Duddenhoe End and Wenden Lofts	318.72	(8.00)	310.72	12,500	40.23	39.77	1.16%
Elsenham	1,543.16	(86.98)	1,456.18	150,000	103.01	62.05	66.01%
Farnham	203.79	(9.04)	194.75	11,500	59.05	58.92	0.22%
Felsted	1,526.05	(54.34)	1,471.71	128,765	87.49	80.24	9.04%
Flitch Green	957.69	(32.27)	925.42	67,425	72.86	70.38	3.52%
Great Canfield	245.71	(2.31)	243.40	8,400	34.51	32.91	4.86%
Great Chesterford	832.04	(38.81)	793.23	106,945	134.82	129.33	4.24%
Great Dunmow	5,105.39	(314.48)	4,790.91	1,013,793	211.61	170.07	24.43%
Great Easton and Tilty	545.89	(10.68)	535.21	49,000	91.55	79.84	14.67%
Great Hallingbury	452.19	(13.52)	438.67	16,000	36.47	37.88	-3.72%
Hadstock	170.12	(4.76)	165.36	14,312	86.55	70.99	21.92%
Hatfield Broad Oak	604.15	(25.73)	578.42	66,300	114.62	111.63	2.68%
Hatfield Heath	935.00	(58.91)	876.09	46,750	53.36	48.06	11.03%
Hempstead	235.21	(9.02)	226.19	13,115	57.98	53.46	8.45%
Henham	693.57	(7.86)	685.71	41,140	60.00	59.95	0.08%
High Easter	360.05	(7.84)	352.21	22,500	63.88	59.93	6.59%
High Roding	249.53	(16.53)	233.00	24,142	103.61	87.25	18.75%
Langley	195.76	(2.49)	193.27	17,000	87.96	85.42	2.97%
Leaden Roding	293.19	(19.16)	274.03	6,500	23.72	23.82	-0.42%
Lindsell	132.18	(2.11)	130.07	-	-	-	0.00%
Little Bardfield	135.74	(6.22)	129.52	3,500	27.02	24.62	9.75%
Little Canfield	534.50	(27.53)	506.97	30,131	59.43	57.27	3.77%
Little Chesterford	114.45	(1.26)	113.19	2,500	22.09	22.08	0.05%
Little Dunmow	210.69	(14.83)	195.86	25,000	127.64	120.43	5.99%
Little Easton	233.35	(9.75)	223.60	30,000	134.17	129.25	3.81%
Little Hallingbury	776.02	(25.42)	750.60	49,000	65.28	65.83	-0.84%
Littlebury	428.30	(13.32)	414.98	38,500	92.78	88.39	4.97%
Manuden	334.38	(8.76)	325.62	11,630	35.72	33.38	7.01%
Margaret Roding	99.20	(5.41)	93.79	2,300	24.52	23.27	5.37%
Newport	1,377.08	(79.58)	1,297.50	158,500	122.16	122.15	0.01%
Quendon and Rickling	345.92	(21.19)	324.73	14,203	43.74	43.67	0.16%
Radwinter	323.67	(11.23)	312.44	25,385	81.25	77.49	4.85%
Saffron Walden	7,481.25	(430.84)	7,050.41	1,369,838	194.29	183.29	6.00%
Sewards End	253.92	(3.96)	249.96	19,700	78.81	56.60	39.24%
Stansted Mountfitchet	3,599.77	(175.27)	3,424.50	477,766	139.51	127.88	9.09%
Stebbing	749.87	(28.30)	721.57	51,975	72.03	67.32	7.00%
Strethall	16.16	-	16.16	-	-	-	0.00%
Takeley	2,167.97	(133.49)	2,034.48	177,000	87.00	83.47	4.23%
Thaxted	1,525.33	(85.19)	1,440.14	145,520	101.05	95.42	5.90%
The Sampfords	406.27	(10.29)	395.98	15,620	39.45	46.89	-15.87%
Ugley	238.67	(6.28)	232.39	7,500	32.27	31.00	4.10%
Wendens Ambo	251.19	(6.55)	244.64	11,800	48.23	48.41	-0.37%
White Roding	195.18	(4.37)	190.81	11,000	57.65	57.88	-0.40%
Wicken Bonhunt	126.83	(3.62)	123.21	3,000	24.35	16.72	45.63%
Widdington	259.14	(4.95)	254.19	36,000	141.63	196.12	-27.78%
Wimbish	657.54	(14.09)	643.45	21,700	33.72	32.78	2.87%
Total	41,894.95	(1,973.18)	39,921.77	4,816,443	120.65	109.15	10.54%

Amounts Required by Town and Parish Councils 2024/25	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Arkesden	42.89	50.04	57.19	64.34	78.64	92.94	107.23	128.68
Ashdon	74.90	87.38	99.87	112.35	137.32	162.28	187.25	224.70
Aythorpe Roding	27.92	32.57	37.23	41.88	51.19	60.49	69.80	83.76
Barnston	52.51	61.26	70.01	78.76	96.26	113.76	131.27	157.52
Berden	29.83	34.81	39.78	44.75	54.69	64.64	74.58	89.50
Birchanger	48.79	56.92	65.05	73.18	89.44	105.70	121.97	146.36
Broxted	52.49	61.24	69.99	78.74	96.24	113.74	131.23	157.48
Chickney	-	-	-	-	-	-	-	-
Chrishall	80.26	93.64	107.01	120.39	147.14	173.90	200.65	240.78
Clavering	30.02	35.02	40.03	45.03	55.04	65.04	75.05	90.06
Debden	80.68	94.13	107.57	121.02	147.91	174.81	201.70	242.04
Elmdon, Duddenhoe End and Wenden Lofts	26.82	31.29	35.76	40.23	49.17	58.11	67.05	80.46
Elsenham	68.67	80.12	91.56	103.01	125.90	148.79	171.68	206.02
Farnham	39.37	45.93	52.49	59.05	72.17	85.29	98.42	118.10
Felsted	58.33	68.05	77.77	87.49	106.93	126.37	145.82	174.98
Flitch Green	48.57	56.67	64.76	72.86	89.05	105.24	121.43	145.72
Great Canfield	23.01	26.84	30.68	34.51	42.18	49.85	57.52	69.02
Great Chesterford	89.88	104.86	119.84	134.82	164.78	194.74	224.70	269.64
Great Dunmow	141.07	164.59	188.10	211.61	258.63	305.66	352.68	423.22
Great Easton and Tilty	61.03	71.21	81.38	91.55	111.89	132.24	152.58	183.10
Great Hallingbury	24.31	28.37	32.42	36.47	44.57	52.68	60.78	72.94
Hadstock	57.70	67.32	76.93	86.55	105.78	125.02	144.25	173.10
Hatfield Broad Oak	76.41	89.15	101.88	114.62	140.09	165.56	191.03	229.24
Hatfield Heath	35.57	41.50	47.43	53.36	65.22	77.08	88.93	106.72
Hempstead	38.65	45.10	51.54	57.98	70.86	83.75	96.63	115.96
Henham	40.00	46.67	53.33	60.00	73.33	86.67	100.00	120.00
High Easter	42.59	49.68	56.78	63.88	78.08	92.27	106.47	127.76
High Roding	69.07	80.59	92.10	103.61	126.63	149.66	172.68	207.22
Langley	58.64	68.41	78.19	87.96	107.51	127.05	146.60	175.92
Leaden Roding	15.81	18.45	21.08	23.72	28.99	34.26	39.53	47.44
Lindsell	-	-	-	-	-	-	-	-
Little Bardfield	18.01	21.02	24.02	27.02	33.02	39.03	45.03	54.04
Little Canfield	39.62	46.22	52.83	59.43	72.64	85.84	99.05	118.86
Little Chesterford	14.73	17.18	19.64	22.09	27.00	31.91	36.82	44.18
Little Dunmow	85.09	99.28	113.46	127.64	156.00	184.37	212.73	255.28
Little Easton	89.45	104.35	119.26	134.17	163.99	193.80	223.62	268.34
Little Hallingbury	43.52	50.77	58.03	65.28	79.79	94.29	108.80	130.56
Littlebury	61.85	72.16	82.47	92.78	113.40	134.02	154.63	185.56
Manuden	23.81	27.78	31.75	35.72	43.66	51.60	59.53	71.44
Margaret Roding	16.35	19.07	21.80	24.52	29.97	35.42	40.87	49.04
Newport	81.44	95.01	108.59	122.16	149.31	176.45	203.60	244.32
Quendon and Rickling	29.16	34.02	38.88	43.74	53.46	63.18	72.90	87.48
Radwinter	54.17	63.19	72.22	81.25	99.31	117.36	135.42	162.50
Saffron Walden	129.53	151.11	172.70	194.29	237.47	280.64	323.82	388.58
Sewards End	52.54	61.30	70.05	78.81	96.32	113.84	131.35	157.62
Stansted Mountfitchet	93.01	108.51	124.01	139.51	170.51	201.51	232.52	279.02
Stebbing	48.02	56.02	64.03	72.03	88.04	104.04	120.05	144.06
Strethall	-	-	-	-	-	-	-	-
Takeley	58.00	67.67	77.33	87.00	106.33	125.67	145.00	174.00
Thaxted	67.37	78.59	89.82	101.05	123.51	145.96	168.42	202.10
The Sampfords	26.30	30.68	35.07	39.45	48.22	56.98	65.75	78.90
Ugley	21.51	25.10	28.68	32.27	39.44	46.61	53.78	64.54
Wendens Ambo	32.15	37.51	42.87	48.23	58.95	69.67	80.38	96.46
White Roding	38.43	44.84	51.24	57.65	70.46	83.27	96.08	115.30
Wicken Bonhunt	16.23	18.94	21.64	24.35	29.76	35.17	40.58	48.70
Widdington	94.42	110.16	125.89	141.63	173.10	204.58	236.05	283.26
Wimbish	22.48	26.23	29.97	33.72	41.21	48.71	56.20	67.44
Weighted average	80.43	93.84	107.24	120.65	147.46	174.27	201.08	241.30

Total Council Tax Amount by Parish or Town 2024/25	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Arkesden	1,395.10	1,627.61	1,860.13	2,092.65	2,557.69	3,022.72	3,487.75	4,185.30
Ashdon	1,427.11	1,664.95	1,902.81	2,140.66	2,616.37	3,092.06	3,567.77	4,281.32
Aythorpe Roding	1,380.13	1,610.14	1,840.17	2,070.19	2,530.24	2,990.27	3,450.32	4,140.38
Barnston	1,404.72	1,638.83	1,872.95	2,107.07	2,575.31	3,043.54	3,511.79	4,214.14
Berden	1,382.04	1,612.38	1,842.72	2,073.06	2,533.74	2,994.42	3,455.10	4,146.12
Birchanger	1,401.00	1,634.49	1,867.99	2,101.49	2,568.49	3,035.48	3,502.49	4,202.98
Broxted	1,404.70	1,638.81	1,872.93	2,107.05	2,575.29	3,043.52	3,511.75	4,214.10
Chickney	1,352.21	1,577.57	1,802.94	2,028.31	2,479.05	2,929.78	3,380.52	4,056.62
Chrishall	1,432.47	1,671.21	1,909.95	2,148.70	2,626.19	3,103.68	3,581.17	4,297.40
Clavering	1,382.23	1,612.59	1,842.97	2,073.34	2,534.09	2,994.82	3,455.57	4,146.68
Debden	1,432.89	1,671.70	1,910.51	2,149.33	2,626.96	3,104.59	3,582.22	4,298.66
Elmdon, Duddenhoe End and Wenden Lofts	1,379.03	1,608.86	1,838.70	2,068.54	2,528.22	2,987.89	3,447.57	4,137.08
Elsenham	1,420.88	1,657.69	1,894.50	2,131.32	2,604.95	3,078.57	3,552.20	4,262.64
Farnham	1,391.58	1,623.50	1,855.43	2,087.36	2,551.22	3,015.07	3,478.94	4,174.72
Felsted	1,410.54	1,645.62	1,880.71	2,115.80	2,585.98	3,056.15	3,526.34	4,231.60
Fritch Green	1,400.78	1,634.24	1,867.70	2,101.17	2,568.10	3,035.02	3,501.95	4,202.34
Great Canfield	1,375.22	1,604.41	1,833.62	2,062.82	2,521.23	2,979.63	3,438.04	4,125.64
Great Chesterford	1,442.09	1,682.43	1,922.78	2,163.13	2,643.83	3,124.52	3,605.22	4,326.26
Great Dunmow	1,493.28	1,742.16	1,991.04	2,239.92	2,737.68	3,235.44	3,733.20	4,479.84
Great Easton and Tilty	1,413.24	1,648.78	1,884.32	2,119.86	2,590.94	3,062.02	3,533.10	4,239.72
Great Hallingbury	1,376.52	1,605.94	1,835.36	2,064.78	2,523.62	2,982.46	3,441.30	4,129.56
Hadstock	1,409.91	1,644.89	1,879.87	2,114.86	2,584.83	3,054.80	3,524.77	4,229.72
Hatfield Broad Oak	1,428.62	1,666.72	1,904.82	2,142.93	2,619.14	3,095.34	3,571.55	4,285.86
Hatfield Heath	1,387.78	1,619.07	1,850.37	2,081.67	2,544.27	3,006.86	3,469.45	4,163.34
Hempstead	1,390.86	1,622.67	1,854.48	2,086.29	2,549.91	3,013.53	3,477.15	4,172.58
Henham	1,392.21	1,624.24	1,856.27	2,088.31	2,552.38	3,016.45	3,480.52	4,176.62
High Easter	1,394.80	1,627.25	1,859.72	2,092.19	2,557.13	3,022.05	3,486.99	4,184.38
High Roding	1,421.28	1,658.16	1,895.04	2,131.92	2,605.68	3,079.44	3,553.20	4,263.84
Langley	1,410.85	1,645.98	1,881.13	2,116.27	2,586.56	3,056.83	3,527.12	4,232.54
Leaden Roding	1,368.02	1,596.02	1,824.02	2,052.03	2,508.04	2,964.04	3,420.05	4,104.06
Lindsell	1,352.21	1,577.57	1,802.94	2,028.31	2,479.05	2,929.78	3,380.52	4,056.62
Little Bardfield	1,370.22	1,598.59	1,826.96	2,055.33	2,512.07	2,968.81	3,425.55	4,110.66
Little Canfield	1,391.83	1,623.79	1,855.77	2,087.74	2,551.69	3,015.62	3,479.57	4,175.48
Little Chesterford	1,366.94	1,594.75	1,822.58	2,050.40	2,506.05	2,961.69	3,417.34	4,100.80
Little Dunmow	1,437.30	1,676.85	1,916.40	2,155.95	2,635.05	3,114.15	3,593.25	4,311.90
Little Easton	1,441.66	1,681.92	1,922.20	2,162.48	2,643.04	3,123.58	3,604.14	4,324.96
Little Hallingbury	1,395.73	1,628.34	1,860.97	2,093.59	2,558.84	3,024.07	3,489.32	4,187.18
Littlebury	1,414.06	1,649.73	1,885.41	2,121.09	2,592.45	3,063.80	3,535.15	4,242.18
Manuden	1,376.02	1,605.35	1,834.69	2,064.03	2,522.71	2,981.38	3,440.05	4,128.06
Margaret Roding	1,368.56	1,596.64	1,824.74	2,052.83	2,509.02	2,965.20	3,421.39	4,105.66
Newport	1,433.65	1,672.58	1,911.53	2,150.47	2,628.36	3,106.23	3,584.12	4,300.94
Quendon and Rickling	1,381.37	1,611.59	1,841.82	2,072.05	2,532.51	2,992.96	3,453.42	4,144.10
Radwinter	1,406.38	1,640.76	1,875.16	2,109.56	2,578.36	3,047.14	3,515.94	4,219.12
Saffron Walden	1,481.74	1,728.68	1,975.64	2,222.60	2,716.52	3,210.42	3,704.34	4,445.20
Sewards End	1,404.75	1,638.87	1,872.99	2,107.12	2,575.37	3,043.62	3,511.87	4,214.24
Stansted Mountfitchet	1,445.22	1,686.08	1,926.95	2,167.82	2,649.56	3,131.29	3,613.04	4,335.64
Stebbing	1,400.23	1,633.59	1,866.97	2,100.34	2,567.09	3,033.82	3,500.57	4,200.68
Strethall	1,352.21	1,577.57	1,802.94	2,028.31	2,479.05	2,929.78	3,380.52	4,056.62
Takeley	1,410.21	1,645.24	1,880.27	2,115.31	2,585.38	3,055.45	3,525.52	4,230.62
Thaxted	1,419.58	1,656.16	1,892.76	2,129.36	2,602.56	3,075.74	3,548.94	4,258.72
The Sampfords	1,378.51	1,608.25	1,838.01	2,067.76	2,527.27	2,986.76	3,446.27	4,135.52
Ugley	1,373.72	1,602.67	1,831.62	2,060.58	2,518.49	2,976.39	3,434.30	4,121.16
Wendens Ambo	1,384.36	1,615.08	1,845.81	2,076.54	2,538.00	2,999.45	3,460.90	4,153.08
White Roding	1,390.64	1,622.41	1,854.18	2,085.96	2,549.51	3,013.05	3,476.60	4,171.92
Wicken Bonhunt	1,368.44	1,596.51	1,824.58	2,052.66	2,508.81	2,964.95	3,421.10	4,105.32
Widdington	1,446.63	1,687.73	1,928.83	2,169.94	2,652.15	3,134.36	3,616.57	4,339.88
Wimbish	1,374.69	1,603.80	1,832.91	2,062.03	2,520.26	2,978.49	3,436.72	4,124.06
Weighted average	1,432.64	1,671.41	1,910.18	2,148.96	2,626.51	3,104.05	3,581.60	4,297.92

Agenda Item 10

Member Motion on Written Questions to the Executive and Committee Chairs Protocol:
Council, 26 February as proposed by Councillor Barker and seconded by Councillor Gregory

This Council believes in openness and accountability and therefore agrees that for written questions asked at Council, submitted within the required timelines, and requiring a numerical, statistical or other data driven response, best endeavours must be made to provide a full, comprehensive and factual answer by the time of the relevant meeting of Council – and if not possible within that timescale, as soon as practicable thereafter.

Agenda Item 11

Member Motion on Waste Service Disruption: Council, 26 February as proposed by Councillor Moran and seconded by Councillor Barker (submitted by the Conservative Group)

Following the revocation of the Council's operator's licence and the major disruption to both residential and commercial refuse collections, the Council resolves to call on the Council Leader to provide a written statement to the next full meeting of Council and be prepared to answer questions with the following information to the council members and the public:

The full costs to the council of these events; to include the costs of applying for a replacement operator's licence, the monies paid to outside organisations to assist with the collection and disposal of refuse, all overtime incurred by the Council paid to our staff, all legal and advisory costs incurred.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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