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**CHILTERN**  
District Council



**TO: ALL MEMBERS OF COUNCIL**

**Dear Councillor**

You are hereby summoned to attend the Meeting of the **CHILTERN DISTRICT COUNCIL** to be held in the **Council Chamber, King George V House, King George V Road, Amersham** on **Tuesday, 28th February, 2017** at **6.30 pm** when the business below is proposed to be transacted.

**A G E N D A**

- 1 Evacuation Procedures
- 2 Presentation from Chiltern MS Society  
To receive a presentation from Robert Breakwell, Chief Executive of Chiltern MS Centre.
- 3 Apologies for Absence
- 4 Minutes (*Pages 5 - 14*)  
To approve as a correct record and to sign the Minutes of the meetings of Ordinary Council held on 10 January 2017, and Extra Ordinary Council held on 16 January 2017.
- 5 Declarations of Interest
- 6 Announcements  
To receive any announcements from the Chairman, Cabinet Leader or the Head of Paid Service.  
*Chairman and Vice Chairman's Diary (Pages 15 - 16)*

7 To receive and consider reports and recommendations of Committees of the Council, in date order of the meeting:

7.1 Planning Shared Service Review - Chiltern & South Bucks Joint Committee - 23 January 2017 (*Pages 17 - 18*)

*Private Appendices to Item 7.1: Planning Shared Service Review (Pages 153 - 236)*

7.2 Appointment of External Auditors - Audit and Standards Committee - 26 January 2017 (*Pages 19 - 20*)

*Appendix: Audit & Standards Committee Report (26 January 2017) (Pages 21 - 24)*

*Appendix: Public Sector Audit Appointments (PSAA) Prospectus (Pages 25 - 34)*

7.3 Code of Corporate Governance - Audit & Standards Committee - 26 January 2017 (*Pages 35 - 36*)

*Appendix: Code of Corporate Governance (Pages 37 - 44)*

8 Cabinet Recommendations

To receive and consider the recommendations of the Cabinet for the meeting held on 7 February 2017 and to receive questions and answers on any of those recommendations in accordance with Rule 8 of the Procedural Rules.

8.1 Budget & Council Tax Report 2017/18 (*Pages 45 - 54*)

*Appendix A: Chief Financial Officer Report (Pages 55 - 62)*

*Appendix B: Budget Sensitivity Analysis 2017/18 (Pages 63 - 64)*

*Appendix C: Fees & Charges (Pages 65 - 88)*

8.2 Additional Supplementary Report: Council Tax 2017/18

*(Report to follow - awaiting receipt of further information from other precepting authorities)*

8.3 Capital Programme and Repairs & Renewals Programme 2017/2018 (*Pages 89 - 96*)

*Appendix A: Capital Programme (Pages 97 - 98)*

*Appendix B: Repairs & Renewals Programme (Pages 99 - 100)*

*Appendix C: Capital Strategy (Pages 101 - 108)*

- 8.4 Annual Treasury Management Strategy 2017/18 (*Pages 109 - 112*)  
*Appendix 1: Treasury Management Strategy (Pages 113 - 120)*  
*Appendix 1A: Annual Investment Strategy (Pages 121 - 130)*  
*Appendix 1B: Prudential Indicators (Pages 131 - 136)*  
*Appendix 1C: Minimum Revenue Provision (Pages 137 - 138)*
- 9 Verbal Reports from the Leader, Cabinet Members or Chairman of a Committee  
To receive and consider verbal update reports (if any) from the Members listed above, and to answer questions without notice on any of those reports from any Member of the Council in accordance with Rule 9.1 of the Procedural Rules.
- 10 Questions with Notice (if any)  
The Chairman of the Council; Cabinet Leader or a Cabinet Member; or Chairman of any Committee to receive a question on any matter in relation to which the Council has powers or duties or which affects the District. Questions must be given in writing to the proper officer 3 clear days before the meeting, or if it relates to urgent business by 4pm on the day of the meeting, in accordance with Rule 9.2 of the Council Procedure Rules.
- 11 Petitions (if any)  
To receive petitions and/or deputations (if any) from members of the public including provisions allowing members to ask questions of clarification at the discretion of the Chairman and restrictions on deputations covering the same subject or by the same speakers.
- 12 Joint Arrangements and Outside Organisations (if any)  
To receive reports about and receive questions and answers relating to any joint arrangements or external organisations.
  - BCC Health & Adult Social Care Select Committee
- 13 Motions (if any)  
Motions on notice must be delivered to the proper officer at least 7 clear days before the meeting.
- 14 Members' Allowances Scheme 2017/18 (*Pages 139 - 140*)  
*Appendix: Members' Allowances Scheme 2016/17 (Pages 141 - 150)*

15 Calendar of Meetings 2017/18 (*Pages 151 - 152*)

To agree the Calendar of Meetings for 2017/18.

16 Exclusion of the Public (if required)

To resolve that under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act.

16.1 Private Appendices to Item 7.1: Planning Shared Service Review  
(*Pages 153 - 236*)

**Note:** All Reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

**Date of next meeting – Tuesday 16 May 2017**



**Bob Smith**  
**Chief Executive**

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**CHILTERN DISTRICT COUNCIL**

**MINUTES** of the Meeting of the  
**CDC COUNCIL**

held on **10 JANUARY 2017**

**PRESENT:** Councillor M Harker - Chairman  
" P N Shepherd - Vice Chairman

Councillors: A K Bacon  
S P Berry  
D J Bray  
J Cook  
E A Culverhouse  
I A Darby  
M Flys  
C J Ford  
A J Garth  
J L Gladwin  
G K Harris  
M J Harrold  
P J Hudson  
C J Jackson  
P M Jones  
R J Jones  
D J Lacey  
J E MacBean  
P E C Martin  
S A Patel  
D W Phillips  
N M Rose  
C J Rouse  
J J Rush  
M W Shaw  
L M Smith  
M R Smith  
D M Varley  
H M Wallace  
C J Wertheim

**APOLOGIES FOR ABSENCE** were received from Councillors J A Burton, A S Hardie, C M Jones, M J Stannard, M W Titterington, N I Varley, E A Walsh and F S Wilson

**158 MINUTES**

The Minutes of the meeting of Council held on 15 November 2016 were approved as a correct record.

**159 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**160 ANNOUNCEMENTS**

**(a) Chairman's Engagements**

A list of Engagements carried out by the Chairman and Vice-Chairman of the Council between 11 November and 25 December 2016 had been circulated.

**(b) Chairman's Announcements**

The Chairman announced the following forthcoming events:

- Wednesday 18 January – Community Network Event supported by the 11<sup>th</sup> Infantry Brigade at Chiltern District Council (Council Chamber) from 3pm – 6pm
- Friday 3 March – Chairman's Civic Reception at Chiltern District Council (Council Chamber) from 7.30pm – 9.30pm

**(c) Announcements from the Leader of the Cabinet**

The Leader of the Cabinet had no announcements to make.

**(d) Announcements from the Head of Paid Service**

The Chief Executive had no announcements to make.

**(e) Petitions**

No petitions were submitted by a councillor.

**161 PRESENTATION FROM PARADIGM HOUSING**

The Council received a presentation from Matthew Bailes, Chief Executive of Paradigm Housing Association. The Chairman advised that Matthew had been Chief Executive of the Association since 1 September 2015 and he had a wealth of experience in the housing sector.

The Chairman added that Matthew was previously Executive Director, for Regulation at the Home and Communities Agency where he was responsible

for regulation of social housing providers in England. He had led a successful programme of modernisation of Regulation, including updating the Regulatory Framework, operational strategy and the structure and skills mix of the Regulator. Prior to leading the Regulator, Matthew was the senior civil servant responsible for policy on affordable housing.

Matthew opened his presentation with some key facts in respect of housing in the Chiltern District as follows:

- Severe housing crisis in the region (House Prices were 14 times the average income in Chiltern)
- Rents average of £1,300 per month
- The Association's role was to support people affected by the crisis
- Rent had been cut by 1% which had reduced the Association's income stream and capacity to adequately support tenants and meet financial commitments (a projected loss of £10m per annum by 2020)
- Homelessness and costs of temporary accommodation was increasing

The broader context was outlined in respect of the uncertainty of the market post Brexit, ongoing austerity, political pressure to build more homes with a focus on home ownership and the need for action on the housing supply. It was reported that a Housing White Paper was due to be published shortly.

Members were advised of the potential impact on changes to Welfare Reform which would result in residents receiving rent benefit payments directly rather than the current arrangements through their local council and it was likely that this would create risks and challenges in the future. There had also been reductions in the amount of benefit that the government will pay residents. The changes were causing Paradigm to rethink their build programmes.

It was reported that the Voluntary Right to Buy scheme had been delayed and the scale of the funding for this was still unclear. If this was introduced then all residents would qualify for Right to Buy and this could present challenges in terms of funding to build replacement properties. The proposed introduction of the Tenant Deal by Paradigm was also outlined which balanced the needs of existing tenants with those of future tenants. The Tenant Deal would include aspects such as rent in advance, pre-tenancy checks, the Housing Association taking action more quickly when tenancy breaches occurred (eg. rent arrears) and residents bearing costs for damages to property or missed appointments.

H Wallace and C Ford entered the meeting at 6.45pm

The Chief Executive of Paradigm concluded his presentation by outlining the need to build more new homes in the area and the opportunities for the Housing Association and local authorities to increase joint working to achieve the development of brown field sites for more affordable homes.

D Varley entered the meeting at 6.50pm

The Chairman invited questions from members.

In response to members' questions, Matthew Bailes explained that work was ongoing with the planning departments at local authorities to work in conjunction with the emerging local plan where possible. He also reported

that alongside the developing Local Plan, Paradigm was looking at opportunities now to re-develop existing infill sites in its ownership to deliver more affordable housing. In particular, it was noted that Paradigm were keen to explore the viability of the use of disused garage sites for development subject to considering possible legal constraints, but the possibilities were to be explored through a strategy to identify sites and to work closely with the local authorities. There were also considerations being made to the opportunities to build up on sites (ie. Provide developments of more than 1 storey).

P Hudson entered the meeting at 6.55pm.

It was reported that £1.4billion had been earmarked in Autumn statement for affordable housing and some for rented accommodation; and Paradigm were considering these funds as an option and while most was for shared ownership it was being considered for other options where possible.

It relation to sheltered accommodation provision this was being considered on a scheme by scheme basis as it was currently considered that over 55 accommodation was the hardest to let and the needs of current and future tenants needs were being considered. Many older people were no longer interested in the “traditional” sheltered scheme model.

It was noted that one of the major challenges to deal with was to ensure that infrastructure needs were met for all new developments and agencies needed to improve their joint working on this. Paradigm is considered a medium size agency home provider and therefore did not have the strongest influence but a senior official from the government was visiting Chiltern in the near future to discuss the needs of the area and the opportunities for agencies and local authorities.

The Chairman thanked Matthew Bailes for his very informative presentation.

### **162 CHILTERN AND WYCOMBE JOINT WASTE COLLECTION COMMITTEE - REVISED CONSTITUTION TO INCLUDE SOUTH BUCKS**

It was moved by Councillor M Smith, seconded by Councillor P E C Martin and

**RESOLVED –**

**That the Minutes and Resolutions of the Cabinet held on 13 December 2016 be received and the recommendation contained in Minute 172 (iv) be adopted.**

### **163 CABINET REPORTS**

#### **a) Councillor Darby – Modernising Local Government**

Councillor Darby reported that on Monday 16 January, each District Council had scheduled a Special Meeting of Council to consider the recent reports on



the options to modernise local government across the County. The final report had been published on the Council's website on Tuesday 10 January.

### **b) Councillor Rose – HS2**

Councillor Rose provided an update on the progress of HS2 and confirmed that the House of Lords Select Committee had now reported.

S Berry entered the meeting at 7.15pm.

Councillor Rose advised that Lord Stephenson had tabled a number of amendments to the Select Committee's report and this would be noted at the next meeting of the HS2 Steering Group due to be held on 1 February to which South Bucks District Council members were also invited. It was noted that HS2 Limited were currently embarking on increased community activity and engagement in the District.

In response to a member's question, Councillor Rose confirmed that the HS2 were considering changing their proposals to use concrete rather than shingle for the track bed not only in the tunnel but also outside the tunnel which could result in increased noise levels. This was an area being investigated at the moment.

### **164 QUESTIONS**

There were no questions.

### **165 QUESTIONS WITHOUT NOTICE**

There were no questions.

### **166 PETITIONS**

Mr P Plato, of 2 Deer Park Walk, Chesham, Bucks presented the following petition to the Chairman on behalf of local residents:

#### ***“Against Proposals to Develop 900 homes on Land NE of Chesham & Removal of Site #1 from Green Belt Designation***

*Chiltern District and South Bucks District Councils are jointly preparing a Local Plan until 2036. Part of the proposal is to expand the town of Chesham by building new homes of which 900 are proposed to be built on agricultural land currently designated as Green Belt on the NE of Chesham at a hamlet called Lye Green.*

*The Lye Green community fears these plans, if adopted, will (amongst many other things) result in:*

- *Significant damage to the openness and visual appearance of the area, which is close to an Area of Outstanding Natural Beauty in the Chiltern Hills*
- *The loss of identity of the community in Lye Green which will then simply become absorbed within Greater Chesham whose sprawl will threaten and adversely impact upon the amenity of other nearby villages & settlements particularly from increased traffic*
- *Loss of good quality agricultural land and the adverse impact upon the wildlife, flora & fauna on the affected land.*

*The Lye Green Residents also question how the Council can claim 'exceptional circumstances' to justify removing this site from the Green Belt. They also question whether Chesham can cope with such an expansion, when the road & drainage infrastructure is at capacity & the Council Highways Dept. have reported that 'significant increased in congestion' in the town will occur adding to already bad air quality particularly in Berkhamstead Road. There are also concerns how sustainable such proposals are in terms of being too far from local shops and the Underground Station which itself struggles to cope with existing commuter demands.*

*The community feels that any expansion of the town must follow the Government's advice by looking to brownfield sites first ie: unused or derelict employment land, empty offices, & unused areas outside the Green Belt – ie Brown not Green).*

*We question the need and ability of Chesham to cope with a disproportionate share of the new homes being planned to the combined areas of South Bucks & Chiltern District and urge that the proposal to build on the Preferred Option Site #1 on land to the NE of the town be scrapped.*

*Please sign this petition & visit [www.brownnotgreen.weebly.com](http://www.brownnotgreen.weebly.com) for more information on what else you can do to help."*

The petition contained 1764 signatures.

### **ACTION:**

The Chairman received the petition from Mr Plato and confirmed that in accordance with the Council's Petition Scheme the petitioner would receive an acknowledgement and appropriate response from the Council within 10 working days.

N Varley entered the meeting at 7.21pm

## **167 JOINT ARRANGEMENTS AND OUTSIDE ORGANISATIONS**

There were no reports.

## **168 MOTIONS (IF ANY)**

**The meeting ended at 7.23pm**

## CHILTERN DISTRICT COUNCIL

### MINUTES of the Extra-Ordinary Meeting of the CDC COUNCIL held on **16 JANUARY 2017**

**PRESENT:** Councillor M Harker - Chairman  
" P N Shepherd - Vice Chairman

Councillors: A K Bacon  
D J Bray  
J Cook  
E A Culverhouse  
I A Darby  
M Flys  
C J Ford  
A S Hardie  
G K Harris  
P M Jones  
R J Jones  
D J Lacey  
J E MacBean  
P E C Martin  
S A Patel  
D W Phillips  
N M Rose  
C J Rouse  
J J Rush  
M W Shaw  
L M Smith  
M R Smith  
M J Stannard  
N I Varley  
E A Walsh

**APOLOGIES FOR ABSENCE** were received from Councillors S P Berry, J A Burton, A J Garth, J L Gladwin, P J Hudson, C J Jackson, C M Jones, M W Titterington, D M Varley, H M Wallace, C J Wertheim and F S Wilson

#### **171 DECLARATIONS OF INTEREST**

Cllr Mark Shaw declared a personal interest due to his role as a Buckinghamshire County Councillor.

## 172 MODERNISING LOCAL GOVERNMENT IN BUCKINGHAMSHIRE

The Leader of the Council, Councillor I A Darby, presented the report which sought agreement to make a submission to the Secretary of State under the Local Government and Public Involvement in Health Act 2007 and Section 15 Cities and Devolution Act 2016.

The Leader advised that the momentum for unitary government and the drive for change in local government has increased in recent months and on 27 September 2016 Buckinghamshire County Council made a submission to the Secretary of State which proposed the creation of a unitary Council to cover the existing administrative area of the County Council. The four District Councils in Buckinghamshire were unconvinced that the County Council submission was in the best interest of the people of Buckinghamshire, and therefore jointly commissioned a report from Deloitte consultants to consider the range of options available for the future of Buckinghamshire. Following publication of that report in October stakeholder engagement was undertaken and feedback received from 146 key stakeholders including 79 town and parish councils, 25 local businesses and business groups, 37 voluntary groups and 5 other public sector organisations. The response from stakeholders indicated 73% in favour of a two or three unitary model which would secure the best outcome for Buckinghamshire; against only 27% in favour of a single unitary authority for the County.

The District Councils' report had undertaken work towards a Strategic Options Case to help make an informed decision. Based on the Strategic Options report, as detailed in Appendix 2, the draft submission at Appendix 3 proposed that the five Councils that currently operate on a two tier basis should be abolished and replaced by a two unitary model of governance across the whole of Buckinghamshire.

C Ford entered at 6.37pm

It was noted that there were significant differences between the north and south of Buckinghamshire which needed to be reflected in local government structures to ensure services were delivered to meet the needs of local residents and communities whilst maximising the areas' economic potential and delivering long-term financial sustainability.

H Wallace entered at 6.40pm

The next steps were for the agreed proposal to be submitted to the Secretary of State to consider whether Buckinghamshire should move to a unitary form of governance and abolish the existing two tier arrangements. The Secretary of State had agreed to consider the four District Councils' unitary proposals as well as the County Council proposal before making a final decision which

was not likely before March 2017. Cllr Darby proposed and Cllr Phillips seconded

That:

- (i) the Strategic options case at Appendix 2 be endorsed; and
- (ii) the submission prepared by the District Councils be supported
- (iii) The Leader of the Council be given delegated authority to make minor amendments and to make the submission on behalf of the Council to the Secretary of State.

Councillor P Jones opposed the proposal for two unitary councils in favour of a single unitary option for Buckinghamshire for two main reasons; that one Council for the County would provide increased clarity on where residents need to go for services and that the one unitary option would result in higher savings. He added that if a new council was formed on the existing Chiltern, South Bucks and Wycombe boundaries it should be called the Council of the Chiltern Hundreds.

Councillor D Lacey spoke in favour of the District Councils proposal for a two council unitary option for the County based on the need to retain a strong working relationship with local based councils that understood the needs and delivery of services required for residents and local communities.

Councillor A Bacon supported Councillor P Jones in opposing the proposal for two unitary councils in favour of one single unitary council for the County as he was not convinced by the geographical arguments outlined in the report and considered one single council would be a more effective governance arrangement in terms of reducing costs.

Councillor Darby accepted her right to reply and summarised that the proposal was not just in the interest of saving money but was to establish the best approach to delivery of services to residents and local communities in Buckinghamshire.

The recommendation as proposed by Councillor Darby and seconded by Councillor Phillips was put to the vote. The recommendation was carried and it was

**RESOLVED:**

**That:**

- (i) the Strategic options case at Appendix 2 be endorsed; and**
- (ii) the submission prepared by the District Councils be supported**
- (iii) The Leader of the Council be given delegated authority to make minor amendments and to make the submission on behalf of the Council to the Secretary of State.**

**The meeting ended at 7.03pm**



## **CHAIRMAN'S DIARY: 26 DECEMBER 2016 TO 17 FEBRUARY 2017**

- 12 January - Tour of Kiddyicious, Amersham
- 12 January - Dr Challoners High School, Little Chalfont
- 15 January - Opening of Hawkyns Restaurant, Old Amersham
- 16 January - Dr Challoners High School, Little Chalfont
- 17 January - Opening of Age UK shop, Amersham
- 18 January - Hosted Community Networking Event supported by 11 Infantry Brigade, CDC Chambers
- 18 January - Amersham District Residents Association Meeting
- 20 January - Meeting with Good Neighbours Scheme
- 22 January - Chinese New Year Celebrations, The Riverside Club, High Wycombe
- 26 January - Holocaust Memorial Day, Milton Keynes Council Offices
- 31 January - Meet with Neighbourhood Watch, Amersham
- 1 February - Tour of South Bucks Hospice, High Wycombe
- 3 February - Meet with the Bagnall Centre
- 3 February - Meet with Peter Costello, Hearts of Bucks
- 5 February - Rotary Club Variety Show, Amersham Leisure Centre
- 10 February - Opening of gym at Chalfont Leisure Centre
- 16 February - Renaming of Swimming Pool, Corsham, Wiltshire





<b>SUBJECT:</b>	<b>SHARED PLANNING SERVICE</b>
<b>REPORT OF:</b>	<i>Portfolio Holder for Sustainable Development – Councillor Peter Martin</i>
<b>RESPONSIBLE OFFICER</b>	<i>Head of Sustainable Development</i>
<b>REPORT AUTHOR</b>	<i>Peter Beckford, pbeckford@chiltern.gov.uk</i>
<b>WARD/S AFFECTED</b>	<i>Not applicable</i>

## 1. Purpose of Report

To consider the recommendations arising from the Planning shared service review.

### RECOMMENDATIONS

- 1. That the case for a shared Planning service is proven, and that both Councils should proceed to establish a shared Planning Service.**
- 2. That subject to consultation with staff and a formal agreement between the Councils, the services of staff in Chiltern District Council's Planning service be put at the disposal of South Bucks District Council under Section 113 of the Local Government Act 1972 so they can work across the two local authority areas.**
- 3. That the Chief Executive in consultation with the Cabinet Leader and the Head of Legal and Democratic Services be authorised to finalise the terms of any legal documentation required to give effect to recommendation 2 above.**

## 2. Content of Report

At a meeting on 23 January 2017, the Chiltern and South Bucks Joint Committee considered the Business Case for a shared Planning service. The Business Case is attached as a Private Appendix.

The Joint Committee endorsed all of the recommendations in the report.

Following legal advice and in order to be consistent with the previous approach used for shared service reviews, Full Council are asked to formally adopt the recommendations shown above.

### 3. Links to Council Policy Objectives

The efficient implementation of joint services reviews is linked to the Council's Key Aims and Objectives.

<b>Background Papers:</b>	None, other than those referred to in this report.
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<b>SUBJECT:</b>	Appointment of External Auditors
<b>REPORT OF:</b>	Director of Resources
<b>RESPONSIBLE OFFICER</b>	Rodney Fincham, Head of Finance
<b>REPORT AUTHOR</b>	Alistair Webb, 01494 732227, <a href="mailto:awebb@chiltern.gov.uk">awebb@chiltern.gov.uk</a>
<b>WARD/S AFFECTED</b>	All

### Purpose of Report

- 1.1 For the Full Council to decide on the preferred process for appointment of External Auditors from 2018/19. Appointment will be for a maximum period of five years.

### RECOMMENDATION

**Recommendation that the Council opts in to the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.**

### Reasons for Recommendation

- 1.2 The attached report has been considered by the Audit Committee who have recommended the Council opt in to Public Sector Audit Appointments (PSAA) for appointment of external auditors.

### Next Step

- 1.3 The Council to make its decision and PSAA to be notified 9<sup>th</sup> March 2017.



<b>SUBJECT:</b>	Appointment of External Auditors
<b>REPORT OF:</b>	Director of Resources
<b>RESPONSIBLE OFFICER</b>	Rodney Fincham, Head of Finance
<b>REPORT AUTHOR</b>	Alistair Webb, 01494 732227, <a href="mailto:awebb@chiltern.gov.uk">awebb@chiltern.gov.uk</a>
<b>WARD/S AFFECTED</b>	All

### Purpose of Report

- 1.1 To recommend to Full Council the preferred process for appointment of External Auditors from 2018/19 for an initial period of three years with the option to extend to five years.

### RECOMMENDATION

To recommend to Full Council that this Council opts in to the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.

### Reasons for Recommendation

- 1.2 Following the demise of the Audit Commission new arrangements were needed for the appointment of external auditors. The Local Audit and Accountability Act 2014 requires authorities to either opt in to the appointing person regime or to establish an auditor panel and conduct their own procurement exercise.
- 1.3 It is likely that a sector wide procurement conducted by PSAA will produce better outcomes for the Council than any procurement we undertook by ourselves or with a limited number of partners. Use of the PSAA will also be less resource intensive than establishing an auditor panel and conducting our own procurement.
- 1.4 Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt in must be made by Full Council (authority meeting as a whole). To comply with this regulation the Audit Committee is asked to make the recommendation above to Council.

- 1.5 If the Council chooses not to opt in it will be required to establish an auditor panel and conduct its own procurement exercise. This would be more resource intensive and lose the potential bulk buying power of the sector led procurement. It is likely this could result in a more costly service.

### Report

- 1.6 As part of closing the Audit Commission the Government moved external audit contracts to PSAA on 1 April 2015. The audits were due to expire following conclusion of the audits of the 2016/17 accounts, but could be extended for a period of up to three years by PSAA, subject to approval from the Department for Communities and Local Government.
- 1.7 In October 2015 the Secretary of State confirmed that the transitional provisions would be amended to allow an extension of the contracts for a period of one year. This meant that for the audit of the 2018/19 accounts it would be necessary for authorities to either undertake their own procurements or to opt in to the appointed person regime.
- 1.8 In July 2016 PSAA were specified by the Secretary of State as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. The appointing person is sometimes referred to as the sector led body and PSAA has wide support across most of local government. PSAA was originally established to operate the transitional arrangements following the closure of the Audit Commission and is a company owned by the Local Government Association's Improvement and Development Agency (IDEA).
- 1.9 The date by which authorities will need to opt in to the appointing person arrangements is 9<sup>th</sup> March 2017.
- 1.10 The main advantages of using PSAA are set out in its prospectus and are copied below. These can also be viewed as the disadvantages if the Council was to decide to undertake its own procurement.
- Assure timely auditor appointments
  - Manage independence of auditors
  - Secure highly competitive prices
  - Save on procurement costs
  - Save time and effort needed on auditor panels
  - Focus on audit quality
  - Operate on a not for profit basis and distribute any surplus funds to scheme members.

- 1.11 If PSAA is not used some additional resource may be needed to establish an auditor panel and conduct our own procurement. Until either procurement exercise is completed it is not possible to state what additional resource may be required for audit fees for 2018/19, although it is anticipated that any increase will be minimised through using PSAA.

## **Options.**

- 1.12 The Council has a duty to appoint auditors in accordance with the Local Audit and Accountability Act 2014. The process as set out above and the recommendation should ensure compliance with the Local Audit and Accountability Act 2014.

Options:

- Opt into the PSAA procurement process
- Carry out its own procurement process.

## **Links to Council Policy Objectives**

- 1.13 This report relates to the objective of Delivering cost- effective, customer- focused services.

## **Next Steps**

- 1.14 To refer to full Council.

## ***Background Papers:***

PSAA Prospectus







Developing the option  
of a national scheme for  
local auditor appointments

[www.psa.co.uk](http://www.psa.co.uk)

Public Sector  
Audit Appointments

“The LGA has worked hard to secure the option for local government to appoint auditors through a dedicated sector-led national procurement body. I am sure that this will deliver significant financial benefits to those who opt in.”

– Lord Porter CBE, Chairman,  
Local Government Association

Over the next few months all principal authorities will need to decide how their auditors will be appointed in the future. They may make the appointment themselves, or in conjunction with other bodies. Or they can take advantage of a national collective scheme which is designed to offer them a further choice. Choosing the national scheme should pay dividends in quality, in cost, in responsiveness and in convenience.

Public Sector Audit Appointments Ltd (PSAA) is leading the development of this national option. PSAA is a not-for-profit company which already administers the current audit contracts. It aims to be designated by the Department for Communities & Local Government (DCLG) to operate a collective scheme for auditor appointments for principal authorities (other than NHS bodies) in England. It is currently designing the scheme to reflect the sector's needs and views.

The Local Government Association (LGA) is strongly supportive of this ambition, and 200+ authorities have already signalled their positive interest. This is an opportunity for local government, fire, police and other bodies to act in their own and their communities' best interests.

We hope you will be interested in the national scheme and its development. We would be happy to engage with you to hear your views – please contact us at [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk)

You will also find some questions at the end of this booklet which cover areas in which we would particularly welcome your feedback.

# Audit does matter

High quality independent audit is one of the cornerstones of public accountability. It gives assurance that taxpayers' money has been well managed and properly expended. It helps to inspire trust and confidence in the organisations and people responsible for managing public money.

Imminent changes to the arrangements for appointing the auditors of local public bodies are therefore very important. Following the abolition of the Audit Commission, local bodies will soon begin to make their own decisions about how and by whom their auditors are appointed. A list of the local government bodies affected can be found at the end of this booklet.

The Local Government Association (LGA) has played a leadership role in anticipating these changes and influencing the range of options available to local bodies. In particular, it has lobbied to ensure that, irrespective of size, scale, responsibilities or location, principal local government bodies can, if they wish, subscribe to a specially authorised national scheme which will take full responsibility for local auditor appointments which offer a high quality professional service and value for money.

The LGA is supporting PSAA in its application to the Department for Communities & Local Government (DCLG) to be appointed to deliver and manage this scheme.

# PSAA is well placed to award and manage audit contracts, and appoint local auditors under a national scheme

PSAA is an independent, not-for-profit company limited by guarantee and established by the LGA. It already carries out a number of functions in relation to auditor appointments under powers delegated by the Secretary of State for Communities & Local Government. However, those powers are time-limited and will cease when current contracts with audit firms expire with the completion of the 2017/18 audits for local government bodies, and the completion of the 2016/17 audits for NHS bodies and smaller bodies.

The expiry of contracts will also mark the end of the current mandatory regime for auditor appointments. Thereafter, local bodies will exercise choice about whether they opt in to the authorised national scheme, or whether they make other arrangements to appoint their own auditors.

PSAA wishes to be selected to be the trusted operator of the national scheme, formally specified to undertake this important role by the Secretary of State. The company is staffed by a team with significant experience in appointing auditors, managing contracts with audit firms and setting and determining audit fees. We intend to put in place an advisory group, drawn from the sector, to give us ready access to your views on the design and operation of the scheme. We are confident that we can create a scheme which delivers quality-assured audit services to every participating local body at a price which represents outstanding value for money.

“Many district councils will be very aware of the resource implications of making their own appointment. Joining a well-designed national scheme has significant attractions.”

– Norma Atlay, President,  
Society of District Council Treasurers

“Police bodies have expressed very strong interest in a national scheme led by PSAA. Appointing the same auditor to both the PCC and the Chief Constable in any area must be the best way to maximise efficiency.”

– Sean Nolan, President,  
Police and Crime Commissioners  
Treasurers’ Society (PACCTS)

## The national scheme can work for you

We believe that the national scheme can be an excellent option for all local bodies. Early indications are that many bodies agree - in a recent LGA survey more than 200 have expressed an interest in joining the scheme.

We plan to run the scheme in a way that will save time and resources for local bodies - time and resources which can be deployed to address other pressing priorities. Bodies can avoid the necessity to establish an auditor panel (required by the Local Audit & Accountability Act, 2014) and the need to manage their own auditor procurement. The scheme will take away those headaches and, assuming a high level of participation, be able to attract the best audit suppliers and command highly competitive prices.

The scope of public audit is wider than for private sector organisations. For example, it involves forming a conclusion on the body’s arrangements for securing value for money, dealing with electors’ enquiries and objections, and in some circumstances issuing public interest reports. PSAA will ensure that the auditors which it appoints are the most competent to carry out these functions.

Auditors must be independent of the bodies they audit, to enable them to them to carry out their work with objectivity and credibility, and in a way that commands public confidence. PSAA plans to take great care to ensure that every auditor appointment passes this test. It will also monitor any significant proposals, above an agreed threshold, for auditors to carry out consultancy or other non-audit work to ensure that these do not undermine independence and public confidence.

The scheme will also endeavour to appoint the same auditors to bodies which are involved in formal collaboration/joint working initiatives or within combined authority areas, if the parties consider that a common auditor will enhance efficiency and value for money.

## PSAA will ensure high quality audits

We will only contract with firms which have a proven track record in undertaking public audit work. In accordance with the 2014 Act, firms must be registered with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of their work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC). Current indications are that fewer than ten large firms will register meaning that small local firms will not be eligible to be appointed to local public audit roles.

PSAA will ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any concerns are detected at an early stage and addressed effectively in the new regime. The company will take a close interest in feedback from audited bodies and in the rigour and effectiveness of firms' own quality assurance arrangements, recognising that these represent some of the earliest and most important safety nets for identifying and remedying any problems arising. We will liaise with the National Audit Office (NAO) to help ensure that guidance to auditors is updated when necessary.

We will include obligations in relation to maintaining and continuously improving quality in our contract terms and quality criteria in our tender evaluation method.

## PSAA will secure highly competitive prices

A top priority must be to seek to obtain the best possible prices for local audit services. PSAA's objective will be to make independent auditor appointments at the most competitive aggregate rate achievable.

Our current thinking is that the best prices will be obtained by letting three year contracts, with an option to extend to five years, to a relatively small number of appropriately registered firms in two or three large contract areas nationally. The value of each contract will depend on the prices bid, with the firms offering the best prices being awarded larger amounts of work. By having contracts with a number of firms we will be able to ensure independence and avoid dominance of the market by one or two firms.

Correspondingly, at this stage our thinking is to invite bodies to opt into the scheme for an initial term of three to five years, subject, of course, to the terms of specification by DCLG.

The procurement strategy will need to prioritise the importance of demonstrably independent appointments, in terms of both the audit firm appointed to each audited body and the procurement and appointment processes used. This will require specific safeguards in the design of the procurement and appointment arrangements.

“Early audit planning is a vital element of a timely audit. We need the auditors to be available and ready to go right away at the critical points in the final accounts process.”

– Steven Mair, City Treasurer,  
Westminster City Council

“In forming a view on VFM arrangements it is essential that auditors have an awareness of the significant challenges and changes which the service is grappling with.”

– Charles Kerr, Chair,  
Fire Finance Network

## PSAA will establish a fair scale of fees

Audit fees must ultimately be met by individual audited bodies. PSAA will ensure that fee levels are carefully managed by securing competitive prices from firms and by minimising PSAA's own costs. The changes to our role and functions will enable us to run the new scheme with a smaller team of staff. PSAA is a not-for-profit company and any surplus funds will be returned to scheme members.

PSAA will pool scheme costs and charge fees to audited bodies in accordance with a fair scale of fees which has regard to size, complexity and audit risk. Pooling means that everyone within the scheme will benefit from the most competitive prices. Current scale fees are set on this basis. Responses from audited bodies to recent fee consultations have been positive.

PSAA will continue to consult bodies in connection with any proposals to establish or vary the scale of fees. However, we will not be able to consult on our proposed scale of fees until the initial major procurement has been completed and contracts with audit firms have been let. Fees will also reflect the number of scheme participants - the greater the level of participation, the better the value represented by our scale of fees. We will be looking for principal bodies to give firm commitments to join the scheme during Autumn 2016.

# The scheme offers multiple benefits for participating bodies

We believe that PSAA can deliver a national scheme which offers multiple benefits to the bodies which take up the opportunity to collaborate across the sector by opting into scheme membership.

Benefits include:

- assured appointment of a qualified, registered, independent auditor
- appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives or combined authorities, if the parties believe that it will enhance efficiency and value for money
- on-going management of independence issues
- securing highly competitive prices from audit firms
- minimising scheme overhead costs
- savings from one major procurement as opposed to a multiplicity of small procurements
- distribution of surpluses to participating bodies
- a scale of fees which reflects size, complexity and audit risk
- a strong focus on audit quality to help develop and maintain the market for the sector
- avoiding the necessity for individual bodies to establish an auditor panel and to undertake an auditor procurement
- enabling time and resources to be deployed on other pressing priorities
- setting the benchmark standard for audit arrangements for the whole of the sector

We understand the balance required between ensuring independence and being responsive, and will continually engage with stakeholders to ensure we achieve it.

# How can you help?

We are keen to receive feedback from local bodies concerning our plans for the future. Please let us have your views and let us know if a national scheme operated by PSAA would be right for your organisation.

In particular we would welcome your views on the following questions:

1. Is PSAA right to place emphasis on both quality and price as the essential pre-requisites for successful auditor appointments?
2. Is three to five years an appropriate term for initial contracts and for bodies to sign up to scheme membership?
3. Are PSAA's plans for a scale of fees which pools scheme costs and reflects size, complexity and audit risk appropriate? Are there any alternative approaches which would be likely to command the support of the sector?
4. Are the benefits of joining the national scheme, as outlined here, sufficiently attractive? Which specific benefits are most valuable to local bodies? Are there others you would like included?
5. What are the key issues which will influence your decisions about scheme membership?
6. What is the best way of us continuing our engagement with you on these issues?

Please reply to: [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk)

The following bodies will be eligible to join the proposed national scheme for appointment of auditors to local bodies:

- county councils in England
- district councils
- London borough councils
- combined authorities
- passenger transport executives
- police and crime commissioners for a police area in England
- chief constables for an area in England
- national park authorities for a national park in England
- conservation boards
- fire and rescue authorities in England
- waste authorities
- the Greater London Authority and its functional bodies.

#### **BOARD MEMBERS**

Steve Freer (Chairman), former Chief Executive CIPFA

Caroline Gardner, Auditor General Scotland

Clive Grace, former Deputy Auditor General Wales

Stephen Sellers, Solicitor, Gowling WLG (UK) LLP

#### **CHIEF OFFICER**

Jon Hayes, former Audit Commission Associate Controller

“Maintaining audit quality is critically important. We need experienced audit teams who really understand our issues.”

– Andrew Burns, Director of Finance and Resources,  
Staffordshire County Council



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Public Sector  
Audit Appointments



<b>SUBJECT:</b>	Code of Corporate Governance
<b>REPORT OF:</b>	Director of Resources
<b>RESPONSIBLE OFFICER</b>	Jim Burness, Director of Resources
<b>REPORT AUTHOR</b>	Rodney Fincham, 01494 732260 <a href="mailto:rodney.fincham@southbucks.gov.uk">rodney.fincham@southbucks.gov.uk</a>
<b>WARD/S AFFECTED</b>	All

## 1. Purpose of Report

- 1.1 To present a new Joint Code of Corporate Governance for agreement by the Council, which has been updated in line with the latest CIPFA / SOLACE guidance, and was recommended for approval by the Audit & Standards Committee on 26 January 2017.

### RECOMMENDATION

**That the Council agrees and adopts the new Joint Code of Corporate Governance.**

## 2. Reasons for Recommendation

- 2.1 The Chartered Institute of Public Finance & Accountancy (CIPFA) in conjunction with the Society of Local Authority Chief Executives and Senior Managers (SOLACE) have published updated Guidance entitled 'Delivering Good Governance in Local Government Framework 2016 Edition'.
- 2.2 To demonstrate good governance, authorities need to demonstrate that their governance structures comply with the principles contained in this guidance.
- 2.3 It is therefore appropriate to update the Council's Code of Corporate Governance in light of the new guidance.

## 3. Content of Report

- 3.1 The Appendix contains the new draft Code of Corporate Governance, which has been based on the new framework.

3.2 The new Code does not require any changes to the policies and procedures of the Councils. What it is seeking to achieve is to clearly demonstrate that the way the Councils operate is driven by two fundamental principles.

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.

**4. Options**

4.1 The Council could decide not to update its Code of Corporate Governance. However this would not be in line with good practice.

**5. Corporate Implications**

5.1 There are no direct financial, legal or human resource implications from this report.

**6. Links to Council Policy Objectives**

6.1 This report relates to the Authority’s Corporate Governance Framework, which underpins the effective operation of all the Council’s activities.

**7. Next Step**

7.1 That, subject to Council’s agreement, the new joint Code of Corporate Governance be implemented.

<b>Background Papers:</b>	None
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## Appendix A: Code of Corporate Governance

### Definition of Governance

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

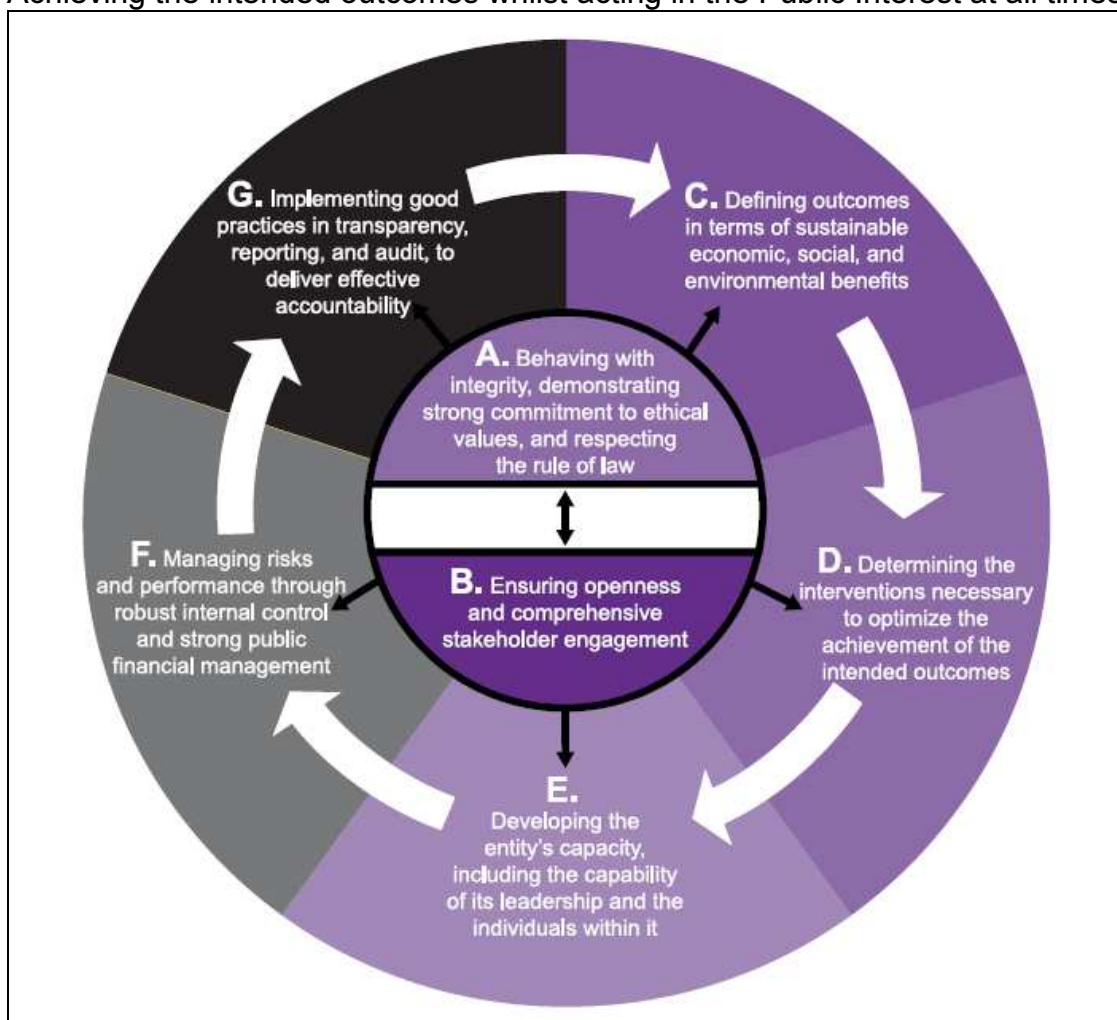
Source: *International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014)*.

### Our Approach to Governance

We believe that to deliver good governance, both the Council and individuals working for Council must try to achieve our objectives while acting in the public interest at all times.

We do this by applying the following framework where Principles A and B permeate implementation of principles C to G.

Governance Framework:  
Achieving the intended outcomes whilst acting in the Public Interest at all times.



Source: *International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014)*.

Good governance is also dynamic, and we are committed to improving governance on a continuing basis through a process of evaluation and review.

## How we Deliver Good Governance

We aim to deliver good governance by carrying out the actions in the following table to meet each of the core Governance principles.

Core Principle	Actions
<p><b>A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b></p> <p>Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</p>	<p><b>Behaving with integrity</b> We will:</p> <ul style="list-style-type: none"> <li>• Maintain and enforce a Member Code of Conduct.</li> <li>• Maintain and enforce an Employee Code of Conduct.</li> <li>• Ensure new Members and staff are briefed on the Codes of Conduct.</li> <li>• Have a clear system for performance management applying to all employees.</li> <li>• Declare and record any vested interests at meetings.</li> <li>• Conduct meetings in an open and inclusive manner.</li> <li>• Ensure a committee has specific responsibility for standards matters.</li> <li>• Maintain and enforce an Anti-Fraud, Bribery and Corruption Policy.</li> <li>• Maintain an up to date register of interests for Members and staff.</li> <li>• Maintain an up to date register of gifts and hospitality.</li> <li>• Maintain a whistleblowing policy.</li> <li>• Maintain a complaints policy, taking complaints seriously, and acting on these when appropriate.</li> </ul> <p><b>Demonstrating strong commitment to ethical values</b> We will:</p> <ul style="list-style-type: none"> <li>• Set out and follow our core Values, which underpin how we behave.</li> <li>• Appoint staff based on merit alone.</li> <li>• Ensure our Contract Procedure Rules are fair, open and transparent.</li> <li>• Require our partners to act with integrity and comply with high ethical standards.</li> </ul> <p><b>Respecting the rule of law</b> We will:</p> <ul style="list-style-type: none"> <li>• Follow all applicable legislation and statutory guidance.</li> <li>• Maintain and follow our constitution.</li> <li>• Comply with CIPFA’s Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2015).</li> <li>• Ensure legal advice is sought when necessary, and will formally record this advice.</li> <li>• Appoint a statutory Monitoring Officer, and support them to discharge their function effectively.</li> <li>• Ensure effective arrangements are in place for the discharge of the Head of Paid Service function.</li> </ul>
<p><b>B. Ensuring openness and</b></p>	<p><b>Openness</b></p>

Core Principle	Actions
<p><a href="#">comprehensive stakeholder engagement</a></p> <p>Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Produce and publish an Annual Report on our performance.</li> <li>• Maintain a Freedom of Information Act publication scheme.</li> <li>• Maintain a website and publish key information about the Authority on this.</li> <li>• Formally record decisions taken, and make these available to the public.</li> <li>• Provide clear reasoning and evidence for all decisions.</li> <li>• Maintain a calendar of dates for meetings with advance notice of key decisions to be taken.</li> </ul> <p><a href="#">Engaging comprehensively with institutional stakeholders</a></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Consult institutional stakeholders when appropriate on key decisions, and listen to the feedback.</li> <li>• Maintain a communications strategy.</li> <li>• Work in an open and inclusive manner with partners.</li> </ul> <p><a href="#">Engaging with individual citizens and service users effectively</a></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Consult citizens and service users when appropriate on key decisions, and listen to the feedback.</li> <li>• Maintain a communications strategy.</li> <li>• Seek to effectively consult with vulnerable and hard to reach groups.</li> <li>• Maintain a record of public consultations.</li> </ul>
<p><a href="#">C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</a></p> <p>The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.</p>	<p><a href="#">Defining outcomes</a></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Work with our partners to create a vision for the area.</li> <li>• Work with our partners to produce a Sustainable Community Strategy for the area.</li> <li>• Publish a forward looking Business Plan.</li> <li>• Produce annual service plans.</li> <li>• Regularly monitor progress with achieving our aims and objectives.</li> </ul> <p><a href="#">Sustainable economic, social and environmental benefits</a></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Consider and balance the economic, social and environmental impact of our actions.</li> <li>• Consider the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits.</li> <li>• Consider long term implications when making decisions.</li> <li>• Ensure fair access to our services for all users.</li> </ul>
<p><a href="#">D. Determining the interventions necessary to optimise the</a></p>	<p><a href="#">Determining interventions</a></p> <p>We will:</p>

Core Principle	Actions
<p><b>achievement of the intended outcomes</b></p> <p>Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.</p>	<ul style="list-style-type: none"> <li>• Ensure alternative options are presented and objectively considered, to ensure best value is achieved. For instance in reports seeking decisions.</li> <li>• Consider the risks associated with alternative options.</li> <li>• Consider feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources.</li> <li>• Maintain a fair and proportionate corporate enforcement policy and follow this at all times.</li> </ul> <p><b>Planning interventions</b> We will:</p> <ul style="list-style-type: none"> <li>• Operate an annual planning and control cycle to deal with strategic and operational plans, priorities and targets.</li> <li>• Engage / involve internal and external stakeholders and partners as appropriate.</li> <li>• Set and monitor key performance indicators / targets.</li> <li>• Maintain and follow a formal project management framework.</li> <li>• Be prepared to change and adapt, to deal with changing circumstances.</li> </ul> <p><b>Optimising achievement of intended outcomes</b> We will:</p> <ul style="list-style-type: none"> <li>• Balance service priorities, affordability and other resource constraints. For instance by use of our Cost, Quality and Resilience triangle.</li> <li>• Take account of the full cost of operations over the medium and longer term.</li> <li>• Consider 'social value' and comply with the Public Services (Social Value) Act 2012</li> </ul>
<p><b>E. Developing the entity's capacity, including the capability of its leadership and the</b></p>	<p><b>Developing the entity's capacity</b> We will:</p> <ul style="list-style-type: none"> <li>• Regularly review our activities, outputs and planned outcomes.</li> </ul>



Core Principle	Actions
<p><b>individuals within it</b></p> <p>Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods.</p> <p>A local government organisation must ensure that it has both the capacity to fulfill its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole.</p> <p>Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members.</p> <p>Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.</p>	<ul style="list-style-type: none"> <li>• Improve resource use through appropriate application of techniques such as Peer Review / benchmarking.</li> <li>• Work in partnership with others, where added value can be achieved.</li> <li>• Develop a workforce plan and an organisational development strategy.</li> </ul> <p><b>Developing the capability of the entity's leadership and other individuals</b></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Maintain up to date job descriptions for all staff.</li> <li>• Maintain a Protocol on Member / Officer Relations.</li> <li>• Maintain an up to date scheme of delegation.</li> <li>• Invest in Member and staff training.</li> <li>• Maintain our Investors in People (IIP) accreditation.</li> <li>• Hold staff to account through regular performance reviews which take account of training or development needs.</li> <li>• Implement appropriate human resource policies.</li> </ul>
<p><b>F. Managing risks and performance through robust internal control and strong public financial management</b></p>	<p><b>Managing risk</b></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Consider risk as an integral part of all activities.</li> <li>• Maintain an up to date Risk Management Strategy.</li> </ul>

Core Principle	Actions
<p>Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services.</p> <p>Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes.</p> <p>Risk should be considered and addressed as part of all decision making activities.</p> <p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.</p> <p>It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review.</p> <p>A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery.</p> <p>Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.</p>	<ul style="list-style-type: none"> <li>• Maintain up to date Risk Management Guidance.</li> <li>• Maintain up to date Risk Registers.</li> <li>• Allocate a senior officer with overall responsibility for risk management.</li> <li>• Maintain up to date business continuity plans.</li> <li>• Report at least annually to the Committee responsible for Risk Management.</li> </ul> <p><b>Managing performance</b></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Monitor our performance and regularly report on progress.</li> <li>• Compare our performance against others by using benchmarking, cost comparisons etc.</li> <li>• Ensure an effective scrutiny function is in place. For instance we will maintain at least one scrutiny committee, independent of the executive.</li> <li>• Proactively work with / manage our contractors to ensure agreed outputs are delivered and services improved.</li> </ul> <p><b>Robust internal control</b></p> <p>We will</p> <ul style="list-style-type: none"> <li>• Maintain effective internal control processes.</li> <li>• Maintain an effective internal audit service.</li> <li>• Work constructively with external audit.</li> <li>• Maintain an Audit Committee, independent of the Executive.</li> <li>• Report the audit plans and audit reports to the Audit Committee.</li> </ul> <p><b>Managing data</b></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Maintain appropriate data management policies and procedures.</li> <li>• Designate a senior officer with overall responsibility for data management.</li> <li>• Maintain appropriate data protection policies.</li> <li>• Maintain appropriate data sharing protocols.</li> <li>• Maintain appropriate data quality procedures.</li> </ul> <p><b>Strong public financial management</b></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Maintain an up to date Medium Term Financial Strategy.</li> <li>• Maintain up to date Financial Procedure Rules.</li> <li>• Prepare robust budgets taking account of our objectives, strategies and our medium term financial plan.</li> <li>• Carry out regular budget monitoring.</li> </ul>
<p><b>G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b></p>	<p><b>Implementing good practice in transparency</b></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Write and communicate reports for the public and other stakeholders in an understandable style.</li> <li>• Try to provide the right amount of information, striking a balance</li> </ul>

Core Principle	Actions
<p>Accountability is about ensuring that those making decisions and delivering services are answerable for them.</p> <p>Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner.</p> <p>Both external and internal audit contribute to effective accountability.</p>	<p>between transparency and understandability.</p> <ul style="list-style-type: none"> <li>• Comply with the Government's Local Government Transparency Code.</li> </ul> <p><a href="#">Implementing good practices in reporting</a></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Produce and publish an Annual Report.</li> <li>• Produce and publish annual Financial Statements.</li> <li>• Produce and publish an Annual Governance Statement.</li> </ul> <p><a href="#">Assurance and effective accountability</a></p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Act on agreed recommendations.</li> <li>• Comply with CIPFA's Statement on the Role of the Head of Internal Audit (2010).</li> <li>• Comply with Public Sector Internal Audit Standards.</li> <li>• Work constructively with inspection agencies.</li> </ul>



<b>SUBJECT:</b>	<b>BUDGET &amp; COUNCIL TAX REPORT 2017/18</b>
<b>REPORT OF:</b>	<b>Support Services Portfolio Holder</b>
<b>RESPONSIBLE OFFICER</b>	<b>Director of Resources</b>
<b>REPORT AUTHOR</b>	<b>Jim Burness (JBurness@chiltern.gov.uk)</b>
<b>WARD(s) AFFECTED</b>	<b>All</b>

## 1. Purpose of Report

- 1.1 This report provides information affecting the Council's revenue budget for 2017/18 in order for the Cabinet to make recommendations to Council on 28<sup>th</sup> February regarding the Council's budget and council tax for 2017/18.

## 2. Recommendations

### Revenue Budget 2017/18

- 1) **Approve the Revenue budget for 2017/18 as summarised in the table in paragraph 5.15, and recommend this to Council.**
- 2) **Agree that no support is provided to CDC parishes in respect of the impact of Council Tax Support on their tax bases for 2017/18 as the authority no longer receives Revenue Support Grant.**
- 3) **Agree the following use of earmarked reserves for 2017/18:**
  - Local Development Plan £268k
- 4) **Agree, or amend, the following additions to earmarked reserves for 2017/18**
  - Capital – Funding replacement refuse vehicles, £394k
  - Capital – Funding of capital programme, £1,028k
  - HS2, £150k
  - Elections, £20k
  - Planning Digitalisation, £105k.
- 5) **Approve a budget requirement of £10,747k, which will result in a District council tax of £175.62 for a Band D property.**
- 6) **Confirm the level of fees and charges for 2017/18 (Appendix C).**
- 7) **Note the advice of the Director of Resources (Appendix A).**

### Setting the Council Tax

- 8) **Agree that this report be made available to all Members of the Council in advance of the Council Tax setting meeting on 28th February, and a final report is produced for the Council**

**meeting incorporating the information from preceptors, and the final decisions of the Cabinet on the budget.**

### **Medium Term Financial Strategy**

**9) To note the comments in the report on the Council's financial position in respect of the years following 2017/18.**

### **3. Executive Summary**

3.1 It is the responsibility of the Cabinet to prepare a revenue budget for approval by the Council which will form the basis of setting the council tax. It also outlines the main issues affecting the Council's future financial position, as it is prudent to consider not just a single financial year in isolation.

### **4. Reason for Recommendations**

4.1 The Cabinet is required to recommend to Council a budget as the basis of setting the District element of the council tax. The information within the report will be the basis for the whole Council taking the decisions on the council tax, and this is why the report will be made available to all members.

4.2 When considering its budget the Council needs to be mindful of the medium term financial position, and this is covered within this report.

### **5. Information**

5.1 This report is divided into a number of sections, that as a whole cover the various elements that need to be considered when setting the Council's budget for the coming year and the council tax for the District. Based on consideration of the information in the report, the Cabinet needs to make recommendations to the Council meeting in February where the total council tax, including the element relating to preceptors, will be decided.

#### **Contents of Report**

Section A	Financial Context and Base Budget position
Section B	Investment Income and Grants
Section C	Budget Requirement and Council Tax Issues
Section D	Medium Term Financial Strategy Update
Section E	Advice of Director of Resources

**Section A - Financial Context and Base Budget position**

- 5.2 In December the Cabinet considered the draft service budgets and information available at that stage on the overall position related to Government funding.
- 5.3 On 15 December the Government announced the provisional Local Government financial settlement for 2017/18.
- 5.4 For Chiltern the following table shows the key figures for 2017/18.

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Business Rate Baseline	8,062	8,216	8,284	8,352
Business Rate Tariff	-6,732	-6,861	-6,918	-6,958
Baseline Need	1,330	1,355	1,366	1,394
Revenue Support Grant (RSG)	1,506	1,125	407	0
Settlement Funding Assessment	2,836	2,480	1,773	1,394
Year on Year Change (£k)		-356	-707	-379
Year on Year Change (%)		-13%	-29%	-21%

- 5.5 The table illustrates the continuing material reduction in funding to the Council that had been anticipated.
- 5.6 Funding reductions will continue in future years. In particular current indications are that in 2019/20 CDC will be subject to an additional tariff payment "negative RSG" of £848k.
- 5.7 The Business Rate Baseline represents the Government's estimate of the amount of business rates it anticipates the Council will collect. However income from Business Rates can be materially affected by appeals lodged by businesses with the Valuation Office. Successful appeals will reduce the business rates collectable.
- 5.8 Growth in business rates above the Baseline are currently subject to a 50% levy, with the levy being additional payments to the Government. The amount of the levy can be reduced if groups of authorities pool their business rates and payments to the Government. As Chiltern and two other Bucks Districts, South Bucks and Aylesbury Vale, expect to have business rate growth, they have formed a pool for 2017/18 in order to retain more of the growth.

**Section B - Investment Income and Grants**

- 5.9 The Council's Treasury Management Strategy for 2017/18, which is also being considered at this meeting, sets out the approach aiming to deliver investment income for 2017/18 of £100k.
- 5.10 In 2017/18 the Council also expects to incur borrowing costs, in order to fund the extension of the Amersham Multi Storey Car Park, dependant on Members approving a detailed business case during the course of the year.

- 5.11 An important source of grant funding for the authority is the New Homes Grant that rewards authorities for each new home by providing a grant equivalent to the national average Band D council tax for a number of years following completion of the property. The cumulative funding the Council will receive in 2017/18 from this source is £1,126k, an increase on the current year of £79k.
- 5.12 The Government has made a number of changes to the New Homes Grant system this year as follows:
- The number of years that the reward will be paid for (currently 6 years in 2016/17) will reduce to 5 years in 2017/18 and 4 years from 2018/19.
  - Introducing a minimum baseline for housing growth numbers of 0.4%. Grant is only received for growth above this baseline. For Chiltern this is approximately 198 units.
- 5.13 This year there is no offer of a Council Tax Freeze grant.

### Section C - Budget Requirement and Council Tax Issues

- 5.14 Since Cabinet reviewed the draft budget in December there have been six adjustments as follows:
- Extra income from green waste charges £36k.
  - Extra income from car park charges £202k.
  - Extra expenditure to investigate setting up a Community Infrastructure Levy £50k – to be funded from the Planning / Local Development Fund Reserve.
  - Cost increase due to an increase in the employers' pension contribution rate £115k.
  - Cost increase for the waste contract, due to amendments to the indexation and housing number estimates £91k.
  - Extra Local Council Tax Admin Support grant £16k.
- 5.15 The build-up of the budget, based on a 1.9% increase in the District council tax, is summarised in the following table.

<b>Revenue Budget</b>	2016/17 £'000	2017/18 £'000
Leader	624	641
Community, Health & Housing	1,722	1,818
Customer Services	1,067	1,203
Environment	1,368	1,565
Support Services	3,309	3,147
Sustainable Development	1,235	1,132
Trading Undertakings	-221	-223
<b>Net Cost of Services</b>	<b>9,104</b>	<b>9,283</b>



<b>Revenue Budget</b>	2016/17 £'000	2017/18 £'000
Investment Income	-140	-100
Notional Interest on Refuse Vehicles	54	37
Borrowing costs	-	98
Payment to Parishes	29	-
<b>Use of Earmarked Reserves</b>		
- LDD	-163	-268
- Contribution to fund replacement refuse vehicles	394	394
- Contribution to fund capital programme	1,412	1,028
- Contribution to HS2 reserve	-	150
- Contribution to Election reserve	20	20
- Contribution to Planning Digitalisation Reserve	-	105
<b>Budget Requirement</b>	10,710	10,747

- 5.16 The draft budget proposes using earmarked reserves as follows:
- Local Development Document (LDD) reserve, £267,500. This is to fund the estimated costs in 2017/18 of progressing the joint Local Plan (£217,500) and the estimated cost of investigating setting up a Community Infrastructure Levy (£50,000).
- 5.17 In 2017/18 the Council is in the position of having a revenue surplus of £1,283k, and there are proposals in the report to allocate the surplus as follows:
- HS2 earmarked reserve, £150k, as a contingency against HS2 nor reimbursing the full costs of the Council's work required in the implementation of the scheme.
  - To establish an earmarked reserve of £105k, to fund the CDC share of the costs of the project to digitise planning data, that was considered by the Joint Committee in January 2017.
  - To allocate the remaining surplus, £1,028k, to the Capital Programme. The projection of the Capital programme is that capital resources would be exhausted in 2019/20 without this injection. The report on the Capital Programme on this agenda illustrates the position in more detail.
- 5.18 The draft budget has been discussed at the Resources Overview Committee and any comments received will be made known to members at the meeting. The Support Services PAG has also reviewed the level and distribution of the Council's reserves and provided advice to the Portfolio Holder.
- 5.19 The latest budget monitoring information shows that the forecast level of general reserves at the end of the current financial year to be £2,417k. Section E of the report contains the Director of Resources advice on the level of reserves.

**Section D - Medium Term Financial Strategy Update**

5.20 The following table sets out the current Medium Term Financial projections.

	2017/18 BUDGET	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET
	£	£	£	£	£
<b><u>Income</u></b>					
Non Domestic Rates (NDR) - Baseline	(1,394)	(1,435)	(1,480)	(1,525)	(1,571)
Non Domestic Rates (NDR) - Growth	(300)	(300)	(300)	0	0
Revenue Support Grant	0	0	0	0	0
New Homes Grant	(1,126)	(641)	(719)	(557)	(419)
General Grants - Transition Grant	(100)	0	0	0	0
General Grants - Other	0	0	0	0	0
Tariff / Top Up Adjustment	0	0	848	848	848
Interest & Investment Income Receivable	(100)	(60)	(40)	(40)	(40)
Collection fund (surplus)/deficit - Council Tax	(114)	(114)	(114)	(114)	(114)
	<b>(3,135)</b>	<b>(2,549)</b>	<b>(1,806)</b>	<b>(1,388)</b>	<b>(1,295)</b>

<b><u>Service Expenditure</u></b>					
Leader Portfolio (ID)	641	654	667	680	694
Community, Health & Housing (GH)	1,818	1,855	1,892	1,930	1,968
Customer Services Portfolio (FW)	1,203	1,227	1,252	1,277	1,302
Environment (MSm)	1,565	1,596	1,628	1,660	1,694
Support Services (MSt)	3,147	3,210	3,274	3,339	3,406
Sustainable Development Portfolio (PM)	1,132	1,154	1,177	1,201	1,225
Trading Undertakings (MSm)	(223)	(228)	(232)	(237)	(242)
<b><u>New Pressures</u></b>					
Additional Pension Deficit Contribution	0	0	0	0	0
Council Elections - Fund from reserves	0	0	70	0	0
Waste retender - Procurement Costs	0	0	100	100	0
Waste retender - Cost Change	0	0	0	150	150
Infrastructure Mitigation (ie HS2)	0	0	0	0	0
<b><u>New Savings</u></b>					
Planning Shared Service	0	(42)	(155)	(189)	(189)
Net additional income from AMSCP expansion	0	8	(37)	(83)	(116)
Increased income from car parks generally	0	0	0	0	0
Phase 3 Stronger in Partnership Savings	0	(100)	(150)	(250)	(250)
Net additional income from new Chilterns Pools	0	0	(200)	(350)	(450)
Chiltern Crematorium Surplus - Current	0	0	(250)	(250)	(250)
<b>Net Cost of Services</b>	<b>9,282</b>	<b>9,334</b>	<b>9,035</b>	<b>8,979</b>	<b>8,943</b>

# Item 8.1

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Chiltern District Council

Council 28<sup>th</sup> February 2017

	2017/18 BUDGET	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET
<b>Other Expenditure</b>					
Notional Interest Payable - Refuse vehicles	38	22	7	0	0
Borrowing Costs - Interest	98	391	681	767	747
Borrowing Costs - MRP Repayment (40 yrs)	0	196	586	776	757
	<b>136</b>	<b>609</b>	<b>1,274</b>	<b>1,543</b>	<b>1,504</b>

<b>Contributions to / (from) Reserves</b>					
Contribution to / (from) LDF Fund	(268)	(268)	(268)	(268)	(268)
Contribution to Capital Prog - Refuse Vehicles	394	394	394	394	394
Contribution to Capital Prog - Other	913	0	0	0	0
Contribution to / (from) HS2 Reserve	150	0	0	0	0
Contribution to / (from) Elections Reserve	20	20	(70)	20	20
Contribution to / (from) Other Reserves	105	0	(100)	(100)	0
	<b>1,314</b>	<b>146</b>	<b>(44)</b>	<b>46</b>	<b>146</b>

<b>Precept Required</b>	<b>7,713</b>	<b>7,540</b>	<b>8,460</b>	<b>9,180</b>	<b>9,298</b>
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<b>COUNCIL TAX CALCULATION</b>					
Tax base	43,918	44,118	44,368	44,668	44,968
Tax Rate (Band D)	175.62	180.62	185.62	190.62	195.62
<b>Precept Collectable</b>	<b>7,713</b>	<b>7,969</b>	<b>8,236</b>	<b>8,515</b>	<b>8,797</b>

<b>Savings Required</b>	<b>0</b>	<b>429</b>	<b>(225)</b>	<b>(665)</b>	<b>(502)</b>
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## Assumptions

- Government (RSG) funding assumed to reduce in line with the information contained in the provisional Local Government Settlement, including the effect of the additional tariff. From 2020/21 onwards an estimate has been made of £300k for the cost to the Council of the outcomes of the Government's "Fair Funding" review of local authority funding, and the full rebasing of the business rates top up and tariff arrangements.
- The forecast growth in business rates for 2017/17 (£300k after 50% levy) is assumed to be sustained over the period to 2020/21, and that full retention of business rates comes into effect in 2019/20, enabling all the growth to be retained locally.
- Continued growth in housing numbers resulting in continued New Homes Grant.
- Expenditure assumed to increase for planning purposes by broadly 2% per annum approximately as a result of cost pressures.
- Council tax assumed to increase by £5 per annum.

5.21 The forecast table shows the potential future funding gap for the Authority that develops from 2019/20. The forecast deficit position for 2019/20 essentially arises from the introduction as part of the 2016/17 Settlement of the additional tariff ("negative RSG"), potential additional reduction in resources as a result of Government policies, and the borrowing costs associated with the potential leisure centre redevelopment.

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5.22 The picture is clearly one that shows of a continuing need to identify means of reducing net costs in the coming years. What the Authority has achieved to date has put it in the position where it can plan towards savings over more than one year. Also as council tax becomes increasing the main source of funding for the Council that it can influence, decisions on the level of the tax become important to the Council's medium term financial strategy.

5.23 In the medium term the key financial risks facing the Authority are:

- Responding to the significant reduction in Government funding, and the Council's ability to adjust its net expenditure base to cope with the reductions.
- The cost of waste services in the context of the waste disposal arrangements for Bucks.
- The cost of public inquiries or responding to major national infrastructure proposals affecting the District

### **Section E - Advice of the Director of Resources**

5.24 The detailed advice of the Director of Resources as the Authority's statutory financial officer is set out in Appendix A. In summary the key points of the advice are as follows.

- The estimates for 2017/18 have been prepared in a thorough and professional manner.
- The key budget risks have been identified.
- The main financial risks to the Council for the coming year have been assessed as follows.
  - Shortfall on income targets.
  - The cost of major planning inquiries, enforcement actions or responding to national infrastructure proposals that impact on the area. Specific earmarked reserves exist to cover these matters.
  - The costs of temporary accommodation, and supporting housing solutions. Specific earmarked reserves exist to cover some of these matters.

5.25 The suggested prudent level of general reserves for 2017/18 is £900k. The Appendix also sets out the estimated level of earmarked reserves at the end of 2016/17.

5.26 In the medium term the Authority will continue to face risks from:

- Managing the gap between cost increases the Council will face year on year, and the continued significant reductions in government funding, and the limitation of council tax increases. Key to managing this risk will be identifying further savings for the years from 2019/20 onwards.
- The costs of reaching and enforcing the Council's planning decisions, or responding to major national infrastructure proposals.
- The costs of the Authority's waste collection and recycling services in the context of Bucks CC's disposal arrangements.

**6. Consultation**

6.1 The draft budget has been considered by the Resources Overview Committee.

**7. Options**

7.1 The report sets out the position based on increasing the district element of the council tax to £175.97.

7.2 There is the option of not increasing the Council Tax. This would result in less resource being available to fund the capital programme and the funding gap increasing in future years.

7.3 There is also the option of increasing the Council by more than the referendum threshold of £5. However it is not considered realistic to consider a local referendum due to the cost of organising a referendum, and the risk of voters not supporting any additional increase in Council Tax.

**8. Corporate Implications**

8.1 The strategic and financial risks facing the Authority are set out in the report.

**9. Links to Council Business Plan**

9.1 The Council's code of corporate governance highlights the importance of having in place clearly documented processes for policy development, review and implementation, decision making, and monitoring and control. Following from this is the requirement for sound financial management, being able to demonstrate resources are aligned to the corporate priorities of the Council, and that any material risks are assessed. Establishing a sound and sustainable financial base is important for delivering the Council's objectives.

**10. Next Steps**

10.1 The report and Cabinet's decisions will form the basis of the Council tax decision of the Council on 28 February.

10.2 A report will be produced for the Council meeting bringing together the precepts that have been notified to the Council, from parishes and the major precepting bodies. This will then enable the Council to set the overall council tax for the area.

<b>Background Papers:</b>	<b>None</b>
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**CHIEF FINANCIAL OFFICER REPORT**

- .1 I am making this report in compliance with the personal responsibilities placed upon me by s25 to s28 of the Local Government Act 2003. The legislation requires me to report to the Authority on two matters.
- The robustness of the estimates it makes when calculating its budget requirement.
  - The adequacy of the Authority's reserves, taking into account the experience of the previous financial year.

**Robustness of Estimates**

- .2 The process for preparing the budgets started in the autumn of 2016. From the outset the budget development was influenced by a number of key factors.
- The need to keep expenditure and likely resources in balance given the limitations on increases in council tax and the continuing significant reductions in Government funding.
  - The national economic picture that affects many of the Council's main income streams and levels of housing and benefits expenditure.
  - The need to resource the implications of the corporate Business plan to enable the Council to make progress on its corporate aims.
- .3 During 2016 the Authority has continued its working with South Bucks DC and is near to completing a programme of service reviews to develop joint working and the benefits this provides. The savings from the completed service reviews are reflected in the 2017/18 budgets. As in recent years the 2017/18 budget is integrated with the Authority's service planning process, and therefore plans reflect the resources available.
- .4 The budget process has rigorously limited new expenditure to only the unavoidable minimum.
- .5 The medium term financial position of the Council clearly indicated the need to continue to make savings for future years, and work is in progress to identify further savings options for future years, and this is expected to include the benefits from continuing joint work with South Bucks DC. The continued focus on delivering savings or increasing income is important, and part of this will be having in place mechanisms to monitor and report on agreed savings.
- .6 The detailed budget preparation was overseen by an experienced qualified accountant, supported by other finance staff familiar with the requirements of the budget preparation process. The basis of the estimates included the following elements which are in my view crucial to setting realistic budgets.
- Staffing budgets are prepared on a zero base approach, and are built up based on the actual staffing establishment and its current costs. The final budgets also include a

vacancy factor of 2% consistent with that used in past years which has proved to be realistic.

- The budgets reflect as far as can be determined costs of major contracts including known or likely cost increases.
- The budgets are informed by the results of the 2016/17 budget monitoring and recognise those issues that are unavoidable and would carry through into 2017/18.
- The budget identified any recurring costs of Council decisions taken since March 2016.

.7 The detailed budgets have been scrutinised by:

- Officers
- Portfolio Holders
- Resources Overview Committee

.8 In particular the draft budgets were thoroughly examined by Cabinet members in an exercise led by the Portfolio Holder for Support Services. The budget does not contain any unspecified or unrealistic savings proposals or contingencies.

.9 Investment income expectations reflect a realistic view on the level of interest rates and borrowing costs over the next few years and likely cash balances, and this is reflected within the treasury management strategy.

.10 Finally the budgets have been assessed as part of the Authority's approach to risk management and the major financial risks identified. These will be referred to in the following section dealing with the adequacy of reserves.

.11 Taking all these factors into account I am satisfied that the estimates have been prepared on a robust basis.

### **Adequacy of Reserves**

.12 The Council has a policy on its reserves, and this policy accords with the guidance issued by the Chartered Institute of Finance and Accountancy (CIPFA). In essence the Policy states that the minimum level should be based on 7½% of the net cost of services, plus any material financial risks identified for the coming financial year for which specific provision has not been made.

.13 With regard to Business rates, the Council will continue to account for the business rates timing adjustments via a 'NDR Timing Difference' adjustment to the General Fund balance.

.14 The Code of practice on local authority accounting requires the purpose, usage and basis of transactions of earmarked reserves to be identified clearly. The Council has a number of earmarked reserves where it has full control over their deployment. These need to be kept under review taking into account the current financial issues facing the Council. The following table shows the Council's reserves position estimated for 31st March 2017.



Description	31/3/17 £k	Comment
Business Rates Equalisation Reserve	250	To offset any in year loss in retained business rates to the District not covered by the business rates safety net arrangements.
Rent Deposit/Private Leasing and Homelessness/Repossession prevention reserve	115	To provide funding to assist households in accessing affordable housing and reducing temporary accommodation and avoiding homelessness
Neighbourhood Planning Reserve	17	To hold Neighbourhood Planning Grant until expenditure incurred
Housing Benefits Reserve	508	To be used for service transformation to improve capacity and resilience to cope with forthcoming change.
Election Fund	60	To meet the cost of local elections as and when required
Community Support Reserve	66	Funding secured in previous years to be used to support community safety projects.
Waste Initiatives Reserve	294	Reserve established to provide support for delivery of waste and recycling projects across the District
Local Development Framework & Planning Reserve	892	To meet costs of major planning appeals and enforcement actions and the joint Local Development Plan process, including studies and surveys.
HS2 Reserve	246	To cover potential costs involved in seeking to mitigate the impact of HS2 on the area through legal and parliamentary processes.
Transformation & Workforce Strategy Reserve	200	To enable the Council to progress organisational and service delivery change including joint working
Economic Development Reserve	300	To support projects with local business and other partners to benefit the local economy
Car Parking	100	To fund parking capacity assessments when required
Affordable Housing	1,000	To support the provision of affordable housing

Description	31/3/17 £k	Comment
S106 reserve	25	To hold unconditional s106 monies
Pension Fund	1,000	To provide scope for additional pension deficit contributions if considered appropriate.
Leisure Fund	1,000	For development of leisure provision
Refuse Vehicles Fund	1,166	To provide for the replacement of the vehicles over the 7 year period to 2021
Repairs & Renewals Fund	428	For the replacement of vehicles, plant, machinery and equipment as required and as a contingency for major repairs to buildings as part of the capital programme
Capital Projects Reserves	2,637	This reserve is held to provide resources for capital expenditure.
Total Earmarked Reserves	10,304	

- .15 In considering the level of general reserves in addition to the cash flow requirements, the following factors are considered:

Budget assumptions	Financial standing and management	Comment on CDC position
The treatment of inflation and interest rates	The overall financial standing of the Authority (level of borrowing, debt outstanding, council tax collection rates)	The budgets are based on known price increases as far as is possible. External advice has been taken on interest rate forecasts and these have been used with prudent assessments of the level of cash available for investment. This is set out in the Treasury Management Strategy.
Estimates of the level and timing of capital receipts	The Authority's track record in budget and financial management	The forecast of future capital receipts reviewed over the course of the budget process. At present no major receipts are anticipated in the coming years.
The treatment of demand led pressures	The Authority's capacity to manage in-year budget pressures	The Authority has in place regular budget monitoring procedures to identify any in year pressures, and to consider what actions can be taken. Reports are produced monthly for Management Team

Budget assumptions	Financial standing and management	Comment on CDC position
		and Cabinet members. The budget process has also picked up any demand led pressures that need to be built into the 2017/18 budget. There are quarterly budget review meetings with members to review the current year's position and future years' issues.
The treatment of savings/efficiency gains	The strength of financial information and reporting arrangements	The budget preparation and monitoring processes are used to identify and monitor savings. The deployment of savings is determined by the Council's budget process and its medium term financial strategy which directs resources towards priorities and ensures overall matching of expenditure to resources.
The financial risks inherent in any significant new funding partnerships or major capital developments	The Authority's virement and end of year procedures in relation to budget under/overspends at authority and departmental level	The Council undertakes a risk assessment of the budget risks it faces. The major risks for 2017/18 are highlighted below.
The availability of other funds to deal with major contingencies	The adequacy of the Authority's insurance arrangements to cover major unforeseen risks.	The Authority has sufficient reserves to cover insurance liabilities. It has also the resources in general or earmarked reserves to make reasonable contingencies against matters such as housing pressures, national infrastructure projects, major enforcement actions etc.

.16 From the preceding table it can be seen that the Authority takes action to reduce budget risk and therefore influence the level of reserves it needs to hold. There will always be areas of risk or uncertainty and which need to be assessed as part of the budget process.

.17 The main financial risks to the Council for the coming year have been assessed as follows.

- Shortfall on income targets (See Appendix B Sensitivity Analysis).
- The cost of major planning inquiries, enforcement actions or responding to national infrastructure proposals that impact on the area primarily HS2. Specific earmarked reserves exist to cover these matters.
- The costs of temporary accommodation, and supporting housing solutions. Specific earmarked reserves exist to cover some of these matters.

.18 In the longer term there will be the risks of:

- Managing the gap between cost increases the Council will face year on year, and the continued significant reductions in government funding, and the limitation of council tax increases. Key to managing this risk will be identifying further savings for the years from 2019/20 onwards.
- The costs of reaching and enforcing the Council's planning decisions, or responding to major national infrastructure proposals. This would include major issues such as HS2 and airports expansion.
- The costs of the Authority's waste collection and recycling services in the context of Bucks CC's disposal arrangements.

.19 As a small authority the Council is always faced with the risk to achieving its objectives from capacity and reliance on a number of key staff. Therefore staffing issues will need to be kept carefully under review going forward and establishing joint teams with South Bucks DC will help improve resilience.

.20 Taking all these factors into account it would be advisable to plan for a level of general reserves of at least around £900k for the forthcoming financial year, exclusive of any specific contingencies for which earmarked reserves have been established (see table above). This figure is made up as follows.

	£k
7½% Net Cost of Services	700
Potential Income shortfalls	100
Potential temporary accommodation costs	100
	<u>900</u>

### Legal Considerations

.21 The setting of the budget and the council tax by Members involves their consideration of choices and alternatives and Members have considered these in various earlier reports. No genuine and reasonable options should be dismissed out of hand and Members must bear in mind their fiduciary duty to the council taxpayers of Chiltern District Council. Should Members wish to make additions or reductions to the budget, on which no information is given in the report before Members, they should present sufficient information on the justification for and consequences of their proposals to enable the Cabinet (or the Council) to arrive at a reasonable decision on them.

- .22 The report sets out relevant considerations for Members to consider during their deliberations, including the statement above from the Chief Financial Officer. Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully. They are under an obligation to produce a balanced budget and must not knowingly budget for a deficit. Members must not come to a decision that no reasonable authority could come to, balancing the nature; quality and level of services that they consider should be provided, against the costs of providing such services.
- .23 Members are reminded of s106 of the Local Government and Finance Act 1992, which prohibits any Member who has not paid for at least two months his/her Council Tax when it becomes due, from voting on setting the budget and making of the Council Tax and related calculations.

**Jim Burness**  
**Director of Resources**  
**February 2017**



**Budget Sensitivity Analysis 2017/18 (CDC)**

This paper looks at a number of the key budget risk areas and analyses the sensitivity of these to changes in circumstances.

Change in Demand	Worsen Budget Position		2017/18 Budget	Improve Budget Position	
	10% Decrease	5% Decrease		5% Increase	10% Increase
	£	£	£	£	£
Car Park Income - Amersham Multi Story	-68,700	-34,350	-687,000	34,350	68,700
Car Park Income - Surface Car Parks	-110,970	-55,485	-1,109,700	55,485	110,970
Car Park Income - Penalty Charges	-9,000	-4,500	-90,000	4,500	9,000
Development Management Income	-71,000	-35,500	-710,000	35,500	71,000
Land Charges Fees	-15,000	-7,500	-150,000	7,500	15,000
Recycling Credits	-42,480	-21,240	-424,800	21,240	42,480
Green Waste	-45,600	-22,800	-456,000	22,800	45,600
Licensing Income - Taxis (CDC Share)	-5,243	-2,622	-52,431	2,622	5,243
Licensing Income - Other (CDC Share)	-5,484	-2,742	-54,838	2,742	5,484
Building Control Income (CDC share)	-52,360	-26,180	-523,600	26,180	52,360
<i>Difference</i>	<i>-425,837</i>	<i>-212,918</i>		<i>212,918</i>	<i>425,837</i>
<b>Change in Interest Earnings</b>	20% Decrease	10% Decrease		5% Increase	10% Increase
Interest earnings	-20,000	-10,000	-100,000	5,000	10,000
<i>Difference</i>	<i>-20,000</i>	<i>-10,000</i>		<i>5,000</i>	<i>10,000</i>
<b>Other Significant Financial Risks</b>	Worst Case	Slightly Worse	2017/18 Budget	Slightly Better	Best Case
	£	£	£	£	£
Planning appeals - legal costs	75,000	40,000	25,000	15,000	0
Planning enforcement - legal costs	75,000	40,000	25,000	15,000	0
	150,000	80,000	50,000	30,000	0
<i>Difference</i>	<i>-100,000</i>	<i>-30,000</i>		<i>20,000</i>	<i>50,000</i>
<b>Grand Total</b>	<b>-545,837</b>	<b>-252,918</b>		<b>237,918</b>	<b>485,837</b>





**ENVIRONMENTAL SERVICES**  
**REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

ENVIRONMENT		General ledger code	2016/17 £	2017/18 £
Wheeled Bin and Delivery - 140 Litre	D04	W100-9345	40.00	40.00
Wheeled Bin and Delivery - 180 Litre	D04	W100-9345	40.00	40.00
Wheeled Bin and Delivery - 240 Litre	D04	W100-9345	40.00	40.00
Wheeled Bin and Delivery - 360 Litre	D04	W100-9345	40.00	40.00
Wheeled Bin and Delivery - 660 Litre	D04	W100-9345	225.00	225.00
Wheeled Bin and Delivery - 1100 Litre	D04	W100-9345	250.00	250.00
Recycling Box and Lid - Delivered	D04	W100-9345	6.00	6.00
Recycling Box Only - Pick up Only (CDC Offices)	D04	W100-9345	4.50	4.50
Recycling Lid Only - Pick up Only (CDC Offices)	D04	W100-9345	1.75	1.50
Reusable Bag and Delivery	D04	W100-9345	5.50	5.50
Reusable Bag - Pick Up Only (CDC offices)	D04	W100-9345	4.50	4.50
Outdoor Food Caddy and Delivery	D04	W100-9345	5.50	5.50
Outdoor Food Caddy - Pick Up Only (CDC Offices)	D04	W100-9345	4.50	4.50
Indoor Small 5L Food Caddy (if stock available) - CDC reception	D04	W100-9345	3.50	3.50
Corn Starch Liners (various sizes and numbers) - CDC reception	D45	W100-9345	£2 to £10	£2.50 to £10
Litter Pickers	D45	W100-9345	8.00	10.74
Bulky Waste Collection (3 items)	D04	W100-9460	36.00	36.00
Bulky Waste Collection (for those on means tested benefits)	D04	W100-9460	14.00	15.00
Special Empty of Contaminated Bins - 2 Wheeled	D04	W100-9792	£30 per bin	£40 per bin
Special Empty of Contaminated Bins - 4 Wheeled	D04	W100-9792	£75 per bin	£75 per bin
Green Waste Annual Charge - 1st Subscription	D04	W100-9463	35.00	38.00
Green Waste Annual Charge - 2nd Subscription	D04	W100-9463	70.00	70.00
Schools and Other Schedule 2 - Bin Rental 140L-240L	D04	W100-9461	52.00	52.00
Schools and Other Schedule 2 - Bin Rental 360L	D04	W100-9461	67.00	67.00
Schools and Other Schedule 2 - Bin Rental 660L	D04	W100-9461	67.00	67.00
Schools and Other Schedule 2 - Bin Rental 1100L	D04	W100-9461	120.00	120.00
Schools and Other Schedule 2 - Lift 140L-240L	D04	W100-9461	3.25	3.50
Schools and Other Schedule 2 - Lift 360L	D04	W100-9461	3.75	4.00
Schools and Other Schedule 2 - Lift 660L	D04	W100-9461	4.25	4.50
Schools and Other Schedule 2 - Lift 1100L	D04	W100-9461	4.50	4.75
Schools and Other Schedule 2 - One Use Sacks, pre paid sold per roll	D04	W100-9461	£1.25 per bag (Roll of 52)	£1.50 per bag (Roll of 52)
Abandoned Vehicle removal from private property	D04	W100-9792		75.00

**ENVIRONMENTAL SERVICES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>STREET NAMING</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Existing Properties</u></b>				
House name change	D40	C850-9353	82.00	90.00
<b><u>Numbering / Naming of New Properties</u></b>				
1 property	D04	C850-9353	128.00	180.00
2 to 5 properties	D04	C850-9353	128.00	258.00
6 to 25 properties	D04	C850-9353	230.00	335.00
26 to 75 properties	D04	C850-9353	250.00	392.00
76 to 100 properties	D04	C850-9353	352.00	480.00
100+ properties	D04	C850-9353	TBC with developer	TBC with developer
Additional charge where this includes naming of a street	D04	C850-9353	230.00	406.00
<b><u>Rename of Street - where requested by residents (Apportioned across number of addresses)</u></b>				
Note rarely carried out.				
1 to 5 properties	D40	C850-9353	546.00	1,000.00
6 to 25 properties	D40	C850-9353	612.00	1,280.00
26 to 75 properties	D40	C850-9353	689.00	1,600.00
76+ properties	D40	C850-9353	842.00	2,200.00
<b><u>Renumbering of Street - where requested by residents (Apportioned across number of addresses)</u></b>				
Note rarely carried out.				
1 to 5 properties	D40	C850-9353	561.00	1,000.00
6 to 25 properties	D40	C850-9353	643.00	1,280.00
26 to 75 properties	D40	C850-9353	765.00	1,600.00
76+ properties	D40	C850-9353	898.00	2,200.00

**ENVIRONMENTAL SERVICES**  
**REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>GREAT MISSENDEN CEMETERY</b>	<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
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**Fees for the Use of the Cemetery for Interments:**

In the graves for which no exclusive right of burial has been granted

i) A stillborn child, or a person whose age at the time of death did not exceed one month *	D04	G380-9417	25.00	25.00
ii) A person whose age at the time of death exceeded one month but did not exceed twelve years *	D04	G380-9417	102.00	105.00
iii) A person whose age at the time of death exceeded twelve years *	D04	G380-9417	225.00	230.00
iv) for any interment at a depth exceeding six feet for members of the same family in a site and for each foot an additional *	D04	G380-9417	102.00	105.00

In a grave or vault for which an exclusive right of burial has been granted

i) A stillborn child, or a person whose age at the time of death did not exceed one month *	D04	G380-9417	25.00	25.00
ii) A person whose age at the time of death exceeded one month but did not exceed twelve years *	D04	G380-9417	102.00	105.00
iii) A person whose age at the time of death exceeded twelve years *	D04	G380-9417	225.00	230.00
iv) for any interment at a depth exceeding six feet for members of the same family in a site and for each foot an additional *	D04	G380-9417	102.00	105.00

**Exclusive Rights of Burial in Perpetuity in an Earthen Grave**

i) One Plot *	D04	G380-9418	387.00	395.00
ii) Two Plots *	D04	G380-9418	674.00	687.00
iii) Three Plots *	D04	G380-9418	925.00	940.00

**Monuments, Gravestones, Tablets and Monumental Inscriptions**

For the right to erect:

i) A headstone under no circumstances to exceed three feet in height or a foot stone not exceeding one foot in height *	D04	G380-9427	160.00	163.00
ii) A tablet on any grave or vault, or in the Lawn Cemetery, a plaque on a grave *	D04	G380-9427	160.00	163.00
iii) Any inscription after the first on a gravestone, tablet or memorial *	D04	G380-9427	84.00	86.00

Purchase of plot measuring 2ft x 2ft in Old Section of cemetery for

burial of cremated remains *	D04	G380-9427	125.00	130.00
Burial of Cremated remains *	D04	G380-9427	102.00	105.00

Transfer of ownership of Exclusive Right of Burial	D04	G380-9418	60.00	62.00
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^ The foregoing charges will be doubled where the person in respect of whom the charge is made, is or was not resident within the Chiltern District or in the case of a still born child or person whose ages at the time of death did not exceed one year where neither of the parents is or was at the time of interment, resident within the said area

**ENVIRONMENTAL SERVICES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

**CAR PARKS - DAILY CHARGES** 7.30 a.m. to 6.00 p.m.

	General ledger code	2016/17 £	2017/18 £		General ledger code	2016/17 £	2017/18 £
<b>Amersham Multi Storey</b>	C755-9571			<b>Civic Centre Car Park</b>	C300-9571		
Up to 1 hour		0.60	0.70	Up to 1/2 hour		Free	Free
Up to 2 hours		1.20	1.40	Up to 1 hour		0.60	0.70
Up to 3 hours		1.80	2.00	Up to 2 hours		1.20	1.40
Up to 4 hours		2.40	2.50	Up to 3 hours		1.80	2.00
24 hours		5.00	6.00	MAXIMUM STAY 3 HOURS			
Sunday/Public Holiday		Free	Free	Sunday/Public Holiday		Free	Free
<b>Amersham - Sycamore Road</b>	C330-9571			<b>Council Offices Car Park</b>			
Up to 1 hour		0.60	0.70	Mon-Fri 5.30-Midnight		Free	Free
Up to 2 hours		1.20	1.40	Sunday/Public Holiday		Free	Free
Up to 3 hours		1.80	2.00				
Up to 4 hours		2.40	2.50	CLOSED TO THE PUBLIC AT ALL OTHER TIMES			
Up to 9 hours		3.50	3.60				
Over 9 hours			6.00				
<b>Amersham Old Town</b>	C270-9571			<b>Chalfont St Giles - Blizzards Yard</b>	C550-9571		
Up to 1 hour		0.60	0.70	Up to 1 hour		0.60	0.70
Up to 2 hours		1.20	1.40	Up to 2 hours		1.20	1.40
Up to 3 hours		1.80	2.00	Up to 3 hours		1.80	2.00
Up to 4 hours		2.40	2.50	Up to 4 hours		2.40	2.50
Over 4 hours		3.50	3.60	Over 4 hours		3.50	3.60
Sunday/Public Holiday		Free	Free	Sunday/Public Holiday		Free	Free
<b>Amersham - Chiltern Avenue</b>	C720-9571			<b>Little Chalfont - Snells Wood</b>	C700-9571		
Up to 1 hour		0.60	0.70	Up to 1 hour		Free	0.70
Up to 2 hours		1.20	1.40	Up to 2 hours		1.20	1.40
Up to 3 hours		1.80	2.00	Up to 3 hours		1.80	2.00
Up to 4 hours		2.40	2.50	Up to 4 hours		2.40	2.50
Up to 5 hours		3.50	3.60	Up to 5 hours		3.50	3.60
Sunday/Public Holiday		Free	Free	MAXIMUM STAY 5 HOURS			
				Sunday/Public Holiday		Free	Free
<b>Amersham - Chiltern Pools</b>	C710-9571			<b>Chalfont St Peter - Church Lane</b>	C580-9571		
Up to 1 hour		0.60	0.70	Up to 1 hour		0.60	0.70
Up to 2 hours		1.20	1.40	Up to 2 hours		1.20	1.40
Up to 3 hours		1.80	2.00	Up to 3 hours		1.80	2.00
MAXIMUM STAY 3 HOURS				Up to 4 hours		2.40	2.50
Sunday/Public Holiday		Free	Free	Over 4 hours		3.50	3.60
				Sunday/Public Holiday		Free	Free

**ENVIRONMENTAL SERVICES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

**CAR PARKS - DAILY CHARGES** 7.30 a.m. to 6.00 p.m.

	General ledger code	2016/17 £	2017/18 £		General ledger code	2016/17 £	2017/18 £
<b>Chesham - Star Yard</b>	C480-9571			<b>Chesham - Albany</b>	C360-9571		
Up to 1 hour		0.60	0.70	Up to 10 mins		0.10	0.10
Up to 2 hours		1.20	1.40	Up to 20 mins		0.20	0.20
Up to 3 hours		1.80	2.00	Up to 30 mins		0.30	0.30
MAXIMUM STAY 3 HOURS				Up to 40 mins		0.40	0.40
Sunday/Public Holiday		Free	Free	Up to 50 mins		0.50	0.50
				Up to 1 hour		0.60	0.70
				Up to 2 hours		1.20	1.40
				Up to 3 hours		1.80	2.00
				Up to 4 hours		2.40	2.50
				Over 4 hours		3.50	3.60
				Sunday/Public Holiday		Free	Free
<b>Chesham - Catlings Car Park</b>	C490-9571						
Up to 10 mins		0.10	0.10	<b>Great Missenden - Buryfield</b>	C660-9571		
Up to 20 mins		0.20	0.20	Up to 1 hour		0.60	0.70
Up to 30 mins		0.30	0.30	Up to 2 hours		1.20	1.40
Up to 40 mins		0.40	0.40	Up to 3 hours		1.80	2.00
Up to 50 mins		0.50	0.50	Up to 4 hours		2.40	2.50
Up to 1 hour		0.60	0.70	Up to 4 hours		3.50	3.60
Up to 2 hours		1.20	1.40	Over 9 hours		6.00	7.00
Up to 3 hours		1.80	2.00	Sunday/Public Holiday		Free	Free
Up to 4 hours		2.40	2.50				
MAXIMUM STAY 4 HOURS							
Sunday/Public Holiday		Free	Free				
				<b>Chesham - East Street</b>	C420-9571		
				Up to 1 hour		0.60	0.70
				Up to 2 hours		1.20	1.40
				Up to 3 hours		1.80	2.00
				Up to 4 hours		2.40	2.50
				Over 4 hours		3.50	3.60
				Sunday/Public Holiday		Free	Free
				<b>Great Missenden - Link Road</b>	C640-9571		
				Up to 1 hour		0.60	0.70
				Up to 2 hours		1.20	1.40
				Up to 3 hours		1.80	2.00
				Up to 4 hours		2.40	2.50
				Up to 4 hours		3.50	3.60
				Over 9 hours		6.00	7.00
				Sunday/Public Holiday		Free	Free
				<b>Chesham - Water Meadow</b>	C510-9571		
Up to 1 hour		0.60	0.60	<b>Prestwood - High Street</b>	C670-9571		
Up to 2 hours		1.20	1.20	Up to 1 hour		0.60	0.70
Up to 3 hours		1.80	1.80	Up to 2 hours		1.20	1.40
Up to 4 hours		2.40	2.40	Up to 3 hours		1.80	2.00
Over 4 hours		3.50	3.50	Up to 4 hours		2.40	2.50
Mkt Traders (1 day)		4.00	4.10	Up to 10½ hours		3.50	3.60
Sunday/Public Holiday		Free	Free	Sunday/Public Holiday		Free	Free

**ENVIRONMENTAL SERVICES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>CAR PARKS - SEASON TICKETS</b>							
	<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Amersham Multi Storey</u></b>	C750-9573			<b><u>Chesham - Water Meadow</u></b>	C750-9573		
1 monthly		78.00	78.00	1 monthly		68.25	68.25
3 monthly		234.00	234.00	3 monthly		204.75	204.75
6 monthly		416.00	416.00	6 monthly		364.00	364.00
12 monthly		780.00	780.00	12 monthly		682.50	682.50
<b><u>Amersham - Sycamore Road</u></b>	C750-9573			<b><u>Chalfont St Giles - Blizzards Yard</u></b>	C750-9573		
1 monthly		68.25	68.25	1 monthly		53.08	53.08
3 monthly		204.75	204.75	3 monthly		159.25	159.25
6 monthly		364.00	364.00	6 monthly		295.75	295.75
12 monthly		682.50	682.50	12 monthly		546.00	546.00
<b><u>Amersham Old Town</u></b>	C750-9573			<b><u>Chalfont St Peter - Church Lane</u></b>	C750-9573		
1 monthly		53.08	53.08	1 monthly		37.92	37.92
3 monthly		159.25	159.25	3 monthly		113.75	113.75
6 monthly		295.75	295.75	6 monthly		227.50	227.50
12 monthly		546.00	546.00	12 monthly		364.00	364.00
<b><u>Chesham - Star Yard</u></b>	C750-9573			<b><u>Great Missenden - Buryfield</u></b>	C750-9573		
1 monthly		68.25	68.25	1 monthly		68.25	68.25
3 monthly		204.75	204.75	3 monthly		204.75	204.75
6 monthly		364.00	364.00	6 monthly		364.00	364.00
12 monthly		682.50	682.50	12 monthly		682.50	682.50
<b><u>Chesham - Albany</u></b>	C750-9573			<b><u>Great Missenden - Link Road</u></b>	C750-9573		
1 monthly		68.25	68.25	1 monthly		68.25	68.25
3 monthly		204.75	204.75	3 monthly		204.75	204.75
6 monthly		364.00	364.00	6 monthly		364.00	364.00
12 monthly		682.50	682.50	12 monthly		682.50	682.50
<b><u>Chesham - East Street</u></b>	C750-9573			<b><u>Prestwood - High Street</u></b>	C750-9573		
1 monthly		68.25	68.25	1 monthly		53.08	53.08
3 monthly		204.75	204.75	3 monthly		159.25	159.25
6 monthly		364.00	364.00	6 monthly		295.75	295.75
12 monthly		682.50	682.50	12 monthly		546.00	546.00

**HEALTHY COMMUNITIES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>LICENCES</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Hackney Carriages/Private Hire Vehicle Licenses</u></b>				
Hackney Carriage Vehicle grant.	D04	LI01-9383	399.00	399.00
Hackney Carriage Vehicle renewal.	D04	LI01-9383	300.00	300.00
Hackney Carriage Vehicle issue(CNG or LPG).	D04	LI01-9383	199.50	199.50
Hackney Carriage Vehicle Renewal(CNG or LPG).	D04	LI01-9383	150.00	150.00
Returnable plate deposit.	D04	LI01-9383	20.00	20.00
Private Hire Vehicle grant.	D04	LI01-9383	329.00	329.00
Private Hire Vehicle renewal.	D04	LI01-9383	230.00	230.00
PrivateHire Vehicle Issue (CNG or LPG - standardPlate).	D04	LI01-9383	164.50	164.50
PrivateHire Vehicle Renewal (CNG or LPG - standardPlate).	D04	LI01-9383	115.00	115.00
Taxi and Private Hire:dispensation	D04	LI01-9383	65.00	65.00
Replacement internal licence.	D04	LI01-9383	15.00	15.00
Replacement new plate.	D04	LI01-9383	25.00	25.00
Transfer of vehicle.	D04	LI01-9383	90.00	90.00
Change of vehicle.	D04	LI01-9383	67.00	67.00
<b><u>Drivers' Licenses</u></b>				
Hackney Carriage Driver grant, 1 year.	D04	LI01-9383	161.00	161.00
Hackney Carriage Driver renewal, 1 year.	D04	LI01-9383	95.00	95.00
Hackney Carriage Driver grant, 3 year.	D04	LI01-9383	332.00	332.00
Hackney Carriage Driver renewal, 3 year.	D04	LI01-9383	256.00	256.00
Private Hire Vehicle Driver grant, 1 year.	D04	LI01-9383	161.00	161.00
Private Hire Vehicle Driver renewal, 1 year.	D04	LI01-9383	95.00	95.00
Private Hire Vehicle Driver grant, 3 year.	D04	LI01-9383	332.00	332.00
Private Hire Vehicle Driver renewal, 3 year.	D04	LI01-9383	256.00	256.00
Returnable badge deposit.	D04	LI01-9383	10.00	10.00
Issue of a administration letter.	D04	LI01-9383	25.00	25.00
Knowledge test	D04	LI01-9383	25.00	25.00
Replacement new drivers badge.	D04	LI01-9383	15.00 cost of	15.00 cost of
Bracket and bridge charge.	D04	LI01-9383	replacement cost of	replacement cost of
Bracket without bridge charge.	D04	LI01-9383	replacement cost of	replacement cost of
Internal plate pouches.	D04	LI01-9383	replacement	replacement
<b><u>Operators Licenses</u></b>				
Private Hire Vehicle Operator, 1 vehicle, 5 year	D04	LI01-9383	663.00	663.00
Private Hire Vehicle Operator, 1 vehicle	D04	LI01-9383	155.00	155.00
Private Hire Vehicle Operator, 2-4 vehicles, 5 year	D04	LI01-9383	913.00	913.00
Private Hire Vehicle Operator, 2-4 vehicles	D04	LI01-9383	205.00	205.00
Private Hire Vehicle Operator, 5-10 vehicles, 5 year	D04	LI01-9383	1,163.00	1,163.00
Private Hire Vehicle Operator, 5-10 vehicles	D04	LI01-9383	255.00	255.00
Private Hire Vehicle Operator, 11+ vehicles, 5 year	D04	LI01-9383	1,413.00	1,413.00
Private Hire Vehicle Operator, 11+ vehicles	D04	LI01-9383	305.00	305.00
<b><u>DBS</u></b>				
DBS standard disclosure	D03	LI01-9788	N/A	N/A
DBS enhanced disclosure	D03	LI01-9788	52.50	52.50
DBS volunteers	D03	LI01-9788	7.00	7.00

**HEALTHY COMMUNITIES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>LICENCES</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Animal Boarding Establishment</u></b>				
New Licence	D04	LI01-9378	496.00	500.00
Renewal	D04	LI01-9378	243.00	245.00
<b><u>Small Animal Boarding Establishment</u></b>				
New Licence	D04	LI01-9378	369.00	370.00
Renewal	D04	LI01-9378	194.00	195.00
<b><u>Dog Breeding Establishments</u></b>				
New Licence (Plus Vet fees)	D04	LI01-9378	525.00	530.00
Renewal (Plus Vet fees)	D04	LI01-9378	329.00	330.00
<b><u>Dangerous Wild Animals</u></b>				
New Licence (Plus Vet fees)	D04	LI01-9378	350.00	400.00
Renewal (Plus Vet fees)	D04	LI01-9378	150.00	150.00
<b><u>Pet Shop</u></b>				
New Licence	D04	LI01-9378	477.00	480.00
Renewal	D04	LI01-9378	278.00	280.00
<b><u>Riding Establishments</u></b>				
New Licence	D04	LI01-9378	192.00	200.00
Renewal	D04	LI01-9378	150.00	150.00
<b><u>Mobile Homes</u></b>				
New Licence	D04	LI01-9390	434.00	351.00
Annual Renewal Fee	D04	LI01-9390	351.00	351.00
Deposit/Change of Site Rules	D04	LI01-9390	47.00	47.00
Transfer of Site Licence	D04	LI01-9390	117.00	117.00



**HEALTHY COMMUNITIES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>LICENCES</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b>Licensing Act 2003</b>				
<b>Premises Licences</b>				
New/Variation Premises Licence or Club Premises Certificate Application Fee:				
Non-domestic Rateable Value Band A (£0 - £4,300)	D04	LI01-9380	100.00	100.00
Non-domestic Rateable Value Band B (£4,301 - £33,000)	D04	LI01-9380	190.00	190.00
Non-domestic Rateable Value Band C (£33,001 - £87,000)	D04	LI01-9380	315.00	315.00
Non-domestic Rateable Value Band D (£87,001 - £125,000)	D04	LI01-9380	450.00	450.00
Non-domestic Rateable Value Band E (£125,001 and over)	D04	LI01-9380	635.00	635.00
Applications for Minor variations to Premises Licences or Club Premises Certificate	D04	LI01-9380	89.00	89.00
Application to remove apply the alternative licence condition and removal of mandatory condition for premises licences	D04	LI01-9380	23.00	23.00
Premises Licences sought for Community Centres and some schools that permit regulated Entertainment but which do not permit the sale of Alcohol and/or the provision of late night entertainment will not incur a fee.			No charge	No charge
Premises Licence for Exceptionally Large Events or Premises:				
Number of People in Attendance at any one time: 5,000 -9,999	D04	LI01-9380	1,000.00	1,000.00
Number of People in Attendance at any one time: 10,000 -14,999	D04	LI01-9380	2,000.00	2,000.00
Number of People in Attendance at any one time: 15,000 -19,999	D04	LI01-9380	4,000.00	4,000.00
Number of People in Attendance at any one time: 20,000 -29,999	D04	LI01-9380	8,000.00	8,000.00
Number of People in Attendance at any one time: 30,000 -39,999	D04	LI01-9380	16,000.00	16,000.00
Number of People in Attendance at any one time: 40,000 -49,999	D04	LI01-9380	24,000.00	24,000.00
Number of People in Attendance at any one time: 50,000 -59,999	D04	LI01-9380	32,000.00	32,000.00
Number of People in Attendance at any one time: 60,000- 69,999	D04	LI01-9380	40,000.00	40,000.00
Number of People in Attendance at any one time: 70,000 -79,999	D04	LI01-9380	48,000.00	48,000.00
Number of People in Attendance at any one time: 80,000 -89,999	D04	LI01-9380	56,000.00	56,000.00
Number of People in Attendance at any one time: 90,000 and over.	D04	LI01-9380	64,000.00	64,000.00
Premises Licence or Club Premises Certificate Annual Fee:				
Non-domestic Rateable Value Band A (£0 - £4,300)	D04	LI01-9380	70.00	70.00
Non-domestic Rateable Value Band B (£4,301 - £33,000)	D04	LI01-9380	180.00	180.00
Non-domestic Rateable Value Band C (£33,001 - £87,000)	D04	LI01-9380	295.00	295.00
Non-domestic Rateable Value Band D (£87,0001 - £125,000)	D04	LI01-9380	320.00	320.00
Non-domestic Rateable Value Band E (£125,001 and over)	D04	LI01-9380	350.00	350.00
<b>Personal Licence</b>				
Personal Licence Application	D04	LI01-9380	37.00	37.00
Supply of Copies of Information Contained in Register	D04	LI01-9380	50.00	50.00
Application for Copy of Licence	D04	LI01-9380	10.50	10.50
Application for Making a Provisional Statement	D04	LI01-9380	315.00	315.00
Application for summary on theft, loss etc of Premises Licence or Summary	D04	LI01-9380	10.50	10.50
Notification of Change of Address (holder of Premises Licence)	D04	LI01-9380	10.50	10.50
Application to Vary to Specify Individual as Premises Supervisor	D04	LI01-9380	23.00	23.00
Application to Transfer Premises Licence	D04	LI01-9380	23.00	23.00
Interim Authority Notice	D04	LI01-9380	23.00	23.00
Notice of Interest in any Premises	D04	LI01-9380	21.00	21.00
Temporary Event Notices	D04	LI01-9380	21.00	21.00
Application for Copy of Certificate or Summary on theft, loss etc of Certificate Summary	D04	LI01-9380	10.50	10.50
Notification of Change of Name or Alteration of Name or Alteration of Club Rules	D04	LI01-9380	10.50	10.50
Change of Relevant Registered Address of a Club	D04	LI01-9380	10.50	10.50
Application for Notice on theft, loss etc of Temporary Event Notice	D04	LI01-9380	21.00	21.00
Application for Copy of Licence on theft, loss etc. of Personal Licence	D04	LI01-9380	10.50	10.50
Notification of Change of Name or Address (Personal Licence)	D04	LI01-9380	10.50	10.50

**HEALTHY COMMUNITIES  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>LICENCES</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Gambling Act 2005 - Statutory Fees</u></b>				
Licensed Premises Gaming Machine				
Permits - New Applications	D04	LI01-9377	150.00	150.00
Renewal - Transitional Application Fee	D04	LI01-9377	100.00	100.00
Permits - Annual fee	D04	LI01-9377	50.00	50.00
Licensed Premises Notification	D04	LI01-9377	50.00	50.00
Club Gaming				
Permits - New Applications	D04	LI01-9377	200.00	200.00
Permits - Renewal	D04	LI01-9377	200.00	200.00
Renewal - Fast Track Clubs	D04	LI01-9377	100.00	100.00
Renewal - Transitional Application Fee	D04	LI01-9377	100.00	100.00
Permits - Annual fee	D04	LI01-9377	50.00	50.00
Club Gaming Machines				
Permits - New Applications	D04	LI01-9377	200.00	200.00
Permits - Renewal	D04	LI01-9377	200.00	200.00
Renewal - Fast Track Clubs	D04	LI01-9377	100.00	100.00
Renewal - Transitional Application Fee	D04	LI01-9377	100.00	100.00
Permits - Annual fee	D04	LI01-9377	50.00	50.00
Unlicensed Family Entertainment Centre Gaming Machines				
Permits - New Applications	D04	LI01-9377	300.00	300.00
Permits - Renewal	D04	LI01-9377	300.00	300.00
Renewal - Transitional Application Fee	D04	LI01-9377	100.00	100.00
Prize Gaming				
Permits - New Applications	D04	LI01-9377	300.00	300.00
Permits - Renewal	D04	LI01-9377	300.00	300.00
Renewal - Transitional Application Fee	D04	LI01-9377	100.00	100.00
Small Society Lottery				
Permits - New Applications	D04	LI01-9377	40.00	40.00
Permits - Annual fee	D04	LI01-9377	20.00	20.00

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LICENCES		General ledger code	2016/17 £	2017/18 £
<b><u>Gambling Act Premises Licence Fees</u></b>				
New Applications				
Bingo Club	D04	LI01-9377	3,500.00	3,500.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	2,000.00	2,000.00
Betting Premises (Track) Licence	D04	LI01-9377	2,500.00	2,500.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	2,000.00	2,000.00
Betting Premises (Other) Licence	D04	LI01-9377	3,000.00	3,000.00
Licence application (provisional statement holders)				
Bingo Club	D04	LI01-9377	1,200.00	1,200.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	1,200.00	1,200.00
Betting Premises (Track) Licence	D04	LI01-9377	950.00	950.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	950.00	950.00
Betting Premises (Other) Licence	D04	LI01-9377	1,200.00	1,200.00
Annual fee				
Bingo Club	D04	LI01-9377	1,000.00	1,000.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	1,000.00	1,000.00
Betting Premises (Track) Licence	D04	LI01-9377	1,000.00	1,000.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	750.00	750.00
Betting Premises (Other) Licence	D04	LI01-9377	600.00	600.00
Application to transfer				
Bingo Club	D04	LI01-9377	1,200.00	1,200.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	1,200.00	1,200.00
Betting Premises (Track) Licence	D04	LI01-9377	950.00	950.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	950.00	950.00
Betting Premises (Other) Licence	D04	LI01-9377	1,200.00	1,200.00
Application to vary				
Bingo Club	D04	LI01-9377	1,750.00	1,750.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	1,000.00	1,000.00
Betting Premises (Track) Licence	D04	LI01-9377	1,250.00	1,250.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	1,000.00	1,000.00
Betting Premises (Other) Licence	D04	LI01-9377	1,500.00	1,500.00
Application for provisional statement				
Bingo Club	D04	LI01-9377	3,500.00	3,500.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	2,000.00	2,000.00
Betting Premises (Track) Licence	D04	LI01-9377	2,500.00	2,500.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	2,000.00	2,000.00
Betting Premises (Other) Licence	D04	LI01-9377	3,000.00	3,000.00
Application for re-instatement				
Bingo Club	D04	LI01-9377	1,200.00	1,200.00
Adult Gaming Centre Premises Licence	D04	LI01-9377	1,200.00	1,200.00
Betting Premises (Track) Licence	D04	LI01-9377	950.00	950.00
Family Entertainment Centre Premises Licence	D04	LI01-9377	950.00	950.00
Betting Premises (Other) Licence	D04	LI01-9377	1,200.00	1,200.00
Copy Premises Licence	D04	LI01-9377	25.00	25.00

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<b>LICENCES</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Sex Establishments/Sexual Entertainment Venues</u></b>				
Fee in respect of an application for grant, transfer or renewal of a licence for a sex establishment.	D04		3,277.00	3,500.00
<b><u>Scrap metal licence</u></b>				
Inspection & Administration Fee	D04	LI01-9387	500.00	500.00
Mobile Inspection & Administration Fee	D04	LI01-9387	250.00	250.00
Variation Inspection & Administration Fee	D04	LI01-9387	50.00	50.00
<b><u>Miscellaneous</u></b>				
Acupuncture/Tattooing/Ear Piercing/ Electrolysis: per person.	D04	LI01-9382	70.00	70.00
: per establishment.	D04	LI01-9382	180.00	180.00
Street Trading Consent: per day or part Monday- Thursday.	D04	LI01-9391	33.00	33.00
: per day or part Friday - Sunday.	D04	LI01-9391	52.00	52.00
Street Trading Consent: Application Fee	D04	LI01-9391	66.00	66.00
<b><u>Stray Dog Fees</u></b>				
Statutory fee.	D04	E700-9272	25.00	25.00
Administration fee.	D40	E700-9272	20.00	20.00
Kennelling Costs per day or part thereof (payable direct to kennels).	D40	E700-9272	12.50	12.50
Collection of fees charge (payable direct to kennels).	D40	E700-9272	15.00	15.00
Collection charge.	D40	E700-9272	95.00	98.00
Return charge	D40	E700-9272	70.00	75.00
<b><u>Pest Control Fees*</u></b>				
Rats	*			39.50
Mice	*			39.50
Glis Glis and Squirrels	*			84.00
Wasps	*			£39 per nest
Cockroaches, Bed Bugs, Fleas, Ants, Flies	*			68.00
* Charges include VAT and are payable direct to the contractor				
<b><u>Investigating High Hedges Complaints</u></b>	D04	EH01-9407	420.00	450.00

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Miscellaneous		General ledger code	2016/17 £	2017/18 £
Issue of Food Certificates	D04	EH01-9272	106.00	137.00 £13/ plus£47/hour plus disposal/condem nation costs
Voluntary surrender of food (e.g. for insurance purposes)	D04	EH01-9272	106.00	
Food Hygiene Courses: In-house group Hygiene Awareness Courses.	D03	EH01-9272	302.00	308.00
Improving your food hygiene rating (1/2 day) Minimum 7 delegates	D03	EH01-9272	50.00	51.00
1/2 day courses in health and safety (for manual handling techniques) in-house group courses (max 16 delegates)	D03	EH01-9272	30.00	31.00
Introduction to HACCP (Hazard Analysis Critical Control Point) for Food Safety (1/2 Day). Minimum 4 delegates	D03	EH01-9272	110.00	112.00
Level 2 Courses: Online e-learning course Food Hygiene courses per candidate	D03	EH01-9272	25.00	25.00
Level 2 Courses: 1 day Food Hygiene courses per candidate (includes lunch).	D03	EH01-9272	85.00	86.00
BII Level 2 Personal License Holder course	D03	EH01-9272	620.00	620.00
Level 2 Courses: 1 day Food and Health and Safety private in-house group courses (max 16 delegates)	D03	EH01-9272	305.00	311.00
Level 2 Manual Handling per candidate	D03	EH01-9272	80.00	86.00
Level 2 COSHH Course (1/2 day course) per candidate	D03	EH01-9272	45.00	51.00
Level 3 Risk Assessment Course per candidate	D03	EH01-9272	175.00	178.00
Food Hygiene Rating System re-inspection	D03	EH01-9272	-	cost recovery
Pre-inspection advisory visit up to 6 hours consultancy. Additional hours at £47/hour	D03	EH01-9272	300.00	306.00
SFBB packs for existing businesses	D03	EH01-9272	15.00	15.00
Pre application work - associated with S61 Control of Pollution Act (Prior consent for work on construction sites)	D40	EH01-0937	-	£50 per hour
Expedited processing of applications made for prior consent for work on construction sites (noise)	D40	EH01-0937	-	£50 per hour
Other Advisory visits and services	D03	EH01-9272	-	£47/per hour
Public Health Funeral	D04	EH01-9267	cost of recovery of funeral and crematorium charges plus £47/hour officer	cost of recovery of funeral and crematorium charges plus £47/hour officer
<b><u>Private Water Supplies Regulations 2009:</u></b>				
Risk assessment of supply.	D40	EH01-9272	500.00	500.00
Routine Sampling - at the owners request per sample + analyst fees.	D40	EH01-9272	100.00	100.00
Check monitoring.	D40	EH01-9272	100.00	100.00
Audit monitoring.	D40	EH01-9272	500.00	500.00
Investigation.	D40	EH01-9272	100.00	100.00
Authorisation	D40	EH01-9272	100.00	100.00
Graffiti removal kits.	D45	EH01-9272	13.00	13.00
Graffiti recharge of contractor removal cost.	D45	EH01-9272	Cost Recovery	Cost Recovery

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<b>POLLUTION REDUCTION</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Contaminated Land:</u></b>				
Professional Opinion - Contaminated land enquiries per hour -	D40	G450-9792	100.00	100.00
Copies of plans and information regarding a contaminated land site.	D40	G450-9792	£50+£47/hr	£50+£47/hr
<b><u>IPPC</u></b>				
Permits Subsistence Charge - A2 Licence, LOW Risk Rated	D04	EH01-9374	1,384.00	1,384.00
Permits Subsistence Charge -A2 Licence, MEDIUM Risk Rated	D04	EH01-9374	1,541.00	1,541.00
Permits Subsistence Charge - A2 Licence HIGH Risk Rated	D04	EH01-9374	2,233.00	2,233.00
Permits Subsistence Charge - Part B Licence, LOW Risk Rated	D04	EH01-9374	739.00	739.00
Permits Subsistence Charge - Part B Licence, MEDIUM Risk Rated	D04	EH01-9374	1,111.00	1,111.00
Permits Subsistence Charge - Part B Licence, HIGH Risk Rated	D04	EH01-9374	1,672.00	1,672.00
Subsistence Mobile Crusher LOW	D04	EH01-9374	618.00	618.00
Subsistence Mobile Crusher MEDIUM	D04	EH01-9374	989.00	989.00
Subsistence Mobile Crusher HIGH	D04	EH01-9374	1,484.00	1,484.00
Subsistence Vehicle Refinisher LOW Risk	D04	EH01-9374	218.00	218.00
Subsistence Vehicle Refinisher MEDIUM Risk	D04	EH01-9374	349.00	349.00
Subsistence Vehicle Refinisher HIGH Risk	D04	EH01-9374	524.00	524.00
Subsistence Reduced Fee Activity LOW Risk	D04	EH01-9374	76.00	76.00
Subsistence Reduced Fee Activity MEDIUM Risk	D04	EH01-9374	151.00	151.00
Subsistence Reduced Fee Activity HIGH Risk	D04	EH01-9374	227.00	227.00
Application Fee - Standard Process	D04	EH01-9374	1,579.00	1,579.00
Application Reduced Fee Activity (except Vehicle Refinisher)	D04	EH01-9374	148.00	148.00
Application PVR 1 & 2	D04	EH01-9374	246.00	246.00
Application Vehicle Refinisher	D04	EH01-9374	346.00	346.00
Application - Mobile Crusher	D04	EH01-9374	1,579.00	1,579.00
Part B Standard Process Transfer	D04	EH01-9374	162.00	162.00
Part B Standard Process Partial Transfer	D04	EH01-9374	476.00	476.00
Part B New Operator at low risk Reduced Fee Activity	D04	EH01-9374	75.00	75.00
Surrender all Part B Activites	D04	EH01-9374	-	-
Part B Substantial Change - Standard Process	D04	EH01-9374	1,005.50	1,005.50
Part B Substantial Change- Standard where substantial change results in new PPC activity	D04	EH01-9374	1,579.00	1,579.00
Part B Substantial Change- Reduced Fee Activity	D04	EH01-9374	98.00	98.00
Reduced Fee Activiy - Partial Transfer	D04	EH01-9374	45.00	45.00
QUARTERLY PAYMENT OPTION ALL IPPC - Additional Charge				
Element	D04	EH01-9374	36.00	36.00

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<b>HOUSING</b>		<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b><u>Houses with multiple occupation licensing fees:</u></b>				
Basic fee.	D04	HO01-9789	405.00	405.00
Disclosure Scotland fee (paid directly by applicant)	D04	HO01-9789	20.00	20.00
Extra assistance or advice on incomplete applications, or where property is larger and more complex (per hour).	D04	HO01-9789	45.00	45.00
<b><u>Houses with multiple occupation- additions:</u></b>				
Additions:	D04	HO01-9789	45.00	45.00
<b><u>Houses with multiple occupation- Deductions:</u></b>				
Professionally qualified or accredited landlord.	D04	HO01-9789	45.00	45.00
No assistance required (and complete application submitted first time).	D04	HO01-9789	45.00	45.00
Complete application submitted within 3 months of issue of forms.	D04	HO01-9789	45.00	45.00
<b><u>Housing Enforcement Charges:</u></b>				
Improvement/prohibition notice/orders (for 1st notice).	D04	HO01-9789	100.00	100.00
Additional notices (maximum of £300/property) notice fee waived if complied with within timescales.	D04	HO01-9789	50.00	50.00
Health and Housing Recharge costs: cost of contractor following service of a Statutory Notice plus officer time.	D04	HO01-9789	50.00	50.00

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

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SUSTAINABLE DEVELOPMENT		General ledger code	2016/17 £	2017/18 £
<b><u>Photocopying Documents (excluding committee reports)</u></b>				
A4 - Per Sheet	D45	PP01-9337	B/W 10p. Colour 20p	B/W 10p. Colour 20p
A3 - Per Sheet	D45	PP01-9337	B/W 20p. Colour 40p	B/W 20p. Colour 40p
A2 - Per Sheet	D45	PP01-9337	£4.80 emailed / £5.80 posted	£4.80 emailed / £5.80 posted
A1 - Per Sheet	D45	PP01-9337	£10.60 emailed / £11.60 posted	£10.60 emailed / £11.60 posted
A0 - Per Sheet *1	D45	PP01-9337	£15.90 emailed / £16.90 posted	£15.90 emailed / £16.90 posted
*1 Maximum 10 sheets, thereafter price available on request				
Sale of Council Documents: Decision Notices & Tree Preservation Orders.	D45	PP01-9337	10.40	10.40



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SUSTAINABLE DEVELOPMENT		General ledger code	2016/17 £	2017/18 £	
<b>Planning: Pre-Application / Post Decision Advice and Extant Enforcement Notices.</b>					
<b>Enlargement, improvement or other, alteration of existing dwelling and other development in the curtilage of a dwelling.</b>					
	Meeting and follow up letter	D45	A350-9409	165.00	165.00
	Letter only	D45	A350-9409	110.00	110.00
<b>New residential dwellings:</b>					
1 dwelling	Meeting and follow up letter	D45	A350-9409	380.00	380.00
	Letter only	D45	A350-9409	255.00	255.00
2 dwellings	Meeting and follow up letter	D45	A350-9409	480.00	480.00
	Letter only	D45	A350-9409	320.00	320.00
3 dwellings	Meeting and follow up letter	D45	A350-9409	675.00	675.00
	Letter only	D45	A350-9409	450.00	450.00
4 dwellings	Meeting and follow up letter	D45	A350-9409	765.00	765.00
	Letter only	D45	A350-9409	510.00	510.00
5 dwellings	Meeting and follow up letter	D45	A350-9409	860.00	860.00
	Letter only	D45	A350-9409	575.00	575.00
6 - 10 dwellings	Meeting and follow up letter	D45	A350-9409	960.00	960.00
	Letter only	D45	A350-9409	640.00	640.00
11 - 50 dwellings	Meeting and follow up letter	D45	A350-9409	1,915.00	1,915.00
	Letter only	D45	A350-9409	1,275.00	1,275.00
51-75 dwellings	Meeting and follow up letter	D45	A350-9409	2,870.00	2,870.00
	Letter only	D45	A350-9409	1,915.00	1,915.00
76-100 dwellings	Meeting and follow up letter	D45	A350-9409	3,820.00	3,820.00
	Letter only	D45	A350-9409	2,550.00	2,550.00
101-150 dwellings	Meeting and follow up letter	D45	A350-9409	5,740.00	5,740.00
	Letter only	D45	A350-9409	3,820.00	3,820.00
151+ dwellings	Meeting and follow up letter	D45	A350-9409	7,645.00	7,645.00
	Letter only	D45	A350-9409	5,095.00	5,095.00

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

SUSTAINABLE DEVELOPMENT			General ledger code	2016/17 £	2017/18 £
<b>Commercial Development (Use Classes B1, B2, B8 and A1-A5)</b>					
1-100m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	385.00	385.00
	Letter only	D45	A350-9409	255.00	255.00
101-500m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	720.00	720.00
	Letter only	D45	A350-9409	480.00	480.00
501-1,000m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	1,080.00	1,080.00
	Letter only	D45	A350-9409	720.00	720.00
1,001-5,000m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	1,915.00	1,915.00
	Letter only	D45	A350-9409	1,275.00	1,275.00
5,001-10,000m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	3,820.00	3,820.00
	Letter only	D45	A350-9409	2,550.00	2,550.00
10,001m2+ (gross floor area)	Meeting and follow up letter	D45	A350-9409	7,645.00	7,645.00
	Letter only	D45	A350-9409	5,095.00	5,095.00
<b>Developments falling within Use Classes C1, C2, D1 and D2</b>					
1-100m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	385.00	385.00
	Letter only	D45	A350-9409	255.00	255.00
101-500m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	720.00	720.00
	Letter only	D45	A350-9409	480.00	480.00
501-1,000m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	1,080.00	1,080.00
	Letter only	D45	A350-9409	720.00	720.00
1,001-5,000m2 (gross floor area)	Meeting and follow up letter	D45	A350-9409	1,915.00	1,915.00
	Letter only	D45	A350-9409	1,275.00	1,275.00
5,001m2+ (gross floor area)	Meeting and follow up letter	D45	A350-9409	3,820.00	3,820.00
	Letter only	D45	A350-9409	2,550.00	2,550.00
Change of use (C.O.U) of existing buildings or land with no increase in floor space *	Meeting and follow up letter	D45	A350-9409	385.00	385.00
	Letter only	D45	A350-9409	255.00	255.00

\* (a-excluding change of use to residential - for this, please see Category 2) (b- other than for (a) above, where an increase

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

SUSTAINABLE DEVELOPMENT	General ledger code	2016/17 £	2017/18 £
<b>Agriculture and Forestry.</b>			
Erection of new buildings, glasshouses or poly-tunnels with a gross floor area up to 465m2			
Meeting and follow up letter	D45 A350-9409	185.00	185.00
Letter only	D45 A350-9409	120.00	120.00
All other agricultural buildings and development.			
Meeting and follow up letter	D45 A350-9409	385.00	385.00
Letter only	D45 A350-9409	255.00	255.00
<b>Erection, alterations or replacement of plant or machinery.</b>			
Meeting and follow up letter	D45 A350-9409	95.00	95.00
Letter only	D45 A350-9409	65.00	65.00
<b>Buildings and structures for equestrian purposes including stables, livery stables and riding schools.</b>			
1-40m2 (gross floor area)			
Meeting and follow up letter	D45 A350-9409	195.00	195.00
Letter only	D45 A350-9409	130.00	130.00
41-75m2 (gross floor area)			
Meeting and follow up letter	D45 A350-9409	290.00	290.00
Letter only	D45 A350-9409	195.00	195.00
76-1,000m2 (gross floor area)			
Meeting and follow up letter	D45 A350-9409	480.00	480.00
Letter only	D45 A350-9409	320.00	320.00
1,001-3,750m2 (gross floor area)			
Meeting and follow up letter	D45 A350-9409	960.00	960.00
Letter only	D45 A350-9409	640.00	640.00
3751m2 + (gross floor area)			
Meeting and follow up letter	D45 A350-9409	1,915.00	1,915.00
Letter only	D45 A350-9409	1,275.00	1,275.00
<b>Erection or construction of gates, walls, fences or other means of enclosure other than within the curtilage of a dwelling; and the construction of car parks, service roads and other means of access to land.</b>			
Meeting and follow up letter	D45 A350-9409	165.00	165.00
Letter only	D45 A350-9409	110.00	110.00
<b>Advertisements.</b>			
Meeting and follow up letter	D45 A350-9409	195.00	195.00
Letter only	D45 A350-9409	130.00	130.00
<b>Telecommunications development.</b>			
Meeting and follow up letter	D45 A350-9409	480.00	480.00
Letter only	D45 A350-9409	320.00	320.00

**Outline Proposals:**

All Outline Proposals will be charged at the same rate as if the proposal were for a full application.  
The request for advice will have to be accompanied by indicative drawings of the proposal.

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

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<b>SUSTAINABLE DEVELOPMENT</b>				<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b>Non-Material Amendments and Minor Material Amendments</b>						
Householder	Meeting and follow up letter	D45	A350-9409	140.00	140.00	
	Letter only	D45	A350-9409	90.00	90.00	
Other	Meeting and follow up letter	D45	A350-9409	290.00	290.00	
	Letter only	D45	A350-9409	195.00	195.00	
<b>Requests to withdraw extant Enforcement Notices</b>						
	Meeting and follow up letter	D45	A350-9409	335.00	335.00	
	Letter only	D45	A350-9409	225.00	225.00	
<b>Requests to confirm that an extant Enforcement Notice has been complied with.</b>						
	Meeting and follow up letter	D45	A350-9409	385.00	385.00	
	Letter only	D45	A350-9409	255.00	255.00	

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

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<b>PLANS, POLICIES AND PUBLISHED INFORMATION (not including P&amp;P)</b>	<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b>Main Documents</b>			
Adopted Core Strategy for Chiltern District (Nov 2011)* - B/W (Colour cover)	PP01-9338	5.10	5.10
Adopted Chiltern District Local Plan (consolidated Sept 2007 and Nov 2011) - B/W (Colour cover)	PP01-9338	10.20	10.20
Policies Map for Chiltern District (adopted Nov 2011) <b>full colour document</b>	PP01-9338	12.20	12.20
Infrastructure Delivery Schedule (February 2014) - B/W	PP01-9338	0.80	0.80
Delivery Development Plan Document for Chiltern District - Colour	PP01-9338	15.30	15.30
Proposed changes to the Policies Map arising from the submission of the Delivery DPD (February 2014) - B/W	PP01-9338	5.60	5.60
Sustainability Appraisal: Delivery Development Plan Document Submission (February 2014) - Colour	PP01-9338	27.80	27.80
Duty to co-operate report for the Delivery Development Plan Document and Infrastructure Delivery Schedule (August 2014) - B/W	PP01-9338	5.10	5.10
Statement of Consultation (Regulation 22 (1) (c) for the Delivery Development Plan Document (August 2014) - B/W	PP01-9338	2.60	2.60
Council Inspector Recommended Modifications to the Submission Delivery Development Plan Document, Infrastructure Delivery Schedule and Policies Map (August 2014) - B/W	PP01-9338	7.10	7.10
Affordable Housing Supplementary Planning Document Consultation Document (Nov 2011) - Colour	PP01-9338	3.30	3.30
Residential Extensions and Householder Development SPD - Colour	PP01-9338	2.00	2.00
Annual Monitoring Report (2010/11) <b>Main report</b> ^ - Colour	PP01-9338	6.30	6.30
Annual Monitoring Report (2010/11) <b>Appendices</b> - Colour	PP01-9338	15.90	15.90
<b>Supporting Documents</b>			
Final Sustainability Appraisal Report for the Publication Draft of the Core Strategy for Chiltern District (September 2010) - <b>Colour</b>	PP01-9338	30.80	30.80
Core Strategy Pre-submission Consultation Statement v2.0 (October 2010) - <b>Colour</b>	PP01-9338	20.20	20.20
Equality Impacts Assessment of the Core Strategy for Chiltern District Draft Consultation Document v1.0 (September 2010) - <b>Colour</b>	PP01-9338	3.30	3.30
Habitats Regulations Assessment – Main Report v1.0 (September 2010) - <b>Colour</b>	PP01-9338	7.40	7.40
Habitats Regulations Assessment Screening Opinion (October 2009) - <b>Colour</b>	PP01-9338	0.20	0.20
South Bucks District Council and Chiltern District Council – Joint Retail / Town Centre Study Final Report and Appendices (December 2007) by Nathaniel Litchfield & Partners Ltd - <b>Colour</b>	PP01-9338	45.80	45.80
Chiltern District Council Retail and Town Centre Study Update Report (September 2009) by Nathaniel Litchfield & Partners Ltd - <b>Colour</b>	PP01-9338	7.40	7.40
Chiltern District Large Employment Sites Study (2004) by Aitchison Raffety - <b>Colour</b>	PP01-9338	15.90	15.90
Report to Chiltern District Council - Investigation of sites not designated as Higher Performing in the Employment Land Study (2004) by Aitchison Raffety - <b>Colour</b>	PP01-9338	4.30	4.30
Buckinghamshire Employment Land Review – Final Report August 2006 - <b>Colour</b>	PP01-9338	29.80	29.80
Chiltern District Council 2009 Employment Site Vacancy Survey October 2010 v1.0 - <b>B/W</b>	PP01-9338	1.00	1.00
Buckinghamshire Strategic Housing Market Assessment – Final Report (July 2008) by Fordham Research - <b>Colour</b>	PP01-9338	45.80	45.80
Buckinghamshire Strategic Housing Market Assessment – Executive Summary (July 2008) by Fordham Research - <b>Colour</b>	PP01-9338	4.30	4.30
Chiltern District Strategic Housing Land Availability Assessment Final Report (January 2008) by Roger Tym and Partners - <b>Colour</b>	PP01-9338	12.80	12.80

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

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<b>PLANS, POLICIES AND PUBLISHED INFORMATION (not including P&amp;P)</b>	<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
<b>Supporting Documents (Continued)</b>			
Chiltern District Strategic Housing Land Availability Assessment – Site Plans and Proformas (January 2008) by Roger Tym and Partners (Sites 1 – 200) - <b>B/W</b>	PP01-9338	3.30	3.30
Chiltern District Strategic Housing Land Availability Assessment – Site Plans and Proformas (January 2008) by Roger Tym and Partners (Sites 201 – 350) - <b>B/W</b>	PP01-9338	3.30	3.30
Chiltern District Strategic Housing Land Availability Assessment – Site Plans and Proformas (January 2008) by Roger Tym and Partners (Sites 351 - 537) - <b>B/W</b>	PP01-9338	3.30	3.30
Chiltern District Strategic Housing Land Availability Assessment – Supporting Site Capacity and Character Testing Report (January 2008) by Tibbalds Planning - <b>Colour</b>	PP01-9338	4.30	4.30
Chiltern District Strategic Housing Land Availability Assessment – Supplementary Report (September 2010) - <b>Colour</b>	PP01-9338	9.60	9.60
Chiltern District Council Affordable Housing Development Economics Study (July 2007) by Adams Integra - <b>Colour</b>	PP01-9338	22.20	22.20
Chiltern District Council Affordable Housing Development Economics Study Update Report 2009/2010 (March 2010) by Adams Integra - <b>Colour</b>	PP01-9338	13.90	13.90
2010 Housing Land Supply Trajectory 2006 to 2026 v1.0 (September 2010) - <b>Colour</b>	PP01-9338	3.30	3.30
Gypsy and Traveller accommodation needs assessment for the Thames Valley region September 2006 by Tribal Consulting - <b>Colour</b>	PP01-9338	25.50	25.50
Gypsy and Traveller accommodation needs assessment for the Thames Valley region Executive Summary (Sept 2006) by Tribal Consulting - <b>Colour</b>	PP01-9338	2.10	2.10
Needs Assessment for Travelling Show people (Buckinghamshire Authorities) July 2007 - <b>Colour</b>	PP01-9338	10.60	10.60
Strategic Housing Sites & Major Developed Sites in the Green Belt Deliverability Information v1.0 October 2010 - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Council - Chiltern Townscape Character Assessment - Interim Findings Paper (Sept. 2010) by Chris Blandford Associates - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Council Major Developed Sites in the Green Belt Topic Paper v1.0 - <b>Colour</b>	PP01-9338	2.20	2.20
Chiltern District Council – Accessibility, Parking Standards and Community Infrastructure Study Main Report (June 2005) by Carter Jonas - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Council – Accessibility, Parking Standards and Community Infrastructure Study Appendices (June 2005) by Carter Jonas	PP01-9338	8.60	8.60
Chiltern District Travel to Work Study (February 2007) by Land Use Consultants - <b>Colour</b>	PP01-9338	6.30	6.30
Chiltern District Council - Core Strategy Evaluation of Transport Impacts (July 2009) Main Report by Atkins Transport Planning - <b>Colour</b>	PP01-9338	11.60	11.60
Chiltern District Council - Core Strategy Evaluation of Transport Impacts (July 2009) Evaluation of Evidence by Atkins Transport Planning - <b>B/W</b>	PP01-9338	2.20	2.20
Chiltern District Council – Draft Infrastructure Delivery Plan v1.0 (September 2010) - <b>Colour</b>	PP01-9338	6.30	6.30
Chiltern District Council Strategic Flood Risk Assessment (SFRA) Level 1 Final Report (February 2008) by Jacobs (including maps) - <b>Colour &amp; B/W</b>	PP01-9338	5.30	5.30
Chiltern District Council Strategic Flood Risk Assessment (SFRA) Level 2 Report (June 2008) & Maps (29 documents) by Jacobs - <b>Colour</b>	PP01-9338	11.60	11.60
Chiltern District Council Open Space, Sport and Recreation Facilities Audit and Needs Assessment Final Report (June 2005) by Torkildsen Barclay - <b>Colour</b>	PP01-9338	25.50	25.50
Buckinghamshire Infrastructure Project - Phase 2 - January 2008 (Chiltern, South Bucks & Wycombe Districts) - <b>B/W</b>	PP01-9338	2.20	2.20

**SUSTAINABLE DEVELOPMENT  
REVISED CHARGES FROM 1 APRIL 2017**

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<b>PLANS, POLICIES AND PUBLISHED INFORMATION (not including P&amp;P)</b>	<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
Chiltern Development Framework Statement of Community Involvement (Adopted December 2006) - <b>Colour</b>	PP01-9338	5.30	5.30
Chiltern District Sustainability Appraisal Scoping Report - Revised January 2008 - <b>Colour</b>	PP01-9338	11.60	11.60
Chiltern Draft Core Strategy Preliminary Sustainability Appraisal (June 2009) - <b>Colour</b>	PP01-9338	7.40	7.40
Chiltern District Council Local Development Scheme 2010 -2013 (November 2010) - <b>Colour</b>	PP01-9338	4.30	4.30
Schedule of Proposed minor changes to the Core Strategy for Chiltern District Submission Document v1.0 (January 2011) - <b>B/W</b>	PP01-9338	1.00	1.00
Statement of Representations – Document in support of the Core Strategy for Chiltern District, Submission Document v1.0 (January 2011) - <b>B/W</b>	PP01-9338	1.00	1.00
Core Strategy Pre-submission Consultation Statement Supplementary Information: Addition to Appendix 19 v1.0 (January 2011) - <b>Colour</b>	PP01-9338	6.30	6.30
Chiltern District - Summary of Comments to the Pre-Publication Stages of the Core Strategy (2008 - 2010) - January 2011 - <b>B/W</b>	PP01-9338	2.20	2.20
HOUSING TARGET FOR CHILTERN DISTRICT 2006 -2026 (January 2011) - <b>Colour</b>	PP01-9338	4.30	4.30
Assessment of Conformity of the Core Strategy for Chiltern District with the policies of the South East Plan (January 2011) - <b>B/W</b>	PP01-9338	1.00	1.00
Demonstrating the Links between the Core Strategy for Chiltern District & the Supporting Evidence Base - January 2011 - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Council - Summary of Reports to the Council's Housing and Planning Overview Committee, Cabinet and Meeting of Full Council (Sept 2008 to Sept 2010) - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Housing Land Supply Trajectory (2006 – 2026) at March 2011 - <b>Colour</b>	PP01-9338	5.30	5.30
Assessment of Housing Demand in Chiltern District (2006 - 2026) - February 2011 - <b>Colour</b>	PP01-9338	3.30	3.30
Chiltern Strategic Housing Land Availability Assessment: Update Report March 2011 - Final - <b>Colour</b>	PP01-9338	5.30	5.30
Chiltern Strategic Housing Land Availability Assessment: Update Report March 2011 – Supporting Appendix (Site Proformas by Settlement) - <b>Colour</b>	PP01-9338	14.90	14.90
Schedule of Proposed Minor Changes to the Core Strategy for Chiltern District Submission Document - Part 2 (March 2011 - v2.0) - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Council Employment Site Vacancy Survey November 2010 (v1.0 March 2011) - <b>B/W</b>	PP01-9338	1.00	1.00
Chiltern District Core Strategy Preferred Options Paper - May 2006 - <b>Colour</b>	PP01-9338	10.60	10.60
Chiltern District Core Strategy Preferred Options Paper - Sustainability Appraisal Report - May 2006 by Carter Jonas - <b>B/W</b>	PP01-9338	2.20	2.20

**SUPPORT SERVICES**  
**REVISED CHARGES FROM 1 APRIL 2017**

VAT Codes: (D45)=inclusive standard rated (D40)=plus standard rated (D08)=zero rated (D04)=non business, (D03)=exempt

<b>LAND CHARGES</b>	<b>General ledger code</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
Form LLC1		20.00	20.00
Con29R – Required Enquiries		61.00	61.00
Total LLC1 & CON29R		<b>81.00</b>	<b>81.00</b>
CON 29O Enquiries – <i>Each</i> Optional Enquiry		15.00	15.00
Additional Enquiries (Solicitors own questions)		30.00	30.00
<b>Additional Parcels of Land:</b>			
	Form LLC1	5.00	5.00
	Form CON29R	10.00	10.00
	Form Con29O	10.00	10.00

Nb: Local authorities are no longer able to charge for personal land charge searches.



<b>SUBJECT:</b>	<b>Capital Programme and Repairs &amp; Renewals Programme 2017/18 to 2020/21</b>
<b>REPORT OF:</b>	<b>Support Services Portfolio Holder – Cllr Mike Stannard</b>
<b>RESPONSIBLE OFFICER</b>	<b>Director of Resources – Jim Burness</b>
<b>REPORT AUTHOR</b>	<b>Capital Accountant – Jane Clarke – 01494 732 223</b>
<b>WARD/S AFFECTED</b>	<b>All</b>

## 1. Purpose of Report

- 1.1 The Cabinet, at the meeting held on 7 February 2017, agreed to recommend to Council that:
- the proposed Capital Programme for 2017/18 – 2020/21,
  - the proposed Repairs & Renewals Programme for 2017/18 – 2020/21, and,
  - the Capital Strategy be agreed, and that
  - the implication for the Financial Strategy for the proposed programme be noted.

### RECOMMENDATION

**The Council is asked to agree:**

- **The Capital Programme for 2017/18 – 2020/21 as set out in Appendix A.**
- **The Repairs & Renewals Programme for 2017/18 – 2020/21 as set out in Appendix B.**
- **The Capital Strategy as set out in Appendix C.**
- **And, note the implication for the Financial Strategy of the proposed programme.**

## 2. Background

- 2.1 As part of the Council's budget process the Capital Programme is reviewed in order to assess, as part of the overall financial strategy of the Authority, what the scale and composition of the programme should be and the consequential funding implications for the financial strategy. As part of the Council's Capital Strategy (appendix C) in 2016/17 decisions to undertake feasibility work on significant capital projects, such as the Amersham Multi Storey Car Park, and the re-development of Chiltern Pools. These projects have changed the scale and composition of the future capital programme, creating the need to finance these projects from borrowing, if they proceed, following member approval of detailed business cases.

## 3 Review of Capital Programme

- 3.1 The proposed Capital Programme is set out in Appendix A. Projects are grouped by Portfolio Area.

Environment

- 3.2 This category primarily covers the construction of an extension to the Amersham Multi Storey Car Park, providing increased parking capacity within Amersham on the Hill to accommodate current and future capacity needs as highlighted in the Parking Strategy, a key Council priority as identified in the Capital Strategy. It is anticipated that a detailed business case will be presented to members during 2017 for approval prior to committing to the construction.
- 3.3 CDC is responsible for the maintenance of the Mill Meadow Bridge, and has an obligation to keep the bridges in repair and to provide the site users and members of the public with adequate access. Originally £225k was allocated to the project in 2016, but following detailed design work this project is now expected to cost £369k.
- 3.4 Additionally, £200k has been allocated in 2017/18, as the need to replace the sweeper vehicles which were on a 5 year agreement comes to an end. Replacement of the remaining refuse vehicle fleet in 2019/20 has been allocated at a cost of £3,150k, as the current waste contract expires in March 2020.

Healthy Communities

- 3.5 There is a budget of £23m for the redevelopment of the Chiltern Pools site which is at the end of its useful life. The development is being shaped by a review of the leisure needs of the area, as part of the Council's Leisure Strategy. The feasibility and design work underway at present will lead to the preparation of a detailed business case to be presented to members for approval to commit to the construction of a new facility.
- 3.6 Currently, under the contract with Greenwich Leisure, the Council has responsibility for the structure and exterior of the leisure centres. A sum of £100k is budgeted each year to meet these obligations.
- 3.7 The Council supports the 7 revitalisation groups with annual revenue funding of £2k and enables application to a capital revitalisation grant scheme delivered annually. This funding supports the enabling community participation, helping residents shape and improve their own communities, past examples include support to heritage projects, riverside walks, nature park and high street festivals, libraries, youth clubs and visitor information facilities. They have also helped to fund raise for projects to improve facilities for young people and families. The funding provided through these grants assists the community access additional funding for projects which has been valued at over £1m which would not otherwise be accessed by the community.
- 3.8 The remainder of the expenditure in this area relates to housing grants and loans, with the largest element being Disabled Facility Grants which the Council has a statutory duty to provide. The majority of the cost of the grants are met from an allocation from the Better Care Fund administered by the County wide Health & Wellbeing Board, (this was £545,252 in 2016/17), with a potential cost of £100k falling to Chiltern, however the detail of the 2017/18

allocation from the Fund is still to be confirmed. A contribution to the programme is also sought from Paradigm.

#### Support Services

- 3.9 A project to increase parking for staff at KGVH has been proposed to increase the number of parking spaces available for staff at King George V House at an initial estimate of £80,000, and this is included in the programme provisional on a member decision to proceed.
- 3.10 As an outcome of the property condition survey, other works to KGVH need to be carried out to the value of £177k, over the next four years. These include replacement of flat roof, and skylight works, as well as replacement of boilers.

#### **4 Commuted Sums Programme**

- 4.1 In the context of capital investment it is important to include funding available from planning commuted sum agreements for affordable housing developments. Currently the commuted sum balance is:

	Balance as at 31.12.16
	£
s106 Affordable Housing - Conditional	1,783,519
s106 Affordable Housing - Unconditional	25,000
	1,829,146

- 4.2 These sums are applied in line with the Council's Housing Strategy which sets out the range of options available to use these funds for the provision of affordable housing.

#### **5 Review of Repairs & Renewals Programme**

- 5.1 The Repairs & Renewals programme is shown in Appendix B, and comprises the following elements:

Depot: £100k in 2017/18 and £55k rising to £65k pa thereafter

- 5.2 There is an annual repairs and renewals allowance for works at the Depot. This provides flexibility for works to be carried out as and when required. In 2017/18 this has been increased to £100k to provide substantial work for drainage and hard surfacing.

Paper Sort Reinstatement £121k

- 5.3 If Serco vacate the Paper Sort, there is a legal requirement for CDC to restore this building back to its original state. At present this is a contingency amount as there are no immediate plans to vacate the facility.

KVHG Planned Maintenance Works £532k

- 5.4 As a result of a conditions survey, several areas have been identified as requiring works to KGVH. Primarily works to overhaul the windows, over and underground drainage and guttering, as well as, lighting and circuit improvements for statutory compliance.

Ashley Green Old School Community Centre £25k

- 5.5 Building and roof repairs are required to Ashley Green Old School Community Centre, and external and internal decoration over the course of the next two years.

Leisure Centres: £10k pa

- 5.6 To undertake small repairs and maintenance to the centres that cannot be funded from Capital. A further £60,000 has been included in 2020/21 for the regular 5 year condition survey.

IT Replacement Equipment/Alterations £30k pa

- 5.7 To provide various replacement or repairs to IT equipment.

**6 Consultation**

- 6.1 Consultation is with the Resources Overview Committee.

**7 Corporate Implications**

- 7.1 The Capital Programme has previously been financed from four sources, grants, capital receipts, and revenue reserves / contributions. However, from 2017/18 borrowing for new projects such as the Amersham Multi Storey Car Park may also be undertaken.

- 7.2 The table below shows the proposed funding of the programme set out in Appendix A.

Sources of Funding	Latest Budget 16/17 £	Original Budget 17/18 £	Original Budget 18/19 £	Original Budget 19/20 £	Original Budget 20/21 £
Housing subsidy re DFG's	545,252	545,000	545,000	545,000	545,000
Transformation for Mobile Working		80,000			
Paradigm re DFG's	90,000	90,000	90,000	90,000	90,000
s106 parking commuted sums	88,000	0	0	0	0
Borrowing for new projects		7,831,203	15,800,000	8,200,000	0

## Chiltern District Council

Council - 28 February 2017

Capital Receipts / Capital Contributions	2,076,188	1,307,061	314,000	3,489,000	314,000
Total Funding	2,799,440	9,853,264	16,749,000	12,324,000	949,000

7.3 The impact of funding the programme on available capital resources can be seen in the table below.

Capital Resources	Latest Budget 16/17 £	Original Budget 17/18 £	Original Budget 18/19 £	Original Budget 19/20 £	Original Budget 20/21 £
Opening Capital Resources	4,072,988	3,803,221	3,890,110	3,970,060	875,010
New Capital Receipts					
New General Capital Contributions	1,412,471	1,000,000			
New Capital Contributions - Vehicles	393,950	393,950	393,950	393,950	393,950
Use of Capital Receipts/ Contributions	-2,076,188	-1,307,061	-314,000	-3,489,000	-314,000
Closing Capital Resources	3,803,221	3,890,110	3,970,060	875,010	954,960

7.4 The programme in Appendix A covers the period until 2021. Over this period new calls for capital expenditure will arise linked to the Council's Business Plan and Financial Strategy.

7.5 Therefore to sustain the size of the programme and allow scope for new schemes, additional resources will need to be made available. The scope for generating significant new capital receipts is very limited; therefore, the Council will need to borrow to finance proposed capital projects. The capital programme is part of the Council's overall financial strategy, as the capital and revenue budgets are interlinked.

7.6 Separately the Council is also setting aside £395k each year for seven years up to 2020/21, towards replacing the refuse vehicle fleet.

## 8 Links to Council Policy Objectives

8.1 The Council's Code of Corporate Governance highlights the importance of having in place clearly documented processes for policy development, review and implementation, decision making, and monitoring and control. Following from this is the requirement for sound financial management, being able to demonstrate resources are aligned to the corporate priorities of the Council, and that any material risks are assessed. Having a medium term financial strategy is a key element in demonstrating this principle. Establishing a sound and sustainable financial base is important for delivering the Council's objectives.



**9 Next Step**

9.1 That, subject to agreement by the Council, that the proposed Capital programme, the Repairs & Renewals Programme for 2017/18 – 2020/21, and the Capital Strategy be implemented.

<b>Background Papers:</b>	None
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## CDC Capital Programme 2017/18 - 2020/21

## Appendix A

CDC Capital Programme 2017/18 - 2020/21		Budget Manager	Project Manager	Latest Budget 16/17 £	Rephased to 17/18 £	Original Budget 17/18 £	Original Budget 18/19 £	Original Budget 19/20 £	Original Budget 20/21 £
<u>Environment</u>									
D013	Investment works at London Road Depot	Chris M	Linda N	0					
D021	Lords Mill Weir, Chesham	Chris M	David S	0	10,000				
-	Refuse Vehicles	Chris M	Sally G			200,000		3,150,000	
D012	Public convenience refurbishment	Chris M	Kevin K	47,384		15,000			
D303	Sycamore Road - Fencing Work	Chris M	Julia G	20,000					
D307	Shared Parking Service - ICES 360	Chris M	Julie R /Janine D	35,100					
D308	Sycamore Road - Additional parking spaces & resurfacing	Chris M	Louise D	125,794					
D309	Sprinter L C Prestwood - car park upgrade	Chris M	Louise D	216,563					
D300	AMSCP	Chris M	Linda N	600,390		8,061,610	800,000		
D305	Additional off street parking solutions	Chris M	Julie R	0	10,000				
D024	Mill Meadow Bridge - Major Works	Chris M	Julia G	25,000	344,000				
<u>Healthy Communities</u>									
D002	Town & Village Revitalisation	Martin H	Paul N	4,500		10,000	14,000	14,000	14,000
D007	Leisure Centres	Martin H		386,000		100,000	100,000	100,000	
	Leisure Centre - Redevelopment of Chiltern Pools	Martin H/Chris M					15,000,000	8,200,000	
D500-1	Disabled Facility Grants	Martin H		735,252		735,000	735,000	735,000	735,000
D502-5	Renovation Grants	Martin H		72,632		50,000	50,000	50,000	50,000
D503	Home Fitness Grant	Martin H		0					
D509	Flexible Home Loan Fund	Martin H		100,000		50,000	50,000	50,000	50,000
D508	Days Alms Houses - Grant	Martin H		100,000					
<u>Support Services</u>									
D600	MS Office Licenses (Triennial)	Sim D		56,873					
D621	Virtual environment upgrades	Sim D		25,000					
D620	IP telephony - core infrastructure	Sim D		13,227					
D626	Shared F&P Service - Uniform & FM System	Chris M		7,400					
D627	ICT Strategy Projects - Unified Network	Sim D		56,000					
D628	TCA Projects - Mobile Working	Sim D		0	80,000				
D619	TCA Projects - Channel Shift	Sim D		0	27,000				
D618	KGvH WIFI Replacement	Sim D		50,000					
D606	KGvH - Roofing and skylight works Block A	Chris M		0	8,654	52,000			
D629	KGvH - Undercroft Car Park Security Enhancements	Chris M		37,000					

	Chris M			80,000			
	Chris M					25,000	
D631	Chris M						100,000
	Sim D		35,325				
D900	-		50,000				
			<b>2,799,440</b>	<b>479,654</b>	<b>9,353,610</b>	<b>16,749,000</b>	<b>12,324,000</b>
							<b>949,000</b>

CDC R&R Programme 2017/18 - 2020/21		Budget Manager	Project Manager	Rephased to 17/18 £	17/18 Budget £	18/19 Budget £	19/20 Budget £	20/21 Budget £
<b><u>Environment</u></b>								
J116	Depot - Annual Allocation	Chris M	-		100,000	55,000	60,000	65,000
J102	Depot: Papersort facility reinvestment fund	Chris M	-	121,000				
	KGVH - Planned Maintenance Works	Chris M			233,000	100,000	100,000	100,000
	Ashley Green Old School Community Centre - Building Repairs	Chris M			15,400	9,700		
<b><u>Support Services</u></b>								
J700	IT: Replacement equipment/alterations	Sim D			30,000	30,000	30,000	30,000
<b><u>Community, Health &amp; Housing</u></b>								
J200	Leisure Centres -	Martin H	-		10,000	10,000	70,000	10,000
				<b>121,000</b>	<b>388,400</b>	<b>204,700</b>	<b>260,000</b>	<b>205,000</b>

The R&R programme is funded from the earmarked reserve created for the purpose of funding this expenditure. At the end of 2016/17 the reserve is estimated to stand at £428,597.



## CHILTERN DC CAPITAL STRATEGY

### Purpose

The Capital strategy for the authority is intended to describe how the authority will use and manage its capital resources to progress the council's key priorities.

### Key Priorities of the Strategy

The key Council priorities are as follows.

Key Priority	Comment
<ul style="list-style-type: none"> <li>Financial Stability &amp; Resilience</li> </ul>	Eliminating the funding gap Growing income base Funding only from Business Rates, Council Tax and Fees & charges and rents Reserves to buffer recession effects Reserves for specific major projects Funding investment (Prudential Borrowing) Continuing efficient and effective use of resources Strong cost control
<ul style="list-style-type: none"> <li>Local Housing needs</li> </ul>	Temporary accommodation supply Affordable housing supply Use of s106 funds
<ul style="list-style-type: none"> <li>Parking Strategy</li> </ul>	Focus initial on Amersham issues (AMSCP).
<ul style="list-style-type: none"> <li>Maximising use of Property Assets</li> </ul>	Amersham site (Pool & KGVH)
<ul style="list-style-type: none"> <li>Leisure Strategy</li> </ul>	Implementing outcomes of leisure needs survey, especially in respect of Amersham site
<ul style="list-style-type: none"> <li>Supporting local businesses</li> </ul>	Broadband extension and development Skills agenda Progression the economic development strategy Encourage tax base growth
<ul style="list-style-type: none"> <li>The local environment</li> </ul>	HS2 mitigation Local Plan work
<ul style="list-style-type: none"> <li>Joint Working incl Transformation</li> </ul>	Stronger in Partnership Programme Office Accommodation plans

### Key Documents Influencing the Capital Strategy

The Strategies influencing the Capital Strategy are.

- Asset Management Plan (including outcomes of Strategic Asset Review)
- Housing Strategy
- ICT Strategy

The Asset Management Plan will set out how the Council will use its assets to optimise revenue, create income streams, for the Council. It is informed by the outcomes of the Strategic asset Review undertaken in 2016.

## **Principles**

The key principles underpinning the strategy are:

- Using capital resources to support the Council's key priorities.
- Managing the revenue implications of the capital programme.
- Having in place project management to enable effective delivery of objectives and manage risk.
- Optimise the use of Council capital and asset resources

## **Financing**

The Strategy will be financed using the following funding sources:

- Prudential Borrowing
- Capital Receipts
- Earmarked revenue funds
- Leasing
- Joint ventures or other forms of partnerships

Prudential borrowing will generally be used for large projects, and those where detailed business cases have been prepared.

Capital receipts are not expected to be a material part of the capital programmes funding as the Council does not have plans to dispose of surplus assets to generate capital resources, and it does not have a significant level of unapplied capital receipts. .

The Council has earmarked from its revenue reserves sums to finance specific projects such as those associated with the Leisure Strategy, and the delivery of affordable housing. There is also funding available from contributions received under planning agreements (s106 agreements). In addition to these it has a Repair & Renewals earmarked reserve that primarily is applied to fund minor building projects related to the Council offices or the Depot.

Leasing will be considered for vehicles and plant that will need to be periodically replaced and the cost of leasing is comparable with the Council financing the asset itself

For certain projects it may be appropriate for the Council to consider a joint venture arrangement where risk and reward is shared, or where an external partner would enable a project to proceed, which otherwise would not be possible.

## **Governance**

### Roles and Responsibilities

#### Members

Members have the responsibility for agreeing the key aims and priorities of the authority. They also need to ensure that adequate resources are in place to support the delivery of the priorities, and that the authority has a sound system for financial management and control.

#### Managers

Managers responsible for services or groups of services have the requirement to set out through their Service plans and budgets how they will progress the Council's aims in the areas under their control. They will be required to identify clearly the resource implications and any risks or dependencies associated with their Service plan. Value for money, customer views and efficiency will feature in their service planning. If required by the Council's overall financial position managers will be required to identify savings options, but these should aim to minimise as far as possible the impact on the Council's key priorities. They will follow the authority's procedures for financial management and control. This includes monitoring their budgets in accordance to the requirements of the authority's budget monitoring processes.

#### s151 Officer

The designated s151 officer has the responsibility to ensure members and officers are provided with the appropriate financial advice and information to support their service and financial planning, and this includes identifying the key financial risks facing the authority. The role also has responsibility for ensuring managers have the appropriate support to manage their budgets. The post is responsible for ensuring adequate financial systems and controls are in place to manage the authority's financial affairs.

#### Project Management

The capital schemes comprising the strategy will be managed in accordance with the Council's project management methodology. This means that:

- All projects will have an identified sponsor and project manager
- Project initiation documents will be in place identifying clearly the intended outcomes, timescales and risks.
- Major investment projects will be supported by option appraisals and business cases.

Where the Council decides to undertake external financing of investment projects it will ensure this is based on the requirements of the Prudential Code<sup>1</sup>. The Treasury Management Strategy will be reviewed annually, and will set out the Prudential Indicator's for the authority in order to demonstrate the affordability of any borrowing undertaken.

Any procurements undertaken will comply with the Council's procurement rules and Contract Standing Orders.

## **Review of the Strategy**

The principles and key elements of the Strategy should not change significantly from year to year, other than to adjust for any new supporting policies or strategies that may have been developed. The detail of the strategy will be reviewed annually in the light of the progress of the programme and available resources.

## **Capital Strategy 2017 - 2022**

The Council's Capital Programme contributes to its overall financial strategy by including projects that will increase the Council's income and the use of a number of key assets. Where substantial investment is required this will be financed by prudential borrowing following the approval of business cases. For planning purposes an initial estimate has been made of the level of investment this programme might require.

The programme includes two significant projects for the expansion of the Council's main car park in Amersham, and the redevelopment of the Chiltern Pools site to replace the current facility which is at the end of its useful life with a development shaped by a review of the leisure needs of the area. The majority of the costs of these projects are anticipated to be finance by prudential borrowing, but some of the preparatory work related to the Chiltern Pools project will be met from an earmarked revenue reserve.

Housing grants are anticipated to form a significant part of the programme for a number of years with funding largely coming via the Better Care fund administered by the Adult Health & Wellbeing Board for Buckinghamshire.

In 1920/21 the Council will need to consider the replacement of the refuse fleet. This will be tied in with retendering the current contract, and at that stage an evaluation will be undertaken whether to lease or acquire any new vehicles required under the contract.

Finally there is the maintenance of existing assets which comprises projects of varying scales. The projects fall under the following main groupings.

- King George V House offices

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<sup>1</sup> Prudential Code for Capital Finance in Local Authorities issues by CIPFA.



- The Council Depot at London Road
- Leisure Centres
- ICT infrastructure
- Car parks

This maintenance expenditure is primarily met as part of a Repairs and Renewal Programme, which is funded from a revenue reserve established for this purpose. Very large projects, or projects to expand or add new facilities would be funded separately.

The overall size of the programme over time will be affected primarily by the ability of the revenue budget to support the cost of financing new investment by prudential borrowing as the Council's asset strategy does not envisage any significant asset disposals. It is important for the Council's overall Medium Term Financial Strategy that the significant projects designed to generate income achieve their objectives.

**Director of Resources**  
**December 2016**

## **DEFINITION OF CAPITAL EXPENDITURE INCLUDED IN THE CODE OF PRACTICE ON LOCAL AUTHORITY ACCOUNTING IN THE UNITED KINGDOM**

All expenditure that can be directly attributed to the acquisition, creation or enhancement of items of property, plant and equipment or the acquisition of rights over certain longer-term intangible benefits is accounted for on an accruals basis and capitalised as a non-current asset. It must be probable that the future economic benefits or service potential associated with the item will flow to the Council - the Council does not have to own the item but it must be more than likely that it has gained the right to use the item in the provision of services or to generate cash from it. In addition it must be possible to measure the cost of the item reliably.

Expenditure that should be capitalised will include expenditure on the:

- Acquisition, reclamation or laying out of land
- Acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures
- Acquisition, installation or replacement of movable or immovable plant, machinery, apparatus, vehicles and vessels

In this context, the definition of enhancement contained in the previous Code of Practice (SORP) is still applicable and means the carrying out of works which are intended to:

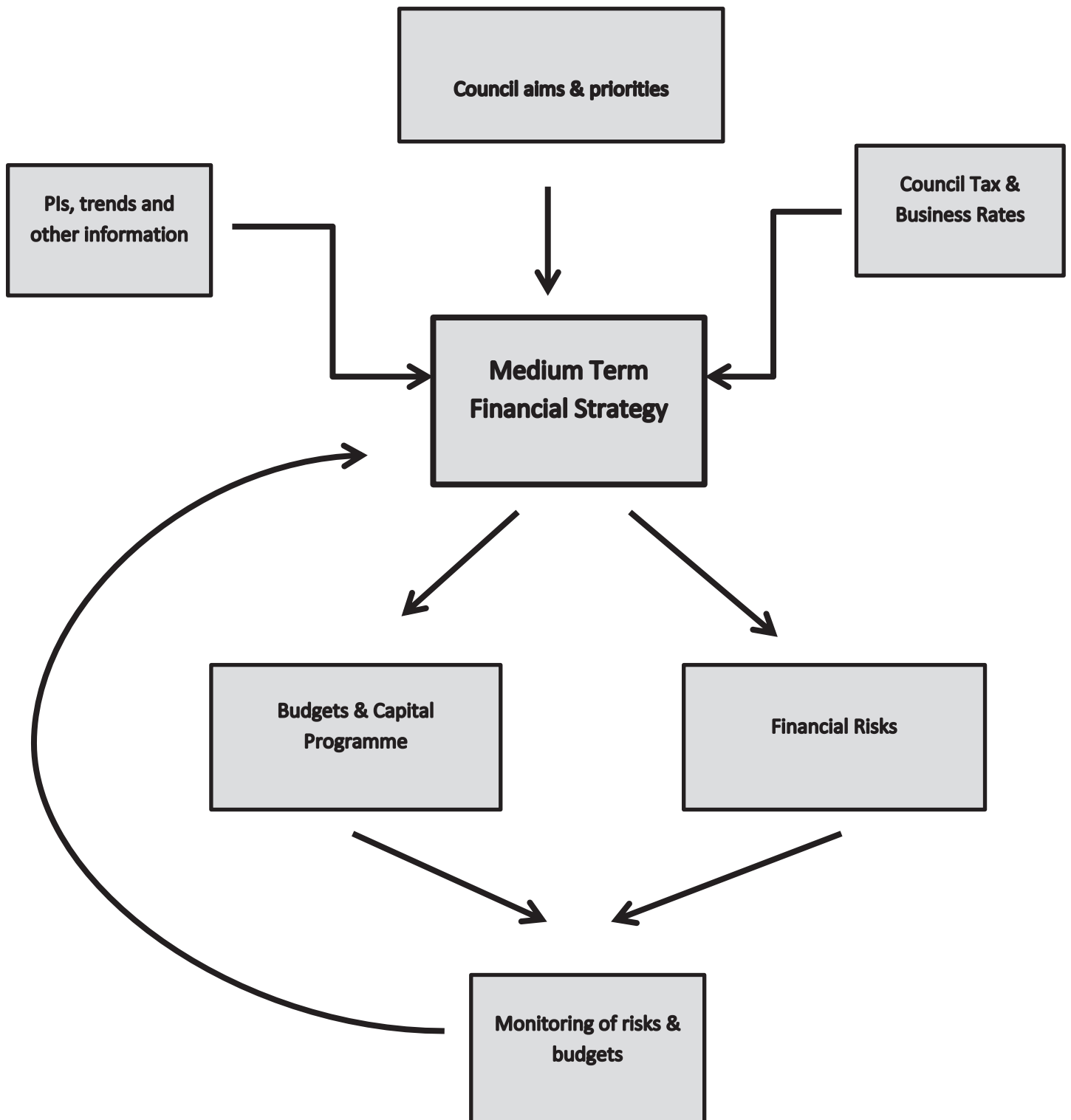
- Lengthen substantially the useful life of the asset, or
- Increase substantially the market value of the asset, or
- Increase substantially the extent to which the asset can or will be used for the purpose or in conjunction with the functions of the local authority concerned.

Under this definition, improvement works and structural repairs should be capitalised, whereas expenditure to ensure that the fixed asset maintains its previously assessed standard of performance should be recognised in the revenue account as it is incurred.

Expenditure on existing fixed assets should be capitalised in three circumstances:

- Enhancement - see above
- Where a component of the fixed asset that has been treated separately for depreciation purposes and depreciated over its individual useful life is replaced or restored
- Where the subsequent expenditure relates to a major inspection or overhaul of a fixed asset that restores the benefits of the asset that have been consumed by the authority and have already been reflected in depreciation

Assets acquired on terms meeting the definition of a finance lease should be capitalised and included together with a liability to pay future rentals.  
 Where an asset is acquired for other than cash consideration or where payment is deferred the asset should be recognised and included in the balance sheet at fair value.





<b>SUBJECT:</b>	Treasury Management Strategy 2017/18
<b>REPORT OF:</b>	Support Services Portfolio Holder – Cllr M Stannard
<b>RESPONSIBLE OFFICER</b>	Director of Resources
<b>REPORT AUTHOR</b>	Helen O'Keeffe, Principal Accountant, <a href="mailto:hokeeffe@chiltern.gov.uk">hokeeffe@chiltern.gov.uk</a> , 01494 732781
<b>WARD/S AFFECTED</b>	All

## 1. Purpose of Report

- 1.1 The Cabinet at the meeting held on 7 February 2017 agreed to recommend to Council that the Treasury Management Strategy and related policies be adopted for 2017/2018.

### RECOMMENDATION

**That Council approve the Treasury Management Strategy (Appendix 1), including approving its appendices below:**

- **Appendix 1A - Annual Investment Strategy Policies**
- **Appendix 1B - Prudential Indicators including the borrowing limits**
- **Appendix 1C - the MRP method to be used in 2017/18.**

## 2. Executive Summary

- 2.1 The Council is required to formally review its treasury management policies each year as part of determining what level of returns will be achieved from investments. The format of the treasury management policies is defined by the Code of Practice adopted by the Council, and is required to be approved by the Council on recommendation from the Cabinet.
- 2.2 The treasury management policies underpin the strategy for the year in question, which seek to achieve a level of investment return and efficiently manage any borrowing. For 2017/18 there will be a significant change in strategy as it will be necessary to borrow funds to facilitate the planned capital programme. The Council has been debt free for many years so this represents a substantial change in approach.

## 3. Background

- 3.1 The Council adopted the CIPFA code of practice on Treasury Management in June 2002, which includes the creation of a Treasury Management Strategy, which sets out the policies, and objectives of the Council's treasury management activities for the year ahead.

**4. Treasury Management Strategy 2017/18**

4.1 The Treasury Management Strategy 2017/18 is attached as Appendix 1. In essence the proposed strategy is as follows, and makes appropriate recognition of the Government's advice to prioritise security and liquidity over returns.

- Borrowing will be required in order to deliver the planned capital programme, and therefore in order to undertake prudential borrowing the Council needs to update its Treasury Management Strategy. Borrowing will be entered into once significant capital projects have been approved.
- Cash is unlikely to be available for investment over longer time periods.
- Interest rates are expected to remain low, and it will be challenging to achieve high investment returns.
- The expected return for 2017/18 from the proposed strategy is £100,000.

**5. Consultation**

5.1 Consultation is with the Resources Overview Committee within the framework set by the Code of Practice.

**6. Options**

6.1 The framework set by the Code of Practice means that options effectively relate to the judgements and risk assessments made when finalising the Strategy around likely returns, counterparty risks, and liquidity issues related to the level of available cash balances.

**7. Corporate Implications**

7.1 The budget for investment interest was set at £140,000 for 2016/17. The current estimated investment return shows that the budget is likely to be exceeded by a modest amount.

7.2 Budgeted investment income in 2017/18 is based on interest rates remaining below 1%. Although borrowing will not be undertaken in advance of need, there will be some short term timing differences where funds will be borrowed and not yet required for the payment of suppliers. Any surplus funds will be invested on a short term basis until they are required.

7.3 Based upon the recommendations outlined in the Treasury Management Strategy the estimated investment return for 2017/18 is £100,000.

7.4 This target for investment income reflects the latest forecasts for interest rates. It is regarded as realistic and achievable. Loss of £44K of investment income is equal to £1 Council Tax on a band D property.

- 7.5 As with any budget based on forecasts of future interest rates there is a risk of variation due to factors outside of the Council's control. This risk will need to be taken into account in determining the level of reserves held by the Authority.
- 7.6 The Local Government Act 2003 requires the Council to have regard to the Prudential Code and to set Prudential Indicators for the next 3 years to ensure that the Council's capital investments plans are affordable, prudent and sustainable.
- 7.7 The Act requires the Council to set out its Treasury Strategy and to prepare an Annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 7.8 It is a statutory requirement under section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, section 32 requires a local authority to calculate its budget requirements for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:
- loss of investment interest caused by the use of capital receipts to finance additional capital expenditure.
  - any increases in running costs from new capital projects.
  - any interest payable on loans
- are limited to a level which is affordable within the projected income of the Council for the foreseeable future as part of the Council's overall Medium Term Financial Strategy.
- 7.9 The CLG's investment guidance states that authorities could combine the Treasury Strategy Statement and the Annual Investment Strategy (AIG) into one report. The Treasury Management Strategy 2017/18 document is attached to this report (Appendix 1).

## 8. Links to Council Policy Objectives

- 8.1 The Council's Treasury Management Strategy is a key element to the overall Medium Term Financial Strategy.

## 9. Next Step

- 9.1 That, subject to the Council agreeing the Strategy, the implementation and monitoring of the strategy and policy will be undertaken by reports to Cabinet.

<b>Background Papers:</b>	None
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**Chiltern District Council**  
**Treasury Management Strategy**  
**2017/2018**

## 1. Background

- 1.1. The Council adopted the CIPFA code of practice on Treasury Management in June 2002, which includes the creation of a Treasury Management Strategy, which sets out the policies, and objectives of the Council's treasury management activities for the year ahead. The key requirements of the latest version of the Code are detailed below.
- a) All councils must formally adopt the Code and four clauses, these are shown in Appendix 1A which also sets out the scheme of delegation and the treasury management role of the section 151 officer.
  - b) The strategy report will affirm that the effective management and control of risk are prime objectives of the Council's treasury management activities. This is consistent with the approach always adopted by this Council.
  - c) The Council's appetite for risk must be clearly identified within the strategy report and will affirm that priority is given to security of capital and liquidity when investing funds and explain how that will be carried out.
  - d) Responsibility for risk management and control lies within the organisation and cannot be delegated to any outside organisation. This is something the Council has always been very clear about, in that whilst it uses advisers and external sources of information, that it is the officers and Members of the authority who are accountable for policy and decisions.
  - e) Credit ratings should be used as a starting point when considering risk. Use should also be made of market data and information, the quality financial press, information on Government support for banks and credit ratings of that Government support.
  - f) Councils need a sound diversification policy with high quality counterparties and should consider setting country, sector and group limits.
  - g) Borrowing in advance of need is only to be permissible when there is a clear business case for doing so and only for the current capital programme. The Council has been debt free for a number of years. However, planned capital projects over the next few years will mean that the Council will need to borrow funds. This will enable major capital projects to be undertaken which would otherwise not be affordable.
  - h) The main annual treasury management reports must be approved by full Council.
  - i) There needs to be, at a minimum, a mid-year review of treasury management strategy and performance. This is intended to highlight any areas of concern that have arisen since the original strategy was approved. For Chiltern this requirement is met by the regular reports to the Cabinet.
  - j) Each council must delegate the role of scrutiny of treasury management strategy and policies to a specific named body. For Chiltern this is carried out by the Resources Overview Committee.

- k) Treasury Management performance and policy setting should be subjected to prior scrutiny. This is achieved via the regular discussions on Treasury Management at the Resources Overview..
- l) Members should be provided with access to relevant training. The Council's treasury management advisers provided training most recently in September 2015 which outlined relevant legislation, the Code of Practice, Members' responsibilities and operational issues.
- m) Those charged with governance are also personally responsible for ensuring they have the necessary skills and training.
- n) Responsibility for these activities must be clearly defined within the organisation.
- o) Officers involved in treasury management must be explicitly required to follow treasury management policies and procedures when making investment and borrowing decisions on behalf of the Council.
- 1.2. This strategy statement has been prepared in accordance with the Code. As in previous years the Council's Treasury Management Strategy will be approved annually by the full Council. In addition there will also be regular monitoring reports to Resources Overview, one of which will be the annual report. In addition the Support Services Portfolio Holder will be emailed each month with information showing where the Council's investment portfolio has been invested. The aim of these reporting arrangements is to ensure that those with ultimate responsibility for the treasury management function appreciate fully the implications of treasury management policies and activities, and those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.
- 1.3. The Council will adopt/reaffirm the following reporting arrangements in accordance with the requirements of the revised Code:-

Area of Responsibility	Reporting Arrangements	Frequency
Treasury Management Policy	Cabinet/Council	Reviewed annually.
Treasury Management Strategy Annual Investment Strategy MRP policy	Cabinet/Council	Annually before the start of the financial year
Treasury Management Strategy Annual Investment Strategy MRP policy – in year report	Cabinet	Appropriate report to Cabinet
Treasury Management Strategy Annual Investment Strategy MRP policy – updates or revisions at other times	Cabinet/Council	As appropriate
Annual Treasury Outturn Report	Cabinet/Council	Annually by 30 <sup>th</sup> September after the end of the year
Monitoring Reports	Cabinet	Regularly

Investment Portfolio Detail	Support Services Portfolio Holder	Monthly
Scrutiny of treasury management strategies & performance	Resources Overview Committee	Ongoing but with particular focus when considering annual Strategy

- 1.4. The Local Government Act 2003 and supporting regulations requires the Council to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Council's capital investments plans are affordable, prudent and sustainable. These indicators are especially relevant now that the Council is proposing to undertake borrowing to finance a number of significant projects.
- 1.5. The Act requires the Council to set out its Treasury Strategy and to prepare an Annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.6. It is a statutory requirement under section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, section 32 requires a local authority to calculate its budget requirements for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:
- Loss of investment interest caused by the use of capital receipts to finance additional capital expenditure
  - Any increases in running costs from new capital projects
  - Any interest payable on loans
- are limited to a level which is affordable within the projected income of the Council for the foreseeable future.
- 1.7. The Council employs Capita Asset Services, Treasury Solutions for treasury management information services. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon external service providers. The external treasury management service does not recommend specific strategies for authorities as they are not investment managers, but aim to ensure authorities take relevant matters into consideration and identify investment options to possibly consider. It is recognised that there is value in employing an external organisation in order to access specialist skills and resources. This was exemplified by the joint member briefing undertaken in September 2015. The Council contract with Capita Asset Services is a joint one with South Bucks District Council. The contract has been renewed with effect from 1 January 2017 to 31 December 2019.

## **2. Prospects for Interest Rates and Economic Background**

- 2.1. Part of the service provided by the Council's treasury management advisers is to assist the Council to formulate a view on interest rates. The following table gives the Capita Asset Services central view on the bank rate and short term money rates.

	2017				2018		2019
	Q1	Q2	Q3	Q4	Q1	Q4	Q4
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.75%	0.75%
3 M LIBID	0.30%	0.30%	0.30%	0.30%	0.30%	0.40%	0.80%
6M LIBID	0.40%	0.40%	0.40%	0.40%	0.40%	0.50%	0.90%
12M LIBID	0.70%	0.70%	0.70%	0.70%	0.70%	0.90%	1.30%

2.2. From an economic perspective the key points that can influence the Investment Strategy are as follows:

- Political developments in the UK, especially over the terms of Brexit.
- The impact of the US election result on the US economy. If the Trump package of policies is implemented, there is likely to be an increase in inflationary pressures which could then mean that the pace of further Fed. Rate increases will be quicker and stronger than formerly expected.
- Although there is normally a high degree of correlation between the Fed. Rate and the UK Bank Rate, it is anticipated that the Fed. Rate will increase more quickly and more strongly than the UK Bank Rate.

2.3. The Bank of England has also indicated that when interest rates do start to rise it will be a slow and incremental process. It is therefore unlikely in the medium term that cash investment returns will increase significantly from current levels.

### 3. Achieving the Investment Target in 2017/18

3.1. As part of its medium term financial strategy the Council is seeking to maximise its investment income with acceptable levels of risk.

3.2. It is clear that continuing with short term cash investments will provide returns of at best 1.0% over the next year or so. To achieve higher levels of returns would involve:

- Investing for longer periods, i.e. 3 years or longer.
- Investing in non cash based instruments, i.e. property or corporate bond funds.

3.3. The following table illustrates the estimated investment interest for 2017/18.

	Credit Rating	Amount Loaned	Interest Rate	Matures	Interest 17/18	New Inv 17/18 (1%)
Bank of Scotland/Lloyds	A+	1,000,000	1.00%	Nov-17	6,027	3,333
Bank of Scotland/Lloyds	A+	1,000,000	1.55%	Jun-17	2,675	7,500
Bank of Scotland/Lloyds	A+	1,000,000	1.05%	Jul-17	3,395	6,667

Nationwide	A	1,000,000	0.95%	May-17	1,275	8,333
Nationwide	A	1,000,000	0.60%	Apr-17	460	9,167
Nationwide	A	1,000,000	0.60%	Oct-17	3,074	4,167
Santander	A	1,000,000	1.00%	Jun-17	2,219	7,500
Close Brothers	A	1,000,000	1.60%	Oct-17	8,592	4,167
Close Brothers	A	1,000,000	1.00%	Feb-18	9,151	833
Total		9,000,000			36,868	51,667
Short term		10,000,000	0.30%		30,000	
Total		19,000,000			66,868	51,667
Total interest forecast 2017/18						<b>118,535</b>

3.4. However, owing to the Council's capital spending plans it is unlikely that cash will be available for investment over longer time periods.

3.5. The following table illustrates the timescale for maturity of current investments.

#### Schedule of Maturing Investments

Year	Month	Amount	Cumulative
Instant MMF		10,000,000	10,000,000
2016/17	Mar	2,000,000	12,000,000
2017/18	Apr	1,000,000	13,000,000
	May	1,000,000	14,000,000
	Jun	2,000,000	16,000,000
	Jul	1,000,000	17,000,000
	Oct	2,000,000	19,000,000
	Nov	1,000,000	20,000,000
	Feb	1,000,000	21,000,000
		21,000,000	

3.6. The strategy needs to consider risk and this includes avoiding placing too much of the total investments with a single fund or institution.

3.7. The table below shows the proposed counterparty investments matrix for investments in 2017/18. There have been some amendments to the matrix to increase the maximum amounts which can be invested and the duration of investments. This is as a result of there being fewer suitable counterparties available with whom to place investments and greater funds being available to invest at the beginning of the year. Increasing these limits will allow greater flexibility to achieve the best available rates.

	Duration	Maximum Amount	Fitch Rating	Comment
Money Market Funds	-	£5m	AAA	
UK Institutions	Up to 5 years	£5m	A- or better	
	Up to 3	£5m	BBB+ or better	

	years			
Non UK Institution	Up to 3 years	£2m	A- or better	Sovereignty rating AA or better
Gilts / Corporate Bonds / Bond Funds	Up to 5 years	£5m	A- or better	
Other Approved Investments (eg Property Funds)	-	£5m	-	

#### 4. Borrowing Strategy

- 4.1 The Treasury Management Strategy for 2017/18 reflects a shift in strategy from Chiltern being a debt free Authority to an Authority which will undertake borrowing to enable some significant capital projects to be undertaken. Potentially in 2017/18 the Council could undertake borrowing of up to £8m. The change in strategy is described in more detail in the Council's Capital Strategy which is being updated as part of the overall 2017/18 budget setting process.
- 4.2 In order to undertake borrowing the Council must demonstrate its compliance with the Prudential Borrowing Code. The purpose of the Code is to establish the framework for local authority to ensure:
- Capital expenditure plans are affordable (Medium Term Financial Strategy and Capital Strategy)
  - External borrowing and long term liabilities are prudent and sustainable (Medium Term Financial Strategy)
  - Treasury management decisions are in accordance with good professional practise (Treasury Management Strategy)
  - The local authority is accountable and its decisions clear and transparent (Code of Corporate Governance)
- 4.3 The capital expenditure plans set out in Appendix 1B provide details of the planned expenditure of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this expenditure. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities.
- 4.4 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the additional sums borrowed. However, it is possible that there will be some short term timing differences where funds are borrowed in order to pay suppliers' invoices for capital projects. This may result in the Council holding cash surpluses until the project is complete, which will be invested until required for the payment of suppliers.
- 4.5 Borrowing will only be entered into once the larger capital projects have received approval from Members to commit following appropriate feasibility and preparation work. The

Director of Resources will determine the optimum time to borrow taking into account current and forecast interest rates.

- 4.6 The Local Government Act 2003 sets out the new capital regulations and specifies that local authorities must comply with the Prudential Code produced by CIPFA. The Council has a duty to determine an affordable borrowing limit. It is recommended that Members approve an authorised borrowing limit of £13 million and an operational borrowing limit of £10 million, these together with other prudential indicators that the Council are required to set under the code are shown at Appendix 1B, and Appendix 1C covers the technical requirement in respect of calculating the minimum revenue provision.

## **5. Financial Summary & Risks**

- 5.1. The budget for investment interest was set as £140,000 for 2016/17. Current estimates show that the budget is likely to be exceeded by a modest amount.
- 5.2. The estimated investment return for 2017/18 is £100,000, which reflects the latest forecasts for interest rates. Loss of £44,000 of investment income is equal to £1 council tax on a band D property.
- 5.3. The cost of borrowing is estimated at 2.5%. There is clearly some sensitivity around this if the interest rate should change. A 1% increase in borrowing rates would increase interest rate costs by £10,000 per £1m of borrowing.
- 5.4. As with any budgets based on forecasts of future interest rates there is a risk of variation due to factors outside of the Council's control. This risk will need to be taken into account in determining the level of revenue reserves held by the authority.

### **Appendices**

**1A – Annual Investment Strategy**

**1B – Prudential Indicators**

**1C – Minimum Revenue Provision**



**CHILTERN DISTRICT COUNCIL****Annual Investment Strategy 2017-18**

1. This Council has regard to the DCLG's Guidance on Local Government Investments and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sector Guidance Notes. The Council's investment priorities will be security first, liquidity second and then return.
2. This Annual Investment Strategy states which investments the Council may use for the prudent management of its treasury balances during the financial year under the heads of Specified Investments and Non-Specified Investments. These are listed in Schedules A and B.
3. The policies underpinning the investment strategy for managing investments and for giving priority to the security and liquidity of those investments are set out in this document.

**Treasury Management Policy Statement****4. Definition**

The Council defines its treasury management activities as

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

**5. Risk Management**

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

**6. Value for Money**

The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management and to employing suitable comprehensive performance techniques, within the context of effective risk management.

**7. Borrowing Policy**

The Council values revenue budget stability and will therefore borrow the majority of its long-term funding needs at long-term fixed rates of interest.

The Council will set an affordable borrowing limit each year in compliance with the Local Government Act 2003, and will have regard to the CIPFA Prudential Code for Capital Finance in Local Authorities when setting that limit. It will also set limits on its exposure to changes in interest rates and limits on the maturity structure of its borrowing in the annual Treasury Management Strategy report.

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## 8. **Investment Policy**

The general policy objective for this Council is the prudent investment of its treasury balances. The Council's investment priorities are the security of capital and liquidity of its investments. The Council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity, and in an ethical manner that does not put the Council's reputation at risk. Investment of the Council's funds will be in accordance with the Treasury Management Strategy and Policy. All investments will be in sterling. The DCLG maintains that the borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

## **CIPFA Treasury Management Code of Practice**

9. The CIPFA Code of Practice on Treasury Management in Local Authorities was last revised in 2009.
10. CIPFA recommends that all public service organisations adopt, as part of their standing orders, financial regulations, or other formal policy documents appropriate to their circumstances, the following.
  1. This organisation will create and maintain, as the cornerstone for effective treasury management:
    - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
    - suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

2. This Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
3. This organisation delegates responsibility for the oversight and regular monitoring of its treasury management policies and practices to the Support Services Portfolio Holder, and for the implementation and administration of treasury management policy and decisions to the Director of Resources, who will act in accordance with the organisation's policy statement and TMPs and, as a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

## **The Treasury Management Role of the Section 151 Officer – Director of Resources**

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11. The responsibilities are summarised as follows.
- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
  - Submitting regular treasury management reports.
  - Submitting budgets and budget variations in respect of treasury management activities.
  - Receiving and reviewing treasury management information reports.
  - Reviewing the performance of the treasury management function.
  - Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
  - Ensuring the adequacy of internal audit, and liaising with external audit.
  - Recommending the appointment of external service providers or advisors.

### **Specified and Non-Specified Investments**

12. Specified investments identify investments offering high security and high liquidity which can be used with minimal procedural formalities. All these investments should be in sterling and with a maturity of no more than a year.
13. Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, or any with low credit quality bodies. Non-specified investments will therefore be limited to long-term investments.
14. The use of non-specified investments is limited to those set out in Schedule B. The Principal Accountant – Capital & Treasury will keep the use of such investments under continuous review in the light of risk (including reputational risk), liquidity and return. No additions will be made without the approval of the Council.

### **Security of Capital: The use of Credit Ratings**

15. This Council relies on credit ratings published by Fitch (Standard and Poor's for Money Market Funds where applicable) to establish the credit quality of counterparties and investment schemes. The Council determines the appropriate credit ratings it deems to be sufficiently high for each category of investment. The 2017/18 counterparty credit matrix for investments is as follows:

	Duration	Maximum	Fitch	Comment
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		Amount	Rating	
Money Market Funds	-	£5m	AAA	
UK Institutions	Up to 5 years	£5m	A- or better	
	Up to 3 years	£5m	BBB+ or better	
Non UK Institution	Up to 3 years	£2m	A or better	Sovereignty rating AA or better
Corporate Bonds/Bond Funds	Up to 5 years	£5m	A- or better	
Other Approved Investments (eg Property Funds)	-	£5m	-	-

**Monitoring of credit ratings:**

- The Council has access to Fitch credit ratings and is alerted to changes through its use of its treasury management advisor's website and email alerts. These ratings cover both the specific financial institution but also the credit rating for the country in which the institution is incorporated.
- If a counterparty's or investment scheme's rating is downgraded with the result that it no longer meets the Council's minimum criteria, the further use of that counterparty/investment scheme as a new investment will be withdrawn immediately. The Council will also immediately inform any external fund manager that it may decide to use of the withdrawal of the same.
- The Council will establish with any fund manager that it may decide to use their credit criteria and the frequency of their monitoring of credit ratings so as to be satisfied as to their stringency and regularity.

**Monitoring of Reputational Risk Issues**

16. This will be undertaken by monitoring the financial press and media to identify any issues in respect of the non-public sector investments held by the Council, and where appropriate seeking advice from external sources.

**Investment Balances / Liquidity of Investments**

17. A prime consideration in the investment of fund balances is liquidity and the Council's forecast cash flow. Any in-house investment of more than three months needs the approval of the Director of Resources or the Head of Finance. If the Council were to choose to use the services of a cash fund manager duration limits will be specified in the contract.

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## **Provisions for Credit Related Losses**

18. If any of the Council's investments appears at risk of loss due to default the Council will make revenue provision of an appropriate amount, or follow any guidance issued by Government in such circumstances.
19. Any cash fund manager appointed by the Council will manage the funds on a discretionary basis. The fund management agreement between the Council and the manager would formally document the instruments that could be used within pre-agreed limits. The fund manager would use the Council's credit rating criteria.

## **End of Year Investment Report**

20. At the end of the financial year, the Council will prepare a report on its investment activity as part of its treasury management activity report.

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## Schedule A

**LOCAL GOVERNMENT INVESTMENTS (ENGLAND)**  
**SPECIFIED INVESTMENTS**

**All investments listed below must be sterling –denominated**

<b>Investment</b>	<b>Repayable/ Redeemable Within 12 Months?</b>	<b>Security/ Minimum Credit Rating</b>	<b>Circumstance of use</b>	<b>Maximum period</b>
<b>Term deposits</b> with the UK government or with English local authorities (i.e. local authorities as defined under section 23 of the 2003 Act) with maturities up to 1 year	Yes	High security although LAs not credit rated	In-house	1 year
<b>Term deposits</b> with credit – rated deposit takers (banks & building societies) with maturities up to 1 year	Yes	Yes, use of Fitch ratings subject to counterparty matrix	In-house	1 year
<b>Certificates of Deposit</b> issued by credit – rated deposit takers (banks and building societies): up to 1 year  Custodial arrangement required prior to purchase	Yes	Yes, use of Fitch ratings subject to counterparty matrix	In-house	1 Year
<b>Gilts:</b> up to 1 year  Custodial arrangement required prior to purchase	Yes	Government backed	In-house	1 Year
<b>Money Market Funds</b>	Yes	Yes, AAA rated	In-house	The period of investment may not be determined at the outset but would be subject to cash flow & liquidity requirements
<b>Treasury bills</b> (Government debt security with a maturity less than 1 year and issued through a competitive bidding process at a discount to par value)  Custodial arrangement required prior to purchase	Yes	Government backed	In-house	1 Year

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## Schedule B

**LOCAL GOVERNMENT INVESTMENT (England)**  
**NON – SPECIFIED INVESTMENTS**

<b>Investment</b>	<b>(A) Why use it ? (B) Associated risks ?</b>	<b>Repayable /Redeemable Within 12 months ?</b>	<b>Security /Minimum credit rating</b>	<b>Used By</b>	<b>Maximum value</b>	<b>Length of investment</b>
<p><b>UK government gilts</b> with maturities in excess of 1 year</p> <p>Custodial arrangement required prior to purchase</p>	<p>(A)(i) Excellent credit quality.  (ii) Very liquid.  (iii) If held to maturity, known yield (rate of return) per annum, aids forward planning.  (iv) Index linked gilts can offer means of insulating against effect of inflation on returns.  (v) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)  (vi) No currency risk</p> <p>(B)(i) Market or interest rate risk: Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.</p>	Yes	Government backed	In-house	No restriction on gilts	Average maturity of the fund not to exceed 5 years

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Investment	(A) Why use it ? (B) Associated risks ?	Repayable /Redeemable Within 12 months ?	Security /Minimum credit rating	Used By	Maximum value	Length of investment
<b>Supranational Bonds</b>  Custodial arrangement required prior to purchase	(A)(i)Excellent credit quality. (ii) Relatively liquid (although not as liquid as gilts) (iii) If held to maturity, known yield (rate of return) per annum, which would be higher than that on comparable gilt – aids forward planning, enhanced return compared to gilts. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)  (B)(i) Market or interest rate risk: Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss. (ii)Spread versus gilts could widen	Yes	AAA or Government guaranteed	In-house	Not more than 25% of the external fund with no more than 10% in any one institution  In house maximum of £5m	Average duration of the fund not to exceed 5 years.  Maximum of 5 years
<b>Property Funds which constitute capital expenditure</b>	Alternative to cash funds. Returns subject to property market and rental streams	Not always dependant on terms of each fund	Investment in property	Any Fund Manager	£5m	Dependant on terms of each fund
<b>Property Funds approved by HM Treasury which do not constitute capital expenditure eg</b>	Alternative to cash funds. Returns subject to property market and rental streams	Not always dependant on terms of each fund	Investment in property	Any Fund Manager	£5m	Dependant on terms of each fund

Classification: OFFICIAL



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<b>Investment</b>	<b>(A) Why use it ? (B) Associated risks ?</b>	<b>Repayable /Redeemable Within 12 months ?</b>	<b>Security /Minimum credit rating</b>	<b>Used By</b>	<b>Maximum value</b>	<b>Length of investment</b>
<b>CCLA</b>						
<b>Term deposits</b> with the UK government or with English local authorities (i.e. local authorities as defined under section 23 of the 2003 Act) with maturities up to 5 years	Gives a known rate of return	No	High security although LAs not credit rated	In-house	None	5 years – in house
<b>Term deposits</b> with credit – rated deposit takers (banks & building societies), including callable deposits with maturities up to 5 years	Gives a known rate of return	No	Yes, use of Fitch ratings Subject to counterparty matrix	In-house	None	5 years – in house Internal forward deals subject to 3 months in advance only approved by DoR
<b>Corporate Bonds</b>  Custodial arrangement required prior to purchase	(A)(i) If held to maturity, known yield (rate of return) per annum (ii) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)  (B)(i) Market or interest rate risk: Yield subject to movement during life of bond which could negatively impact on price of the bond i.e.	Yes	Yes, use of Fitch ratings Subject to counterparty matrix	In-house	Maximum of £5m	Maximum of 5 years

Classification: OFFICIAL

Classification: OFFICIAL

Investment	(A) Why use it ? (B) Associated risks ?	Repayable /Redeemable Within 12 months ?	Security /Minimum credit rating	Used By	Maximum value	Length of investment
	potential for capital loss.					
<b>Corporate Bond Funds</b>  Pooled Investment Vehicle Custodial arrangement not required	(A) Attractive returns, provides Diversification, no need for custodial facilities, professional fund management, has liquidity. (B) Market or interest rate risk, impact of credit rating changes, will attract fund management fees, would have to account for unrealised gains and losses annually.	Yes-redeemable at net asset value	Yes, use of Fitch ratings Subject to counterparty matrix	Fund Manager	Maximum of £5m	Maximum of 5 years

Classification: OFFICIAL

## **PRUDENTIAL CODE & INDICATORS STATEMENT**

The Prudential Code for Capital Finance in Local Authorities was developed by CIPFA to support local authorities with the management of their capital finance and investment programmes. The key objectives of the Prudential Code are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability. The Prudential Code also has the objectives of being consistent with and supporting local strategic planning, local asset management planning and proper option appraisal.

To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used and the factors that must be taken into account. The indicators will be monitored during the year and the final position at the year end compared to the forecast.

### **Prudential Indicators of Affordability**

#### 1.Capital Expenditure

The first prudential indicator for affordability gives details of the total capital expenditure plans. This is to help ensure that these are reasonable given the resources of the council.

	2015/16 Actual £000	2016/17 Forecast £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000
Capital Expenditure	1,362	2,799	9,853	16,749	12,324

For CDC the capital programme has in the past been fully funded from capital receipts and Government grant. However, the increased level of budgeted capital expenditure will mean that this will not be possible, and the Council will need to borrow funds to facilitate the budgeted expenditure.

#### 2.Ratio of financing costs to net revenue income stream

The second indicator shows how much of a Council's revenue budget has to be allocated towards interest payments, net of investment income.

	2015/16 Actual £000	2016/17 Forecast £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000
Financing Costs <i>ie net investment income plus interest payments</i>	157	140	2	(431)	(739)
Net Revenue Income Stream <i>ie Budget Requirement</i>	10,954	10,710	10,746	10,144	10,341
Ratio	(1.43%)	(1.31%)	(0.02%)	4.25%	7.14%

Until 2017/18, income from investments outweighs any borrowing costs, therefore the ratio of financing costs to revenue budget requirement (Government grant and Council tax income) will be

negative. From 2018/19 onwards, borrowing costs are in excess of income from investments and therefore the ratio is positive.

### 3. Incremental Impact on Council Tax

The next indicator assesses the impact of the capital programme on the revenue budget.

For Chiltern District Council the size of the capital programme has an effect on the Council's revenue budget (and hence Council Tax) in three ways.

Firstly each pound spent on the capital programme reduces the amount of capital reserves, which in turn reduces the Council's investment holdings and thus the revenue interest earned by the Council. Based on current investment rates, increasing the overall capital programme by £100,000 will reduce annual interest by and thus increase the revenue budget by £1,000. Similarly reducing the overall capital programme by £100,000 will increase annual interest by and thus reduce the revenue budget by £1,000. £1,000 is equivalent to approximately 2p on the average band D Council Tax.

Secondly additional capital expenditure can result in additional revenue maintenance costs, for instance a new piece of ICT equipment is likely to require additional annual maintenance and support.

Thirdly, any additional capital expenditure funded by borrowing will result in long term commitments to pay interest on the loan.

### 4. Capital Financing Requirement

The Capital Financing Requirement (CFR) provides details of an authority's underlying need to borrow.

	2015/16 Actual £000	2016/17 Estimate £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000
CDC Capital Financing Requirement at year end	0	0	7,831	23,435	31,050
Movement in CFR	0	0	7,831	15,604	7,614

Breakdown of Movement in CFR					
Net financing need for the year	0	0	7,831	15,800	8,200
Minimum Revenue Provision (MRP)	0	0	0	(196)	(586)
Movement in CFR	0	0	7,831	15,604	7,614

The Council is required to repay an element of the accumulated General Fund capital spend each year through a revenue charge known as the Minimum Revenue Provision (MRP).

### 5. Authorised Temporary Borrowing Limits

This indicator sets limits on how much CDC can borrow.

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Authorised Limit	3,000	3,000	13,000	30,000	35,000
Operational Limit	3,000	3,000	10,000	25,000	33,000

The Authorised Limit for Chiltern represents the maximum temporary borrowing limit. The Operational Limit is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt. The Authorised Limit represents a limit beyond which external debt is prohibited. It represents the level of external debt which, while not desired, could be afforded in the short term.

**Prudential Indicators for Prudence**

**1. Net Borrowing and The Capital Financing Requirement**

The first prudential indicator for prudence is to ensure that in the medium term borrowing will only be used to fund capital expenditure. There are a number of planned capital projects which will require the Council to borrow funds but owing to timing differences, it is possible that some funds will be borrowed in advance of need. The Council will then have cash surpluses until the project is complete. If this situation does occur the cash surpluses will be invested until required for the payment of suppliers.

**2. Treasury Management Indicator**

The second indicator is whether or not the authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector. CDC has done this and thus meets this indicator.

**3. Upper limit for interest rate exposure.**

The interest rates exposure indicators are designed to limit exposure to the effects of changes in interest rates. This measure is more pertinent in the environment of significantly fluctuating interest rates, which is of less relevance at the present time.

	2016/17	2017/18	2018/19	2019/20
Fixed Rate	100%	100%	100%	100%
Variable Rate	60%	70%	80%	90%

As the Council's cash balances decrease, balances held will relate to day to day cash flow requirements. These balances will need to be held in instant access funds, which will be at variable interest rates.

**4. Maturity Structure of Borrowings**

This indicator is designed to reduce the risk of large sums of borrowings having to be repaid at the same time. The recommended lower limit for maturity is less than 1 year and the recommended upper limit is 40 years. The maturity structure within this range will vary according to the income streams generated by investment decisions.

**5. Upper limit for total principal sums invested for over 364 days.**

Where a local authority invests, or plans to invest, for periods longer than 364 days, the local authority must set an upper limit for each forward financial year period for the maturing of such investments. This prudential indicator is referred to as prudential limits for principal sums invested for periods longer than 364 days. This indicator is designed to ensure that authorities always have sufficient funds to cover their cash flow needs and thus do not need to realise investments before they reach maturity.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Upper Limit	5	10	10	10

The above upper limit figure has been calculated taking into account the maximum that could be available for investing in excess of 1 year allowing for the needs of short term cash flow and the use of capital receipts to fund capital expenditure.





**MINIMUM REVENUE PROVISION (MRP)**

The Local Government and Public Involvement Act 2007 provided a new power to the Secretary of State to issue guidance on accountancy practice rather than through the formal issue of Regulations through statute.

The first guidance issued under this new power relates to Minimum Revenue Provision (MRP). This is the amount which local authorities provide for the repayment of their borrowings

Under the guidance authorities will be required to prepare an annual statement in respect of their policy on making MRP. This must be submitted to Full Council and will form part of the annual prudential indicator report.

The guidance provides a number of options for making a 'prudent provision', this is to say that the provision for the repayment of borrowing used to finance the acquisition of an asset should be made over a period bearing some relation to that over which the asset provides a service to the authority.

The options for prudent provision are as follows:

**Option 1 - Regulatory Method**

Where debt is supported by Revenue Support Grant (RSG), authorities will be able to continue using the formulae used in the current regime, since the supported borrowing element of the RSG is also calculated this way.

**Option 2 - CFR Method**

This method is based upon 4% of an authority's non housing CFR (capital financing requirement) at the end of the preceding financial year.

**Option 3 - Asset Life Method**

Here equal annual instalments of MRP will be made over the estimated life of asset financed by borrowing. Under this method the concept of an MRP holiday makes its debut. This provides the ability for an authority to defer MRP on a newly constructed building or infrastructure asset until the asset comes into service.

**Option 4 - Depreciation Method**

Using this approach will require an authority to charge MRP in accordance with the standard rules for depreciation accounting. As with option 3 the MRP holiday will be available for assets yet to be brought into service.

It is anticipated that options 1 & 2 will only be used where capital expenditure is incurred prior to 1<sup>st</sup> April 2008 and where capital expenditure is incurred on or after that date which the authority is satisfied forms part of its supported capital expenditure. Options 3 and 4 would be used in relation to all capital expenditure incurred after the 1<sup>st</sup> April which is financed by borrowing or credit arrangements.

In this Council's case from 1 April 2017 there will be some borrowing.

**It is therefore recommended that option 3, the Asset Life Method, is adopted as the Council's annual policy on making MRP for 2017/18.**



<b>SUBJECT:</b>	<i>Members' Allowances Scheme 2017/18</i>
<b>REPORT OF:</b>	<i>Leader – Councillor Isobel Darby</i>
<b>RESPONSIBLE OFFICER</b>	<i>Head of Legal &amp; Democratic Services – Joanna Swift</i>
<b>REPORT AUTHOR</b>	<i>Mat Bloxham, 01494 732143, mbloxham@chiltern.gov.uk</i>
<b>WARD/S AFFECTED</b>	<i>Not ward specific</i>

## 1. Purpose of Report

The Council is asked to agree the Members' Allowances Scheme for 2017/18.

### RECOMMENDATION

**That the Council confirms that the Members' Allowances Scheme for 2017/18 is:**

**1. Based on the automatically uplifting by 1% of the 2016/17 Scheme**

**OR**

**2. That the Scheme remains at the same level as the 2016/17 Scheme (attached).**

## 2. Content of the Report & Reasons for Recommendations

The Members' Allowances Scheme for 2017/18 will take effect from 1 April 2017 and continue to 31 March 2018.

In accordance with the Members' Allowances Scheme, agreed by Council on 26 February 2014, each year since then (up to and including the 2017/18 Scheme), the default position is that the previous year's Scheme adjusts according to the Consumer Price Index (CPI) at 31 December to produce the following year's Scheme. Any increase is capped at the average increase in basic pay awarded to the Council's staff.

CPI was 1.6% at 31 December 2016, and the average increase in basic pay awarded to Council staff in 2016 was 1%. The Members' Allowances Scheme for 2017/18 is therefore set to automatically increase by 1%.

Each year since 2014/15 the Council has agreed to freeze allowances so no adjustment has been made since the Scheme was last reviewed and agreed in 2014. In light of this Members are asked to agree a Scheme for 2017/18 based on either a 1% increase, or no increase so that allowances in the 2017/18 Scheme remain at the same level as the 2016/17 Scheme.

The Local Authorities (Members' Allowances) (England) Regulations 2003 only allow Schemes to be index linked for a maximum of 4 years. The Scheme was last reviewed in 2014. The Independent Review of Members Allowances Panel is therefore next due to meet in autumn 2017 to consider and recommend a Scheme of Allowances for 2018-19.

**3. Consultation**

*Not Applicable*

**4. Options**

- 1. To agree that the Members' Scheme of Allowances for 2016/17 automatically adjusts by 1% to create the 2017/18 Scheme, or*
- 2. that the Members' Allowances Scheme for 2017/18 remains at the same level as the 2016/17 Scheme.*

**5. Corporate Implications***3.1 Financial*

*A 1% increase in Members' Basic Allowance equates to a total increase of £1,840. This would equate to a total increase of £2,583 when the consequential increases in Special Responsibility Allowances (SRAs) are taken into account. Some SRAs are paid per meeting rather than as a fixed allowance, and the number of meetings held each year varies.*

*3.2 Legal*

*In accordance with the Scheme agreed by Council on 26 February 2014, the Scheme for 2016/17 is set to automatically adjust by 1% to produce the Scheme for 2017/18. The Council may choose instead to freeze allowances, as it has done so since the Scheme was last reviewed in 2014. The Council can only choose to make other changes to the Scheme following consideration of a report and recommendation of the Independent Review of Members Allowances Panel.*

**6. Next Step**

*Once Council has agreed the Scheme for 2017/18 this will be published on the Council's website, and guidance notes will be made available to Members. In addition to this the Council is also required by the Local Authorities (Members' Allowances) (England) Regulations 2003 to place an advert in one newspaper in circulation within the district showing the allowances that may be made to Members.*

<b>Background Papers:</b>	None other than those referred to in the report.
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**CHILTERN DISTRICT COUNCIL  
SCHEME OF MEMBERS' ALLOWANCES 2016/17**

**GUIDANCE NOTES FOR MEMBERS**

In accordance with the Local Authorities (Member's Allowances) (England) Regulations 2003 (Statutory Instrument 2003 No 1021) the following Scheme of Members' Allowances was agreed at the Council meeting held on 26 February 2014. Changes to the Committee structure were subsequently agreed at meeting of Council held on 22 July 2014.

When a Member is elected he/she will be provided with a *Member Commencing Form* for completion and return to Finance. This includes details of the Member's bank / building society in order for monthly expenses to be paid. All Members are required to supply their date of birth on the form. Members over pension age (60 for women and 65 for men), are also asked to supply a photocopy birth certificate or other proof of age. This will ensure that National Insurance contributions are not deducted from allowances.

Allowances will be paid automatically on the 15<sup>th</sup> of each month unless a Member requests the Council on the *Member Commencing Form* not to pay allowances or to pay at a reduced amount.

1. The allowances approved for the financial year 2016/2017 are as follows:

<b>Post holder</b>	<b>Amount (£)</b>
<b>Basic Allowance</b> (all Members)	4,600
Chairman of the Council	4,830
Vice-Chairman of the Council	1,932
Leader	13,340
Deputy Leader	6,670
Other Portfolio Holders	5,750
Chairmen of Overview Committees (2)	2,898
Chairman of Planning Committee	4,830
Vice-Chairmen of Planning Committee	1,380
Chairman of Licensing & Regulation Committee	2,300
Chairman of Audit & Standards Committee	690
Chairman of Governance & Electoral Arrangements Committee	184 (per meeting) **
Chairman of Appeals & Complaints Committee	184 (per meeting) **
Chairman of Personnel Committee	184 (per meeting) **
Chairman of Taxi & Private Hire Sub-Committee*	184 (per meeting) **
Chairman of Licensing Sub-Committee*	184 (per meeting) **

<b>Miscellaneous:-</b>	
Ordinary members of a Licensing Sub-Committee (including reserve) *	46 (per meeting)**
Ordinary members of a Taxi & Private Hire Sub-Committee (including reserve) *	46 (per meeting)**
Ordinary members of Planning Committee (11)	690
<b>Party Group Leader/Secretary</b>	
4+ Members	920

**NOTES:**

\* By reason of the Special Responsibility Allowance received as Chairman of the parent Licensing & Regulation Committee, that post-holder shall not be eligible to receive the relevant per-meeting Special Responsibility Allowance payable when appointed to a Licensing Sub-Committee or Taxi & Private Hire Sub Committee.

\*\* For the avoidance of doubt the relevant per meeting Special Responsibility Allowance for Chairman shall be payable to the Member chairing the meeting.

**2. OTHER ALLOWANCES**

Members may make claims for the following expenditure:

**2.1. Travelling**

The use of a Member's car, motorcycle or bicycle for approved duties will be paid at the same rate as the officers, i.e. the rate published from time to time by HM Revenue and Customs: [www.hmrc.gov.uk/rates/travel.htm](http://www.hmrc.gov.uk/rates/travel.htm). The agreed rates as of March 2015 are as follows:

Cars and vans	45p per mile
Motor cycles	24p per mile
Bicycles	20p per mile

The shortest route must be taken. Mileage must be rounded to the nearest whole number.

In respect of long distance journeys, Members should claim standard second class rail travel fare where this is less than the equivalent mileage claim.

In cases of emergency where a Member's car is not available and there is no reasonable public transport a Member may travel by taxi. The amount of the actual fare and any reasonable gratuity paid may be claimed.

Members are asked to share cars when more than one Member is attending the same event.

Members should ensure that their vehicle insurance policy covers use for business purposes.

Claim forms should clearly state the:

- vehicle registration number;
- start point and destination for the journey;
- reason for the journey, ensuring this is within the approved duties listed above; and,
- number of miles claimed at the appropriate rate.

## 2.2. Public Transport

- Members should use the Council's Oyster card when travelling by train into London. This can be obtained from Democratic Services and should be returned after use.
- Train fares for approved duties will be paid at standard second class rate on production of a receipt/ticket.
- Bus fares for approved duties will be paid on production of a receipt/ticket.
- Approved taxi fares will be paid on production of a receipt.

Mileage/travel claims submitted by Members will be checked by Democratic Services against the guidelines and authorised for payment by the Chief Executive or his deputy. If any claims are refused or amended, Members will be advised by email of the reason.

Travel payments are not taxable.

## 2.3. Subsistence

Members incurring additional expense in the course of carrying out approved duties in respect of meals or overnight accommodation will be reimbursed approved expenses subject to evidence of expenditure being produced. The agreed rates are as follows:

<b>Subsistence allowances</b>	Breakfast	£7.24
	Lunch	£9.99
	Tea	£3.97
	Evening Meal	£12.36
<b>Out of pocket expenses</b>	Per Night	£5.00
	Per Week	£20.00
<b>Overnight expenses</b>	Per Night	Reasonable hotel expenses

Any meals provided free of charge by the Council or any other body cannot be claimed.

Claim forms should:

- show details of the claim, e.g. lunch purchased at meeting - £9.99.
- include a receipt for the amount claimed.

Subsistence payments are not taxable.

## 2.4. Dependent Carers' Allowance

A Dependent Carers' Allowance will be payable where members have responsibility for the care of a young, elderly or disabled dependant and need to engage the services of an alternative carer in order to discharge any of the approved duties defined in part 3.

The maximum rate at which dependent care may be claimed is:

£8.00	per hour for child care
£14.00	per hour for adult/elderly/disabled dependent care

Payment is subject to the production of proof of expenditure and an overall limit of £2,250 in the financial year to which this Scheme relates.

Payment would not normally be made where dependent care is, or can be, provided by a member of the claimant's household.

Claim forms should:

- show details of the claim e.g. babysitting x hours @ £8.00 per hour
- include a receipt for the amount claimed.

Payment of Dependent Carers' Allowance is taxable.

## 3. APPROVED DUTIES

Travelling and Subsistence Allowances will be payable at the rates paid to officers of the Council in connection with the following duties (known as "approved duties"):

1. Attendance at a meeting of the Council;
2. Attendance at a meeting of a committee or sub-committee of the Council;
3. Attendance at a meeting of a joint committee or joint sub-committee of the Council;
4. Attendance by the Chairman and/or Vice Chairman of the Council and the Party Group Leaders at a meeting with officers of the Council held for the purpose of briefing the Chairman and/or Vice Chairman on the agenda and reports to be presented to a forthcoming meeting of the Council;
5. Attendance by the Chairman and/or Vice Chairman of a committee or sub-committee of the Council at a meeting with officers of the Council held for the purpose of briefing the Chairman and/or Vice Chairman on the agenda and reports to be presented to a forthcoming meeting of the committee or sub-committee, as the case may be;
6. Attendance at a meeting of the Cabinet;
7. Attendance at a meeting of a committee or sub-committee of the Cabinet;



8. Attendance at a meeting of a joint committee or joint sub-committee of the Cabinet;
9. Attendance by members of the Cabinet at a pre-arranged meeting with officers of the Council held for the purpose of briefing the Cabinet on the agenda and reports to be presented to a forthcoming meeting of the Cabinet;
10. Attendance by members of the Cabinet at pre-arranged informal meetings of the Cabinet held for the purpose of, or in connection with, the discharge of any function of the Cabinet or a committee or sub-committee of the Cabinet;
11. Attendance at pre-arranged formal meetings called by an officer;
12. Attendance as a member of the Planning Committee at formal or informal site visits;
13. Attendance at seminars and training events approved by the Council or the Cabinet or by a committee or sub-committee of the Council or the Cabinet Provided that attendance at external conferences and training events shall also be authorised by the Chief Executive;
14. Attendance at pre-arranged meetings with Management Team held for the purpose of, or in connection with, the discharge of any function of the Council or the Cabinet or of a committee or sub-committee of the Council or the Cabinet;
15. Attendance at a meeting of a body to which the Council or the Cabinet makes appointments or nominations;
16. Attendance at a meeting of a committee or sub-committee of a body to which the Council or the Cabinet make appointments or nominations;
17. Attendance as a district councillor at meetings of the Town or Parish Council(s) active in the Councillor's ward;
18. Attendance as a district councillor at meetings of the Neighbourhood Action Groups (NAG) and Local Area Forums;
19. Attendance at a meeting of a local authority association of which the Council is a member;
20. Attendance at any other meeting the holding of which has been authorised by the Council or the Cabinet or by a committee or sub-committees of the Council or the Cabinet, or by a joint committee or joint sub-committee of the Council or the Cabinet and to which representatives of more than one political group have been invited;
21. Duties undertaken on behalf of the Council in pursuance of any standing order requiring a member or members to be present while tender documents are opened;

22. Duties undertaken on behalf of the Council in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;
23. Duties undertaken on behalf of the Council in connection with witnessing the common seal of the Council or the signing of any legal contractual, regulatory or consultative document that a member is authorised or empowered to sign;
24. Duties undertaken on behalf of the Council in connection with the preparation for and conduct of a local inquiry at which a member will give evidence on behalf of the Council.

The following are **not approved duties** in respect of claims for travel, subsistence or dependent carers' allowance:

1. Attendance at the Council Offices for discussions with Members or Officers as part of the normal working day – unless pre-arranged with officers.
2. Attendance at conferences or meetings not approved by Committee or the Chief Executive.
3. Attendance at training courses not approved by Committee or the Chief Executive.
4. Attendance at Group meetings.

#### **4. PENSIONS**

The Council has maintained its resolve that members shall not be entitled to join the Local Government Pension Scheme and that basic and special responsibility allowances shall not be treated as amounts in respect of which pensions are payable.

#### **5. FORGOING ALLOWANCES**

Any member shall be entitled to forgo entitlement to any or part of his or her allowances by giving notice in writing to the Chief Executive.

## **6. DURATION OF SCHEME**

This Scheme will take effect on 1 April 2016 and continue in force to 31 March 2017.

The Scheme of Allowances 2016-2017 Scheme will be adjusted according to the Consumer Price Index (D7BT) at 31 December 2016 to produce the 2017-2018 Scheme of Allowances, but any increase will be capped at the average increase in basic pay awarded to the Council's staff in 2016 to adjust for inflation.

Thereafter the Scheme (up to and including the Scheme for 2017/18) will automatically adjust in accordance with the Consumer Price Index (D7BT) as at 31 December each year, but will be capped at the average increase in basic pay awarded to the Council's staff to adjust for inflation.

## **7. REVIEW OF SCHEME**

The Independent Review of Members Allowances Panel will next meet in autumn 2017 to consider the Scheme of Allowances for 2018-19. However, any amendments to this Scheme must be made following consideration of the further report and recommendations of the Independent Review of Members Allowances Panel and in accordance with Regulation 10 of The Local Authorities (Members' Allowances) (England) Regulations 2003.

## **8. CLAIMS AND PAYMENT**

The Basic Allowance and the annual Special Responsibility Allowances (SRAs) are payable pro-rata in equal monthly instalments over the Scheme year via the Council's payroll system. The per meeting SRAs are payable the month following the meeting. Payment of the Basic Allowance and SRAs will be made automatically, unless a Member indicates that they wish to forgo their allowances. The Council shall be entitled to make such deductions at source in respect of income tax, national insurance and other matters as it is authorised or required to do by order of HM Revenues and Customs or an English Court.

## 9. ADMINISTRATION OF SCHEME

The administration of this Scheme shall be the responsibility of the Chief Executive.

In consultation with the Head of Finance, the Chief Executive shall be entitled to introduce such guidance notes and forms and impose such requirements for making and proving claims for travelling and subsistence and dependant carers' allowances as are reasonably necessary for the efficient administration of the Scheme and for the internal and external audit of claims.

### 9.1 Member Claim Form

Claims for allowances should be made using the appropriate form. This is available from: [www.chiltern.gov.uk/councillors](http://www.chiltern.gov.uk/councillors)

Forms should be submitted to Democratic Services via email to: [chiefexecs@chiltern.gov.uk](mailto:chiefexecs@chiltern.gov.uk) or via a paper form.

### 9.2 Claim Deadline

Meetings held on			Claim form deadline	Payment made
26 January	to	25 February	27 February	15 March
26 February	to	25 March	27 March	15 April
26 March	to	25 April	27 April	15 May
26 April	to	25 May	27 May	15 June
26 May	to	25 June	27 June	15 July
26 June	to	25 July	27 July	15 August
26 July	to	25 August	27 August	15 September
26 August	to	25 September	27 September	15 October
26 September	to	25 October	27 October	15 November
26 October	to	25 November	27 November	15 December
26 November	to	25 December	27 December	15 January
26 December	to	26 January	27 January	15 February

- Claims more than three months old will not be met.
- No claims will be met if submitted after the end of the financial year.

If Members have any queries regarding claims for allowances, they can contact Democratic Services ([chiefexecs@chiltern.gov.uk](mailto:chiefexecs@chiltern.gov.uk); 01494 732143).

**NOTES**



**2017**

**May**

Tue 16-May-17 Council (Annual)  
 Mon 22-May-17 JPPMRG  
 Mon 29-May-17 Bank Holiday

**June**

Thu 01-Jun-17 Planning  
 Mon 05-Jun-17 SDPAG  
 Wed 07-Jun-17 Joint Committee  
 Mon 12-Jun-17 CSPAG  
 Tue 13-Jun-17 EPAG  
 Wed 14-Jun-17 Services  
 Mon 19-Jun-17 SSPAG  
 Tue 20-Jun-17 CHHPAG  
 Wed 21-Jun-17 Resources  
 Thu 22-Jun-17 Planning  
 Tue 27-Jun-17 Cabinet, 4.30pm  
 Tue 27-Jun-17 Personnel, 6.30pm  
 Thu 29-Jun-17 Audit & Standards

**July**

Mon 03-Jul-17 JAIC  
 Thu 06-Jul-17 L&R  
 Tue 11-Jul-17 Council  
 Thu 13-Jul-17 JPPMRG  
 Thu 20-Jul-17 Planning

**August**

Tue 08-Aug-17 JPPMRG  
 Thu 10-Aug-17 Planning  
 Mon 28-Aug-17 Bank Holiday  
 Thu 31-Aug-17 Planning

**September**

Mon 04-Sep-17 EPAG  
 Tue 05-Sep-17 Services  
 Wed 06-Sep-17 Personnel  
 Mon 11-Sep-17 SDPAG  
 Tue 12-Sep-17 Resources  
 Wed 13-Sep-17 JAIC  
 Thu 14-Sep-17 SSPAG  
 Tue 19-Sep-17 Cabinet, 4.30pm  
 Tue 19-Sep-17 JPPMRG, 6.30pm  
 Thu 21-Sep-17 Planning  
 Wed 27-Sep-17 Audit & Standards

**October**

Thu 05-Oct-17 Joint Committee  
 Thu 12-Oct-17 Planning  
 Tue 17-Oct-17 Council  
 Wed 18-Oct-17 JPPMRG  
 Thu 19-Oct-17 CHHPAG

**November**

Wed 01-Nov-17 Services  
 Thu 02-Nov-17 Planning  
 Tue 07-Nov-17 Joint Committee  
 Thu 09-Nov-17 L&R  
 Tue 14-Nov-17 Council  
 Thu 23-Nov-17 Planning  
 Mon 27-Nov-17 CHHPAG  
 Tue 28-Nov-17 Services  
 Wed 29-Nov-17 EPAG  
 Thu 30-Nov-17 CSPAG

**December**

Mon 04-Dec-17 SDPAG  
 Tue 05-Dec-17 Resources  
 Wed 06-Dec-17 SSPAG  
 Tue 12-Dec-17 Cabinet (Budget)  
 Thu 14-Dec-17 Planning  
 Mon 25-Dec-17 Bank Holiday  
 Tue 26-Dec-17 Bank Holiday

**2018**

**January**

Mon	01-Jan-18	Bank Holiday
Tue	09-Jan-18	Council
Wed	10-Jan-18	Personnel
Thu	11-Jan-18	Planning
Tue	16-Jan-18	JAIC
Wed	17-Jan-18	EPAG
Thu	18-Jan-18	CHHPAG
Mon	22-Jan-18	SDPAG
Tue	23-Jan-18	Resources
Wed	24-Jan-18	SSPAG
Thu	25-Jan-18	Audit & Standards
Mon	29-Jan-18	CSPAG
Wed	31-Jan-18	Services

**February**

Thu	01-Feb-18	Planning
Tue	06-Feb-18	Cabinet
Thu	08-Feb-18	L&R
Tue	20-Feb-18	Joint Committee
Thu	22-Feb-18	Planning
Wed	28-Feb-18	Council (Council Tax)

**March**

Thu	08-Mar-18	Audit & Standards
Tue	13-Mar-18	Personnel
Thu	15-Mar-18	Planning
Tue	20-Mar-18	JAIC
Fri	30-Mar-18	Bank Holiday

**April**

Mon	02-Apr-18	Bank Holiday
Thu	05-Apr-18	Planning
Mon	16-Apr-18	SDPAG
Tue	17-Apr-18	EPAG
Wed	18-Apr-18	SSPAG
Thu	19-Apr-18	CHHPAG
Mon	23-Apr-18	CSPAG
Tue	24-Apr-18	Services
Wed	25-Apr-18	Resources
Thu	26-Apr-18	Planning

**May**

Tue	01-May-18	Cabinet
Mon	07-May-18	Bank Holiday
Thu	10-May-18	L&R
Tue	15-May-18	Council (Annual)
Thu	17-May-18	Planning
Mon	28-May-18	Bank Holiday

**KEY**

CSPAG: Customer Services PAG

CHHPAG: Community, Health & Housing PAG

EPAG: Environment PAG

Joint Committee: Chiltern & South Bucks Joint Committee

JAIC: Joint Appointments & Implementation Committee

JPPMRG: Joint Planning Policy Member Reference Group

L&R: Licensing & Regulation Committee

Resources: Resources Overview Committee

SDPAG: Sustainable Development PAG

SSPAG: Support Services PAG

Services: Services Overview Committee



## Item 16.1

By virtue of paragraph(s) 1, 2, 3, 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted



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