



# Council

**To All Members of the Council on Friday, 17 February 2023**

**Date of meeting: Monday, 27 February 2023**

**Time: 18:30**

**Venue: The Council Chamber**

**The Symington Building, Adam and Eve Street, LE16 7AG**

**Members of the public can access a live broadcast of the meeting from the [Council website](#), and the meeting webpage. The meeting will also be open to the public.**

Dear Councillor

A Meeting of the Harborough District Council, which you are invited to attend, is to be held as detailed above.

The business to be transacted is set out in the Agenda below.

Yours faithfully

LIZ ELLIOTT  
INTERIM CHIEF EXECUTIVE AND HEAD OF PAID SERVICE  
HARBOROUGH DISTRICT COUNCIL

## **Agenda**

- 1 Receive the Chairman's Announcements**
- 2 Receive declarations of Member's Interests**
- 3 Receive the Minutes of the Meeting of Council held on 19 December 2022 (to follow)**
- 4 Receive a report from the Leader and receive questions and answers on it (to follow)**
- 5 Answer written questions or receive petitions submitted by the public;**
- 6 Questions from Members 5 - 6**

- 7 Receive reports from the Cabinet:**
- 7a Final Budget 2023/24 & the Medium-Term Financial Strategy (2024/25 to 2027/28) - see agenda item 10(a)**
- 7b Cabinet Report 7 - 18**
- 7c Bitteswell Conservation Area Appraisal and Management Plan 19 - 64**
- 8 Receive reports from Committees and receive questions and answers on those reports:**
- 8a Report of the Chairman of the Scrutiny Commission 65 - 68**
- 9 Receive reports about and questions and answers on the business of joint arrangements and external organisations - there are none;**
- 10 Consider the following reports:**
- 10a 2023/24 Budget and Medium-Term Financial Strategy (2024/25 to 2027/28) from the Director of Resources and Chief Finance Officer / section 151 officer 69 - 304**
- 10b Interim Management Arrangements Report from the Chief Executive and head of Paid Services 305 - 310**
- 10c Leicestershire and Rutland Safeguarding Children Partnership Annual Reports - 2022 311 - 336**

**11 Consider the following Notices of Motion:**

a. submitted by Councillor Knowles and seconded by Councillor Johnson:

"Harborough District Council had an extremely well supported, investigative and committed 'Green Working Group' which though referred to under a variety of names was widely acknowledged as an important contributor to these environmental matters and considerations.

The decision was taken by a majority vote to scrap the working group and to move to other established parts of the council structure the responsibility for the wider issues and the tens of points raised. Many of which required progression and further consideration.

It is vitally important that all of this work is not lost, it is equally important that we know how all the tens of matters identified have progressed. It is therefore moved that a full and detailed report and update be prepared and taken to the appropriate body with HDC in order that members can have the opportunity to see the progress made, work carried out, any proposals and the chance to comment on the report, progress etc. "

**12 To consider any urgent items (to be decided by the Chairman)**

Contact:

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Telephone: 01858 828282

Circulate to: **All Councillors**



## **Council 27<sup>th</sup> February 2022**

Item 6 refers.

Questions submitted by Members.

### **6.a QUESTION TO THE LEADER**

**Submitted by Councillor Beadle**

**Question:**

There are many concerns amongst residents about the Government's imposition of new voter ID checks that councils will have to undertake, starting with the local elections this May. This will require councils to have more staff at polling stations, and their roles will become more difficult.

Concerns include the impact this will have on council finances, the extra burden and difficulties placed on council staff at polling stations, and the potential for reducing voter participation.

Can the Leader advise what the additional cost burden is to this council caused by these measures, and what additional training and support is being given to council staff who undertake roles at polling stations?

**Response:**

To Follow



## HARBOROUGH DISTRICT COUNCIL

### REPORT TO THE COUNCIL MEETING OF 27<sup>th</sup> February 2023



#### ITEM 7B: CABINET REPORT:

The attached Appendix details the Decisions and associated Summary of Reasons taken by the Cabinet from the following meetings:

- 16<sup>th</sup> January 2023 and 06 February 2023



CABINET – 16 January 2023		
REPORT	DECISION	SUMMARY OF REASONS
<b>Electricity Supply Contract</b>	<p>RESOLVED that :</p> <ul style="list-style-type: none"> <li>(i) the Council award a contract for electricity supplies commencing October 1st, 2024 to TotalEnergies Gas &amp; Power Ltd. (TotalEnergies) via Eastern Shires Purchasing Organisation (ESPO) Framework Reference 191_24.</li> <li>(ii) authority be delegated to the Council Leader, Portfolio holders and Deputy Chief Executive to opt in or out of the ‘green tariff’ that is available when charges are reviewed on a six-monthly basis.</li> </ul>	<p>Electricity supplies are essential to the Council’s operation and function; the Council has procured its energy requirements through ESPO frameworks for some time, and this has proved cost-effective. Procurement of a new contract by the same method will ensure supply and is the preferred means of achieving value for money.</p>
<b>DRAFT BUDGET 2023/24 &amp; THE MEDIUM-TERM FINANCIAL STRATEGY (2024/25 TO 2027/28)</b>	<p>RESOLVED that :</p> <p>A. The following be included in the Draft “Revenue” 2023/24 Budget and MTFS (2024/25 to 2027/28):</p> <ul style="list-style-type: none"> <li>(i) various service-related budget changes noted in paragraphs 3.5 to 3.11 to the report.</li> <li>(ii) various non-service funding budget changes noted in paragraphs 3.12 to 3.17 to the report.</li> <li>(iii) Council Tax, Business Rates and Collection Fund related budget changes noted in paragraphs 3.18 to 3.23 to the report</li> </ul>	<p>To provide the opportunity for consultation on the emerging budget position for 2023/24 and the MTFS, with a focus on the revenue budget, reserve allocations and proposals for the capital programme</p>

	<p>This includes an increase in Council Tax for 2023/24 of 2.99% and a notional increase of 2.99% for each year of the MTFS (2024/25 to 2027/28).</p> <p>B. Authority be delegated to the Director, Resources, following consultation with the Portfolio Holder for Finance &amp; Assets, to distribute the “Final” Forecast 2022/23 Collection Fund Surplus/(Deficit) to respective Preceptors by the statutory deadline (31st January) as detailed in paragraph 3.24 to the report.</p> <p>C. Draft Budget 2023/24 and MTFS (2024/25 to 2027/28) be approved as summarised at Table 4. The detailed service budgets are shown at Appendix 1 and 2, as detailed in paragraphs 3.25 to 3.26 to the report.</p> <p>D. Reserves allocations be approved as summarised at Table 5, Appendix 4, as detailed in paragraphs 3.27 to 3.31 to the report.</p> <p>E. Capital Programme for 2023/24 and for the MTFS (2024/25 to 2027/28) be approved as shown at Appendix 5, as detailed in paragraphs 3.32 to 3.37 to the report.</p> <p>F. Authority be delegated to the Director, Resources, following consultation with the Portfolio Holder for Finance &amp; Assets, in respect of capital projects that are impacted by inflation. The detailed wording of the delegation is shown at paragraph 3.36 to the report.</p> <p>2. The continuation of the transformation programme and continuous improvement be endorsed, thereby ensuring that the Council remains “Committed to Financial Sustainability &amp; Resilience to enable Community Investment”.</p>	
<b>MID-YEAR TREASURY MANAGEMENT REPORT 2022/23 AND</b>	<p>RESOLVED that :</p> <ul style="list-style-type: none"> <li>(i) the Mid-Year Treasury Management Report for 2022/23 and treasury activity be noted.</li> <li>(ii) the Prudential Indicators be noted.</li> </ul>	The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities.

<b>PRUDENTIAL INDICATORS</b>		
<b>ANNUAL TREASURY MANAGEMENT REPORT 2021/22 AND PRUDENTIAL INDICATORS</b>	<p>RESOLVED that :</p> <ul style="list-style-type: none"> <li>(i) the Annual Treasury Management Report for 2021/22 be noted.</li> <li>(ii) the Prudential Indicators for 2021/22 be noted.</li> </ul>	<p>The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities.</p>
<b>HOUSING ENFORCEMENT POLICIES AND FINANCIAL PENALTIES</b>	<p>RESOLVED that :</p> <ul style="list-style-type: none"> <li>(i) subject to consultation identifying no significant impacts upon a draft policy, the following draft policies be approved :- <ul style="list-style-type: none"> <li>a) The Housing Enforcement Policy (appendix A)</li> <li>b) The Housing Enforcement Civil Penalties Policy (appendix B)</li> <li>c) The Minimum Energy Efficiency Standards Policy (appendix C)</li> <li>d) The Smoke and Carbon Monoxide Policy (appendix D).</li> </ul> </li> <li>(ii) any draft policy be reconsidered which is the subject of a representation that has a significant impact upon the proposed policy.</li> <li>(iii) authority be delegated to the Director of Governance and Law the authority to incorporate minor amendments required following consultation</li> </ul>	<p>Local Housing Authorities (“LHA”) are the primary enforcement agency for ensuring the protection of the health, safety and welfare rights for occupiers and visitors in private sector housing within England and Wales.</p> <p>The housing enforcement policy sets out the general approach of Harborough District Council (“the council”) to private sector housing enforcement and it sets out what owners, landlords, their agents and tenants of private sector properties can expect from officers.</p> <p>The introduction of civil penalties or financial penalties provides officers with a different tool to deal with non-</p>

	into the policies, in consultation with the Cabinet Member for Communities Wellbeing and Housing.	compliant landlords and can be used as an alternative to prosecution. The council must have approved and published policies before they can issue financial penalties.
<b>CORE BUSINESS SYSTEMS SOFTWARE</b>	RESOLVED that the contract to supply hosted software including Uniform, Document Management System, Public Access & Total Land Charges for a period of 4 years, with a 2 year extension if required, be awarded to Idox Software Ltd	Robust and integrated software packages are essential for the day to day running of a wide variety of services across the Council. A review of the Council requirements and possible solutions in the market took place in Q4 2021. It identified that limited alternatives to the Idox products are available, especially when investigating solutions that fit with the ICT Strategy Principles. All options for the future provision of integrated software solutions were comprehensively assessed in an outline business case prepared in March 2022. The business case had regard to the cost of moving to an alternative solution, the functionality required across multiple Service Areas and the key dependencies required for the ICT Transformation Programme. It was concluded that the Idox software solution was the most appropriate for the Council.

CABINET – 6 February 2023		
REPORT	DECISION	SUMMARY OF REASONS
<p><b>Budget 2023/24 &amp; the Medium-Term Financial Strategy (2024/25 to 2027/28)</b></p>	<p><b>A. The following be RECOMMENDED to Council for approval</b></p> <ul style="list-style-type: none"> <li>The <b>Fees &amp; Charges Schedule (Appendix 2, Annex A)</b>; including the delegation to the S.151 officer, in consultation with the Portfolio Holder for Resources, to vary Fees &amp; Charges throughout the year, with retrospective reporting to Council;</li> <li>The <b>Consolidated Final Budget 2023/24 and Medium-Term Financial Strategy (2024/25 to 2027/28)</b> at <b>Appendix 2</b>.</li> </ul> <p>In respect of the 2023/24 Final Budget, this includes a</p> <ul style="list-style-type: none"> <li>Budget Requirement of £16.9m</li> <li>Council Tax Requirement of £6.8m</li> <li>Freeze Council Tax (0%) giving a Band D charge of £177.97 (2022/23; £177.97)</li> <li>Capital Programme of £27.9m.</li> </ul>	<p>Cabinet is required to consider, discuss and comment on the Final Budget and MTFS prior to recommending the same to Council.</p> <p>It is a legal requirement for the council to set a balanced budget.</p> <p>Recent one off sources of income justify Cabinet recommending that there be no increase in this year, and that the income should be allocated to reserves for use to support capital projects and smooth the impact of the NDR revaluation exercise.</p>

	<p>In respect of the Medium-Term Financial Strategy, by 2027/28 a</p> <ul style="list-style-type: none"> <li>• Budget Requirement of £13.8m</li> <li>• Council Tax Requirement of £8.2m</li> <li>• “Notional” increase in Council Tax of 2.99% (and notionally for each year of the MTFS).</li> </ul> <p><b>B. Note</b> the comments of the Interim Deputy Chief Executive (&amp; s.151 Officer) in respect of the “Robustness of the 2023/24 Budget and Medium-Term Financial Strategy 2024/25 to 2027/28”.</p> <p><b>C. Comment</b> on the Equalities Analysis (<b>Appendix 3</b>) in respect of</p> <p>implications of the Final Budget 2023/24 and MTFS (2024/25 to 2027/28)</p>	
<b>Leicestershire Resources and Waste Strategy 2022-2050</b>	<p>(i) the Leicestershire Resources and Waste Strategy be adopted as set out in Appendix 1 to the report.</p> <p>(ii) the continuation of the waste partnership be endorsed but request that it is developed and enhanced to</p>	<p>The Strategy provides a policy framework to enable a sustainable system of waste management to be implemented in the County. The Strategy sets out the broad direction for delivery of service development. Further work is required on the details before any major changes can be introduced.</p>

	<p>ensure appropriate political, strategic and organisational engagement.</p> <p>(iii) the partnership explore collaborative opportunities which have the potential to deliver environmental improvements, whilst helping to reduce costs across the waste-system, such that cost shunting is avoided and mutual benefits are shared across all partners.</p> <p>(iv) authority be delegated to the Director for Communities and Wellbeing, in consultation with the Portfolio Holder for Planning, Environment and Waste to sign off any further amendments to the strategy on behalf of Harborough District Council, to incorporate legislative, regulatory, or national policy changes recommended by the Leicestershire Waste Partnership. Any such changes would be communicated in writing to all members.</p>	<p>Under the Waste and Emissions Trading Act 2003, all two-tier authorities are required to have in place a Joint Municipal Waste Management Strategy for the management of municipal waste within their areas. The Leicestershire Resources and Waste Strategy (LRWS) sets out how the Leicester Waste Partnership (LWP) intends to manage municipal waste in the period up to 2050. The LRWS replaces the Leicestershire Municipal Waste Management Strategy (LMWMS) which was last updated in 2011.</p> <p>A consultation exercise has informed the final Strategy, which includes objectives and pledges which provide guiding principles and commitments to deliver the waste management service as a whole to meet the overall vision.</p> <p>Each authority within the Leicestershire Waste Partnership (LWP), which comprises the County Council and the seven district councils in Leicestershire, is in the process of seeking adoption of the final Strategy.</p>
<b>Additions to the Local List of Non-Designated Heritage Assets</b>	<p>That the following be included on the Local List of Non-Designated Heritage Assets:</p> <ul style="list-style-type: none"> <li>(i) The Tower House, Main Street, Gumley;</li> <li>(ii) Claybrooke School, Main Road, Claybrooke Parva;</li> <li>(iii) Former Station, Great Glen;</li> </ul>	<p>To increase the number of entries on the Local List and recognise the contribution of local heritage to the making of place and the value it has within the lives of people living, working and visiting the district.</p>

	<ul style="list-style-type: none"> <li>(iv) Railway Bridge, Broughton Lane, Leire;</li> <li>(v) Railway Bridge, Leire Road/Frolesworth Road, Leire;</li> <li>(vi) 24-34 Lutterworth Road, Walcote;</li> <li>(vii) Park House, Park Drive, Market Harborough;</li> <li>(viii) Former Magistrates Court, Doddridge Road, Market Harborough;</li> <li>(ix) Cemetery Chapels, Northampton Road Cemetery, Northampton Road, Market Harborough;</li> <li>(x) Cemetery Lodge, Northampton Road Cemetery, Northampton Road, Market Harborough;</li> <li>(xi) Gate Piers to Former Bitteswell Hall, Bitteswell;</li> </ul>	
<b>Bitteswell Conservation Area Appraisal and Management Plan</b>	<b>The adoption of the Bitteswell Conservation Area Appraisal and Management Plan attached as Appendix A to the report be recommended to Council.</b>	<p>The Planning (Listed Buildings and Conservation Areas) Act 1990 requires local planning authorities, from time to time, to review existing conservation areas and to formulate and publish proposals for the preservation and enhancement of conservation areas and consult the public in the area in question, taking account of views expressed.</p> <p>The conservation areas were last appraised between 2005 and 2007. It is appropriate that existing conservation areas are reviewed to ensure the designation remains appropriate and that the management plan is effective.</p>

<b>EXEMPT: Interim update of Harborough District Commercial Services Ltd to the shareholder</b>	Harborough District Commercial Services Ltd be invited to report to the Council, as shareholder in the company, what options are available for the future development of the company through the evolution of its business plan.	The Council is the sole shareholder for the Company. It is therefore responsible for holding the company to account for its performance. The company is responsible for identifying options and presenting them to the shareholder.
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**ITEM 7C: CABINET REPORT: Bitteswell Conservation Area Appraisal and Management Plan**

The attached Report and Appendices details the Decisions and associated Summary of Reasons taken by the Cabinet from the following meeting:

- 06 February 2023



## Harborough District Council

### Report to the Cabinet Meeting of 6 February 2023



<b>Report Number:</b>	4
<b>Title:</b>	Bitteswell Conservation Area Appraisal and Management Plan
<b>Status:</b>	Public
<b>Key Decision:</b>	No
<b>Report Author:</b>	<b>Sally Hartshorne, Heritage and Conservation Officer</b> <a href="mailto:s.hartshorne@harborough.gov.uk">s.hartshorne@harborough.gov.uk</a> 07935502967
<b>Portfolio Holder:</b>	<b>Cllr Bateman</b>
<b>Appendices:</b>	<b>Appendix A - Bitteswell Conservation Area Appraisal &amp; Management Plan</b> <b>Appendix B – Consultation Responses</b>

### Executive Summary

- i. The statutory definition of a conservation area is an area of 'special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance'. Although conservation areas are protected by national legislation, they are designated at a local level to ensure that they reflect and protect the cherished local scene.
- ii. The Planning (Listed Buildings and Conservation Areas) Act 1990 requires local planning authorities, from time to time, to review existing conservation areas and to formulate and publish proposals for the preservation and enhancement of conservation areas and consult the public in the area in question, taking account of views expressed.
- iii. The purpose of this appraisal is to review, update and record the factors that give Bitteswell conservation area its special interest and justify its designation. This will help improve understanding of the historic importance of the area and how this has shaped its unique character. The management plan informs its future development.
- iv. No changes are proposed to the boundary of the conservation area. It is proposed that the management plan reflect concerns such as:
  - a. management of the public realm (e.g. unsympathetic street furniture)
  - b. choice of materials used in maintenance (e.g. double glazing and highway maintenance / repair);
  - c. loss of features of value.

<b>Recommendations</b>
<p>That Cabinet recommends to Council the adoption of the Bitteswell Conservation Area Appraisal and Management Plan attached as Appendix A.</p>
<b>Reasons for Recommendations</b>
<ul style="list-style-type: none"> <li>i. Bitteswell is one of 63 designated conservation areas within the Harborough District. It was designated in 1972 and amended in 2005 due to boundary changes.</li> <li>ii. The Planning (Listed Buildings and Conservation Areas) Act 1990 requires local planning authorities, from time to time, to review existing conservation areas and to formulate and publish proposals for the preservation and enhancement of conservation areas and consult the public in the area in question, taking account of views expressed.</li> <li>iii. The conservation areas were last appraised between 2005 and 2007. The Council is therefore now reviewing all existing conservation areas to ensure the designation remains appropriate and that the management plan is effective.</li> </ul>

## **Purpose of Report**

1. To seek Cabinet approval of the Bitteswell Conservation Area Appraisal and Management Plan being proposed to Council for adoption.

## **Background**

2. The concept of 'conservation areas' was first introduced by the Civic Amenities Act 1967 which defined a conservation area as 'an area of special architectural or historic interest the character or appearance of which it is desirable to preserve or enhance.' Conservation area designation is not intended to prevent change but to manage change in ways that maintain and strengthen an area's special qualities. The definition remains unchanged in current legislation, set out in the Planning (Listed Buildings and Conservation Areas) Act 1990. The Act places duties on local planning authorities to:
  - a. Identify those parts of their area that are of special architectural or historic interest and to designate them as conservation areas;
  - b. Review past designations from time to time;
  - c. Prepare proposals for the preservation and enhancement of conservation areas; and
  - d. Pay special attention to the desirability of preserving and enhancing the character and appearance of conservation areas when determining planning applications for sites within areas.

3. Conservation area status must be justified on the grounds of the special architectural or historic interest of the area. The purpose of this appraisal is to define and record the factors that give Bitteswell conservation area its special interest and justify its designation. This will help improve understanding of the historic importance of the area, how this has shaped its unique character and how it can guide its future development. The appraisal will help inform the consideration of relevant planning applications, conservation area and listed building consents as appropriate.
4. Bitteswell is one of 63 designated conservation areas within the Harborough District. These conservation areas were last appraised between 2005 and 2007. As such, a programme of appraisal has been put in place to ensure the conservation areas remain up-to-date and supported by appropriate appraisals. Due to the high number of conservation areas this is an on-going programme of work. The methodology was tested on Shearsby conservation area, and the resulting Shearsby Conservation Area Appraisal and Management Plan was adopted by Council in February 2022.
5. Bitteswell was awarded conservation area designation in 1972 and was re-appraised in 2005 when a boundary amendment was made. The reasons and evidence to support the boundary remain valid. There are no proposals to amend the existing conservation area boundary.

## Details

6. The purpose of this appraisal is to define and record the factors that give Bitteswell conservation area its special interest and justify its designation. This will help improve understanding of the historic importance of the area, how this has shaped its unique character and how it can guide its future development. The document (Appendix A) presents this information using the following format:
  - a. Map of Bitteswell Conservation Area
  - b. Summary of Special Interest
  - c. Introduction
  - d. Policy and Legislation
  - e. Living and Working in a Conservation Area
  - f. Character, Location and Uses
  - g. Definition of Special Interest
  - h. Historical Development
  - i. Assessment of Special Interest
  - j. Opportunities for Enhancement
  - k. Management Plan
7. The appraisal included undertaking a review of the existing Bitteswell Conservation Area boundary. It has confirmed the appropriateness of the existing boundary.
8. Bitteswell is a traditional farming village. Much of its historic character comes from the relationship of farms and fields to the traditional housing and other buildings which form the settlement. The draft Bitteswell Conservation Area Appraisal (set out at Appendix A)

sets out a summary of the special interest of the conservation area which is derived from the following key characteristics:

- a. The medieval settlement pattern
  - b. The strong agricultural character of the village and the relationship of the fields and farms to the traditional housing and other buildings
  - c. The open spaciousness of the village
  - d. The role of the village greens in the character and daily life of Bitteswell
  - e. The variety of building styles and the use of thatch, brick and slate for buildings, especially for traditional housing and farm buildings
  - f. The relationship between the built environment of the settlement and the natural environment both within it and surrounding it
  - g. The public footpaths which relate the village to its hinterland.
9. The Bitteswell Conservation Area Appraisal provides a detailed description of the historical development and the unique character of the conservation area. It highlights the continued importance of Bitteswell's agricultural heritage to the character of the conservation area. It describes the contribution certain buildings have made to the development of the settlement over time. Bitteswell conforms to Natural England's description of rural villages in south Leicestershire whose settlement patterns formed in medieval times remain evident with 'separate villages clustered around a tall church spire' and having a long history of agricultural land use. The development of Bitteswell is intertwined with the farmland that surrounds it. This is evident in the relationship between the farms, fields and traditional housing and farm buildings and is reflected in the names of properties in the village (e.g. West End Farm, Green Farm). The relationship between the built environment of the settlement and the natural environment both within it and surrounding it are integral to its rural character which it is desirable to preserve or enhance.
10. The appraisal provides descriptions of both the setting of the conservation area and the buildings and natural environment within it which are of particular significance to the special interest of Bitteswell and its historic character. These are supported by photographic and historical sources of evidence to provide greater understanding of the historic development of the settlement and to guide the determination of relevant planning applications. Such detail will help those submitting and those assessing planning applications to understand the historic importance of the area, how this has shaped its unique character and how it can guide its future development. The appraisal will also inform the consideration of planning applications, conservation area and listed building consents in the conservation area as appropriate.

## **Implications of Decisions**

### **Corporate Priorities**

11. HDC's 'Corporate Plan 2022-2031' sets out the Council's priorities and ambitions for the next decade. This contributes to the following two priorities:

Place and Community – 1.Community leadership to create a sense of pride and belonging (CO3, CO4).

Economy – 4: Supporting business and residents to deliver a prosperous local economy CO21.

## **Financial**

12. Beyond staff time, there are no financial implications.

## **Legal**

13. The Planning (Listed Buildings and Conservation Areas) Act 1990 requires local planning authorities, from time to time, to review existing conservation areas (section 69) and to formulate and publish proposals for the preservation and enhancement of conservation areas and consult the public in the area in question, taking account of views expressed (section 71).

## **Policy**

14. Supports delivery of the Local Plan by contributing to the following policies:

Tourism and Leisure RT4 -1.c

Heritage and Community Assets HC1.

## **Environmental Implications including contributions to achieving a net zero carbon Council by 2030**

15. This document relates to the historic environment of the Harborough District so has implications for the built environment but will have no impact on the carbon footprint of the Council.

## **Risk Management**

16. The risk of not undertaking Conservation Area Appraisals would be the lack of recognition and potential loss of a heritage asset which is valued by residents and is part of the unique historic environment of the district.

## **Equalities Impact**

17. This document relates to the historic environment which benefits all residents, businesses and visitors.

## **Data Protection**

18. None as far as this report is concerned.

## **Summary of Consultation and Outcome**

19. The Bitteswell Conservation Area Appraisal and Management Plan was subject to public consultation from 24 October to 5 December 2022. A drop-in event was held in Bitteswell Village Hall on 2 November 2022. A summary of the consultation responses is attached at Appendix B. Each consultation response has been considered, noted, any resulting actions taken and outlined at Appendix B.

## **Alternative Options Considered**

20. If the Council chose not to accept the appraisal, or adopt the proposed amendments to the Management Plan, the Bitteswell Conservation Area would remain as designated in 1972 and amended in 2005 but not reflect the evolution of the area since then. This would risk undermining the value and effectiveness of the designation, to the detriment of the local heritage.

## **Background papers**

- a. Original 1972 designation
- b. 2005 review of the designation



## Bitteswell Conservation Area Appraisal and Management Plan

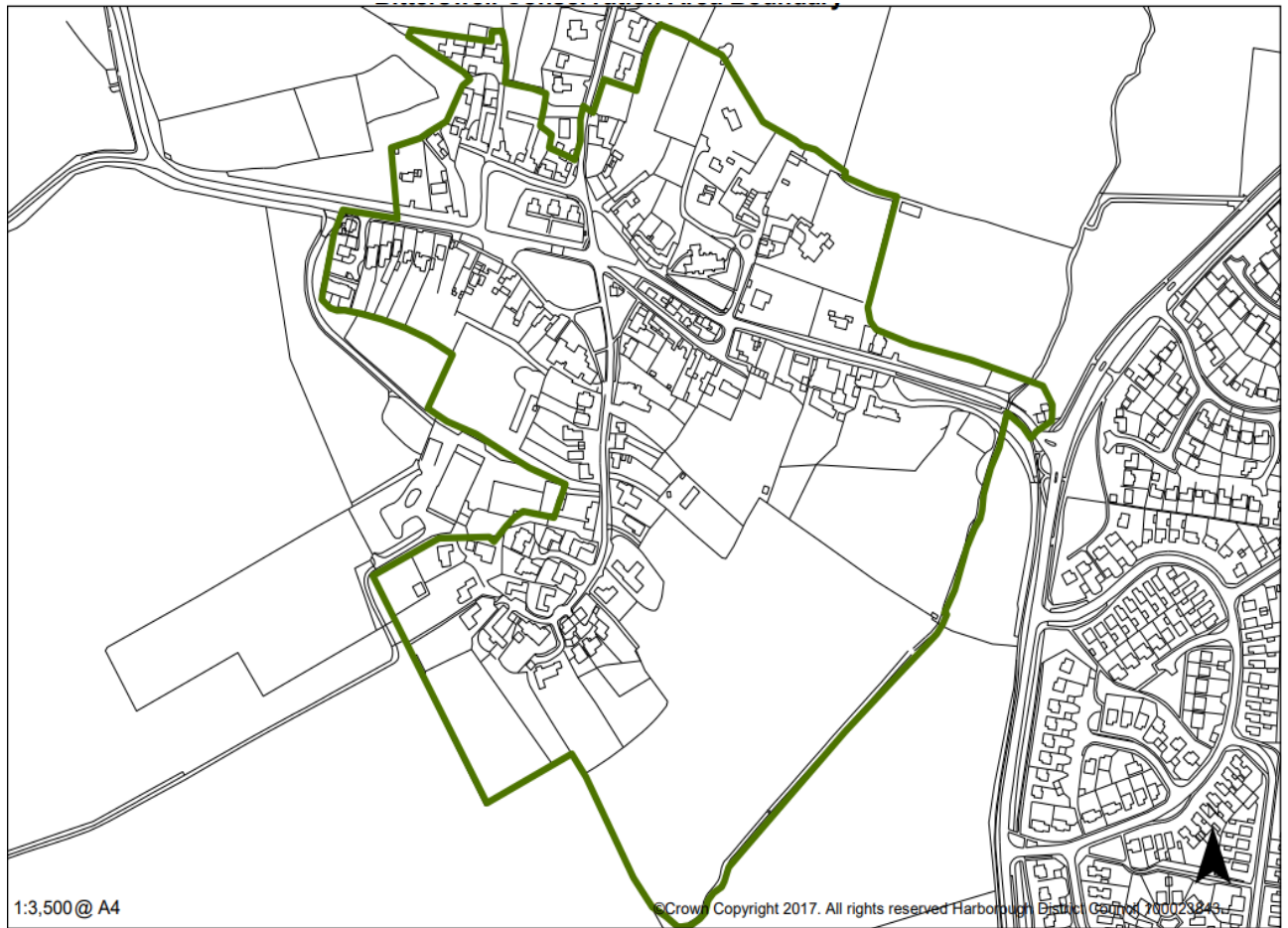


February 2023

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## Map of Bitteswell Conservation Area



## 1.0 Summary of Special Interest

1.1 The settlement pattern of Bitteswell was formed in medieval times. There is a long history of agricultural land use and the development of Bitteswell is intertwined with the farmland that surrounds it.

1.2 The special interest of the Bitteswell Conservation Area is derived from the following key characteristics:

- The medieval settlement pattern.
- The strong agricultural character of the village and the relationship of the fields and farms to the traditional housing and other buildings.
- The role of the village greens in the character and daily life of Bitteswell.
- The variety of building styles and the use of thatch, brick and slate for buildings, especially for traditional housing and farm buildings.
- The open spaciousness of the village.
- The relationship between the built environment of the settlement and the natural environment both within it and surrounding it which contributes to the rural tranquillity of Bitteswell.
- The public footpaths which relate the village to its hinterland.

## 2.0 Introduction

2.1 Bitteswell was awarded Conservation Area designation in 1972. A boundary amendment was made when the conservation area was re-appraised in 2005. This appraisal has been undertaken from the autumn of 2021 to summer 2022.

2.2 Conservation area status must be justified on the grounds of the special architectural or historic interest of the area. The purpose of this appraisal is to define and record the factors that give Bitteswell conservation area its special interest and justify its designation. This will help improve understanding of the historic importance of the area, how this has shaped its unique character and how it can guide its future development.

2.3 There are no proposals to make any changes to the current boundary of the Bitteswell conservation area.

## 3.0 Policy and Legislation

3.1 Conservation areas contain features and characteristics that make them unique, locally distinctive, historic places. Protection of the historic environment is widely recognised for the contribution it makes to the country's quality of life, cultural and economic well-being. Public support for conservation areas as distinctive places that give

identity to people and communities is well established. Conservation areas protect the nation's unique, local heritage. Legislation and policy guidance reflect this.

3.2 The concept of 'conservation areas' was first introduced by the Civic Amenities Act 1967 which defined a conservation area as 'an area of special architectural or historic interest the character or appearance of which it is desirable to preserve or enhance.' Conservation area designation is not intended to prevent change but to manage change in ways that maintain and strengthen an area's special qualities. The definition remains unchanged in current legislation, set out in the Planning (Listed Buildings and Conservation Areas) Act 1990. The Act places duties on local planning authorities to:

- Identify those parts of their area that are of special architectural or historic interest and to designate them as conservation areas;
- Review past designations from time to time;
- Prepare proposals for the preservation and enhancement of conservation areas;
- Pay special attention to the desirability of preserving and enhancing the character and appearance of conservation areas when determining planning applications for sites within such areas.

3.3 Designation of a conservation area recognises the character of an area worthy of preservation and enhancement and ensures the safeguarding of the best of our local heritage as represented by both the buildings and the ambient environment, ie: the spaces between and around buildings when viewed as a whole. Each area contains a number and variety of elements which combine to create its significance. Within the District of Harborough Bitteswell is one of 63 conservation areas. Details of all the conservation areas can be found at

[https://www.harborough.gov.uk/directory/20/conservation\\_areas\\_in\\_harborough\\_district](https://www.harborough.gov.uk/directory/20/conservation_areas_in_harborough_district)

3.4 Government policy is provided in the National Planning Policy Framework (NPPF). It requires the significance of heritage assets – both its historic buildings and historic areas – to be understood by local authorities and by those who propose change. Changes that cause harm to significance will only be permitted where the harm is outweighed by wider public benefits. Further guidance on the use of the NPPF is provided in the National Planning Practice Guidance and in guidance published by Historic England.

## 4.0 Living and Working in a Conservation Area

4.1 Living and working in a conservation area does mean some extra planning considerations but it does not mean that everything must stay the same. The protections given to conservation areas help to manage change in such a way that it conserves and enhances their special character and significance. The effect of designation means that planning permission is required for the demolition of buildings, with some minor exceptions; there are also stricter controls on changes that can be made to buildings and land, and there is automatic protection for trees. These controls are most likely to affect owners who wish to undertake works to the outside of their building or trees on their property.

4.2 For more detailed information on the alterations that require planning permission in a conservation area please see <https://www.harborough.gov.uk/conservation-areas>

## 5.0 Character Location and Uses

5.1 Bitteswell lies in the southwestern corner of Leicestershire, approximately 14 miles from Market Harborough, 13 miles from Leicester and one mile from Lutterworth. The Conservation Area embraces the compact village core located around the crossroads in the centre of the village greens and includes The Nook, Manor Road and Valley Lane. It also extends into Ashby Lane, along Ullesthorpe Road to the western edge of the settlement and east along Lutterworth Road to include the Tollgate Cottage and the pastures to the east which are seen from the east and form a foreground to the village core (see map on page 3).

5.2 The medieval settlement pattern is evident with the village clustered around the medieval church of St Mary. Bitteswell is a traditional farming village which consists of mainly residential properties in a rural setting, reflecting the history of agricultural land use in the village. Much of its historic character comes from the relationship of farms and fields to the housing and other buildings which form the settlement. It is located amid attractive countryside in south Leicestershire. Although only a mile from Lutterworth, Bitteswell retains a 'more rural feel' attributed to the southern part of the Leicestershire Vales in Natural England's National Character Area 94.<sup>1</sup> The trees and hedges leading into the village, as well as those within it, contribute to the feeling for rural tranquillity and close proximity to nature.

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<sup>1</sup> Natural England, *National Character Area Profile 94: Leicestershire Vales*, (2014), p. 3.

- 5.3 The eastern boundary of the conservation area includes the Tollgate Cottage on the Lutterworth Road and the pastures to the east which mark the foreground to the village core. Although Tollgate Cottage is in the Parish of Lutterworth it relates to Bitteswell and has historic links to Turnpike Cottage at the western end of conservation area. Turning from the urban road of Bill Crane Way to enter the conservation area at the eastern boundary on Lutterworth Road highlights the sharp contrast between neighbouring Lutterworth and the rural conservation area of Bitteswell. This is enhanced in the spring by the daffodils planted in the grass verges along the side of Lutterworth Road.
- 5.4 Just before Lutterworth Road reaches the main crossroads at the heart of the village, two small roads lead off it – The Nook and Manor Road. The Nook is a short, narrow, cul-de-sac which winds around the east of the church and contains a small grouping of eighteenth and nineteenth-century properties, including the Grade II-listed Russett Cottage. Manor Road is a short road running parallel to Lutterworth Road which includes a terrace of Victorian artisan cottages. Manor Road also contains a Grade II listed K6 telephone kiosk at one end and a George V pillar box in the wall of Clifton House at the other end of the road, both of which contribute to the character of the conservation area.
- 5.5 The spacious, picturesque village green is central to village life in Bitteswell. The green comprises of four open spaces which surround the main crossroads at the centre of the village. Buildings, a number of which are listed, are grouped around the large central green and extend along the Lutterworth Road and the cul-de-sac Valley Lane. There are several mature trees on the green and a number of wooden benches dotted around this green space to provide the opportunity to quietly reflect and take in different views of the village.
- 5.6 The mature trees on the greens are a prominent feature of the conservation area and provide a visual reminder of the changing seasons. The character of the village greens also changes during the day. This is particularly noticeable around the timings of the school day as the village school sits in the south eastern corner of The Green. Parents congregate on the village greens to collect children from the school or pupils alighting from the school bus which stops near to the crossroads and children play in small groups or seek shelter under the mature trees.
- 5.7 In addition to the central role of The Green in everyday life it has always been a place for village celebration, with events such as ‘The Bitteswell Mop’ or Whitsuntide dancing and it is also the focal point for local celebration of national events such as royal coronations and jubilees from the Golden Jubilee of Queen Victoria in 1887 to the Platinum Jubilee of Queen Elizabeth II in 2022. Although the greens are well used they are all also well maintained and respected by its

users as there was no evidence of litter problems or damage as a result of irresponsible parking.

- 5.8 Location at the centre of a crossroads can result in periodic interruptions to the rural tranquillity of the space, especially by traffic on the old turnpike road between Ullesthorpe and Lutterworth, although the loudest noise tends to be from agricultural vehicles which pass through from time to time.
- 5.9 From The Green the conservation area extends north down Ashby Lane to incorporate Corner Cottage to the west and Newstead House and Ashby House to the eastern side of the road. Another George V pillar box is situated in one of the gate piers of Ashby House. There are a few further dwellings along Ashby Road before open countryside is reached but they are outside the conservation area.
- 5.10 Heading west from the central crossroads the conservation area extends along Ullesthorpe Road where buildings range in date from the Grade II listed Almshouses of Powell Row (1847) to twentieth-century buildings including the 1930s Man at Arms Pub and the 2013 properties of Deacon Close.
- 5.11 Valley Lane is the remaining road to lead off the central crossroads on The Green. This is a long, narrow, attractive cul-de-sac which includes the village school, the early nineteenth-century Grade II listed Royal Oak pub and Dowell House (formerly Valley Farmhouse). It also includes Bitteswell House (1800) and properties from throughout the twentieth century. There has been considerable development in Valley Lane over the last forty years, some of which is of higher density and more suburban in character, however, the quality of the lane remains. There are two footpaths leading directly from Valley Lane into surrounding open countryside within and outside the conservation area boundary, both of which are well used.

## 6.0 Definition of Special Interest

- 6.1 In April 1971 an exhibition entitled 'Bitteswell – Our Village a Local History Exhibition' took place in St Mary's Church. Residents (and former residents) of 1970s Bitteswell lent material to illustrate the past history of Bitteswell, its daily life and its people.<sup>2</sup> This demonstrated the level of interest residents had in the value of their local environment. In 1848 Bitteswell was described as having, 'no pretensions to celebrity' and being a 'pleasant and social place of residence' and such a description is equally fitting in 2022.<sup>3</sup>

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<sup>2</sup> Record Office for Leicestershire, Leicester and Rutland, DE3519/255 Papers for Leicestershire Local History Council.

<sup>3</sup> E. Bottrill and Son, *A Reply to the Question (if it should ever be asked) 'Where and What is Bitteswell?'* 1848, pp. 3 & 12.

- 6.2 In 1972 Bitteswell was designated as a conservation area. Such designation would help to preserve and enhance the qualities residents recognised and celebrated in the exhibition the previous year.
- 6.3 The development of Bitteswell is intertwined with the farmland that surrounds it. This is evident in the relationship between the farms, fields and traditional housing and farm buildings and is reflected in property names within the village. The development of the settlement has resulted in a diversity of building styles and materials which contribute to the character of the conservation area. It is an open spacious village where the relationship between the built environment of the settlement and the natural environment both within it and surrounding it are integral to its rural character.
- 6.4 Bitteswell conforms to Natural England's description of rural villages in south Leicestershire whose settlement patterns formed in medieval times remain evident with 'separate villages clustered around a tall church spire' and having a long history of agricultural land use.

## 7.0 Historic Development of the Area

- 7.1 Excavations within the Parish of Bitteswell with Bittesby have revealed pieces of flint, sherds of Iron Age, Roman and Medieval pottery which all point to long history of the area. With Bitteswell's close proximity to the High Cross, the point where the Roman roads of Watling Street and the Fosse Way crossed, it is not surprising that excavations at West End Farm in 2019 discovered several Roman ditches and gullies. The 4<sup>th</sup> Century Roman pottery, animal bones and Roman brick discovered, all provide evidence of Roman activity within the conservation area and demonstrate Bitteswell's long history.
- 7.2 In the 8<sup>th</sup> Century Bitteswell was recorded as being within the Saxon Kingdom of Mercia and was part of the Guthlaxton Wapentake. Cultivation has taken place around Bitteswell since Saxon times, when the greens at the centre of the village would have provided secure grazing for sheep and cattle.
- 7.3 There is reference to Bitteswell, as 'Betmeswelle', (broad valley spring) in the Domesday Book of 1086. It has been a continuously occupied settlement since this entry.
- 7.4 The 12<sup>th</sup> Century church has been at the heart of the settlement throughout its development. The first vicar of 'Betmeswelle' was Jordan in 1220 and subsequent vicars are listed in the church until 1989. The north transept was added to the church in 1852 by W Parsons and further alterations were made by Walter F. Lyon in 1881-2. Lord Denbigh was the titular Lord of the Manor, but residency was never established.

- 7.5 In 1630 the parish of Bitteswell recorded 38 families. The Grade II listed Dunlis House, located towards the western end of the village greens, is a half-timbered property which, in places, dates from circa 1540, although the majority is seventeenth century which was extended in the early nineteenth century.
- 7.6 By 1760 the Lutterworth to Ullesthorpe road was part of the national road network of turnpikes initiated by George III. With extensive grazing and fresh spring water the village provided facilities for changing and resting horses. Tollgate Cottage at the eastern boundary of the conservation area and the Grade II listed Turnpike Lodge at the western end of the village greens both link Bitteswell to its heyday when stage coaches and the mail coach all passed through the village on the way to and from London and Chester or Holyhead. Published in 1848, the image below shows Tollgate Cottage where coaches stopped to pay the levy and pass through the turnpike gate to enter Bitteswell.



Record Office for Leicestershire, Leicester and Rutland DE3736 – image copied from 'Bitteswell' (1848).

- 7.7 Following the Enclosure Act passed in 1773, the open and common fields and pastures of Bitteswell were enclosed in 1787. Enclosure brought to an end the open field farming system and divided the open fields into the patchwork of fields and hedges we recognise today. Evidence of the medieval open field arable farming system used prior to enclosure can still be seen in the ridge and furrow earthworks in fields within the locality, including those behind Valley Lane which lied within the conservation area boundary.
- 7.8 By 1801 the Return to Parliament showed that the population of Bitteswell had risen to 69 families dwelling in 68 properties, giving a total population of 398 (192 males, 206 females). Within a decade this had risen to 88 properties occupied by 94 families. The agricultural history of Bitteswell is evident in that

61 of the 94 families residing in Bitteswell in 1811 were chiefly employed in agriculture. Both the growth of the settlement and its agricultural heritage are reflected in a number of late eighteenth and early nineteenth century buildings (now Grade II listed) such as the farmhouses of West End Farm and Green Farm on The Green and Valley Farm on Valley Lane. Valley Farmhouse is now known as Dowell House as it was the home of the Dowell family until 1936. A century on from the 1811 census, the image below from circa 1910 shows the continued role of agriculture with hay making in Bitteswell.



Hay making in Bitteswell circa 1910 (Record Office for Leicestershire, Leicester and Rutland: DE 3736).

- 7.9 In 1789 Reverend James Powell became vicar of St Mary's Church. He served in this role until his death in 1844. Reverend Powell was married to the daughter of the tea merchant Richard Twinning (1749-1824). The impact of Reverend Powell and his relatives on the historic built environment of Bitteswell can still be evidenced today. This is most prominent in the Grade II listed Almshouses of Powell Row, built in the centre of the village greens in 1847 and in the lychgate to St Mary's Church which was erected by Richard Twinning in 1888 in memory of Reverend Powell. Just outside the conservation area boundary on Ullesthorpe Road is a cemetery which is an extension of the churchyard of St Mary's Church. This is recognised as an important open space within the Bitteswell Neighbourhood Plan (Pre-submission version, February 2021). The land was a gift from Richard Twinning and was consecrated in 1902.
- 7.10 The 1800s was a period of change for Bitteswell. *Pigot's* Directory of 1822 lists a boarding school for boys in Bitteswell. The advert for which mentioned daily coaches to London. However, the frequency of stage coaches passing through Bitteswell declined with the construction of the Midland Railway in

Ullesthorne in 1840. Before his death Reverend Powell founded The Boys Free School which opened in 1844 and was funded by the late vicar and his sister. This was replaced by a mixed Public Elementary School in 1871 and the Old School House became a private residence. In 1838 Bitteswell Hall was built approximately a mile from the village. This was a mansion set in extensive landscaped parklands with an ornamental lake and fox covert as well as its own farms and kitchen garden. The construction of such a large estate may have accounted for the population increasing to 495 in 1841. Two other large houses with wooded gardens had been built within the village in the first half of the nineteenth century – the Manor House on Lutterworth Road (re-built in 1938 in a French-villa style) and Bitteswell House on Valley Lane. With the building of The Lodge and two cottages (now Russett Cottage) on The Nook and the location of the Almshouses in the centre of the village green, the street plan and significant heritage assets of the conservation area can be identified in the Bitteswell map of 1887 (below). The open spacious nature of the conservation area and the relationship to the open countryside surrounding it is also evident.



Map of Bitteswell 1887 (Record Office for Leicestershire, Leicester and Rutland).

- 7.11 By 1931 the population of Bitteswell had fallen to 293. The demolition of Bitteswell Hall in 1928 and the increasing use of modern farming methods may have been responsible for this reduction. In 1940 RAF Bitteswell was constructed close to the village in the south of the parish. From 1943 to 1987 the area was also home to a Hawker Siddeley factory which assembled and tested aircraft. In the 1980s this became the Magna Park distribution centre. By 1951 the population of Bitteswell had increased to 346. From the 1962 map below it is clear to see that Bitteswell is developing with housing extending west on the Ullesthorpe Road and away from the village core down Ashby Lane. It also shows twentieth century development commencing down Valley Lane.



1962 Map of Bitteswell (Record Office for Leicestershire, Leicester and Rutland)

- 7.12 In the 60 years since the 1962 map development has continued down Ashby Lane and Ullesthorpe Road, new properties have been built behind Green Farmhouse and the Old School House at the western end of the village, and considerable development has taken place in Valley Lane. The 2011 census recorded 554 residents living in 199 households.

## 8.0 Assessment of Special Interest

- 8.1 Much of the special architectural interest in Bitteswell has been recognised through the Grade II\* listing of the Church of St Mary and the Grade II listing awarded to 13 other heritage assets within the conservation area boundary (see Appendix A for full details).
- 8.2 Special interest in a conservation area is not only formed by the buildings but also the spaces between them and other features of interest. These can include the settlement layout, green infrastructure, open spaces, views and public realm. Bitteswell is a spacious open village where traditionally houses were built on spacious plots which included trees and hedging all of which contribute to the natural environment and rural character of the conservation area.
- 8.3 Entering the conservation area at the eastern boundary into Lutterworth Road follows the route the route of turnpike road and passes Tollgate Cottage (seen in the historic image on P.10).



Tollgate Cottage on the corner Lutterworth Road at the Conservation Area Boundary.

Enclosure of the farmed landscape in 1787 transformed this route into the village. Not only did the road get ‘the luxury of a well-kept raised footpath’ but it was noted in 1848 that, ‘since the village has become well wooded with hedge-row timber and plantations, - intermixed with roofs and gables of houses, barns and cottages scattered amongst them, - the spire in the midst peering over all, the approach is extremely pleasing.’<sup>4</sup> Leaving the urban environment of Bill Crane Way, passing Tollgate Cottage and heading into

<sup>4</sup> E. Bottrill and Son, *A Reply to the Question (if it should ever be asked) ‘Where and What is Bitteswell?’* 1848, p.9.

Bitteswell along Lutterworth Road, it is still possible to experience the mix of natural and built environment of the village described in 1848. To the east are the pastures which form a foreground to the village core and contribute to the tranquil rural character of the conservation area. Glimpses of the church spire can be still seen at points throughout the conservation area.

- 8.4 The road to the right is The Nook. This contains development around the east of St Mary's church which links to Reverend Powell and the Twinning family. On the corner is Deanston House. This was originally built as the vicarage in 1720. Offices were added in 1789 and Reverend Powell enlarged and laid out the garden and erected brick boundary walls. This property remained in use as the vicarage until the mid-twentieth century when a new vicarage was built at the end of the garden.



Deanston House

- 8.5 Next to Deanston House Reverend Powell built The Lodge in 1834 as a home for his daughter. The property was occupied by various members of the Twining family until 1906. The 1919 sales particulars for the stuccoed brick Lodge described it as a desirable freehold residential property or hunting lodge with a stone-built entrance lodge. Today these properties are the separate dwellings of the Gate House and the Hunting Box in the Nook.
- 8.6 These sales particulars included an image looking down the Nook towards two cottages which today form the Grade II listed Russett Cottage.



1919 Image showing the Gate House to the Lodge and two cottages in the Nook.

The sale also included 4 cottages on Manor Road (now 2, 3 and 4) and three cottages overlooking the church (1-2 and 3 Church View Cottage). Next to 4 Manor Road is the Village Hall, this was built in the late nineteenth century as The Church Reading Room. It became the Village Hall in 1976.

8.7 Manor Road contains a number of buildings that historically link to the small enterprises of the village. On the corner of Manor Road is the white rendered Cedar Cottage, which has a decorative chimney. Until 1862 this was the Plough Inn but has been a private residence since then. Opposite Cedar Cottage is red brick Clifton House which was originally a slaughter house and butchers shop. Until 1997 it was also the village post office and the George V pillar box in the wall is an attractive feature of the conservation area. Also located in Manor Road is Tithe Cottage which was originally a stable with sluices used by stage coach horses during the eighteenth century. Next to this is the old bakery although there have been millers and bakers in the village since the 1600s the house dates from the early 1900s when the original was burnt down.



View into Manor Road with Cedar Cottage on the right and The Old Bakery in the distance.

- 8.8 From the crossroads at the centre of the village greens the mixture of building styles and materials is evident as is the open spaciousness of the village. With no dominant architectural style, it is possible to see the historic development of the settlement. There is an attractive grouping of buildings around The Green's edge, 9 of which are nationally listed at Grade II (see Appendix A).
- 8.9 Next to St Mary's Church is a terrace of simpler eighteenth-century buildings comprising the original 4 messuages of 'The Chestnuts'. The horse chestnut tree and St Mary's Church with its lychgate make a fine closure to the eastern end of the greens.



Further along the row and into Ashby Road are Tilt House which was originally built in 1721 but has been altered over the years. It is reported that bricks from the old Bitteswell Hall, demolished in 1928, were used in the construction of the garage and outbuildings in the 1930s. Next to this is the Georgian brick-built Newstead House which is a prominent feature on the bend as Ashby Road reaches The Green.



Newstead House

8.10 The Grade II listed Almshouses of Powel Row form a striking centre piece to the village. The three sets of semi-detached cottages are set in spacious gardens on The Green. This allows for views through from the village greens to the properties behind and provides a good example of the relationship between the built and natural environment of the conservation area.



Cottages of Powell Row with glimpses of properties in the West End seen between the cottages.

- 8.11 Across the Green from the Almshouses is the Man at Arms public house. Designed in the 1930s with a mansard roof and located between two of the oldest buildings on The Green (Dunlis House and Turnpike Lodge) this building makes a positive contribution to the conservation area. The 1887 map of Bitteswell (see p.13) shows a public house on this site. It had previously been known as the Fleur-de-Lis and the New Royal Oak. When the building remodelled in the twentieth century it was re-named the Man at Arms. The choice of name links to a charitable donation to the parish from Robert Dowse in 1534. One third of the monies was allocated to supplying one armoured man when the King was at war and the payment was still made during the First World War.



The Man at Arms located between Dunlis House and Turnpike Lodge – decorated to celebrate the Platinum Jubilee of Queen Elizabeth II in 2022.

8.12 Westfield is another early twentieth century addition to the conservation area that makes a positive contribution to it and shows the development of the settlement. Set in a mature garden this property marks the western end of the conservation area on Ullesthorpe Road. There are late twentieth and early twenty-first century buildings on the other side of Ullesthorpe Road opposite Westfield. These properties are more suburban in character and are in closer proximity to each other, unlike the space surrounding Westfield or the Powell Row cottages however, they do not detract from the quality of the conservation area.



The suburban character of properties on the south of Ullesthorpe Road



The more spacious setting of Westfield on the other side of Ullesthorpe Road.

8.13 Valley Lane is the remaining road to lead off the central crossroads on The Green. This long cul-de-sac which includes the village school, the early nineteenth-century Grade II listed Royal Oak pub and Dowell House (formerly Valley Farmhouse). The 1887 map (see p.13) shows Bitteswell House (1800) to be the last property in the cul-de-sac before it peters into a footpath leading to open countryside. For over a century Bitteswell House sat at the far end of Valley Lane overlooking open countryside.



Bitteswell House

In the last decades of the twentieth century new properties were built in Valley Lane. The additions to Valley Lane in the last forty years have generally been of higher density and more suburban in character, however, the quality of the lane remains. There are two footpaths leading directly from Valley Lane into surrounding open countryside within and outside the conservation area boundary. The image below is from the footpath just before Bitteswell House

which demonstrates that although housing density in Valley Lane has increased its rural setting within the conservation area has remained.



View from the footpath on Valley Lane looking east over the open countryside of the conservation area.

## 9.0 Opportunities for Enhancement

9.1 Bitteswell conservation area is generally well cared for. The village greens are all well maintained. They provide pleasant environments in which to sit, and they contribute to the rural tranquillity and proximity to nature that is characteristic of Bitteswell. A similar level of respect for the conservation area is evident in the individual properties which are generally in good order. Boundary treatments, the planting of trees, shrubs and flowers in gardens, or in tubs and hanging baskets all contribute to quality of the conservation area.

9.2 Within the conservation area boundary there is opportunity to further enhance the conservation area. The K6 telephone kiosk is nationally listed at Grade II, however, the area immediately around it does not reflect the general care and attention that is generally evident within the conservation area.



Area around the Grade II listed K6 telephone kiosk

9.3 The fingerpost sign is located at the heart of the conservation area and makes a positive contribution to it. Given such a prominent position on the well tended Green seems to highlight the state of the paintwork on the main post. Repainting the post would bring it in line with the current quality of its setting.



Image showing peeling paint on fingerpost

## 10. Management Plan

- 10.1 Local planning authorities have a duty placed on them under Section 71 of the Planning (Listed Buildings and Conservation Areas) Act 1990 to draw up and publish proposals for the preservation and enhancement of conservation areas. Conservation area appraisals help to identify threats to the character of the conservation area and opportunities for enhancement. Potential threats to the character and appearance of the conservation area arise from the loss of traditional features of value. Such threats can range from the loss of historic fabric to unsympathetic public realm and the impact of highway works.
- 10.2 The character and appearance of both the conservation area and of individual buildings and structures are at risk from the loss of historic fabric and traditional features. Regular ongoing maintenance limits deterioration to buildings of any age or materials. Efforts should be made to repair or replace historic fabric with appropriate materials. Generally, UPVC is not an appropriate replacement for historic timber windows and doors. It is difficult to achieve the necessary standards in design and the use of UPVC can lead to environmental problems due to reduced breathability in materials. More information of materials for historic building repairs can be found on the Historic England website <https://historicengland.org.uk/advice/technical-advice/buildings/building-materials-for-historic-buildings/>
- 10.3 The treatment of the public realm impacts on the character and appearance of a conservation area. The loss of features of value or the introduction of unsympathetic street furniture poses a threat to the character and appearance of a conservation area. Bitteswell Conservation Area generally has an uncluttered public realm with features such as the finger post, the K6 telephone kiosk and the historic post boxes making a positive contribution to the conservation area. These features should be maintained and retained wherever possible. Applications for development should ensure that any alterations to the public realm preserve or enhance the character and appearance of the conservation area.
- 10.4 The character and appearance of a conservation area can also be threatened by unsympathetic highway works and by traffic and car parking. The pavements and pathways are generally neutral in colour and character. The example below shows that even differing shades of tarmac used after works can impact negatively on the conservation area.



Image showing the negative impact of differing shades of tarmac.

- 10.5 Site visits to Bitteswell in 2021/22 indicated that the demand for parking is high at points in the day and in the evening when people return from work. Parents on the school run tend to make use of the parking facilities at the two local pubs for those short periods in the day. However, this is not an option at evenings and weekends when patrons need to use the car parks.
- 10.6 The roads within Bitteswell conservation area are often lined with hedgerows and verges. Works to highways and footways risk the loss of historic traditional materials such as kerbstones, setts and pavements or the introduction of modern surfacing and boundary treatments and signage, all of which pose a threat to the character and appearance of the conservation area. Loss of such historic fabric should be discouraged. The Highways Authority should, as far as possible, seek to ensure that works to highways and footways makes good any historic surfaces and that completed work does not detract from the character and appearance of the conservation area.
- 10.7 Any proposals for new development should consider the impact of alterations to highways and footways. With the existing high demand for on-street parking careful consideration should be given to the effect of increased traffic and parking provision on the character and appearance of the Bitteswell conservation area.
- 10.8 As a result of the historical development of the settlement there is a diverse mix of buildings and building materials with no common architectural theme. However, boundary treatments of hedges and red brick garden walls (often with blue brick or ceramic copings) are a feature of the conservation area. Any proposals for development should consider the impact on these existing

features and how such features can be incorporated in order to preserve and enhance the rural character of the conservation area.

## 11.0 Council Contact Details

11.1 If you need to discuss this document please contact the Conservation Team.

By Email: [planningpolicy@Harborough.gov.uk](mailto:planningpolicy@Harborough.gov.uk)

## Sources

This document was produced with reference to:

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Websites:

[www.british-history.ac.uk](http://www.british-history.ac.uk)

[www.historicengland.org.uk](http://www.historicengland.org.uk)

## Appendix A: Listed Buildings and Scheduled Monuments

Church of St Mary – Grade II\*

*List Entry Number: 1292319* [CHURCH OF ST MARY, Bitteswell with Bittesby - 1292319 | Historic England](#)

Bitteswell War Memorial, St Mary's Churchyard - Grade II

*List Entry Number: 1464644* [Bitteswell War Memorial, Bitteswell with Bittesby - 1464644 | Historic England](#)

Vine House, The Green - Grade II

*List Entry Number: 1210166* [VINE HOUSE, Bitteswell with Bittesby - 1210166 | Historic England](#)

Green Farmhouse, The Green - Grade II

*List Entry Number: 1292799* [GREEN FARMHOUSE, Bitteswell with Bittesby - 1292799 | Historic England](#)

Russet Cottage, The Nook – Grade II

*List Entry Number: 1210172* [RUSSET COTTAGE, Bitteswell with Bittesby - 1210172 | Historic England](#)

West End Farmhouse, The Green – Grade II

*List Entry Number: 1209150* [WEST END FARMHOUSE, Bitteswell with Bittesby - 1209150 | Historic England](#)

Turnpike Lodge, The Green – Grade II

*List Entry Number: 1209149* [TURNPIKE LODGE, Bitteswell with Bittesby - 1209149 | Historic England](#)

The Royal Oak Public House, The Green – Grade II

*List Entry Number: 1210158* [THE OLDE ROYAL OAK PUBLIC HOUSE, Bitteswell with Bittesby - 1210158 | Historic England](#)

Dunlis House, The Green – Grade II

*List Entry Number: 1210152* [DUNLIS HOUSE, Bitteswell with Bittesby - 1210152 | Historic England](#)

Valley Farmhouse – Grade II

*List Entry Number: 1209147* [VALLEY FARMHOUSE, Bitteswell with Bittesby - 1209147 | Historic England](#)

1 and 2 Powell Row – Grade II

*List Entry Number: 1292798* [1 AND 2, POWELL ROW, Bitteswell with Bittesby - 1292798 | Historic England](#)

3 and 4 Powell Row – Grade II

*List Entry Number: 1210146* [3 AND 4, POWELL ROW, Bitteswell with Bittesby - 1210146 | Historic England](#)

5 and 6 Powell Row – Grade II

*List Entry Number: 1209148* [5 AND 6, POWELL ROW, Bitteswell with Bittesby - 1209148 | Historic England](#)

K6 Telephone Kiosk, Manor Road - Grade II

*List Entry Number: 1391414* [K6 TELEPHONE KIOSK, Bitteswell with Bittesby - 1391414 | Historic England](#)



## Question 1 - Do you have any additional architectural or historical information that could support the Bitteswell Conservation Area Appraisal?

**Support**

### Summary of representations:

No

### Response:

Thank you for considering the document and confirming that you have no information to add. HDC has no further comment.

**8576**

**Support**

Agent: Grangers Land & New Homes Ltd

Attachments: None

## Question 2 - Do you think the document identifies the special architectural and historic interest of the Bitteswell Conservation Area?

**Support**

### Summary of representations:

Yes

### Response:

Thank you for considering the document and confirming that you think it identifies the special architectural and historic interest of the Bitteswell Conservation Area.

**8577**

**Support**

Agent: Grangers Land & New Homes Ltd

Attachments: None

## Question 3 - Do you have any further comments?

**Support**

### Summary of representations:

I can confirm that Oadby and Wigston Borough Council have no comments.

### Response:

Thank you for considering the document and confirming that Oadby and Wigston Borough Council have no comments. HDC has no further comment.

**8572**

**Support**

Attachments: None

## Support

### Summary of representations:

Natural England has no comments to make on the Bitteswell Conservation Area Appraisal.

### Response:

Thank you for considering the document. HDC has no further comment.

8573

Support

Attachments: None

## Support

### Summary of representations:

Thank you for giving Severn Trent the opportunity to comment on the Bitteswell Conservation Area Appraisal. We do not have any comment to make regarding this consultation.

### Response:

Thank you for considering the document. HDC has no further comment.

8574

Support

Attachments: None

## Object

### Summary of representations:

I discovered over the last two years that a third of my property had been moved into the conservation area.

I refer you to Area 12 suggested Conservation Area Changes of Consultation in 2005 which states 'a small part of a garden next to the last of the older properties etc ....

Reason given to include states it is an extension of the open garden land on the edge of the area of older properties within the village .

I was not aware of the Consultation document of 2005 or would have raised the matter then.

It seems rather incongruous that my property has been divided.

I did query this when I discovered it and was advised to leave it until this kind of opportunity arose.

### Response:

Thank you for your comments in respect of the boundary. The boundary change to include this area in 2005 was made on the following grounds:

Area 12: Garden on Ashby Road.

This is a small part of a garden next to the last of the older properties in the village on the Ashby Road. It forms an open area between the last traditional building in the village and the newer frontage development further out. There are very good views across this garden land towards the church.

The 2022/3 review did not find any evidence to justify the removal of this area from within the boundary. It found there had been little change since 2005 and that the evidence supporting the inclusion of Area 12 in 2005 was still valid and justified its inclusion within the conservation area boundary.

8575

Object

Attachments: None

## Support

**Summary of representations:**

(a) The following comments are made in connection with reference to national policy considerations contained in the current National Planning Policy Guidance, adding to the points made in the BCAA document to adopting a positive approach to development in the BCA:

1. Plans should set out a positive strategy for the conservation and enjoyment of the historic environment (HE Conservation Area Advice Note 2019)

2. This is considered in the NPPF (para 206) Local planning authorities should look for opportunities for new development within Conservation Areas to enhance or better reveal their significance. Proposals that preserve those elements of the setting that make a positive contribution to the asset (or which better reveal its significance) should be treated favourably.

(b) Given the BCAA document also acknowledges in paragraph 10.8 that "As a result of historical development of the settlement there is a diverse mix of buildings and building materials with no common architectural theme" within the settlement, the comments below suggest additional guidance to add into the Management Plan (Section 10) in the BCAA document, particularly to reflect the statutory duties and policy considerations identified in Section 3 of the BCAA document, which provides sustaining and enhancing the character of the conservation area into the future will depend on proper management of the existing heritage assets, on care in the design of new development, including alterations and additions to existing buildings, and on taking opportunities for enhancement:

1. Consideration should be given to the following objectives relating to future development within the settlement with the aim of supplementing development plan policies on Conservation Areas

The scale, form, massing and detailed design of new buildings should respect and harmonise with the key characteristics and appearance of the area. All building proposals (extensions and new) should meet the requirements of the relevant local plan policies concerning alterations, heritage assets and new development affecting heritage assets; New buildings should respect the character, constraints and opportunities of the site and surrounding area, whilst not discouraging innovative designs in appropriate locations; Proposals for alterations to traditional buildings should respect the character and appearance of the building, neighbouring properties and the conservation area; All proposals for new development (including alterations and extensions) should reflect the use of consistent materials in the area. Consideration will be given to the imposition of Article 4 directions to secure preservation of original features;

The proper repair of traditional buildings will be encouraged by providing specialist advice and support.

2. It is important that the detailed design and the selection of materials in new development proposals should take the opportunity to contribute to or enhance the character and appearance of the area, given that sections 1.2 and 10.8 in the BCAA document notes the development of the settlement has resulted in a diversity of building styles and materials and as such there is no clear template for new development in terms of architectural style, materials or massing;

3. Careful use of material palettes for new buildings and the use of high-quality materials and high-level craft in their application will also help to enhance the character and appearance of the conservation area.

**Response:**

Thank you for considering the document and providing comments. HDC is not resourced to provide specialist advice and support on the level suggested to encourage the repair of traditional buildings. All other comments have been noted.

8578

Support

**Agent:** Grangers Land & New Homes Ltd

**Attachments:** None



## Harborough District Council

### Report to the Council Meeting of 27 February 2023



<b>Report Number:</b>	<b>8a</b>
<b>Title:</b>	<b>Report from the Chairman of the Scrutiny Commission</b>
<b>Status:</b>	<b>Public</b>
<b>Report Author:</b>	<b>Councillor Mrs Rosita Page, Chairman of the Scrutiny Commission</b>
<b>Appendices:</b>	

#### Scrutiny Review

Extensive consultation with the Scrutiny Commission, Performance and Communities Scrutiny Panel members has taken place in relation to the Scrutiny Review, however given that it is accepted that the Council needs to review its governance arrangements, I was informed that it is no longer appropriate to continue with the scrutiny review in isolation. The review of the scrutiny function will now be incorporated into the wider review of the Council's governance arrangements.

The Council's constitution is being reviewed by the Monitoring Officer in conjunction with the members of the Constitutional Review Committee. These changes are not being considered by a Scrutiny Panel. Members will need to ensure that their comments are noted at the Constitutional Review Committee on the 26 April 2023.

The views expressed by Councillors previously will be taken into account during this process.

#### Meetings

Since the last meeting of Council, meetings of the Performance Scrutiny Panel have taken place on the 19 January 2023 and meetings of the Communities Scrutiny Panel have taken place on the 15 December 2022 and 16<sup>th</sup> February 2023.

All minutes and actions from the Panels can be found on the Harborough District Council website once approved at the following meeting.

#### Communities Scrutiny

15 December 2022

The meeting considered the following items:

- Scrutiny Review
- Development Management Services Update

16 February 2022

The meeting considered the following items:

- Climate Emergency Action Plan
- Armed Forces Covenant Report

#### Performance Scrutiny Panel – 19<sup>th</sup> January 2023

The meeting considered the following items:

- Leicestershire Resources and Waste Strategy 2022-2050 Report
- Performance, Quarter 2, 222/23 Year Report
- Revenue and Capital Monitoring Report, Quarter 2, 2022/23
- Draft Budget 2023-24 & Medium-Term Financial Strategy (2024/25 to 2027/28)

#### Forthcoming meetings

Looking forward, the following items are due to be considered at the upcoming Scrutiny meetings:

#### Performance Scrutiny Panel

<b>Meeting Date: 23 March 2023</b>	
<b>Subject</b>	<b>Scope/Purpose</b>
Quarterly Financial Performance Q3 : outturn	To review the Council's financial performance in the third quarter of the 2022/23 year.
Performance, End of Quarter 3 2022/23	To review the Council's performance against objectives in the third quarter of the 2022/23 year.
Community Safety Partnership Three year Plan 2023-2026 and Annual Action Plan review 2022/23	To review the Harborough District Three Year Community Safety Plan 2023-2026
Regulation of Investigatory Powers Act (RIPA)	To receive details of instances when RIPA provisions have been invoked.

## Communities Scrutiny Panel

Meeting Date: 27 April 2023	
Subject	Scope/Purpose
Playing Pitch Strategy	To review the Council's Playing Pitch Strategy

The next and last Scrutiny Commission meeting is being held on the 30<sup>th</sup> March 2023.

I would like to thank all the Officers, Members and Panel Chairs for their input and all their support over the previous years.



# Harborough District Council

## Report to Council Meeting of 27 February 2023



<b>Title:</b>	2023/24 Budget and Medium-Term Financial Strategy (2024/25 to 2027/28)
<b>Status:</b>	Public
<b>Report Author:</b>	Clive Mason, Interim Deputy Chief Executive, Director of Resources and Section 151 Officer / Chief Finance Officer c.mason@harborough.gov.uk
<b>Portfolio Holder:</b>	Cllr James Hallam (Finance)
<b>Appendices:</b>	<ol style="list-style-type: none"><li>1. Medium-Term Financial Strategy</li><li>2. Changes between the Draft 2023/24 Budget &amp; MTFS (2024/25 to 2027/28) to the Final 2023/24 Budget &amp; MTFS (2024/25 to 2027/28) now presented to Council.</li><li>3. Summary of Budget Principles Applied in respect of Services and Government Funding</li><li>4. Schedule of Fees &amp; Charges 2023/24</li><li>5. 2023/24 Special Expenses</li><li>6. Reserves</li><li>7. Capital Strategy</li><li>8. Treasury Management Strategy and related documents</li><li>9. Council Tax Resolution</li><li>10. Response to Budget Consultation from Performance Scrutiny Panel on the 19 January 2023</li><li>11. Response to Budget Consultation from the general public</li><li>12. Glossary of Terms</li><li>13. Equalities</li></ol>

## Executive Summary

- i. The Council is responsible for the prudent and lawful management of its financial resources. It achieves this by producing and implementing a balanced revenue budget on an annual basis, adopting a Medium-Term Financial Strategy (MTFS), and identifying a fully funded capital programme.
- ii. This report reflects that in comparison to 2022/23, the council's 2023/24 budget has seen:
  - a) A £907k (7.8%) increase in the net revenue budget to £12.5m.
  - b) A £3.9m (30%) increase in the budget requirement to £16.9m.
  - c) A £100k (3.9%) increase in government grant to £2.7m.
  - d) Growth in business rates receipts and a collection fund surplus.
  - e) The freezing of council tax at £177.97 (0%).
- iii. Whilst resources receivable from government grant and Council Tax have increased, the Council is not immune from the pay, price and demand pressures being experienced throughout the country. This means that the Council will need to deliver £4.5m of savings across the period of its MTFS to maintain a balanced budget position.
- iv. This budget report sets out the financial framework and strategy for aiding the delivery of the Council's Corporate Plan. Many of the proposals for the revenue budget and capital investment, including those over the medium-term, will enable the delivery of the Council's vision and outcomes.

## Recommendations

Council is to determine the following recommendations "en-bloc" and:

### 1. **APPROVE:**

#### **General Fund**

- For 2023/24, the Council's net revenue budget requirement of £16.9m [paragraph 3.7, Table 1], including the budget allocations to portfolios as set out at Appendix 1 (Annex 1).
- The 10.1% increase in Fees and Charges for 2023/24 [paragraph 3.15 of the report], as set out at Appendix 4
- The planned net contribution to reserves of £4.4m to finance the budget requirement in 2023/24 [paragraph 3.7 of the report, Table 1]
- The Medium-Term Financial Strategy (2024/25 to 2027/28) [paragraph 3.7 of the report, Table 1] as set out at Appendix 1 (Annex 1), which includes forecasts on matters such as inflation and wage increases.

## **Capital Programme and Capital Strategy**

- The Capital Programme 2023/24 to 2027/28 and its method of funding [Paragraph 3.26 of the report, Table 6]
- The Capital Strategy 2023/24 as set out at Appendix 7 [Paragraph 3.28 of the report and Appendix 6].

## **Reserves**

- The Reserves Statement, including 2023/24 General Fund (Unallocated) Reserves of £2.5m [Paragraph 3.19 of the report, Table 5]

## **Council Tax, including resolution**

- That the Council Tax Requirement for Harborough District Council's own purposes for 2023/24 (excluding Parish precepts) is £6,807,619. [Appendix 9]
- The following amounts be calculated by the Council for the year 2023/24 in accordance with Sections 30 to 36 of the Local Government Finance Act 1992 as amended (the Act):
  - a. £32,797,028 - being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking account of all precepts issued to it by Parish Councils;
  - b. £23,653,710 - being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act;
  - c. £9,143,318 - being the amount by which the aggregate at (a) above exceeds the aggregate at (b), calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year including special expenses items and Parish precepts [Item R in the formula in Section 32B of the Act]
  - d. £239.03 - being the amount at c above [Item R] divided by the amount of 38,251.46 [Band D equivalent, Appendix 9 1 (a) Item T above] in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year [Average Band D Council Tax including special expense items and Parish precepts];
  - e. £2,970,586 - being the aggregate amount of all special items (special expense items of the Council and Parish precepts) referred to in Section 34(1) of the Act
  - f. £161.37 being the amount at (d) above less the result given by dividing the amount at (e) above by Item T (38,251.46), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its areas to which no special item relates. [Band D Council Tax for

general expenses only excludes special expenses items and Parish precepts]

- g. Harborough District Council's element of Council Tax 2023/24 as set out at Appendix 9; being the amounts given by adding to the amount at (e) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at Appendix 9, 1(b), calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

- That the Harborough District Council's council tax level for a Band D equivalent of £177.97 [Paragraph 3.5 of the report] and each property band for 2023/24 be approved as set out in Appendix 9.

### **Special Expenses**

- The Special Expenses for 2023/24 as set out at Paragraph 3.16 (Table 4) of the report and Appendix 5.

### **Treasury Management Strategy**

- The Treasury Management Strategy as set out at Paragraph 3.29, Appendix 8;

2. **DELEGATE** to the Director of Resources, as the council's Chief Finance Officer, in consultation with the Leader of the Council and the Portfolio Holder for Finance & Assets, authority to:

- incorporate all outstanding precepts and levies once received from the relevant authorities.
- set aside sufficient sums in Earmarked Reserves as are considered prudent for both adequacy and purpose.

3. **NOTE:**

- The budget consultation process followed, and the feedback received set out at Appendices 10 and 11.
- The statement of the Director of Resources, as the council's Chief Finance Officer, that the Budget proposals for 2023/24 are robust and that the proposed level of reserves is adequate, as set out at in Appendix 1, Annex 3 to this report.
- The Council Tax base for 2023/24 adopted by Council on 19 December 2022:
  - of £38,251.46, [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended for the whole district];
  - for dwellings in those parts of its district to which one or more special items relates as listed at Appendix 5 and 9.

## **Reasons for Recommendation**

The proposed recommendations address the Council's statutory obligations in respect of the management of public finances in furtherance of the vision and aim of the Council's corporate plan and are in accordance with the provisions of its Constitution.

## Purpose of Report

- 1.1 This report presents to Council important financial information to allow it to agree:
  - 1.1.1 Council's 2023/24 budget (general fund revenue budget and capital programme);
  - 1.1.2 Medium-Term Financial Strategy (2024/25 to 2027/28); and
  - 1.1.3 Related documents intrinsically linked to the financial governance of the council.
- 1.2 The report provides technical financial information and assumptions, the evolution of which have been carefully considered by Cabinet on 5 December 2022, 16 January 2023, and 6 February 2023, and by the Performance Scrutiny Panel.

## Background

- 2.1 The current financial climate for local government continues to be challenging. This report has been prepared against a background of uncertainty about government spending plans from April 2023, as well as the wider economic volatility in respect of rising demand, pay and prices. The council continues to work hard to protect the delivery of services in a way which is sustainable. Since the council set its 2022/23 budget the national economy has moved into a higher inflation environment which is having an impact across all services, with some services still seeing post-pandemic impacts; with the council forecasting a revenue overspend of [£810k](#) at quarter 2.
- 2.2 The local government finance settlement included an expected New Homes Bonus (NHB) payment of £1.7m, but no indication of future NHB. The council will also receive a new grant that guarantees a minimum increase in funding of 3%. In mid-January 2023 it was confirmed that the council would receive additional income because of the national non-domestic rates (NDR) revaluation. The additional income of £1.2m reflects the compounding impact of growth across the district, new rateable values and increases in the grant payable to the council under section 31 of the Local Government Act 2003 (s. 31 grant). Further, a little earlier in January it was confirmed that the council would receive an additional one-off £857k in business rates relating to three new buildings at Magna Park that came onto the rating list in December 2022.
- 2.3 The forecast position for the financial period to March 2024, as referenced in this report, recognises the requirement to make the council's budget more financially resilient and sustainable whilst providing increased resources to support demand led services within the council.
- 2.4 COVID-19 continues to fundamentally affect the way the council works – it has reduced the level of resources available to the council while providing opportunities for the council to evaluate how it should operate in the future. The budget proposals therefore recognise the ongoing impact of COVID on the district.
- 2.5 This report is structured as follows:
  - Section 1: 2023/24 Local Government Finance Settlement
  - Section 2: The General Fund Revenue Budget (including the Medium-Term Financial Strategy).
  - Section 3: The Proposed Capital Programme.
  - Section 4: Treasury Management

Section 5: Statement by the council's statutory officer for finance (the Director of Resources) that the Budget proposals for 2023/24 are robust and that the proposed level of reserves is adequate, as set out at Appendix 1, Annex 3 to this report.

2.6 The report is supported by the following Appendices:

**Appendix 1: Medium-Term Financial Strategy (MTFS)**

A detailed commentary on the entire MTFS period, which currently shows a surplus in years one and two and a deficit in years three, four and five.

**Appendix 2: Changes between the Draft 2023/24 Budget & MTFS (2024/25 to 2027/28) considered by Cabinet to the Final 2023/24 Budget & MTFS (2024/25 to 2027/28)) now presented to Council.**

This is presented in a table to make it easier to identify changes.

**Appendix 3: Summary of Budget Principles Applied in respect of Services and Government Funding**

**Appendix 4: Schedule of Fees & Charges 2023/24**

This reflects statutory and discretionary fees.

**Appendix 5: 2023/24 Special Expenses**

The contribution sought from residents where the Council provides services provided by parish councils in other areas of the district.

**Appendix 6: Reserves Strategy**

The governance of the councils reserves.

**Appendix 7: Capital Strategy**

Capital expenditure is strictly defined and controlled - this appendix sets out how the Council will invest in capital projects.

**Appendix 8: Treasury Management Strategy**

Including relevant supporting documents:

- 8.1 Treasury Management Strategy and Prudential Indicators
- 8.2 Criteria for Investment of Surplus Funds
- 8.3 Interest Rates Forecasts
- 8.4 Economic Background
- 8.5 External Debt Analysis (Long Term Borrowing)
- 8.6 Counterparty List
- 8.7 Temporary Investment Report
- 8.8 Prudential Code Definitions
- 8.9 Flexible Use of Capital Receipts Strategy 2023/24

**Appendix 9: Council Tax Resolution**

- 9.1 Harborough District Council's Element of Council Tax 2023/24 [OBJ]

**Appendix 10: Response to Budget Consultation from Performance Scrutiny Panel on the 19 January 2023**

**Appendix 11: Response to Budget Consultation from the general public**

**Appendix 12: Glossary of Terms**

**Appendix 13: Equalities**

## Details

### Section 1: 2023/24 Local Government Finance Settlement

- 3.1 The council's core funding allocations for the forthcoming financial year are announced annually by Government in the provisional local government finance settlement, usually in December. Following consultation, allocations were confirmed in the final settlement on 6 February 2023.
- 3.2 The settlement issued by the government is again a one-year settlement; effectively a roll-over budget reflecting the government's intention of ensuring stability over the next couple of years (LGA Finance Conference, January 2023).
- 3.3 In national terms the Local Government Finance Settlement for 2023/24 announced a 9.4% increase in [Core Spending Power in England](#), an increase over the Core Spending Power increase of 7.4% that occurred when the final settlement was announced for 2022/23. Core Spending Power is the overall level of resources government estimates is available for funding local authority services. The Core Spending Power increase for Harborough District is 4.8% (1.2% less than in 2022/23), compared to the County:
  - 3.3.1 the highest District was 5.3% (1 Council), lowest 4.6% (1 Council).
  - 3.3.2 county was 9.7%, and for the
  - 3.3.3 two unitaries, an average of 8.5%.
- 3.4 The key aspects of the settlement relevant to the council is discussed in Appendix 1 and summarised below:
  - 3.4.1 The **NHB** grant is a one-year allocation for 2023/24 of £1.7m. The government did consult on a replacement for NHB during 2021 but its replacement is not yet known. Considering that there is likely to be a general election in 2024 it is considered unlikely that this funding will be nil for 2024/25 so a reduced estimate has been included.
  - 3.4.2 The **Services Grant** is a one-year allocation of £69k in 2023/24 and no estimate has been included for future years.
  - 3.4.3 The **3% Funding Guarantee** is a new grant that guarantees all councils a minimum increase in funding before Council Tax. For 2023/24 this is £819k, and a minimal provision of £55k included for 2024/25.
  - 3.4.3 Shire District Councils can increase Band D Council Tax demands by the higher of 2.99% or £5.
  - 3.4.4 The **Business Rate multiplier** has not been increased for 2023/24, and over the MTFS only marginal increases have been included (0.6% per annum).

3.4.5 Following the onset of the pandemic and the expectation of collection fund losses, the government permitted local authorities to “spread” 2020/21 losses over the subsequent 3 years with 2023/24 being the last year of this spreading.

3.5 It is important to note that the government assumes in its Core Spending Power figures that the Council Tax base and Council Tax itself will increase; the latter by the maximum. In respect of:

3.5.1 **Council Tax:** Cabinet has proposed a 0% increase in its 2023/24 Council Tax Band D equivalent for 2023/24; thereby holding Council Tax at the same rate as 2022/23 (£177.97).

3.5.2 **Council Tax Base:** at Decembers Council meeting, Council approved a 2.3% increase in the Council Tax Base to 38,251.5 for 2023/24. This is a significant increase but reflects the growth that has occurred over the past year. For the MTFS, an annual increase is proposed based on the 5-Year Housing Supply.

3.5.3 the statutory **Council Tax Resolution** is attached at Appendix 9.

## Section 2: The General Fund Revenue Budget (including the Medium-Term Financial Strategy).

### 2023/24 forecast outturn

3.6 The latest reported position on the General Fund revenue budget as at quarter 2 is an overspend of £810k; this was discussed at the 5 December 2022 Cabinet meeting ([Report](#) / [Appendix](#))

### Proposed 2021/22 Revenue Budget and Medium-Term Financial Strategy (2024/25 to 2027/28)

3.7 Detailed commentary on the 2023/24 revenue budget is given in Appendix 1 and is summarised in Table 1 below.

Summary Consolidated Final Budget 2022/23 & MTFS (2023/24 to 2026/27)				Table 1		
	2022/23 Original Budget £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
<b>Net Cost of Services</b>	11,064	12,053	12,470	13,380	14,224	14,546
Capital Financing	505	424	438	509	540	563
<b>Net Expenditure</b>	11,569	12,477	12,908	13,889	14,764	15,109
Reserves Contributions to/from Support Services	0	5,212	1,517	(438)	(1,020)	(1,057)
Other Net Reserves Contributions	1,428	(790)	(322)	(206)	(206)	(206)
<b>Net Reserve Contributions</b>	1,428	4,422	1,195	(644)	(1,226)	(1,263)
<b>Budget Requirement</b>	12,997	16,899	14,103	13,245	13,538	13,846
Total Grant	(6,344)	(10,091)	(6,938)	(5,741)	(5,677)	(5,614)
<b>Council Tax Requirement</b>	6,653	6,808	7,165	7,504	7,861	8,232

3.8 The key information in respect of the 2023/24 Budget and MTFS is shown below:

**2023/24 Budget**

- 3.8.1 **Net Expenditure: £12.5m**, which represents an additional £908k (7.8%) when compared to 2022/23.
- 3.8.2 **Net Reserves Contribution:** a net contribution to reserves of £4.4m
- 3.8.3 **Budget Requirement: £16.9m**, which represents a £3.9m (30%) increase when compared to 2022/23.
- 3.8.4 **Council Tax Requirement: £6.8m**, a net increase of £154k (2.3%) when compared to 2022/23.

**MTFS (2027/28)**

- 3.8.5 **Net Expenditure:** £15.1m, which represents a £2.6m (21.1%) increase when compared to 2023/24.
- 3.8.6 **Net Reserves Contribution:** a net contribution from reserves of £1.3m; £1.1m to meet the in-year forecast deficit and £206k to mitigate service costs. The first year within the MTFS where a deficit occurs is 2025/26 which requires a contribution from reserves of £644k; £438k to meet the in-year deficit and £206k to mitigate services costs.
- 3.8.7 **Budget Requirement:** £13.9m, which represents a £3.1m (18.1%) reduction when compared to 2023/24.
- 3.8.8 **Council Tax Requirement:** a net increase of £1.4m (20.9%) when compared to 2023/24. The MTFS has been modelled on a “notional” increase of 2.99% per Band D equivalent per annum.

3.9 With regard to service expenditure, the 2023/24 Budget and MTFS has been developed reflecting on the four approaches which are summarised below. This has been discussed extensively at Cabinet and Scrutiny in January and February with detailed commentary shown in Appendix 1 and summarised below:

- 3.9.1 **Service Income:** this primarily involves increases in fees and charges and corporate income related to investment. There have been reductions in Car Parking income (£216k) and Development Management income (£103k) to reflect the legacy impacts of the Covid Pandemic and the potential impact of recession respectively and increases in investment income (£400k) due to the increase in bank base interest rates.
- 3.9.2 **Service Savings:** there are a significant number of savings themes included within the budget. These include the embedding of savings accrued from:
  - 3.9.2.1 **Budget Challenge 2025**, the transformation programme that was held from September 2020 through to September 2021. These savings are embedded into the councils MTFS; this will be the last year that this process will be mentioned.
  - 3.9.2.2 **Target Operating Model Service Efficiency**, this is a saving attributable to how the council is operated. The original saving was £353k per annum, the balance yet to be achieved is £281k and remains within each year of the MTFS.

3.9.2.3 **General service savings** of £957k (£4.5m over the MTFS), these are detailed in [Appendix 3](#) of the draft budget that was reported to Cabinet in January 2023.

3.9.3 **Service Growth:** this is primarily due to:

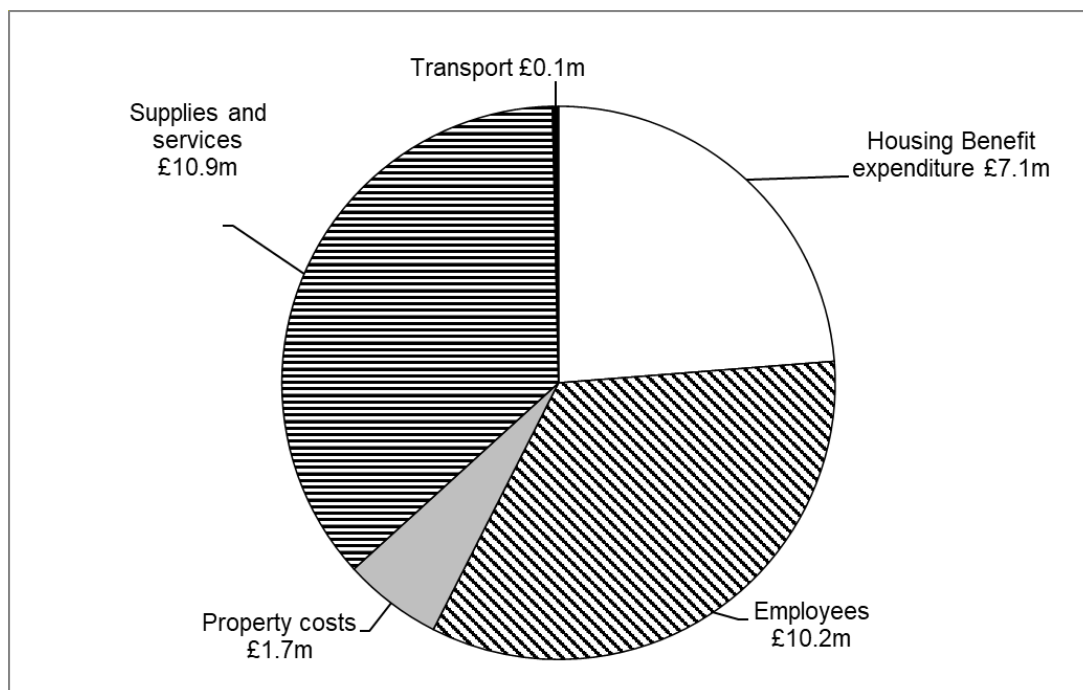
3.9.3.1 **Inflation**, with significant increases in utility costs (£42k) for council administrative buildings, utility costs relating to the new leisure contract from 2024/25 (£188k), the FCC waste and environment contract (£610k)<sup>1</sup> and Pay (£375k).

3.9.3.2 **Unplanned service budget changes**, because of the 2022 budget review process some additional costs needed to be included in the budget. These include the costs of the Netcall licence (£60k), Legal and Democratic system licence (£28k), higher external audit fees (£48k), additional contributions to the Leicestershire Revenue and Benefits Partnership (£62k) and additional project management resource (£116k).

3.9.4 **Capital Financing:** following a technical review of how the council finances its Capital Expenditure, Council approved a new Minimum Revenue Provision (MRP) Policy in December 2021 and this continues to award annual savings.

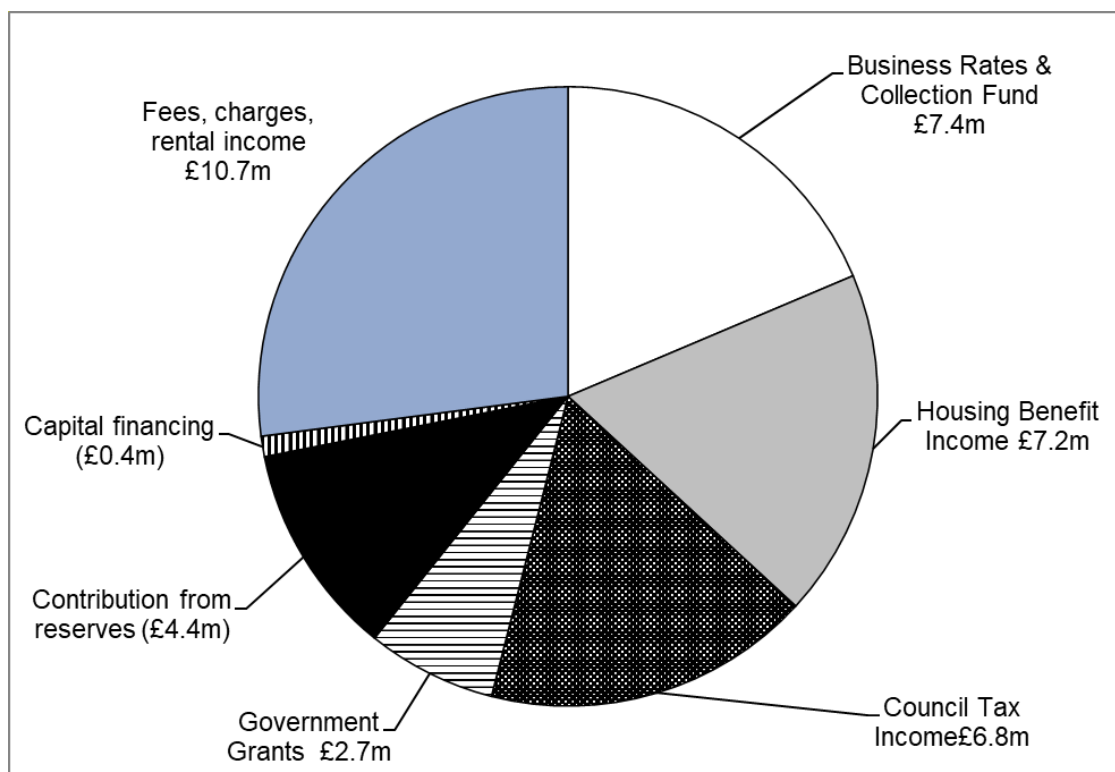
3.10 The proposed gross expenditure budget for 2023/24 is £30m including housing benefits (£7.1m). The pie charts below show how the gross expenditure budget will be spent and funded (detailed analysis in Appendix 1, Annex 1).

**Chart 1 showing the General Fund Gross Expenditure Budget of £30m**



<sup>1</sup> Table 2 of the [Draft Budget](#) shows the 2023/24 FCC net inflationary increase as £205k. The 2023/24 FCC increase is £610k when compared to the 2022/23 approved budget. However, when the 2022/23 budget-MTFS was approved, the 2023/24 year included an inflation assumption of £405k; therefore the adjustment needed is £205k to bring it to the now determined 2023/24 inflationary increase.

**Chart 2 showing how the Gross Expenditure Budget is financed**



\* Business Rates: NDR of £5.8m and Collection Fund Surplus of £1.6m

- 3.11 In November, Cabinet approved its Budget Principles – the base assumptions on how the budget would be constructed. Appendix 3 shows how these have been applied to the budget and their impact along with the government funding announced in the financial settlement.

### **Changes between Original Budget 2022/23 and Final Budget 2023/24**

- 3.12 It is important that members understand how the council's budget has changed; both between the original budget of the preceding year (2022/23) to the draft budget (2023/24) presented to Cabinet in January and then how that transitioned to the final budget that was considered by Cabinet earlier this month and is presented to Council.
- 3.13 In respect of the changes between the approved 2022/23 Budget and the Final Budget for 2023/24, these have been reported in detail to Cabinet in January and February and reviewed by Scrutiny in January. A summary of the changes is shown in **Table 2** below.

Reconciliation of Budget Changes:			Table 2	
1) 2022/23 Budget to 2023/24 Base Budget				
2) 2023/24 Base Budget to 2023/24 Final Budget				
	£000	£000		
1) 2022/23 Budget to 2023/24 Base Budget (*)				
2022/23 Budget Approved February 2022		11,064		
Previously Approved Growth/Savings	(121)			
Previously Approved BC25 Savings	130	9		
2023/24 Base Budget		11,073		
2) 2023/24 Base Budget to 2023/24 Final Budget				
Net Expenditure	£000			
2023/24 Base Budget		11,073	(a)	
Budget Changes: Draft Budget (*)				
- Pay increases	570			
- Service growth	(674)			
- Waste contract	205			
- Elections/Local Plan	372			
- Unplanned Pressures	499			
- Capital Financing	424	1,396	(b)	
Budget Changes: Final Budget (**)				
- Service Growth		7	1,403	
2023/24 "Final" Net Expenditure Budget (**)		12,476	(1)	
Reserves				
2023/24 Draft Budget (*)		2,594	(c)	
Budget Changes: Final Budget (**)		1,829		
2023/24 Final Budget (**)		4,423	(2)	
Government Funding				
2023/24 Draft Budget (*)		(8,052)	(d)	
Budget Changes: Final Budget (**)				
- NDR	(1,182)			
- Collection Fund	(857)	(2,039)		
2023/24 Final Budget (**)		(10,091)	(3)	
Council Tax				
2023/24 Draft Budget		7,011	(a+b+c+d)	
2023/24 Final Budget		6,808	(1+2+3)	
Change in Council Tax		203		
NB * - Draft Budget approved by Cabinet 16 January 2023; reviewed by Scrutiny 19 January 2023.				
** - Final Budget approved by Cabinet 6 February 2023.				

3.14 Budgets are, by their very nature evolving financial management plans and as ever with such plans, changes routinely occur. The 2023/24 changes between the draft budget and the budget now presented to Council have resulted in a net reduction in Council Tax of £203k, along with additional contributions to reserves of £1.8m. This is summarised in Table 3 below and a detailed analysis is shown in Appendix 2.

Changes between Draft 2023/24 Budget & MTFS (2024/25 to 2027/28) and Final 2023/24 Budget & MTFS (2024/25 to 2027/28)		Table 3					
		Budget 2023/24 £000	Medium-Term Financial Strategy				
			2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total
Changes in Service Costs and Income	a	7	7	7	7	7	35
Changes in Capital Financing		0	0	0	0	0	0
Changes in Reserves	b	1,829	665	660	654	648	4,456
Change in Grant (incl. NDR, NHB etc)	c	(2,039)	(885)	(891)	(896)	(902)	(5,613)
<b>Net Changes in Council Tax</b>		<b>(203)</b>	<b>(213)</b>	<b>(224)</b>	<b>(235)</b>	<b>(247)</b>	<b>(1,122)</b>

## Fees and Charges

- 3.15 Each year the council is required to approve a schedule for Fees & Charges. This represents a 10.1% increase for non-statutory fees and charges. The schedule for 2023/24 is attached at Appendix 4. It should be noted that there are some income streams that have been increased by other amounts or not at all, by way of example:
- 3.15.1 **car parking charges** have not been increased due to the current strategic review of the service,
- 3.15.2 **green bin charges** have increased by £6 to ensure that the twin principles of full cost recovery and no cross-subsidisation from scheme non-participants and scheme participants is achieved, and
- 3.15.3 **lease rentals** at the Harborough Innovation Centre/Grow-On Centre which are subject to market determined prices.

## Special Expenses

- 3.16 The overall Council Tax bill (excluding precepts) will separately show the Harborough District Council Element (charged to all residents in the district) and Special Expenses which relate to specific localities where the Council is providing services which are provided by Parish Councils elsewhere. Appendix 5 gives the proposed charges for Special Expenses for 2023/24 and Table 4 below provides a summary of how Special Expenses equates in the Council Tax bill.

Special Expenses - Redistribution by Parish Area							Table 4
Area within the District	Basic amount of HDC council tax before special expense redistribution  a  £	Redistribution of Special Expense			Parish element  e  £	Basic amount of Council Tax by Parish (1)  f (a+d+e) £	Reconciliation of HDC council tax after special expense amount  a-b  £
		Total special expense amount in HDC budget to be redistributed  b  £	Redistributed special expense by parish area  c  £	Net special expenses adjustment  d (b+c) £			
Blaston	177.97	(16.60)	9.85	(6.75)	0.00	171.22	161.37
Foxton	177.97	(16.60)	9.96	(6.64)	47.85	219.18	161.37
Great Bowden	177.97	(16.60)	8.05	(8.55)	60.53	229.95	161.37
Great Easton	177.97	(16.60)	14.87	(1.73)	37.55	213.79	161.37
Lutterworth	177.97	(16.60)	12.77	(3.83)	115.05	289.19	161.37
Market Harborough	177.97	(16.60)	53.60	37.00	0.00	214.97	161.37
Saddington	177.97	(16.60)	30.52	13.92	22.57	214.46	161.37
Thurnby & Bushby	177.97	(16.60)	25.20	8.60	55.45	242.02	161.37
Broughton Astley	177.97	(16.60)	4.70	(11.90)	112.13	278.20	161.37
Fleckney	177.97	(16.60)	0.41	(16.19)	99.18	260.96	161.37
Great Glen	177.97	(16.60)	1.65	(14.95)	132.03	295.05	161.37
Scraptoft	177.97	(16.60)	6.10	(10.50)	96.85	264.32	161.37
NB.							
(1) agrees to Appendix 9: Council Tax Resolution.							

- 3.17 Special expenses are applied when Harborough District Council provides a service in a parish (or unparished area) which is provided in other parishes by a town or parish council. Special Expenses are paid to the council for; cemetery provision, allotment provision, Harborough in Bloom, Harborough Town Centre Support (including specified events), parks and recreation grounds, memorial gardens, bus shelters and space considered to be in the public realm.

## Reserves

- 3.18 In December 2022, Cabinet approved an updated Reserves Strategy. The strategy confirms the council's approach to the governance of reserves and was updated to reflect a minimum level of General Fund (Unallocated) Reserves of 20% of Net Expenditure.
- 3.19 Forecast balances at the end of each year of the MTFS are shown in Table 5 below. Reserves are also discussed at Appendix 1. This reflects the establishment of three new earmarked reserves; namely:
- 3.19.1 **Financial Sustainability**; the aim of this reserve is to smooth the expected budget gaps in the future years of the MTFS.
- 3.19.2 **Collection Fund**; the aim of this reserve is to mitigate future volatility in the collection of Council Tax and Business Rates.
- 3.19.3 **Corporate Plan & Strategy**; the aim of this reserve is to hold funds that will be released over the MTFS to implement projects/initiatives that are highlighted within the Corporate Plan.

Summary Reserves Statement for the Consolidated Final Budget 2023/24 & MTFS (2024/25 to 2027/28)				Table 5		
All numbers as at 31 March of each year	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Original Budget £000	£000	£000	£000	£000	£000
<b>General Fund (Unallocated) Reserve</b> - Reserves at 20% of Net Expenditure	2,291 Yes	2,495 Yes	2,581 Yes	2,778 Yes	2,953 Yes	3,022 Yes
<b>Earmarked Reserves</b>						
Budget Surplus	0	0	0	0	0	0
CV19 Internal Recovery	2,157	0	0	0	0	0
Projects, Risk & Smoothing	3,794	2,631	2,742	2,853	2,964	3,075
Capital & Contract	748	2,427	2,427	2,427	2,427	2,427
Transformation	1,067	1,000	1,000	1,000	1,000	1,000
Financial Sustainability	0	2,956	2,956	2,321	1,126	0
Collection Fund	0	1,000	1,000	1,000	1,000	1,000
Corporate Plan & Strategy	0	723	1,110	248	52	0
Community, Economic & Infrastructure	1,872	1,000	1,000	1,000	1,000	1,000
Commercial Investment Reserve	2,857	1,229	1,113	1,113	1,113	1,113
<b>Total Reserve Balances</b>	<b>14,786</b>	<b>15,461</b>	<b>15,929</b>	<b>14,740</b>	<b>13,635</b>	<b>12,637</b>

3.20 It is a statutory requirement for the council to set a balanced budget and it achieves this for 2023/24; as shown in Table 1 it makes a net contribution to reserves of £4.4m.

3.21 However, in respect of the 5-years of the MTFS and the:

3.21.1 **“unplanned” use of reserves.** The council has a surplus budget for 2023/24 and 2024/25 and its net contribution to reserves is £5.6m. The intention is to apply such surpluses to meet future year deficits and to earmark funding to meet future Collection Fund Volatility and the costs of capital and revenue priorities within the Corporate Plan.

In respect of future year deficits, these occur between 2025/26 and 2027/28 and the council estimates to contribute £2.5m from reserves. The average annual reserves needed to finance these deficits is £838k. When the council set the 2022/23 budget, the average annual reserves need to finance the MTFS was £1.2m for each deficit year.

3.21.2 **Use of earmarked reserves**, over the MTFS, the council plans to commit £1.7m from earmarked reserves (an average of £346k per annum) to meet ongoing obligations in respect of costs relating to the local plan, elections, project management resources and the tax income guarantee (the government funding initiative awarded to councils in 2020/21 to enable them to smooth the losses on revenues collection resulting from the pandemic).

3.22 The Chief Financial Officer’s view on the robustness of the reserves position is given in section 5 of this report.

## **Section 3: The Proposed Capital Programme**

### **Definition of capital expenditure**

- 3.23 Capital expenditure is strictly defined as expenditure on the creation or enhancement of assets.
- 3.24 Unless expenditure qualifies as capital it will normally be charged to the revenue budget in the period that the expenditure is incurred. If the expenditure meets the definition of capital, there may be opportunities available to finance the outlay from capital receipts (income from selling assets), capital grants, section 106 money, or by spreading the cost over future years' revenue budgets by borrowing (capital financing / minimum revenue provision).

### **2022/23 revised budget**

- 3.25 Council approved a capital programme in February 2022 of £30.8m for 2022/23. In July 2022, Cabinet approved capital carry forwards from 2021/22 into the current financial year of a further £4.3m.

### **2023/24 to 2027/28 Capital Programme and Capital Ambition**

- 3.26 The proposed capital programme for 2023/24 to 2027/28 is summarised in Table 6 and shown in Appendix 1; it has also been reported to Cabinet and Scrutiny in January and Cabinet again in February. The capital programme totals £27.9m over the MTFS period; £9.8m being new capital proposals; including the four additional and one deleted capital projects.

Summary of the Capital Programme					Table 6	
	New Budget Year	Medium-Term Financial Strategy				Total Capital Programme
	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	£000
<b>Capital Projects Approved in Previous Years</b>	<b>5,300</b>	<b>7,660</b>	<b>4,210</b>	<b>860</b>	<b>0</b>	<b>18,030</b>
<b>New Capital Projects</b>						
Depot - Additional Funds	2,500	2,500	0	0	0	5,000
Play Areas - reduced funding required 23/24-25/26	(80)	(80)	(80)	0	20	(220)
Welland Park Works	150	0	0	0	0	150
On-going Net call developments and enhancements (reduced funding requirement 23/24)	(55)	20	20	20	20	25
Replacement and new EV points	117	0	0	0	0	117
New AV equipment Council Chamber	20	0	0	0	0	20
Elections scanners	20	0	0	0	0	20
The Symington Building - Concierge	60	0	0	0	0	60
The Symington Building - Generator	90	0	0	0	0	90
The Symington Building - M&E works	15	0	0	0	180	195
The Symington Building - Secondary Glazing	0	150	0	0	0	150
Plowmans Yard Damp	50	0	0	0	0	50
Roman Way - 20% uplift for costs	136	0	0	0	0	136
Cemetery Footpath and boundary works	57	15	0	0	0	72
Cemetery Extension works (s106)	50	0	0	0	0	50
HIC M&E	0	15	0	0	140	155
Welland Park and Lutterworth New CCTV cameras (existing scheme but delayed - additional costs)	25	0	0	0	0	25
HIC Solar panels £77k (Direct Revenue Financing)	77	0	0	0	0	77
Environmental/Climate Change Grants	70	70	70	70	0	280
Market Hall Heating	80	65	0	0	0	145
LA Housing Fund - grant to Platform Housing	1,736	0	0	0	0	1,736
Biodiversity Projects Reserve	50	150	135	0	0	335
Enhanced Environmental & Climate Change	52	52	52	52	52	260
Parks and Open Spaces	50	100	140	0	0	290
Community Facilities	75	215	0	0	0	290
District Wide Flats Above Shops Scheme	78	78	78	79	0	313
<b>Total New Capital Projects</b>	<b>5,423</b>	<b>3,350</b>	<b>415</b>	<b>221</b>	<b>412</b>	<b>9,821</b>
<b>Total Capital Programme</b>	<b>10,723</b>	<b>11,010</b>	<b>4,625</b>	<b>1,081</b>	<b>412</b>	<b>27,851</b>
<b>Sources of Finance</b>						
Better Care Fund	420	420	420	420	0	1,680
External Funding/Other Grants	2,928	2,250	550	0	0	5,728
S106	500	658	300	320	360	2,138
Capital Receipts/FU Capital Receipts	3,752	465	(10)	50	0	4,257
Service Charges	6	6	6	6	0	24
Direct Revenue Financing	617	595	405	131	52	1,800
Borrowing (Internal: MRP/Capital Financing)	2,500	6,616	2,954	154	0	12,224
<b>Total Financing</b>	<b>10,723</b>	<b>11,010</b>	<b>4,625</b>	<b>1,081</b>	<b>412</b>	<b>27,851</b>

3.27 The sources of finance noted above are indicative at the time of approving the budget. The council currently is effectively “debt-free” but in time there might be a need to replace internal borrowing with external borrowing, which brings with it associated capital financing costs. However, with prevailing low rates of external borrowing, the council will need to consider the most cost-effective means of financing its capital expenditure and this might entail:

- wholly borrowing internally,
- wholly borrowing externally (either short or long-term), or a
- combination of both internal and external financing.

However, such decisions will be determined based on:

- prevailing treasury conditions at that time,
- the Councils approved Treasury Management Strategy, and the
- most cost-effective means of financing over the medium-term.

### **Capital Strategy**

- 3.28 Council approved the Capital Strategy in February 2020, much of this document remains applicable to the 2023/24 Budget and MTFs (2024/25 to 2027/28) and only requires minor updating. The updated strategy is attached at Appendix 7 and one minor change is shown in Appendix 7.1.

## **Section 4: Treasury Management**

- 3.29 Treasury Management is an intrinsic part of the budget; especially relevant to the financing of capital expenditure and budgets relating to interest and investment income; further explanation is shown at Appendix 8.

## **Section 5: Statement by the Council's Chief Finance Officer (the Director of Resources) that the Budget proposals for 2023/24 are robust and that the proposed level of reserves is adequate, as set out at Appendix 1, Annex 3 to this report.**

- 3.30 Section 25 of the Local Government Act 2003 places specific responsibilities on the Chief Financial Officer (CFO) (also known as the s151 Officer / the statutory officer for finance / Responsible Finance Officer) to report on the robustness of the budget and the adequacy of proposed financial reserves when the Council is considering its budget requirement. The Council is required to have regard to this statement when it sets the budget.
- 3.31 In addition, the Chartered Institute of Public Finance and Accountancy (CIPFA) recommends that the CFO refers to:
- Treasury related items, including the range of prudential and capital indicators (Appendices 8 to 8.9).
  - financial resilience, primarily CIPFA's resilience index (addressed at Appendix 1, Annex 3).
  - Capital strategy and the associated prudential code and the deliverability, affordability, & the risks. (Appendix 7 and 8).

### **Detailed Commentary and Conclusion on the robustness of reserves.**

3.32 A detailed commentary on the “robustness of reserves” is shown in Appendix 1, Annex 3. In summary, following extensive sensitivity analysis of potential risks and estimated uses of reserves it is fair to conclude that in respect of:

3.32.1 the use of the General Fund (Unallocated) Reserve, the Budget Surplus and some of the Earmarked Reserves, the Council should be able to absorb considerable additional financial risk. It should be noted however:

- it is unlikely that all these risks would occur all at the same time.
- where in future years drawdowns from reserves are considered; the Council needs to be cognisant that this will reduce the available funds to meet potential financing stresses towards the end of the MTFS. However, the Council needs to take a balance approach between investing in its community and securing longer term financial security.

3.32.2 the Council is not self-sufficient over the medium-term in respect of “income = expenditure” as there is an “unplanned” use of reserves in the last two years of the MTFS. However, it is fair to say that in respect of its total resource availability, other than in an extreme scenario, the Council can meet its medium-term financial commitments.

## **Conclusions**

### **2023/24 Budget**

3.33 Considering all the factors noted within the “Robustness” statement in respect of 2023/24, the CFO considers that the combination of the:

- Councils’ commitment to continue to find service efficiencies,
- the direction of travel in relation to governance,
- it’s clear intention to invest in services, and
- it’s prudent position relating to income recognition (including raising Council Tax),

the budget proposed for 2023/24 should not give Councillors any significant concerns over the Council’s financial position.

### **Medium Term Financial Strategy (2024/25 to 2027/28)**

3.34 Regarding the period covered by the MTFS; at this point in time the Council does face some significant future funding risks:

- An expected reduction in NHB;
- the implications of Fair Funding and
- the ongoing issues pertaining to the localisation of Business Rates, and if,
- current levels of service are maintained, the Council is likely to continue to face a challenging financial future.

3.35 The Council has taken proactive action to address its budgetary concerns by undertaking two significant budget review processes as well as several other transformational and cost control initiatives. However, the current programme of change must continue and for the Council to achieve full financial sustainability and resilience

and be able to continue to invest in its local community, the Council will have to ensure that “continuous improvement” remains at the centre of its future service delivery model.

## Implications

### Corporate Priorities

- 4.1 This report promotes the corporate priority of being innovative, proactive, and efficient by delivering financial sustainability for the future. The budget and MTFS shows the available financial resources to deliver the council's corporate priorities as well as the statutory services it is required to deliver. This year, the council has established a dedicated earmarked reserve to provide funding to meet specific corporate plan priorities.

### Consultation

- 4.2 In preparing this report, statutory consultation requirements have been complied with, these have included:
- 4.2.1 formal consultation via the council's website with the public (Appendix 11).
  - 4.2.2 continuous development discussions with Cabinet through the preparation of both a draft (16 January 2023) and final (6 February 2023) budget & MTFS prior to consideration by Council.
  - 4.2.3 consultation with the Performance Scrutiny Panel (19 January 2023) on the draft budget. This meeting was open to all members so they could participate in the review process.
  - 4.2.4 consultation with Unison (8 February 2023).
  - 4.2.5 ongoing consultation with services and respective portfolio holders as the budget was developed since August 2023.

### Financial

- 4.3 During the budget development process, Financial Services has constructively challenged budget propositions with services to ensure that, as far as is possible, the proposed service estimates award the council value for money. During the year, finance business partners work closely with services and continue the approach of constructive challenge to ensure that the council makes every effort to meet its primary budget principles of:

***“Committed to Financial Sustainability & Resilience to enable Community Investment”.***

- 4.4 Throughout this report there is a detailed commentary on the changes from the 2022/23 budget through to the 2023/24 budget, as well as 4-year projection to complete the MTFS. As part of the review of financial governance last year there was a commitment to develop a Long-Term Financial Strategy (LTFS). However, with the recent inflationary increases and differing expert advice on how long the current macro environment will

continue such a strategy, at this time, could be detrimental to the effective delivery of both immediate and medium-term priorities. An LTFS will be developed during 2023/24 as market expectations crystalise.

#### 4.5 Regarding:

- 4.5.1 **Revenue**, the council is planning for a surplus budget for 2023/24 and 2024/25, with a net surplus of £5.6m. This surplus has been generated due to a combination of strong financial control, leadership and management, continuous service improvement and transformation and the benefits of residential and business rate growth throughout the district. Such an approach is now bearing fruit as the surplus now permits members to have choices in the delivery of its corporate plan along with ensuring medium-term financial resilience. For 2023/24, the council has agreed to freeze Council Tax, but as shown in the MTFS, it has included a nominal increase in Council Tax for each year thereafter. It cannot be said that the council is financially sustainable because on a year-by-year basis its income does not equal expenditure. But by setting-aside surplus funds to meet future year deficits, which themselves include prudent budgetary estimates, has enabled the council to effectively manage budgetary risk and therefore awards it financial resilience.
- 4.5.2 **Capital**, the council has an ambitious capital programme totalling £27.9m, £9.8m of which are new projects introduced this budget round. There is a broad mix of capital propositions including essential works to enhance the value of its estate, ICT development, investments in leisure, the community and environmental / climate priorities and housing to meet both long and short pressures.
- 4.5.3 **Reserves**, the council has a pragmatic approach to reserves that is embedded within its reserve's strategy. By the end of 2023/24 it is estimated to hold reserves of £15.5m, with a slight increase in 2024/25 and then a general reduction to £12.6m by 2027/28. The council can maintain the General Fund (Unallocated) Reserve at the minimum 20% for the entire MTFS period.

- 4.6 The Budget and Policy Framework Procedure Rules are set out within the Constitution at part 4, section 3 and the Financial Procedure Rules for Officers at part 4, section 6 of the Constitution. The process followed in the development of this budget and MTFS, and its subsequent approval and monitoring throughout the year, is in line with the framework.
- 4.7 All members should consider the reflections of the s.151 officer in respect of the s.25 report in respect of "robustness of reserves". This is a statutory report, and it models various financial and budgetary risks to determine the financial stress that the council would be under and whether it could finance such scenarios.

#### Legal

- 4.8 Legal Services have been consulted in relation to the proposals contained within this report from the outset.
- 4.9 In the case of R (Buck) v Doncaster MBC [2012] the High Court confirmed that Council's role in budget setting is limited to the allocation of resources to meet the

authority's potential expenditure for the next financial year, which enables it to set an appropriate level of council tax.

- 4.10 The Director of Governance and Law, as Monitoring Officer, considers that the proposals set out within this report comply with the provisions of the above case. Further, the proposals meet the below statutory requirements to determine the amount of Council Tax for the forthcoming year and set a balanced budget:

**4.10.1 S30 (6) Local Government Finance Act 1992 (the 1992 Act)**

This section requires that Council Tax must be set before 11 March, in the financial year preceding that for which it is set. Failure to set a budget by this date does not of itself render the Council Tax invalid.

**4.10.2 S31A the 1992 Act**

This section sets out the calculations to be made in determining the council tax requirement, including contingencies and financial reserves. Failure to undertake the required calculations renders any Council Tax void and unenforceable.

**4.10.3 S31B the 1992 Act**

This section sets out the detail of the calculations required to meet the Council's obligations as at S31A.

**4.10.4 S25 (1) Local Governance Act 2003 (the 2003 Act)**

The Chief Finance Officer must report to Council on:

4.10.4.1 the robustness of the estimates made for the purposes of the calculations; and

4.10.4.2 the adequacy of the proposed financial reserves.

**4.10.5 S25 (2) the 2003 Act**

When the Council is considering calculations under S31A, it must have regard to a report of the Chief Finance Officer concerning the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.

**4.10.6 The Local Authorities (Functions & Responsibilities) (England) Regulations 2000 (as amended)**

These Regulations set out what are to be the respective functions of Council and of the Executive. With regard to the setting of the budget and Council Tax for the forthcoming year, Regulations provide that the Leader formulates the plan or strategy (in relation to the control of the Council's borrowing or capital expenditure) and the preparation of estimates of the amounts to be aggregated in making the calculations under S31A of the 1992 Act. The approval of such plan or strategy/calculations is the responsibility of full Council.

- 4.11 This report supports the Council's adopted budget and policy framework as set out in the Constitution at Part 4, Section 3.

**Environmental Implications**

- 4.12 The Council has declared a climate emergency. This report addresses climate issues by including capital projects that will help to provide mitigate the impacts of climate change.

It should be noted that the council does not have any dedicated resource to deliver climate change mitigation, although it does have an officer whose role is to monitor the districts climate impact and performance.

### **Risk Management**

- 4.13 The s.151 officers' independent assessment of the "robustness of reserves", the s.25 report, considers several risks and whether the council has enough reserves to meet these potential liabilities – the conclusion is that it does for 2023/24 and over the medium-term some of the scenarios do put the council into financial stress. However, it must be recognised that the assessment does anticipate a worst-case scenario because it is unlikely that all these risks would occur at the same time.
- 4.14 In respect of mitigation, the council will monitor and report its financial performance quarterly to Cabinet and then to Performance Scrutiny. The financial controls within the council are robust and subject to unfettered review by internal audit and managers are duly skilled and experienced to ensure compliance with agreed financial controls.

### **Equalities Impact**

- 4.15 An equalities impact screening assessment has been undertaken and is disclosed at Appendix 13. In respect of the public consultation (Appendix 11) there were seven responses and they represented a mix of the demography of the council. Upon reflecting on the responses, the consensus was
- 4.15.1 there are some lessons to be learnt for when the budget reports are drafted for next year (71% of respondents),
- 4.15.2 there should not be an increase in Council Tax for 2023/24 (71% of respondents), and
- 4.15.3 that there should not be an allocation from the Community Fund to celebrate the Kings Coronation (57% of respondents).
- 4.16 There are no other no other equality impacts because of this report. The assessment is an iterative process, one that starts when services review their budgets through to when the consolidated final budget and MTFS is considered by Cabinet and then Council.

### **Data Protection**

- 4.17 The seven data principles set out in the Data Protection Act 2018 have been complied with in the preparation of this report.

## **Alternative Options**

- 5.1 As set out in the detailed main body of the report, the requirement to set a balanced budget is a statutory obligation. It is for Councillors to determine whether to approve the proposed final budget.

## **Recommendation**

- 6.1 For the reasons set out within this report, it is recommended that the Council consider the recommendations set out at the start of this report.

## **Background Papers**

- 7.1 Cabinet papers for Draft and Final Budget;
- 7.2 Scrutiny papers for Draft Budget.
- 7.3 Various background service budget review documents.
- 7.4 Published government papers relating to the provisional and final settlements.





**Budget for 2023/24**

**Medium Term Financial Strategy**

**2024/25 – 2027/28**

## **Foreword from Portfolio Holder for Finance and Assets**

Over recent years all local authorities have faced significant challenges, there were the many years of austerity following the financial crash of 2008, then the Coronavirus Pandemic of 2020 and now the cost-of-living, high-inflation environment primarily caused by the Ukraine conflict.

The council has continued to provide high quality services to its residents and businesses through these testing times, and this year is no exception. The Council has put in place a series of different initiatives that support its broad residential and business community. It is delivering much needed short-term accommodation for the most vulnerable in our community and working with partners to deliver long term housing. It provides a good offer to its wider community in respect of leisure, open space and improving the environment. In respect of business, it has a welcoming attitude to new business opportunities. Its own direct offer in respect of both the Harborough Innovation Centre and Grow-On Centre now have established business working from them. Also, its support of Magna Park is now bearing fruit.

The Council has for this and next year a surplus budget totalling £5.6m and it will use this wisely. This surplus has been generated from a combination of strong financial leadership that ensures its services are run with value for money and continuous improvement at their core, but also from the benefits of growth due to both new residents and businesses seeing Harborough as a destination of choice.

Firstly, it wishes to share this success with residents and will be freezing Council Tax next year. Secondly, this surplus has awarded the council the opportunity to deliver elements of the Corporate Plan. This will be a mix of long-term capital investment such as community development and a grant scheme to support environmental development and mitigate climate change along, with some revenue funding that will support the delivery of key priority strategies and facilitate economic regeneration.

As mentioned earlier, the council has in place strong financial leadership. In last year's budget it was able to report that it had delivered circa £3m in annual savings, this year it has been able to deliver a further annual saving from services of circa £1m. It has been able to deliver a balanced budget for the entire period through to 2027/28; although it will be using some of the surplus to meet current future year estimated deficits. The Council has an excellent record of transforming its services to increase efficiency and we are working across the Council to continue to achieve this. We have "continuous improvement" at the core of how we deliver our services and we will continue to invest in ICT to enable the delivery of services closer to our customers.

The Medium-Term financial Plan provides the framework by which we will meet our targets and ensure that the Council continues to deliver vital services to those people that live and work in the district.

Councillor James Hallam  
**Portfolio Holder for Finance & Assets**

February 2023

## **1. Executive Summary**

- 1.1 The Council aims to deliver cost-effective and sustainable services over the medium-term in line with its corporate priorities. The current national and local economic environment has been challenged by legacy of the Coronavirus Pandemic and now with the implications of the current cost-of-living crisis and high inflationary environment; however local government has itself faced significant financial challenge since the financial crisis of 2008 to 2010. The Council has met these challenges well; it has embraced continuous improvement that has encompassed two significant service reviews and transformation; the aim of which is ensure that the council can deliver its essential services within an environment that has embedded financial resilience and sustainability at its core. Further, the Medium-Term Financial Strategy (MTFS) has achieved a balanced budget. The MTFS provides the resourcing roadmap to help the Council deliver its priorities and has achieved a balanced budget for each year of the MTFS, although with the use of Earmarked Reserves over the last three years.
- 1.2 However, the Councils significant savings programme is embedded into the MTFS, therefore the Council must deliver these savings to achieve its ambitions. And with the budget gap emerging in 2025/26, further service transformation and collaboration will be needed to ensure that the Council can continue to deliver cost-effective and sustainable services to its community for many years to come.

## **2. Purpose of the Medium-Term Financial Strategy**

- 2.1 The aim of Harborough District Council's MTFS is to support longer term planning with the aim of delivering a stable and sustainable financial environment to support the achievement of its vision and strategic objectives. The MTFS is a key element of the Council's corporate governance arrangements and an integral element of the Council's corporate planning process.
- 2.2 The MTFS provides a framework that will assist the Council in effectively applying its limited financial resources in a manner which achieves the strategic priorities set out in the Corporate Delivery Plan. By striving to ensure the costs of delivering its service objectives over the term of the strategy are commensurate with the overall forecast financial resources available, the Council can seek to maintain the financial health of the authority in a manner which does not place an unreasonable burden on local taxpayers.

- 2.3 The financial strategy also recognises the requirement to maintain a balance between the desire to continue to deliver services but to also deliver services in a way that is both affordable and sustainable. It acknowledges the need to manage any reliance on balances and reserves and their use to bring about the introduction of service transformation. It will provide a framework for the detailed financial plans over the period 2023/24 to 2027/28. The MTFS should not be a static “once and for all” document; it is meant to provide a roadmap to deliver efficient and effective services over the medium-term

### 3. Background

- 3.1 The Council set the 2022/23 budget expecting to contribute a net £1.4m into reserves to support the delivery of services and over the following 4-years of the MTFS a total draw from reserves of £9.6m

- 3.2 During 2022/23 the Council has continued to support its local community in dealing with the legacy of Coronavirus Pandemic (CV19) but to also support during the current cost-of-living and high inflationary environment. In financial terms this has impacted on the Council (i.e. losses of income from Car Parking) and in the cost of delivery (the Council is now anticipating an overspend of £810k, as reported to Cabinet in December 2022 [Report / Appendix](#)).

- **National Issues**

- 3.3 **CV19**; during the year, the council has continued to support its community through the legacy of CV19 pandemic and has itself seen some significant changes in its services:
- Car Parking, as at Quarter 2, the car parking service is forecasting a reduction in income of £220k.
  - Leisure Services, the Council no longer receives an income stream from its leisure provider.
  - Council Tax and Business Rates collection rates have not recovered to pre-covid levels. [November 2022's performance](#) reporting is showing 2022/23 Council Tax and Business Rates collection at 74.9% and 73.5% respectively, this is:
    - 0.9% and 1% down respectively when compared to 2019/20, the last full year prior to CV19, but
    - 0.4% and 0.9% ahead respectively when compared 2020/21, the first year of the CV19 pandemic.
- 3.4 **Cost-of-Living/High Inflationary Environment**; the most significant increase in cost is in respect of pay. When the council set its 2022/23 budget it allowed for an annual pay increase of 1.75%. The national employer settled on a flat rate increase of £1,925 on all pay

points; this introduced an in-year pressure of £279k (after adjusting for the reduction in National Insurance as part of the Autumn 2022 “mini-budget”). In addition the Council had to withdraw from the Green Electricity Tariff last October due to a significant increase in cost; for The Symington Building alone the cost increase would have been £207k.

- **Government Funding**

3.5 When the Council set its 2022/23 budget, it was anticipating to receive £134k in General Grant in 2023/24. It had not budgeted to receive any New Homes Bonus or other streams of government funding as the government had not committed to any future year’s funding. However, following the December 2022 provisional settlement, the Council is now expecting to receive funding totalling £2.7m; these include:

- New Homes Bonus**; (NHB) a one-year allocation of £1.7m. The Council is expecting an allocation for 2024/25 as it is considered unlikely that this source of funding will not occur the year of a general election, although the council has recognised a lower receipt.
- Other Grants**, the Council also receives £141k in grants to support ongoing homelessness and similar activity. Each year these grants vary a little but £141k is a fair proxy.
- Services Grant**; this is a grant provided to all tiers of local government in recognition of the vital services delivered at every level of local government. The Councils 2023/24 allocation is £69k; reducing to nil in 2024/25 and thereafter.
- 3% Funding Guarantee**; this is a new grant to ensure that all local authorities receive at least a 3% increase in funding prior to Council Tax and equates to £819k. The Council has included a small provision for this in 2024/25 only of £55k.

#### 4. **The Councils Vision and Priorities**

4.1 The Councils Corporate Plan includes the following vision:  
*“We are determined to improve the life chances for everyone. This means closing the gap for the most vulnerable members of our communities and ensuring everyone has the opportunity to realise their full potential.”*

- 4.2 The outcomes that are expected to be delivered will be across four principal areas:
- i **Place and community** – ensuring there is housing to meet local needs of all ages, that growth provides employment and is designed well, recognising the rural nature of the district and that communities are involved in how that growth is shaped.
  - ii **Healthy Lives** – giving the guidance and support to all our residents to make healthy life choices, to live longer healthier independent lives, not only physically but in good mental health too.
  - iii **Environment and sustainability** – enhancing and protecting our natural environment with improved access to open and green spaces, addressing climate issues proactively looking to future sustainable options and reducing environmental crime to further protect the environment.
  - iv **Economy** – that local employment options are available to allow residents to prosper in our district, developing and retaining the skills our employers need and supporting businesses to be successful, promoting the area to both employees, employers, and visitors to ensure a stable future economy.
- 4.3 The corporate plan will help to direct how front line and support services will deliver priorities, and it is now aligned with the budget setting process. This MTFS provides the resources roadmap to deliver the corporate outcomes.

## 5. The Medium-Term Financial Strategy

- 5.1 The MTFS is the council's financial roadmap that reflects the Council's priorities over the medium-term. A summarised Consolidated Final Budget for 2023/24 and MTFS (2024/25 to 2027/28) is shown in **Table 1** below. A detailed Consolidated Budget and MTFS, along with summary portfolio budgets is shown at **Annex 1**.

Summary Consolidated Final Budget 2022/23 & MTFS (2023/24 to 2026/27)				Table 1		
	2022/23 Original Budget £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
<b>Net Cost of Services</b>	11,064	12,053	12,470	13,380	14,224	14,546
Capital Financing	505	424	438	509	540	563
<b>Net Expenditure</b>	11,569	12,477	12,908	13,889	14,764	15,109
Reserves Contributions to/from Support Services	0	5,212	1,517	(438)	(1,020)	(1,057)
Other Net Reserves Contributions	1,428	(790)	(322)	(206)	(206)	(206)
<b>Net Reserve Contributions</b>	1,428	4,422	1,195	(644)	(1,226)	(1,263)
<b>Budget Requirement</b>	12,997	16,899	14,103	13,245	13,538	13,846
Total Grant	(6,344)	(10,091)	(6,938)	(5,741)	(5,677)	(5,614)
<b>Council Tax Requirement</b>	6,653	6,808	7,165	7,504	7,861	8,232

## 5.2 In summary,

- i. the council has benefited from both short and medium-term benefits due to additional business rates. When the council set its 2022/23 budget, it was anticipating that for 2023/24 its business rates and collection fund surplus would be £4.1m and £733k respectively. For the 2023/24 budget, the:
  - council is expecting to receive £5.8m in business rates, an increase of £1.7m. This increase is due to the government revaluation that is introduced from April 2023.
  - collection fund surplus is now £1.6m compared to a surplus of £733k, this is due to additional three new properties coming onto the rating list in late 2022.
- ii. by allocating the surplus budget to Earmarked Reserves and then releasing it over the MTFS period the council has been able to meet the forecast annual budget deficit from 2025/26 onwards and to set-aside funding to mitigate future collection fund and to finance the cost of commitments to meet corporate plan priorities.
- iii. In last year's MTFS, the council was forecasting to commit £2.5m to meet the forecast budget deficits for 2025/26 and 2026/27; for the same period in this year's MTFS the council has been able to reduce this commitment to £1.4m (a reduction of £2m, 44%).
- iv. The Council is expected to freeze Council Tax at the same rate as in 2022/23, £177.97 for a Band D equivalent property.

5.3 As noted earlier, the Council is in this financial position because of its position as a destination of choice for both domestic and business development, but also ever increasing demand, expected reductions in government grant, the legacy impacts of CV19 and the cost-of-living/high inflationary environment. Although the council does accrue a net benefit in the first years of the MTFS, by 2025/26 the Council is back into a deficit position. The council must ensure that it remains financial resilient and sustainable and therefore it needs to continue to ensure that it maintains strong financial leadership and it has done this by ensuring that it is continually reviewing its service offer and thus its costs base. It has achieved this by undertaking a fundamental budget review of all services and introducing other transformational change.

## 6. Service Efficiency

- 6.1 The Council has a good track record of addressing service pressures. However, as noted earlier, the Council is currently facing three significant draws on its resources:
- 6.2 Firstly, the legacy of **CV19**; the legacy issues that remain have been incorporated into the MTFS. These primarily centre around a reduction in Car Parking income and recovery in Council Tax and Business Rates collections and new contractual agreements with its Leisure provider. The reduction in car parking income is being directly mitigated by reducing the councils expected income budget but the councils current offer is currently subject to a strategic review. In respect of leisure the service is currently going through a procurement exercise and with regard to Council Tax and Business Rates, the Leicestershire Revenues & Benefits Partnership is no longer having to commit resources to administering covid related business grants, so resources are now reverted back to the direct provision of debt management and recovery.
- 6.3 Secondly, **cost-of-living/high inflationary environment**; the council has recognised several issues in this regard including:
- i. Pay, the council has increased its pay estimate to 4% for 2023/24.
  - ii. Development Management, with the potential of a recession the council has reduced its expected income from planning fees.
  - iii. Utility costs, the council has increased its estimated costs relating to gas and electricity. Further, there is an expectation that the current leisure procurement will mean that, subject to a threshold, the council will be liable for the cost of gas and electricity.

These issues are highlighted in further detail in the draft budget that was considered by Cabinet in January 2023 ([Report](#)).

- 6.4 Thirdly, **increasing demand and government reductions in grant**. To tackle this issue, the Council has undertaken a further review of its service offer which has generated savings of £957k in 2023/24, £4.5m over the MTFS period (draft budget considered by Cabinet in January 2023, [Appendix 3](#)). To help deliver more resilient service, and which would have also generated savings, the council explored a strategic collaboration with Melton Borough Council but this was not approved by Council last December. However, the council continues to embed transformational change within its services with the implementation of new technology and continuous improvement via an ongoing service review process.

## 7. Reserves

- 7.1 Reserves represent the past investment by Council Taxpayer's in their community; consequently reserves are the foundation of the Councils financial sustainability and underpin the effective delivery of its broad range of services and capital investment.
- 7.2 Cabinet approved a Reserves Strategy in November 2020 and an update to the strategy in December 2022. The Strategy introduces good governance over its reserves and set its minimum level of reserves at 20% of net expenditure.
- 7.3 As part of the 2023/24 Budget and MTFS (2024/25 to 2027/28);
- i. The council will establish three new earmarked reserves; Financial Sustainability (to meet future years annual deficits), Collection Fund (to mitigate future collection fund volatility) and Corporate Plan & Strategy (to set-aside funds to contribute to the costs of implementing the Corporate Plan)
  - ii. the Council can maintain the General Fund (Unallocated) Reserve at its minimum level for the whole of the MTFS.
  - iii. compared to the MTFS approved last year, by 2026/27 the Council was expecting to have a total Reserves position of £10.2m; this year's MTFS is expecting a total reserves position by 2026/27 of £12.6m (an increase of £2.4m, 23.5%).
- 7.4 A detailed Consolidated Reserves Statement is shown at **Annex 2** and summarised in **Table 2** below. This reserves statement represents the currently estimated reserves position, it is expected that as time progresses the use of reserves to meet the then prevailing financial situation will change, and the required flexibility is embedded within the proposed Reserves Strategy.

Summary Reserves Statement for the Consolidated Final Budget 2023/24 & MTFS (2024/25 to 2027/28)				Table 2		
All numbers as at 31 March of each year	2022/23 Original Budget	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000	£000
<b>General Fund (Unallocated) Reserve</b>	2,291	2,495	2,581	2,778	2,953	3,022
- Reserves at 20% of Net Expenditure	Yes	Yes	Yes	Yes	Yes	Yes
<b>Earmarked Reserves</b>						
Budget Surplus	0	0	0	0	0	0
CV19 Internal Recovery	2,157	0	0	0	0	0
Projects, Risk & Smoothing	3,794	2,631	2,742	2,853	2,964	3,075
Capital & Contract	748	2,427	2,427	2,427	2,427	2,427
Transformation	1,067	1,000	1,000	1,000	1,000	1,000
Financial Sustainability	0	2,956	2,956	2,321	1,126	0
Collection Fund	0	1,000	1,000	1,000	1,000	1,000
Corporate Plan & Strategy	0	723	1,110	248	52	0
Community, Economic & Infrastructure	1,872	1,000	1,000	1,000	1,000	1,000
Commercial Investment Reserve	2,857	1,229	1,113	1,113	1,113	1,113
<b>Total Reserve Balances</b>	<b>14,786</b>	<b>15,461</b>	<b>15,929</b>	<b>14,740</b>	<b>13,635</b>	<b>12,637</b>

## 8. Capital Programme

- 8.1 The Council has reviewed its capital programme; constraining it to within an affordability envelope of currently held resources (external funding, capital receipts and revenue financing). A summary of the capital programme is shown in **Table 3** below.
- 8.2 The Capital Programme includes a broad range of capital investment; as well as the routine investments in Disabled Facilities Grants (Lightbulb), this also includes significant investment in service transformation, fixed asset enhancement, technology and the Environmental/Climate Change Grants Scheme that was approved by Cabinet in February. Approval of the capital programme, like the revenue budget, does award permission to incur expenditure; however, the included capital items will be subject to the governance arrangements for major projects or similar agreed processes.

Summary of the Capital Programme					Table 3	
	New Budget Year 2023/24 £000	Medium-Term Financial Strategy				Total Capital Programme £000
		2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	
<b>Capital Projects Approved in Previous Years</b>	<b>5,300</b>	<b>7,660</b>	<b>4,210</b>	<b>860</b>	<b>0</b>	<b>18,030</b>
<b>New Capital Projects</b>						
Depot - Additional Funds	2,500	2,500	0	0	0	5,000
Play Areas - reduced funding required 23/24-25/26	(80)	(80)	(80)	0	20	(220)
Welland Park Works	150	0	0	0	0	150
On-going Net call developments and enhancements (reduced funding requirement 23/24)	(55)	20	20	20	20	25
Replacement and new EV points	117	0	0	0	0	117
New AV equipment Council Chamber	20	0	0	0	0	20
Elections scanners	20	0	0	0	0	20
The Symington Building - Concierge	60	0	0	0	0	60
The Symington Building - Generator	90	0	0	0	0	90
The Symington Building - M&E works	15	0	0	0	180	195
The Symington Building - Secondary Glazing	0	150	0	0	0	150
Plowmans Yard Damp	50	0	0	0	0	50
Roman Way - 20% uplift for costs	136	0	0	0	0	136
Cemetery Footpath and boundary works	57	15	0	0	0	72
Cemetery Extension works (s106)	50	0	0	0	0	50
HIC M&E	0	15	0	0	140	155
Welland Park and Lutterworth New CCTV cameras (existing scheme but delayed - additional costs)	25	0	0	0	0	25
HIC Solar panels £77k (Direct Revenue Financing)	77	0	0	0	0	77
Environmental/Climate Change Grants	70	70	70	70	0	280
Market Hall Heating	80	65	0	0	0	145
LA Housing Fund - grant to Platform Housing	1,736	0	0	0	0	1,736
Biodiversity Projects Reserve	50	150	135	0	0	335
Enhanced Environmental & Climate Change	52	52	52	52	52	260
Parks and Open Spaces	50	100	140	0	0	290
Community Facilities	75	215	0	0	0	290
District Wide Flats Above Shops Scheme	78	78	78	79	0	313
<b>Total New Capital Projects</b>	<b>5,423</b>	<b>3,350</b>	<b>415</b>	<b>221</b>	<b>412</b>	<b>9,821</b>
<b>Total Capital Programme</b>	<b>10,723</b>	<b>11,010</b>	<b>4,625</b>	<b>1,081</b>	<b>412</b>	<b>27,851</b>
<b>Sources of Finance</b>						
Better Care Fund	420	420	420	420	0	1,680
External Funding/Other Grants	2,928	2,250	550	0	0	5,728
S106	500	658	300	320	360	2,138
Capital Receipts/FU Capital Receipts	3,752	465	(10)	50	0	4,257
Service Charges	6	6	6	6	0	24
Direct Revenue Financing	617	595	405	131	52	1,800
Borrowing (Internal: MRP/Capital Financing)	2,500	6,616	2,954	154	0	12,224
<b>Total Financing</b>	<b>10,723</b>	<b>11,010</b>	<b>4,625</b>	<b>1,081</b>	<b>412</b>	<b>27,851</b>

## 9. Treasury

9.1 The management of cash, debt and investment is an intrinsic element of an organisations daily financial management. Within local government such activity is highly regulated; including the requirement for Council to approve the overarching Treasury Management Strategy (TMS) and receive and comment on six-monthly and end of year performance. The overarching TMS includes the following individual documents:

- Treasury Management Strategy and Prudential Indicators.
- Criteria for Investment of Surplus Funds.
- Interest Rate Forecasts.
- Economic Background, Debt Analysis, Counterparty and Temporary Investment.

9.2 There are not substantive changes in its TMS compared to previous years.

## 10. Budgetary Control and Governance

10.1 Budgetary Control and Financial Governance are key to effective management of all organisations. The establishment of a Medium-Term Financial Strategy is key to the governance process as this provides a financial roadmap for the Council to follow; it is of course not set-in stone but should be an ongoing tool to support the delivery of the Councils policies, strategic objectives, and day-to-day financial management.

10.2 The Council formally reports its financial performance on a quarterly basis to both its Corporate Management Team and Cabinet; including review by the Scrutiny Performance Panel when required. Going forward, this reporting will also reflect impacts over the MTFS period how General Fund reserves continue to support the service activity of the Council. Such forward looking budgetary control is necessary to ensure that medium-term goals are achieved, but is expressly important in times of:

- **Crisis**; such has been the case with the CV19 pandemic. It is essential that the Council can proactively manage its resources and know the risk and impact as the crisis continues.
- **Challenge**; such as now when the Council is having to work in an environment of increasing demand with reducing resources.
- **Transformation**; the need for the Council to transform is pressing, along with its performance management system (Pentana), ongoing financial performance management will be key to ensuring that the required transformation is delivered.

## 11. Risks; including “Robustness of Reserves”

- 11.1 The Council's Responsible Finance Officer (s.151) is required to make a statutory statement in respect of the Budget and Reserves (s.25, LG Finance Act 2003) and a detailed commentary is shown in **Annex 3**. This commentary addresses the risks that both the Council and the wider local government community face at this challenging time, including the impact of the CV19 pandemic, cost-of-living/high inflationary environment. In addition, sensitivity analysis is applied against these risks and their impact on General Fund reserves is assessed. In summary, the key findings are:
- i. In 2023/24 the budget requirement is £16.9m, this is achieved without a net contribution from Reserves to meet unplanned expenditure.
  - ii. The Council maintains its 20% minimum level of reserves for the General Fund (Unallocated) Reserve for the entire duration of the MTFS. However, it will have to make contributions from Earmarked Reserves in 2025/26 onwards (totalling £2.5m over the MTFS).
  - iii. The sensitivity analysis has shown that for 2023/24 the Council has sufficient reserves to meet a range of sensitivity scenarios. However, over the MTFS period, financial challenge will be encountered by 2025/26.
- 11.2 The Council cannot be considered to be self-financing over the MTFS i.e. income = expenditure as it must use reserves to meet unplanned expenditure from 2025/26 onwards. However, its risk profile is considerably reduced because it is using considerably less reserves than last year's MTFS.
- 11.3 To balance a budget is a complex and continuous activity and Councils must ensure they have good financial planning in place supported by active monitoring and review. However, unexpected budgetary pressures may occur that result in an unbalanced budget. Realigning the budget requires good communication and financial control. It is the:
- “direct” responsibility of the Responsible Financial Officer (RFO) to ensure that the budget is balanced but they cannot work in isolation. The RFO must be supported by the chief executive and the leadership team and the administration. However, it is also the,
  - “indirect” responsibility of the Council to ensure that it supports the delivery of services that are:
    - Economically viable,
    - Efficiently run, and
    - Effective at meeting their aims and objectives.

11.4 And in a fast-changing, fiscally constrained environment it does require a Council to be entrepreneurial, inspirational, and collaborative so it can deliver customer centric services. To achieve this it must:

- maximise its sources of income (Council Tax, Fees & Charges),
- deliver the right services to a standard that is effective (minimal), and
- have at its core an ethos of financial sustainability and resilience, transformation, and continuous improvement.

## 1. Consolidated Final Budget 2023/24 &amp; MTFS (2024/25 to 2027/28)

Consolidated Final Budget 2023/24 & MTFS (2024/25 to 2027/28)						
Key		2023/24	2024/25	2025/26	2026/27	2027/28
		Final Budget	Final Budget	Final Budget	Final Budget	Final Budget
CV19 = Covid 19						
ER = Earmarked Reserve						
CIR = Commercial Investment Reserve						
PR&S = Projects, Risk & Smoothing						
CE&I = Community, Economic & Infrastructure						
NDR = Non-Domestic Rates						
		£	£	£	£	£
Finance		1,905,967	2,053,109	2,040,758	2,088,758	2,088,758
Planning, Environment & Waste		5,176,165	5,145,165	5,145,165	5,145,165	5,145,165
Wellbeing, Communities & Housing		1,019,032	979,032	979,032	979,032	979,032
Strategy (aka Planning & Regeneration)		647,344	635,063	675,063	675,063	675,063
Corporate & Regulatory Services		2,658,811	2,412,740	2,307,897	2,292,236	2,292,236
Contingency (including Pay/Services/FCC Inflation)		645,511	1,245,107	2,231,742	3,044,205	3,365,578
Net Direct Cost of Services		12,052,830	12,470,216	13,379,657	14,224,459	14,545,832
Capital Financing		424,187	436,740	509,345	539,363	563,711
Net Expenditure		12,477,017	12,906,956	13,889,002	14,763,822	15,109,543
		0	0	0	0	0
Cont to/(from) Reserves (amts in squ brackets=reason for movement)						
General Reserves	- General Fund Balance "Planned" contributions to					
	- General Fund Balance "Planned" contributions (from)					
	- General Fund Balance "Unplanned" contributions (from)	5,211,726	1,516,526	(438,444)	(1,019,814)	(1,056,777)
	- General Fund Balance "Unplanned" contributions to					0
	- General Fund Balance "Unplanned" contributions (from)					
Earmarked Reserve	- Earmarked Reserve: PRS (from) - Conts for Local Elections, Local Plan	(372,000)	(206,000)	(206,000)	(206,000)	(206,000)
	- Earmarked Reserve: CV19 (from) - 3rd Year TIG	(301,437)	0	0	0	0
	- Earmarked Reserve: Transformation Reserve	(116,110)	(116,110)	0	0	0
Budget Requirement		16,899,195	14,101,371	13,244,558	13,538,008	13,846,766
NDR		(5,841,426)	(5,876,475)	(5,911,734)	(5,947,204)	(5,982,887)
Other General Fund Grants		(140,933)	(140,933)	(140,933)	(140,933)	(140,933)
Fair Funding Review Adj		0	0	99,000	198,000	297,000
New Homes Bonus - 23.24		(1,659,562)	0	0	0	0
New Homes Bonus - 24.25		0	(1,078,715)	0	0	0
Services Grant		(68,778)	0	0	0	0
3% Funding Guarantee		(819,182)	(55,000)	0	0	0
Collection Fund (Surplus)/Deficit		(1,561,695)	213,000	213,000	213,000	213,000
Total Grant		(10,091,576)	(6,938,123)	(5,740,667)	(5,677,137)	(5,613,820)
Council Tax Requirement		6,807,619	7,163,248	7,503,891	7,860,871	8,232,946

## 2. 2023/24 Gross to Net / Subjective Service Budgets

(please ignore table references)

Subjective Analysis for the 2023/24 Budget			Table 4	
2022/23 Net £000	Subjective Analysis	Expenditure £000	2023/24 Income £000	Net £000
9,460	Employees	10,128	0	10,128
1,747	Premises	1,734	0	1,734
100	Transport	105	0	105
7,919	Supplies & Services	8,966	0	8,966
2,371	Third Party Payments (*)	1,933	0	1,933
95	Transfer payments	35	0	35
91	Housing Benefit	7,136	(7,235)	(99)
(10,719)	Fees & Charges, Rental Income etc		(10,749)	(10,749)
<b>11,064</b>		<b>30,037</b>	<b>(17,984)</b>	<b>12,053</b>
<b>NB.</b>				
* mainly payments to other local authorities for various services				

Subjective Analysis by Portfolio			Table 5
2022/23 £000	Portfolio Name		2023/24 £000
2,116	Finance	Employee costs	2,142
655		Premise expense	655
18		Transport	18
716		Supplies and Services	748
1,420		Third Party Payments	1,477
7,846		Transfer Payments	(79)
(10,417)		Fees, charges, rental income	(3,053)
<b>2,353</b>	<b>Finance Total</b>		<b>1,907</b>
2,197	Planning, Environment & Waste	Employee costs	2,364
611		Premise expense	602
35		Transport	41
6,127		Supplies and Services	6,177
473		Third Party Payments	309
(4,453)		Fees, charges, rental income	(4,317)
<b>4,989</b>	<b>Planning, Environment &amp; Waste Total</b>		<b>5,176</b>
951	Wellbeing, Communities & Housing	Employee costs	967
12		Premise expense	12
10		Transport	10
629		Supplies and Services	508
69		Third Party Payments	22
20		Transfer Payments	15
(389)		Fees, charges, rental income	(515)
<b>1,302</b>	<b>Wellbeing, Communities &amp; Housing Total</b>		<b>1,019</b>
733	Strategy	Employee costs	729
117		Premise expense	117
4		Transport	4
222		Supplies and Services	193
45		Third Party Payments	59
(452)		Fees, charges, rental income	(454)
<b>670</b>	<b>Strategy Total</b>		<b>647</b>
3,463	Corporate & Regulatory Services	Employee costs	3,926
352		Premise expense	348
33		Transport	33
541		Supplies and Services	695
364		Third Party Payments	67
(2,688)		Fees, charges, rental income	(2,411)
<b>2,065</b>	<b>Corporate &amp; Regulatory Services Total</b>		<b>2,658</b>
(316)	Contingency	Supplies and Services	646
		Fees, charges, rental income	
<b>(316)</b>	<b>Contingency - total</b>		<b>646</b>
<b>11,064</b>	<b>Grand Total</b>		<b>12,053</b>

### 3. Portfolio Service Budgets

#### Portfolio Budgets by Cost Centre

DETAILED BUDGET PAPERS 2023/24 - Finance										
				Responsible Director	NEW BUDGET: 2023/24	MTFS YEAR 1: 2024/25	MTFS YEAR 2: 2025/26	MTFS YEAR 3: 2026/27	MTFS YEAR 4: 2027/28	2028/29
					Budget for Year	Budget for Year	Budget for Year	Budget for Year	Budget for Year	Base Budget
				Cost Centre	Cost Centre Description	Service		£	£	£
10025	Accountancy Services	Finance	C MASON	469,991	469,991	469,991	469,991	469,991	469,991	469,991
10029	Payroll	Finance	C MASON	22,500	22,500	22,500	22,500	22,500	22,500	22,500
10030	Insurance	Finance	C MASON	216,800	216,800	216,800	216,800	216,800	216,800	216,800
10048	Treasury Management	Finance	C MASON	9,500	9,500	9,500	9,500	9,500	9,500	9,500
10050	Interest & Investment Income	Finance	C MASON	(807,000)	(529,000)	(488,000)	(440,000)	(440,000)	(440,000)	(440,000)
10052	Non Distributed Costs	Finance	C MASON	58,000	58,000	58,000	58,000	58,000	58,000	58,000
10053	Corporate Managmnt (Resources)	Finance	C MASON	52,000	27,000	27,000	27,000	27,000	27,000	27,000
10301	The Symington Building	Facilities Mgmt - Public Realm	C MASON	17,413	17,413	17,413	17,413	17,413	17,413	17,413
10524	Pension Scheme	Finance	C MASON	72,500	72,500	72,500	72,500	72,500	72,500	72,500
10027	Internal Audit	CO (151), Assets, Internal Audit, GoS	C MASON	63,200	63,200	63,200	63,200	63,200	63,200	63,200
10202	Doddridge Road Offices	CO (151), Assets, Internal Audit, GoS	C MASON	(6,700)	(6,700)	(6,700)	(6,700)	(6,700)	(6,700)	(6,700)
10235	Corporate Asset Management	CO (151), Assets, Internal Audit, GoS	C MASON	265,381	265,381	265,381	265,381	265,381	265,381	265,381
10307	Grow On Space	CO (151), Assets, Internal Audit, GoS	V JESSOP	109,145	46,211	7,215	7,215	7,215	7,215	7,215
10031	It Services	ICT	C MASON	554,395	554,395	554,395	554,395	554,395	554,395	554,395
10036	Telephony	ICT	C MASON	25,800	25,800	25,800	25,800	25,800	25,800	25,800
10040	Revenues & Benefits	Revs & Bens	C MASON	1,194,200	1,194,200	1,194,200	1,194,200	1,194,200	1,194,200	1,194,200
10042	Non Domestic Rates	Revs & Bens	C MASON	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)
10044	Council Tax Collection Costs	Revs & Bens	C MASON	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)
10046	Benefits	Revs & Bens	C MASON	90	90	90	90	90	90	90
10187	Housing Benefits	Revs & Bens	C MASON	(99,200)	(99,200)	(99,200)	(99,200)	(99,200)	(99,200)	(99,200)
10263	Discretionary Discount Scheme	Revs & Bens	C MASON	20,000	20,000	20,000	20,000	20,000	20,000	20,000
10264	Council Tax Support Scheme	Revs & Bens	C MASON	(52,000)	(52,000)	(52,000)	(52,000)	(52,000)	(52,000)	(52,000)
10308	Revenue And Benefits Support	Revs & Bens	C MASON	130	130	130	130	130	130	130
10169	Energy Management	Facilities Mgmt - Public Realm	C MASON	0	0	0	0	0	0	0
10196	Garages	Facilities Mgmt - Public Realm	C MASON	500	500	500	500	500	500	500
10203	Off-Site Storage (Incl Decant)	Facilities Mgmt - Public Realm	C MASON	3,200	3,200	3,200	3,200	3,200	3,200	3,200
10229	Commissioning Services	CCTV, Control Centre	C MASON	52,050	52,050	52,050	52,050	52,050	52,050	52,050
10248	Harborough Innovation Cntr Hdc	HIC	V JESSOP	(54,928)	(97,852)	(112,207)	(112,207)	(112,207)	(112,207)	(112,207)
10280	Hdcs Trading Account	Chief Executives	L ELLIOTT	0	0	0	0	0	0	0
	Total			1,905,967	2,053,109	2,040,758	2,088,758	2,088,758	2,088,758	2,088,758

DETAILED BUDGET PAPERS 2023/24 - Finance

			Responsible Director	NEW BUDGET: 2023/24																	
				Previous Years Growth/ Savings			Base Budget	Growth/Savings etc										Budget for Year	Variance to Budget		
Cost Centre	Cost Centre Description	Service		2021/22 Budget Setting	2022/23 Budget Setting	Service Requested Budget Changes		Inflation	Underachievement of savings	Normal operational delivery	Unplanned pressures	Strategic Partnership	TOM	Permanent virements	Other payroll changes, fte etc	1.25% National insurance reversal	2023/24 Scale point increment			2022/23 payroll award of £1925 per fte	
																					£
10025	Accountancy Services	Finance	C MASON	0	10,000	0	450,361	0	0	0	0	0	13,480		(9,250)	(4,126)	5,665	13,861	469,991	19,630	
10029	Payroll	Finance	C MASON	0	0	0	22,500	0	0	0	0	0	0	0	0	0	0	0	22,500	0	
10030	Insurance	Finance	C MASON	0	0	0	216,800	0	0	0	0	0	0	0	0	0	0	0	216,800	0	
10048	Treasury Management	Finance	C MASON	0	0	0	9,500	0	0	0	0	0	0	0	0	0	0	0	9,500	0	
10050	Interest & Investment Income	Finance	C MASON	(20,000)	0	0	(420,000)	0	0	(387,000)	0	0	0	0	0	0	0	0	(807,000)	(387,000)	
10052	Non Distributed Costs	Finance	C MASON	0	0	0	58,000	0	0	0	0	0	0	0	0	0	0	0	58,000	0	
10053	Corporate Managmnt (Resources)	Finance	C MASON	0	0	0	52,000	0	0	0	0	0	0	0	0	0	0	0	52,000	0	
10301	The Symington Building	Facilities Mgmt - Public Realm	C MASON	0	0	0	12,993	0	0	(7,000)	0	0	0	0	8,436	(384)	0	3,368	17,413	4,420	
10524	Pension Scheme	Finance	C MASON	0	0	0	72,500	0	0	0	0	0	0	0	0	0	0	0	72,500	0	
10027	Internal Audit	CO (151), Assets, Internal Audit, GoS	C MASON	0	0	0	63,200	0	0	0	0	0	0	0	0	0	0	0	63,200	0	
10202	Doddridge Road Offices	CO (151), Assets, Internal Audit, GoS	C MASON	0	0	0	(6,700)	0	0	0	0	0	0	0	0	0	0	0	(6,700)	0	
10235	Corporate Asset Management	CO (151), Assets, Internal Audit, GoS	C MASON	0	(50,000)	0	192,305	0	50,000	0	0	0	0	0	14,837	(2,503)	1,886	8,856	265,381	73,076	
10307	Grow On Space	CO (151), Assets, Internal Audit, GoS	V JESSOP	0	(121,100)	129,740	105,000	0	(58,571)	67,000	0	0	0	0	(4,284)			0	109,145	4,145	
10031	It Services	ICT	C MASON	0	(62,000)	0	553,530	0	0	(33,900)	0	0	12,005		5,692	(3,388)	5,052	15,404	554,395	865	
10036	Telephony	ICT	C MASON	0	0	0	25,800	0	0	0	0	0	0	0	0	0	0	0	25,800	0	
10040	Revenues & Benefits	Revs & Bens	C MASON	0	0	0	1,131,832	0	0	0	31,568	0	0	30,800	0	0	0	0	1,194,200	62,368	
10042	Non Domestic Rates	Revs & Bens	C MASON	0	0	0	(165,900)	0	0	0	0	0	0	0	(10,100)	0	0	0	(176,000)	(10,100)	
10044	Council Tax Collection Costs	Revs & Bens	C MASON	0	0	0	(105,000)	0	0	0	0	0	0	(13,900)	4,763	(1,729)	508	10,358	(105,000)	0	
10046	Benefits	Revs & Bens	C MASON	0	0	0	30	0	0	0	0	0	0	(16,120)	4,261	(2,058)	1,135	12,842	90	60	
10187	Housing Benefits	Revs & Bens	C MASON	0	0	0	(109,300)	0	0	0	0	0	0	10,100	0	0	0	0	(99,200)	10,100	
10263	Discretionary Discount Scheme	Revs & Bens	C MASON	0	0	0	20,000	0	0	0	0	0	0	0	0	0	0	0	20,000	0	
10264	Council Tax Support Scheme	Revs & Bens	C MASON	0	0	0	(52,000)	0	0	0	0	0	0	0	0	0	0	0	(52,000)	0	
10308	Revenue And Benefits Support	Revs & Bens	C MASON	0	0	0	10	0	0	0	0	0	0	(600)	(15,281)	(2,793)	4,528	14,266	130	120	
10169	Energy Management	Facilities Mgmt - Public Realm	C MASON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10196	Garages	Facilities Mgmt - Public Realm	C MASON	0	0	0	500	0	0	0	0	0	0	0	0	0	0	0	500	0	
10203	Off-Site Storage (Incl Decant)	Facilities Mgmt - Public Realm	C MASON	0	0	0	3,200	0	0	0	0	0	0	0	0	0	0	0	3,200	0	
10229	Commissioning Services	CCTV, Control Centre	C MASON	0	0	0	86,340	0	0	0	0	0	(35,729)		1,439	0	0	0	52,050	(34,290)	
10248	Harborough Innovation Cntr Hdc	HIC	V JESSOP	0	(50,090)	0	(28,355)	0	0	(36,000)	0	0	0	0	2,317	(1,527)	631	8,006	(54,928)	(26,573)	
10280	Hdcs Trading Account	Chief Executives	LELLIOTT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total			(20,000)	(273,190)	129,740	2,189,146	0	(8,571)	(396,900)	31,568	0	(10,244)	180	12,930	(18,508)	19,405	86,961	1,905,967	(283,179)	

DETAILED BUDGET PAPERS 2023/24 - Finance																													
Responsible Director				MTFS YEAR 1: 2024/25								MTFS YEAR 2: 2025/26						MTFS YEAR 3: 2026/27						MTFS YEAR 4: 2027/28					2028/29
				Previous Years Growth/ Savings			Base Budget	rth/Saving Normal operation al delivery	Budget for Year	Variance to Budget	Previous Years Growth/ Savings		Base Budget	rth/Saving Normal operation al delivery	Budget for Year	Variance to Budget	Previous Years Growth/ Savings		Base Budget	rth/Saving Normal operation al delivery	Budget for Year	Variance to Budget	Previous Years Growth/ Savings		Base Budget	Budget for Year	Variance to Budget	Base Budget	
				2021/22 Budget Setting	2022/23 Budget Setting	Service Requested Budget Changes					2021/22 Budget Setting	2022/23 Budget Setting					2021/22 Budget Setting	2022/23 Budget Setting					2021/22 Budget Setting	2022/23 Budget Setting					
Cost Centre	Cost Centre Description	Service		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£			
10025	Accountancy Services	Finance	C MASON	0	0	0	469,991	0	469,991	0	0	0	469,991	0	469,991	0	0	0	469,991	0	469,991	0	0	0	469,991	469,991	0	469,991	
10029	Payroll	Finance	C MASON	0	0	0	22,500	0	22,500	0	0	0	22,500	0	22,500	0	0	0	22,500	0	22,500	0	0	0	22,500	22,500	0	22,500	
10030	Insurance	Finance	C MASON	0	0	0	216,800	0	216,800	0	0	0	216,800	0	216,800	0	0	0	216,800	0	216,800	0	0	0	216,800	216,800	0	216,800	
10048	Treasury Management	Finance	C MASON	0	0	0	9,500	0	9,500	0	0	0	9,500	0	9,500	0	0	0	9,500	0	9,500	0	0	0	9,500	9,500	0	9,500	
10050	Interest & Investment Income	Finance	C MASON	(21,000)	0	0	(828,000)	299,000	(529,000)	299,000	0	0	(529,000)	41,000	(488,000)	41,000	0	0	(488,000)	48,000	(440,000)	48,000	0	0	(440,000)	(440,000)	0	(440,000)	
10052	Non Distributed Costs	Finance	C MASON	0	0	0	58,000	0	58,000	0	0	0	58,000	0	58,000	0	0	0	58,000	0	58,000	0	0	0	58,000	58,000	0	58,000	
10053	Corporate Managmnt (Resources)	Finance	C MASON	0	0	0	52,000	(25,000)	27,000	(25,000)	0	0	27,000	0	27,000	0	0	0	27,000	0	27,000	0	0	0	27,000	27,000	0	27,000	
10301	The Symington Building	Facilities Mgmt - Public Realm	C MASON	0	0	0	17,413	0	17,413	0	0	0	17,413	0	17,413	0	0	0	17,413	0	17,413	0	0	0	17,413	17,413	0	17,413	
10524	Pension Scheme	Finance	C MASON	0	0	0	72,500	0	72,500	0	0	0	72,500	0	72,500	0	0	0	72,500	0	72,500	0	0	0	72,500	72,500	0	72,500	
10027	Internal Audit	CO (151), Assets, Internal Audit, GoS	C MASON	0	0	0	63,200	0	63,200	0	0	0	63,200	0	63,200	0	0	0	63,200	0	63,200	0	0	0	63,200	63,200	0	63,200	
10202	Doddridge Road Offices	CO (151), Assets, Internal Audit, GoS	C MASON	0	0	0	(6,700)	0	(6,700)	0	0	0	(6,700)	0	(6,700)	0	0	0	(6,700)	0	(6,700)	0	0	0	(6,700)	(6,700)	0	(6,700)	
10235	Corporate Asset Management	CO (151), Assets, Internal Audit, GoS	C MASON	0	0	0	265,381	0	265,381	0	0	0	265,381	0	265,381	0	0	0	265,381	0	265,381	0	0	0	265,381	265,381	0	265,381	
10307	Grow On Space	CO (151), Assets, Internal Audit, GoS	V JESSOP	0	(73,971)	73,971	109,145	(62,934)	46,211	(62,934)	0	0	46,211	(38,996)	7,215	(38,996)	0	0	7,215	0	7,215	0	0	0	7,215	7,215	0	7,215	
10031	It Services	ICT	C MASON	0	0	0	554,395	0	554,395	0	0	0	554,395	0	554,395	0	0	0	554,395	0	554,395	0	0	0	554,395	554,395	0	554,395	
10036	Telephony	ICT	C MASON	0	0	0	25,800	0	25,800	0	0	0	25,800	0	25,800	0	0	0	25,800	0	25,800	0	0	0	25,800	25,800	0	25,800	
10040	Revenues & Benefits	Revs & Bens	C MASON	0	0	0	1,194,200	0	1,194,200	0	0	0	1,194,200	0	1,194,200	0	0	0	1,194,200	0	1,194,200	0	0	0	1,194,200	1,194,200	0	1,194,200	
10042	Non Domestic Rates	Revs & Bens	C MASON	0	0	0	(176,000)	0	(176,000)	0	0	0	(176,000)	0	(176,000)	0	0	0	(176,000)	0	(176,000)	0	0	0	(176,000)	(176,000)	0	(176,000)	
10044	Council Tax Collection Costs	Revs & Bens	C MASON	0	0	0	(105,000)	0	(105,000)	0	0	0	(105,000)	0	(105,000)	0	0	0	(105,000)	0	(105,000)	0	0	0	(105,000)	(105,000)	0	(105,000)	
10046	Benefits	Revs & Bens	C MASON	0	0	0	90	0	90	0	0	0	90	0	90	0	0	0	90	0	90	0	0	0	90	90	0	90	
10187	Housing Benefits	Revs & Bens	C MASON	0	0	0	(99,200)	0	(99,200)	0	0	0	(99,200)	0	(99,200)	0	0	0	(99,200)	0	(99,200)	0	0	0	(99,200)	(99,200)	0	(99,200)	
10263	Discretionary Discount Scheme	Revs & Bens	C MASON	0	0	0	20,000	0	20,000	0	0	0	20,000	0	20,000	0	0	0	20,000	0	20,000	0	0	0	20,000	20,000	0	20,000	
10264	Council Tax Support Scheme	Revs & Bens	C MASON	0	0	0	(52,000)	0	(52,000)	0	0	0	(52,000)	0	(52,000)	0	0	0	(52,000)	0	(52,000)	0	0	0	(52,000)	(52,000)	0	(52,000)	
10308	Revenue And Benefits Support	Revs & Bens	C MASON	0	0	0	130	0	130	0	0	0	130	0	130	0	0	0	130	0	130	0	0	0	130	130	0	130	
10169	Energy Management	Facilities Mgmt - Public Realm	C MASON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10196	Garages	Facilities Mgmt - Public Realm	C MASON	0	0	0	500	0	500	0	0	0	500	0	500	0	0	0	500	0	500	0	0	0	500	500	0	500	
10203	Off-Site Storage (Incl Decant)	Facilities Mgmt - Public Realm	C MASON	0	0	0	3,200	0	3,200	0	0	0	3,200	0	3,200	0	0	0	3,200	0	3,200	0	0	0	3,200	3,200	0	3,200	
10229	Commissioning Services	CCTV, Control Centre	C MASON	0	0	0	52,050	0	52,050	0	0	0	52,050	0	52,050	0	0	0	52,050	0	52,050	0	0	0	52,050	52,050	0	52,050	
10248	Harborough Innovation Cntr Hdc	HIC	V JESSOP	0	(83,762)	83,762	(54,928)	(42,924)	(97,852)	(42,924)	0	0	(97,852)	(14,355)	(112,207)	(14,355)	0	0	(112,207)	0	(112,207)	0	0	0	(112,207)	(112,207)	0	(112,207)	
10280	Hdcs Trading Account	Chief Executives	L ELLIOTT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total				(21,000)	(157,733)	157,733	1,884,967	168,142	2,053,109	168,142	0	0	2,053,109	(12,351)	2,040,758	(12,351)	0	0	2,040,758	48,000	2,088,758	48,000	0	0	2,088,758	2,088,758	0	2,088,758	

DETAILED BUDGET PAPERS 2023/24 - Planning, Environment & Waste

				Responsible Director	NEW BUDGET: 2023/24	MTFS YEAR 1: 2024/25	MTFS YEAR 2: 2025/26	MTFS YEAR 3: 2026/27	MTFS YEAR 4: 2027/28	2028/29
Cost Centre	Cost Centre Description	Service	Budget for Year		Budget for Year	Budget for Year	Budget for Year	Base Budget		
			£		£	£	£	£	£	
10026	Health & Safety	Operational Services	V JESSOP	28,345	28,345	28,345	28,345	28,345	28,345	28,345
10088	Street Cleaning	Operational Services	V JESSOP	941,533	941,533	941,533	941,533	941,533	941,533	941,533
10125	Open Spaces & Amenity Areas	Operational Services	V JESSOP	174,451	174,451	174,451	174,451	174,451	174,451	174,451
10140	S.E. Allotments	Operational Services	V JESSOP	(1,034)	(1,034)	(1,034)	(1,034)	(1,034)	(1,034)	(1,034)
10147	S.E. Market Harborough Recn	Operational Services	V JESSOP	264,603	264,603	264,603	264,603	264,603	264,603	264,603
10148	S.E. Lutterworth Recn / Park	Operational Services	V JESSOP	39,084	39,084	39,084	39,084	39,084	39,084	39,084
10159	Trade Refuse	Operational Services	V JESSOP	(241,167)	(241,167)	(241,167)	(241,167)	(241,167)	(241,167)	(241,167)
10160	Waste Management	Operational Services	V JESSOP	427,237	427,237	427,237	427,237	427,237	427,237	427,237
10161	Residual Waste Collections	Operational Services	V JESSOP	1,177,880	1,177,880	1,177,880	1,177,880	1,177,880	1,177,880	1,177,880
10162	Recycling Collections	Operational Services	V JESSOP	977,699	977,699	977,699	977,699	977,699	977,699	977,699
10197	External Grounds Maintenance	Operational Services	V JESSOP	(58,619)	(58,619)	(58,619)	(58,619)	(58,619)	(58,619)	(58,619)
10242	S.E. Fleckney	Operational Services	V JESSOP	316	316	316	316	316	316	316
10243	S.E. Great Glen	Operational Services	V JESSOP	2,515	2,515	2,515	2,515	2,515	2,515	2,515
10244	S.E. Scraptoft	Operational Services	V JESSOP	5,589	5,589	5,589	5,589	5,589	5,589	5,589
10246	S.E. Broughton Astley	Operational Services	V JESSOP	12,145	12,145	12,145	12,145	12,145	12,145	12,145
10272	Flytipping	Operational Services	V JESSOP	10,000	10,000	10,000	10,000	10,000	10,000	10,000
10010	Development Control	Development Control, Enforcement	D ATKINSON	(387,364)	(392,364)	(392,364)	(392,364)	(392,364)	(392,364)	(392,364)
10016	Archaeological & Ecolog Advice	Development Control, Enforcement	D ATKINSON	33,775	33,775	33,775	33,775	33,775	33,775	33,775
10019	Footpath/Bridleway Orders	Development Control, Enforcement	D ATKINSON	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
10084	Enforcement	Development Control, Enforcement	D ATKINSON	0	0	0	0	0	0	0
10151	Planning Enforcement	Development Control, Enforcement	D ATKINSON	160,763	160,763	160,763	160,763	160,763	160,763	160,763
10081	Quick Response Team	Facilities Mgmt - Public Realm	C MASON	2,230	2,230	2,230	2,230	2,230	2,230	2,230
10082	Abandoned Vehicles	Facilities Mgmt - Public Realm	C MASON	2,200	2,200	2,200	2,200	2,200	2,200	2,200
10086	District-Wide Bus Shelters	Facilities Mgmt - Public Realm	C MASON	3,400	3,400	3,400	3,400	3,400	3,400	3,400
10089	Street Furniture Etc	Facilities Mgmt - Public Realm	C MASON	4,300	4,300	4,300	4,300	4,300	4,300	4,300
10115	S.E. Public Conveniences	Facilities Mgmt - Public Realm	C MASON	27,754	27,754	27,754	27,754	27,754	27,754	27,754
10145	S.E. Thurnby	Facilities Mgmt - Public Realm	C MASON	31,454	31,454	31,454	31,454	31,454	31,454	31,454
10170	Flood Prevent & Land Drainage	Facilities Mgmt - Public Realm	C MASON	12,800	12,800	12,800	12,800	12,800	12,800	12,800
10245	S.E.War Memorial/Public Realm	Facilities Mgmt - Public Realm	C MASON	16,060	16,060	16,060	16,060	16,060	16,060	16,060
10009	Section 106 Agreements	Strategic Planning/Policy	D ATKINSON	12,230	12,230	12,230	12,230	12,230	12,230	12,230
10013	Env Enhancemnts/Conservtn	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0
10112	Planning Policy	Strategic Planning/Policy	D ATKINSON	261,760	261,760	261,760	261,760	261,760	261,760	261,760
10207	Local Plan Cont to Reserves	Strategic Planning/Policy	D ATKINSON	277,300	277,300	277,300	277,300	277,300	277,300	277,300
10207A	Local Plan Cont from Reserves	Strategic Planning/Policy	D ATKINSON	206,000	206,000	206,000	206,000	206,000	206,000	206,000
10208	Local Plan General	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0
10011	Building Control	Building Control	D ATKINSON	65,861	39,861	39,861	39,861	39,861	39,861	39,861
10150	Environmental Health	Car Parking, Lightbulb etc	V JESSOP	602,855	602,855	602,855	602,855	602,855	602,855	602,855
10175	Pest/Dog Services	Car Parking, Lightbulb etc	V JESSOP	25,700	25,700	25,700	25,700	25,700	25,700	25,700
10219	Head Of Planning	CO (Planning), Eco Strategy (Talent)	D ATKINSON	117,610	117,610	117,610	117,610	117,610	117,610	117,610
10205	Neighbourhood Plan	Strategic Planning/Policy	D ATKINSON	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
	Total			5,176,165	5,145,165	5,145,165	5,145,165	5,145,165	5,145,165	5,145,165

DETAILED BUDGET PAPERS 2023/24 - Planning, Environment & Waste

			Responsible Director	NEW BUDGET: 2023/24																	Budget for Year	Variance to Budget
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc															
				2021/22 Budget Setting	2022/23 Budget Setting		Inflation	Underachievement of savings	Normal operational delivery	Unplanned pressures	Strategic Partnership	TOM	Permanent virements	Other payroll changes, fte etc	1.25% National insurance reversal	2023/24 Scale point increment	2022/23 payroll award of £1925 only					
				£	£		£	£	£	£	£	£	£	£	£	£	£	£				
10026	Health & Safety	Operational Services	V JESSOP	0	0	26,985	0	0	0	0	0	0	0	726	(328)	0	962	28,345	1,360			
10088	Street Cleaning	Operational Services	V JESSOP	0	0	941,533	0	0	0	0	0	0	0	0	0	0	0	941,533	0			
10125	Open Spaces & Amenity Areas	Operational Services	V JESSOP	0	0	183,351	0	0	(8,900)	0	0	0	0	0	0	0	0	174,451	(8,900)			
10140	S.E. Allotments	Operational Services	V JESSOP	0	0	(1,034)	0	0	0	0	0	0	0	0	0	0	0	(1,034)	0			
10147	S.E. Market Harborough Recn	Operational Services	V JESSOP	0	0	264,603	0	0	0	0	0	0	0	0	0	0	0	264,603	0			
10148	S.E. Lutterworth Recn / Park	Operational Services	V JESSOP	0	0	39,084	0	0	0	0	0	0	0	0	0	0	0	39,084	0			
10159	Trade Refuse	Operational Services	V JESSOP	0	0	(241,167)	0	0	0	0	0	0	0	0	0	0	0	(241,167)	0			
10160	Waste Management	Operational Services	V JESSOP	0	0	397,722	0	0	0	0	0	12,005	0	4,071	(2,928)	0	16,367	427,237	29,515			
10161	Residual Waste Collections	Operational Services	V JESSOP	(80,000)	0	1,237,380	0	0	(59,500)	0	0	0	0	0	0	0	0	1,177,880	(59,500)			
10162	Recycling Collections	Operational Services	V JESSOP	0	0	1,106,798	0	0	(9,100)	(120,000)	0	0	0	0	1	0	0	977,699	(129,099)			
10197	External Grounds Maintenance	Operational Services	V JESSOP	0	0	(58,619)	0	0	0	0	0	0	0	0	0	0	0	(58,619)	0			
10242	S.E. Fleckney	Operational Services	V JESSOP	0	0	316	0	0	0	0	0	0	0	0	0	0	0	316	0			
10243	S.E. Great Glen	Operational Services	V JESSOP	0	0	2,515	0	0	0	0	0	0	0	0	0	0	0	2,515	0			
10244	S.E. Scraptoft	Operational Services	V JESSOP	0	0	5,589	0	0	0	0	0	0	0	0	0	0	0	5,589	0			
10246	S.E. Broughton Astley	Operational Services	V JESSOP	0	0	12,145	0	0	0	0	0	0	0	0	0	0	0	12,145	0			
10272	Flytipping	Operational Services	V JESSOP	0	0	20,000	0	0	(10,000)	0	0	0	0	0	0	0	0	10,000	(10,000)			
10010	Development Control	Development Control, Enforcement	D ATKINSON	(50,000)	0	(532,811)	0	0	102,880	0	0	0	0	22,541	(7,771)	688	27,109	(387,364)	145,447			
10016	Archaeological & Ecolog Advice	Development Control, Enforcement	D ATKINSON	0	0	44,775	0	0	(11,000)	0	0	0	0	0	0	0	0	33,775	(11,000)			
10019	Footpath/Bridleway Orders	Development Control, Enforcement	D ATKINSON	0	0	(1,100)	0	0	0	0	0	0	0	0	0	0	0	(1,100)	0			
10084	Enforcement	Development Control, Enforcement	D ATKINSON	0	0	933	0	0	0	0	0	0	0	(933)	0	0	0	0	(933)			
10151	Planning Enforcement	Development Control, Enforcement	D ATKINSON	0	0	138,997	0	0	0	0	0	0	933	17,552	(1,725)	0	5,006	160,763	21,766			
10081	Quick Response Team	Facilities Mgmt - Public Realm	C MASON	0	0	(70,200)	0	72,430	0	0	0	0	0	0	0	0	0	2,230	72,430			
10082	Abandoned Vehicles	Facilities Mgmt - Public Realm	C MASON	0	0	2,200	0	0	0	0	0	0	0	0	0	0	0	2,200	0			
10086	District-Wide Bus Shelters	Facilities Mgmt - Public Realm	C MASON	0	0	3,400	0	0	0	0	0	0	0	0	0	0	0	3,400	0			
10089	Street Furniture Etc	Facilities Mgmt - Public Realm	C MASON	0	0	13,107	0	0	(8,807)	0	0	0	0	0	0	0	0	4,300	(8,807)			
10115	S.E. Public Conveniences	Facilities Mgmt - Public Realm	C MASON	0	0	27,754	0	0	0	0	0	0	0	0	0	0	0	27,754	0			
10145	S.E. Thurnby	Facilities Mgmt - Public Realm	C MASON	0	0	31,454	0	0	0	0	0	0	0	0	0	0	0	31,454	0			
10170	Flood Prevent & Land Drainage	Facilities Mgmt - Public Realm	C MASON	0	0	17,000	0	0	(4,200)	0	0	0	0	0	0	0	0	12,800	(4,200)			
10245	S.E.War Memorial/Public Realm	Facilities Mgmt - Public Realm	C MASON	0	0	16,060	0	0	0	0	0	0	0	0	0	0	0	16,060	0			
10009	Section 106 Agreements	Strategic Planning/Policy	D ATKINSON	0	0	6,220	0	0	0	0	0	0	0	4,493	(407)	0	1,924	12,230	6,010			
10013	Env Enhancemnts/Conservtn	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
10112	Planning Policy	Strategic Planning/Policy	D ATKINSON	0	0	250,820	0	0	0	0	0	0	0	4,520	(2,049)	0	8,469	261,760	10,940			
10207	Local Plan Cont to Reserves	Strategic Planning/Policy	D ATKINSON	0	0	277,300	0	0	0	0	0	0	0	0	0	0	0	277,300	0			
10207A	Local Plan Cont from Reserves	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	206,000	0	0	0	0	0	0	0	0	206,000	206,000			
10208	Local Plan General	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
10011	Building Control	Building Control	D ATKINSON	0	1,000	65,861	0	0	0	0	0	0	0	0	0	0	0	65,861	0			
10150	Environmental Health	Car Parking, Lightbulb etc	V JESSOP	0	0	550,340	0	0	0	0	0	12,005	0	22,135	(4,811)	3,358	19,828	602,855	52,515			
10175	Pest/Dog Services	Car Parking, Lightbulb etc	V JESSOP	0	0	25,700	0	0	0	0	0	0	0	0	0	0	0	25,700	0			
10219	Head Of Planning	CO (Planning), Eco Strategy (Talent)	D ATKINSON	0	0	115,210	0	0	0	0	0	0	0	1,444	(970)	0	1,926	117,610	2,400			
10205	Neighbourhood Plan	Strategic Planning/Policy	D ATKINSON	0	0	(60,000)	0	0	0	0	0	0	0	0	0	0	0	(60,000)	0			
	Total			(130,000)	1,000	4,860,221	0	72,430	(111,507)	188,880	0	24,010	0	77,483	(20,989)	4,046	81,591	5,176,165	315,944			

DETAILED BUDGET PAPERS 2023/24 - Planning, Environment & Waste

Cost Centre			Responsible Director	MTFS YEAR 1: 2024/25						MTFS YEAR 2: 2025/26						MTFS YEAR 3: 2026/27						MTFS YEAR 4: 2027/28						2028/29
				Previous Years Growth/		Base Budget	Growth/Savings	Budget for Year	Variance to Budget	Previous Years Growth/ Savings		Base Budget	Budget for Year	Variance to Budget	Previous Years Growth/		Base Budget	Budget for Year	Variance to Budget	Previous Years		Base Budget	Budget for Year	Variance to Budget	Base Budget			
				2021/22 Budget Setting	2022/23 Budget Setting					2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting							
				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£				
10026	Health & Safety	Operational Services	V JESSOP	0	0	28,345	0	28,345	0	0	0	28,345	28,345	0	0	0	28,345	28,345	0	0	0	28,345	28,345	0	28,345			
10088	Street Cleaning	Operational Services	V JESSOP	0	0	941,533	0	941,533	0	0	0	941,533	941,533	0	0	0	941,533	941,533	0	0	0	941,533	941,533	0	941,533			
10125	Open Spaces & Amenity Areas	Operational Services	V JESSOP	0	0	174,451	0	174,451	0	0	0	174,451	174,451	0	0	0	174,451	174,451	0	0	0	174,451	174,451	0	174,451			
10140	S.E. Allotments	Operational Services	V JESSOP	0	0	(1,034)	0	(1,034)	0	0	0	(1,034)	(1,034)	0	0	0	(1,034)	(1,034)	0	0	0	(1,034)	(1,034)	0	(1,034)			
10147	S.E. Market Harborough Recn	Operational Services	V JESSOP	0	0	264,603	0	264,603	0	0	0	264,603	264,603	0	0	0	264,603	264,603	0	0	0	264,603	264,603	0	264,603			
10148	S.E. Lutterworth Recn / Park	Operational Services	V JESSOP	0	0	39,084	0	39,084	0	0	0	39,084	39,084	0	0	0	39,084	39,084	0	0	0	39,084	39,084	0	39,084			
10159	Trade Refuse	Operational Services	V JESSOP	0	0	(241,167)	0	(241,167)	0	0	0	(241,167)	(241,167)	0	0	0	(241,167)	(241,167)	0	0	0	(241,167)	(241,167)	0	(241,167)			
10160	Waste Management	Operational Services	V JESSOP	0	0	427,237	0	427,237	0	0	0	427,237	427,237	0	0	0	427,237	427,237	0	0	0	427,237	427,237	0	427,237			
10161	Residual Waste Collections	Operational Services	V JESSOP	0	0	1,177,880	0	1,177,880	0	0	0	1,177,880	1,177,880	0	0	0	1,177,880	1,177,880	0	0	0	1,177,880	1,177,880	0	1,177,880			
10162	Recycling Collections	Operational Services	V JESSOP	0	0	977,699	0	977,699	0	0	0	977,699	977,699	0	0	0	977,699	977,699	0	0	0	977,699	977,699	0	977,699			
10197	External Grounds Maintenance	Operational Services	V JESSOP	0	0	(58,619)	0	(58,619)	0	0	0	(58,619)	(58,619)	0	0	0	(58,619)	(58,619)	0	0	0	(58,619)	(58,619)	0	(58,619)			
10242	S.E. Fleckney	Operational Services	V JESSOP	0	0	316	0	316	0	0	0	316	316	0	0	0	316	316	0	0	0	316	316	0	316			
10243	S.E. Great Glen	Operational Services	V JESSOP	0	0	2,515	0	2,515	0	0	0	2,515	2,515	0	0	0	2,515	2,515	0	0	0	2,515	2,515	0	2,515			
10244	S.E. Scraptoft	Operational Services	V JESSOP	0	0	5,589	0	5,589	0	0	0	5,589	5,589	0	0	0	5,589	5,589	0	0	0	5,589	5,589	0	5,589			
10246	S.E. Broughton Astley	Operational Services	V JESSOP	0	0	12,145	0	12,145	0	0	0	12,145	12,145	0	0	0	12,145	12,145	0	0	0	12,145	12,145	0	12,145			
10272	Flytipping	Operational Services	V JESSOP	0	0	10,000	0	10,000	0	0	0	10,000	10,000	0	0	0	10,000	10,000	0	0	0	10,000	10,000	0	10,000			
10010	Development Control	Development Control, Enforcement	D ATKINSON	(50,000)	0	(437,364)	45,000	(392,364)	45,000	0	0	(392,364)	(392,364)	0	0	0	(392,364)	(392,364)	0	0	0	(392,364)	(392,364)	0	(392,364)			
10016	Archaeological & Ecology Advice	Development Control, Enforcement	D ATKINSON	0	0	33,775	0	33,775	0	0	0	33,775	33,775	0	0	0	33,775	33,775	0	0	0	33,775	33,775	0	33,775			
10019	Footpath/Bridleway Orders	Development Control, Enforcement	D ATKINSON	0	0	(1,100)	0	(1,100)	0	0	0	(1,100)	(1,100)	0	0	0	(1,100)	(1,100)	0	0	0	(1,100)	(1,100)	0	(1,100)			
10084	Enforcement	Development Control, Enforcement	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
10151	Planning Enforcement	Development Control, Enforcement	D ATKINSON	0	0	160,763	0	160,763	0	0	0	160,763	160,763	0	0	0	160,763	160,763	0	0	0	160,763	160,763	0	160,763			
10081	Quick Response Team	Facilities Mgmt - Public Realm	C MASON	0	0	2,230	0	2,230	0	0	0	2,230	2,230	0	0	0	2,230	2,230	0	0	0	2,230	2,230	0	2,230			
10082	Abandoned Vehicles	Facilities Mgmt - Public Realm	C MASON	0	0	2,200	0	2,200	0	0	0	2,200	2,200	0	0	0	2,200	2,200	0	0	0	2,200	2,200	0	2,200			
10086	District-Wide Bus Shelters	Facilities Mgmt - Public Realm	C MASON	0	0	3,400	0	3,400	0	0	0	3,400	3,400	0	0	0	3,400	3,400	0	0	0	3,400	3,400	0	3,400			
10089	Street Furniture Etc	Facilities Mgmt - Public Realm	C MASON	0	0	4,300	0	4,300	0	0	0	4,300	4,300	0	0	0	4,300	4,300	0	0	0	4,300	4,300	0	4,300			
10115	S.E. Public Conveniences	Facilities Mgmt - Public Realm	C MASON	0	0	27,754	0	27,754	0	0	0	27,754	27,754	0	0	0	27,754	27,754	0	0	0	27,754	27,754	0	27,754			
10145	S.E. Thurnby	Facilities Mgmt - Public Realm	C MASON	0	0	31,454	0	31,454	0	0	0	31,454	31,454	0	0	0	31,454	31,454	0	0	0	31,454	31,454	0	31,454			
10170	Flood Prevent & Land Drainage	Facilities Mgmt - Public Realm	C MASON	0	0	12,800	0	12,800	0	0	0	12,800	12,800	0	0	0	12,800	12,800	0	0	0	12,800	12,800	0	12,800			
10245	S.E. War Memorial/Public Realm	Facilities Mgmt - Public Realm	C MASON	0	0	16,060	0	16,060	0	0	0	16,060	16,060	0	0	0	16,060	16,060	0	0	0	16,060	16,060	0	16,060			
10009	Section 106 Agreements	Strategic Planning/Policy	D ATKINSON	0	0	12,230	0	12,230	0	0	0	12,230	12,230	0	0	0	12,230	12,230	0	0	0	12,230	12,230	0	12,230			
10013	Env Enhancements/Conservtn	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
10112	Planning Policy	Strategic Planning/Policy	D ATKINSON	0	0	261,760	0	261,760	0	0	0	261,760	261,760	0	0	0	261,760	261,760	0	0	0	261,760	261,760	0	261,760			
10207	Local Plan Cont to Reserves	Strategic Planning/Policy	D ATKINSON	0	0	277,300	0	277,300	0	0	0	277,300	277,300	0	0	0	277,300	277,300	0	0	0	277,300	277,300	0	277,300			
10207A	Local Plan Cont from Reserves	Strategic Planning/Policy	D ATKINSON	0	0	206,000	0	206,000	0	0	0	206,000	206,000	0	0	0	206,000	206,000	0	0	0	206,000	206,000	0	206,000			
10208	Local Plan General	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
10011	Building Control	Building Control	D ATKINSON	0	(26,000)	39,861	0	39,861	0	0	0	39,861	39,861	0	0	0	39,861	39,861	0	0	0	39,861	39,861	0	39,861			
10150	Environmental Health	Car Parking, Lightbulb etc	V JESSOP	0	0	602,855	0	602,855	0	0	0	602,855	602,855	0	0	0	602,855	602,855	0	0	0	602,855	602,855	0	602,855			
10175	Pest/Dog Services	Car Parking, Lightbulb etc	V JESSOP	0	0	25,700	0	25,700	0	0	0	25,700	25,700	0	0	0	25,700	25,700	0	0	0	25,700	25,700	0	25,700			
10219	Head Of Planning	CO (Planning), Eco Strategy (Talent)	D ATKINSON	0	0	117,610	0	117,610	0	0	0	117,610	117,610	0	0	0	117,610	117,610	0	0	0	117,610	117,610	0	117,610			
10205	Neighbourhood Plan	Strategic Planning/Policy	D ATKINSON	0	0	(60,000)	0	(60,000)	0	0	0	(60,000)	(60,000)	0	0	0	(60,000)	(60,000)	0	0	0	(60,000)	(60,000)	0	(60,000)			
	Total			(50,000)	(26,000)	5,100,165	45,000	5,145,165	45,000	0	0	5,145,165	5,145,165	0	0	0	5,145,165	5,145,165	0	0	0	5,145,165	5,145,165	0	5,145,165			

		Responsible Director	NEW BUDGET: 2023/24	MTFS YEAR 1: 2024/25	MTFS YEAR 2: 2025/26	MTFS YEAR 3: 2026/27	MTFS YEAR 4: 2027/28	2027/28
Cost Centre Description	Service		Budget for Year	Budget for Year	Budget for Year	Budget for Year	Base Budget	
			£	£	£	£	£	
Physical Activity	Recreation	V JESSOP	86,591	86,591	86,591	86,591	86,591	86,591
Recreation Development	Recreation	V JESSOP	83,150	43,150	43,150	43,150	43,150	43,150
Youth Awareness Initiatives	Corporate Support	V JESSOP	0	0	0	0	0	0
Health Services	Car Parking, Lightbulb etc	V JESSOP	(6,690)	(6,690)	(6,690)	(6,690)	(6,690)	(6,690)
Lightbulb Social Care	Car Parking, Lightbulb etc	V JESSOP	19,700	19,700	19,700	19,700	19,700	19,700
Head Of Communities	CO, Communities	V JESSOP	112,240	112,240	112,240	112,240	112,240	112,240
Anniversary Events	CO, Communities	V JESSOP	2,000	2,000	2,000	2,000	2,000	2,000
HDC Temporary Accomodation	Housing & Homelessness	V JESSOP	(53,800)	(53,800)	(53,800)	(53,800)	(53,800)	(53,800)
Homelessness	Housing & Homelessness	V JESSOP	85,276	85,276	85,276	85,276	85,276	85,276
Housing Services	Housing & Homelessness	V JESSOP	460,870	460,870	460,870	460,870	460,870	460,870
Grants To External Bodies	Grants, Parishes & Community Safety	V JESSOP	108,990	108,990	108,990	108,990	108,990	108,990
Advice To Parishes	Grants, Parishes & Community Safety	V JESSOP	51,490	51,490	51,490	51,490	51,490	51,490
Safer Communities Laa Fund	Grants, Parishes & Community Safety	V JESSOP	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Community Safety	Grants, Parishes & Community Safety	V JESSOP	77,754	77,754	77,754	77,754	77,754	77,754
Local Lottery	Grants, Parishes & Community Safety	V JESSOP	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)
S.E. Harborough In Bloom	Community Partnerships	V JESSOP	7,000	7,000	7,000	7,000	7,000	7,000
Community Partnerships	Community Partnerships	V JESSOP	2,461	2,461	2,461	2,461	2,461	2,461
Refugee Resettlement			0					
Total			1,019,032	979,032	979,032	979,032	979,032	979,032

DETAILED BUDGET PAPERS 2023/24 - Wellbeing, Communities & Housing

			Responsible Director	NEW BUDGET: 2023/24											
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc						Budget for Year	Variance to Budget	
				2021/22 Budget Setting	2022/23 Budget Setting		Normal operational delivery	TOM	Other payroll changes, fte etc	1.25% National insurance reversal	2023/24 Scale point increment	2022/23 payroll award of £1925 per £			
				£	£	£	£	£	£	£	£	£	£	£	£
10122	Physical Activity	Recreation	V JESSOP	0	0	84,871	0	0	(4,163)	(1,007)	1,896	4,994	86,591	1,720	
10124	Recreation Development	Recreation	V JESSOP	0	(100,000)	76,720	0	0	(2)	(661)	1,319	5,774	83,150	6,430	
10136	Youth Awareness Initiatives	Corporate Support	V JESSOP	0	0	0	0	0	0	0	0	0	0	0	
10155	Health Services	Car Parking, Lightbulb etc	V JESSOP	0	0	(4,090)	(2,600)	0	0	0	0	0	(6,690)	(2,600)	
10239	Lightbulb Social Care	Car Parking, Lightbulb etc	V JESSOP	0	0	33,000	(13,300)	0	0	0	0	0	19,700	(13,300)	
10260	Head Of Communities	CO, Communities	V JESSOP	0	0	112,030	0	0	(2,225)	(955)	1,464	1,926	112,240	210	
10241	Anniversary Events	CO, Communities	V JESSOP	0	0	2,000	0	0	0	0	0	0	2,000	0	
10179	HDC Temporary Accomodation	Housing & Homelessness	V JESSOP	(30,000)	0	(53,800)	0	0	0	0	0	0	(53,800)	0	
10188	Homelessness	Housing & Homelessness	V JESSOP	0	0	85,276	0	0	0	0	0	0	85,276	0	
10201	Housing Services	Housing & Homelessness	V JESSOP	(29,000)	0	455,340	(41,100)	0	32,160	(3,819)	0	18,289	460,870	5,530	
10076	Grants To External Bodies	Grants, Parishes & Community Safety	V JESSOP	(20,000)	0	122,250	(15,000)	0	732	(186)	0	1,194	108,990	(13,260)	
10077	Advice To Parishes	Grants, Parishes & Community Safety	V JESSOP	0	0	46,120	0	0	2,929	(387)	903	1,925	51,490	5,370	
10121	Safer Communities Laa Fund	Grants, Parishes & Community Safety	V JESSOP	0	0	(5,000)	0	0	0	0	0	0	(5,000)	0	
10168	Community Safety	Grants, Parishes & Community Safety	V JESSOP	0	0	90,880	(23,100)	0	3,825	(681)	1,824	5,006	77,754	(13,126)	
10270	Local Lottery	Grants, Parishes & Community Safety	V JESSOP	(3,000)	0	(13,000)	0	0	0	0	0	0	(13,000)	0	
10017	S.E. Harborough In Bloom	Community Partnerships	V JESSOP	0	0	7,000	0	0	0	0	0	0	7,000	0	
10265	Community Partnerships	Community Partnerships	V JESSOP	0	0	80,640	0	(80,729)	1,307	(684)	0	1,927	2,461	(78,179)	
10269	Refugee Resettlement						0	0	0	0	0	0	0		
	Total			(82,000)	(100,000)	1,120,237	(95,100)	(80,729)	34,563	(8,380)	7,406	41,035	1,019,032	(101,205)	

DETAILED BUDGET PAPERS 2023/24 - Wellbeing, Communities & Housing

Cost Centre			Responsible Director	MTFS YEAR 1: 2024/25					MTFS YEAR 2: 2025/26					MTFS YEAR 3: 2026/27					MTFS YEAR 4: 2027/28					2027/28
				Previous Years Growth/		Base Budget	Budget for Year	Variance to Budget	Previous Years Growth/		Base Budget	Budget for Year	Variance to Budget	Previous Years		Base Budget	Budget for Year	Variance to Budget	Previous Years		Base Budget	Budget for Year	Variance to Budget	Base Budget
				2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting				
				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
10122	Physical Activity	Recreation	V JESSOP	0	0	86,591	86,591	0	0	0	86,591	86,591	0	0	0	86,591	86,591	0	0	0	86,591	86,591	0	86,591
10124	Recreation Development	Recreation	V JESSOP	0	(40,000)	43,150	43,150	0	0	0	43,150	43,150	0	0	0	43,150	43,150	0	0	0	43,150	43,150	0	43,150
10136	Youth Awareness Initiatives	Corporate Support	V JESSOP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10155	Health Services	Car Parking, Lightbulb etc	V JESSOP	0	0	(6,690)	(6,690)	0	0	0	(6,690)	(6,690)	0	0	0	(6,690)	(6,690)	0	0	0	(6,690)	(6,690)	0	(6,690)
10239	Lightbulb Social Care	Car Parking, Lightbulb etc	V JESSOP	0	0	19,700	19,700	0	0	0	19,700	19,700	0	0	0	19,700	19,700	0	0	0	19,700	19,700	0	19,700
10260	Head Of Communities	CO, Communities	V JESSOP	0	0	112,240	112,240	0	0	0	112,240	112,240	0	0	0	112,240	112,240	0	0	0	112,240	112,240	0	112,240
10241	Anniversary Events	CO, Communities	V JESSOP	0	0	2,000	2,000	0	0	0	2,000	2,000	0	0	0	2,000	2,000	0	0	0	2,000	2,000	0	2,000
10179	HDC Temporary Accomodation	Housing & Homelessness	V JESSOP	0	0	(53,800)	(53,800)	0	0	0	(53,800)	(53,800)	0	0	0	(53,800)	(53,800)	0	0	0	(53,800)	(53,800)	0	(53,800)
10188	Homelessness	Housing & Homelessness	V JESSOP	0	0	85,276	85,276	0	0	0	85,276	85,276	0	0	0	85,276	85,276	0	0	0	85,276	85,276	0	85,276
10201	Housing Services	Housing & Homelessness	V JESSOP	0	0	460,870	460,870	0	0	0	460,870	460,870	0	0	0	460,870	460,870	0	0	0	460,870	460,870	0	460,870
10076	Grants To External Bodies	Grants, Parishes & Community Safety	V JESSOP	0	0	108,990	108,990	0	0	0	108,990	108,990	0	0	0	108,990	108,990	0	0	0	108,990	108,990	0	108,990
10077	Advice To Parishes	Grants, Parishes & Community Safety	V JESSOP	0	0	51,490	51,490	0	0	0	51,490	51,490	0	0	0	51,490	51,490	0	0	0	51,490	51,490	0	51,490
10121	Safer Communities Laa Fund	Grants, Parishes & Community Safety	V JESSOP	0	0	(5,000)	(5,000)	0	0	0	(5,000)	(5,000)	0	0	0	(5,000)	(5,000)	0	0	0	(5,000)	(5,000)	0	(5,000)
10168	Community Safety	Grants, Parishes & Community Safety	V JESSOP	0	0	77,754	77,754	0	0	0	77,754	77,754	0	0	0	77,754	77,754	0	0	0	77,754	77,754	0	77,754
10270	Local Lottery	Grants, Parishes & Community Safety	V JESSOP	0	0	(13,000)	(13,000)	0	0	0	(13,000)	(13,000)	0	0	0	(13,000)	(13,000)	0	0	0	(13,000)	(13,000)	0	(13,000)
10017	S.E. Harborough In Bloom	Community Partnerships	V JESSOP	0	0	7,000	7,000	0	0	0	7,000	7,000	0	0	0	7,000	7,000	0	0	0	7,000	7,000	0	7,000
10265	Community Partnerships	Community Partnerships	V JESSOP	0	0	2,461	2,461	0	0	0	2,461	2,461	0	0	0	2,461	2,461	0	0	0	2,461	2,461	0	2,461
10269	Refugee Resettlement																							
Total				0	(40,000)	979,032	979,032	0	0	0	979,032	979,032	0	0	0	979,032	979,032	0	0	0	979,032	979,032	0	979,032

**DETAILED BUDGET PAPERS 2023/24 - Strategy**

			Responsible Director	NEW BUDGET: 2023/24	MTFS YEAR 1: 2024/25	MTFS YEAR 2: 2025/26	MTFS YEAR 3: 2026/27	MTFS YEAR 4: 2027/28	2027/28
Cost Centre	Cost Centre Description	Service		Budget for Year	Budget for Year	Budget for Year	Budget for Year	Budget for Year	Base Budget
				£	£	£	£	£	£
10012	Strategic Planning & Housing	Strategic Planning/Policy	D ATKINSON	160,970	160,970	160,970	160,970	160,970	160,970
10262	Market Harb Town Team Project	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0
10210	Joint Strategic Planning	Strategic Planning/Policy	D ATKINSON	44,811	39,530	39,530	39,530	39,530	39,530
10015	Ed Strat - Potential	Economic Strategy/Development	V JESSOP	15,900	15,900	55,900	55,900	55,900	55,900
10043	S.E. Town Centre Support	Economic Strategy/Development	V JESSOP	41,240	41,240	41,240	41,240	41,240	41,240
10055	Market Hall	Economic Strategy/Development	V JESSOP	(89,734)	(89,734)	(89,734)	(89,734)	(89,734)	(89,734)
10065	The Square	Economic Strategy/Development	V JESSOP	(22,260)	(22,260)	(22,260)	(22,260)	(22,260)	(22,260)
10206	Ed Strat - Location	Economic Strategy/Development	V JESSOP	238,850	238,850	238,850	238,850	238,850	238,850
10069	Communication	Communication	V JESSOP	206,030	206,030	206,030	206,030	206,030	206,030
10233	Ed Strat - Talent	CO (Planning), Eco Strategy (Taler	V JESSOP	20,000	13,000	13,000	13,000	13,000	13,000
10211	Strategic Growth Team	Planning - Growth	D ATKINSON	31,537	31,537	31,537	31,537	31,537	31,537
<b>Total</b>				<b>647,344</b>	<b>635,063</b>	<b>675,063</b>	<b>675,063</b>	<b>675,063</b>	<b>675,063</b>

DETAILED BUDGET PAPERS 2023/24 - Strategy

			Responsible Director	NEW BUDGET: 2023/24										
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc						Budget for Year	Variance to Base Budget
				2021/22 Budget Setting	2022/23 Budget Setting		Inflation	Normal operational delivery	Other payroll changes, fte etc	1.25% National insurance reversal	2023/24 Scale point increment	2022/23 payroll award of £1925 per fte		
				£	£	£	£	£	£	£	£	£	£	£
10012	Strategic Planning & Housing	Strategic Planning/Policy	D ATKINSON	0	0	155,810	0	(9,500)	11,160	(1,313)	0	4,813	160,970	5,160
10262	Market Harb Town Team Project	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0
10210	Joint Strategic Planning	Strategic Planning/Policy	D ATKINSON	0	13,511	44,811	0	0	0	0	0	0	44,811	0
10015	Ed Strat - Potential	Economic Strategy/Development	V JESSOP	0	0	35,900	0	(20,000)	0	0	0	0	15,900	(20,000)
10043	S.E. Town Centre Support	Economic Strategy/Development	V JESSOP	0	0	41,240	0	0	0	0	0	0	41,240	0
10055	Market Hall	Economic Strategy/Development	V JESSOP	0	0	(64,804)	(27,500)	(7,000)	3,543	(1,089)	417	6,699	(89,734)	(24,930)
10065	The Square	Economic Strategy/Development	V JESSOP	0	0	(17,560)	(2,900)	(1,800)		0	0	0	(22,260)	(4,700)
10206	Ed Strat - Location	Economic Strategy/Development	V JESSOP	0	0	249,200	0	(15,000)	(1,003)	(2,048)	0	7,701	238,850	(10,350)
10069	Communication	Communication	V JESSOP	0	0	196,050	0	(11,500)	14,028	(1,267)	1,356	7,363	206,030	9,980
10233	Ed Strat - Talent	CO (Planning), Eco Strategy (Talent)	V JESSOP	0	38,000	25,000	0	(5,000)	0	0	0	0	20,000	(5,000)
10211	Strategic Growth Team	Planning - Growth	D ATKINSON	0	0	56,287	0	(10,500)	(14,250)	0	0	0	31,537	(24,750)
	Total			0	51,511	721,934	(30,400)	(80,300)	13,478	(5,717)	1,773	26,576	647,344	(74,590)

DETAILED BUDGET PAPERS 2023/24 - Strategy

			Responsible Director	MTFS YEAR 1: 2024/25					MTFS YEAR 2: 2025/26					MTFS YEAR 3: 2026/27					MTFS YEAR 4: 2027/28					2027/28	
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Budget for Year	Variance to Base Budget	Previous Years Growth/		Base Budget	rowth/Savings e	Budget for Year	Variance to Budget	Previous Years		Base Budget	Budget for Year	Variance to Budget	Previous Years		Base Budget	Budget for Year	Variance to Budget	Base Budget
				2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting					2021/22 Budget Setting	2022/23 Budget Setting				2021/22 Budget Setting	2022/23 Budget Setting				
			£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
10012	Strategic Planning & Housing	Strategic Planning/Policy	D ATKINSON	0	0	160,970	160,970	0	0	0	160,970	0	160,970	0	0	0	160,970	160,970	0	0	0	160,970	160,970	0	160,970
10262	Market Harb Town Team Project	Strategic Planning/Policy	D ATKINSON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10210	Joint Strategic Planning	Strategic Planning/Policy	D ATKINSON	0	(5,281)	39,530	39,530	0	0	0	39,530	0	39,530	0	0	0	39,530	39,530	0	0	0	39,530	39,530	0	39,530
10015	Ed Strat - Potential	Economic Strategy/Development	V JESSOP	0	0	15,900	15,900	0	0	0	15,900	40,000	55,900	40,000	0	0	55,900	55,900	0	0	0	55,900	55,900	0	55,900
10043	S.E. Town Centre Support	Economic Strategy/Development	V JESSOP	0	0	41,240	41,240	0	0	0	41,240	0	41,240	0	0	0	41,240	41,240	0	0	0	41,240	41,240	0	41,240
10055	Market Hall	Economic Strategy/Development	V JESSOP	0	0	(89,734)	(89,734)	0	0	0	(89,734)	0	(89,734)	0	0	0	(89,734)	(89,734)	0	0	0	(89,734)	(89,734)	0	(89,734)
10065	The Square	Economic Strategy/Development	V JESSOP	0	0	(22,260)	(22,260)	0	0	0	(22,260)	0	(22,260)	0	0	0	(22,260)	(22,260)	0	0	0	(22,260)	(22,260)	0	(22,260)
10206	Ed Strat - Location	Economic Strategy/Development	V JESSOP	0	0	238,850	238,850	0	0	0	238,850	0	238,850	0	0	0	238,850	238,850	0	0	0	238,850	238,850	0	238,850
10069	Communication	Communication	V JESSOP	0	0	206,030	206,030	0	0	0	206,030	0	206,030	0	0	0	206,030	206,030	0	0	0	206,030	206,030	0	206,030
10233	Ed Strat - Talent	CO (Planning), Eco Strategy (Tale	V JESSOP	0	(7,000)	13,000	13,000	0	0	0	13,000	0	13,000	0	0	0	13,000	13,000	0	0	0	13,000	13,000	0	13,000
10211	Strategic Growth Team	Planning - Growth	D ATKINSON	0	0	31,537	31,537	0	0	0	31,537	0	31,537	0	0	0	31,537	31,537	0	0	0	31,537	31,537	0	31,537
	Total			0	(12,281)	635,063	635,063	0	0	0	635,063	40,000	675,063	40,000	0	0	675,063	675,063	0	0	0	675,063	675,063	0	675,063

**DETAILED BUDGET PAPERS 2023/24 - Corporate & Regulatory Services**

			Responsible Director	NEW BUDGET: 2023/24	MTFS YEAR 1: 2024/25	MTFS YEAR 2: 2025/26	MTFS YEAR 3: 2026/27	MTFS YEAR 4: 2027/28	2027/28
Cost Centre	Cost Centre Description	Service		Budget for Year	Budget for Year	Budget for Year	Budget for Year	Budget for Year	Base Budget
				£	£	£	£	£	£
10003	Corporate Administration	Corporate Support	C MASON	588,283	588,283	588,283	588,283	588,283	588,283
10032	Postages	Corporate Support	C MASON	40,400	40,400	40,400	40,400	40,400	40,400
10037	Corporate Printing	Corporate Support	C MASON	12,000	12,000	12,000	12,000	12,000	12,000
10051	Land Charges	Corporate Support	C MASON	(118,200)	(118,200)	(118,200)	(118,200)	(118,200)	(118,200)
10066	Performance/Change Mana	Corporate Support	C MASON	2,868	2,868	2,868	2,868	2,868	2,868
10165	Public Burials	Corporate Support	C MASON	2,500	2,500	2,500	2,500	2,500	2,500
10231	Central Stationery Store	Corporate Support	C MASON	13,100	13,100	13,100	13,100	13,100	13,100
10022	Legal Services	Legal & Democratic Support	C MASON	276,765	268,765	268,765	268,765	268,765	268,765
10072	Members Allowances & Exp	Legal & Democratic Support	C MASON	318,650	318,650	318,650	318,650	318,650	318,650
10073	Committee Servicing	Legal & Democratic Support	C MASON	162,315	162,315	162,315	162,315	162,315	162,315
10213	Programme Management	Legal & Democratic Support	C MASON	180,130	180,130	64,020	64,020	64,020	64,020
10023	Human Resources	HR & Training	C MASON	278,960	263,960	263,960	263,960	263,960	263,960
10024	Corporate & Mangmnt Train	HR & Training	C MASON	35,300	35,300	35,300	35,300	35,300	35,300
10060	Elections	Elections	C MASON	16,600	16,600	16,600	16,600	16,600	16,600
10060A	Elections - Cont from Reserves	Elections	C MASON	166,000	0	0	0	0	0
10060B	Elections - Cont to Reserve	Elections	C MASON	40,000	40,000	40,000	40,000	40,000	40,000
10061	Registration Of Electors	Register of Electors	C MASON	43,100	43,100	43,100	43,100	43,100	43,100
10078	Emergency Plan/ Bus Contin	Car Parking, Lightbulb etc	V JESSOP	29,800	29,800	29,800	29,800	29,800	29,800
10096	Car Park Services	Car Parking, Lightbulb etc	V JESSOP	(703,505)	(749,576)	(738,309)	(753,970)	(753,970)	(753,970)
10101	Hackney Carriage Licencing	Car Parking, Lightbulb etc	V JESSOP	(31,800)	(31,800)	(31,800)	(31,800)	(31,800)	(31,800)
10117	On Street C.P.E	Car Parking, Lightbulb etc	V JESSOP	199,714	199,714	199,714	199,714	199,714	199,714
10118	Car Parks Administration	Car Parking, Lightbulb etc	V JESSOP	58,460	58,460	58,460	58,460	58,460	58,460
10119	Off Street C.P.E.	Car Parking, Lightbulb etc	V JESSOP	(170,477)	(170,477)	(170,477)	(170,477)	(170,477)	(170,477)
10154	Licences	Car Parking, Lightbulb etc	V JESSOP	(79,600)	(79,600)	(79,600)	(79,600)	(79,600)	(79,600)
10163	S.E.Cemeteries & Burial Gro	Facilities Mgmt - Public Rea	C MASON	10,425	10,425	10,425	10,425	10,425	10,425
10164	Closed Churchyards	Facilities Mgmt - Public Rea	C MASON	40,140	40,140	40,140	40,140	40,140	40,140
10167	Cctv	CCTV, Control Centre	C MASON	0	0	0	0	0	0
10193	Control Centre	CCTV, Control Centre	C MASON	114,990	103,990	103,990	103,990	103,990	103,990
10173	Licensing Team	Car Parking, Lightbulb etc	V JESSOP	124,220	124,220	124,220	124,220	124,220	124,220
10232	Section 151 Officer	CO (151), Assets, Internal A	C MASON	122,460	122,460	122,460	122,460	122,460	122,460
10237	Corporate In Year Savings	CO (151), Assets, Internal A	C MASON	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)
10230	Head Of Legal & Democratic	CO Legal & Democratic	C MASON	90,628	90,628	90,628	90,628	90,628	90,628
10305	External Audit	Finance	C MASON	88,000	88,000	88,000	88,000	88,000	88,000
10238	Apprentice Levy Costs	Finance	C MASON	13,600	13,600	13,600	13,600	13,600	13,600
10035	Customer Services	Customer Services	V JESSOP	611,995	611,995	611,995	611,995	611,995	611,995
10104	Consultation	Customer Services	V JESSOP	0	0	0	0	0	0
10302	Customer Services (2) CC	Customer Services	V JESSOP	0	0	0	0	0	0
10236	Equalities & Safeguarding	Customer Services	V JESSOP	35,300	35,300	35,300	35,300	35,300	35,300
10021	Chief Executives Group	Joint Chief Execitives	L ELLIOTT	3,500	3,500	3,500	3,500	3,500	3,500
10054	Lga Subscriptions	Joint Chief Execitives	L ELLIOTT	20,200	20,200	20,200	20,200	20,200	20,200
10071	Corporate Activities	Joint Chief Execitives	L ELLIOTT	0	0	0	0	0	0
10222	Old cost centre	Joint Chief Execitives	L ELLIOTT	0	0	0	0	0	0
10226	Chief Executive	Joint Chief Execitives	L ELLIOTT	168,250	168,250	168,250	168,250	168,250	168,250
10215	Deputy Chief Executive		L ELLIOTT	130,740	130,740	130,740	130,740	130,740	130,740
?????	Enforcement Cross-Cutting		V JESSOP	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
?????	HR Cross-Cutting		C MASON	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
	<b>Total</b>			<b>2,658,811</b>	<b>2,412,740</b>	<b>2,307,897</b>	<b>2,292,236</b>	<b>2,292,236</b>	<b>2,292,236</b>

DETAILED BUDGET PAPERS 2023/24 - Corporate & Regulatory Services

			Responsible Director	NEW BUDGET: 2023/24																
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc										Budget for Year	Variance to Budget		
				2021/22 Budget Setting	2022/23 Budget Setting		Inflation	Underacheivment of savings	Normal operational delivery	Unplanned pressures	Strategic Partnership	TOM	Permanent virements	Other payroll changes, fte etc	1.25% National insurance reversal	2023/24 Scale point increment			2022/23 payroll award of £1925 per fte	
				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
10003	Corporate Administration	Corporate Support	C MASON	0	0	597,921	0	(58,300)	7,300		7,203			9,421	(6,100)	1,762	29,076	588,283	(9,638)	
10032	Postages	Corporate Support	C MASON	0	0	40,400	0								0	0	0	40,400	0	
10037	Corporate Printing	Corporate Support	C MASON	0	(5,000)	12,000	0								0	0	0	12,000	0	
10051	Land Charges	Corporate Support	C MASON	0		(118,200)	0								0	0	0	(118,200)	0	
10066	Performance/Change Mana	Corporate Support	C MASON	0	0	2,868	0								0	0	0	2,868	0	
10165	Public Burials	Corporate Support	C MASON	0	0	2,500	0								0	0	0	2,500	0	
10231	Central Stationery Store	Corporate Support	C MASON	0	0	13,100	0								0	0	0	13,100	0	
10022	Legal Services	Legal & Democratic Support	C MASON	0	0	246,500	0		17,000		1,475			5,567	(2,195)	2,258	6,160	276,765	30,265	
10072	Members Allowances & Exp	Legal & Democratic Support	C MASON	0	0	320,950	0						(2,300)		0	0	0	318,650	(2,300)	
10073	Committee Servicing	Legal & Democratic Support	C MASON	0	0	161,560	0	(22,000)	10,665				2,300	4,691	(1,529)	1,066	5,562	162,315	755	
10213	Programme Management	Legal & Democratic Support	C MASON	0	0	61,390	0		116,110					1,237	(533)	0	1,926	180,130	118,740	
10023	Human Resources	HR & Training	C MASON	0	(17,000)	263,790	0							6,666	(2,248)	1,526	9,226	278,960	15,170	
10024	Corporate & Mangmnt Train	HR & Training	C MASON	0	0	43,300	0	(8,000)							0	0	0	35,300	(8,000)	
10060	Elections	Elections	C MASON	0		16,600	0		0						0	0	0	16,600	0	
10060A	Elections - Cont from Reserves	Elections	C MASON						166,000									166,000	166,000	
10060B	Elections - Cont to Reserve	Elections	C MASON	0	0	0	0		40,000									40,000	40,000	
10061	Registration Of Electors	Register of Electors	C MASON	0	0	54,100	0	(11,000)							0	0	0	43,100	(11,000)	
10078	Emergency Plan/ Bus Contr	Car Parking, Lightbulb etc	V JESSOP	0	0	29,800	0								0	0	0	29,800	0	
10096	Car Park Services	Car Parking, Lightbulb etc	V JESSOP	0	137,372	(857,937)	0	(3,800)	158,232						0	0	0	(703,505)	154,432	
10101	Hackney Carriage Licencing	Car Parking, Lightbulb etc	V JESSOP	0	0	(31,800)	0								0	0	0	(31,800)	0	
10117	On Street C.P.E	Car Parking, Lightbulb etc	V JESSOP	0	0	(47,066)	0							219,200	(4,158)	2,727	29,011	199,714	246,780	
10118	Car Parks Administration	Car Parking, Lightbulb etc	V JESSOP	0	0	52,580	0							4,411	(455)	0	1,924	58,460	5,880	
10119	Off Street C.P.E.	Car Parking, Lightbulb etc	V JESSOP	0	0	40,523	0							(211,000)	0	0	0	(170,477)	(211,000)	
10154	Licences	Car Parking, Lightbulb etc	V JESSOP	0	0	(79,600)	0								0	0	0	(79,600)	0	
10163	S.E.Cemeteries & Burial Gro	Facilities Mgmt - Public Res	C MASON	0	0	15,925	(5,500)								0	0	0	10,425	(5,500)	
10164	Closed Churchyards	Facilities Mgmt - Public Res	C MASON	0	0	40,140	0								0	0	0	40,140	0	
10167	Cctv	CCTV, Control Centre	C MASON	0	0	0	0								0	0	0	0	0	
10193	Control Centre	CCTV, Control Centre	C MASON	0	(6,000)	70,390	0	(14,500)						38,252	(3,150)	3,103	20,895	114,990	44,600	
10173	Licensing Team	Car Parking, Lightbulb etc	V JESSOP	0	0	117,620	0							2,578	(983)	0	5,005	124,220	6,600	
10232	Section 151 Officer	CO (151), Assets, Internal A	C MASON	0	0	118,070	0				1,990			1,409	(935)	0	1,926	122,460	4,390	
10237	Corporate In Year Savings	CO (151), Assets, Internal A	C MASON	0	0	(16,000)	0								0	0	(164,000)	(180,000)	(164,000)	
10230	Head Of Legal & Democratic	CO Legal & Democratic	C MASON	0	0	111,330	0				(20,912)			(764)	(952)	0	1,926	90,628	(20,702)	
10305	External Audit	Finance	C MASON	0	0	40,000	0		48,000						0	0	0	88,000	48,000	
10238	Apprentice Levy Costs	Finance	C MASON	0	0	13,600	0								0	0	0	13,600	0	
10035	Customer Services	Customer Services	V JESSOP	0	0	351,730	0	(14,700)	60,280		12,005			173,117	(2,663)	5,275	26,951	611,995	260,265	
10104	Consultation	Customer Services	V JESSOP	0	0	0	0								0	0	0	0	0	
10302	Customer Services (2) CC	Customer Services	V JESSOP	(110,000)	0	191,660	0							(191,660)	0	0	0	0	(191,660)	
10236	Equalities & Safeguarding	Customer Services	V JESSOP	0	0	33,670	0							765	(289)	0	1,154	35,300	1,630	
10021	Chief Executives Group	Joint Chief Execitives	LELLIOTT	0	0	3,500	0								0	0	0	3,500	0	
10054	Lga Subscriptions	Joint Chief Execitives	LELLIOTT	0	0	20,200	0								0	0	0	20,200	0	
10071	Corporate Activities	Joint Chief Execitives	LELLIOTT	0	0	0	0								0	0	0	0	0	
10222	Old cost centre	Joint Chief Execitives	LELLIOTT	0	0	0	0								0	0	0	0	0	
10226	Chief Executive	Joint Chief Execitives	LELLIOTT	0	0	166,490	0			0				(799)	(1,592)	2,223	1,928	168,250	1,760	
10215	Deputy Chief Executive		LELLIOTT	0	0	128,390	0		0		0			1,502	(1,081)	0	1,929	130,740	2,350	
?????	Enforcement Cross-Cutting		V JESSOP	0	0	(147,000)	0	72,000							0	0	0	(75,000)	72,000	
?????	HR Cross-Cutting		C MASON	0	(2,000)	(22,000)	0								0	0	0	(22,000)	0	
	Total			(110,000)	107,372	2,062,994	(5,500)	72,000	(132,300)	623,587	0	1,761	0	64,593	(28,863)	19,940	(19,401)	2,658,811	595,817	

**DETAILED BUDGET PAPERS 2023/24 - Corporate & Regulatory Services**

			Responsible Director	MTFS YEAR 1: 2024/25								MTFS YEAR 2: 2025/26						MTFS YEAR 3: 2026/27						MTFS YEAR 4: 2027/28					2027/28			
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc			Budget for Year	Variance to Budget	Previous Years		Base Budget	Growth/Savings etc		Budget for Year	Variance to Budget	Previous Years		Base Budget	Growth/Savings etc		Budget for Year	Variance to Budget	Previous Years		Base Budget		Budget for Year	Variance to Budget	Base Budget
				2021/22 Budget Setting	2022/23 Budget Setting		savings	Other re car parking income	Unplanned Pressures			2021/22 Budget Setting	2022/23 Budget Setting		Other re car parking income	Unplanned Pressures			2021/22 Budget Setting	2022/23 Budget Setting		Other re car parking income	Unplanned Pressures			2021/22 Budget Setting	2022/23 Budget Setting					
=	=	=	=	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£		
10003	Corporate Administration	Corporate Support	C MASON	0	0	588,283	0	0	0	588,283	0	0	0	588,283	0	0	588,283	0	0	0	588,283	0	0	588,283	0	0	588,283	588,283	0	588,283		
10032	Postages	Corporate Support	C MASON	0	0	40,400	0	0	0	40,400	0	0	0	40,400	0	0	40,400	0	0	0	40,400	0	0	40,400	0	0	40,400	40,400	0	40,400		
10037	Corporate Printing	Corporate Support	C MASON	0	0	12,000	0	0	0	12,000	0	0	0	12,000	0	0	12,000	0	0	0	12,000	0	0	12,000	0	0	12,000	12,000	0	12,000		
10051	Land Charges	Corporate Support	C MASON	0	0	(118,200)	0	0	0	(118,200)	0	0	0	(118,200)	0	0	(118,200)	0	0	0	(118,200)	0	0	(118,200)	0	0	(118,200)	(118,200)	0	(118,200)		
10066	Performance/Change Mana	Corporate Support	C MASON	0	0	2,868	0	0	0	2,868	0	0	0	2,868	0	0	2,868	0	0	0	2,868	0	0	2,868	0	0	2,868	2,868	0	2,868		
10165	Public Burials	Corporate Support	C MASON	0	0	2,500	0	0	0	2,500	0	0	0	2,500	0	0	2,500	0	0	0	2,500	0	0	2,500	0	0	2,500	2,500	0	2,500		
10231	Central Stationery Store	Corporate Support	C MASON	0	0	13,100	0	0	0	13,100	0	0	0	13,100	0	0	13,100	0	0	0	13,100	0	0	13,100	0	0	13,100	13,100	0	13,100		
10022	Legal Services	Legal & Democratic Support	C MASON	0	0	276,765	(8,000)	0	0	268,765	(8,000)	0	0	268,765	0	0	268,765	0	0	0	268,765	0	0	268,765	0	0	268,765	268,765	0	268,765		
10072	Members Allowances & Exp	Legal & Democratic Support	C MASON	0	0	318,650	0	0	0	318,650	0	0	0	318,650	0	0	318,650	0	0	0	318,650	0	0	318,650	0	0	318,650	318,650	0	318,650		
10073	Committee Servicing	Legal & Democratic Support	C MASON	0	0	162,315	0	0	0	162,315	0	0	0	162,315	0	0	162,315	0	0	0	162,315	0	0	162,315	0	0	162,315	162,315	0	162,315		
10213	Programme Management	Legal & Democratic Support	C MASON	0	0	180,130	0	0	0	180,130	0	0	0	180,130	0	(116,110)	64,020	(116,110)	0	0	0	64,020	0	0	64,020	64,020	0	64,020	64,020	0	64,020	
10023	Human Resources	HR & Training	C MASON	0	(15,000)	263,960	0	0	0	263,960	0	0	0	263,960	0	0	263,960	0	0	0	263,960	0	0	263,960	0	0	263,960	263,960	0	263,960		
10024	Corporate & Mangmnt Train	HR & Training	C MASON	0	0	35,300	0	0	0	35,300	0	0	0	35,300	0	0	35,300	0	0	0	35,300	0	0	35,300	0	0	35,300	35,300	0	35,300		
10060	Elections	Elections	C MASON	0	0	16,600	0	0	0	16,600	0	0	0	16,600	0	0	16,600	0	0	0	16,600	0	0	16,600	0	0	16,600	16,600	0	16,600		
10060A	Elections - Cont from Reserves	Elections	C MASON	0	0	166,000	0	0	0	166,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10060B	Elections - Cont to Reserve	Elections	C MASON	0	0	40,000	0	0	0	40,000	0	0	0	40,000	0	0	40,000	0	0	0	40,000	0	0	40,000	0	0	40,000	40,000	0	40,000		
10061	Registration Of Electors	Register of Electors	C MASON	0	0	43,100	0	0	0	43,100	0	0	0	43,100	0	0	43,100	0	0	0	43,100	0	0	43,100	0	0	43,100	43,100	0	43,100		
10078	Emergency Plan/ Bus Contr	Car Parking, Lightbulb etc	V JESSOP	0	0	29,800	0	0	0	29,800	0	0	0	29,800	0	0	29,800	0	0	0	29,800	0	0	29,800	0	0	29,800	29,800	0	29,800		
10096	Car Park Services	Car Parking, Lightbulb etc	V JESSOP	0	58,929	(644,576)	0	(105,000)	0	(749,576)	(105,000)	0	56,267	(693,309)	(45,000)	0	(738,309)	(45,000)	0	53,339	(684,970)	(69,000)	(753,970)	(69,000)	0	(753,970)	(753,970)	0	(753,970)			
10101	Hadckney Carriage Licencing	Car Parking, Lightbulb etc	V JESSOP	0	0	(31,800)	0	0	0	(31,800)	0	0	0	(31,800)	0	0	(31,800)	0	0	0	(31,800)	0	0	(31,800)	0	0	(31,800)	(31,800)	0	(31,800)		
10117	On Street C.P.E	Car Parking, Lightbulb etc	V JESSOP	0	0	199,714	0	0	0	199,714	0	0	0	199,714	0	0	199,714	0	0	0	199,714	0	0	199,714	0	0	199,714	199,714	0	199,714		
10118	Car Parks Administration	Car Parking, Lightbulb etc	V JESSOP	0	0	58,460	0	0	0	58,460	0	0	0	58,460	0	0	58,460	0	0	0	58,460	0	0	58,460	0	0	58,460	58,460	0	58,460		
10119	Off Street C.P.E.	Car Parking, Lightbulb etc	V JESSOP	0	0	(170,477)	0	0	0	(170,477)	0	0	0	(170,477)	0	0	(170,477)	0	0	0	(170,477)	0	0	(170,477)	0	0	(170,477)	(170,477)	0	(170,477)		
10154	Licences	Car Parking, Lightbulb etc	V JESSOP	0	0	(79,600)	0	0	0	(79,600)	0	0	0	(79,600)	0	0	(79,600)	0	0	0	(79,600)	0	0	(79,600)	0	0	(79,600)	(79,600)	0	(79,600)		
10163	S.E.Cemeteries & Burial Gro	Facilities Mgmt - Public Res	C MASON	0	0	10,425	0	0	0	10,425	0	0	0	10,425	0	0	10,425	0	0	0	10,425	0	0	10,425	0	0	10,425	10,425	0	10,425		
10164	Closed Churchyards	Facilities Mgmt - Public Res	C MASON	0	0	40,140	0	0	0	40,140	0	0	0	40,140	0	0	40,140	0	0	0	40,140	0	0	40,140	0	0	40,140	40,140	0	40,140		
10167	Cctv	CCTV, Control Centre	C MASON	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10193	Control Centre	CCTV, Control Centre	C MASON	0	(11,000)	103,990	0	0	0	103,990	0	0	0	103,990	0	0	103,990	0	0	0	103,990	0	0	103,990	0	0	103,990	103,990	0	103,990		
10173	Licensing Team	Car Parking, Lightbulb etc	V JESSOP	0	0	124,220	0	0	0	124,220	0	0	0	124,220	0	0	124,220	0	0	0	124,220	0	0	124,220	0	0	124,220	124,220	0	124,220		
10232	Section 151 Officer	CO (151), Assets, Internal A	C MASON	0	0	122,460	0	0	0	122,460	0	0	0	122,460	0	0	122,460	0	0	0	122,460	0	0	122,460	0	0	122,460	122,460	0	122,460		
10237	Corporate In Year Savings	CO (151), Assets, Internal A	C MASON	0	0	(180,000)	0	0	0	(180,000)	0	0	0	(180,000)	0	0	(180,000)	0	0	0	(180,000)	0	0	(180,000)	0	0	(180,000)	(180,000)	0	(180,000)		
10230	Head Of Legal & Democratic	CO Legal & Democratic	C MASON	0	0	90,628	0	0	0	90,628	0	0	0	90,628	0	0	90,628	0	0	0	90,628	0	0	90,628	0	0	90,628	90,628	0	90,628		
10305	External Audit	Finance	C MASON	0	0	88,000	0	0	0	88,000	0	0	0	88,000	0	0	88,000	0	0	0	88,000	0	0	88,000	0	0	88,000	88,000	0	88,000		
10238	Apprentice Levy Costs	Finance	C MASON	0	0	13,600	0	0	0	13,600	0	0	0	13,600	0	0	13,600	0	0	0	13,600	0	0	13,600	0	0	13,600	13,600	0	13,600		
10035	Customer Services	Customer Services	V JESSOP	0	0	611,995	0	0	0	611,995	0	0	0	611,995	0	0	611,995	0	0	0	611,995	0	0	611,995	0	0	611,995	611,995	0	611,995		
10104	Consultation	Customer Services	V JESSOP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10302	Customer Services (2) CC	Customer Services	V JESSOP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10236	Equalities & Safeguarding	Customer Services	V JESSOP	0	0	35,300	0	0	0	35,300	0	0	0	35,300	0	0	35,300	0	0	0	35,300	0	0	35,300	0	0	35,300	35,300	0	35,300		
10021	Chief Executives Group	Joint Chief Execitives	LELLIOTT	0	0	3,500	0	0	0	3,500	0	0	0	3,500	0	0	3,500	0	0	0	3,500	0	0	3,500	0	0	3,500	3,500	0	3,500		
10054	Lga Subscriptions	Joint Chief Execitives	LELLIOTT	0	0	20,200	0	0	0	20,200	0	0	0	20,200	0	0	20,200	0	0	0	20,200	0	0	20,200	0	0	20,200	20,200	0	20,200		
10071	Corporate Activities	Joint Chief Execitives	LELLIOTT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10222	Old cost centre	Joint Chief Execitives	LELLIOTT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10226	Chief Executive	Joint Chief Execitives	LELLIOTT	0	0	168,250	0	0	0	168,250	0	0	0	168,250	0	0	168,250	0	0	0	168,250	0	0	168,250	0	0	168,250	168,250	0	168,250		
10215	Deputy Chief Executive	LELLIOTT	0	0	130,740	0	0	0	0	130,740	0	0	0	130,740	0	0	130,740	0	0	0	130,740	0	0	130,740	0	0	130,740	130,740	0	130,740		
?????	Enforcement Cross-Cutting	V JESSOP	0	0	(75,000)	0	0	0	0	(75,000)	0	0	0	(75,000)	0	0	(75,000)	0	0	0	(75,000)	0	0	(75,000)	0	0	(75,000)	(75,000)	0	(75,000)		
?????	HR Cross-Cutting	C MASON	0	0	(22,000)	0	0	0	0	(22,000)	0	0	0	(22,000)	0	0	(22,000)	0	0	0	(22,000)	0	0	(22,000)	0	0	(22,000)	(22,000)	0	(22,000)		
	Total			0	32,929	2,691,740	(8,000)	(105,000)	(166,000)	2,412,740	(279,000)	0	56,267	2,469,007	(45,000)	(116,110)	2,307,897	(161,110)	0	53,339	2,361,236	(69,000)	2,292,236	(69,000)	0	0	2,292,23					

DETAILED BUDGET PAPERS 2023/24 - Contingency & Inflationary Provisions

			Responsible Director	NEW BUDGET: 2023/24	MTFS YEAR 1: 2024/25	MTFS YEAR 2: 2025/26	MTFS YEAR 3: 2026/27	MTFS YEAR 4: 2027/28	2028/29
Cost Centre	Cost Centre Description	Service		Budget for Year	Budget for Year	Budget for Year	Budget for Year	Base Budget	
				£	£	£	£	£	
10509	Central Items - Contingency	Finance	C MASON	0	0	0	0	0	0
Nominal	Inflation - Pay - Services 2 NCS	Corporate - Finance	C MASON	375,233	716,695	1,019,620	1,331,633	1,653,006	1,653,006
Nominal	Inflation - Pay to Capital Fin	Corporate - Finance	C MASON	0	14,819	14,819	14,819	14,819	14,819
Nominal	Inflation - Services	Corporate - Finance	C MASON	0	0	0	0	0	0
Nominal	Inflation - Employer Oncosts	Corporate - Finance	CMASON	(94,000)	(73,000)	(72,000)	(72,000)	(72,000)	(72,000)
Nominal	Inflation - FCC	Operational Services	V JESSOP	609,883	832,198	1,069,129	1,302,896	1,302,896	1,302,896
Nominal	Inflation - Energy costs			42,253	42,253	230,253	230,253	230,253	230,253
Nominal	FCC 5% Escalator for Potential Govt Changes to Waste	Operational Services	V JESSOP	0	0	269,969	549,146	549,146	549,146
Nominal	Target Operating Model Service Efficiency	Operational Services	L ELLIOTT	(287,858)	(287,858)	(296,860)	(306,087)	(306,087)	(306,087)
Nominal	Shared Service; DM Support	Operational Services	D ATKINSON	0	0	(3,188)	(6,455)	(6,455)	(6,455)
	Total			645,511	1,245,107	2,231,742	3,044,205	3,365,578	3,365,578

DETAILED BUDGET PAPERS 2021/22 - Contingency & Inflationary Provisions

			Responsible Director	NEW BUDGET: 2023/24										
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc						Budget for Year	Variance to Base Budget
				2021/22 Budget Setting	2022/23 Budget Setting		FCC contract changes	Inflation - Pay - Services	Inflation - Pay to Capital Financing	Inflation - Employer Oncosts	TOM	Other		
				£	£	£	£	£	£	£	£	£	£	
10509	Central Items - Contingency	Finance	CMASON	0		0	0	0	0	0	0	0	0	0
Nominal	Inflation - Pay - Services 2 NCS	Corporate - Finance	CMASON	139,452	50,010	189,462	0	185,771	0	0	0	0	375,233	185,771
Nominal	Inflation - Pay to Capital Fin	Corporate - Finance	CMASON	10,950		10,950	0	0	(10,950)	0	0	0	0	(10,950)
Nominal	Inflation - Services	Corporate - Finance	CMASON	0		0	0	0	0	0	0	0	0	0
Nominal	Inflation - Employer Oncosts	Corporate - Finance	CMASON	0		0	0	0	0	(94,000)	0	0	(94,000)	(94,000)
Nominal	Inflation - FCC	Operational Services	V JESSOP	0	273,946	404,673	205,210	0	0	0	0	0	609,883	205,210
Nominal	Inflation - Energy costs	Operational Services	V JESSOP	0	0	0	0	0	0	0	0	42,253	42,253	42,253
Nominal	FCC 5% Escalator for Potential Govt Changes to Waste	Operational Services	V JESSOP	0		0	0	0	0	0	0	0	0	0
Nominal	Target Operating Model Service Efficiency	Operational Services	L ELLIOTT	0	(7,060)	(360,060)	0	0	0	0	65,202	7,000	(287,858)	72,202
Nominal	Shared Service; DM Support	Operational Services	D ATKINSON	0	(33,500)	(127,500)	0	0	0	0	0	127,500	0	127,500
	Total			150,402	283,396	117,525	205,210	185,771	(10,950)	(94,000)	65,202	176,753	645,511	527,986

DETAILED BUDGET PAPERS 2021/22 - Contingency & Inflationary Provisions

			Responsible Director	MTFS YEAR 1: 2024/25								MTFS YEAR 2: 2025/26							
Cost Centre	Cost Centre Description	Service		Previous Years Growth/		Base Budget	Growth/Savings etc			Budget for Year	Variance to Base Budget	Previous Years Growth/		Base Budget	Growth/Savings etc			Budget for Year	Variance to Budget
				2021/22 Budget Setting	2022/23 Budget Setting		Inflation - Pay - Services	Inflation Employer Oncosts	Other			2021/22 Budget Setting	2022/23 Budget Setting		Inflation - Pay - Services	Inflation energy costs - Leisure contract	Inflation Employer Oncosts		
				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
10509	Central Items - Contingency	Finance	C MASON	0	0	0	0	0		0	0	0	0	0	0	0	0	0	
Nominal	Inflation - Pay - Services 2 NCS	Corporate - Finance	C MASON	188,726	0	563,959	152,736	0		716,695	152,736	0	251,299	967,994	51,626	0	0	1,019,620	51,626
Nominal	Inflation - Pay to Capital Fin	Corporate - Finance	C MASON	14,819	0	14,819	0	0		14,819	0	0	0	14,819	0	0	0	14,819	0
Nominal	Inflation - Services	Corporate - Finance	C MASON	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
Nominal	Inflation - Employer Oncosts	Corporate - Finance	CMASON	0	0	(94,000)	0	21,000		(73,000)	21,000	0	0	(73,000)	0	0	1,000	(72,000)	1,000
Nominal	Inflation - FCC	Operational Services	V JESSOP	0	222,315	832,198	0	0		832,198	0	0	236,931	1,069,129	0	0	0	1,069,129	0
Nominal	Inflation - Energy costs	Operational Services	V JESSOP	0	0	42,253	0	0	25,352	42,253	0	0	0	42,253	0	188,000	0	230,253	188,000
Nominal	FCC 5% Escalator for Potential Govt Changes to Waste	Operational Services	V JESSOP	0	0	0	0	0		0	0	0	269,969	269,969	0	0	0	269,969	0
Nominal	Target Operating Model Service Efficiency	Operational Services	LELLIOTT	0	0	(287,858)	0	0		(287,858)	0	0	(9,002)	(296,860)	0	0	0	(296,860)	0
Nominal	Shared Service; DM Support	Operational Services	D ATKINSON	0	0	0	0	0		0	0	0	(3,188)	(3,188)	0	0	0	(3,188)	0
	Total			203,545	222,315	1,071,371	152,736	21,000	25,352	1,245,107	173,736	0	746,009	1,991,116	51,626	188,000	1,000	2,231,742	240,626

DETAILED BUDGET PAPERS 2021/22 - Contingency & Inflationary Provisions

Cost Centre			Responsible Director	MTFS YEAR 3: 2026/27							MTFS YEAR 4: 2027/28						
				Previous Years Growth/		Base Budget	Growth/Savings etc		Budget for Year	Variance to Budget	Previous Years		Base Budget	Growth/Savings etc		Budget for Year	Variance to Budget
				2021/22 Budget Setting	2022/23 Budget Setting		Inflation - Pay - Services	Inflation - Employer Oncosts			2021/22 Budget Setting	2022/23 Budget Setting		BC25-T2/3 "More Work Needed Savings"	XXXX		
				£	£	£	£	£	£	£	£	£	£	£	£	£	£
10509	Central Items - Contingency	Finance	C MASON	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nominal	Inflation - Pay - Services 2 NCS	Corporate - Finance	C MASON	0	257,582	1,277,202	54,431	0	1,331,633	54,431	0	0	1,331,633	321,373	0	1,653,006	321,373
Nominal	Inflation - Pay to Capital Fin	Corporate - Finance	C MASON	0	0	14,819	0	0	14,819	0	0	0	14,819	0	0	14,819	0
Nominal	Inflation - Services	Corporate - Finance	C MASON	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nominal	Inflation - Employer Oncosts	Corporate - Finance	CMASON	0	0	(72,000)	0	0	(72,000)	0	0	0	(72,000)	0	0	(72,000)	0
Nominal	Inflation - FCC	Operational Services	V JESSOP	0	233,767	1,302,896	0	0	1,302,896	0	0	0	1,302,896	0	0	1,302,896	0
Nominal	Inflation - Energy costs	Operational Services	V JESSOP	0	0	230,253	0	0	230,253	0	0	0	230,253	0	0	230,253	0
Nominal	FCC 5% Escalator for Potential Govt Changes to Waste	Operational Services	V JESSOP	0	279,177	549,146	0	0	549,146	0	0	0	549,146	0	0	549,146	0
Nominal	Target Operating Model Service Efficiency	Operational Services	LELLIOTT	0	(9,227)	(306,087)	0	0	(306,087)	0	0	0	(306,087)	0	0	(306,087)	0
Nominal	Shared Service; DM Support	Operational Services	D ATKINSON	0	(3,267)	(6,455)	0	0	(6,455)	0	0	0	(6,455)	0	0	(6,455)	0
Total				0	758,032	2,989,774	54,431	0	3,044,205	54,431	0	0	3,044,205	321,373	0	3,365,578	321,373

# Consolidated Final Budget 2021/22 & MTFS (2022/23 to 2024/25) and Service Budgets

## Annex 2

Consolidated General Fund Reserve						
		2023/24	2024/25	2025/26	2026/27	2027/28
		Final Budget	Final Budget	Final Budget	Final Budget	Final Budget
		£	£	£	£	£
<b>General Fund (Unallocated) Reserve</b>						
b/f		2,568,142	2,495,403	2,581,391	2,777,800	2,952,764
Cont from/(to) Services		5,211,726	1,516,526	(438,444)	(1,019,814)	(1,056,777)
Cont from/(to) Budget Surplus Reserve		(5,284,465)	(1,430,538)	634,853	1,194,778	1,125,922
c/f		2,495,403	2,581,391	2,777,800	2,952,764	3,021,909
Net Expenditure		12,477,017	12,906,956	13,889,002	14,763,822	15,109,543
- CV19 adjustment 1 - Earmarked Res CV19		0	0	0	0	0
- CV19 adjustment 2 - CV19 Grant		0	0	0	0	0
		12,477,017	12,906,956	13,889,002	14,763,822	15,109,543
Minimum Level of Reserves @ 20.0%		2,495,403	2,581,391	2,777,800	2,952,764	3,021,909
Variance of GFR to Minimum Level of Reserves 20.0%		0	0	0	0	0
<b>Budget Surplus Reserve</b>						
b/f		1	1	1	1	1
Cont from/(to) General Fund		5,284,465	1,430,538	(634,853)	(1,194,778)	(1,125,922)
Cont from/(to) ER: Financial Sustainability		(2,955,553)	0	634,853	1,194,778	1,125,922
Cont from/(to) ER: Collection Fund Reserve		(1,000,000)	0	0	0	0
Cont to ER: Corporate Plan & Strategy		(1,328,912)	(1,430,538)	0	0	0
c/f		1	1	1	1	1
		Ok	Ok	Ok	Ok	Ok
<b>Earmarked Reserve: CV19 Internal Recovery Reserves</b>						
b/f		301,437	0	0	0	0
Cont from/(to) Funding Statement: Year 3 TIG		(301,437)	0	0	0	0
c/f		0	0	0	0	0
<b>Earmarked Reserve: Projects, Risk &amp; Smoothing</b>						
b/f		2,685,652	2,630,652	2,741,652	2,852,652	2,963,652
Cont (to) Services		(372,000)	(206,000)	(206,000)	(206,000)	(206,000)
Cont from Services		317,000	317,000	317,000	317,000	317,000
c/f		2,630,652	2,741,652	2,852,652	2,963,652	3,074,652
<b>Earmarked Reserve: Capital &amp; Contract</b>						
b/f		1,427,196	2,427,196	2,427,196	2,427,196	2,427,196
Cont from/(to) ER: CIR (to support capital programme)		1,000,000	0	0	0	0
c/f		2,427,196	2,427,196	2,427,196	2,427,196	2,427,196
<b>Earmarked Reserve: Transformation</b>						
b/f		837,035	1,000,000	1,000,000	1,000,000	1,000,000
Cont (to) Services		(116,110)	(116,110)	0	0	0
Cont from/(to) ER: CIR		279,075	116,110	0	0	0
c/f		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Earmarked Reserve: Financial Sustainability</b>						
b/f		0	2,955,553	2,955,553	2,320,700	1,125,922
Cont from Services		0	0	0	0	0
Cont from/(to) BS Reserve		2,955,553	0	(634,853)	(1,194,778)	(1,125,922)
c/f		2,955,553	2,955,553	2,320,700	1,125,922	0
<b>Earmarked Reserve: Collection Fund Reserve</b>						
b/f		0	1,000,000	1,000,000	1,000,000	1,000,000
Cont from/(to) BS Reserve		1,000,000	0	0	0	0
c/f		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Earmarked Reserve: Corporate Plan &amp; Strategy</b>						
b/f		0	722,992	1,110,067	247,502	52,065
Cont to Services (Projects outside of service expenditure, this will be cash limited)		(300,725)	(448,253)	(457,318)	(65,242)	0
Cont to Capital (Direct Revenue Financing * not shown in service expenditure)		(305,195)	(595,210)	(405,247)	(130,195)	(52,066)
Cont from/(to) BS Reserve		1,328,912	1,430,538	0	0	0
c/f		722,992	1,110,067	247,502	52,065	(1)
<b>Earmarked Reserve: Community, Economic &amp; Infrastructure</b>						
b/f		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c/f		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Earmarked Reserve: Commercial Investment Reserve</b>						
b/f		2,508,086	1,229,011	1,112,901	1,112,901	1,112,901
Cont from/(to) ER: Capital & Contracts		(1,000,000)	0	0	0	0
Cont from/(to) ER: Transformation		(279,075)	(116,110)	0	0	0
c/f		1,229,011	1,112,901	1,112,901	1,112,901	1,112,901
<b>Forecast "End-of-Year" Reserves Balances (c/f)</b>						
Total General Fund (Unallocated) Reserve		2,495,403	2,581,391	2,777,800	2,952,764	3,021,909
Total Earmarked Reserves		12,965,405	13,347,370	11,960,952	10,681,737	9,614,749
Total General Fund Reserves		15,460,808	15,928,761	14,738,752	13,634,501	12,636,658

## **1 Introduction**

1.1 Section 25 of the Local Government Act 2003 requires me, as the Council’s Responsible Financial Officer, to report on the robustness of the 2023/24 budget and the adequacy of reserves to assist you in making your decisions on the Budget and the level of Council Tax. Further, this is an opportunity for me to provide some commentary in respect of the period covered by the Medium-Term Financial Strategy (MTFS). This section of the report will address:

- **Budget Setting**; the approach followed, and actions being taken to help deliver service efficiency.
- **Challenges Facing the Council**; the more significant challenges that the Council face immediately and over the medium-term.
- **Governance**; reflections on recent commentary in respect of Governance at the Council.
- **Risks**; commentary on the immediate and medium-term the risks that the Council may face.
- **Sensitivity**; the modelling of risk to comment on the achievement of the Councils MTFS.

## **2 Budget Setting**

2.1 At the time of writing, the 2022/23 Quarter 2 Financial Performance Report is reporting a forecast overspend of £810k in respect of service expenditure. This is the second overspend that the Council has had in consecutive years. However, the main reasons for the overspend centre largely on the following:

- the pay award for 2022/23 was significantly more than the Council had budgeted for, and
- the Council has witnessed a continued impact of the CV19 pandemic on its services, especially car parking income and the impacts of the higher inflationary environment are being keenly felt across most services.

2.2 Over the autumn of 2022, officers have made extenuating efforts to review their service budgets, with next savings of £957k, as reported to Cabinet in January 2023. This is over-and-above the savings that were identified previously and embedded within the budgets as part of the Budget Challenge 2025 programme.

2.3 In addition the Council:

- continues to embed the Change Programme and the transformational change expected from the new ICT Strategy. The reconfiguration of Customer Services is now complete.
- has included some unavoidable growth due to increases in costs/fees because of external audit and Leicestershire Revenues & Benefits Service, some small-scale growth in respect of the modernisation of Legal and Democratic Services ICT and the appointment of project management resource to deliver the Councils ambitious and innovative capital and revenue project programme.

- works collaboratively with its arms-length, wholly owned company “Harborough District Commercial Services Ltd”.
- continues to work with partners across Leicestershire to develop joint working arrangements in respect of several services; the aim being to streamline and achieve efficiencies in delivery.

2.4 As noted elsewhere within this report, the Council achieves a surplus budget for the next two years, which it will set aside to specifically meet the gap that starts to emerge from 2025/26 onwards. In 2020 it was established that there was an MTFS gap of £16m, the current service revenue gap is £2.5m which represents a reduction of 84%.

2.5 However, Councillors must remain mindful of this gap and ensure that there continues to be a:

- robust review of service provision and service efficiency,
- embed continuous improvement with its strategic and operational services, and
- continue to have at its core the agreed strategic principles as agreed by Cabinet in December 2022:

- A. To maintain, within expected service constraints, service expenditure within the approved net expenditure envelope.**
- B. To ensure that over the medium term, financial sustainability can be achieved.**

### 3 Challenges Facing the Council

3.1 The challenges that the Council faces are like those being faced by many councils across the local government community. The principal challenges that the Council is tackling are illustrated below:

#### **Coronavirus Pandemic (CV19)**

3.2 CV19 has had a significant impact on local government, regardless of whether you are Unitary, County or District Council. At the start of 2020/21, the Council quickly reconfigured services to enable it to deliver immediate support, but even in 2023 the impacts of the pandemic are still being felt, some of these are listed below:

- i. **Business Grants;** the Council awarded, on behalf of the government, several business grants. At the time the government required local government to “just deliver” but over the past year the government has imposed a significant reconciliation programme which continues for each of the different grant streams.
- ii. **Council Tax and Business Rates Collection Rates;** these are certainly better than during the pandemic, but they are not yet back to pre-pandemic levels. The following shows the latest position:

Collection Rates to the end of November			
	2019/20 (last full year prior to the pandemic)	2021/22 (previous financial year)	2022/23 (current year)

Council Tax	75.8%	74.5%	74.9%
Business Rates	74.5%	72.6%	73.5%
Source: latest report to LRBP Joint Committee: January 2023: <a href="#">Performance Report November 2022</a>			

- iii. **Car Parking;** as reported in the Draft 2023/24 Budget Report to Cabinet, Car Parking income is significantly down compared to pre-pandemic levels. Consequently, the Council has had little choice but to reduce its income expectations. Further, the Council is undertaking a Strategic Review of Car Parking that is expected to report in the first few months of 2023/24.

### Cost-of-Living/High Inflationary Economy

- 3.3 The Council is seeing significant inflationary impacts on how it delivers its services; some examples include:
- i **Pay;** for 2022/23 staff pay was a flat £1,925 per spinal point. This equated to a circa 5% increase in pay across the establishment. However, this was above the 1.75% that the Council budgeted for back in February 2022. It is anticipated that pay will trend higher over the medium-term than it did before the pandemic.
  - ii **Utility Costs;** both privately and corporately everyone is paying more for the use of gas and electricity. One of the immediate impacts was that in October 2022 the Council had to withdraw from its “green” electricity tariff as it would have seen an increase of in excess of 700%. As indicated earlier, the Council is expecting to increase its utility costs over the medium-term.
  - iii **Leisure Contract;** at the end of 2023/24 the Council will be entering into a new Leisure contract. Soft-market testing is showing that it is unlikely that a new contractor will meet the cost of utility costs; consequently, the Council has had to include a significant growth item to meet this cost; £188k (although if usage increases above a threshold there will be a cost sharing arrangement) – it is fair to say that the days of net-surpluses to a local authority for leisure provision are gone for the foreseeable future.
  - iv **Waste Collection;** the Council is anticipating an inflationary increase of 14% for its waste contract in 2023/24. As the Council provides a discretionary green waste service; to avoid cross-subsidisation between scheme participants and non-participants it has been necessary to increase the Councils green waste fee for 2023/24 by £610k.
  - v **Development Management;** the Council is anticipating a decline in planning income if the country continues into a prolonged recession; for 2023/24 it is anticipating a reduction in income of £103k (7.9%).
  - vi **Capital Projects;** the Council is seeing an increase in capital development costs and some additional capital allocation has been necessary to meet this additional cost. By way of example, the Temporary Housing Unit planned for 4, Roman Way is anticipating a 20% increase in costs.
  - vii **Investment Income.** With the Bank of England increasing base rates, the short-term investment market is seeing a significant increase in rates and the Council is expected to achieve high investment returns from its investment portfolio as indicated earlier in this report. Also, the Council is actively monitoring its position in respect of long-term debt. The Council has for many years “internally borrowed” to finance its capital programme (i.e. the net

benefits of working capital, reserve holdings etc) because long-term borrowing has been considerably more expensive. However, if the market does reverse and long-term rates become favourable the Council may start to undertake external borrowing to “lock-in” these rates for the longer-term (of course, all such actions will be undertaken in light of the delegations and requirements of the Councils Treasury Policy and Strategies and expert advice from its Treasury Advisors).

### **Public Sector Austerity – Cuts in grant funding**

- 3.4 For the past few years, the public sector has been facing the most significant austerity programme in a generation and because of the government’s ring-fencing of some government departments/services (i.e. NHS, Overseas Aid etc.); this has meant that local government has met a significant share of the austerity programme. More recently, independent insights into future government funding propositions are clearly showing a direction of travel that indicates a continuation of this challenging financial environment. However, it is fair to say that the government is recognising the part that local government plays in the strategic delivery of services, especially health and the continuation of local authority austerity is now seen as having a negative on its communities – evidence of this is seen in the 2023/24 provisional settlement where the government introduce a new funding stream that guarantees a minimum 3% increase in funding). However, the Council must remain vigilant and ensure that financial sustainability remains a core budget principle as the current MTFS is indicating the opening of a significant budget gap from 2025/26 onward. Consequently, the need to ensure that past and present savings proposals are achieved is as important as ever, as well as delivering technological transformation via the ICT Strategy, undertaking wherever possible collaborative service delivery, ensure service delivery remains agile and flexible and that the Council routinely explores innovative approaches to financing services and exploring new investment opportunities.
- 3.5 Following the 2023/24 provisional settlement announced in December 2022, **Table 7** clearly shows how the Councils core grant funding streams change from the current year (2022/23) through to the last year of the MTFS (2027/28). Some of these changes are a direct consequence of CV19 i.e. NDR decreasing from £9.2 in 2022/23 to £4.1m in 2023/24 as a consequence of the removal of s.31 grant that compensated for expected NDR collection losses. In respect of direct grant, the Council will encounter significant reductions over the MTFS; specifically New Homes Bonus which will reduce from of £2.3m in 2022/23 to nil by 2025/26. The government has for some years been planning to undertake a review of local government funding (Fair Funding and NDR Revaluation); unfortunately, this has been delayed several times, but it is expected to be undertaken in 2025/26. For 2023/24, the government has, for lower tier councils again chosen to issue a one-year settlement – this has benefited the Council by it receiving a one-off (no legacy) New Homes Bonus allocation of £1.7m.

Comparison of "Core" Grants				Table 7		
2022/23 Budget - to - 2023/24 Budget and MTFS (2024/25 to 2027/28)						
	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
<b>2022/23 Budget &amp; MTFS</b>						
NDR (*)	9,227	4,100	4,125	4,150	4,174	
Revenue Support Grant	0	0	0	0	0	
Other General Fund Grants	134	134	134	134	134	
New Homes Bonus (**)	2,332	0	0	0	0	
Services + Lower Tier Services Grants	201	0	0	0	0	
<b>Total</b>	<b>11,894</b>	<b>4,234</b>	<b>4,259</b>	<b>4,284</b>	<b>4,308</b>	<b>0</b>
<b>2023/24 Budget &amp; MTFS</b>						
NDR		5,841	5,876	5,912	5,947	5,983
Revenue Support Grant		0	0	0	0	0
Other General Fund Grants		141	141	141	141	141
New Homes Bonus (**)		1,660	1,079	0	0	0
Services + Lower Tier Services Grants		888	55	0	0	0
<b>Total</b>		<b>8,530</b>	<b>7,151</b>	<b>6,053</b>	<b>6,088</b>	<b>6,124</b>
<b>Variance between Grant Assumptions</b>						
NDR		1,741	1,751	1,762		
Revenue Support Grant		0	0	0		
Other General Fund Grants		7	7	7		
New Homes Bonus		1,660	1,079	0		
Services + Lower Tier Services Grants		888	55	0		
<b>Total</b>		<b>3,408</b>	<b>2,837</b>	<b>1,769</b>		
NDR		42.5%	42.4%	42.5%		
Revenue Support Grant		0.0%	0.0%	0.0%		
Other General Fund Grants		5.2%	5.2%	5.2%		
New Homes Bonus		+ 100%	0.0%	0.0%		
Services + Lower Tier Services Grants		0.0%	0.0%	0.0%		
<b>Total</b>		<b>40.0%</b>	<b>39.7%</b>	<b>29.2%</b>		
NB. * The 2022/23 NDR number is gross and would be subject to s.31 CV19 related grant. ** 2022/23 NHB was a 1-year settlement; 2023/24 NHB is strictly a 1-year settlement but the government are expected to announce a replacement prior to the 2024/25 settlement so an assumption has been made on the potential receipt.						

## Programme of Service Review and Transformation

- 3.6 It is probably fair to say that all councils are undertaking some form of service review and seeking to ensure that services are provided with affordability, value for money and continuous improvement at their core. As mentioned earlier, the Council undertook a fundamental budget review, BC25, during 2020 and 2021 and has for this budget round undertaken a further comprehensive service review that has generated savings of £957k for 2023/24 (£4.5m over the MTFS).
- 3.7 In addition, the Council is also expecting, on a full year basis to generate savings from the:
- onboarding of its current Customer Services from Charnwood DC; saving £218k per annum. This project is nearing completion.
  - undertaking a significant transformation of its ICT infrastructure and how the Council uses ICT (primarily moving to the cloud for all systems), saving £98k per annum,
  - developing a new "target operating model" that will generate annual savings of £280k.
  - reviewing its property asset holdings; this includes:

- development of new (New Depot and Cemetery in Market Harborough). It is hoped that the New Depot will generate savings due to lower contract costs when the Waste Contract is relet in 2025/26,
- development of existing assets (redevelopments of the Market Harborough and Lutterworth Leisure Facilities, as well as enhancing current car parking via the provision of more electrical charging points; with a new contractor from 2024/25 meeting some of the capital financing costs),
- developing a new temporary accommodation facility on Roman Way in Market Harborough that will generate homelessness savings.
- continued review of land holdings and where possible the active disposal of surplus land (De Verdon Road that was sold in the Autumn of 2021, this achieved a new capital receipt of £4.4m) and the Naseby Square development was disposed of in 2022 and achieved a better than break-even position, and
- reviews of current holdings due to new ways of working (The Symington Building).
- Innovative means of financing services; the council continues to use where applicable its Flexible Use of Capital Receipts Strategy (identifying potential use of £1.5m of receipts to support Transformation) and the implementation of a new MRP Policy.

## 4 Governance

- 4.1 The 2020/21 Annual Governance Statement (AGS) is the last to have received an audit opinion. The [Draft 2021/22 AGS](#) was published in line with the Statutory deadline but is yet to receive an opinion by external audit. Reflecting on the latest AGS, it was produced based on the seven principles within the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and the Leader and Chief Executive have stated how they consider that they meet the requirements of the frameworks.
- 4.2 On the 28<sup>th</sup> June 2022, the Council's Head of Internal Audit reported to the Audit and Standards Committee in respect of the Annual Internal Audit Report & Opinion 2021/22 ([Report](#) / [Appendix](#)) that the assurance given for the year to 31 March 2022 is noted below. This will be reviewed and updated prior to external audit issuing their final opinion on the 2021/22 Statement of Accounts, AGS and VfM:

*I am satisfied that sufficient internal audit work has been undertaken to allow an opinion to be given as to the adequacy and effectiveness of governance, risk management and control for 2021/22. In giving this opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide is reasonable assurance that there are no major weaknesses in the system of internal control.*

*It is my opinion that **Satisfactory Assurance** can be given over the adequacy and effectiveness of the Council's control environment for 2021/22. This control environment comprises of the system of internal control, governance arrangements and risk management. Any specific limitations or exceptions to the opinion are noted below.*

### **Financial control**

*Controls relating to the Council's key financial systems which were reviewed during the year were concluded to be generally operating effectively, with opinions for the control environment and compliance being of Good Assurance. Testing in 2021/22 included*

*coverage on financial system access controls, payroll transactions, purchasing and payments.*

*It should be noted that no independent audit assurances have been received in relation to the Council's delegated revenues and benefits systems in 2021/22. As such, Internal Audit cannot provide assurances over the control environment or compliance in that area.*

### **Risk management**

*Structures and processes for identifying, assessing and managing risk have been further embedded during 2021/22, with use of the new electronic system. An audit of Risk Management was delivered in 2021/22 and resulted in an opinion of Substantial Assurance for controls design and Good Assurance for compliance.*

### **Internal control**

*For the audits completed in 2021/22, 100% of the opinions given in relation to the control environment and compliance have been of at least Satisfactory Assurance.*

*Of the recommended actions agreed during 2021/22, and due for implementation, 100% had been completed during the year. There remain four actions which are overdue for implementation from previous financial years but none of these were of a 'high' priority. The two 'medium' priority actions have been reported to the Audit and Standards Committee during 2021/22 in regular progress reports and remain subject to ongoing follow up work.*

*There have been no incidences where Internal Audit have highlighted a fundamental risk or weakness during 2021/22 and management have sought to accept the risk, rather than take appropriate action.*

*Special investigation work concluded during 2021/22 has been reported to management and the Audit and Standards Committee and highlighted areas of non-compliance with key controls and governance procedures which had exposed the Council to an increased level of risk. Those incidents were noted to have taken place in previous financial years (primarily 2018/19 and 2019/20) and the action plan arising from this has resulted in strengthening of controls and provides assurance over the robustness of controls that would be applied going forward.*

*Internal Audit has not been made aware of any further governance, risk or significant internal control issues which would impact upon the above opinion. No systems of controls can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance.*

## **5 Risks**

- 5.1 Because of the nature of the macro and micro environment that the wider local government family and the Council operates within, there are a whole host of risks that the Council faces on a day-to-day basis. In such an environment, budget setting is not a science but more a guide on how financial resources will be allocated to services over the forthcoming year and to enable members to take a view on financial performance over the medium-term. There will always be items that emerge after the budget has been approved, indeed budgeted items that are considered "firm" now can themselves be improved on or vice-versa; such impacts can range from a programme under or overachieving or an unexpected event occurring (such as CV19 or the current inflationary economic environment).

### **Mitigation of Unforeseen Events**

- 5.2 The Council takes a relatively prudent position in ensuring that it maintains its General Fund (Unallocated) Reserve at 20% of Net Expenditure.
- 5.3 However, to help mitigate a situation whereby an event could occur that would potentially have a negative financial impact on the Council, the Council operates a stepped process to ensure that service savings are utilised before reserves are used to meet additional cost. Where a situation has occurred that is:
- ‘service’ specific, the
    - i. first call for funding will be from compensating savings from elsewhere within the service, and if none are possible then savings from the wider Councils budget (service first, wider Council thereafter),
    - ii. second call for funding will be general service reductions. Such an approach will inevitably have an impact on service delivery,
    - iii. and finally, the use of General Fund reserves would be considered.
  - ‘corporate’ in nature, then consideration will be given to the first and second calls (a and b), but corporate impacts are likely to be “strategic” and therefore there may be a need for General Fund reserves to be more quickly accessed, (as was the case during the CV19 pandemic).
- 5.4 The technical definition of General Fund Reserves includes the General Fund (Unallocated) Reserve as well as all ‘revenue’ Earmarked Reserves. In the context of making General Fund Reserve balances available to meet unforeseen events, the following reserve sequence will be followed:
- General Fund (Unallocated) Reserve, and then the
  - Budget Surplus Earmarked Reserve, along with the following Earmarked Reserves:
    - Financial Sustainability
    - Commercial Investment
    - Community Economic & Infrastructure
    - Transformation
    - Projects, Risks & Smoothing

The following two reserves are excluded from any “robustness” sensitivity as these reserves have been established to meet the costs of known service delivery/revenue commitments:

- CV19 Internal Recovery Reserve; to future years collection fund deficits.
- Capital & Contract Reserve; to meet the costs of known capital obligations or contractual commitments that require revenue funding (e.g. s.106 Commuted Sums, Special Expenses, Local Lottery, and external grant agreements).

### Risk Modelling

- 5.5 It is essential that relevant risks are identified, and appropriate sensitivity analysis applied to determine the impact of such risks on the Councils financial standing – and consequently the delivery of the Councils day-to-day business. By no means is

the following list definitive of all the risks that a District Council might face; however, it does represent some of the more significant potential risks that the Council may face:

- Normal Business Risks (this will include most of the inflationary impacts)
  - under achievement of savings.
  - higher inflation.
  - further reductions in income (mainly from fees and charges).
  - non-achievement of savings; including Shared Services.
  - failure of a borrower.
  - an emergency.
  - estate property enhancement/development.
  - increased demand on services (e.g. benefits and homelessness).
- Risks Associated with the continuation of CV19
  - Government grant reconciliation requiring some repayment.

5.6 Taking each of the above in turn, this following provides some commentary on how these risks may impact on the Council:

## 5.7 Normal Business Risk

### i. Underachievement of Net Savings & Additional Income

The new net savings included within the budget total £957k, which were primarily identified over the summer and autumn of 2022 (the £957k does not include some minor BC25 savings that were programmed for the years after 2022/23). In addition, there remains a residual TOM saving of £287k that was not achieved in 2022/23 and is brought forward into 2023/24 – this gives a total saving of £1.2m. However, as ever with savings they are dependent on the market, management and political conditions prevailing at the time. It is therefore prudent to assume that some of these savings may not be achieved; a fair assumption is that there is 30% underachievement which equates to £373k.

### ii. Inflation

With regard to:

- **Pay;** the budget for 2023/24 includes an “across the board” pay increase. Considering employer oncosts (national insurance and pension), this equates to a total cost of £10.1m; a further 1% for sensitivity equates to £101k.
- **Business Rates** (those payable by HDC); the budget for 2023/24 includes a Business Rates budget of £395k. Several of the Council’s properties are occupied by tenants, but it is possible that there could be rating implications for different parts of the Councils buildings. However, a marginal 5% change has been anticipated which has a sensitivity impact of £20k.
- **General Inflation;** no general inflation has been included in the 2023/24 budget as services are now expected to contain inflationary spend within their current budgets; the only exceptions to this are unavoidable increases

in respect of insurance, utility costs, the Councils own liabilities in respect of business rates and contractor costs. Consequently, no further sensitivity has been carried-out for general services. However, considering the current volatile inflationary market, it would be prudent to provide an additional sensitivity assessment. The main concern is around utility costs, and this is addressed later in this commentary.

- **Borrowing;** the Council only has long-term fixed borrowing, so the risk of interest rate fluctuation is fully mitigated. In respect of short-term borrowing, the Council has considerable cash balances that are invested, it also and effectively manages its cash flow therefore any short-term interest risk is also mitigated (if the Council had to acquire cash quickly, it could request cash back from an investor – the impact being the loss of the “deals” associated interest and potential loss of some goodwill). Consequently, no further sensitivity will be applied to this risk.

### iii. **Reduced income: Fees and Charges**

Total fees and charges are £10.1m, therefore, for sensitivity analysis a 20% loss of income from fees and charges would amount to £2m. The largest income streams that are susceptible to variation include:

- Planning Fees, £1.1m
- Car Parks, £1m
- Trade Waste, £860k
- Market Hall, £363k

### iv. **Reduced income: Grants**

For 2023/24 the Councils total grant receivable is £2.7m and is expected to reduce to £1.3m in 2023/24; this is because:

- New Homes Bonus will reduce to £1.1m (£1.7m, 2023/24).
- Services Grant will reduce to £55k (£819k, 2023/24).

However, for sensitivity purposes the Council is including a notional 10% reduction in the total grant receivable to reflect potential future losses (£270k).

### v. **Government Grant: Non-Domestic Rates**

- Since the localisation of Non-Domestic Rates in April 2013 it has become increasingly clear that the business rate levels that the authority will be able to retain are more and more difficult to forecast. Whilst there are some opportunities for estimating i.e. the development of new buildings, it is difficult to judge when development will commence on allocated land even if planning permission has been granted.
- For 2023/24 the government has not proposed an increase in the NDR multiplier which causes a “notional” flat increase. In addition, in calculating the expected business rates income in the NDR 1 the Council has assumed limited growth. For each year of the MTFS, the Council has taken a prudent position by increasing by its NDR income by 0.6%.

Directly linked to NDR are S.31 grants, this is government grant that compensates local government for it being required to exceed the minimum statutory regulations for certain thresholds because of government priorities (i.e. increasing the 'small business relief' limit above that required by law). The assessed S.31 receipts for 2023/24 is £3.6m.

- Although it is fair to say that any NDR reduction would be limited by the existence of the safety net (i.e. it provides a statutory limitation to losses), it is fair to apply sensitivity to the gap between the safety net and the estimated NDR receipt. Losses can be accrued in several ways; reduced NDR because of business failure, demolition, or catastrophic event, but are more usually impacted due to rating appeals (some of which can take many years to conclude). Further, the Leicestershire NDR Pool will have a wider mitigating effect. In respect of:
  - NDR, the gap between the estimated income (£1.8m) and the safety net (£1.7m) is £100k; 10% sensitivity reduction will be applied giving £10k.
  - S.31, a 10% sensitivity reduction will be applied giving £360k.
- The Council is anticipating its share of the NDR Surplus to be of £1.3m, a 15% sensitivity will be applied giving £200k.

vi. **Failure of a Borrower**

The 2023/24 counterparty limit for lending is £8m to a single institution.

The main "borrowing" risk rests whether the lending is either on a short- or long-term basis. The £8m limit is restricted to bodies with a credit rating of F1. The impact of a "failure of borrower" will be the loss of revenue cash flow and the potential costs involved of "making good" the lost investment.

There are, however, good governance arrangements around the Council's Treasury activity and therefore the likelihood of loss is expected to be minimal, but such losses cannot be ruled out; especially considering the medium to long term impacts of both Brexit, long-CV19 and high inflation/cost of living it would be prudent to include some sensitivity in respect of cash flow. Therefore, the average amount lent to an institution at any given time is expected to be around £4.5m; if this amount was lost and the Council had to borrow from the PWLB, at current rates for 1-year this would amount to a cost of £205k. This block amount is included in the sensitivity analysis.

vii. **Emergency**

As is normal for a business, different types of risk are mitigated in many different ways. Some risks are insured against, so losses are limited to the excesses payable and for local government the Government's Bellwin Scheme can meet a proportion, over a threshold, of the costs of any significant peacetime emergencies (e.g. severe flooding). Further, the Council does maintain its General Fund Reserves at a fair 'minimum' level and their use in respect of Mitigation of Unforeseen Events is discussed earlier.

With specific regard to flooding, the Council does reside within a flood risk area and there have been occasions where the Council has been required to meet the cost of local flooding incidents; however, such costs have been met from within current resources. With the reduction in budgets, it is anticipated that such ad-hoc spend will not be able to be as easily accommodated so it would be prudent to include an element within any sensitivity to meet this cost. The Councils Constitution permits Corporate Management to incur “emergency spend” but no limit is currently included. For sensitivity purposes, a block allocation of £300k has been made, with 50% (£150k) applied for sensitivity analysis.

viii. **Property Related Costs**

- **Utility Costs;** the current costs associated with utilities are £253k. These costs are managed via contract, but it is prudent to include a small sensitivity (15%) for potential increases (£38k).
- **Property Maintenance;** the Councils estate is a mix of purpose-built office accommodation, market halls and pavilions. All such property requires ongoing enhancement and maintenance, and this is estimated at £952k. A sensitivity allowance of 20% has been included, reflecting the potential for additional one-off costs (£190k).

ix. **Increased demands on services**

Many of the services provided by the Council are susceptible to an increase in demand. However, over the past few years the service that has had been most susceptible to demand changes is homelessness and Council Tax Support. With regard to:

- homelessness, the budget for 2023/24 is £492k, and for
- Council Tax Support is £3.2m;

If there was a 10% increase in demand for each this would require an additional £369k (£49k and £320k respectively).

In addition, ICT is a service under considerable demand. The current budget is £580k, so if there was a 10% increase in costs this would amount to £58k.

x. **Transformation**

The Capital Programme includes £1.5m in respect of transformation. It is currently envisaged that the cost of this transformation will be met from a direct contribution from capital receipts (Flexible Use of Capital Receipts). As financing would be “capital”, no sensitivity adjustment is to be made.

xi. **Council Tax**

The Council has chosen to freeze Council Tax for 2023/24 but to then notionally increase by 2.99% for each subsequent year of the MTFS. By its very nature any freeze in Council Tax does introduce a compounded and structural loss of income. Over the duration of the MTFS, the net lost income is

£1.1m, also by 2025/26 the Council is facing a deficit of £438k, increasing to £1.1m by 2027/28. It is therefore considered prudent that the Council should make the 2023/24 Council Tax freeze a one-off as this would exacerbate future years estimated deficits.

Further, the government's measure of local authority funding, Core Spending Power, assumes that all Councils will increase their Council Tax to the maximum possible. If the Council had increased its Council Tax by the maximum of 2.99% this would have generated an income of £356k.

Considering that for each year there is always an increase in collectable Council Tax because of the annual increase in the Council Tax Base, the additional Council Tax that will be generated even with a 0% increase is £153k. Therefore the risk of not increasing is the difference between what could have been generated if Council Tax had been increased to the maximum compared to what the Council has chosen to increase by; for 2023/24 this is £203k. It is considered that this entire amount should be included in the sensitivity analysis.

## 5.8 **Risks Associated with the Continuation of CV19 and the High-Inflationary Environment**

The direct and indirect/macro and micro impacts of the CV19 pandemic and the high-inflationary environment are expected to continue well into 2023/24, and potentially into future years as well. However, some of these impacts have already been recognised:

- i. **within this budget.** These include:
  - The spreading of past Collection Fund deficits over the permitted three years (2023/24 being the last year).
  - Adjustments made to reflect lower demand related income within Car Parking and Development Management and an increase in income due to Interest and Investment Income.
  - Direct inflationary impacts in respect of Utility Bills and some impacts within the capital programme.
- ii. **elsewhere within the “Normal Business Risk” sensitivity analysis.** By way of example, the potential losses from income and expenditure budgets i.e. Reduced Income and service demand, such as Homelessness, Council Tax Support Scheme, and ICT.

Consequently, no further sensitivity in respect of CV19 of the high-inflationary environment have been applied as this could effectively represent a double count.

## 6 **Sensitivity of the 2023/24 Budget and Reserves**

- 6.1 Considering the risks noted above and the stated budget assumptions, the accumulated total “cash” risk is £4.6m. However, it is highly unlikely that all these risks will occur at the same time, so it is fair to apply “sensitivity” to each risk and then model the likelihood of occurrence. **Table 8** shows this detailed analysis and in summary the

additional pressure within 2023/24, based on the likelihood of occurrence, is as follows:

- Pessimistic view, additional pressure of £2m
- Middle-View, additional pressure of £1.9m
- Optimistic View, additional pressure of £673k

Sensitivity of Risks to 2023/24 Budget & Funding Options								Table 8			
Risk Determinant		Costs Included in 2023/24 Budget  £000	Risk	Sensitivity Impact  +/-      Cost £000		Likelihood of Occurrence					
						Pessimistic Factor      £000		Middle-Way Factor      £000		Optimistic Factor      £000	
Underachievement of Net Savings & Additional Income		1,244	Savings not achieved.	30%	373	0.5	187	0.4	149	0.1	37
Inflation	Pay (incl other pay related costs)	10,128	Pay increase from 1.75% to 2.75%	1%	101	0.6	61	0.3	30	0.1	10
	Business Rates (HDC Payable)	395	Business Rates vary due to change in liability etc.	5%	20	0.6	12	0.2	4	0.2	4
Reduced Income	Fees & Charges, Sales and Rents (including £500k for Car Parking Fees & Charges)	10,100	Reduction in income.	20%	2,020	0.4	808	0.5	1,010	0.1	202
Government Grant	Grants	2,700	2023/24 grants reducing more that expected in future years.	10%	270	0.3	81	0.4	108	0.3	81
	NDR (Difference between Safety Net and Budgeted Receipts)	100	Reduced NDR receipts.	10%	10	0.6	6	0.3	3	0.1	1
	S.31 Grant	4,311	Reduced s.31 grant	10%	431	0.6	259	0.3	129	0.1	43
	Collection Fund NDR (Surplus)/Deficit	1,330	Collection Fund Surplus less than expected.	15%	200	0.6	120	0.3	60	0.1	20
Failure of Borrower		205	Potential cost of borrowing from PWLB.	100%	205	0.2	41	0.5	103	0.3	62
Emergency		150	Immediate use of funds in the event of a local emergency.	50%	75	0.2	15	0.5	38	0.3	23
Property Related	Utilities Property Costs	253	Cost of Utility Bills at HDC premises.	15%	38	0.3	11	0.6	23	0.1	4
	Property Maintenance and Enhancement	952	Estate property enhancement/development.	20%	190	0.8	152	0.1	19	0.1	19
Increased Demand of Services	Homelessness	492	Increase in demand.	10%	49	0.4	20	0.5	25	0.1	5
	ICT	580	Additional service requirement.	10%	58	0.8	46	0.1	6	0.1	6
	Council Tax Support	3,200	Increase in demand.	10%	320	0.4	128	0.3	96	0.3	96
Loss of Council Tax due to Freezing compared to the Core Spending Power assumption of a maximum increase (2.99%)		203	Council Tax income foregone for not increasing to the maximum	100%	203	0.2	41	0.5	102	0.3	61
Total Sensitivity				4,563		1,987		1,904		673	

## 7 Sensitivity of Reserves and the Impact over the Budget/MTFS (2023/24 to 2027/28)

- 7.1 There is no statutory minimum level of reserves; however, as noted elsewhere, Cabinet approved a new minimum threshold for its General Fund (Unallocated) Reserves of 20% of Net Expenditure. The primary aim of the General Fund is to provide a safety net for unforeseen expenditure.
- 7.2 In addition to the General Fund, the Council will operate several reserves; including the Budget Surplus Reserve and various Earmarked Reserves. The purpose of the latter is to meet known potential liabilities arising from Statutory Commitments, Known Risks, Future or Political Commitments and costs associated with Transformation and Investment. For 2023/24 the Council has included three new additional earmarked reserves, the:
- “Financial Sustainability” reserve that will be used to smooth the expected budget gaps in the future years of the MTFS.
  - “Collection Fund” reserve that will be used to mitigate future volatility in the collection of Council Tax and Business Rates.
  - “Corporate Plan & Strategy” reserve that will hold funds that will be released over the MTFS to implement projects/initiatives that are highlighted within the Corporate Plan.
- 7.3 However, to ensure the adequacy of the Councils Reserves (i.e. their robustness) it is essential to determine if the Councils revenue reserves are sufficient to meet the assessed risks over the MTFS period. To determine this, a two-stage comparison will be undertaken in that the “likelihood of occurrence” of a risk (**Table 8**) will be compared to two sets of reserves. The detailed analysis is shown in **Table 9** and relevant commentary is shown below. These financial resilience tests assess the impact of the “modelled risks” in two stages:
- Stage 1, against the General Fund (Unallocated) Reserve (GFUA) only.
  - Stage 2, against the GFUA and some Earmarked Reserves.

Further, each stage is subdivided between an initial assessment ignoring the unplanned use of reserves and a second assessment that applies the unplanned use of reserves.

### Stage 1 – The Primary Test of Financial Resilience

- 7.4 The modelled risks will be compared against the *General Fund (Unallocated) Reserve only*.

As shown in **Table 9** at point:

- (1) when only the General Fund (Unallocated) Reserve (GFUA) are considered, the reserves are sufficient to meet the “Pessimistic”, “Middle-Way” and “Optimistic” sensitivity options for 2023/24.

For 2024/25 to 2025/26, only the Optimistic option can finance service expenditure but thereafter no risk options can be financed.

It is therefore fair to conclude that the GFUA is adequate for 2023/24. However, the Council must closely watch its expenditure to ensure that it does not increase significantly; if this occurs the Council will have to divert reserves to meet the higher GFUA needed in future years (i.e. diverting reserves from potential discretionary use to meet its stated GFUA minimum level of reserves).

- (2) Considering that the Council has achieved a surplus budget with a net contribution to reserves in the first two years of the MTFS, the impact of this second test demonstrates that for the first three years of the MTFS all sensitivity options can be financed. However, the situation starts to decline from 2026/27 whereby only the Middle-Way and Optimistic options can be financed and for the final year on the Optimistic option can be financed.

## **Stage 2 – The Secondary Test of Financial Resilience**

- 7.5 The Stage 2 assessment is a ‘complete’ test, in that it also brings into the assessment the use of the Councils Earmarked Reserves to supplement the GFUA (except the CV19 Internal Recovery and the Capital & Contracts Reserves as these two reserves are in place to mitigate known risks and potential revenue-based contracts). At point:

- (3) this clearly shows that the Council would have sufficient reserves to meet all modelled risks until through to 2026/27, and in 2027/28 the assessment is showing that both the “Pessimistic” and “Middle-Way” risks would not be financed. This clearly demonstrates that the proactive action taken by the Council in respect of BC25, this year’s budget review and subsequent transformation is increasing the Councils financial resilience. However, the Council must continue with its programme of transformation to ensure that it has robust processes and practices in place to meet the financial challenges of future years.

It should be noted that it is currently estimated that the cumulative balances for both the CV19 and Contracts Earmarked Reserves will total £2.47m in 2027/28. This would be sufficient to meet the “Pessimistic” and “Middle-Way” risk options noted in (3) above.

- (4) When the cumulative impact of the estimated “unplanned” contribution from reserves is considered this shows that all years and all sensitivity options can be financed.

Impact of 2023/24 Sensitivity of Risks on the MTFs General Fund Reserves Profile														Table 9			
Stage 1: The Primary Test of Financial Resilience		General Fund Reserve and Budget Surplus Reserve	2023/24 £000			2024/25 £000			2025/26 £000			2026/27 £000			2027/28 £000		
	1	General Fund Reserve c/f (*)	2,495	2,495	2,495	508	591	1,822	(1,479)	(1,312)	1,149	(3,466)	(3,216)	476	(5,453)	(5,119)	(197)
			Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000
		Reduction in Reserves (in year)	1,987	1,904	673	1,987	1,904	673	1,987	1,904	673	1,987	1,904	673	1,987	1,904	673
		Estimated Reserves c/f	508	591	1,822	(1,479)	(1,312)	1,149	(3,466)	(3,216)	476	(5,453)	(5,119)	(197)	(7,440)	(7,023)	(870)
		- Do Reserves remain positive	Yes	Yes	Yes	No	No	Yes	No	No	Yes	No	No	No	No	No	No
	2	Adjusting General Fund Reserve for Estimated Contribution from Reserves															
		Cumulative Estimated Contribution from Reserves	(5,212)	(5,212)	(5,212)	(6,729)	(6,729)	(6,729)	(6,291)	(6,291)	(6,291)	(5,271)	(5,271)	(5,271)	(4,214)	(4,214)	(4,214)
		Estimated Reserves c/f	5,720	5,803	7,034	5,250	5,417	7,878	2,825	3,075	6,767	(182)	152	5,074	(3,226)	(2,809)	3,344
		- Do Reserves remain positive	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes
Stage 2: The Secondary Test of Financial Resilience		General Fund Reserve, Budget Surplus Reserve and Un-Committed Earmarked Reserves	2023/24 £000			2024/25 £000			2025/26 £000			2026/27 £000			2027/28 £000		
	3	General Fund Reserve c/f (*)	2,495	2,495	2,495												
		Budget Surplus Reserve c/f	0	0	0												
		All Earmarked Reserves (except Covid-19 + Capital & Contract+Financial Sustainability)	5,860	5,860	5,860												
			8,355	8,355	8,355	6,368	6,451	7,682	4,381	4,548	7,009	2,394	2,644	6,336	407	741	5,663
			Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000	Pessimistic £000	Middle-Way £000	Optimistic £000
		Reduction in Reserves (in year)	1,987	1,904	673	1,987	1,904	673	1,987	1,904	673	1,987	1,904	673	1,987	1,904	673
	Estimated Reserves c/f	6,368	6,451	7,682	4,381	4,548	7,009	2,394	2,644	6,336	407	741	5,663	(1,580)	(1,163)	4,990	
	- Do Reserves remain positive	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	
	4	Adjusting General Fund Reserve, Budget Surplus and Non-committed Earmarked Reserves for Estimated Contributon from Reserves															
		Cumulative Estimated Contribution from Reserves	(5,212)	(5,212)	(5,212)	(6,729)	(6,729)	(6,729)	(6,291)	(6,291)	(6,291)	(5,271)	(5,271)	(5,271)	(4,214)	(4,214)	(4,214)
		Estimated Reserves c/f	11,580	11,663	12,894	11,110	11,277	13,738	8,685	8,935	12,627	5,678	6,012	10,934	2,634	3,051	9,204
		- Do Reserves remain positive	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
* = The minimum level of reserves is 20% of Net 'Budgeted' Expenditure + is the reserves position as at the 31st March 2024																	

\* = The minimum level of reserves is 20% of Net 'Budgeted' Expenditure + is the reserves position as at the 31st March 2024

7.6 Consequently, it is fair to say that:

- i. Considering the aforementioned sensitivity analysis, with the use of the General Fund (Unallocated) Reserve, the Budget Surplus and some of the Earmarked Reserves the Council should be able to absorb considerable additional financial risk. It should be noted however:
  - it is unlikely that all these risks would occur at the same time.
  - when future years drawdowns from reserves are considered; the Council needs to be cognisant that this will reduce the available funds to meet potential financing stresses towards the end of the MTFS, or indeed past the current MTFS. However, the Council needs to take a balanced approach between investing in its community and securing longer term financial security.
- ii. the Council is not self-sufficient over the medium-term in respect of “income = expenditure” as there is the need to use reserves in the last three years of the MTFS. However, it is fair to say that in respect of its total resource availability, other than in an extreme scenario, the Council can meet its medium-term financial commitments.

7.7 However, the Council must continue in taking the right steps in service transformation and ensuring continuous improvement is at the centre of its operational environment. It is essential therefore both members and management take appropriate decisions as and when needed to ensure that services continue to be provided to our community over the medium-term.

## 8 CIPFA Resilience Index

8.1 Each year the Chartered Institute of Public Finance and Accountancy (CIPFA) issues its annual Resilience Index. The 2022 index, which reviews financial resilience based on the 2020/21 statement of accounts, was published in early January 2023, this is shown after paragraph 9.3. In summary, the index for the Council fairly represents the position of the authority as at the 31<sup>st</sup> March 2021.

## 9 Conclusion

### 2023/24 Budget

9.1 Considering all the factors noted within the “Robustness” statement in respect of 2023/24, I consider that the combination of the:

- Councils’ commitment to continue to find service efficiencies,
- the direction of travel in relation to governance, and
- it’s clear intention to invest in services,

the budget proposed for 2023/24 should not give Members any significant concerns over the Council’s financial position.

### Medium Term Financial Strategy (2023/24 to 2027/28)

- 9.2 With regard to the period covered by the MTFS; the Council does face some significant future funding risk with the:
- expected reduction in NHB,
  - the implications of Fair Funding and
  - the ongoing issues pertaining to the localisation of Business Rates, and if,
  - current levels of service are maintained, the Council is likely to continue to face a challenging financial future.
- 9.3 The Council has taken proactive action to address its budgetary concerns by undertaking the Budget Challenge 2025 programme and several other transformational and cost control initiatives. Further, by including a notional increase in Council Tax from 2024/25 onwards it has recognised the risk associated with compounding income losses into its assessment of financial resilience. However, the current programme of change must continue and for the Council to achieve financial self-sufficiency and resilience, and be able to invest in its local community, the Council will have to have “continual improvement” at the centre of its future service delivery model.

**Clive Mason FCPFA**

Interim Deputy Chief Executive (& s.151. Officer)  
Responsible Financial Officer (Section 151)

## Briefing Paper

### CIPFA Resilience Index 2022

Each year the Chartered Institute of Public Finance & Accountancy (CIPFA) publishes its annual resilience index for each Council; the index is based on the preceding years financial statements and provides comparators between different Councils.

CIPFA issued its 2022 index in early January, a link to the “free to use” CIPFA index is [here](#).

What follows is a general commentary on the results for Harborough District Council (HDC) and some comparisons to CIPFA “near neighbour” group authorities.

The index is based on the 2020/21 Statement of Accounts; it does not reflect any 2021/22 financial performance, or the budget/medium-term financial strategy that was approved by Council on the 27<sup>th</sup> February 2022.

The Resilience Index and this commentary is divided into 3 sets of indicators:

1. “General” Resilience Indicators.
2. “Reserves” Resilience Indicators.
3. Auditors Value for Money (VfM) Assessment, in respect of this section no further commentary is shown here because the index says “refer to local authority website”. These are the links to the reports of the respective meetings for the Audit & Standards Committee where the Committee approved the accounts for [2019/20](#) and the auditor’s report for [2020/21](#).

Regarding the CIPFA “near neighbour” group that HDC is compared to, the Councils included are the following district councils (lower tier); Daventry (\*), East Hampshire, Maldon, Melton, Ribble Valley, Rushcliffe, South Northamptonshire (\*), South Oxfordshire, Stratford-upon-Avon, Test Valley, Tewkesbury, Uttlesford, West Oxfordshire (\* - both these Councils were still District Council’s in 2020/21; they did not become part of the two Northamptonshire unitaries until April 2021).

### Summary Conclusions

The CIPFA resilience index for HDC represents fairly the current position for the Council for 2020/21 in that it was maintaining high levels of unallocated general reserves and respectively low levels of earmarked reserves (this changed for 2021/22 when the Council implemented the Reserves Strategy that was approved by Cabinet in November 2020). Further, expenditure was increasing whilst government grant was decreasing – showing increasing (and therefore higher risk) variations in less “reliant” income streams.

As part of the 2023/24 Budget and Medium-Term Financial Strategy, the Council is addressing many of these issues; including reviewing budgets, implementation of the Reserves Strategy and more transparent and open budget monitoring and reporting.

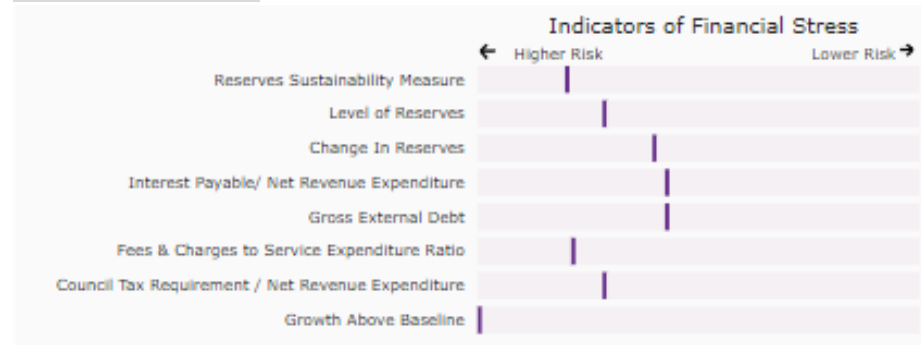
**Clive Mason; Interim Deputy Chief Executive (and s.151 Officer),** February 2023

## 1. “General” Resilience Indicators

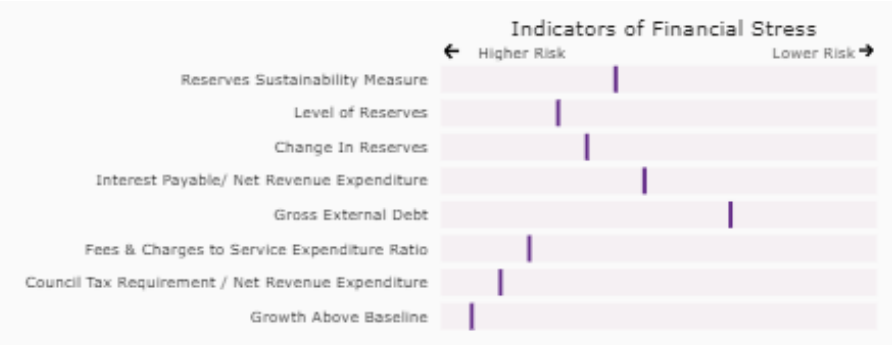
In the main, the 2022 general resilience indicators are showing a general move to the middle of the table when compared to 2021. The level of reserves is fair and there has been limited change. However, the last three indices do show that the Council has a reduced exposure to fees and charges fluctuations and improved resilience in respect of the gearing impact of Council Tax. The “Growth above Baseline” indicate has moved the left (higher risk) but this is reflective of the fact that the Council resides within a growth area, with high house building and the positive impacts in respect of business growth. Further, an increase in this ratio is not surprising, considering the government has been reducing grant funding over the past decade and Councils have sought to become more self-financing. What is key is that:

- Current income sources need to be maximised and effectively managed.
- The Council seeks to diversify its income sources as far as possible.

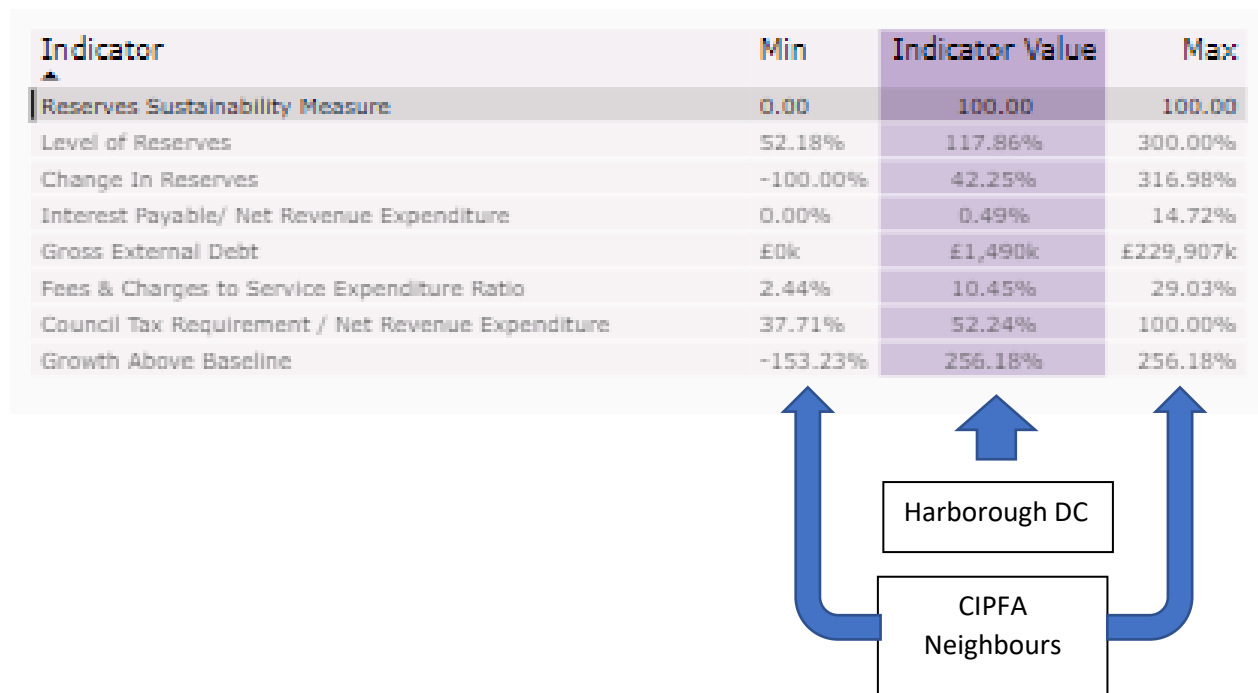
### CIPFA Index 2022



### CIPFA Index 2021



The results of the “general resilience indicators” is shown below, with HDC being the middled (highlighted) block of information (this pattern is the same throughout this briefing). The Min and Max amounts are the extremes when compared the CIPFA near neighbour group.



What now follows is a more detailed commentary in respect of each of the “General Resilience Indicators”.

## 1.1 Reserves Sustainability Measure

Reserves Sustainability Measure	0.00	100.00	100.00
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**CIPFA Definition:** This indicator is the ratio between the current level of reserves and the average change in reserves in each of the past three years. A negative value (which implies reserves have increased) or one greater than 100 is recoded to 100.

**For HDC:** This indicates that reserves have remained sustainable over the past 3 years.

**Conclusion:** Nothing further to add.



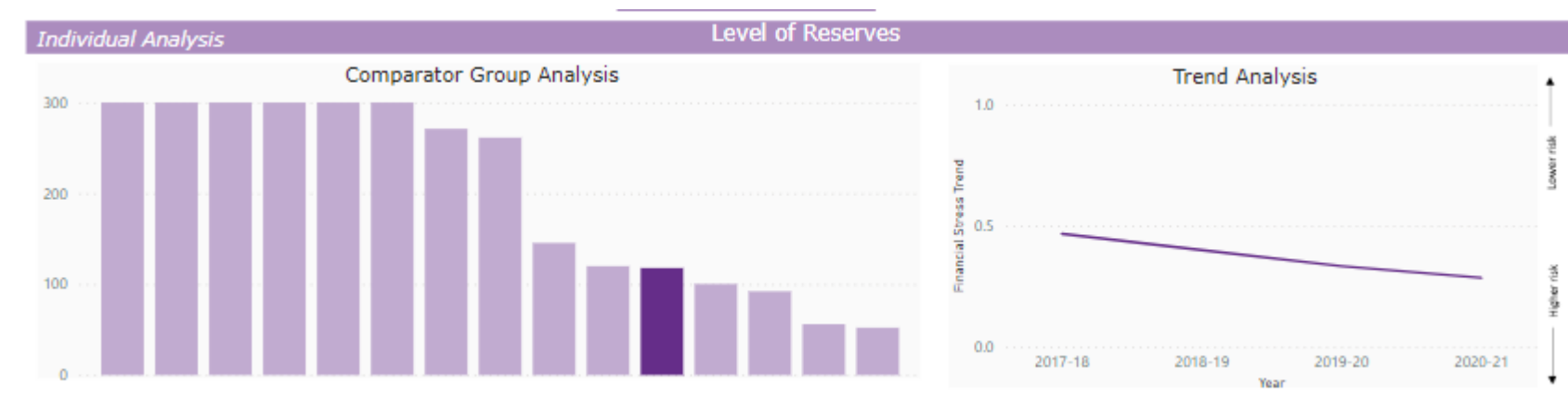
## 1.2 Level of Reserves

Level of Reserves	52.18%	117.86%	300.00%
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**CIPFA Definition:** This is the ratio of the current level of reserves (total useable excluding public health & schools) to the council's net revenue expenditure. CIPFA have set the figure at 100% for a small number of district councils to remove the impact of extreme outliers.

**For HDC:** This shows that the level of reserves held by the Council is more than net revenue expenditure (i.e. > 100%) – therefore a very prudent position. Upon comparison to other Councils the level of reserves held is not as much as other Councils as HDC is in the lower half of the comparator group. Further, the trend in stress has been increasing as the proportion of reserves compared to expenditure has decreased.

**Conclusion:** This shows that the Council has been cautious in its use of reserves i.e. maintaining reserves > net revenue expenditure. It does appear that other Councils have followed a similar approach. In reality; however, this means that reserves have not been actively employed to provide a means to invest either in services or local communities. What this high-level analysis does not show is the proportion of earmarked to general reserves; as reported previously HDC has maintained a very high level of Unallocated General Reserves.



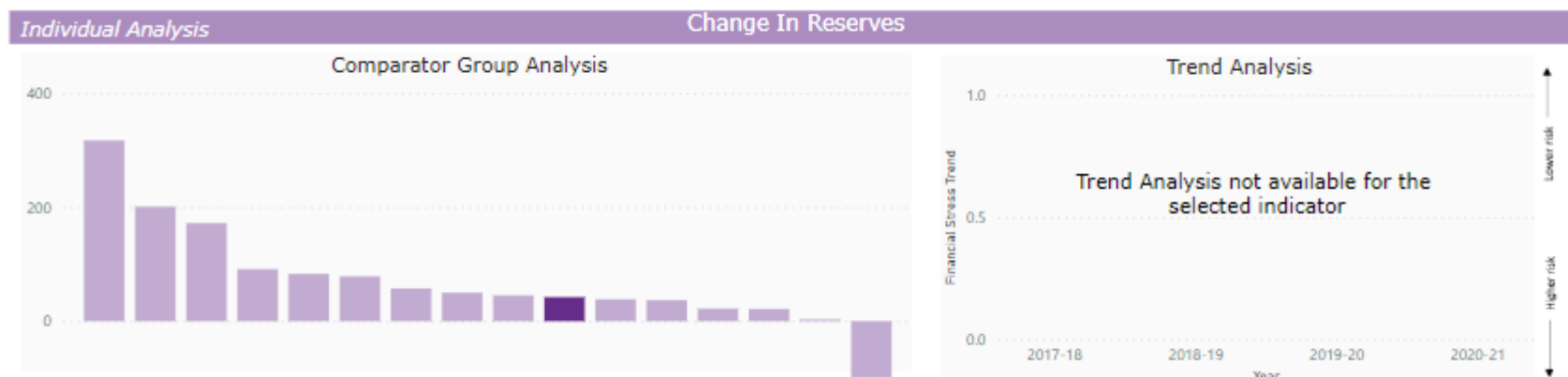
### 1.3 Change in Reserves

Change In Reserves	-100.00%	42.25%	316.98%
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**CIPFA Definition:** This indicator shows the average percentage change in reserves (total useable excluding public health and schools) over the past three years.

**For HDC:** This shows that the Councils reserves have changed by 42% over the last 3 years and the amount of change is similar to at least 3 other Councils. The main reason for this change is the application of reserves to meet agreed comments, as will have been reported at the respect budget times or throughout the year as part of ongoing budget monitoring.

**Conclusion:** Reserves are used to ensure that the Council can meet current and future pressures; however, it should be noted that as with all reserves, they can only be used once.



## 1.4 Interest Payable / Net Revenue Expenditure

Interest Payable/ Net Revenue Expenditure	0.00%	0.49%	14.72%
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**CIPFA Definition:** This indicator is the ratio of Interest Payable and Net Revenue Expenditure

**For HDC:** This shows that the interest payable to net revenue expenditure is not significant i.e. it is not using revenue resources to support external debt financing. Consequently, HDC is using its limited revenue resources to invest in day-to-day service delivery.

**Conclusion:** This is a very prudent approach and does permit the maximum resources to be used to meet day-to-day spend. However, what must be remembered, debt does allow organisations to provide long-term investment and this index does show that other Councils are potentially investing more in longer term investment initiatives.



## 1.5 Gross External Debt

Gross External Debt	£0k	£1,490k	£229,907k
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**CIPFA Definition:** This indicator compares the gross external debt held by a Council.

**For HDC:** Compared to other Councils the amount of debt is minimal. However, as the trend analysis shows, risk to the Council because of external debt is reducing – primarily because each year the amount of principal owed is reducing.

**Conclusions:** Debt is an active element of any organisations ongoing fiscal performance. But as the Council has not actively sought to increase the amount of external debt the amount of gross external debt is becoming lower risk as time progresses; this inevitably means that cash resources can be used to finance capital or other investments.



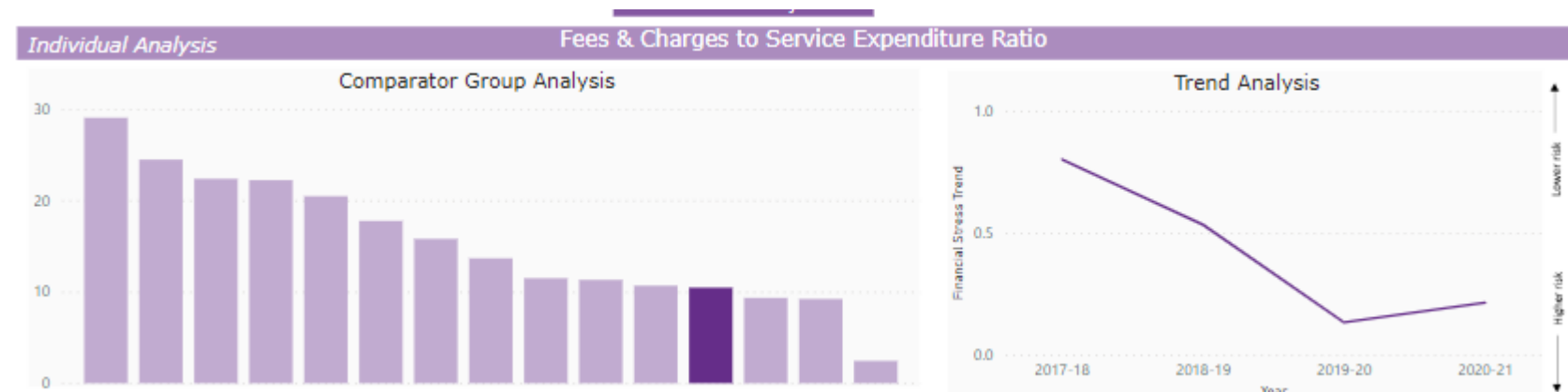
## 1.6 Fees & Charges to Service Expenditure Ratio

Fees & Charges to Service Expenditure Ratio	2.44%	10.45%	29.03%
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**CIPFA Definition:** This indicator shows the proportion of fees and charges against the council's total service expenditure.

**For HDC:** Compared to other Councils, the proportion of fees and charges is less than average. However, the trend does show that funding risk is decreasing i.e. the Council is generating more income from fees & charges.

**Conclusions:** With reductions in grant, it is expected that fees & charges will become an ever more important source of income to support day-to-day service expenditure. Consequently, it is imperative that the Council ensures that it collects amounts owed promptly and robustly. Further, it must ensure that it is maximising its income sources; this is because this will help it to meet the ever-increasing demand for services – but the balance between “over reliance” and “just right” needs to be weighed carefully. No matter what though, discretionary fees and charges should be increased to ensure that, as a minimum, they keep pace with inflation.



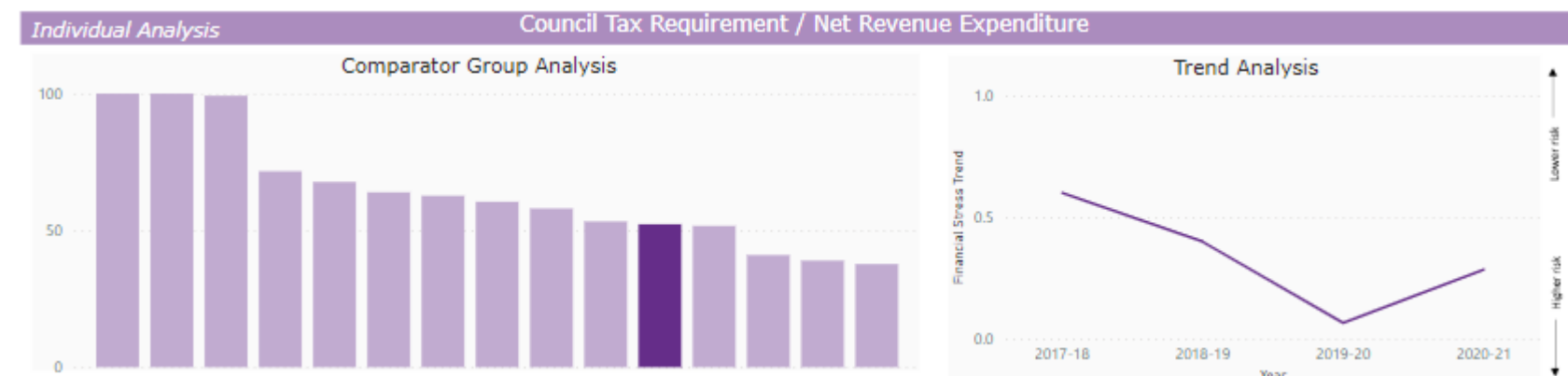
## 1.7 Council tax Requirement / Net Revenue Expenditure

Council Tax Requirement / Net Revenue Expenditure	37.71%	52.24%	100.00%
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**CIPFA Definition:** This indicator shows the ratio of council tax as a proportion of net expenditure.

**For HDC:** Compared to other Councils, the proportion of council tax is at the lower end of the comparative spectrum. However, like the fees & charges indices, as government grant decreases the proportion of council tax as a means of financing increases and therefore dependency on council tax as an income source increases – which then increases risk.

**Conclusions:** With reductions in government grant, it is expected that reliance on council tax will become an increasing source of income. Consequently, it is imperative that the Council ensures that it collects amounts owed promptly. The government's annual assessment of a Councils "core spending power" includes council tax as one of its primary sources of income and it assumes that Councils will increase its council tax by the maximum permissible. Also, with the Council now increasing Council Tax, it has been able to "halt" the structural funding decline that the years of no increase were bring to bear.



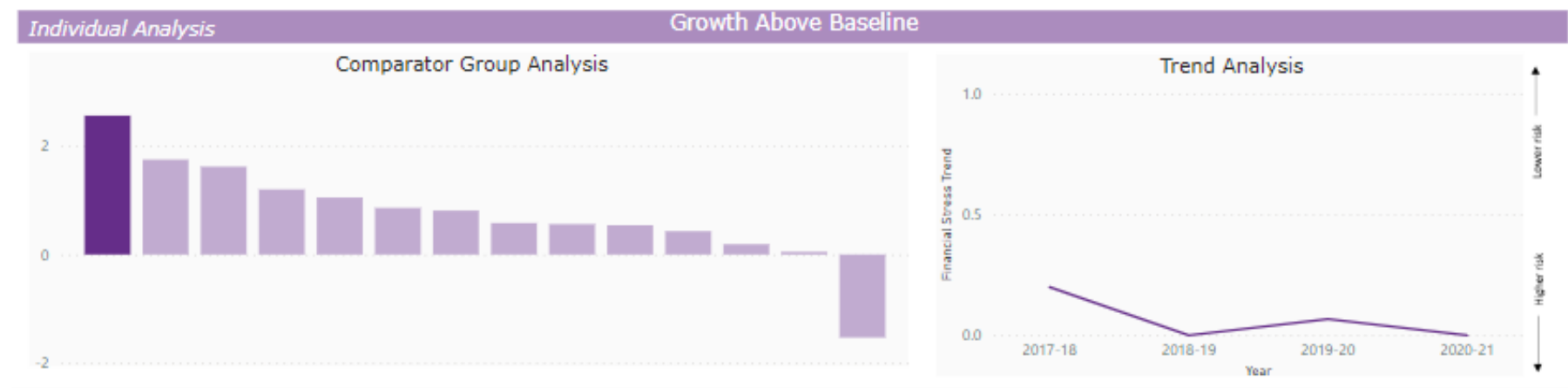
## 1.8 Growth Above Baseline

Growth Above Baseline	-153.23%	256.18%	256.18%
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**CIPFA Definition:** This indicator is calculated as the difference between the baseline funding level and retained rates, over the baseline funding level.

**For HDC:** Compared to other Councils, this clearly shows that “growth” within business rates is a key element of how the Council is financed; this is reflective of the local commercial market. This is also reflected in the trend analysis, in that HDC is certainly at the higher end of the risk axis’s.

**Conclusions:** The Council should ensure that it enables commercial development to continue; it is in a prime location to achieve this. However, it should also seek to ensure that it diversifies its income sources.



## 2. “General” Resilience Indicators

The following is a set of indicators in respect of the Councils reserves. Basically, this shows that Unallocated Reserves are towards the lower end of the risk spectrum.

**CIPFA Index 2022**



**CIPFA Index 2021**



The results of the “reserve resilience indicators” is shown below, with HDC being the middled (highlighted) block of information (this pattern is the same throughout this briefing). The Min and Max amounts are the extremes when compared the CIPFA near neighbour group.

Indicator	Min	Indicator Value	Max
Unallocated Reserves	6.30%	54.92%	300.00%
Earmarked Reserves	26.18%	62.94%	300.00%
Change in Unallocated Reserves	-53.72%	28.49%	638.94%
Change in Earmarked Reserves	-19.61%	56.92%	2,084.68%
Change in HRA Reserves	-33.79%	na	-6.50%

Harborough DC

CIPFA Neighbours

What now follows is a more detailed commentary in respect of each of the “Reserve Resilience Indicators

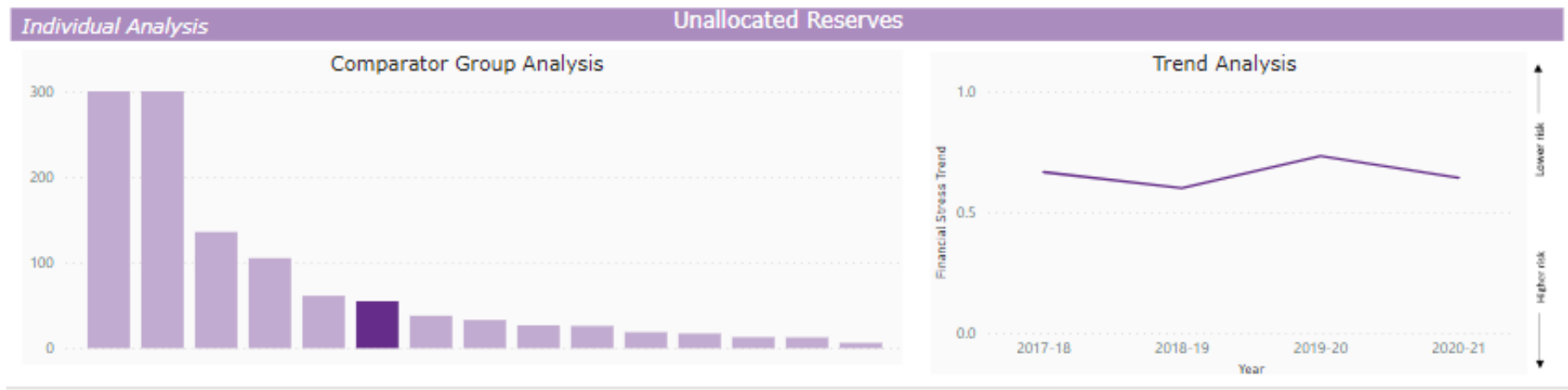
## 2.1 Unallocated Reserves

Unallocated Reserves	6.30%	54.92%	300.00%
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**CIPFA Definition:** This indicator is calculated as the ratio of unallocated reserves to net revenue expenditure.

**For HDC:** At the end of 2019/20, the Council had Unallocated general reserves of £7.4m, this reduced to £6.6m at the end of 2020/21 – hence the small movement towards the higher risk shown in the previous graphs (2.0). In respect of comparisons to others, the level of unallocated general reserves is mid-table ('ish), towards the higher end of the comparators.

**Conclusions:** Tying up reserves of several £m's does mean that the Council is denying itself opportunities to invest in services and/or its communities. Hence why in November 2020 Cabinet approved a new Reserves Strategy which proposed a risk-based approach to reserves management – reducing the unallocated balance to 20% of net expenditure along with a process of ongoing managing movements in earmarked reserves.



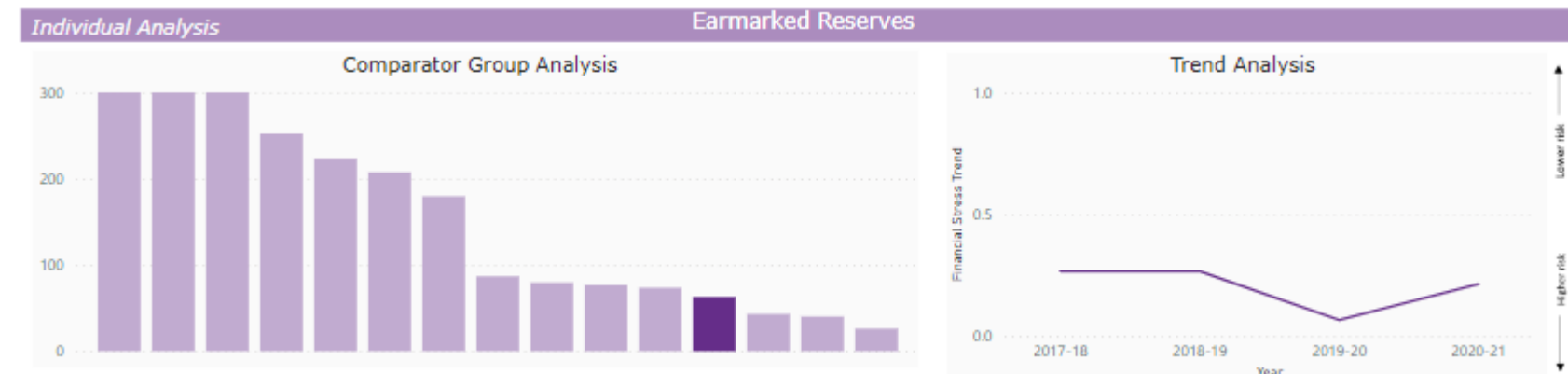
## 2.2 Earmarked Reserves

Earmarked Reserves	26.18%	62.94%	300.00%
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**CIPFA Definition:** This indicator is calculated as the ratio of earmarked reserves (excluding public health and schools) to net revenue expenditure.

**For HDC:** Earmarked reserves make-up a small proportion of the Councils overall general reserves and as shown below, when compared to other Councils the amount allocated is not significant. Further, the trend analysis is also showing that the HDC has a low number of reserves earmarked which indicates that the risk of under provision may mean that the resources are not being allocated to meet known risks and demands. However, in contrast, as noted in 2.1, the Council was holding significant Unallocated reserves so any shortfall could be met from that general reserve allocation.

**Conclusions:** Earmarked reserves should be used to meet known or potential future risks; also, to earmark funds for future investment opportunities. As noted in 2.1, the new Reserves Strategy will address this issue directly.



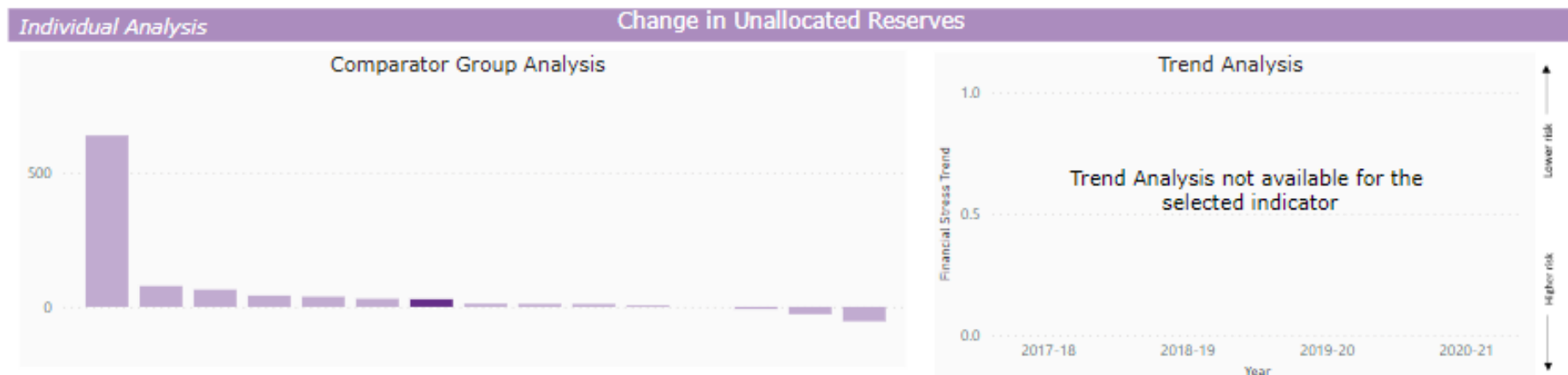
## 2.3 Change in Unallocated Reserves

Change in Unallocated Reserves	-53.72%	28.49%	638.94%
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**CIPFA Definition:** This indicator is the average percentage change in unallocated reserves over the past three years.

**For HDC:** This demonstrates that Unallocated Reserves have remained relatively static for the past three years; and the Council is showing a similar level of un-changeability to other Councils. This is likely to be reflective of the high level of unallocated reserves; and again, is reflected in the lower risk categorisation in the trend analysis.

**Conclusions:** Nothing further to add; other than holding onto such significant levels of reserves does mean that resources are significantly tied up when they could be used to invest in services or the local community.



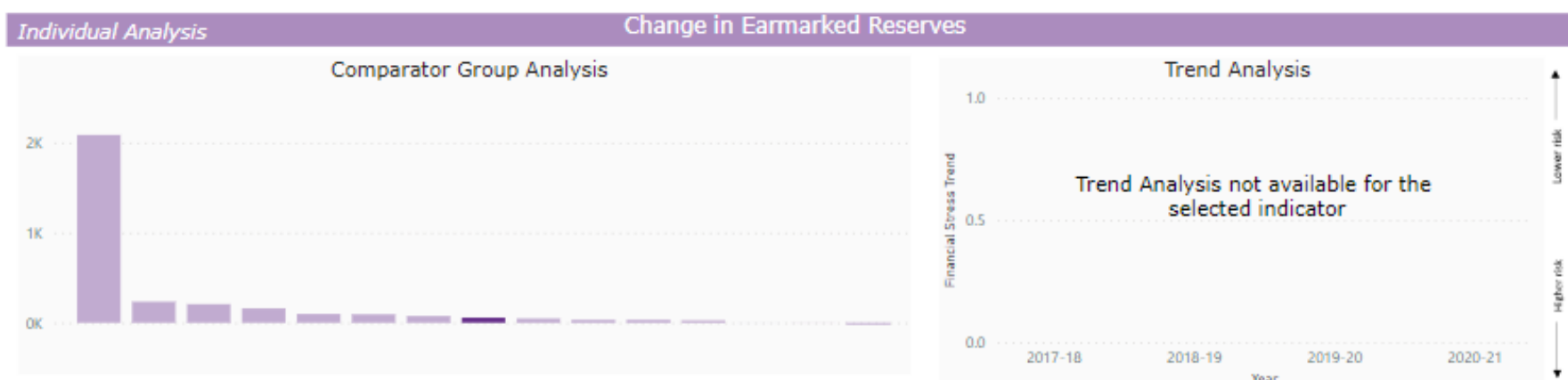
## 2.4 Change in Earmarked Reserves

Change in Earmarked Reserves	-19.61%	56.92%	2,084.68%
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**CIPFA Definition:** This indicator is the average percentage change in earmarked reserves over the past three years.

**For HDC:** This demonstrates that Earmarked Reserves have remained relatively static for the past three years; and the Council is showing a similar level of un-changeability to other Councils. This is likely to be reflective of the low level of earmarked reserves; this low changeability is demonstrating a lower risk categorisation which shows that earmarked reserves are not being actively used to manage risks.

**Conclusions:** Nothing further to add; other than holding onto such significant levels of reserves does mean that resources are significantly tied up when they could be used to invest in services or the local community.





## Appendix 2

Changes between the Draft & Final 2023/24 Budget & MTFS (2024/25 to 2027/28)																		Appendix 1	
Portfolio	Service	Cost Centre	2023/24			2024/25			2025/26			2026/27			2027/28			Total Change £	Reason for Change
			Draft Budget £	Final Budget £	Change £ £	Draft Budget £	Final Budget £	Change £	Draft Budget £	Final Budget £	Change £	Draft Budget £	Final Budget £	Change £	Draft Budget £	Final Budget £	Change £		
Change in Service Costs & Income																		* Inclusion of Shared Cost of Business Continuity (BC) role within Leicestershire Resilience Partnership (all years)	
Finance			1,906	1,906	0	2,053	2,053	0	2,041	2,041	0	2,089	2,089	0	2,089	2,089	0		
Planning, Environment & Waste			5,176	5,176	0	5,145	5,145	0	5,145	5,145	0	5,145	5,145	0	5,145	5,145	0		
Wellbeing, Communities & Housing			1,019	1,019	0	979	979	0	979	979	0	979	979	0	979	979	0		
Strategy (aka Planning & Regeneration)			647	647	0	635	635	0	675	675	0	675	675	0	675	675	0		
Corporate & Regulatory Services			2,652	2,659	7	2,405	2,412	7	2,301	2,308	7	2,285	2,292	7	2,285	2,292	7		
Contingency (including Pay/Services/FCC Inflation)			646	646	0	1,245	1,245	0	2,232	2,232	0	3,044	3,044	0	3,366	3,366	0		
Total			12,046	12,053	7	12,462	12,469	7	13,373	13,380	7	14,217	14,224	7	14,539	14,546	7	35	
Change in Capital Financing																			
Capital Financing			424	424	0	437	437	0	509	509	0	539	539	0	564	564	0		
Total			424	424	0	437	437	0	509	509	0	539	539	0	564	564	0	0	
Change in Reserves																		* Smoothing impact of Shared Cost of BC role, see above (all years) * Net impact of additional Collection Fund Surplus/(Deficit) (2023/24) * Net impact of additional NDR (2023/24)	
General Reserves Contributions (Unplanned)			3,383	5,212	1,829	852	1,517	665	(1,098)	(438)	660	(1,674)	(1,020)	654	(1,705)	(1,057)	648		4,456
Earmarked Reserves Contributions			(790)	(790)	0	(322)	(322)	0	(206)	(206)	0	(206)	(206)	0	(206)	(206)	0		
N.B. (+ve=less reserves used/-ve=more reserves used)			2,593	4,422	1,829	530	1,195	665	(1,304)	(644)	660	(1,880)	(1,226)	654	(1,911)	(1,263)	648		
Change in Grant Funding																		* Net increase in NDR (all years)          * Net Increase in Collection Fund Surplus (all years)	
NDR			(4,659)	(5,841)	(1,182)	(4,991)	(5,876)	(885)	(5,021)	(5,912)	(891)	(5,051)	(5,947)	(896)	(5,081)	(5,983)	(902)		
Other General Fund Grants			(141)	(141)	0	(141)	(141)	0	(141)	(141)	0	(141)	(141)	0	(141)	(141)	0		
Fair Funding Review Adj			0	0	0	0	0	0	99	99	0	198	198	0	297	297	0		
New Homes Bonus - 23.24			(1,660)	(1,660)	0	0	0	0	0	0	0	0	0	0	0	0	0		
New Homes Bonus - 24.25			0	0	0	(1,079)	(1,079)	0	0	0	0	0	0	0	0	0	0		
Services Grant			(69)	(69)	0	0	0	0	0	0	0	0	0	0	0	0	0		
3% Funding Guarantee			(819)	(819)	0	(55)	(55)	0	0	0	0	0	0	0	0	0	0		
Collection Fund (Surplus)/Deficit			(704)	(1,561)	(857)	213	213	0	213	213	0	213	213	0	213	213	0		
Total			(8,052)	(10,091)	(2,039)	(6,053)	(6,938)	(885)	(4,850)	(5,741)	(891)	(4,781)	(5,677)	(896)	(4,712)	(5,614)	(902)		(5,613)
Total Changes in Council Tax			7,011	6,808	(203)	7,376	7,163	(213)	7,728	7,504	(224)	8,095	7,860	(235)	8,480	8,233	(247)	(1,122)	
Total Net Expenditure					(7)			(7)			(7)			(7)			(7)	(35)	
Change in Reserves					(210)			(220)			(231)			(242)			(254)	(1,157)	
Reconciliation of Changes in Reserves Contributions, Draft to Final Budget/MTFS																		Total	
Draft Budget Reserves Contributions (to)/from Services, adj for Grant Funding					(5,459)			(5,523)			(6,154)			(6,661)			(6,623)		
Final Budget Reserves Contribution (to)/from Services, adj for Grant Funding					(5,669)			(5,743)			(6,385)			(6,903)			(6,877)		
Change in Total Reserve Balances					(210)			(220)			(231)			(242)			(254)	(1,157)	



## Summary of Budget Principles Applied in respect of Services and Government Funding

	Cabinet 16 January, Agenda Item 5, Report	Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2			Consideration	2023/24 Budget Impact	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference			£000 or as otherwise stated			
Budget Principles – Services							
Service Income & Savings							
Annual Budget Process service review	Appendix 3	3.3 (ii)	N/a	N/a	Service savings and income generation proposals (net direct less £387k re. investment income shown separately below)	(429) <sup>1</sup>	Further savings start in subsequent years.
General Service Savings							
General Service Income inflation	Table 2	3.5	N/a	N/a	General increase (10.1%) for income budgets not covered by BC25 of specific lines noted elsewhere.	(36)	Same across MTFS.
Car Parking	Table 2	3.5 (i)	N/a	N/a	Reduction in Car Parking income following impact of CV19.	158	Amount of reduction decreases over MTFS as demand increases.
Garden Waste Scheme	Table 2	3.5 (ii)			Increase in Garden Waste charge to reflect cost neutrality.	(120)	Same across MTFS.

<sup>1</sup> Draft Budget, [Appendix 3](#), shows the total savings for 2023/24 as £957k. However some of these savings are savings outside of service expenditure, such as reductions in capital financing (£116k) and capitalisation of staffing costs (£25k). The reconciliation to the £429k as stated is £957k less £116k less £25k less £387k for investment income shown separately above.

	Cabinet 16 January, Agenda Item 5, Report		Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2		Consideration	2023/24 Budget Impact  £000 or as otherwise stated	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference						
Interest & Investment Income	Table 2	3.5 (iii)	N/a	N/a	Additional Income from Medium-Term Investments	(387)	Decreases over MTFS as base rates decline.
Development Management Income	Table 2	3.5 (iv)			Reduction in Development Management income in expectation of a recession.(£103K) plus loss of shared service income (£128k)	231	Amount of reduction increases in 2024/25 and then remains the same.
TOM Service Efficiency	Table 2	3.3 (v)	N/a	N/a	Review of the Councils Target Operating Model (how the Council will operate).	nil	Same across MTFS.
Employment Related Costs							
Pay Inflation & Employers Oncost	Table 2	3.6 / 3.7	N/a	N/a	<ul style="list-style-type: none"><li>Cost of living increase , modelled at 4%.</li><li>2022/23 increase of £1,925 per fte</li><li>National insurance (incl. NIC Levy for Social Care) + Pensions.</li><li>Reduction of pensions for 2023/24</li></ul>	477	<ul style="list-style-type: none"><li>Decreasing to 3% for 2026/27 and 2027/28.</li><li>Same across MTFS.</li></ul>
Vacancy Factor	N/a	3.8	N/a	N/a	A savings amount to meet underspends between staff leaving and new starters. Factor increased	Nil	Same across the MTFS.

	Cabinet 16 January, Agenda Item 5, Report		Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2		Consideration	2023/24 Budget Impact  £000 or as otherwise stated	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference						
					because of updated modelling showing higher incidence of vacancy.		
General Service Inflation and Growth							
Inflation – Utility Costs	Table 2	3.9 (i)			Increase in the cost of utilities.	42	Further increase in 2024/25 and then same over MTFS.
Inflation – FCC Contract	Table 2	3.9 (ii)			Increase in the cost of the FCC Environmental & Waste contract.	205 <sup>2</sup>	An annual increase of £178k-£198k for each year of the MTFS.
New Leisure Contract – Utility Costs		3.10 (ii)			From the new contract the Council will be liable for the utility costs up to an agreed threshold.	N/A	£188k from 2025/26.
General Growth to meet in-service pressures, known costs or achieve efficiency:							
- Netcall Licence		3.11 (i)			Recognition of licence cost for Netcall software.	60	Same across the MTFS.
- Iken & Modern.Gov		3.11 (ii)			New software to provide essential data	28	Same across the MTFS.

<sup>2</sup>Table 2 of the [Draft Budget](#) shows the 2023/24 FCC net inflationary increase as £205k. The FCC increase is £610k when compared to the 2022/23 approved budget. However, when the 2022/23 budget-MTFS was approved, the 2023/24 year included an inflation assumption of £405k; therefore the adjustment needed is £205k to bring it to the now determined 2023/24 inflationary increase.

	Cabinet 16 January, Agenda Item 5, Report		Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2		Consideration	2023/24 Budget Impact  £000 or as otherwise stated	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference						
					management within Legal (Iken) and Democratic Services (Modern.Gov)		
- External Audit Fee		3.11 (iii)			New appointed auditors from 2023/24, higher contract costs following the Public Sector Audit Appointments national	48	Same across the MTFS.
- Leicestershire Revenue & Benefits Partnership		3.11 (iv)			Salary and service related impacts on the cost of the partnership shared between partners.	32	Same across the MTFS.
- Project Management Resources		3.11 (v)			2-year fixed term contract posts to support the delivery of both the revenue and capital programmes	116	For 2023/24 and 2024/25.
Elections/Local plan 23/24 cost (matched by reserves contribution)		3.11 (vi)			Elections/Local plan 23/24 cost (matched by reserves contribution)	412	Same across the MTFS.
Underachievement of savings planned for 23/24	Table 2				Underachievement of savings planned for 23/24	136	Same across the MTFS.
LRF Business Continuity shared post	N/a	N/a	2.1a		Shared business continuity resource	7	Same across the MTFS.
Total Budget Principles - Services						980 <sup>3</sup>	

<sup>3</sup> The £980k represents the change between the 2022/23 original budget net cost of services (£11.1m) and the 2023/24 final budget net cost of services (£12.1m); see Table 1 of Appendix 1.

	Cabinet 16 January, Agenda Item 5, Report	Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2			Consideration	2023/24 Budget Impact	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference			£000 or as otherwise stated			
Capital Financing							
Capital Financing (MRP)	Table 4	3.25	N/a	N/a	Actual charge for MRP in the year.	423	Annual change reflective of capital financing element of capital programme.
Total Capital Financing						423	
Total Change in Net Expenditure Between 2023/24 Base and Final Budget						1,403	
Budget Principles - Government Funding							
Business Rates	Table 3	3.13	N/a	N/a	Pre-NDR1 estimate of business rates based on Quarter 2 information.	4,659 (a)	Would increase by a prudent 0.6% per annum.
			Table 2	2.1 b (i)	Upon completion of NDR 1 (statutory return for NDR estimated), there was an Increase in NDR as a consequence the national revaluation from April 2023 and the associated s.31 grant.	Additional £1,182. (b)  <i>The resulting net NDR position is £5,841 (a)+(b)</i>	Would increase by a prudent 0.6% per annum.
New Homes Bonus	N/a	3.14	N/a	N/a	1-year allocation.	1,659	N/a
	N/a	3.14	N/a	N/a	An estimate based on a 35% reduction.	N/a	1,078  Nil for each year thereafter.

	Cabinet 16 January, Agenda Item 5, Report		Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2		Consideration	2023/24 Budget Impact  £000 or as otherwise stated	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference						
Rural Services Grant	N/a	3.16 (i)	N/a	N/a	A regular grant to support the provision of rural services.	141	Same across the MTFS.
Services Grant	N/a	3.16 (ii)	N/a	N/a	A grant to provide funding to all tiers of local government in recognition of the vital services delivered at every level of local government.	69	Nil for each year thereafter.
3% Funding Guarantee	N/a	3.16 (iii)	N/a	N/a	A grant that provides every council will a minimum 3% increase in funding; excluding Council Tax	819	£55k for 2024/25, nil for each year thereafter.
Fair Funding & NDR Revaluation	N/a	3.17	N/a	N/a	An adjustment to reflect the potential impact over the MTFS of the governments Fair Funding and NDR Revaluation.	Nil	£99k 2025/26, increasing to £297k by 2027/28.
Council Tax Base	N/a	3.18 / 3.19	N/a	N/a	Increase in the Council Tax Base to reflect future housing growth (agreed by Council in December 2021).	862.1 Band D Equivalent.  Represents a 2.3% increase.	Follows the same profile as the 5-Year Housing Land Supply.
Council Tax	N/a	3.20	N/a	N/a	The Council can increase by the higher of 2.99% or £5 per Band D equivalent property.	0% increase, thus £177.97 per Band D equivalent	£2.99% notional increase each year of the MTFS.

	Cabinet 16 January, Agenda Item 5, Report		Cabinet 6 February, Agenda Item 4, Report 3 Appendix 2		Consideration	2023/24 Budget Impact	Impact over MTFS (2024/25 to 2027/28)
	Paragraph etc Reference					£000 or as otherwise stated	
						(remaining same as 2022/23).	
Collection Fund Surplus/(Deficit)	N/a	3.21 / 3.24	N/a	N/a	2023/24 Estimated Collection Fund surplus/deficit based on quarter 2 2023/24 collections (latest information at the time of preparing draft budget).	Net surplus of £704 (a)	Return to a deficit in 2024/25 and then no change to future years.
	N/a	N/a	Table 2	2.1 b (ii)	Adjusted to reflect notification by the Valuation Office Agency of three new properties at Magna Park	Additional surplus of £857k (b)  The resulting net Collection Fund position , giving a revised surplus of £1,561 (a) + (b)	
Total Budget Principles - Government Funding						10,092	
Total Change in Net Expenditure Between 2023/24 Draft and Final Budget						2,039	

Reconciliation of Budget Changes:			Table 2
1) 2022/23 Budget to 2023/24 Base Budget			
2) 2023/24 Base Budget to 2023/24 Final Budget			
	£000	£000	
1) 2022/23 Budget to 2023/24 Base Budget (*)			
2021/22 Budget Approved February 2021		11,064	
Previously approved growth/savings	(121)		
Service requested budget changes	130	9	
2022/23 Base Budget		11,073	
2) 2023/24 Base Budget to 2023/24 Final Budget			
Net Expenditure	£000		
2023/24 Base Budget		11,073	(a)
Budget Changes: Draft Budget (*)			
- Pay increases	570		
- Service Growth	(674)		
- Waste contract	205		
- Elections/Local Plan	372		
- Unplanned Pressures	499		
- Capital Financing	424	1,396	(b)
Budget Changes: Final Budget (**)			
- Service Growth		7	
		1,403	
2022/23 "Final" Net Expenditure Budget (**)		12,476	(1)
Reserves			
2022/23 Draft Budget (*)		2,594	(c)
Budget Changes: Final Budget (**)		1,829	
2022/23 Final Budget (**)		4,423	(2)
Government Funding			
2022/23 Draft Budget (*)		(8,052)	(d)
Budget Changes: Final Budget (**)			
- NDR	(1,182)		
- Collection Fund	(857)	(2,039)	
2022/23 Final Budget (**)		(10,091)	(3)

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## APPENDIX 4

### FEES & CHARGES

SCHEDULE OF CHARGES 2023/24			
Leisure and Recreation Charges			
	2022/23 £ p	Proposed 2023/24 £ p	Basis of charge
<b>LEISURE &amp; RECREATION CHARGES</b>			
<u>Use of Facilities @ Welland Park</u>			
<b>Tennis</b>			
Court per hour	Free	Free	Discretionary
<b>Netball &amp; Basketball</b>			
Schools per court	Free	Free	Discretionary
Others per court	Free	Free	Discretionary
<b>Allotments</b>			
Rent per plot per year			
Senior Citizens	24.99	27.51	* Discretionary
Others	49.97	55.02	* Discretionary
<i>12 months notice required to alter rent</i> <i>Half plots will attract a 50% charge</i>			

# SCHEDULE OF CHARGES 2023/24

## Cemeteries and Burial Grounds

CEMETERIES & BURIAL GROUNDS	2022/23 £ p	Proposed 2023/24 £ p	Basis of charge
<b>** Interment Monday – Friday</b> 9.00am to 3.30pm			
Under 18 years no charge for residents of the district (as defined by section 13 of Cemeteries Regulations) Body of person exceeding 18 years	NIL	NIL	Discretionary
-Single Depth Grave			
Northampton Rd.	403.00	494.33	Discretionary
Great Bowden	403.00	494.33	Discretionary
Foxton	403.00	494.33	Discretionary
Saddington	403.00	494.33	Discretionary
Great Easton	403.00	494.33	Discretionary
Blaston	403.00	494.33	Discretionary
-Double Depth Grave			
Northampton Rd.	531.00	831.12	Discretionary
Great Bowden	531.00	831.12	Discretionary
Foxton	531.00	831.12	Discretionary
Saddington	531.00	831.12	Discretionary
Great Easton	531.00	831.12	Discretionary
Blaston	531.00	831.12	Discretionary
- In an existing vault	237.00	261.00	Discretionary
Interment of cremated remains	172.00	189.00	Discretionary
Exhumation (subject to necessary approvals)	Treble Current Interment fee	Treble Current Interment fee	Discretionary
<b>** Exclusive Right of Burial</b>			
Grave 7' x 3' Issued in rotation	461.00	569.00	Discretionary
Ashes Plot (Garden of Peace)	229.00	252.00	Discretionary
Re-assignment of Exclusive Right of Burial	59.00	65.00	Discretionary
Under 18	Issued in Rotation - no charge for residents of the District (a NIL	NIL	Discretionary
<i>Graves within childrens section are 4' x 2' 6"</i> <i>Ashes Plots are only available in rotation but an adjacent plot can be reserved at the time of interment. An adjacent plot purchased in reserve will be charged double fee.</i>			
<b>** Monuments</b>			
Headstones 25" to 36"	114.00	126.00	Discretionary
Headstones 13" to 24"	96.00	108.00	Discretionary
Vases up to 12"	92.00	101.00	Discretionary
Tablet in Chapel (Mkt. Harborough)	131.00	144.00	Discretionary
Memorial in Garden of Remembrance -			
12" x 12" x 15" max.	92.00	101.00	Discretionary
Additional Inscription	70.00	77.00	Discretionary
Named Rose Tree Inc. 10 years maintenance	85.00	94.00	Discretionary
Replacement monument - 50% of monument fee			
<b>** Book of Remembrance</b>			
Single entry	51.00	56.00	Discretionary
Double entry	83.00	91.00	Discretionary
Treble entry	85.00	94.00	Discretionary
<b>** Cemetery Chapel</b>			
Use of Chapel	85.00	94.00	Discretionary
<b>Scattering of Cremated Remains</b>			
Adult (over 18)	22.00	24.00	Discretionary
Under 18	NIL	NIL	Discretionary
Under Turf Adult (over 18)	64.00	70.00	Discretionary
Under Turf Under 18	NIL	NIL	Discretionary
<b>Searches of Burial Registers</b>			
By appointment	15.00	17.00	Discretionary
No appointment	31.00	34.00	Discretionary
Copies of entries	15.00	17.00	Discretionary
<b>Topping Up Fee</b>			
	21.00	23.00	Discretionary
** These categories are doubled for non-residents of the Harborough District.			

# SCHEDULE OF CHARGES 2023/24

## Electoral Registration and Administration

ELECTORAL REGISTRATION & ADMINISTRATION		2022/23 £ p	Proposed 2023/24 £ p	Basis of charge
<b>Freedom of Information Act &amp; Environmental Information Regulations</b>				
Fees for inspection & copying of documents				
Inspection		No Charge	No Charge	Statutory
Copying per page (A4)		0.10	0.20	Statutory
Copying per page (A3)		0.30	0.50	Statutory
Other Formats		At cost	At cost	Statutory
A threshold of the first 10 Sheets of paper in any one instance will be free of charge				
<b>Sale of Agendas</b>				
Annual Subscription				
Development Control		available free online	available free online	Statutory
Other Groups/Panels		available free online	available free online	Statutory
Per Copy		available free online	available free online	Statutory
<b>Sale of Minute Books</b>				
Annual Subscription				
Single Copies				
All Minutes are available Free on the website				
<b>Register of Electors (Statutory Charges)</b>				
Full Register of electors & alterations (Paper format)				
Standard Fee plus		10.00	10.00	Statutory
Per 1000 names or part:		5.00	5.00	Statutory
Full Register of electors & alterations (Data Format)				
Standard Fee plus		20.00	20.00	Statutory
Per 1000 names or part:		1.50	1.50	Statutory
List of overseas electors (Paper format)				
Standard Fee plus		10.00	10.00	Statutory
Per 100 names or part:		5.00	5.00	Statutory
List of overseas electors (Data Format)				
Standard Fee plus		20.00	20.00	Statutory
Per 100 names or part:		1.50	1.50	Statutory
Edited Register of electors (Paper format)				
Standard Fee plus		10.00	10.00	Statutory
Per 1000 names or part:		5.00	5.00	Statutory
Edited Register of electors (Data Format)				
Standard Fee plus		20.00	20.00	Statutory
Per 1000 names or part:		1.50	1.50	Statutory
Marked register of electors (Paper format)				
Standard Fee plus		10.00	10.00	Statutory
Per 100 names or part:		2.00	2.00	Statutory
Marked register of electors (Data Format)				
Standard Fee plus		20.00	20.00	Statutory
Per 100 names or part:		1.00	1.00	Statutory
Fee for Certificate of Residency (per letter)				
-				
<b>Local Land Charges *</b>				
Local Authority Search (Incl NLIS) – one parcel of land				
CON29R HDC Domestic		150.60	192.36 Incl VAT	Cost Recovery
CON29R HDC Commercial		192.60	246.36 Incl VAT	Cost Recovery
Each additional parcel of land up to				
CON29 HDC		18.90	21.12 Incl VAT	Cost Recovery
<b>Con29 Individual Questions</b>				
Question no				
4		19.20	42.24 Incl VAT	Cost Recovery
5		19.20	21.12 Incl VAT	Cost Recovery
6		19.20	21.12 Incl VAT	Cost Recovery
7		19.20	21.12 Incl VAT	Cost Recovery
8		38.40	42.24 Incl VAT	Cost Recovery
9		19.20	21.12 Incl VAT	Cost Recovery
10		19.20	21.12 Incl VAT	Cost Recovery
11		19.20	21.12 Incl VAT	Cost Recovery
12		19.20	21.12 Incl VAT	Cost Recovery
13		19.20	21.12 Incl VAT	Cost Recovery
14		19.20	21.12 Incl VAT	Cost Recovery
15		19.20	21.12 Incl VAT	Cost Recovery
16		19.20	21.12 Incl VAT	Cost Recovery
17		19.20	21.12 Incl VAT	Cost Recovery
18		19.20	21.12 Incl VAT	Cost Recovery
19		19.20	21.12 Incl VAT	Cost Recovery
20		19.20	21.12 Incl VAT	Cost Recovery
21 LCC		19.20	21.12 Incl VAT	Cost Recovery
22 LCC		19.20	21.12 Incl VAT	Cost Recovery
Administration Fee (CON290 questions only)				
-				
<b>Expedited Search</b>				
36.00				
48.00 Incl VAT				
Cost Recovery				

# SCHEDULE OF CHARGES 2023/24

## Markets

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>MARKETS</b>				
<b>Harborough Market</b>				
<u>Casual Stalls Only</u>				
Tuesday	17.50	Inc vat	19.00	Discretionary
Wednesday	20.00	Inc vat	21.00	Discretionary
Thursday	12.50	Inc vat	15.00	Discretionary
Friday	17.50	Inc vat	19.00	Discretionary
Saturday	30.00	Inc vat	35.00	Discretionary
Sunday - Regular	30.00	Inc vat	32.00	Discretionary
Sunday - Other	30.00	Inc vat	32.00	Discretionary
<b>Temporary Markets</b>				
Within the Council's Market Charter Area				
Registered Charity	Standard Fee	50.00	50.00	Discretionary
Commercial / Non-commercial Market	Standard Fee	400.00	450.00	Discretionary
Farmers Market		22.00	25.00	Discretionary
Other markets		40.00	50.00	Discretionary

# SCHEDULE OF CHARGES 2023/24

## Misc. Housing Charges

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>MISC. HOUSING CHARGES</b>				
<b>Lifeline Charges</b>				
Weekly charge for monitoring of service	5.52	Inc vat	5.58	Cost recovery
Additional weekly charge for monitoring of fall detector pendants	2.40	Inc vat	2.40	Cost recovery
Set up fee for Lifeline	102.00	Inc vat	117.60	Cost recovery
Additional charge for set up of fall detector pendants	24.00	Inc vat	30.00	Cost recovery
For Organisations, please contact the Lifeline service with your requirements and a quote will be supplied.				

# SCHEDULE OF CHARGES 2023/24

## Licences

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>LICENCES</b>				
Dangerous Wild Animals	362.00 +	Vets fees	390.00 +	Cost recovery
Selling of pets - New	245.00		285.00	Cost recovery
Selling of pets - Renewal	220.00		260.00	Cost recovery
Selling of pets with DWA - New	320.00		372.00	Cost recovery
Selling of pets with DWA - Renewal	295.00		347.00	Cost recovery
Hiring of Horses 1 year - New	300.00 +	Vets fees	320.00 +	Cost recovery
Hiring of Horses 1 year - Renewal	277.00 +	Vets fees	295.00 +	Cost recovery
Hiring of Horses 2 years - New	310.00 +	Vets fees	400.00 +	Cost recovery
Hiring of Horses 2 years - Renewal	287.00 +	Vets fees	375.00 +	Cost recovery
Hiring of Horses 3 years - New	320.00 +	Vets fees	480.00 +	Cost recovery
Hiring of Horses 3 years - Renewal	297.00 +	Vets fees	455.00 +	Cost recovery
Boarding of animals less than 7 - New	245.00		260.00	Cost recovery
Boarding of animals less than 7 - Renewal	220.00		235.00	Cost recovery
Boarding of animals 7 or more - New	270.00		310.00	Cost recovery
Boarding of animals 7 or more - Renewal	245.00		285.00	Cost recovery
Exhibition of animals - New	245.00		260.00	Cost recovery
Exhibition of animals - Renewal	220.00		235.00	Cost recovery
Breeding - new	245.00 +	Vets fees	260.00 +	Cost recovery
Breeding - renewal	220.00		235.00	Cost recovery
Reassessment of star	125.00		135.00	Cost recovery
For any additional animal welfare licensable activity	50.00		65.00	Cost recovery
Animal welfare minor variation	35.00		36.00	Cost recovery
Animal welfare major variation	95.00		100.00	Cost recovery
Sex Establishments	985.00		1,025.00	Cost recovery
Acupuncture, electrolysis, skin piercing (Includes ear piercing, tattooing and semi permanent make up)	259.00		280.00	Cost recovery
Hairstyling	250.00		280.00	Cost recovery
Houses In Multiple Occupation for 5 Year licence	845.00		880.00	Cost recovery
Health Certificate	125.00		205.00	Cost recovery
Food Hygiene re-rating	170.00		205.00	Cost recovery
Scrap metal site and collectors licence - 3 year licence	575.00		590.00	Cost recovery
Scrap metal site and collectors renewal licence - 3 year licence	390.00		420.00	Cost recovery
Variation of scrap metal licence for site and collectors	315.00		340.00	Cost recovery
Immigration Inspection	180.00		240.00	Cost recovery
Street Trading (Consent Streets):				
Annual Charge	750.00		800.00	Discretionary
Daily Charge	84.00		90.00	Discretionary
Charities & Fund Raising	waived		waived	Discretionary
Mobile Homes fit and proper person checks	135.00		135.00	Cost recovery
Housing Act Notice charge		Case by case calculation based on hourly rate of £57.00	Case by case calculation based on hourly rate of £59.00	Discretionary
Factual statement		Charge to be determined for each request based on hourly rate of £57 (incl VAT)	Charge to be determined for each request based on hourly rate of £59.00	
Fixed Penalty Notices: (externally set)		+ £40.00 admin charge	+ £45.00 admin charge	Cost recovery
Dog Fouling	100.00		100.00	Statutory
Fly tipping	400.00		400.00	Statutory
Fly tipping	300.00	If paid within 14 days	300.00	Statutory

# SCHEDULE OF CHARGES 2023/24

## Fixed Penalty Notices

		2022/23 £ p	Proposed 2023/24 £ p	Basis of charge
<b>Offence</b>	<b>Legislation</b>			
Abandoning a vehicle	S24(1) Refuse Disposal (Amenity) Act 1978	200.00	200.00	Statutory
Litter	S88(1) Environmental Protection Act 1990	150.00	150.00	Statutory
Community Protection Notice/Public Spaces Protection Order FPN	S48 Anti-Social Behaviour Crime and Policing Act 2014	100.00	100.00	Statutory
Non compliance of Community Protection Notice	S48 Anti-Social Behaviour Crime and Policing Act 2014	100.00	100.00	Statutory
Early payment for Community Protection Notice/Public Spaces Protection Order	S48 Anti-Social Behaviour Crime and Policing Act 2014	80.00	80.00	Statutory
Unauthorised Distribution of Literature	Sch 3A Paragraph 7 (2) Environmental Protection Act 1990	150.00	150.00	Statutory
Fly posting or Graffiti	S43 Anti-Social Behaviour Act 2003	150.00	150.00	Statutory
Fall to produce Authority (Waste Transfer Notes)	S34A Environmental Protection Act 1990	300.00	300.00	Statutory
Fall to furnish documentation (waste carriers licence)	S58 Control of Pollution (Amendment) Act 1989	300.00	300.00	Statutory
Waste receptacles and putting waste out	S47ZA Environmental Protection Act 1990	60.00	60.00	Statutory
Breach of public spaces protection order	S67 Anti-Social Behaviour Crime and Policing Act 2014	100.00	100.00	Statutory
Unauthorised waste disposal	S33 (1)(a) Environmental Protection Act 1990	400.00	400.00	Statutory
If paid within 14 days £300		300.00	300.00	Statutory
Littering from vehicles	Littering From Vehicles outside London (Keepers: Civil Penalties) Regulations 2016	150.00	150.00	Statutory

# SCHEDULE OF CHARGES 2023/24

## Misc. Health Charges

MISC. HEALTH CHARGES	2022/23 £ p	Proposed 2023/24 £ p	Basis of charge
<u>Stray Dogs</u>			
Return of seized dog	Daily Kennel Fee 18.00 + prescribed fee 25.00 + vets fees if incurred	Daily Kennel Fee 20.00 + prescribed fee 25.00 + vets fees if incurred	Discretionary Statutory
Pest Control - Charged by the contractor All fees are charged and collected by the contractor in line with the contractor.			Discretionary
<u>Private Water Supplies</u> Fees will be charged in accordance with Schedule 5 Of the Private water Supply Regs. 2009			Statutory
<u>Pollution Prevention and Control permits</u> Fees will be charged in accordance with national set levels			
<u>Domestic &amp; Bulky Refuse</u>			
Collection from domestic premises of bulky refuse	37.16	43.75	Discretionary
Cost for delivery smaller 140 litre bin (blue lidded, black or green)	39.61	50.77	Discretionary
Cost for delivery standard 180 litre black bin	51.52	61.42	Discretionary
Cost for delivery larger 240 litre black bin	49.26	58.74	Discretionary
Cost for delivery standard 240 litre (blue lidded or green)	49.26	58.74	Discretionary
Removal of a bin from a property	30.79	36.39	Discretionary

## SCHEDULE OF CHARGES 2023/24

### Planning charges

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>PLANNING MISC. CHARGES</b>				
The majority of published reports / documents are available on the Council's website, to download and print. In most cases the Council can provide a hard copy of a published document. However this will be subject to a standard copying charge as below. (Examples of available documents include: Conservation Area Statements and Maps; Harborough District Local Plan (by policy chapter); Individual Supplementary Planning Guidance Notes; Strategic Housing Land Availability Assessments; Landscape Character and Land Capacity Assessments; and Annual Monitoring Reports). Planning Advice (applicable from April 2011)				
Meetings / Written Advice:				
Strategic Proposal (50+ dwellings)	6,294.00	Inc vat	6,336.00	Cost Recovery
10,000+ sq m (Commercial)	6,294.00	Inc vat	6,336.00	Cost Recovery
Major Proposal (10 – 49 dwellings)	2,832.30	Inc vat	3,276.00	Cost Recovery
1,000 – 10,000 sq m (Commercial)	2,832.30	Inc vat	3,276.00	Cost Recovery
Minor Proposal (1 – 3 dwellings)	314.70	Inc vat	696.00	Cost Recovery
< 1,000 sq m. (Commercial)	1,258.80	Inc vat	1,260.00	Cost Recovery
Minor Proposal (4-6 dwellings)	818.22	Inc vat	876.00	Cost Recovery
Minor Proposal (7-9 dwellings)	1,258.80	Inc vat	1,260.00	Cost Recovery
Householder: Extensions, outbuildings etc	82.80	Inc vat	90.00	Cost Recovery
Additional and follow up advice	75.00	Inc vat	279.00	Cost Recovery
Team Leader advice required	51.00	Inc vat	78.00	Cost Recovery
Information search to meet professional requests	51.00	Inc vat	78.00	Cost Recovery
Planning application check request	51.00	Inc vat	78.00	Cost Recovery
Planning performance agreement	Case by case calculation based on cost recovery and agreement requirements			Cost Recovery
Application to divert a footpath or bridleway	Fee for application (includes cost of advertising)	2,121.00	2,335.00	Cost Recovery
Publications				
Local Plans Proposals Map	Free on website		Free on website	
Lutterworth / Mkt. Harborough Map	Free on website		Free on website	
Broughton Astley Map	Free on website		Free on website	
Kibworth & Smeeton Westerby Map	Free on website		Free on website	
Inset Maps	Free on website		Free on website	
List of Planning Applications				
Per month	Free on website		Free on website	
Per year	Free on website		Free on website	

## SCHEDULE OF CHARGES 2023/24

### Legal fees

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>Legal Fees</b>				
Section 106 legal costs	1,593.00		1,754.00	Cost Recovery
Section 106 (Deed of Variation)	796.00		876.00	Cost Recovery
Property Transactions (Includes Leases and Licences)	cost recovery		cost recovery	Cost Recovery

## SCHEDULE OF CHARGES 2023/24

### Street Naming and Numbering

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>STREET NAMING &amp; NUMBERING</b>				
Naming/numbering of 1 property	42.00		50.00	Discretionary
Naming /numbering of 2 to 5 properties (per property)	42.00		50.00	Discretionary
Naming/numbering of more than 5 properties	210.00 +		250.00 +	Discretionary
	£26 for each additional property		£30 for each additional property	Discretionary
Naming of new street	160.00		200.00	Discretionary
Naming/Numbering buildings of multiple occupation	42.00 +		50.00 +	Discretionary
	£26 each unit/flat within		£30 each unit/flat within	Discretionary
Rename single existing property	42.00		50.00	Discretionary
Renummer development	53.00 +		100.00 +	Discretionary
	£17 per plot		£25 per plot	Discretionary
Renaming of street	265.00 +		350.00 +	Discretionary
	Compensation		Compensation	Discretionary
Confirmation of address details	26.00		30.00	Discretionary

## SCHEDULE OF CHARGES 2023/24

### Engineering Services

	2022/23 £ p		Proposed 2023/24 £ p	Basis of charge
<b>ENGINEERING SERVICES</b>				
<u>Abandoned cars</u>				
Fees will be charged in accordance with The Removal, Storage and Disposal of Vehicles (Prescribed Sums and Charges) Regulations 2008, or where amended.				Statutory
Removal of vehicle at owners request	54.00	inc vat	54.00	Statutory
<u>Private Drain Clearance</u>				
Private Drain Clearance	Cost of Contractor recharged in full		Cost of Contractor recharged in full	
Drainage Investigations:				
Admin based services	78.80	inc vat	86.80	Cost Recovery
Technical Services	107.70	inc vat	118.60	Cost Recovery
Site Visit Services	135.50	inc vat	149.20	Cost Recovery
Private Drain CCTV Investigation & report	Please apply for price		Please apply for price	
				Cost Recovery

# SCHEDULE OF CHARGES 2023/24

## Events and Promotions

	2022/23 £ p	Proposed 2023/24 £ p	
<b>EVENTS &amp; PROMOTIONS</b>			
Welland Park Hire – funfair etc	Please apply for price	Please apply for price	Discretionary

# SCHEDULE OF CHARGES 2023/24

## Hackney Carriages

	2022/23 £ p	Proposed 2023/24 £ p	
<b>Hackney Carriages &amp; Private Hire Vehicles</b>			
<i>With effect from 1 April 2015 Taxi proprietors will pay for their own Council MOT's</i>			
Hackney carriage/private hire vehicle annual licence	265.00	280.00	Cost Recovery
Hackney carriage/ private hire driver New application (3 year licence)	420.00	432.00	Cost Recovery
Hackney carriage/ private hire driver New application (DBS by 3rd party) (3 year licence)	365.00	377.00	Cost Recovery
Hackney carriage/ private hire driver Renewal (3 year licence)	320.00	330.00	Cost Recovery
Hackney carriage/ private hire driver Renewal (DBS by 3rd party) (3 year licence)	265.00	275.00	Cost Recovery
Resit Knowledge test	40.00	50.00	Cost Recovery
Private hire operators Licence New application ( 5 year licence)	725.00	755.00	Cost Recovery
Private hire operators Licence Renewal ( 5 year licence)	700.00	730.00	Cost Recovery
Deposit on Plate	15.00	20.00	Cost Recovery
Replacement Badge Fee	15.00	20.00	Cost Recovery
Replacement Licence / Cert of Compliance	30.00	35.00	Cost Recovery
Transfer of vehicle licence	35.00	50.00	Cost Recovery



# SCHEDULE OF CHARGES 2023/24

## Miscellaneous

	2022/23 £ p	Proposed 2023/24 £ p	
<b>Publications</b>			
Statement of Accounts & Annual Report (Inc postage)	Free on website	Free on website	Statutory
<b>Copying</b>			
	Cost + Admin	Cost + Admin	Discretionary
<b>Building Regulations</b>			
The Building (amendment of prescribed fees) Regulations, are available from the Building Control Section.			
<b>Court Costs</b>			
Council Tax - Summons	44.50	49.00	Cost recovery
Council Tax - Justice	0.50	0.50	Cost recovery
Council Tax - Liability Order	17.50	21.00	Cost recovery
<b>Business Rates - Summons</b>	47.50	54.00	Cost recovery
<b>Business Rates - Justice</b>	0.50	0.50	Cost recovery
<b>Business Rates - Liability Order</b>	26.50	34.00	Cost recovery

These fees and charges are correct at the time of reporting but there may be changes or new charges throughout the year that will be agreed by the Portfolio Holder for Finance and the S151 Officer.

## Appendix 5

Special Expenses by Parish 2023/24									APPENDIX 5	
	Allotments	Parks and Recreation Grounds	Cemeteries	Public Conveniences	Harborough in Bloom	Harborough Town Centre Support	Bus Shelters	Memorial Gardens/Public Realm	Total Charge 2023/24	Current Charge 2022/23
	£	£	£	£	£	£	£	£	£	£
Blaston			334						334	327
Foxton			2,319						2,319	2,245
Great Bowden	108		4,948						5,056	5,107
Great Easton			5,087						5,087	4,920
Lutterworth		47,891							47,891	43,296
Market Harborough	422	332,002	52,680	31,082	12,040	52,280	5,030	19,960	505,496	464,052
Saddington	930		2,397						3,327	3,085
Thurnby & Bushby		39,135							39,135	36,392
Broughton Astley		15,878							15,878	14,421
Fleckney		726							726	1,188
Great Glen		3,128							3,128	3,426
Scraptoft		6,570							6,570	5,580
	1,461	445,330	67,764	31,082	12,040	52,280	5,030	19,960	634,947	584,039

Actual Charge by Area for 2023/24	2023/24 Tax Base	2023/24 Special Expenses Charge £	2023/24 Band D Special Expense £	For Info: 2022/23 Band D Special Expense £
Blaston	33.9	334	9.85	11.08
Foxton	232.9	2,319	9.96	10.09
Great Bowden	627.8	5,056	8.05	8.18
Great Easton	342.2	5,087	14.87	14.38
Lutterworth	3,750.2	47,891	12.77	11.73
Market Harborough	9,430.7	505,496	53.60	52.26
Saddington	109.0	3,327	30.52	17.16
Thurnby & Bushby	1,553.1	39,135	25.20	24.24
Broughton Astley	3,379.5	15,878	4.70	4.32
Fleckney	1,766.2	726	0.41	0.73
Great Glen	1,893.5	3,128	1.65	1.85
Scraptoft	1,077.7	6,570	6.10	5.35

Special Expenses by Parish 2023/24 - Variance Analysis Between Years								
Parish	Charge for:				Variance			
	2022/23		2023/24		Change in Expense Between Years		Change in Individual Band D Charge	
	£	Per Band D Property (*)	£	Per Band D Property (**)	£	%	£	%
Blaston	327	11.08	334	9.85	7	2.1%	(1.23)	-11.1%
Foxton	2,245	10.09	2,319	9.96	74	3.3%	(0.14)	-1.3%
Great Bowden	5,107	8.18	5,056	8.05	(51)	-1.0%	(0.13)	-1.6%
Great Easton	4,920	14.38	5,087	14.87	167	3.4%	0.49	3.4%
Lutterworth	43,296	11.73	47,891	12.77	4,595	10.6%	1.04	8.9%
Market Harborough	464,052	52.26	505,496	53.60	41,444	8.9%	1.34	2.6%
Saddington	3,085	17.16	3,327	30.52	242	7.8%	13.36	77.9%
Thurnby & Bushby	36,392	24.24	39,135	25.20	2,743	7.5%	0.96	4.0%
Broughton Astley	14,421	4.32	15,878	4.70	1,457	10.1%	0.38	8.8%
Fleckney	1,188	0.73	726	0.41	(462)	-38.9%	(0.32)	-43.4%
Great Glen	3,426	1.85	3,128	1.65	(298)	-8.7%	(0.20)	-10.7%
Scraptoft	5,580	5.35	6,570	6.10	990	17.7%	0.74	13.9%
<b>Total</b>	<b>584,039</b>		<b>634,947</b>		<b>50,908</b>	<b>8.7%</b>		
NB								
* 2022/23 Council Tax Base								
** 2023/24 Council Tax Base								





# **Harborough District Council**

## **RESERVES STRATEGY**

### **Version control**

Title: Reserves Strategy

Date agreed: 5 December 2022

Last date amended: December 2022

Review date: 31 December 2024

## **Contents**

- 1. Background**
- 2. Definition of Reserves**
- 3. Principles for Maintaining Reserve**
- 4. Level of Reserves**
- 5. Governance of Reserves**

## 1. Background

- 1.1 The Council's reserves are the corner stone of its financial sustainability; they are the foundation upon which the Council delivers its broad range of services and delivers its significant capital investment.
- 1.2 Reserves should be actively used to ensure effective financial management; this includes the establishment of a minimum level of reserves, and a number of specific earmarked reserves that will directly support the delivery of corporate priorities.

## 2. Definition of Reserves

- 2.1 Reserves within local government are split between: Useable and Unusable
- 2.2 **Usable Reserves** are those that represent "real" cash and can be used to directly support services or the development of assets.

- **General Fund Balance**

The General Fund is the statutory fund into which all receipts of a Council are required to be paid and all liabilities are to be met (subject to statutory override).

The General Fund Balance is therefore the net surplus of the Council's general resources at the end of any financial year

- **Earmarked Reserves**

These are reserves held for a defined purpose. However, they do represent immediately available resources and are therefore considered as part of the wider General Fund Balance

- **Capital Receipts Reserve**

This reserve holds the proceeds from the disposal of land or other (capital) assets which are restricted by statute from being used other than to fund new capital expenditure (or to be set aside to finance historical capital expenditure).

- **Capital Grants Unapplied Reserve**

This reserve holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure.

- 2.3 **Unusable Reserves** are "technical accounting" reserves that support the Council's balance sheet. These reserves can involve contributions of real cash, but this is

mainly to support capital related income or expenditure. As contributions to /from these reserves are strictly controlled by statutory regulation they will not be addressed within this strategy.

### **3. Principles for Maintaining Reserves**

#### **3.1 Risk Management**

Reserves will be maintained based upon the risks that the Council faces and its plans for the medium-term. They will be viewed as an effective means by which the Council can address one-off costs of transformation, future local and national funding & policy, environmental impacts, and unforeseen service pressures.

#### **3.2 Prudential Financial Management**

Reserves are to be an essential part of the Councils prudential financial management framework, including its ongoing ability to meet the statutory requirement for a balanced budget.

#### **3.3 Medium-Term Financial Planning**

Reserves are built up over the long term and their level and use will be a key part of effective medium-term financial planning.

#### **3.4 Funding Source of Last Resort**

Although reserves can be viewed as an effective means by which to support the contraction in public expenditure. The Council will view its use of Reserves as the “funding source of last resort” by which the Council will deliver the progressive reductions in government support over the medium term.

### **4 Level of Reserves**

#### **4.1 General Fund Balance**

The General Fund Balance includes all revenue reserves, both the General Fund Unallocated Reserve and Earmarked Reserve.

#### **4.2 General Fund Unallocated Reserve**

There is no statutory minimum level of reserves that the Council must have available in the General Fund Unallocated Reserve

If this Reserves Strategy is approved, the Cabinet will approve a minimum level of General Fund Unallocated Reserves of 20% of Net Expenditure (Net Expenditure being defined as service expenditure + revenue costs of capital financing).

#### **4.3 Earmarked Reserves**

There is no minimum or maximum level for Earmarked Reserves, what will be held is based on prudent estimates of future need. Earmarked Reserves will also include the Budget Surplus Reserve.

#### 4.4 **Capital Receipts Reserve/Capital Grants Unapplied Reserve**

These reserves will be reactive to what capital receipts or grants have been received in the year and remain uncommitted at the year-end.

### 5. **Governance of Reserves**

#### 5.1 **the General Fund (Unallocated) Reserve**

- 5.1.1 At budget setting and throughout the year the General Fund (Unallocated) Reserve will be actively managed to ensure that it is maintained at 20% of Net Expenditure. This will ensure that the Council has enough reserves to delivery its core services in the event of an emergency.
- 5.1.2 Variations in service spend throughout the year will have either a positive or negative impact on the forecast outturn which will require either a contribution to or from Earmarked Reserves to ensure that the General Fund (Unallocated) Balance is maintained at 20%. This will be actively monitored as part of the Councils routine budget monitoring process with appropriate reporting to members to demonstrate:
- The maintenance of the General Fund (Unallocated) Reserve at 20% of Net Expenditure.
  - The use of a Budget Surplus Reserve (BSR) that will act as a “holding” reserve between the General Fund (Unallocated) Reserve and Earmarked Reserves. Its purpose is to:
    - Either hold onto surplus funds (underspends) before they are allocated to Earmarked Reserves, or
    - Where a contribution is required to support Service Expenditure, then the BSR will be used to demonstrate to members as part of the budget monitoring reporting process the net deficit that needs to be funded by the application of Earmarked Reserves.

Consequently, where specific contributions to/from the General Fund Balance outside of routine service spend are required, these will only be made when approved by Cabinet.

#### 5.2 **Earmarked Reserves**

- 5.2.1 New earmarked reserves will be established, and old reserves deleted in line with the principles noted above. The Section 151 officer will be able to create reserves, following consultation with the Portfolio Holder for Resources. However, Earmarked Reserves will only be able to be removed with the agreement of Cabinet.
- 5.2.2 Contributions to/from Earmarked Reserves will:

- either be in line with statutory requirements or service need
- only be made when agreed with the Section 151 officer.

### **5.3 Capital Receipts Reserve**

- 5.3.1 The Council will primarily receive capital receipts because of the sale of capital assets that support general service activity; these receipts will only be applied for similar such activity.
- 5.3.2 The first call for the application of such receipts will be to finance in-year capital expenditure, this will have the effect of minimising the Councils statutory obligations in respect of Minimum Revenue Provision.

### **5.4 Capital Grants Unapplied Reserve**

- 5.4.1 This reserve will only hold capital grants that will have been acquired by the Council for a specific purpose. The use of this reserve will be in line with prescribed guidelines/conditions.



# **CAPITAL STRATEGY**

**2023/24**

## **1.0 Introduction**

- 1.1 The Capital Strategy sets out a long-term vision for capital investment within Harborough District, setting out the principles to shape and inform decisions on the capital investment to deliver the priorities sets out in the Council's Corporate Plan.
- 1.2 The Capital Strategy is an integrated part of the prudential code for Capital Finance in Local Authorities which was updated in December 2017. The prudential code supports local strategic planning, local asset management planning and proper option appraisal. The Prudential Code seeks to ensure that the capital expenditure plans of authorities are affordable, prudent, and sustainable.
- 1.3 The prudential code requires authorities to look at capital expenditure and investment plans in the light of overall Council Strategy and resources and ensure that decisions are made with sufficient regard to the long run financing implications and potential risks to the authority.
- 1.4 The Capital Strategy focuses on the Council's facilitating and direct provision of Capital Investment but also sets down the context for public and private sector investment which will have a significant impact on meeting the Council priorities.
- 1.5 The Capital Strategy has detailed proposals for the period 2023/23 to 2027/28 (found in the Council's capital programme). This is not a static position and the Council's capital investment priorities may alter over time in response to changes in the national and local context, including emerging opportunities.
- 1.6 The Strategy sets the framework for all aspects of the Council's capital and investment expenditure; including planning, outcomes, prioritisation, management, funding, and repayment. The Strategy has direct links to other council strategies and plans such as the Treasury Management Strategy, ICT Strategy, and Property Strategy.
- 1.7 It is an integral part of the Council's Medium Term Financial Strategy (MTFS) and there have only been minor changes in this review.

## **2.0 Purpose of the Capital Strategy**

- 2.1 The Capital Investment Strategy is a high-level summary of the Council's approach to capital expenditure, capital financing and treasury activity, how this contributes to the provision of services, how the risks are managed and the implications for future financial sustainability.
- 2.2 The Corporate Plan is the key document that sets out the Council's vision and priorities and shapes the Capital Investment Strategy.

The Council's vision is:

**'To secure a prosperous future for the people of Harborough District'**

The Council's priorities are:

**The Place:** A safe, enterprising, and vibrant place

**The People:** A healthy, inclusive, and empowered community

**Your Council:** Creative, proactive, and efficient

2.3 The key aims of the Capital Strategy are to:

- Apply a long-term approach to capital expenditure and investment and to ongoing asset management.
- Provide a clear set of objectives and a framework within statutory legislation that proposes new capital expenditure to be evaluated to ensure that all new capital investment is targeted at meeting the Council's Vision as set out in the Corporate Plan.
- Deliver projects that focus on delivering a number of the long-term benefits to the district.
- Deliver investment that will safeguard the long-term future and value of the Council's assets.

2.4 The Capital Strategy:

- Sets out how the council identifies programmes and prioritises capital requirements and proposals following a robust appraisal process including evaluation of value for money, affordability, and risk.
- Considers options available for funding capital expenditure and how resources may be maximised to generate investment in the area and to determine an affordable and sustainable funding policy framework, whilst minimising the ongoing revenue implications of any such investment;
- Identifies the resources available for capital investment over the MTFS planning period;
- Ensure the strategy has an overall balance of risk on a range on investments over timespan, type of investment and rate of return, and,
- Establish effective arrangements for the management of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money and security of investment.

### 3.0 **Strategic Context of the Capital Strategy**

3.1 The Capital Strategy has both External and Internal Influences that will shape the targeting of schemes and availability of funding over the period of this strategy and beyond.

#### 3.2 **External Influences**

3.2.1 **Midlands Engine:** The aim of the Midlands Engine is to accelerate growth and prosperity for every part of the Midlands through major infrastructure investment, enabling work and developing a self-sustaining and resilient partnership model with the public and private

sectors. Within Leicestershire the delivery vehicle for this will be the Strategic Growth Plan that has a planning period to 2050.

**3.2.2 Strategic Growth Plan:** The Strategic Growth Plan will shape future District within Harborough District and sub regionally and has four key aims:

- (a) Delivering new housing
- (b) Supporting and stimulating the economy
- (c) Identifying essential infrastructure, and
- (d) Protecting the environment and built heritage.

**3.2.3** The Leicester & Leicestershire Strategic Growth Plan is supported by the Council. This sets out the strategic growth strategy for the District Housing Market Area to 2050. A programme of work is currently underway to assess the continued appropriateness of the SGP in light of changing circumstances, including publication of the Midlands Connect A46 Stage 2 Study.

**3.2.4 Leicester and Leicestershire Enterprise Partnership (LLEP):** The LLEP's Strategic Economic Plan identified key priorities and sectors for investment. These have shaped opportunities for investment and access to ERDF, Local Growth Fund, Business Rate Pool receipts etc.

**3.2.5 Partner Organisations:** The District Council will continue to work closely with other public sector bodies in securing improved capital investment for the District, for example, HIF funding for Highways Infrastructure, co-location of facilities and economic development. Application of the principles of this Capital Strategy should help identify priorities and evidence the case or change.

### **3.3 Internal Influences**

**3.3.1** The Capital Strategy and Capital Investment should be influenced, driven, and shaped by the Council's Corporate Priorities as defined in the Council's Corporate Plan. The Corporate Plan is then supported by three key strategies which will then be focused into specific cross cutting and specific strategies to deliver improved outcomes for the residents and businesses of Harborough District.

**3.3.2 The Place:** The Strategic Growth Plan and the recently adopted Local Plan sets out ambitious targets for housing and economic growth. Key ambitions include:

- (a) Sustainable Communities
- (b) Infrastructure Investment to unlock housing and economic sites.
- (c) Mixed Housing Tenure to deliver affordable housing.
- (d) Inward Investment and widening of skills mix.
- (e) Transport Connectivity
- (f) Strategic Land Acquisition
- (g) Maximising S106 and potentially CIL contributions to fund the Infrastructure Delivery Plan

**3.3.3** The Council will maximise its influence in existing partnerships but will actively seek new opportunities to promote the District and to deliver plans with both public and private sector partners to maintain and enhance the prosperity of Harborough.

3.3.4 **The People:** The Council is facing increased demand for services through demographic growth and changing expectations and interventions from the Council. Key ambitions include:

- (a) Sustainable Communities
- (b) Wider Housing Choice including addressing the widening 'affordability gap'.
- (c) Supporting vulnerable people to retain within their communities and homes.
- (d) Internet Connectivity
- (e) Promoting Open Space and Community Facilities to build strong and healthy communities.
- (f) Allowing residents and businesses to self-serve with the Council and a wide range of partners
- (g) Stimulating employment opportunities to reduce out-commuting and to address current pay inequalities.
- (h) Co-location of services to promote access, deliver improved outcomes and to reduce multiple access.

3.3.5 The Council has a key role in shaping improved outcomes in this area, but much of the investment will be delivered by public and private sector partners. Given the demographic and dependency changes of an older population the Council will seek to work closely with Health Partners to deliver the infrastructure and services for the District's residents.

3.3.6 The Council will use existing consultation and engagement frameworks to identify needs, future demands and requirements which will shape the next Corporate Plan and associated strategies and plans.

3.3.7 **Your Council:** The Council seeks to be efficient in its operation and provision of services to residents and businesses alongside using its powers and finances to create a sustainable future for the Council. Key ambitions include:

- (a) Investment in the Core Council Assets to promote access (e.g. Leisure Centres) and to promote co-location with partners.
- (b) Investment in Digitalisation to provide wider access to services for residents and businesses and improve targeting of services through customer insight.
- (c) Investment in ICT to deliver efficient processes and improved management information.
- (d) Investing in Commercial opportunities primarily for economic growth.
- (e) Maximising capital returns, for example capital receipts through direct investment e.g. housing sites
- (f) Identifying opportunities to share services to maximise service outcomes, capital investment or revenue returns with other partners.
- (g) Disposal of non-operational assets (as defined in the Corporate Property Strategy)
- (h) Exploiting External Funding Opportunities

3.3.8 The Capital Strategy has specific links with:

- (a) **Treasury Management Strategy:** The Treasury Management Strategy is approved by Council every year and sets down the framework for capital affordability and management of borrowing and investments. The Strategy complies with the Prudential Code which requires the Council to comply with the following three

principles: prudence, affordability, and sustainability. This strategy links to the published capital programme and is currently for a period of 3 years.

(b) **Property Strategy:** The Property Strategy shapes the management of the Council's Assets, both current and potential assets and considers areas such as ownership, investment, support to the Council priorities etc. This strategy was approved by Council on 27<sup>th</sup> January 2020.

(c) **Commercial Investment Strategy:** The Council will continue look for opportunities for Housing Development either as a partner with Registered Providers, Central Government or as a direct developer to support corporate service priorities. The buoyancy of the housing sector determines the level of activity and levels of risk taking/sharing for the Council in this area.

#### **4.0 Capital Funding Streams**

4.1 Decisions on capital investment are often made in the context of limited resources. The capital programme will need to maximise funding opportunities and reduce its reliance on unsupported borrowing that gives rise to an increase in the revenue budget to fund the financing costs of the borrowing. has a direct impact on the cost of borrowing and financial sustainability. Key funding sources include:

4.2 **External Grants** - The council is currently in receipt of Disabled Facilities Grant but is exploring other options for larger sources of funding to support economic development and housing growth delivery in the District.

4.3 **Section 106 (S106) and External Contributions** – some projects can be funded by contributions from private sector developers and partners. The council will seek to maximise funding in these areas through robust evidence base, i.e. built facility strategy, open space and playing pitch strategy and the emerging housing and homelessness strategy.

4.4 **Capital Receipts** - The Council can generate capital receipts through the sale of surplus assets such as land and buildings. The Council will seek to dispose of non- operational assets.

4.5 **Reserves** – The Council could use its reserves to fund capital expenditure but in practice the reserves have been established to help support the funding of the Council's revenue budget.

4.6 **Revenue Funding** - The Council can use revenue resources to fund capital projects on a direct basis. However, austerity on the council's revenue budget has reduced options for this as a funding source. If revenue contributions are made, priority will be given for invest to save schemes.

4.7 **Prudential Borrowing** - The introduction of the Prudential Code in 2004 allows councils to undertake unsupported borrowing which is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. The council must ensure that unsupported borrowing is affordable, prudent, and sustainable.

4.8 Many schemes will require a mix of the above funding sources and will have impacts on short-, medium- and long-term financial planning that will be incorporated into the MTFS.

## 5.0 **Governance of the Capital Strategy**

- 5.1 The delivery of the ambitious Capital Strategy is supported by a robust governance and project delivery framework. The Council's Governance framework for the Capital Strategy seeks to:
- (a) Provide a clear set of objectives and a framework within statutory legislation that proposes new capital expenditure to be evaluated to ensure that all new capital investment is targeted at meeting the council's Vision and Priorities as set out in the Corporate Plan.
  - (b) Sets out how the council identifies programmes and prioritises capital requirements and proposals following a robust appraisal process including evaluation of value for money, affordability, and risk.
  - (c) Consider options available for funding capital expenditure and how resources may be maximised to generate investment in the area and to determine an affordable and sustainable funding policy framework, whilst minimising the ongoing revenue implications of any such investment.
  - (d) Identify the resources available for capital investment over the MTFS planning period.
  - (e) Ensure the strategy has an overall balance of risk on a range of investments over timespan, type of investment and rate of return.
  - (f) Establish effective arrangements for the management of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money and security of investment.
- 5.2 All Capital Schemes are initially appraised and then prioritised by a Capital Programme Board chaired by the S151 Officer for further challenge by Corporate Management Team and Cabinet before formal adoption by the Council.
- 5.3 The overall affordability of the Capital Strategy needs to be consistent with the Treasury Management Strategy and Prudential Code approved annually by the Council.
- 5.4 The delivery of approved schemes within the Capital Strategy is appraised for the most suitable delivery route, for example, procurement frameworks, in-house delivery or in partnership. The creation of a wholly owned local authority company provides an alternative delivery model for delivery of capital priorities if appropriate.
- 5.5 The Council undertakes regular monitoring of Capital spend including quarterly monitoring to Cabinet. This will be further enhanced by combining financial data along with performance information on how the project is progressing.
- 5.6 As part of this Capital Strategy the Council will ensure that the implementation of significant capital schemes is subsequently reviewed to inform the implementation of future capital schemes. An important part of this review is to assess the extent to which the outcomes identified in the capital appraisal process have been met. The reviews generally include officers who have not been directly responsible for the initial implementation.
- 5.7 The Council will put in place an overarching communications strategy for the whole programme and significant schemes to ensure residents, businesses, partners, and

external funders can see and measure the impact of the Council delivering an ambitious capital investment strategy.

## **6.0 Risk Management**

- 6.1 Effective risk management allows the council to adapt rapidly to change and develop innovative responses to challenges and opportunities. Most capital projects go through the risk management cycle process which incorporates risk identification, risk analysis, risk control and action planning and risk monitoring and review. Any new or emerging risks are added to the council's risk register as appropriate. The risk analysis undertaken is appropriate to the size, complexity, novelty, or sensitivity of the project concerned.
- 6.2 Risks are assessed using a scoring matrix which captures the impact and likelihood of risks. Corporate and high priority risks are reported to Cabinet and Scrutiny.
- 6.3 An assessment of risk will be carried out individually for each investment proposal before entering into any commitment and will include assessing the risk of loss.
- 6.4 Where economic or services priorities are followed that require commercial investment to be undertaken, additional risks connected to the commercial nature of the arrangement, such as rental void periods (when acquiring commercial property investments), or the risk of selling homes on the open market at a loss (with the council's commercial housing developments) will be considered. The Council will seek to manage this risk through having a balanced portfolio and recognising such risk in business case development.

## **7. Skills and Knowledge**

- 7.1 The successful implementation of the Capital Strategy requires the availability of suitably skilled and experience people with experience of:
  - (a) Delivering major capital projects
  - (b) Bidding for and managing significant external funding streams
  - (c) Commissioning and working with partners to deliver the capital programme.
  - (d) Commercial Experience
  - (e) Financial modelling and options appraisal
  - (f) Development of Business Cases
- 7.2 The Council has demonstrated over the past 5 years its ambition and capacity to deliver. Where appropriate, the Council will make use of external advice in developing projects or undertaking appraisals, for example valuers, property condition experts, specialist advice etc.
- 7.3 The Council will continue to utilise framework contracts, for example, SCAPE to obtain specialist advice at an early stage.
- 7.4 The Council will seek to enhance skills of Members linked to the Capital Strategy especially in areas of Capital Appraisal, Member Project Boards and Business Case development and review.

## **8.0 Capital Investment Priorities 2023/24 to 2027/28**

- 8.1 The capital programme is given in the Budget Report being sent to Council on 27th February 2023.



### Amendments to Capital Strategy 2023/24

Capital Strategy 2022/23		“Updated” Capital Strategy 2023/24	
1.5	The Capital Strategy has detailed proposals for the period 2022/23 to 2026/27 (found in the Council’s capital programme).	1.5	The Capital Strategy has detailed proposals for the period 2023/24 to 2027/28 (found in the Council’s capital programme).



## **TREASURY MANAGEMENT**

### **Introduction**

- 1 Treasury Management is an intrinsic part of the budget; especially relevant to the financing of capital expenditure and budgets relating to interest and investment income. The Treasury Management Strategy and its associated policies are shown at **Appendix 8.1 to 8.9**.

### **Legislative Background**

2. The Local Government Act 2003, as amended, 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 investment plans are affordable, prudent, and sustainable.
3. The Council is also required by the Local Government Act 2003 to undertake an annual review of its policy for calculating the minimum revenue provision (MRP) for repayment of external debt.
4. The Act requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council’s policies for managing its investments and for giving priority to the security and liquidity of those investments.

### **Treasury Management, its responsibilities**

5. CIPFA defines treasury management as:

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

6. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council’s low risk appetite, providing adequate liquidity initially before considering investment return.
7. The second main function of the treasury management service is the funding of the Council’s capital plans. These capital plans provide a guide to the borrowing need of the Council essentially the longer-term cash flow planning, to ensure that

the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using underlying cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives. (The capital strategy is reported separately from the Treasury Management Strategy in section 7.)

8. The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

### **Non-Treasury or Non-Financial Activities**

9. Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

### **Market Harborough Building Society**

10. Members in the past have shown their desire to support local business and therefore to include Market Harborough Building Society on the list of Counterparties for the Council in support of the Corporate Priority “Economy – supporting businesses and residents to deliver a prosperous local economy”. As a small Building Society, it does not meet the minimum requirements of the proposed Annual Investment Strategy and as such would normally be excluded. This report asks Members to consider whether they wish to keep Market Harborough Building Society on the counterparty list (showing which counterparties the Council can make investments with) for the financial year 2023/24 subject to a monetary limit of £2 million.

### **Significant Changes**

11. CIPFA published the updated Treasury Management and Prudential Codes on 20th December 2021. Local Authorities are expected to fully implement the required reporting changes within their Treasury Management Strategy reports from 2023/24.
12. **Objectives of the 2021 CIPFA Codes of Practice (Treasury Management and Prudential) and Guidance Notes**

The main objective of the 2021 Codes was to respond to the major expansion of local authority investment activity over the past few years into the purchase of

non-financial investments, particularly property. The Codes require an authority to ensure that: -

- it defines its risk appetite and its governance processes for managing risk.
- it sets out, at a high level, its investment policy in relation to environmental, social and governance aspects.
- it adopts a new **liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained.
- it does not borrow to finance capital expenditure to invest primarily for commercial return.
- increases in the CFR and borrowing are undertaken solely for purposes directly and primarily related to the functions of the authority. Where any financial returns are related to the financial viability of the project in question, they should be incidental to its primary purpose.
- an annual review is conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt.
- its capital plans and investment plans are affordable and proportionate.
- all borrowing/other long-term liabilities are within prudent and sustainable levels.
- risks associated with commercial investments are proportionate to overall financial capacity to sustain losses.
- treasury management decisions are in accordance with good professional practice.
- reporting to members is done quarterly, including updates of prudential indicators.
- it should assess the risks and rewards of significant investments over the long term, to ensure the long-term financial sustainability of the authority.
- it has access to the appropriate level of expertise to be able to operate safely in all areas of investment and capital expenditure, and to involve members adequately in making properly informed decisions on such investments.

The Prudential Code 2021 also confirms a requirement for local authorities to produce an annual Capital Strategy, reported in section 7.

## **Flexible Use of Capital Receipts**

13. Included in **Appendix 8.9** is an updated Flexible Use of Capital Receipts Strategy for approval. 2022/23 was the last year of the original approved freedom. However, government have renewed with some amendments. This freedom will allow the Council to finance its Transformation programme, and this is shown in the Draft 2023/24 Capital Programme.

## **Treasury Management Strategy and Prudential Indicators for 2023/24**

### 1. Treasury Management Strategy for 2023/24

The strategy covers two main areas:

#### **Capital Issues**

- The capital expenditure plans and the associated prudential indicators.
- The minimum revenue provision (MRP) policy.

#### **Treasury Management Issues**

- The current treasury position.
- Treasury indicators which limit the treasury risk and activities of the Council.
- Prospects for interest rates.
- The borrowing strategy.
- Policy on borrowing in advance of need.
- Debt rescheduling.
- The investment strategy.
- Creditworthiness policy; and
- Policy on the use of external service providers.

These elements cover the requirements of the Local Government Act 2003, DLUHC (Department of Levelling Up, Housing and Communities) Investment Guidance, DLUHC MRP Guidance, the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential Code and the CIPFA Treasury Management Code.

### 2. Training

The CIPFA Code requires that the responsible officer ensures that Members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Further training will be arranged as required. The training needs of treasury management officers are also periodically reviewed.

### 3. Treasury Management Consultants

The Council uses Link Group, Link Treasury Services Limited as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisors.

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

4. The Capital Prudential Indicators 2023/24 to 2025/26

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

5. Capital Expenditure and Financing

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

Capital Expenditure	2021/22 Actual £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
<b>Total</b>	<b>2,336</b>	<b>9,377</b>	<b>10,723</b>	<b>11,010</b>	<b>4,625</b>

The table below summarises the above capital expenditure plans and how these plans are being financed by capital of revenue resources. Any shortfall in resources results in a funding borrowing need.

Financing of Capital Expenditure	2021/22 Actual £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
Capital Receipts	260	4,054	3,752	465	(10)
Capital Grants	883	3,600	3,348	2,670	970
Capital Reserves	342	400	500	658	300
Revenue	851	1,266	623	601	411
<b>Net Financing Need for the Year</b>	<b>0</b>	<b>57</b>	<b>2,500</b>	<b>6,616</b>	<b>2,964</b>

6. The Council's Borrowing Need (Capital Financing Requirement (CFR))

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

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

The CFR includes any other long-term liabilities such as finance leases which have been brought onto the balance sheet. Whilst this increases the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has no finance lease liabilities within the CFR.

The Council is asked to approve the CFR projections below:

	2021/22 Actual £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
<b>Capital Financing Requirement</b>					
CFR	14,490	14,061	16,211	22,495	25,026
Movement in CFR	(813)	(429)	2,150	6,284	2,531

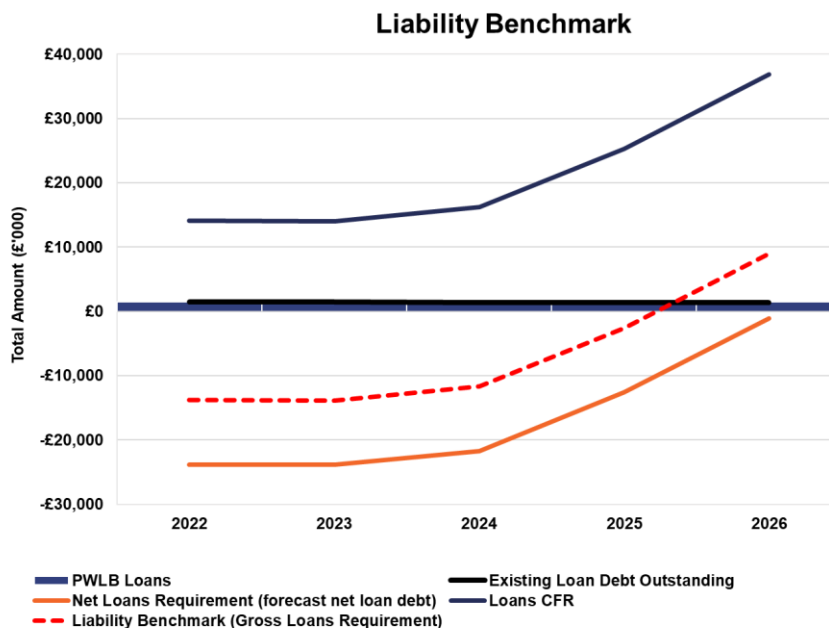
<b>Movement in CFR Represented By:</b>					
Net financing need for the year (above)	0	57	2,500	6,616	2,954
Less MRP and other financing movements	(813)	(486)	(350)	(332)	(423)
Movement in CFR	(813)	(429)	2,150	6,284	2,531

## 7. Liability Benchmark

A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

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



## 8. Core Funds and Expected Investment Balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.).

## 9. Minimum Revenue Provision (MRP) Policy Statement

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Authority has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).

The Authority is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The MRP Guidance (2018) gives four ready-made options for calculating MRP, but the Authority can use any other reasonable basis that it can justify as prudent.

The MRP policy statement requires full council approval (or closest equivalent level) in advance of each financial year.

The Council is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the policy will be:

**4% reducing balance (CFR method)** – MRP will be calculated as 4% of the opening GF CFR balance (option 1)

This option provides for an approximate 4% reduction in borrowing need (CFR) each year.

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

**Asset life method (annuity)** – MRP will be based on the estimated life of the assets (option 3)

This option will be calculated using the annuity method using the weighted average rate of the Council's external borrowing (WABR) and will start the year after project completion. Capital expenditure incurred during 2022/23 will not be subject to an MRP charge until 2023/24, or in the year after the asset becomes operational.

**MRP Overpayments** - Under the MRP guidance, any charges made in excess of the statutory MRP can be made, known as voluntary revenue provision (VRP).

Where the Council is investing in assets solely with the intention of generating a capital receipt on completion it will defer the charging of MRP until the loan is repaid through receipt of capital receipts. This will be evidenced through explicit setting aside of future Capital Receipts for this purpose at project inception.

#### 10. Affordability Prudential Indicators

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

**Ratio of Financing Costs to Net Revenue Stream** – This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream. The estimates of financing costs include current commitments and the proposals in the budget report.

	2021/22 Actual %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %
Ratio	2.98%	-5.00%	-2.69%	-0.72%	0.16%

11. Borrowing

The capital expenditure plans set out in paragraph 5 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. This strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

12. The Current Portfolio Position

The overall treasury management portfolio position as at 31 March 2022 and the position as at 31 December 2022 are shown below for both borrowing and investments. The investment balance reflects the timing of collection fund payments and receipts, as the pattern of collection is mostly over the first 10 months of the year, balances will reduce towards 31 March.

Treasury Portfolio				
	Actual 31.03.22 £000	Actual 31.03.22 %	Current 31.12.22 £000	Current 31.12.22 %
<b>Treasury Investments</b>				
Banks	16,110	38%	10,705	19%
Building Societies - rated	17,000	40%	35,000	63%
Building Societies - unrated	3,000	7%	4,000	7%
Money Market Funds	4,500	11%	4,500	8%
<b>Total Managed in House</b>	<b>40,610</b>	<b>96%</b>	<b>54,205</b>	<b>97%</b>
Property Funds	1,500	4%	1,500	3%
<b>Total Managed Externally</b>	<b>1,500</b>	<b>4%</b>	<b>1,500</b>	<b>3%</b>
<b>Total Treasury Investments</b>	<b>42,110</b>	<b>100%</b>	<b>55,705</b>	<b>100%</b>
<b>Treasury External Borrowing</b>				
PWLB	1,490	100%	1,490	100%
<b>Total External Borrowing</b>	<b>1,490</b>	<b>100%</b>	<b>1,490</b>	<b>100%</b>
<b>Net Treasury Investments/(Borrowing)</b>	<b>40,620</b>		<b>54,215</b>	

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need (the Capital Financing Requirement – CFR), highlighting any over or under borrowing.

	2021/22 Actual £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
<b>External Debt</b>					
Debt at 1 April	1,490	1,490	1,547	4,047	10,663
Expected change in debt	0	57	2,500	6,616	2,954
<b>Actual Gross Debt at 31 March</b>	<b>1,490</b>	<b>1,547</b>	<b>4,047</b>	<b>10,663</b>	<b>13,617</b>
<b>Capital Financing Requirement</b>	<b>14,490</b>	<b>14,061</b>	<b>16,211</b>	<b>22,495</b>	<b>25,026</b>
<b>Under/(over) borrowing</b>	<b>13,000</b>	<b>12,514</b>	<b>12,164</b>	<b>11,832</b>	<b>11,409</b>

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Interim Deputy Chief Executive (& S151) reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in the 2023/24 budget report.

### 13. Treasury Indicators – Limits to Borrowing Activities

**The Operational Boundary** – This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

<b>Operational boundary</b>	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
Debt	15,000	17,000	23,000	26,000
Other long-term liabilities	500	500	500	500
Total	15,500	17,500	23,500	26,500

**The Authorised Limit for External Debt** - A further key prudential indicator represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which,

while not desired, could be afforded in the short term, but is not sustainable in the longer term.

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

Authorised limit	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
Debt	20,000	22,000	28,000	31,000
Other long-term liabilities	1,000	1,000	1,000	1,000
Total	21,000	23,000	29,000	32,000

#### 14. Prospects for Interest Rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 19.12.22, and their view is further detailed in **Appendix 8.3**.

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

Link's central forecast for interest rates was updated on 19 December and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. Bank Rate stands at 3.5% currently (update – now 4%) but is expected to reach a peak of 4.5% in Q2 2023.

Further commentary is set out at **Appendix 8.4**.

#### 15. Borrowing Strategy

The total debt portfolio is funded by the Public Works Loans Board (PWLB). The details of the portfolio are set out in **Appendix 8.5**. During 2022/23 no annuity principals will have been repaid, as all of the current loans are repayable at maturity. The average maturity profile of the loan portfolio is 28.6 years.

The Council is currently maintaining an under borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves,

balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, bank rate increases over the first half of 2023.

Against this background and the risks within the economic forecast, caution will be adopted with the 2023/24 treasury operations. The Interim Deputy Chief Executive (& S151) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances, for example :-

- if it was felt that there was a significant risk of a sharp fall in borrowing rates then borrowing will be postponed.
- if it was felt that there was a significant risk of a much sharper rise in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

#### 16. Treasury Indicators for Debt

**Maturity structure of borrowing** - these gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

<b>Maturity structure of fixed interest rate borrowing 2023/24</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	20%
5 years to 10 years	0%	30%
Over 10 years	0%	100%
<b>Maturity structure of variable interest rate borrowing 2023/24</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	20%
5 years to 10 years	0%	30%
Over 10 years	0%	100%

17. Policy on Borrowing in Advance of Need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

18. Debt Rescheduling

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates.

Any rescheduling will be reported to the Council at the earliest meeting following its action.

19. New Financial Institutions as a Source of Borrowing and Types of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for borrowing. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so will still be cheaper than the certainty rate)
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

20. Annual Investment Strategy**Investment Policy – management of risk.**

DLUHC and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

The Council’s investment policy has regard to the following: -

- DLUHC’s Guidance on Local Government Investments (“the Guidance”)

- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.

2. Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

3. Other information sources used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. This Council has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in **Appendix 8.2** under the categories of ‘specified’ and ‘non-specified’ investments.

•**Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally they were originally classified as being non-specified investments solely due to the maturity period exceeding one year.

•**Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex

instruments which require greater consideration by members and officers before being authorised for use.

5. Counterparty limits (amounts and maturity) will be as set out through the Council's treasury management practices (TMPs).
6. Transaction limits are set for each type of investment in the TMPs.
7. The authority will set a limit for its investments which are invested for longer than 365 days.
8. Investments will only be placed with counterparties within the UK.
9. This authority has engaged external consultants, to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
10. All investments will be denominated in sterling.
11. This Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, the Ministry of Housing, Communities and Local Government, (MHCLG), provided a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31 March 2023, this override has now been extended by DLUHC for another two years.

However, this Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

The above criteria are unchanged from the previous year.

## 21. Creditworthiness Policy

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

- "Watches" and "Outlooks" from credit rating agencies.
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings.
- Sovereign ratings to select counterparties from only the most creditworthy countries.

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

- Yellow                      5 years
- Dark Pink                5 Years
- Light Pink                5 Years
- Purple                     2 years
- Blue                        1 year (nationalised/or semi nationalised UK Banks)
- Orange                    1 year
- Red                         6 months
- Green                     100 days
- No Colour                not to be used (NB: except Building Societies)

In respect of building societies, the Council will use those societies that have assets in excess of £1 billion, subject to them having either a minimum credit rating of P-2 (Moody's) if rated or being unrated. In addition, the Council proposes to use the locally based Market Harborough Building Society, subject to a monetary limit of £2m to support the Corporate Priority of "Economy – supporting businesses and residents to deliver a prosperous local economy". by being able to invest in a local institution.

The Link creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not place undue emphasis on just one agency's ratings.

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

All credit ratings will be monitored on an ongoing basis. The Council is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings the Council will be advised of information regarding movements in credit default swaps against the iTraxx European Financials benchmark and other market data on a daily basis via

its Passport website, provided exclusively to it by Link. Extreme market movements may result in downgrade of an institution or removal from the Councils lending list.

Sole reliance will not be placed on the use of this external service. In addition, the Council will also use market data and market information, information on any external support for banks to help support its decision-making process.

### **Creditworthiness**

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

### **CDS prices**

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

## 22. Other Limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors. The Council has considered the use of non-UK based banks, but given the current economic situation, has discounted their use for the foreseeable future, in the interests of prudence. Due care will be taken to consider the group and sector exposure of the Council's investments. The limits referred to above will apply to group companies, and sector limits will be monitored regularly for appropriateness.

## 23. Investment Strategy

### **In-house Funds**

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the first half of 2023 and possibly reducing as early as the latter part of 2023 so an agile investment strategy would be appropriate to optimise returns.

Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow (amend as appropriate), where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

The criteria to be used in determining whether the Council may invest with a counterparty is set out in **Appendix 8.2**.

The Council's proposed Counterparty List appears at **Appendix 8.6**.

### Investment Returns Expectations

The current forecast shown in paragraph 14, includes a forecast for Bank Rate to reach 4.5% in Q2 2023.

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

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

For its cash flow generated balances, the Council will seek to utilise its instant access and notice accounts, money market funds, short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

**Investment Treasury Indicator and Limit** - Total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit:

Maximum principal sums invested for more than 365 days	2023/24	2024/25	2025/26
Principal sums invested > 365 days	£000s 10,000	£000s 10,000	£000s 10,000

24 Investment Performance / Risk Benchmarking

The Council will use an investment benchmark to assess the investment performance of its investment portfolio of the 7-day compounded SONIA (Sterling overnight Index Average).

25 Investment Review

Last year the Interim Deputy Chief Executive (& S151) commissioned a review of the Council's investments by its treasury advisors, Link Group, with a view to diversifying, in particular making some longer-term investments in multi-asset vehicles to gain improved returns. Review of the long term cashflow revealed up to £6 million was available to invest in a risk managed way. This has been kept under review but not implemented due to the uncertainty regarding the extension of IFRS 9 and current economic conditions.

26 Flexible Use of Capital Receipts

Delegation was given to the Interim Deputy Chief Executive (& S151) to use potential non right to buy receipts to provide additional flexibility, it will be requested to extend this delegation to 2023/24.

This freedom will allow the Council to finance its Transformation programme, and this is shown in the Draft 2023/24 Capital Programme.

Further details are provided in **Appendix 8.9**.

27 End of Year Investment Report

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

### **Detailed Criteria for the Investment of Surplus Funds**

The following is an extract from the Council's Treasury Management Practices (TMP1).

#### **1.6.4 Credit and Counterparty Policies**

##### Policy on the use of Credit Risk Analysis

- i) The Council will use credit criteria in order to select creditworthy counterparties with whom to place investments.
- ii) Credit ratings will be used as supplied from the three rating agencies – Fitch, Moody's, and Standard and Poors'.
- iii) Treasury Management Consultants will provide regular updates of changes to all ratings relevant to the Council.
- iv) The Section 151 Officer, under delegated authority, will formulate suitable credit criteria for assessing and monitoring the credit risk of investment counterparties and shall construct a lending list comprising maturity periods, type, group, sector, country and counterparty limits.
- v) Credit ratings for individual counterparties can change at any time. The Section 151 Officer is responsible for applying approved credit rating criteria for selecting approved counterparties. Treasury management staff will add or delete counterparties to / from the approved counterparty list in line with the policy on criteria for selection of counterparties.
- vi) The Council will not rely solely on credit ratings in order to select and monitor the creditworthiness of counterparties. In addition to credit ratings it will therefore use other sources of information including:
  - The quality financial press
  - Market data
  - Information on government support for banks
  - The credit ratings of that government support
- vii) Specified Investments – these investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

- The UK Government (such as the Debt Management Office, UK Treasury Bills or Gilts with less than one year to maturity).
- Supranational bonds of less than one year's duration.
- A local authority, parish council or community council.
- Pooled investment vehicles (such as money market funds) that have been awarded a credit rating of at least Aa1 by Standard and Poor's, Moody's or Fitch rating agencies.
- A body that is considered of a high credit quality (such as a bank or building society).

The Council will invest in banks and building societies which meet the following criteria in respect of credit ratings, period of investment and amount of investment:

Criteria	Fitch	Moody's	Standard & Poor's
Short Term Rating	F1	P-1	A-1
Maximum Period	1 Year	1 Year	1 Year
Maximum Investment	£8m	£8m	£8m

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

Non Specified Investment Category	Limit
<p><b>Supranational Bonds greater than 1 year to maturity</b></p> <p><b>(a) Multilateral development bank bonds</b> - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Investment Bank etc.).</p> <p><b>(b) A financial institution that is guaranteed by the United Kingdom Government</b> (e.g. The Guaranteed Export Finance Company {GEFCO})</p> <p>The security of interest and principal on maturity is on a par with the Government and so very secure. These bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and</p>	AAA long term ratings

	losses may accrue if the bond is sold before maturity.	
	<b>Gilt edged securities</b> with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	
	<b>The Council's own banker if it fails to meet the basic credit criteria.</b> In this instance balances will be minimised as far as is possible.	
	<b>Building societies not meeting the basic security requirements under the specified investments.</b> The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use such building societies which were originally considered Eligible Institutions and have a minimum asset size of £1bn. <i>In addition the Council plans to continue investing in Market Harborough Building Society as an exception to the above subject to annual resolution by Council.</i>	
	Any <b>bank or building society</b> that has a minimum long term credit rating of AAA, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	
	A <b>nationalised / semi nationalised UK Bank</b> for deposits up to one year, or with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	
	<b>Property funds</b> the use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using.	
	<b>Multi – Asset Vehicles</b> the Authority will seek guidance on the status of any fund it may consider using.	

The Council will use the Link creditworthiness service based on using colours determined by minimum combinations of ratings to derive maturity limits as follows: -

- Yellow 5 years
- Purple 2 years
- Blue 1 year (nationalised/semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No Colour not to be used (except Building Societies)

In addition, a credit default swap overlay is used as a further safeguard to give early warning of potential creditworthiness problems which may only belatedly lead to actual changes in credit ratings.

### Building Societies

Criteria	Asset Size
	Exceeding £1bn
Short Term Rating	P-2
Maximum Period	100 days
Maximum Investment	£8.0m

- ix) Diversification: the Council will avoid concentrations of lending and borrowing by adopting a policy of diversification. It will therefore use the following: -
- Maximum amount to be placed with any one institution - £8m (including nationalised / semi nationalised UK banks which have a maximum limit of £8m).
  - Group limits where a number of institutions are under one ownership – maximum of £8m (including nationalised / semi nationalised UK banks which have a maximum limit of £8m).
  - Country limits – the Council will only lend to UK institutions

The above does not apply to Money Market Funds, Property Funds or Multi-asset Vehicles.

- x) The Council will undertake investments for periods in excess of one year only when it has been clearly established that core funds are available, and that any money invested will not be required during the period of investment.

## APPENDIX 8.2

- xi) The Council has a policy not to invest with subsidiaries of counterparties where those subsidiaries do not have credit ratings in their own right, even where they have an unconditional guarantee from a parent.
- xii) The Council may invest in Property Funds subject to an assessment by the Section 151 Officer of the amount and length of investment made and a formal assessment of risk and return in relation to the selected property fund and property type.
- xiii) The Council may invest in Multi–Asset Vehicles, which are a combination of asset classes (such as cash, equity or bonds) and provide a greater degree of diversification than investing in a single asset class. This is subject to an assessment by the Section 151 Officer of the amount and length of investment made and a formal assessment of risk and return in relation to the selected vehicle.



## Interest Rate Forecasts 2022 – 2025

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

Note PWLB forecasts are based on PWLB certainty rates.

Link's central forecast for interest rates was updated on 19 December and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. Bank Rate stands at 3.5% currently (update – now 4%) but is expected to reach a peak of 4.5% in Q2 2023.

Further down the road, they anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but that timing will be one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.

The CPI measure of inflation looks to have peaked at 11.1% in Q4 2022 (currently 10.5%). Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market.

Regarding the plan to sell £10bn of gilts back into the market each quarter (Quantitative Tightening), this has started and will focus on the short, medium and longer end of the curve in equal measure, now that the short-lived effects of the Truss/Kwarteng unfunded dash for growth policy are firmly in the rear-view mirror.

In the upcoming months, Link's forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but the on-going conflict between Russia and Ukraine. (More recently, the heightened tensions between China/Taiwan/US also have the potential to have a wider and negative economic impact.)

On the positive side, consumers are still estimated to be sitting on over £160bn of excess savings left over from the pandemic so that will cushion some of the impact of the above challenges. However, most of those are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

**PWLB RATES**

- The yield curve movements have become less volatile of late and PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.10% to 4.80%.
- Link view the markets as having built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the elevated inflation outlook.

**The balance of risks to the UK economy: -**

- The overall balance of risks to economic growth in the UK is to the downside.

**Downside risks to current forecasts for UK gilt yields and PWLB rates include: -**

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, rising gilt yields).
- **The Bank of England** acts too quickly, or too far, over the next year to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than currently anticipated.
- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- **Geopolitical risks**, for example in Ukraine/Russia, China/Taiwan/US, Iran, North Korea and Middle Eastern countries, which could lead to increasing safe-haven flows.

**Upside risks to current forecasts for UK gilt yields and PWLB rates: -**

- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly and for a longer period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project or even necessitates a further series of increases in Bank Rate.
- **The Government** acts too quickly to cut taxes and/or increases expenditure in light of the cost-of-living squeeze.
- **The pound weakens** because of a lack of confidence in the UK Government's fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Longer term **US treasury yields** rise strongly and pull gilt yields up higher than currently forecast.
- Projected **gilt issuance, inclusive of natural maturities and QT**, could be too much for the markets to comfortably digest without higher yields consequently.

## Borrowing

Link's long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are currently above this level, borrowing strategies need to be reviewed in that context. Better value can generally be obtained at the shorter end of the curve. Borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive whilst the market waits for inflation, and therein gilt yields, to drop back later in 2023.

Link's suggested budgeted earnings rates for investments up to about three months' duration in each financial year are rounded to the nearest 10bps as follows: -

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

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Link's interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Link continue to monitor events and will update forecasts as and when appropriate.



## Economic Background

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps since the turn of the year. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
<b>Bank Rate</b>	3.5%	2.0%	4.25%-4.50%
<b>GDP</b>	-0.2%q/q Q3 (2.4%y/y)	+0.2%q/q Q3 (2.1%y/y)	2.6% Q3 Annualised
<b>Inflation</b>	10.7%y/y (Nov)	10.1%y/y (Nov)	7.1%y/y (Nov)
<b>Unemployment Rate</b>	3.7% (Oct)	6.5% (Oct)	3.7% (Nov)

Q2 of 2022 saw UK GDP revised upwards to +0.2% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Nevertheless, CPI inflation has picked up to what should be a peak reading of 11.1% in October, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia's invasion of Ukraine on 22nd February 2022.

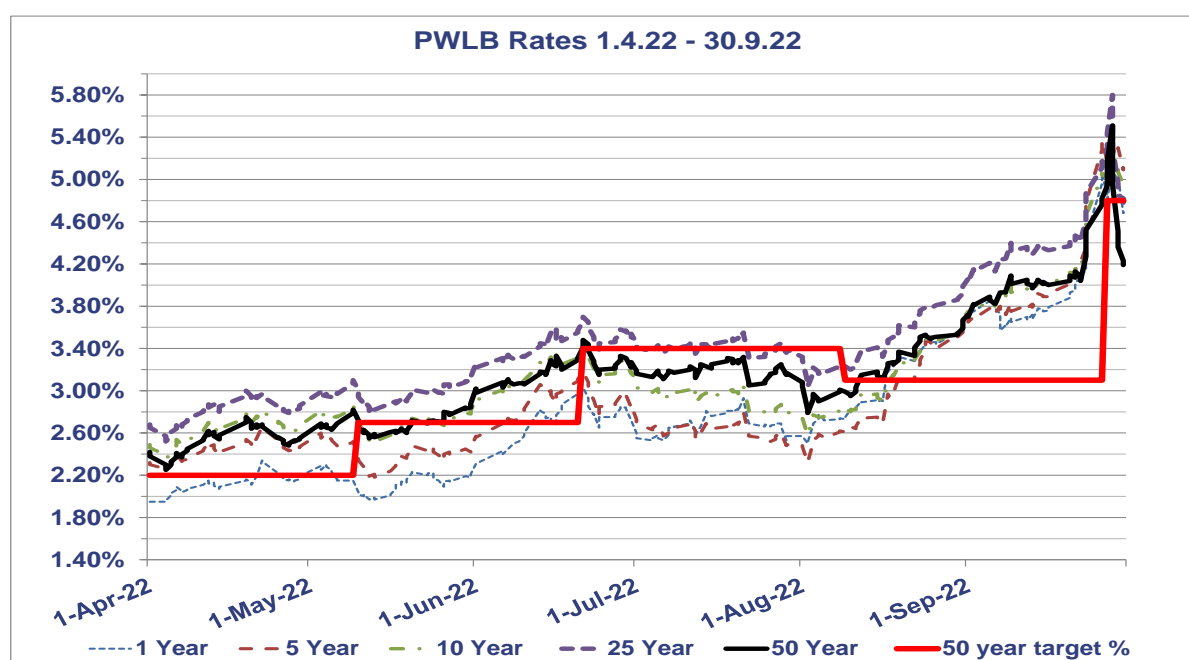
Throughout Q3 Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Q4 has seen rates rise to 3.5% in December (update - 4% in January) and the market expects Bank Rate to hit 4.5% by May 2023.

Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17<sup>th</sup> November gave rise to a net £55bn fiscal tightening, although much of the "heavy lifting" has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have almost completely reversed the increases seen under the previous tenants of No 10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term. The fall below 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China all point to at least one, if not more, quarters of GDP contraction. In November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be as bad as first anticipated by the Bank.

The £ has strengthened of late, recovering from a record low of \$1.035, on the Monday following the Truss government's "fiscal event", to \$1.22. Notwithstanding the £'s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

In the table below, the rise in gilt yields, and therein PWLB rates, through the first half of 2022/23 is clear to see.



However, the peak in rates on 28<sup>th</sup> September as illustrated in the table covering April to September 2022 above, has been followed by the whole curve shifting lower. PWLB rates at the front end of the curve are generally over 1% lower now whilst the 50 years is over 1.75% lower.

	1 Year	5 Year	10 Year	25 Year	50 Year
<b>Low</b>	1.95%	2.18%	2.36%	2.52%	2.25%
<b>Date</b>	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
<b>High</b>	5.11%	5.44%	5.35%	5.80%	5.51%
<b>Date</b>	28/09/2022	28/09/2022	28/09/2022	28/09/2022	28/09/2022
<b>Average</b>	2.81%	2.92%	3.13%	3.44%	3.17%
<b>Spread</b>	3.16%	3.26%	2.99%	3.28%	3.26%

After a shaky start to the year, the S&P 500 and FTSE 100 have climbed in recent weeks, albeit the former is still 17% down and the FTSE 2% up. The German DAX is 9% down for the year.

**CENTRAL BANK CONCERNS – DECEMBER 2022**

In December, the Fed decided to push up US rates by 0.5% to a range of 4.25% to 4.5%, whilst the MPC followed by raising Bank Rate from 3% to 3.5%, in line with market expectations. EZ rates have also increased to 2% with further tightening in the pipeline.

Having said that, the sentiment expressed in the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 4.5% - 4.75%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for eight quarters starting with Q3 2022 may prove to be a little pessimistic. Will the £160bn excess savings accumulated by households through the Covid lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).



# APPENDIX 8.5

## LONG TERM BORROWING - AVERAGE INTEREST RATE 2022/23

Loan Ref		Loan Advance		Date to	Fixed or Variable	Loan balance expected to be outstanding 31/03/2023	Interest rate %
		Amount	Date from				
PWLB 481499		500,000	28/09/1998	27/03/2024	F	22,357	5.0000%
PWLB 478339		1,000,000	17/10/1996	17/10/2056	F	89,427	8.0000%
PWLB 478610		1,500,000	19/12/1996	19/12/2056	F	134,141	7.8750%
PWLB 479561		630,000	28/05/1997	10/05/2057	F	56,339	7.3750%
PWLB 491313		600,000	09/02/2006	09/02/2056	F	53,656	3.9000%
PWLB 492684		1,500,000	15/01/2007	15/01/2053	F	134,141	4.2500%
PWLB 494759		1,000,000	15/08/2008	09/02/2058	F	1,000,000	4.3900%
						£ 1,490,060	

Average rate of interest

5.01%



## INDICATIVE COUNTERPARTY LENDING LIST 2023/24

	Monetary Limit	Maximum Period for Investment
<b>UK Banks</b>		
Bank of Scotland plc (RFB)	£8m	1 Year
Barclays Bank UK plc (RFB)	£8m	1 Year
Goldman Sachs International Bank	£8m	1 Year
HSBC Bank plc (RFB)	£8m	1 Year
Lloyds Bank plc (RFB)	£8m	1 Year
Santander UK Plc	£8m	1 Year
Standard Chartered Bank	£8m	1 Year
SMBC Bank International Plc	£8m	1 Year
<b>Nationalised/Part Nationalised Banks</b>		
National Westminster Bank plc	£8m	1 Year
The Royal Bank of Scotland plc	£8m	1 Year
<b>Building Societies</b>		
Cambridge Building Society	£3m	100 days
Coventry Building Society	£8m	100 days
Cumberland Building Society	£3m	100 days
Furness Building Society	£3m	100 days
Leeds Building Society	£8m	100 days
Leek United Building Society	£3m	100 days
Monmouthshire Building Society	£3m	100 days
National Counties Building Society	£3m	100 days
Nationwide Building Society	£8m	6 months
Newbury Building Society	£3m	100 days
Newcastle Building Society	£3m	100 days
Nottingham Building Society	£3m	100 days
Principality Building Society	£8m	100 days
Progressive Building Society	£3m	100 days
Saffron Building Society	£3m	100 days
Skipton Building Society	£8m	100 days
Yorkshire Building Society	£8m	100 days
West Bromwich Building Society	-	-
<b>Other Institutions</b>		
Local Authorities	£8m	5 Years
UK Debt Management Office	£8m	5 Years
Supranational Institutions	£8m	5 Years
Multi-Lateral Development Banks	£8m	5 Years
UK Gilts	£8m	5 Years
Money Market Funds (per Fund)	£8m	n/a
Property Funds (per Fund)	£8m	n/a
<b>Other Financial Institutions</b>		
Market Harborough Building Society	£2m	100 days

**Notes:**

Monetary limits apply to groups as well as individual counterparties.

Maximum periods are locally determined but are all within the colour rating period provided by the Link Group.

Monetary limits on the Building Societies are assessed against capitalisation levels and ratings.

The counterparty list may change during the year as a result of changes in credit ratings and/or direction from the S151 Officer.



**HARBOROUGH DISTRICT COUNCIL**  
**TEMPORARY INVESTMENT REPORT - QUARTERLY ACTIVITY SUMMARY**

for the quarter ending **31/12/2022**

Institution	Amount £	Investment Period		Terms	Interest Rate %	Interest £
		Invest date	Repay date			
<b><u>Money Market / Direct Dealing</u></b>						
Santander UK plc	4,000,000.00	14/09/2022	04/01/2023	Fixed	2.64%	32,403.29
Santander UK plc	2,000,000.00	03/10/2022	06/02/2023	Fixed	3.53%	24,371.51
Coventry Building Society	2,000,000.00	03/10/2022	10/01/2023	Fixed	2.85%	15,460.27
Leeds Building Society	2,000,000.00	05/10/2022	10/01/2023	Fixed	2.26%	12,012.05
Principality Building Society	3,000,000.00	11/10/2022	19/01/2023	Fixed	2.84%	23,342.47
Nationwide Building Society	4,000,000.00	19/10/2022	06/02/2023	Fixed	2.98%	35,923.29
Coventry Building Society	3,000,000.00	19/10/2022	19/01/2023	Fixed	2.91%	22,004.38
Nationwide Building Society	2,000,000.00	01/11/2022	20/02/2023	Fixed	2.90%	17,638.36
Principality Building Society	3,000,000.00	01/11/2022	06/02/2023	Fixed	2.92%	23,280.00
Coventry Building Society	2,000,000.00	08/11/2022	06/02/2023	Fixed	2.86%	14,104.11
Leeds Building Society	1,000,000.00	08/11/2022	16/02/2023	Fixed	3.05%	8,356.16
Santander UK plc	2,000,000.00	18/11/2022	13/03/2023	Fixed	3.45%	21,739.73
Nationwide Building Society	2,000,000.00	01/12/2022	13/03/2023	Fixed	3.20%	17,884.93
Principality Building Society	2,000,000.00	01/12/2022	20/02/2023	Fixed	2.85%	12,649.32
Yorkshire Building Society	4,000,000.00	05/12/2022	13/03/2023	Fixed	3.36%	36,085.48
Coventry Building Society	1,000,000.00	05/12/2022	06/03/2023	Fixed	3.20%	7,978.08
National Counties Building Society	1,000,000.00	05/12/2022	06/03/2023	Fixed	3.08%	7,678.90
Yorkshire Building Society	1,000,000.00	05/12/2022	04/01/2023	Fixed	2.94%	2,416.44
Yorkshire Building Society	3,000,000.00	16/12/2022	20/03/2023	Fixed	3.45%	26,654.79
National Counties Building Society	2,000,000.00	19/12/2022	20/03/2023	Fixed	3.30%	16,454.79
Newcastle Building Society	1,000,000.00	19/12/2022	20/02/2023	Fixed	3.35%	5,782.19
<b><u>HSBC Money Market</u></b>						
Investment at end of period	2,705,000	-	-	Fixed	0.01%	70.70
<b><u>Money Market Funds</u></b>						
CCLA Money Market Fund	4,500,000	-	-		Dividend	29,299.54
<b>TOTAL INVESTMENT AT END OF MONTH</b>		<b>£54,205,000</b>		<b>£413,590.78</b>		
<b><u>Cumulative figures to date</u></b>						
<b>Actual</b>						<b>584,123.72</b>
<b>Budget - year to date</b>						<b>80,616.00</b>
<b>Budget - full year</b>						<b>107,000.00</b>



## **Extract from the CIPFA Prudential Code for Capital Finance in Local Authorities 2017 Edition**

### **Definitions**

**75** These definitions shall be used for all purposes connected with the Prudential Code, and in particular shall be used by the local authority in setting, revising, and monitoring against its prudential indicators.

**76** It is intended that, throughout, the definitions used in respect of the Prudential Code will be consistent with proper accounting practices for local authorities. The development of proper accounting practices follows due process and consultation. It is important that the Prudential Code is aligned with these practices. Therefore, many of the definitions that follow cross-refer to amounts that are required to be included within a local authority's Statement of Accounts in accordance with proper accounting practices. Where changes to proper accounting practices significantly affect the prudential indicators, this fact should be highlighted by the local authority when setting or revising the indicators. If any figures in the authority's Statement of Accounts that are used in prudential indicators are subject to audit qualification, this fact should be highlighted when any prudential indicators are set or revised.

### **77 Borrowing**

In the Prudential Code, borrowing refers to actual external borrowing. Prudential indicators for actual figures for previous years should be taken from the local authority's balance sheets for those years, by aggregating the amounts for:

- borrowing repayable with a period in excess of 12 months
- borrowing repayable on demand or within 12 months.

This value should then be adjusted to exclude any accounting adjustments made including premiums and discounts, transactions costs, accrued interest and effective interest rate adjustments. The resulting value for borrowing should then be equal to the actual outstanding external borrowing at the end of the financial year.

Prudential indicators for current and future years should be calculated in a manner consistent with this definition.

NB: See also transferred debt (paragraph 87).

### **78 Capital expenditure**

The definition of capital expenditure starts with all those items capitalised in accordance with proper accounting practice. To this must be added any items that have/will be capitalised in accordance with legislation that otherwise would

not be capitalised. Prudential indicators for actual figures for previous years should be taken from the amounts capitalised as disclosed in the local authority's statutory accounts. Prudential indicators for current and future years should be calculated in a manner consistent with this definition. In Scotland, the definition of capital expenditure for Prudential Code purposes should include any expenditure for which Scottish ministers have provided a '*consent to borrow*' under the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 and relevant finance circulars.

## **79 Capital financing requirement**

Actual figures for capital financing requirement for previous years should be taken from the local authority's balance sheets for those years, by consolidating:

- tangible fixed assets (i.e. property, plant and equipment, investment properties and non-current assets held for sale)
- intangible assets
- long-term debtors relating to capital transactions (where applicable)
- any amounts carried as investments that were treated as capital expenditure under proper practice or applicable regulations
- Revaluation Reserve
- Capital Adjustment Account
- Donated Assets Account.

In addition, any other items on the local authority's balance sheet that relate to capital expenditure incurred should be included, but excluding the underlying liability – i.e. the underlying need for the equivalent to borrowing – for lease obligations, deferred purchases and similar arrangements in respect of long-term credit. (See in particular the definition of other long-term liabilities in paragraph 85.) Any items on the balance sheet that relate to prepayments for revenue items should not be included. Useable capital receipts that have not been applied to finance capital expenditure should not be included. Grants unapplied should also not be included.

NB: The capital financing requirement can be a negative figure.

Estimates for capital financing requirement for current and future years should be calculated in a manner consistent with the definition given above.

## **80 Debt**

For the purposes of the Prudential Code, debt or gross debt refers to the sum of borrowing (see paragraph 65) and other long-term liabilities (see paragraph 73). It should be noted for authorities in England, Wales and Northern Ireland that the Local Government Act 2003 and the Local Government Finance (Northern Ireland) Act 2011 require credit arrangements to be treated as the borrowing of

money for the purposes of determining the affordable borrowing limit and the imposition of borrowing limits. In Scotland credit arrangements are not treated as the borrowing of money but are recognised as an outstanding liability on the balance sheet and are considered to be a debt associated with capital financing. Within the Prudential Code borrowing is distinguished from other long-term liabilities in order to relate the prudential indicators directly to the balance sheet. Net debt is debt which is net of investments (see paragraph 82).

### 81 Financing costs

Actual figures for financing costs for previous years should be those charges made to the General Fund made by aggregating:

- interest charged to the General Fund with respect to borrowing
- interest payable under finance leases and any other long-term liabilities
- gains and losses on the repurchase or early settlement of borrowing credited or charged to the amount to be met from government grants and local taxpayers
- interest and investment income
- amounts payable or receivable in respect of financial derivatives
- any amounts required for the statutory provision for the repayment of debt, currently minimum revenue provision (England and Wales), loans fund repayments and the repayment of other long-term liabilities – PFI and finance leases (Scotland) and General Fund charges for loan principal (Northern Ireland), plus any additional voluntary contributions
- any amounts for depreciation/impairment that are charged to the amount to be met from government grants and local taxpayers.

Estimates for financing costs for current and future years should be calculated in a manner consistent with this definition.

NB: See also transferred debt (paragraph 87).

### 82 Investments

Actual figures for investments for previous years should start with the sum of the amounts on the local authority's balance sheets for:

- long-term investments
- short-term investments
- cash and cash equivalents.

This value should then be adjusted to exclude accrued interest, so that the resulting value is equal to the value of external investments including impairments.

Estimates for investments for current and future years should be calculated in a manner consistent with this definition.

### **83 Net borrowing**

For the purposes of the Prudential Code, net borrowing refers to borrowing (see paragraph 77) net of treasury management investments (see paragraph 82).

NB: See also transferred debt (paragraph 87).

### **84 Net revenue stream**

Actual figures for net revenue stream should be taken from the amounts in the local authority's comprehensive income and expenditure statement for:

- taxation and non-specific grant income.

Estimates for net revenue stream for current and future years should be the local authority's estimates of the amounts to be met from government grants and local taxpayers, using the equivalent figures from the local authority's original/revised budget where available.

### **85 Other long-term liabilities**

'Other long-term liabilities' in this Code relate to the liabilities which are outstanding under credit arrangements (as defined by statute for authorities in England, Wales and Northern Ireland). The objective is to identify liabilities outstanding (other than borrowing) in relation to the financing of capital expenditure.

The definition of other long-term liabilities starts with the sum of the amounts on the face of the local authority's balance sheet that are classified as liabilities that are for periods in excess of 12 months, other than borrowing repayable within a period in excess of 12 months or liabilities that are for less than 12 months, for example during the last year of a PFI contract or finance lease. For clarification, amounts that relate to the Capital Adjustment Account, Financial Instruments Adjustment Account, Capital Grants Unapplied, Unequal Pay Back Pay Account, Revaluation Reserve, Pensions Reserve, Capital Receipts Reserve, Available-for-Sale Financial Instruments Reserve and Major Repairs Reserve (England and Wales – authorities with an HRA) are not included within the definition of other long-term liabilities for the purposes of the Prudential Code.

To the resultant figure must be added any amounts that are determined by legislation to be other long-term liabilities (credit arrangements under Part 1 of the Local Government Act 2003) that would otherwise not be so classified and from which must be subtracted any amounts that are determined by legislation not to be other long-term liabilities that would otherwise be so classified (referred to below as statutory adjustments). Deferred liabilities in respect of transferred debt should be treated in accordance with paragraph 87. Prudential indicators

for previous years should be taken from the local authority's balance sheets as amended for any statutory adjustments. Prudential indicators for current and future years should be calculated in a manner consistent with this definition.

### **86 Treasury management**

Treasury management has the same definition as in the CIPFA *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes*:

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

### **87 Transferred debt**

Some local authorities are managing debt that was transferred to them on reorganisation and which relates to a number of other organisations as well as themselves. While such arrangements continue, such local authorities (ie those managing the transferred debt/ borrowing to on-lend) should include these amounts in their prudential indicators, except only that:

- (a) These amounts should be netted off when calculating debt for the purposes of paragraph 62 of this Prudential Code.
- (b) When considering financing costs for paragraphs 73–74 of this Prudential Code, wherever possible financing costs arising from transferred debt should be excluded from the financing costs of the local authority that is managing the debt for other local authorities. This can be achieved by crediting income from the external organisation received in relation to the financing costs of the managed debt, in line with proper practices.

A local authority that is in the reverse of this position, ie for which another local authority holds debt managed in this way, should exclude these amounts from its prudential indicators, except only that:

- (c) When considering financing costs for paragraphs 73–74 of this Prudential Code, wherever possible financing costs arising from transferred debt should be included within the financing costs of the local authority for which another local authority is managing its debt. This can be achieved by debiting amounts payable to the local authority managing the debt, in line with proper practice.

Borrowing undertaken in Scotland under Regulation 10 of the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 should be treated in the same way as transferred debt.



# Flexible Use of Capital Receipts Strategy 2023/24

**Harborough District Council**

# Legal Framework for Flexible Use of Capital Receipts



- LA Act 2003 requires a local authority to have regard to guidance issued by the Secretary of State.
- Capital receipts flexibility guidance is under Part 2, Section 15(1)(a) of the LA Act 2003.
- Guidance applies from 1 April 2016 for the period for which the flexible use of capital receipts will apply.
- It should be noted that the current freedoms expire on the 31<sup>st</sup> March 2022; however, representatives from DHLUC and via the provisional settlement have confirmed that the freedoms will be extended past 31<sup>st</sup> March 2022.
- Only Non-Right to buy Capital Receipts can be used and only those receipts received during the period the guidance covers.

# Background



- The Medium-Term Financial Strategy currently being approved shows that until 2024/25 the Council is only planning to finance its services “expected” uses of reserves. However, this situation rapidly changes by 2026/27.
- To achieve this relatively positive position, the Council is required to implement significant service transformation that has been identified by the Budget Challenge 2025 programme.
- However, due to the cumulative impacts of future costs relating to environmental services and the expected collection fund deficits; by 2027/28 the total gap to be met by unallocated reserves totals £4.5m. Consequently, the drive for continued service transformation is necessary.
- The Council has committed to an ambition of “financial sustainability” over the medium-term. This means that net service expenditure is only financed by Business Rates, Council Tax and specific grants – not the use of General Reserves.

# Budget Challenge 2025



- The Budget Challenge (BC25) was successful in identifying £3.1m of savings by 2024/25.
- BC25 required all services to use the principles of Zero-Based Budgeting to identify expenditure savings or income generation measures to reduce net expenditure.
- These savings are now embedded into the service budgets of the Council, but with a future budget gap opening in 2025/26 the Council must continue to transform to ensure it can meet its “financial sustainability” goals.

# Capital Programme



- The Councils Capital Programme for 2023/24 until 2027/28 is significantly smaller than previous years; however, it does include three significant investment programmes:
- 2022/23: Service Transformation, £1.5m
- 2024/25: Cemetery: Market Harborough, £1m
- 2025/26: New Depot, £10m

# Capital Receipts



- It is estimated that by 31 March 2023, the Council will have Capital Receipts of £10.5m (net).
- Of this, it is estimated that £11.6m will have been received between 2016 and March 2023. Of this £7.9m (68%) will be Non-Right to Buy capital receipts and available for this Flexibility.
- In June 2021, delegation was given to the Director: Finance, ICT and Assets, following consultation with the Portfolio Holder for Resources for the use of up to £500k of potential 2021/22 Non-Right to Buy receipts to provide additional flexibility. This delegation is to be extended to 2023/24.

Flexible Use of Capital Receipts: Balance between "Non- Right-To-Buy" and "Right To Buy" Capital Receipts															
	Audited Balances											Provisional Balances (Subject to Audit)		Net Total	
	2011/12	2012/13	2013/14	2014/15	2015/16	Total Pre-2016	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total 2016 to 2023	Total since 2011/12
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Capital Expenditure</b>															
DFG	6	0	0	0	0	6	0	0	0	0	0	0	0	0	6
Garage Sites	0	0	12	0	26	38	361	1,042	17	17	0	0	0	1,437	1,475
ICT Schemes	0	0	0	0	73	73	0	53	59	59	0	0	1,178	1,349	1,422
Lutterworth Service Shop	0	0	46	0	0	46	0	0	0	0	0	0	0	0	46
Market Hall	0	0	0	0	59	59	(4)	0	0	0	0	0	0	(4)	55
Minor Capex	16	7	3	0	24	50	3	17	312	395	0	90	250	1,067	1,117
Private Sector Renewal Loans & Grants	11	0	0	0	0	11	0	0	0	0	0	0	0	0	11
Symington Building	0	0	0	0	0	0	80	65	0	0	0	0	29	174	174
Symington Recreation Ground Pavilion	0	0	0	0	0	0	0	0	0	0	0	162	0	162	162
Play Area Equipment	0	0	0	0	0	0	0	0	0	0	0	190	258	448	448
Leisure Centres	0	0	0	0	0	0	0	0	0	0	0	100	100	200	200
Lutterworth Town Centre Heritage Action Zone	0	0	0	0	0	0	0	0	0	0	0	130	0	130	130
Pooling Payment to ODPM	1	2	0	0	0	3	0	0	0	0	0	0	0	0	3
<b>Total Capital Expenditure per Annum</b>	<b>34</b>	<b>9</b>	<b>61</b>	<b>0</b>	<b>182</b>	<b>286</b>	<b>440</b>	<b>1,177</b>	<b>388</b>	<b>471</b>	<b>0</b>	<b>672</b>	<b>1,815</b>	<b>4,963</b>	<b>5,249</b>
<b>Capital Receipts</b>															
Disposal Costs	0	0	0	4	5	9	2	0	0	0	0	55	0	57	66
Easements	0	0	0	(20)	(93)	(113)	0	(5)	(20)	(20)	0	0	0	(45)	(158)
Garage Sites	0	0	0	(30)	(47)	(77)	0	(745)	(544)	(544)	0	0	0	(1,833)	(1,910)
Lutterworth Service Shop	0	0	0	(205)	0	(205)	0	0	0	0	0	0	0	0	(205)
Mortgage Repayments	(1)	(3)	0	0	0	(4)	0	0	0	0	0	0	0	0	(4)
Other Sales	(4)	0	0	0	0	(4)	0	0	0	0	0	0	0	0	(4)
Repayment of DFG	(8)	(5)	(3)	(9)	(3)	(28)	(14)	(15)	(7)	(7)	(18)	(12)	0	(73)	(101)
Right-to-Buy (RTB)	(131)	(313)	(504)	(531)	(550)	(2,029)	(484)	(375)	(674)	(674)	(666)	(695)	(150)	(3,718)	(5,747)
Sale of Land & Buildings	(30)	(239)	0	0	0	(269)	(29)	(369)	(266)	(266)	0	(5,031)	0	(5,961)	(6,230)
	<b>(174)</b>	<b>(560)</b>	<b>(507)</b>	<b>(791)</b>	<b>(688)</b>	<b>(2,720)</b>	<b>(525)</b>	<b>(1,509)</b>	<b>(1,511)</b>	<b>(1,511)</b>	<b>(684)</b>	<b>(5,683)</b>	<b>(150)</b>	<b>(11,573)</b>	<b>(14,293)</b>
Txfr to Broadband Reserve	0	0	238	0	0	238	0	0	0	0	0	0	0	0	238
<b>Total Capital Receipts per Annum</b>	<b>(174)</b>	<b>(560)</b>	<b>(269)</b>	<b>(791)</b>	<b>(688)</b>	<b>(2,482)</b>	<b>(525)</b>	<b>(1,509)</b>	<b>(1,511)</b>	<b>(1,511)</b>	<b>(684)</b>	<b>(5,683)</b>	<b>(150)</b>	<b>(11,573)</b>	<b>(14,055)</b>
<b>Net Total</b>	<b>(140)</b>	<b>(551)</b>	<b>(208)</b>	<b>(791)</b>	<b>(506)</b>	<b>(2,196)</b>	<b>(85)</b>	<b>(332)</b>	<b>(1,123)</b>	<b>(1,040)</b>	<b>(684)</b>	<b>(5,011)</b>	<b>1,665</b>	<b>(6,610)</b>	<b>(8,806)</b>

**NB.**

RTB: Right-to-Buy, these are capital receipts from the Councils former Housing Stock  
Opening balance for Capital Receipts at 1st April 2011/12 is Nil, so far to go back 10-years to establish true level of RTB and Non-RTB receipts.  
Regulations only allow Capital Receipts received over the period of the flexibility to be considered i.e. 1st April 2016 to 31st March 2022.

Total Right-to-Buy Capital Receipts Over 2016 to 2023 Period	(3,718)	32%
Total of All Capital Receipts Over 2016 to 2023 Period	(11,573)	

**Apportionment Between Non RTB and RTB Receipts**

Non-RTB Receipts	(4,488)	68%
RTB Receipts	(2,122)	32%
<b>Total Net Receipts-31 March 2021</b>	<b>(6,610)</b>	<b>100%</b>

# Projects to be Funded from this Flexibility



	Estimated Revenue to be Funded £000	Reasons for Application of Flexibility	Saving
<b>Currently approved revenue and capital programme (2020/21)</b>			
BC25 Service Transformation	120	To fund the management of the BC25 programme. A dedicated "project-lead" resource will allow the programme to be completed more quickly and provide direct "critical friend" support to service managers in their reviews.	It is expected that the BC25 programme will save somewhere between 60% and 70% of reserves
ICT Related Transformation	475	To fund the implementation costs of the Netcall and customers services transformation programmes.	the savings expected are expected to be more than £200k per annum from 2023/24.
<b>2022/23 revenue and capital programme</b>			
BC25 and Post-BC25 Service Transformation	520	To support the delivery of the transformation development programme; including the: * review of corporate IT systems for IDOX and eFinancials (finance system), * corporate and senior management review, * shared services development, * and staff transition costs.	The service savings expected to be achieved will vary across the different services but will be somewhere between 15% and 30% of a services annual net expenditure.
ICT Related Transformation	400	* Extended digitalisation of services and associated processes. * The development of new ICT delivery platforms, redesign of ICT provision and transformation management.	The service savings expected to be achieved will vary across the different services but will be somewhere between 15% and 30% of a services annual net expenditure.
<b>1,515</b>			

## **RESOLUTION**

## **APPENDIX 9**

### **COUNCIL TAX 2023/24**

The Council is recommended to resolve as follows:

1. That it be noted that on 19 December 2022 the Council (agreed under delegation) calculated the Council Tax Base for 2023/24
  - (a) for the whole district as 38,251.46 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the Act)]; and
  - (b) for dwellings in those parts of its district to which one or more special items relates as listed below:

<b>Area</b>	<b>Tax Base</b>
Unparished area of Market Harborough	9,430.76
<b>Area</b>	<b>Tax Base</b>
<b>Parish of</b>	
Allexton	38.8
Arnesby	167.4
Ashby Magna	165.0
Ashby Parva	115.2
Billesdon	435.1
Bitteswell with Bittesby	238.6
Blaston	33.9
Bringham	25.3
Broughton Astley	3,379.5
Bruntingthorpe	175.9
Burton Overy	158.3
Carlton Curlieu	21.0
Catthorpe	86.9
Claybrooke Magna	259.8
Claybrooke Parva	86.6
Cold Newton	23.3
Cotesbach	102.1
Cranoe	17.7
Drayton	79.1

<b>Area</b>	<b>Tax Base</b>
Dunton Bassett	308.4
East Langton	183.0
East Norton	48.1
Fleckney	1,766.2
Foxton	232.9
Frisby	13.7
Frolesworth	136.5
Gaulby	79.3
Gilmorton	610.1
Glooston	36.4
Goadby	46.5
Great Bowden	627.8
Great Easton	342.2
Great Glen	1,893.5
Gumley	68.8
Hallaton	287.5
Horninghold	49.5
Houghton-on-the-Hill	770.2
Hungarton	133.4
Husbands Bosworth	559.3
Illston-on the-Hill	89.8
Keyham	69.6
Kibworth Beauchamp	1,834.5
Kibworth Harcourt	1,001.6
Kimcote and Walton	284.3
Kings Norton	33.7
Knaptoft	21.1
Laughton	47.8
Launde	13.9
Leire	277.4
Little Stretton	57.8
Loddington	34.3
Lowesby	38.9
Lubenham	518.2
Lutterworth	3,750.2
Marefield	11.5
Medbourne	229.0
Misterton	202.7
Mowsley	131.8
Nevill Holt	26.0
North Kilworth	341.4

Area	Tax Base
Noseley	13.5
Owston	58.2
Peatling Magna	106.0
Peatling Parva	90.7
Rolleston	36.4
Saddington	109.0
Scraptoft	1,077.7
Shangton	65.7
Shawell	92.5
Shearsby	113.1
Skeffington	110.9
Slawston	72.3
Smeeton Westerby	164.8
South Kilworth	242.8
Stockerston	21.0
Stonton Wyville	15.2
Stoughton	168.8
Swinford	272.8
Theddingworth	102.9
Thorpe Langton	111.6
Thurnby	1,553.1
Tilton-the-Hill	280.8
Tugby and Keythorpe	193.6
Tur Langton	108.1
Ullesthorpe	466.9
Welham	20.6
West Langton	53.1
Westrill and Starmore	1.7
Willoughby Waterleys	150.2
Wistow-cum-Newton	116.1
Withcote	12.3
	<b>38,251.46</b>

2. Calculate that the Council Tax Requirement for the Council's own purposes for 2023/24 (excluding Parish precepts) is £6,807,619

3. That the following amounts be calculated by the Council for the year 2023/24 in accordance with new Sections 31 to 36 of the Act:

- |                 |  |
|-----------------|--|
| (a) £32,797,028 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.   |
| (b) £23,653,710 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.  |
| (c) £9,143,318  | being the amount by which the aggregate at 3(a) above exceeds the aggregate of 3(b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement for the year including special expenses items and Parish precepts. (Item R in the formula in Section 31B of the Act).  |
| (d) £239.0300   | being the amount at 3(c) above (Item R) divided by the amount at 1(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (Average Band D Council Tax including special expense items and Parish precepts).  |
| (e) £2,970,586  | being the aggregate amount of all special items (special expense items of the Council and Parish precepts) referred to in Section 34(1) of the Act.  |
| (f) £161.37     | being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its areas to which no special item relates. (Band D Council Tax for general expenses only excludes special expenses items and Parish precepts) |

(g) Basic Amount of Council Tax by Parish 2023/24 (£)

Area	Band D
	£
Market Harborough	214.97
Allexton	193.05
Arnesby	247.99
Ashby Magna	225.01
Ashby Parva	207.88
Billesdon	196.99
Bitteswell with Bittesby	283.85
Blaston	171.22
Brighthurst	220.66
Broughton Astley	278.20
Bruntingthorpe	189.80
Burton Overy	254.31
Carlton Curlieu	161.37
Catthorpe	161.37
Claybrooke Magna	206.24
Claybrooke Parva	219.67
Cold Newton	161.37
Cotesbach	194.68
Cranoe	161.37
Drayton	200.06
Dunton Bassett	211.29
East Langton	206.83
East Norton	161.37
Fleckney	260.96
Foxton	219.18
Frisby	161.37
Frolesworth	198.00
Gaulby	161.37
Gilmorton	235.29
Glooston	161.37
Goadby	172.12
Great Bowden	229.95
Great Easton	213.79
Great Glen	295.05
Gumley	161.37
Hallaton	264.15
Horninghold	171.47
Houghton	216.39

Area	Band D
	£
Hungarton	266.32
Husbands Bosworth	288.31
Illston	203.17
Keyham	215.11
Kibworth Beauchamp	239.32
Kibworth Harcourt	228.74
Kimcote & Walton	217.50
Kings Norton	161.37
Knaptoft	161.37
Laughton	161.37
Launde	161.37
Leire	211.51
Little Stretton	178.67
Loddington	161.37
Lowesby	161.37
Lubenham	203.55
Lutterworth	289.19
Marefield	161.37
Medbourne	227.66
Misterton	297.33
Mowsley	222.07
Neville Holt	218.29
North Kilworth	220.49
Noseley	161.37
Owston & Newbold	161.37
Peatling Magna	188.80
Peatling Parva	161.37
Rolleston	161.37
Saddington	214.46
Scraptoft	264.32
Shangton	161.37
Shawell	187.75
Shearsby	301.10
Skeffington	204.65
Slawston	161.37
Smeeton Westerby	212.94
South Kilworth	233.58
Stockerston	161.37
Stonton Wyville	161.37
Stoughton	225.32

Area	Band D
	£
Swinford	236.52
Theddingworth	201.89
Thorpe Langton	161.37
Thurnby & Bushby	242.02
Tilton	214.79
Tugby	223.30
Tur Langton	254.12
Ullesthorpe	194.79
Welham	161.37
West Langton	161.37
Westrill & Starmore	161.37
Willoughby Waterleys	224.65
Wistow	161.37
Withcote	161.37

being the amounts given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(h) Calculation of Basic Amounts of Council Tax by parish for Different Valuation Bands

The amounts shown in **Appendix 9 Table A** attached being the amounts given by multiplying the amounts at 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted for the year 2023/24 the major precepting authorities have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, as amended, for each category of dwellings in the Council's area as indicated in the table below:

Precepting Authority	Valuation Bands (£)			
Leicestershire County Council (Main Element)	A	882.87	E	1,618.60
	B	1030.02	F	1,912.89
	C	1177.17	G	2,207.19
	D	1,324.31	H	2,648.62
Leicestershire County Council (Adult Social Care Element)	A	134.10	E	245.85
	B	156.45	F	290.55
	C	178.80	G	335.25
	D	201.15	H	402.30
Leicestershire County Council (Total) (Main Element plus Adult Social Care Element)	A	1,016.97	E	1,864.45
	B	1,186.47	F	2,203.44
	C	1,355.97	G	2,542.44
	D	1,525.46	H	3,050.92
Police & Crime Commissioner	A	182.15	E	333.95
	B	212.51	F	394.67
	C	242.87	G	455.38
	D	273.23	H	546.46
Leicester, Leicestershire & Rutland Combined Fire Authority	A	52.86	E	96.91
	B	61.67	F	114.53
	C	70.48	G	132.15
	D	79.29	H	158.58

5. That, having calculated the aggregate in each case of the amounts at 3(h) and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, as amended, hereby sets the amounts set out in Table B as the amounts of Council Tax for the year 2023/24 for each part of its area and for each of the categories of dwelling shown in **Appendix 9 Table B**.
6. Determines that the Council's basic amount of Council Tax for 2023/24 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, as amended.

As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2023/24 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992, as amended.

APPENDIX 9 - Table A

**HARBOROUGH DISTRICT COUNCIL'S ELEMENT OF COUNCIL TAX 2023/24**

Area	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Market Harborough	143.31	167.20	191.08	214.97	262.74	310.51	358.28	429.94
Allexton	128.70	150.15	171.60	193.05	235.95	278.85	321.75	386.10
Arnesby	165.33	192.88	220.44	247.99	303.10	358.21	413.32	495.98
Ashby Magna	150.01	175.01	200.01	225.01	275.01	325.01	375.02	450.02
Ashby Parva	138.59	161.68	184.78	207.88	254.08	300.27	346.47	415.76
Billesdon	131.33	153.21	175.10	196.99	240.77	284.54	328.32	393.98
Bitteswell with Bittesby	189.23	220.77	252.31	283.85	346.93	410.01	473.08	567.70
Blaston	114.15	133.17	152.20	171.22	209.27	247.32	285.37	342.44
Bringham	147.11	171.62	196.14	220.66	269.70	318.73	367.77	441.32
Broughton Astley	185.46	216.38	247.29	278.20	340.02	401.85	463.66	556.40
Bruntingthorpe	126.53	147.62	168.71	189.80	231.98	274.16	316.33	379.60
Burton Overy	169.54	197.80	226.05	254.31	310.82	367.34	423.85	508.62
Carlton Curlieu	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Catthorpe	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Claybrooke Magna	137.49	160.41	183.32	206.24	252.07	297.90	343.73	412.48
Claybrooke Parva	146.45	170.85	195.26	219.67	268.49	317.30	366.12	439.34
Cold Newton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Cotesbach	129.79	151.42	173.05	194.68	237.94	281.20	324.47	389.36
Cranoe	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Drayton	133.37	155.60	177.83	200.06	244.52	288.98	333.43	400.12
Dunton Bassett	140.86	164.34	187.81	211.29	258.24	305.20	352.15	422.58
East Langton	137.89	160.87	183.85	206.83	252.79	298.75	344.72	413.66
East Norton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Fleckney	173.97	202.97	231.96	260.96	318.95	376.94	434.93	521.92
Foxton	146.12	170.48	194.82	219.18	267.88	316.60	365.30	438.36
Frisby	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Frolesworth	132.00	154.00	176.00	198.00	242.00	286.00	330.00	396.00
Gaulby	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Gilmorton	156.86	183.00	209.15	235.29	287.58	339.86	392.15	470.58
Glooston	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Goadby	114.75	133.87	153.00	172.12	210.37	248.62	286.87	344.24
Great Bowden	153.30	178.85	204.40	229.95	281.05	332.15	383.25	459.90
Great Easton	142.52	166.29	190.04	213.79	261.29	308.81	356.31	427.58
Great Glen	196.70	229.48	262.27	295.05	360.62	426.18	491.75	590.10
Gumley	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Hallaton	176.10	205.45	234.80	264.15	322.85	381.55	440.25	528.30
Horninghold	114.31	133.37	152.42	171.47	209.57	247.68	285.78	342.94
Houghton	144.26	168.30	192.35	216.39	264.48	312.56	360.65	432.78
Hungarton	177.55	207.14	236.73	266.32	325.50	384.68	443.87	532.64
Husbands Bosworth	192.21	224.24	256.28	288.31	352.38	416.45	480.52	576.62
Ilston	135.45	158.02	180.60	203.17	248.32	293.47	338.62	406.34
Keyham	143.41	167.31	191.21	215.11	262.91	310.71	358.52	430.22
Kibworth Beauchamp	159.55	186.14	212.73	239.32	292.50	345.68	398.87	478.64
Kibworth Harcourt	152.49	177.91	203.32	228.74	279.57	330.40	381.23	457.48

APPENDIX 9 - Table A

**HARBOROUGH DISTRICT COUNCIL'S ELEMENT OF COUNCIL TAX 2023/24**

Area	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Kimcote & Walton	145.00	169.17	193.33	217.50	265.83	314.17	362.50	435.00
Kings Norton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Knaptoft	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Laughton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Launde	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Leire	141.01	164.51	188.01	211.51	258.51	305.51	352.52	423.02
Little Stretton	119.11	138.97	158.82	178.67	218.37	258.08	297.78	357.34
Loddington	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Lowesby	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Lubenham	135.70	158.32	180.93	203.55	248.78	294.02	339.25	407.10
Lutterworth	192.79	224.92	257.06	289.19	353.46	417.72	481.98	578.38
Marefield	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Medbourne	151.77	177.07	202.36	227.66	278.25	328.84	379.43	455.32
Misterton	198.22	231.26	264.29	297.33	363.40	429.48	495.55	594.66
Mowsley	148.05	172.72	197.40	222.07	271.42	320.77	370.12	444.14
Neville Holt	145.53	169.78	194.04	218.29	266.80	315.31	363.82	436.58
North Kilworth	146.99	171.49	195.99	220.49	269.49	318.49	367.48	440.98
Noseley	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Owston & Newbold	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Peatling Magna	125.87	146.84	167.82	188.80	230.76	272.71	314.67	377.60
Peatling Parva	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Rolleston	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Saddington	142.98	166.80	190.63	214.46	262.12	309.77	357.44	428.92
Scraptoft	176.22	205.58	234.95	264.32	323.06	381.79	440.54	528.64
Shangton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Shawell	125.17	146.03	166.89	187.75	229.47	271.19	312.92	375.50
Shearsby	200.73	234.19	267.64	301.10	368.01	434.92	501.83	602.20
Skeffington	136.43	159.17	181.91	204.65	250.13	295.61	341.08	409.30
Slawston	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Smeeton Westerby	141.96	165.62	189.28	212.94	260.26	307.58	354.90	425.88
South Kilworth	155.72	181.67	207.63	233.58	285.49	337.39	389.30	467.16
Stockerston	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Stonton Wyville	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Stoughton	150.21	175.25	200.28	225.32	275.39	325.46	375.53	450.64
Swinford	157.68	183.96	210.24	236.52	289.08	341.64	394.20	473.04
Theddingworth	134.59	157.03	179.46	201.89	246.75	291.62	336.48	403.78
Thorpe Langton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Thurnby & Bushby	161.35	188.24	215.13	242.02	295.80	349.58	403.37	484.04
Tilton	143.19	167.06	190.92	214.79	262.52	310.25	357.98	429.58
Tugby	148.87	173.68	198.49	223.30	272.92	322.54	372.17	446.60
Tur Langton	169.41	197.65	225.88	254.12	310.59	367.06	423.53	508.24
Ullesthorpe	129.86	151.50	173.15	194.79	238.08	281.36	324.65	389.58
Welham	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
West Langton	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Westrill & Starmore	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Willoughby Waterleys	149.77	174.73	199.69	224.65	274.57	324.49	374.42	449.30
Wistow	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74
Withcote	107.58	125.51	143.44	161.37	197.23	233.09	268.95	322.74

COUNCIL TAX 2023/24 BY AREA AND VALUATION BAND

Area	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Market Harborough	1,395.29	1,627.85	1,860.40	2,092.95	2,558.05	3,023.15	3,488.25	4,185.90
Allexton	1,380.68	1,610.80	1,840.92	2,071.03	2,531.26	2,991.49	3,451.72	4,142.06
Arnesby	1,417.31	1,653.53	1,889.76	2,125.97	2,598.41	3,070.85	3,543.29	4,251.94
Ashby Magna	1,401.99	1,635.66	1,869.33	2,102.99	2,570.32	3,037.65	3,504.99	4,205.98
Ashby Parva	1,390.57	1,622.33	1,854.10	2,085.86	2,549.39	3,012.91	3,476.44	4,171.72
Billesdon	1,383.31	1,613.86	1,844.42	2,074.97	2,536.08	2,997.18	3,458.29	4,149.94
Bitteswell with Bittesby	1,441.21	1,681.42	1,921.63	2,161.83	2,642.24	3,122.65	3,603.05	4,323.66
Blaston	1,366.13	1,593.82	1,821.52	2,049.20	2,504.58	2,959.96	3,415.34	4,098.40
Brighthurst	1,399.09	1,632.27	1,865.46	2,098.64	2,565.01	3,031.37	3,497.74	4,197.28
Broughton Astley	1,437.44	1,677.03	1,916.61	2,156.18	2,635.33	3,114.49	3,593.63	4,312.36
Bruntingthorpe	1,378.51	1,608.27	1,838.03	2,067.78	2,527.29	2,986.80	3,446.30	4,135.56
Burton Overy	1,421.52	1,658.45	1,895.37	2,132.29	2,606.13	3,079.98	3,553.82	4,264.58
Carlton Curleu	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Catthorpe	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Claybrooke Magna	1,389.47	1,621.06	1,852.64	2,084.22	2,547.38	3,010.54	3,473.70	4,168.44
Claybrooke Parva	1,398.43	1,631.50	1,864.58	2,097.65	2,563.80	3,029.94	3,496.09	4,195.30
Cold Newton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Cotesbach	1,381.77	1,612.07	1,842.37	2,072.66	2,533.25	2,993.84	3,454.44	4,145.32
Cranoe	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Drayton	1,385.35	1,616.25	1,847.15	2,078.04	2,539.83	3,001.62	3,463.40	4,156.08
Dunton Bassett	1,392.84	1,624.99	1,857.13	2,089.27	2,553.55	3,017.84	3,482.12	4,178.54
East Langton	1,389.87	1,621.52	1,853.17	2,084.81	2,548.10	3,011.39	3,474.69	4,169.62
East Norton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Fleckney	1,425.95	1,663.62	1,901.28	2,138.94	2,614.26	3,089.58	3,564.90	4,277.88
Foxton	1,398.10	1,631.13	1,864.14	2,097.16	2,563.19	3,029.24	3,495.27	4,194.32
Frisby	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Frolesworth	1,383.98	1,614.65	1,845.32	2,075.98	2,537.31	2,998.64	3,459.97	4,151.96
Gaulby	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Gilmorton	1,408.84	1,643.65	1,878.47	2,113.27	2,582.89	3,052.50	3,522.12	4,226.54
Glooston	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Goadby	1,366.73	1,594.52	1,822.32	2,050.10	2,505.68	2,961.26	3,416.84	4,100.20
Great Bowden	1,405.28	1,639.50	1,873.72	2,107.93	2,576.36	3,044.79	3,513.22	4,215.86
Great Easton	1,394.50	1,626.94	1,859.36	2,091.77	2,556.60	3,021.45	3,486.28	4,183.54
Great Glen	1,448.68	1,690.13	1,931.59	2,173.03	2,655.93	3,138.82	3,621.72	4,346.06
Gumley	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Hallaton	1,428.08	1,666.10	1,904.12	2,142.13	2,618.16	3,094.19	3,570.22	4,284.26
Horninghold	1,366.29	1,594.02	1,821.74	2,049.45	2,504.88	2,960.32	3,415.75	4,098.90
Houghton	1,396.24	1,628.95	1,861.67	2,094.37	2,559.79	3,025.20	3,490.62	4,188.74
Hungarton	1,429.53	1,667.79	1,906.05	2,144.30	2,620.81	3,097.32	3,573.84	4,288.60
Husbands Bosworth	1,444.19	1,684.89	1,925.60	2,166.29	2,647.69	3,129.09	3,610.49	4,332.58
Ilston	1,387.43	1,618.67	1,849.92	2,081.15	2,543.63	3,006.11	3,468.59	4,162.30
Keyham	1,395.39	1,627.96	1,860.53	2,093.09	2,558.22	3,023.35	3,488.49	4,186.18
Kibworth Beauchamp	1,411.53	1,646.79	1,882.05	2,117.30	2,587.81	3,058.32	3,528.84	4,234.60
Kibworth Harcourt	1,404.47	1,638.56	1,872.64	2,106.72	2,574.88	3,043.04	3,511.20	4,213.44

APPENDIX 9 - Table B

**COUNCIL TAX 2023/24 BY AREA AND VALUATION BAND**

Area	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Kimcote & Walton	1,396.98	1,629.82	1,862.65	2,095.48	2,561.14	3,026.81	3,492.47	4,190.96
Kings Norton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Knaptoft	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Laughton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Launde	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Leire	1,392.99	1,625.16	1,857.33	2,089.49	2,553.82	3,018.15	3,482.49	4,178.98
Little Stretton	1,371.09	1,599.62	1,828.14	2,056.65	2,513.68	2,970.72	3,427.75	4,113.30
Loddington	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Lowesby	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Lubenham	1,387.68	1,618.97	1,850.25	2,081.53	2,544.09	3,006.66	3,469.22	4,163.06
Lutterworth	1,444.77	1,685.57	1,926.38	2,167.17	2,648.77	3,130.36	3,611.95	4,334.34
Marefield	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Medbourne	1,403.75	1,637.72	1,871.68	2,105.64	2,573.56	3,041.48	3,509.40	4,211.28
Misterton	1,450.20	1,691.91	1,933.61	2,175.31	2,658.71	3,142.12	3,625.52	4,350.62
Mowsley	1,400.03	1,633.37	1,866.72	2,100.05	2,566.73	3,033.41	3,500.09	4,200.10
Neville Holt	1,397.51	1,630.43	1,863.36	2,096.27	2,562.11	3,027.95	3,493.79	4,192.54
North Kilworth	1,398.97	1,632.14	1,865.31	2,098.47	2,564.80	3,031.13	3,497.45	4,196.94
Noseley	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Owston & Newbold	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Peatling Magna	1,377.85	1,607.49	1,837.14	2,066.78	2,526.07	2,985.35	3,444.64	4,133.56
Peatling Parva	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Rolleston	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Saddington	1,394.96	1,627.45	1,859.95	2,092.44	2,557.43	3,022.41	3,487.41	4,184.88
Scraptoft	1,428.20	1,666.23	1,904.27	2,142.30	2,618.37	3,094.43	3,570.51	4,284.60
Shangton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Shawell	1,377.15	1,606.68	1,836.21	2,065.73	2,524.78	2,983.83	3,442.89	4,131.46
Shearsby	1,452.71	1,694.84	1,936.96	2,179.08	2,663.32	3,147.56	3,631.80	4,358.16
Skeffington	1,388.41	1,619.82	1,851.23	2,082.63	2,545.44	3,008.25	3,471.05	4,165.26
Slawston	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Smeeton Westerby	1,393.94	1,626.27	1,858.60	2,090.92	2,555.57	3,020.22	3,484.87	4,181.84
South Kilworth	1,407.70	1,642.32	1,876.95	2,111.56	2,580.80	3,050.03	3,519.27	4,223.12
Stockerston	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Stonton Wyville	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Stoughton	1,402.19	1,635.90	1,869.60	2,103.30	2,570.70	3,038.10	3,505.50	4,206.60
Swinford	1,409.66	1,644.61	1,879.56	2,114.50	2,584.39	3,054.28	3,524.17	4,229.00
Theddingworth	1,386.57	1,617.68	1,848.78	2,079.87	2,542.06	3,004.26	3,466.45	4,159.74
Thorpe Langton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Thurnby & Bushby	1,413.33	1,648.89	1,884.45	2,120.00	2,591.11	3,062.22	3,533.34	4,240.00
Tilton	1,395.17	1,627.71	1,860.24	2,092.77	2,557.83	3,022.89	3,487.95	4,185.54
Tugby	1,400.85	1,634.33	1,867.81	2,101.28	2,568.23	3,035.18	3,502.14	4,202.56
Tur Langton	1,421.39	1,658.30	1,895.20	2,132.10	2,605.90	3,079.70	3,553.50	4,264.20
Ullesthorpe	1,381.84	1,612.15	1,842.47	2,072.77	2,533.39	2,994.00	3,454.62	4,145.54
Welham	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
West Langton	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Westrill & Starmore	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Willoughby Waterleys	1,401.75	1,635.38	1,869.01	2,102.63	2,569.88	3,037.13	3,504.39	4,205.26
Wistow	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70
Withcote	1,359.56	1,586.16	1,812.76	2,039.35	2,492.54	2,945.73	3,398.92	4,078.70

**HARBOROUGH DISTRICT COUNCIL**  
**MINUTES OF THE MEETING OF THE PERFORMANCE SCRUTINY PANEL**  
held at

The Council Chamber  
Symington Building, Adam & Eve Street, Market Harborough, LE16 7AG

on

19<sup>th</sup> January 2023

Commencing at 6.30 p.m.

Present:

Councillor Rickman, Chairman

Councillors (Panel): Critchley, Frenchman, Graves (from 18.33), Knowles and Mahal

Councillors (Panel) joining remotely: Mrs Page (ex-Officio) and Mrs Wood

Councillors (invited): Hallam and King

Councillors (invited) joining remotely: Bateman, Nunn, Mrs Wood

Officers present: K. Aitkin, D. Atkinson, S. Baldwin, C. Bland, and C. Mason

Officers joining remotely: L. Elliott, V. Jessop, and C. Pattinson

**APOLOGIES FOR ABSENCE AND NOTIFICATIONS OF SUBSTITUTION**

None were received.

**DECLARATIONS OF MEMBERS' INTERESTS**

There were none.

**MINUTES OF THE SCRUTINY PERFORMANCE PANEL**

It was noted that Councillor Knowles and Mahal's attendance was not recorded on the Minutes of the Meeting of the Performance Scrutiny Panel held on the 17<sup>th</sup> November 2022. This was corrected prior to the meeting and the Chairman informed the panel.

**It was RESOLVED that the Minutes of the Meeting of the Performance Scrutiny Panel held on the 17th November 2022 be adopted as a true record.**

## REPORT 1: LEICESTERSHIRE RESOURCES AND WASTE STRATEGY 2022-2050 REPORT

The report was presented by the Head of Environmental Services. He drew the panels attention to the two appendices to the report. He highlighted that this report replaces the previous and sets out how we will manage waste with the change in legislation. It is based on the overall strategy for England shown in Appendix 1 to the report. He explained that it is a collaborative approach between the District and County Councils and that the response rate to the consultation within our district was high. He drew the panels attention to the main pledges, referring specifically to pledges 5 and 11. He explained that food waste collections will be forthcoming and that this would be a statutory requirement for the Council and as there was no current information from the government on how this would be funded, he has caveated this in the report with 'total ongoing government funding.'

The Head of Environmental Services went on to explain pledge 7 regarding garden waste collections and informed the panel that although it was previously thought these would not be chargeable, it would appear the Government have relaxed this approach due to the cost implications for District Councils, however further information is awaited around this.

He explained that the Local Government Financial Situation Statement within the main strategy document has been caveated with the financial issues that could arise. He also raised the concern he has around financing and availability of the fleet required to facilitate the food waste collection service.

The following questions were asked by the panel and the Head of Environmental Services responded:

Question	Response
<b>Waste sent to landfill</b> : Item 12 referred to stating the County Council will reduce waste sent to landfill to less than 5%. Is there any information about the current situation, including the associated percentage ? are we at now?	The County Council has already started moving District Councils around so a new site has been created North of Leicestershire in Whetstone and a Coventry Waste to Energy Plant rather than relying on waste going into landfill sites. Information on the current percentage has been requested from Leicestershire County Council.
Why is the percentage of waste sent to landfill in our district so high compared to the national average, will this improve by	We are reliant in Leicestershire in landfill and we are moving away from this. We

23% because of the alternative disposal of food waste?	need to look at our operational fleet including the distance times included in the contract etc. Whetstone would be an ideal facility in its location. Trials of food waste collection in Lutterworth and Broughton Astley were very successful which led to the proposal to the County Council for this service across the district. Improvements on the rolling out of the service have been noted due to previous concerns noted in the trial.
<p><b>Disposal of Paint/Food Waste:</b> How can people can dispose of paint other than taking it to Whetstone tip?</p> <p>Are HDC already in negotiations regarding the type of fleet needed for food waste collections?</p>	<p>You can place empty cans of paint in the black bin, if wrapped in a bag. Otherwise it is only Whetstone Tip that will accept these operated by LCC.</p> <p>This will form part of the tendering of the new contract starting in April 2023.</p>
<p><b>Sofa Disposal/Repair Shops-</b> The detail on collection of Sofas is missing from the report.</p> <p>There is no mention of the new repair shops that are available for repair and recycling of electric goods.</p>	<p>This will be added later as more national legislation comes up along with other things to be implemented, however this is being facilitated currently.</p> <p>This is in the main strategy report. The County Council are also looking into this. Supporting community-based projects that do this will also be included too.</p>
<b>Garden Waste-</b> Regarding the garden waste collection service, is there any national guidance on the disposal of biodegradable grass? This is picked up from the curb side and could be put into smaller sites for green waste.	No legislation to stop this. In 2016 we began charging for bi-weekly collections of garden waste. The contract is with the County Council so this would need to be discussed with them. We are promoting home composting and providing information on how to do this safely. It is better for our carbon footprint to have one service that transports this than individual people transporting it themselves.
<p><b>Harborough Waste Depot-</b> There is no mention of Harborough having a depot of it's own, are there any plans for this?</p> <p>Are the bags of rubbish collected by the 'Wombles' Group sorted into food waste and recyclables?</p>	<p>This is still being looked at and working on this as a project currently.</p> <p>Not currently. These bags are taken to a tip site. We may be able to look at this, but it is time consuming. Some of this waste is very old also and may not be able to be recycled.</p>

The panel made comment on the unsuccessfulness of the food waste containers previously distributed by the Council. It was highlighted for the need for our recyclables to be traceable so that the Council remain accountable for this. The panel emphasised that the mentality and perception around food waste can be dealt with by effective communication with the community. The Chair highlighted how well we do as a district with the collection of fly tipped waste and how quickly this is dealt with.

The Chair thanked the Head of Environmental Services for his report and it was;

**RESOLVED that the comments be taken to Cabinet to adopt the Leicestershire Resources and Waste Strategy as set out at Appendix 1 and the report be noted.**

## REPORT 2: QUARTER 2 2022-23 PERFORMANCE REPORT

The report was presented by the Business Planning Officer. She drew the Panels attention to Appendix A to the report which outlines the progress in the key activities of the Corporate Plan and Appendix B which demonstrates the Strategic Performance Dashboard. the KPI's contained in the report and appendices including the following:

Red Targets:

- 60% of major planning applications to be determined in 13 weeks,
- 90% of payment to creditors within 30 days.

Changed to annual targets:

- New affordable housing completions in a year-
- Number of interventions carried out with owners of empty properties to bring them back to use.

The panel were given the chance to ask questions regarding this report. The Chair asked when the report on new affordable housing completions would be available to the panel. The Business Planning Officer confirmed that 15 houses were built in the last year with a target of 45 and that this would be looked at annually. The Chair highlighted the importance of keeping applicants of planning for these up to date. The Business Planning Officer confirmed that there was good communication with applicants in the Planning department.

The Chair asked Head of Financial Services for an update on the target to pay 90% of creditors within 30 days. She confirmed that the red status had moved to an amber status in Quarter three and that it was improving.

It was therefore;

**RESOLVED that the comments of the Panel and the contents of this report be taken to Cabinet to consider and the report be noted.**

## REPORT 3: 2022.23 REVENUE AND CAPITAL MONITORING QUARTER 2

The report was presented by the Head of Financial Services. She informed the panel of the comparisons between Quarter 1 and Quarter 2 and explained that the large overspend of £810,000 was due to three main themes and their breakdown:

- Inflationary variances
  - Pay award impact
  - Increase in energy costs
- Underachievement of savings & potential mitigations
  - Capital Programme underspend of £70,000
- Normal operational items

A member of the panel asked whether the underachievement of savings became an achievement of savings in future? The Head of Financial Services confirmed this would be discussed in the Budget Report to be presented later in the meeting,

A question was asked about the figure of £350,000 used to keep on members of the Senior Management Team, and what would happen in the future given that the Strategic Partnership will no longer take place. The Head of Financial Services explained that the savings of £350,000 have now been delayed, this is now forecasted that only £49,000 will be in 2022/23 and that this also would be addressed in the Budget Report. It was therefore;

### **RESOLVED that**

- a. **The comments and recommendations of the Performance Scrutiny Panel of the financial performance of the Council against its budget for the half year to 30 September 2022, as set out in the budget monitoring report attached at Appendix A be provided to Cabinet and this report be noted.**

The Chair thanked the Head of Financial Services for her report. He also informed the Panel that Councillor Nunn and the Business Planning Officer had left the meeting.

## REPORT 4: DRAFT BUDGET 2023-24 & MEDIUM-TERM FINANCIAL STRATEGY (2024-25 TO 2027-28)

The report was presented by the Interim Deputy Chief Executive (& s.151 Officer). He explained the Cabinet report section by section. The panel were given the opportunity to ask him questions as he explained each of the sections.

The panels attention was drawn to page 131 of the report to the Executive Summary and a point highlighted about the surplus generated by the MTFs and that the deficit would mean that they broadly cancel one another out. A question was asked about what would happen after this and whether HDC keep using their reserves in the same

way? The Interim Deputy Chief Executive explained that these issues would be addressed as the Panel go through the MTFS period and that the MTFS is to give a forecast of where HDC is going.

Members of the panel commented on the wording in the Executive Summary regarding the Strategic Partnership not being passed. The Leader highlighted that he felt the point being made by this paragraph needed to be made and that it was important. The Interim Deputy Chief Executive explained his reasons for the wording being as such and the risk caused to the Council with the Strategic Partnership not being in place. The Director of Governance and Law & Interim Monitoring Officer also made comment on the discussion of this and the suitability of this being raised in a public meeting and reminded the panel of the Member/Officer Protocol held to raise issues.

Questions were asked about whether HDC are applying the 10% increases to the car parking charges and whether it has been factored in that members of the public may drop out of the garden waste scheme, affecting this forecast? What interest rates is this information based on? The Interim Deputy Chief Executive explained that the car parking charges are an exception and were not subject to the 10% increase, any changes to charges would follow the strategic review of parking currently being carried-out. He also explained that all these numbers are estimates, but there was no evidence to suggest a 'drop-off' for the garden waste scheme as seen when the charges was increased a couple of years ago. He also confirmed that this advice was taken in light of current bank base rates and advice from the councils treasury advisors.

A question was asked about the remaining 81% of savings referred to in the report and whether this is budgeted to be saved in 2023/24. The Interim Deputy Chief Executive confirmed this was correct.

The Leader explained that in respect of the Development Management Income, that in May 2022 the Government suggested a significant increase in planning fees that could be charged by local planning authorities. However this had not been implemented yet and but the District Councils Network is lobbying to bring this into action. He informed the panel that the settlement for this will not be made until later in the month.

A question was asked about employment on page 141 whether the figure given for the pay award is an estimate or what is suggested to be given locally. The Interim Deputy Chief Executive confirmed that this percentage was an estimate.

A Member of the panel referred to Table 2, page 137 of the report regarding the FCC contract 14% increase and asked whether there is any more information on how this has happened and how £610,000 goes through to the figure of £205,000 - where has the difference gone? The Head of Financial Services explained the calculations of the MTFS and the difference in these figures.

The Interim Deputy Chief Executive informed the panel that further information on how this was calculated would be distributed to all members of the panel.

A question request was asked for an explanation of the NDR Reset and Fair Funding Review and why this would take money from HDC. The Interim Deputy Chief Executive explained this to the panel.

A Member of the panel queried the figure given for the 3% funding guarantee as it does not match the 10% rate of inflation. He also queried the figures shown in the HDC Council Tax Surplus and Deficit. The Interim Deputy Chief Executive explained that this was looking at last years figures and guaranteeing a 3% increase on that figure specifically. He also explained how HDC have a surplus and deficit in this area.

A question was asked about the projected income around Council Tax and asked if it was possible to look at this monthly rather than annually. The Interim Deputy Chief Executive advised that it is optimal to look at this in Quarter 3 and then re-model before the final budget, and that it is important that this forecast is realistic.

The Leader highlighted that there has previously been a surplus in the Council Tax Collection Fund and that it is important to be prudent and ensure that this never goes into a deficit.

A further question was asked about where the £3.5 million reserve figure comes from and expressed concern that he was not aware of this large figure being identified previously. The Interim Deputy Chief Executive referred to page 149, Appendix 1 of the report and explained how this was calculated. The panel discussed this surplus.

The panel discussed the New Homes Bonus Scheme and how this affects the budget.

The Leader discussed the proposal to add a fund to support community events for the Kings Coronation of up to £20,000 which is not included in the budget. He explained to the panel that this was discussed at Cabinet and that he will discuss this with the Interim Deputy Chief Executive about including this in the budget. The Leader also explained that there is also a proposal to bring forward an Environmental Capital Fund from the £70,000 remaining from the Queen's Platinum Jubilee Fund and add £210,000 for Community Capital Schemes to support environmental improvements to help with microprojects such as climate change prevention.

The Interim Chief Executive advised the panel that the bid that HDC put forward for access to the Levelling-Up Fund was not successful and advised that overall, there will be some change to services in the future.

It was therefore;

**RESOLVED that the comments of the Panel on the Draft Budget 2023/24 & Medium-Term Financial Strategy (2024/25 to 2027/28) (Annex 1) be**

**provided to Cabinet for consideration at its meeting on 6 February 2023 and the report be noted.**

**ANY URGENT BUSINESS**

There was none.

The Meeting ended at 20.48

DRAFT

Summary of Budget Consultation	APPENDIX 11
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The public consultation was run from 17th January 2023 to 6th February 2023 via HDC's website, the responses received were as follows:

CONSULTATION QUESTION	RESPONSE 1	RESPONSE 2	RESPONSE 3	RESPONSE 4	RESPONSE 5	RESPONSE 6	RESPONSE 7
What is your postcode	LE17 5AH	Le79ya	LE17 5NE	LE8 0PU	Le16 7pb	LE16 9PB	LE167DL
How did you find out about this consultation	Twitter	Local press	Council website	Council website	Facebook	Radio	Facebook
Your views on the overall budget strategy approach	Made no sense to me. Full of jargon/acronyms		Very difficult to access and not clear	Need to cut further back in all non essential areas	Really not impressed	Too vague	
Having read the budget proposal report please tell us your views on the proposed Capital Programme Paragraph 334 onwards and Appendix 4	As above		too much paperwork ,should be more condensed for general public use	Excessive	Council just do as they wish	Not impressed	
Please tell us your views on the proposal to increase the Harborough District Council element of Council Tax for 202122	If you want to carry out genuine consultation you need to provide meaningful information.	I refuse to pay more money for worse services.		Too much	Absolutely shocking people are struggling financially they don't need an increase in council tax. Plus the fact the green bin will also be increasing!!!	Disagree, to much money wasted prior to 2023 though overspend und unnassasary projects with too much secrecy!	
Please tell us your views on the number of initiatives delivered by the Council this year shown in paragraph 24 onwards	Parlous financial position means collectively we should be driving quickly towards single tier Leicestershire authority			Should concentrate on schemes supporting mandatory powers rather than discretionary	I have seen nothing	Questionable in these difficult times	
Please tell us your views on the proposal to provide up to 20k from the Community Fund to support activities for the Kings Coronation	Not appropriate in current financial situation			No view	Don't agree	No do not spend money that many people may disagree with. Do not make what is another inforced tax	At a time when the council and many members of the local community are struggling with inflation and a cost of living crisis, along with recovery from a pandemic, I find it difficult to see how expenditure of £20k of council funds (ultimately paid for through taxation) on "activities for the King's Coronation" can in any way be justified. These funds would be much better spent on supporting local residents in the most need during this time.  Those in the community who wish to celebrate the coronation are perfectly able to fund this through their own private funds.  It is worth bearing in mind that a recent survey showed that a minority of people in UK support a monarchy, so this funding from all taxpayers would be for the benefit of a minority in the district. In order for such funding to be fair, there would need to be an equal amount provided to
Please can you tell us how old you are at the time of completing this consultation	45 to 59 years	25 to 29 years		I do not wish to declare my age	45 to 59 years	65 and over	45 to 59 years
Are you	Male	Female	Female	Prefer not to say	Female	Male	Male
Do you have any physical or mental health conditions or illnesses lasting or expected to last 12 months or more	No	Yes	No	Prefer not to say	Prefer not to say	No	No
How would you describe your ethnic origin	Mixed / multiple ethnic group	White - White British / White Other		I prefer not to say	I prefer not to say	White - White British / White Other	White - White British / White Other



## GLOSSARY OF TERMS USED

### Appendix 12

<b>Asset</b>	<i>Tangible asset</i> – an asset that has a physical form such as machinery, vehicles, ICT, equipment, buildings, and land. <i>Intangible asset</i> – an asset that is not physical in nature such as goodwill, brands, patents & copyrights, and shares.
<b>Authorised Limit for External Borrowing</b>	A statutory limit that sets the maximum level of gross external borrowing for the council.
<b>Base Budget</b>	The budget from the previous year is taken forward to create the initial budget for the next year before inflation, savings, growth, and other adjustments are added.
<b>Baseline Funding Level</b>	Authorities' share of the local share of business rates determined by an index-linked assessment of their needs undertaken in 2012–13. This will subject to change as part of the Fairer Funding Review.
<b>Better Care Fund</b>	The Better Care Fund (BCF) is a programme spanning both the NHS and local government which seeks to join up health and care services, so that people can manage their own health and wellbeing, and live independently in their communities for as long as possible
<b>Billing Authority</b>	This is a council such as Harborough Council which is responsible for collecting the Council Tax and Business Rates in its administrative area.
<b>Budget Challenge 2025</b>	This a service review programme being followed by the Council, based on the principles of Zero-Based Budgeting, that will conclude in the summer of 2021. The aim of the BC25 programme is to close the budget gap of the Council of the Medium-Term to enable the Council to be financial sustainable.
<b>Business Rates</b>	Business Rates is the usual term for the National Non-Domestic Rate, a property tax charged on all properties which are not used for residential purposes.
<b>Business Rates baseline</b>	The amount of business rates income a local authority is predicted to raise.
<b>Business Rates Safety Net</b>	The method of protecting an authority which sees its annual business rates income drop below its baseline funding level. Such authorities receive a safety net payment at the end of the financial year from central government.

<b>Business Rate appeals</b>	<p>Since the introduction of the Business Rates Retention Scheme, Local Authorities are liable for successful appeals against business rates charged to businesses.</p> <p>The Valuation Office Agency operates a Check, Challenge and Appeal process for business rates appeals against the 2017 and later rating lists.</p>
<b>Business Rates Retention</b>	<p>This was introduced in 2013 and designed to give local authorities more control over the money raised locally; removing the ring-fencing of incorporated grants and promoting and rewarding local economic growth. Currently 50% of business rates are retained within local government, with a redistribution mechanism in place across individual local authorities.</p>
<b>Business Rates Pilot</b>	<p>In December 2017, the government announced the aim of increasing the level of business rates retained by local government from the current 50% to the equivalent of 75% in April 2020. To test increased business rates retention and to aid understanding of how to transition into a reformed business rates retention system in April 2020, the government has selected several local authorities in England to take part in pilot schemes.</p>
<b>Capital Expenditure</b>	<p>Expenditure on the creation of enhancement of assets, for example:</p> <ul style="list-style-type: none"> <li>• The acquisition, reclamation, or enhancement of land</li> <li>• The acquisition, construction, preparation, enhancement or replacement of roads, buildings, and other structures</li> <li>• The acquisition, installation or replacement of moveable plant, machinery, and vehicles</li> <li>• The acquisition or preparation of computer programs if these will be used for longer than one year</li> </ul>
<b>Capital Financing Charges</b>	<p>Capital financing costs comprise the costs of making a Minimum Revenue Provision (MRP), which is essential the cost of providing for the future repayment of debt, and the interest expenses charged as part of an external loan agreement.</p>
<b>Capital Financing Requirement</b>	<p>A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources. In the revenue account this represents MRP.</p>
<b>Capital Receipt</b>	<p>This is income received from the disposal of an interest in a capital asset. The income can only be used to finance capital expenditure or to reduce future debt liabilities.</p>

<b>CIPFA</b>	The Chartered Institute of Public Finance and Accountancy (CIPFA) is a professional institute for accountants working in the public services and in other bodies where public money needs to be managed. It has a role in setting codes and standards that regulate the use of public money.
<b>Collection Fund</b>	The collection fund is a separate statutory fund, which shows the income received from business rates and council tax, and the distribution to preceptors and the district council.
<b>Contingency budget</b>	A sum put aside to cover unforeseen expenditure during the period of the budget.
<b>Comprehensive Spending Review</b>	A governmental process carried out by HM Treasury to set expenditure limits for the medium term for each central government department.
<b>Core Spending Power</b>	The overall level of resources government estimates is available for funding local authority services (i.e. grants, business rates, fees & charges, and council tax).
<b>Council Tax</b>	A tax on domestic property set by local authorities and based on the value of the property within eight bands, A to H. The council tax value of each band is expressed as a proportion of band D (e.g. Band A = 6/9, Band H = 19/9).
<b>Council Tax Base</b>	The number of properties from which it is estimated council tax will be collected, expressed as band D equivalent properties.
<b>Council Tax Surplus or Deficit</b>	A surplus/deficit arising from either more or less council tax being collected than expected. This would be because of variations in collection rate or to the estimated increase in the number of properties.
<b>Council Tax Precept</b>	The levy made by the precepting authorities (parishes, Leicestershire County Council, the Office of the Police & Crime Commissioner, and the Leicestershire Fire & Rescue Service on Harborough District as billing authority requiring the latter to collect income from council tax-payers on their behalf.
<b>Council Tax Reduction Scheme</b>	The Council Tax Reduction (CTR) scheme helps people on low incomes and/or certain welfare benefits to pay their council tax bill. CTR replaced the national council tax benefit scheme with effect from 1 April 2013.
<b>Council Tax Requirement</b>	The amount of funding required to be raised from council tax to meet the general fund expenditure budget after considering all other funding available.
<b>Disabled Facility Grant (DFG)</b>	A central government grant that contributes towards the cost of providing adaptations and facilities to enable disabled people to continue living in their own homes.

<b>Earmarked Reserve</b>	Reserves earmarked for a specific type of future spend.
<b>Enhancement (of an asset)</b>	<p>Enhancing an asset is the carrying out of works which are intended too substantially:</p> <ul style="list-style-type: none"> <li>• lengthen the useful life of the asset.</li> <li>• increase the open market value of the asset.</li> <li>• increase the extent to which the asset can or will be used in connection with the functions of the local authority.</li> </ul> <p>Repairs &amp; maintenance is revenue expenditure</p>
<b>External Borrowing</b>	External borrowing is the process of going to an external financial institution to obtain money. The council would generally borrow from the Public Works Loans Board (PWLB) due to its favourable rates for public sector bodies, but other institutions also offer loan finance to councils.
<b>Equity</b>	An ownership interest in a business.
<b>Fairer Funding Review</b>	A review by central government on how to allocate local authority funding to individual councils that was planned to be implemented from 2020/21 onwards. However, it is now delayed to at least 2022/23.
<b>Financial Management Code</b>	The CIPFA Financial Management Code sets standards of good practice in financial management and local authorities are obliged to have regard” to the code from 2021/22 onwards.
<b>General Fund</b>	The account to which the cost of providing the Council Services is charged that are paid for from Council Tax and Government Grants.
<b>General Fund (Unallocated) Reserve</b>	This is a usable reserve which has not been earmarked for a specific future use. The aim of this reserve is to meet “unforeseen” events and from April 2021 is to be set at 20% of Net Expenditure.
<b>Growth</b>	An increase in expenditure not due to inflation/price changes but arising from growth in service demand, a change in legislation impacting on the service or a decision to invest in council services in line with corporate priorities.
<b>Internal Borrowing</b>	Internal borrowing is the <i>temporary</i> use of the council’s cash holdings to fund capital expenditure. Whilst this must be repaid it does not represent a formal debt in the same way as external borrowing
<b>Investment Code</b>	Sets out practices that local authorities are “obliged to have regard to” when making investment decisions. Published by the MHCLG.
<b>Local Government Finance Settlement</b>	The annual determination of local authority spending made by the government and debated by parliament. A provisional settlement is announced before Christmas with the final settlement announced in late January.

<b>Medium-Term Financial Strategy</b>	This is the Council's financial plan for the next 5 years; the year the council tax is being set + 4 further years. It reflects the Council's Corporate Plan (priorities) and provides the Council a financial roadmap to enable it to make informed financial decisions that are reflective of future need.
<b>DHLUC</b>	The Department for Housing, Levelling Up and Communities.
<b>Minimum Revenue Provision (MRP)</b>	A statutory charge to the general fund revenue budget for future debt repayments (external borrowing in the capital programme). This charge has an impact on the council's bottom line. The council must set out its MRP policy in the annual Treasury Management Strategy.
<b>MRP Exemption</b>	Following a change in the Council's MRP Policy, approved by Council on 10 <sup>th</sup> December 2018, the Council does not need to pay any MRP costs where the borrowing is undertaken on capital expenditure that will generate future capital receipts. Further, a new Policy from April 2021 will only require MRP to be charged after a capital project is completed.
<b>New Homes Bonus</b>	A grant paid by central government to local councils to reflect and incentivise housing growth in their areas. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use.
<b>Net Budget Requirement</b>	Net budget requirement comprises that part of the revenue budget that is funded from retained Business Rates, Council Tax, and any general grants such as New Homes Bonus and Rural Services Delivery Grant.
<b>Non-financial investments</b>	Investments made primarily for a financial return comprising commercial property acquisitions, lending to third parties on commercial terms, equity investments (shareholdings) in third parties (including the Council's wholly owned company) and commercial housing development. They differ from the Council's cash investments in banks and building societies which are made for prudent treasury management reasons.
<b>Office for Budget Responsibility (OBR)</b>	The Office for Budget Responsibility was created in 2010 to provide independent and authoritative analysis of the UK's public finances.
<b>Operational Boundary</b>	This indicator is based on the same estimates as the Authorised Limit for External debt but reflects the most likely prudent but not worst-case scenario but without the additional headroom for borrowing included in the Authorised Limit.

<b>Prudential Code</b>	The Prudential Code for Local Authority Investment was introduced by CIPFA and local government is obliged “to have regard” to the code as part of the Local Government Act 2003. The key objectives of the code are that capital investment plans are affordable, prudent, and sustainable. The code details the indicators that must be set annually and monitored throughout the financial year (in the Treasury Management Strategy. It also sets the requirement for councils to produce an annual Capital Strategy.
<b>Public Works Loans Board (PWLb)</b>	The Public Works Loan Board (PWLb) is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury that lends money from the National Loans Fund to local authorities.
<b>Reserves</b>	The accumulation of surpluses and deficits over past years. Reserves of a revenue nature can be spent or earmarked at the discretion of the Council. Reserves of a capital nature may have some restrictions placed on them as to their use.
<b>Revenue Expenditure</b>	Comprises the day-to-day costs associated with running the council's services and financing the council's outstanding debt.
<b>Rural Services Delivery Grant</b>	A general grant given by central government to help fund the delivery of services in rural and sparse communities.
<b>Section 106</b>	In considering an application for planning permission, the Council may seek to secure benefits to an area through the negotiation of a ‘planning obligation’ with the developer. Such obligations are authorised by Section 106 of the Town and Country Planning Act 1990. The Council may therefore, in some Instances, receive funds to enable it to undertake works arising from these obligations. Examples of works include the provision or improvements of community facilities (parks/play areas), affordable housing and improved transport facilities.
<b>Section 25 Notice</b>	Under Section 25 of the Local Government Act 2003 the S151 officer is required to state in the budget report their view on the robustness of estimates for the coming year, the medium-term financial strategy, and the adequacy of proposed reserves and balances. The council is required to take this into account when making its budget and taxation decisions.
<b>Section 151 Officer</b>	An officer appointed under section 151 of the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs.

<b>Services Grant</b>	A grant for all councils to recognise the cost of delivery.
<b>Special Expenses</b>	<p>All areas of the District are sub-divided into Parish areas, and some have separate Parish and Town Councils; however some do not. Where there is no Parish or Town Council, and specific services are provided to that parished area by the District Council; then these are known as “Special Expense” areas and a separate Council Tax is charged for these areas. However, the charges for these areas are excluded from the Council Tax charged to all other District residents. In this way, only those residents in the special expense area will meet that cost.</p> <p>The charge is paid through council tax by residents of the parishes concerned. The charge is to make sure that people in these parished areas do not pay for the district services which are not being provided in their area.</p>
<b>Spending Review</b>	An announcement made by central government of its future spending plans for the public sector including local government. The last spending review was conducted in the Autumn of 2020 and was for one-year only. The government is expected to provide a further spending review in 2021.
<b>Subjective Analysis</b>	The classification of expenditure and income according to the nature of the items, for example, employee costs, premises, transport, supplies & services, fees & charges income, and grant income.
<b>Treasury management</b>	The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions: the effective control of the risks associated with those activities: and the pursuit of the optimum performance consistent with those risks.
<b>3% Funding Guarantee</b>	A new grant (2023/24) awarded to all councils to ensure that the minimum increase in funding, excluding council tax, is 3%.



## Harborough District Council Equality Analysis

Equality Analysis is an on-going proactive process which requires us to consider the effect our decisions are likely to have on local communities, service users and employees, particularly those most vulnerable and at risk of disadvantage.

This document has been designed to assist in the collation of information and evidence required to support the 'Due Regard' process when introducing new policies/procedures/functions and services or reviewing existing ones.

**Name of policy/procedure/function/service being analysed:** Final Budget 2023/24 & the Medium-Term Financial Strategy (2024/25 to 2027/28)

**Department and section:** Corporate Management Team

**Name of lead officer:** Clive Mason – Interim Deputy Chief Executive (& s.151 Officer)

**Other people involved (assisting or reviewing – including any service users or stakeholder groups etc.):** Cabinet, Corporate Management Team, Senior Leadership Team, Finance Team

**Date assessment commenced:** The analysis has been evolving as the budget setting process moved through the preparation to democratic approval process. This stage is the latest, where Cabinet approves the Final Budget 2023/24 & the Medium-Term Financial Strategy (2024/25 to 2027/28) prior to approval by Council.

**Date assessment completed for sign off:** 1<sup>st</sup> February 2023 (for Cabinet on the 6 February 2023)

### Step 1: Defining the policy/procedure/function/service

Is this a new, amended, or reviewed policy? What are the aims, objectives and purpose and how will they be achieved? What are the main activities and which communities are likely to be affected by these activities? What are the expected outcomes?

Harborough District Council has considered its budget priorities for 2023/24 as it continues to address the major impacts of the cost-of-living crisis.

Over the past few months all services have been reviewing their budgets and have generated net savings of £957k for 2023/24 (£4.5m over the MTFS period). On the 19 December the government issued their provisional financial settlement which awarded the Council New Homes Bonus of £1.7m and other grants in excess of £1m. Further, during January the Council has been able to confirm both its NDR for 2023/24 and Collection Fund Surplus which together total £7.4m.

In summary the Council has a surplus service revenue budget for the first two years of the MTFS and a deficit budget for the last three years. Once these deficits have passed through the General Fund (Unallocated) Reserve (\*) the remaining surplus totals £6.7m. Due to this surplus being generated the Council intends to:

- a. Share this windfall with its residents, especially in light of the cost-of-living crisis and freeze its Council Tax for 2023/24. This will mean that the Council Tax will remain the same as in 2022/23 at £177.97 for a Band D household, in the Harborough district.
- b. Apply the accumulated surplus of £6.7m as follows:
  - £3m to meet the forecast net deficits of the last three years of the MTFS.
  - ££1m to be set aside into a Collection Fund Earmarked Reserve; the aim of this reserve is to meet future years fluctuations in the receipt of Council Tax and Business Rates.
  - £2.7m to be set aside into a Corporate Plan & Strategy Earmarked Reserve; the aim of this reserve is to invest in a range of revenue and capital budgets that will deliver corporate plan priorities. these include investments in environmental and climate change mitigation measures, parks and open spaces and better utilisation of empty space in town and village centres for residential occupation as well as funding towards master planning and implementation of the young peoples, older persons and rural strategies.

However, it should be noted that there is an expectation from Government that local authorities should increase their Council Tax to the maximum allowable.

The Council remains 'committed to financial sustainability and resilience'. The Final 2023/24 Budget and Medium-Term Financial Strategy (2024/25 to 2027/28) (MTFS) has developed a balanced budget for the duration of the MTFS, albeit with the prudent use of reserves. Further it will be able to deliver a significant capital programme that will have a broad reach and benefit across its residential and commercial community.

\*The General Fund (Unallocated) Reserve is a reserve held by the Council to meet unforeseen events; such as a disaster (a recent example being the Covid 19 pandemic) or other such disaster. The Council has set a policy of maintaining this reserve at 20% of next expenditure.

**Step 2: Data collection & evidence**

What relevant evidence, research, data, and other information do you have and is there any further research, data, or evidence you need to fill any gaps in your understanding of the potential or known effects of the policy on different communities? Include quantitative data as well as qualitative intelligence such as community input and advice.

All residents of the district are potentially impacted by the final budget proposals particularly those who pay council tax – although the government expects Council's to increase its tax, the Council has chosen not to for 2023/24. However, it is important to understand the demographics of our community. It is also important to acknowledge that the freezing of Council Tax will benefit all residents but also there are Council Tax reductions/exemptions available which will reduce the impact for them.

**Community demographics****Age**

<b>Census Question: What is your date of birth?</b>	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents:	97,631	100.0%
Aged 16-19 years	4,200	4.3%
Aged 20-24 years	4,344	4.4%
Aged 25-34 years	10,487	10.7%
Aged 35-49 years	18,336	18.8%
Aged 50-64 years	21,570	22.1%
Aged 65-74 years	11,429	11.7%
Aged 75-84 years	7,336	7.5%
Aged 85 years and over	2,733	2.8%

**Ethnic Group**

<b>Census Question: What is your ethnic group?</b>	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents:	97,623	100.0%
Asian/Asian British:	5,298	5.4%
Black/Black British/Caribbean/African:	699	0.7%
Mixed/multiple ethnic groups:	2,003	2.1%
White:	88,851	91.0%
Other ethnic group	205	0.24%

**Gender****Census Question: What is your sex?**

	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents:	97,625	100.0%
Female	49,276	50.5%
Male	48,349	49.5%

**Health (2011 results as 2021 results not yet released)****Census Question: Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?**

	<b>Number of residents</b>	<b>% of Harborough District population</b>
Day to day activities limited a lot	5004	5.86%
Day to day activities limited	12424	14.55%
Day to day activities not limited	72958	85.45%

**Gender Identity****Census Question: Is the gender you identify with the same as your sex registered at birth?**

	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents aged 16 and over	80,430	100.0%
Gender identity the same as registered at birth	76,560	95.2%
Gender identity different from sex registered at birth but no specific identity given	69	0.1%
Trans woman	44	0.1%
Trans man	40	0.0%
Non-binary	24	0.0%
All other gender identities	15	0.0%
Not answered	3,678	4.6%

**Legal Partnership Status****Census Question: What is your legal marital or same-sex civil partnership status?**

	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents aged 16 and over:	80,428	100.0%
Never Married or registered a Civil Partnership	23,779	29.6%
Married or in a registered Civil Partnership	42,622	53.0%
Separated/Divorced or formerly in a Civil Partnership	8,889	11.0%
Widowed or surviving Civil Partnership partner	5,138	6.4%

**Religious Belief****Census Question: What is your religion?**

	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents:	97,624	100.0%
Buddhist	256	0.3%
Christian	49,046	50.2%
Hindu	2,477	2.5%
Jewish	118	0.1%
Muslim	1,120	1.1%
Sikh	1,467	1.5%
Other religion	379	0.4%
No religion	37,480	38.4%
Religion not stated	5,281	5.4%

**Sexual Orientation****Census Question: Which of the following best describes your sexual orientation?**

	<b>Number of residents</b>	<b>% of Harborough District population</b>
All usual residents aged 16 and over	80,427	100.0%
Heterosexual or Straight	73,899	91.9%
Gay or Lesbian	923	1.1%
Bisexual	620	0.8%
Pansexual	90	0.1%
Asexual	36	0.0%
Queer	8	0.0%
All other sexual orientations	6	0.0%
Not answered	4,845	6.0%

**Household composition**

All households	40,414	100.0%
One-person household	10,514	26.0%
Single family household	28,119	69.6%
Other household types	1,781	4.4%

Source: ONS - 2021 Census

### Council Tax discount categories

Discounts apply for those who live on their own and also may apply if an adult within the household falls into one of the following categories:

- Full time students **202**, student nurses **1**, apprentices and youth training trainees **8** and foreign language assistants **0**
- 18/19 year olds who are at or have just left school or college **31**
- Patients resident in hospital or being looked after in care homes **71**
- People with severe mental impairments **224**
- People in hostels or night shelters **(information not held)**
- Low paid care workers usually employed by charities **(information not held)**
- People caring for a person with a disability who is NOT a partner or child under 18 years old **92**
- Members of religious communities such as monks or nuns **2**
- People in detention (except for non-payment of council tax or a fine) **2**
- Members of visiting forces, certain international and defence organisations. **0**

Temporary absences owing to holiday or work will not normally result in discount entitlement **(not known)**.

*Information shown in **bold** and grey highlight is from the Leicestershire Revenue & Benefits Partnership, received 24 January 2023.*

### Step 3: Consultation and involvement

Have you consulted and if so, outline what you did and who you consulted with and why.

The draft budget was considered by the Council's Cabinet on 16 January 2023, and it was agreed that it should move to consultation.

The draft budget was also considered at the Council's Scrutiny Panel (Performance) on 19 January 2023.

Public consultation regarding the draft budget has been published online. The consultation launched on 18 January 2023 and will close at 9am on 6 February 2023. Equality monitoring questions have been included as part of the consultation document so that analysis of the characteristics of respondents can be completed. The results of the public consultation will be considered by Cabinet on the 6 February when they consider the Final budget. Unison, the council recognised staff representative body, were consulted on the 8 February and no further comments were raised.

Full Council will consider the Final Budget on the 27 February 2023.

With regard to the public consultation, there were seven participants and in respect of their characteristics, in respect of:

### **Age**

65 and over: 1/7 (14%)

45-59 years: 3/7 (43%)

25-29 years: 1/7 (14%)

Not disclosed: 2/7 (29%)

### **Gender**

Female: 3/7 (43%)

Male: 3/7 (43%)

Not disclosed: 1/7 (14%)

### **Physical/Mental Health conditions/illnesses lasting or expected to last 12 months or more**

Yes: 1/7 (14%)

No: 4/7 (57%)

Not disclosed: 2/7 (29%)

### **Ethnic Origin**

Mixed/multiple ethnic origin: 1/7 (14%)

White-British / white other: 3/7 (43%)

Not disclosed: 3/7 (43%)

In respect of the answers given, a summary of the substantive views are as follows:

1. 5/7 (71%) responses; the report is seen as jargon and not clear.
  - This will be taken forward and looked at when next year's budget report is drafted.
2. 5/7 (71%) responses; the capital programme attracted similar comments to (1) above.
  - This will be taken forward and looked at when next year's budget report is drafted.
3. 5/7 (71%) responses; that an increase in Council Tax should not be considered.
  - Cabinet has now recommended to Council in February (this report) that there should not be an increase in Council Tax for 2023/24.
4. 4/7 (57%) responses; a mix of views, one being that the area should be driving towards a single tier authority in Leicestershire, other views that the council should concentrate on mandatory service deliver.
  - The Council includes both statutory and discretionary services. The budget and MTFs provides the resources to ensure that statutory services are provided to the standard required and where possible discretionary services are provided on a cost recovery basis wherever possible.
5. 4/7 (57%) responses; that the council should not be providing funding from the Community Fund to support activities for the Kings Coronation.

- The budget includes a budget allocation for the overall Community Fund, this consultation result will be considered post budget approval when the distribution/application of the community fund is considered.

#### **Step 4: Potential impact**

Considering the evidence from the data collection and feedback from consultation, which communities will be affected and what barriers may these individuals or groups face in relation to Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, Sexual Orientation, Other groups e.g. rural isolation, deprivation, health inequality, carers, asylum seeker and refugee communities, looked after children, current and ex-armed forces personnel (Veterans), deprived or disadvantaged communities and also the potential impact on Community Cohesion. Remember people have multiple characteristics so the impact of a policy on a particular community may impact people within the community differently. Where possible include numbers likely to be affected.

The final budget supports the Council in the delivery of the Corporate Plan and its agreed priorities and so aims to provide support to those most in need of Council Services. The freezing of Council Tax for 2023/24 will help the Councils community during this time of high cost-of-living.

#### **Step 5: Mitigating and assessing the impact**

If you consider there to be actual or potential adverse impact or discrimination, please outline this below. State whether it is justifiable or legitimate and give reasons. If you have identified adverse impact or discrimination that is illegal, you are required to take action to remedy this immediately. If you have identified adverse impact or discrimination that is justifiable or legitimate, you will need to consider what actions can be taken to mitigate its effect on those groups of people. Consider what barriers you can remove, whether reasonable adjustments may be necessary and how any unmet needs have identified can be addressed.

Equality implications arising from this budget, including savings programmes, have been addressed through each of the individual services reviews.

#### **Step 6: Making a decision**

Summarise your findings and give an overview of whether the policy will meet Harborough District Council's responsibilities in relation to equality, diversity, and human rights. Does it contribute to the achievement of the three aims of the Public Sector Equality Duty – eliminate unlawful discrimination, harassment, victimisation; advance equality of opportunity and foster good relations?

The 2023/24 Final Budget and MTFS (2024/25 to 2027/28) reflects the corporate plan and the provision of the current portfolio of services as well as meeting the expectations of future service and demand change.

In respect of Equality, Diversity and Human Rights and the Public Sector Equality Duty, the Council has a broad range of services that help the Council to ensure it meets these duties both internally and externally (human resources, legal, revenues and benefits, community development, housing etc). The freezing of Council Tax will be a significant help for the Councils residents, especially in the current climate of high-inflation.

#### **Step 7: Monitoring, evaluation & review of your policy/procedure/service change**

What monitoring systems will you put in place to promote equality of opportunity, monitor impact and effectiveness, and make positive improvements? How frequently will monitoring take place and who will be responsible?

Impacts of budget proposals will be monitored and adjustments considered if negative impacts identified.

### **Equality Improvement Plan**

#### **Equality Objective :**

**Action:** Analyse characteristics of consultation respondents and identify any gaps

**Officer Responsible:** Clive Mason

**By when:** 6 February in time for consideration by Cabinet

#### **Equality Objective :**

**Action:** Results of consultation considered and included in this assessment.

**Officer Responsible:** Clive Mason  
the 27 February 2023.

**By when:** 15 February in time of publication of papers for Council on

**Signed off by:** Clive Mason

**Date:** 15 February 2023

Once signed off, please forward a copy for publication to Julie Clarke, Equality and Diversity Officer  
e-mail: [j.clarke@harborough.gov.uk](mailto:j.clarke@harborough.gov.uk) , telephone: 01858 821070.



# Harborough District Council



## Report to Council 27 February 2023

<b>Title:</b>	Interim management arrangements
<b>Status:</b>	Public
<b>Key Decision:</b>	No
<b>Report Author:</b>	Rebecca Jenner
<b>Portfolio Holder:</b>	Councillor King – Leader of the council
<b>Appendices:</b>	None

### Executive Summary

- i. The appointment of the Chief Executive and Head of Paid Service is a Council decision. The council also has the responsibility to appoint other Statutory Officers.
- ii. Council considered the appointment of a shared chief executive as part of the report presented on 19th December 2022 but did not agree to the proposed approach. At the meeting the interim arrangements for the Chief Executive and Deputy Chief Executive were extended until the end of February 2023.
- iii. The appointment of a Head of Paid service is a statutory requirement and as such the council needs to ensure continuity in the appointment.
- iv. The two other statutory posts of Section 151 Officer / Chief Finance Officer and Monitoring Officer are also temporary arrangements (one acting up from a substantive post as Director of Resources, and the other via an agency).
- v. Of the two remaining posts in the councils corporate management team, one is a permanent post (Director of Planning) while the other (Director of Communities and Wellbeing) is also a temporary appointment.
- vi. Therefore, there are currently 4 interim appointments to the 5 Corporate Management team, roles - 2 filled by permanent staff members of the team undertaking different roles and 2 filled by interim staff members. These interim arrangements are proposed to continue until a new administration is formed following the May 2023 local government elections. At that time the new administration can determine how they wish to address the senior staffing arrangements for the council.
- vii. Council is invited to consider the options set out within this report for meeting its statutory staffing obligations and determine what robust and appropriate management arrangements should be put in place pending a more substantive review being undertaken by a permanent Head of Paid Service in due course.

## Recommendations

Council is recommended to:

**1. Agree:**

- (a) That the appointment of the current Head of Paid Service and Interim Chief Executive, Elizabeth Elliott, be extended until either 31 December 2023 or the date upon which a permanent appointee commences in post, whichever is earlier;**
- (b) That the Director of Resources and Chief Financial Officer, Clive Mason, continue to act as the Interim Deputy Chief Executive until 31 December 2023;**
- (c) That the local variation of terms and conditions for the period of the interim appointment to the role of Chief Executive as set out in the report.**

**2. Note:**

- (a) That the appointment of Clare Pattinson, Director of Law and Governance, as the council's Monitoring Officer, will continue until at least 30 June 2023;**
- (b) That the Interim Director of Communities, Vicki Jessop will continue in post until 31 May 2023**

## Reasons for Recommendations

- viii. The council is required to appoint individuals to the statutory posts of Head of Paid Service, Monitoring Officer, and Chief Finance Officer. These appointments are a function of Council.
- ix. The current interim Head of Paid Service appointment is due to expire on 28 February 2023. To remain compliant with legislation, a Head of Paid Service needs to be appointed with effect from 1 March 2023. The role is currently being fulfilled by the Deputy Chief Executive, who is acting as Interim Chief Executive.
- x. As a local election will take place in May 2023, while it is appropriate that decisions as to the permanent recruitment of the Chief Executive should be taken by the new administration, it is necessary for suitable temporary arrangements to be approved in the interim.

## **1. Purpose of Report**

- 1.1 The appointment of the Chief Executive and Head of Paid Service is a Council decision.
- 1.2 Council considered the appointment of a shared chief executive as part of the report presented on 19 December 2022 but did not adopt it. As a result, the interim arrangements for the Chief Executive and Deputy Chief Executive, entered into in June 2022, were extended from the end of December 2022 until the end of February 2023.
- 1.3 It is now necessary for Council to determine the arrangements for the Head of Paid Service and Chief Executive with effect from 1 March 2023.

## **2. Background**

- 2.1 Following the retirement of the previous permanent Chief Executive on 28 February 2022, a review of the current Chief Executive model was undertaken and alternative options presented to Council. At the council meeting in February 2022, it was decided to explore the alternative options for the senior management of the organisation with a further report to be provided.
- 2.2 In June 2022 Council agreed its preferred approach was the recruitment of a Chief Executive shared with another local authority. Council delegated the assessment of potential strategic partners to the Leader and Interim Chief Executive in accordance with the criteria identified in the report with a report to be provided to Council on possible options.
- 2.3 In December 2022 Council received a recommendation to enter into a Strategic Partnership with Melton Borough Council and appoint a shared chief executive but this recommendation was not adopted by Council. Council instead extended the interim arrangements for the posts of Chief Executive and Deputy Chief Executive until February 2023 to allow time for further options to be presented back to Council.

## **3. Details**

- 3.1 The current arrangements, as stated above, expire at the end of February 2023. Of the five members of the Corporate Management Team ("CMT"), there are currently 4 interim appointments. Two of the 4 interim roles are filled by permanent employees undertaking additional roles and 2 are filled by interim staff members.
- 3.2 The number of interim appointments within the CMT is a significant risk to the stable management of the council. However, as there are local government elections in May 2023, it is proposed to continue these arrangements until after the election to allow the next administration to decide how it wishes to proceed with the appointment of a permanent Chief Executive. The Interim Chief Executive will monitor the risk and take action as necessary to mitigate it.
- 3.3 The Interim Chief Executive will be working with colleagues internally to develop options for the new administration so that as soon as practically possible after the election recruitment for these posts can be undertaken. When a new Leader of the council is appointed in May 2023 the Interim Chief Executive will meet with them to discuss the options and to proceed as directed by the Leader.

- 3.4 As the Head of Paid service, the Interim Chief Executive will ensure that the resources needed to deliver council services are available, supported by appropriate structures and recruitment. Councillors will be informed of the structural proposals and will form part of any recruitment process, but the structure of the roles remains the responsibility of the Head of Paid Service.
- 3.5 Councillors will recall that the recruitment of a permanent Chief Executive can be a lengthy process of up to six months, with the start date of the selected candidate potentially being delayed further due to the length of notice period of the incoming Chief Executive. To prevent the destabilising effect of, and increased risk posed by, repeated short term extensions of the most senior officer of the council, it is recommended that the interim arrangements are confirmed until either 31 December 2023 or the commencement date of a new Chief Executive, whichever is earlier.
- 3.6 To support the Interim Chief Executive, it is considered appropriate that the role of Deputy Chief Executive should also be filled on a similar basis. At present, this role is currently being fulfilled by the Director of Resources, in addition to his substantive role.
- 3.7 Mrs Elliott has agreed to continue in the role of Interim Chief Executive until 31 December 2023 or the earlier commencement of a new permanent Chief Executive. However, she has requested that the terms and conditions of her appointment have a local variation.
- 3.8 In her substantive role as Deputy Chief Executive Mrs Elliott is under Joint Negotiating Committees (JNC) terms and conditions of employment. In the 2022/23 pay award for staff on National Joint Council (NJC) terms and conditions, which applies to all other staff in the council, an additional one day annual leave was agreed nationally to take effect from 1st April 2023. JNC staff were not awarded an extra day leave.
- 3.9 Harborough Council staff historically have all received the same annual leave entitlement, regardless of grade, unlike some other districts and boroughs. Therefore, it is considered fair and appropriate for Mrs Elliott to continue to receive the annual leave she would have been entitled to had she remained in her substantive post of Deputy Chief Executive. The council has discussed this request with its recognised trade union, Unison, who have agreed to the request for a local variation to ensure that all staff receive one additional day of annual leave with effect from 1st April 2023.

## **4. Implications of Decisions**

### **Corporate Priorities**

- 4.1 As the Chief Executive has overall responsibility for the delivery of all services this report has implications for whole content of the Corporate Plan and priorities.

### **Financial**

- 4.2 The proposed final budget for 2023/24 has taken account of potential savings from the restructure of the management team. If the management team structure remains the same these savings would potentially not be achieved, and further savings proposals would be needed to compensate for this undeliverable proposal. The additional cost for interim arrangement has been provided for in the budget also but the longer the arrangements continue the more expensive the cost of the management team becomes.

## **Legal**

- 4.3 Section 4 of the Local Government and Housing Act 1989 requires every relevant authority to designate one of its officers as Head of the Council's Paid Service. The decision must be taken by Council. The legislation confirms that the Head of Paid Service can hold the statutory role of Chief Finance Officer but cannot hold the position of Monitoring Officer however it is proposed that each role within the council continue to be performed by different individuals.

## **Policy**

- 4.4 The policies relating to recruitment and selection have been followed. In future recruitment of the management team members will be included in the selection process as set out in the constitution.

## **Environmental Implications including contributions to achieving a net zero carbon Council by 2030**

- 4.5 None directly arising from this report.

## **Risk Management**

- 4.6 Periods of change and transformation can be unsettling for the organisation and affect delivery of services.
- 4.7 There will be a continued period where no permanent Chief Executive Officer (CEO) is in post whilst the options for recruitment are considered. There must however be an employee designated as the Head of Paid Service for the council.
- 4.8 Interim management arrangements pose a greater risk to the council, or any organisation, than permanent appointments. The capacity and knowledge of the CMT can be maintained through interim appointments but can adversely impact its ability to develop strategies and teams over the longer term. It is considered vital to the continued success of the council that the CMT provide a stable platform to transform the organisation and make improvements to both internal processes and services delivered to customers.

## **Equalities Impact**

- 4.9 Equalities are assessed as part of on going recruitment policies and procedures. There are none directly resulting from this report as it is a continuation of a current arrangement.

## **Data Protection**

- 4.10 There are no data protection implications arising from this report. All information on salaries and terms and conditions are available publicly either through the council's pay policy statement or as disclosed in the council's accounts.

## **Summary of Consultation and Outcome**

- 4.11 Discussions with current post holders on the potential extension of their current interim contracts has been undertaken.
- 4.12 Discussions with the Leader of the council and the Leader of the opposition have been undertaken by the current Interim Chief Executive.
- 4.13 Discussions with Unison have been undertaken by the HR Manager.

## **5. Alternative Options Considered**

- 5.1 Alternative options available to the council include recruiting an Interim Chief Executive from an agency on a short fixed term contract. However, this option has not be explored further as it offers no advantages to the extension of the current arrangements, and in fact may prove more expensive to the council given the constrained supply of suitable candidates for the role.
- 5.2 The option of utilising a shared chief executive to cover the recruitment period has been discounted as a consequence of the strong views expressed by Council at its meeting in December 2022 when rejecting a permanent shared Chief Executive.
- 5.3 Given that there is a statutory requirement to appoint a Head of Paid Service, and a need for an officer to lead the council as it delivers vital public services to the people of the Harborough District, it is not considered realistic to not appoint an interim Chief Executive.

## **6. Background papers**

*Cabinet and council decisions relating to the pursuit of a strategic partnership*

*Previous council reports June 2022 and December 2022*

## Harborough District Council



### Report to Council

27 February 2023

<b>Report Number:</b>	10c
<b>Title:</b>	<b>Annual Report of the Leicestershire and Rutland Safeguarding Children Partnership</b>
<b>Status:</b>	Public
<b>Key Decision:</b>	N/A
<b>Report Author:</b>	Julie Clarke, Equality and Diversity Officer, <a href="mailto:j.clarke@harborough.gov.uk">j.clarke@harborough.gov.uk</a> , 07827 883341
<b>Portfolio Holder:</b>	Councillor Dann, Corporate & Regulatory Services
<b>Appendices:</b>	1 - Leicestershire and Rutland Safeguarding Children Partnership Annual Report 2021/22

### Summary

- i. Harborough District Council is a partner of the Leicestershire and Rutland Safeguarding Children Partnership (LRSCP). Best practice guidance from the Local Government Association (LGA) is that one of the key 'must know' questions for District Council Members is to ask 'if the council formally consider the annual report of the safeguarding children partnership, and does this identify issues for your council area?' Therefore, it is recommended that the annual report of the Safeguarding Children Partnership is formally discussed at Council meetings.

### Recommendations

**Council is requested to:**

1. **Receive and consider the annual report of the Leicestershire and Rutland Safeguarding Children Partnership.**

### Reasons for Recommendations

- ii. Harborough District Council has a legal duty to safeguard children, young people, and adults at risk of harm. Safeguarding, in its broadest sense, is defined as 'to protect from harm'. The council works with the Leicestershire and Rutland Safeguarding Adults Board and Safeguarding Children Partnership, primarily, as well as other agencies, to ensure safeguarding is embedded within all its services throughout the organisation. The council also has a duty to ensure that all elected Members comply with

## **1. Purpose of Report**

- 1.1 Council is requested to formally consider the annual report of the Safeguarding Children's Partnership and identify whether there are any issues for the Harborough District.
- 1.2 Discussing the annual reports at a meeting of Council makes sure all Members are informed of safeguarding matters relevant to the district whilst also promoting and increasing safeguarding awareness.

## **2. Background**

- 2.1 The Safeguarding Children Partnership produce annual reports outlining what work has been undertaken during the year and what priorities have been set for the following 12 months.

## **3. Details**

- 3.1 The Leicestershire and Rutland Safeguarding Children Partnership report covers the period from 1 April 2021 to 31 March 2022 and highlights that the Covid-19 pandemic has continued to impact on families and children. More recently additional pressures have emerged such as the increased cost of living. The partnership have sought to work together and support each other across the system and at all levels of organisations to continue to identify and respond effectively to children in need of safeguarding.
- 3.2 The Safeguarding Children Partnership has set the following priorities for 2022/23 onwards:
  - Safeguarding babies
  - Child mental health and emotional wellbeing
  - Safeguarding children from diverse backgrounds
  - Harm outside of the home
  - Safeguarding in independent and out of school settings
- 3.3 Safeguarding Officers at the council made 11 child referrals during the period 1 April 2021 to 31 March 2022, not all were reported to Children's Social Care some were reported to the Police or other relevant agencies. The main concerns within the district were child neglect, exploitation, and domestic abuse. Safeguarding Officers work in partnership with agencies to ensure that best practice and guidance is adhered to, and referrals are not closed without a suitable outcome being achieved.

## **4. Implications**

### **Corporate Priorities**

4.1 This report promotes the following corporate priorities:

CO6: Our residents will be able to live more independent lives, with the right support and guidance in place to allow this

CO10: Physical and mental health needs will be addressed to prevent crisis and support those that are the most vulnerable in our communities, including those that face loneliness, food, and fuel poverty and those that need support to remain in their own homes

### **Financial**

4.2 There are no financial implications as this is resourced through existing budgets. The council's Equality and Diversity Officer attends Children Partnerships' training and events to ensure that latest guidance or procedural updates are circulated accordingly.

### **Legal**

4.3 The council has a legal duty to protect children and young people at risk of harm.

### **Policy**

4.4 Safeguarding policies are in place for adults and for children and young people which align with the Safeguarding Children Partnership. They are reviewed every two years to ensure that they are reflective of current concerns.

### **Environment**

4.5 No direct impact

### **Risk Management**

4.6 Safeguarding is a mandatory responsibility of the council and the failure of councillors to effectively understand, monitor and promote safeguarding issues could result in harm to residents or service users.

### **Equalities Impact**

4.7 There are no equality implications mentioned within the annual reports, but the importance of considering equality issues in conjunction with safeguarding is extremely important to ensure that everyone receives the assistance they need to protect them from harm. All staff at Harborough District Council receive Equality and Diversity as well as Safeguarding training and Equality Analyses are completed during each safeguarding policy review to ensure that gaps are identified, and procedures can be amended as necessary.

### **Data Protection**

4.8 The annual reports are publicly available and contain no personal data therefore there is no data protection implication.

## **Consultation**

4.9 The board and partnership completed their own consultation.

## **5. Alternative Options Considered**

5.1 There are no options to consider within this report.

## **6. Background papers**

[Harborough District Council Children and Young People Safeguarding Policy and Procedures 2021](#)



**Safeguarding  
Children Partnership**  
LEICESTERSHIRE & RUTLAND

Leicestershire & Rutland  
**Safeguarding Children Partnership**  
**Annual Report - 2021-22**

# 1. Foreword

We are pleased to present this report of the Leicestershire & Rutland Safeguarding Children Partnership that covers the period from 1 April 2021 to 31 March 2022.

Over the past year the Covid-19 pandemic has continued to impact on families and children, and more recently additional pressures have emerged, such as increased cost of living. These factors have put further pressure on those working with families and children and the whole system supporting children's health, wellbeing and safety.

As a partnership we have sought to work together and support each other across the system and at all levels of our organisations to continue to identify and respond effectively to children in need of safeguarding. We have seen good progress in sharing information well and in developing new approaches to support the safety of babies and adolescents.

In the midst of the challenges we see workers and managers in organisations across Leicestershire & Rutland striving to work with others to support the welfare and safety of children.

We know, however that we cannot be complacent, we need to continue strong communication, robust challenge, a desire to improve and a focus on the welfare of children across our and all organisations working with children. As a partnership we will continue to focus on learning and improving, and look to better understand the impact that our work together as partners has on supporting children to be safe and well and reach their full potential.

Thank you to all workers and managers who really see, listen to and work so hard to support children in Leicestershire & Rutland to be safe.

The Safeguarding Partners for Leicestershire & Rutland

***“[The worker] always made me feel heard and safe. I often would cry at the constant unconditional kindness she would show me. It helped me find the strength to open up to others too”*** (Young person – Domestic Abuse Consultation)

## 2. The Partnership

The Leicestershire & Rutland Safeguarding Children Partnership (SCP) brings together organisations across the counties of Leicestershire and Rutland with the vision:

*“For children and young people in Leicestershire and Rutland to be safe, well and achieve their full potential”*

The members of the partnership include the statutory safeguarding partners: Police, Local Authorities, and Integrated Care Board. For the period of this report the Clinical Commissioning Groups for the area were statutory safeguarding partners, but these were replaced by Integrated Care Boards from July 2022.

The membership also includes other relevant agencies including schools, health agencies, probation and other organisations working with children. The full membership of the partnership can be found on the SCP website <https://lrsb.org.uk/scp-membership-list>.

### **The Partnership:**

- Sets how organisations should work together to safeguard children
- Provides multi-agency training and development resources to support good safeguarding
- Tests how well organisations are working together and the difference this is making
- Reviews serious safeguarding incidents to identify improvements needed
- Uses learning and feedback to improve and develop how agencies work together to safeguard children.

Independent Scrutiny of the work of the partners and the partnership is led by an Independent Advisor. The Independent Advisor for Leicestershire and Rutland is jointly appointed with Leicester Safeguarding Children Partnership Board. The Independent Advisor scrutinises the work and effectiveness of the partnership and provides an independent view into decisions regarding Local Child Safeguarding Practice Reviews.

This is the statutory report of the SCP outlining the work it has carried out from April 2021 to the end of March 2022. The Independent Advisor's scrutiny report is included at the end of this report.

For more information on how the SCP works please visit <https://lrsb.org.uk/lrscp>.



## 3. The work of the Partnership

### 3.1 The Priorities of the Partnership

The SCP worked with the Leicester Safeguarding Children Partnership Board to identify the following shared priorities and outcomes for 2021/22:

**Covid-19 response (shared with the Safeguarding Adults Boards for Leicester, Leicestershire & Rutland):**

Understanding and responding to the impact of Covid-19 on Safeguarding adults and children so that safeguarding approaches are effective in recovery from Covid-19 and informed by learning from the pandemic

***What we did:** The partnership continued to assess and respond to the impacts of the pandemic on safeguarding and held reflective review meetings to identify learning and partnership working to continue and adapt.*

**Safeguarding Babies:** Improving how we work together with families before and after births to safeguard babies and seek assurance that multi-agency working with families to safeguard babies is effective.

***What we did:** The partnership changed procedures and provided training to respond to learning from local and national reviews. The partnership supported the roll out of the ICON project to support new parents to cope with crying babies.*

**Child Mental Health and Emotional Wellbeing:** Seek assurance that partnership working supports good mental health for children and that mental health and safeguarding are effectively addressed together

***What we did:** The partnership gained assurance of safeguarding approaches for children on waiting lists for mental health services. The partnership needed more assurance that pathways for mental health support also support good safeguarding, so will continue to follow this up in the coming year.*

**Domestic Abuse and Child Safeguarding:** Seek assurance that partners are responding appropriately to safeguard and support children living with domestic abuse

***What we did:** The partnership carried out an audit of cases involving domestic abuse and sought the voice of children and fed the findings from this into domestic abuse needs assessments, reviews of domestic abuse services and a review of domestic abuse safeguarding procedures.*

**Harm outside of the Home:** Seek assurance that the local approach to safeguarding children from extra-familial threat is effective.

***What we did:** The partnership received updates on progress in the development of the local approach to address harm outside the home. The partnership will continue to follow this up in the coming year when this is completed. The partnership reviewed local approaches regarding peer-on-peer sexual abuse and developed engagement with independent education settings.*

**Safeguarding Children from Diverse backgrounds:** Understand and improve how well partners work together with children and families from diverse backgrounds.

***What we did:** The partnership identified many partners had not carried out work internally regarding understanding safeguarding children from diverse backgrounds and scoped work to continue into the next year through a dedicated group.*

The work on these priorities was embedded within the assurance, training, procedure and review work of the partnership outlined in more detail in the following sections of this report.

***“Don’t see people like us as weak, victims or broken, we are strong and survivors. I want to hear ‘you can do it’ not ‘you went through all this and that’s why your life sucks’ completely changed the narrative of the support”***

*(Young person – Domestic Abuse Consultation)*

## 3.2 Seeking Assurance

The SCP has a Quality Assurance Framework shared with the Leicester Safeguarding Children Partnership Board. This can be found here <https://lrsb.org.uk/lrscp>.

### Performance data

During the year the SCP reviewed comparative data for the safeguarding system against other areas of the country. This showed that rates of referrals and repeat referrals in Leicestershire & Rutland and trends in these were in line with other areas of the country. End of year data had not been considered by the time this report was completed and is not able to be shared.

### Self-assessment

During 2021 the safeguarding partners and specific relevant agencies carried out a self-assessment of their safeguarding effectiveness. The partnership focussed this assessment on specific areas of priority in the pandemic, including staff welfare, support and capacity, responding to the voice of children and response to domestic abuse.

Following improvement work in the year almost all partner agencies provided some evidence that they were effective across all areas in the assessment:

- Governance of safeguarding,
- Consideration of safeguarding in commissioning,
- Consideration of safeguarding in service change, including the response to Covid-19,
- Supporting workforce capacity and resilience in order to effectively safeguard children,
- Engaging with children to hear and respond to their voice, and
- The response to children affected by domestic abuse.

The assessment did not directly identify any areas for significant work across partners or on a multi-agency basis. All agencies were asked for their plans for how they would improve effectiveness, which will be followed up in next year's assessment.

This self-assessment was backed up by positive inspection outcomes for the Leicestershire and Rutland County Councils and Leicestershire Police relating to their work with children and families including safeguarding.

## Audits

The SCP carried out one multi-agency audit in 2021-22 focussed on domestic abuse and safeguarding children. Alongside this health partners funded Barnado's to carry out some work to hear the voice of Children from homes where domestic abuse had taken place.

The audit reviewed ten cases across Leicester, Leicestershire and Rutland and found that across the majority of cases there was good multi-agency working, information sharing and involvement in safeguarding processes. The voice of children was often sought and considered well by most agencies. A different agency in each of three cases could have improved how they considered and shared the voice of children within the safeguarding process. There were a number of notable areas for improvement:

- There was a consistent lack of engagement with the perpetrators of domestic abuse, often males, and a lack of consideration of referral to routes to address their behaviour.
- In some cases there was an over-reliance on victims to manage the behaviour of perpetrators
- Sometimes expectation was placed on children to report if parents' abusive relationships restarted, a potentially inappropriate responsibility.
- In Leicestershire domestic abuse agencies were not being invited to multi-agency child protection meetings.
- The diversity and backgrounds of children and families and impact of this was not clearly considered in most cases in Leicestershire and Rutland

The Barnardo's consultation work sought the views of young people whose parents had been considered as at high risk of harm at Domestic Abuse MARAC (Multi-Agency Risk Assessment Conference) meetings. The findings from this are detailed in the section of this report on feedback from children and families.

A review of the SCP domestic abuse procedures will be completed in 2022 which will take into account the findings and recommendations of the audit and Barnado's report. These findings have also been reported into local Community Safety and Domestic Abuse Partnership arrangements and the SCP will follow up how these have been responded to.

***"I felt like I had to keep explaining myself which was exhausting"***

*(Young person – Domestic Abuse Consultation)*

## Schools Surveys

### Rutland

Rutland Safeguarding through Education Audit was undertaken during October 2021.

The audit was distributed to all Rutland education providers inclusive of:

- Rutland State Funded and Independent schools,
- Individuals in governance roles in maintained schools and academy trusts,
- Private and Voluntary Early Years Sector,
- Wraparound and Holiday Childcare providers, and
- Out-of-County providers of Rutland children with Special Educational Needs and Disabilities (SEND) and Children Looked After (CLA).

50% of Rutland's education sector returned their response to the audit and these indicated widespread good practice in governance, process and practice in relation to safeguarding children.

Future engagement activities and promotion of the audit will be planned to increase the number of responses to ensure that the information gathered is even more robust and reflective of practice across all Rutland education and childcare providers including 'Out of County' provisions accessing Rutland funding for children with special education needs and/ or disabilities and for Children Looked After. In addition focused Rutland Safeguarding events have been diarised through to January 2023.

### Leicestershire

Leicestershire Schools Safeguarding Annual Return was sent out for return in November 2021. 99% of schools in Leicestershire returned the survey. The return identified widespread good practice in training and recruitment in relation to safeguarding children and prompted improvement in practice in relation to checks made by the safeguarding governor for almost 20% of schools. The return also prompted improvement in practice in regard to approaches to hearing the voice of children in schools and responding to sexual abuse.

### Leicestershire & Rutland

The surveys in both Leicestershire and Rutland asked about the actions or planned interventions schools took in response to Ofsted's ['Review of Sexual Abuse in Schools and Colleges'](#) report. Almost all schools had taken action in response to this, in terms of training, policy update, awareness raising with staff and pupils and many had worked with pupils to provide additional routes to raise concerns or identify areas of particular concern in the school.

***"I feel like school had a big part in it, they were very supportive. I had a time out card at school which allowed me to get out of lessons and talk to someone or be alone if I needed to"*** (Young person – Domestic Abuse Consultation)

## Other assurance work

The Independent Advisor carried out visits to the 'front door' services for Children's Social care and the Police to meet with staff and managers and assess local working and systemic issues impacting their practice. This is detailed further in the report of the Independent Advisor.

The SCP set up a monthly 'Keep in Touch' assurance meeting with Leicester SCP to continue to consider ongoing impact of the pandemic and other operational matters affecting safeguarding services, with a particular focus on workforce capacity and wellbeing. During the year this identified the following areas of concern:

- There are workforce capacity issues in many services and significant area of challenge in some services. Covid-19 is a factor in this, as well vacancies and availability of trained staff. All services are prioritising children at risk and safeguarding within their response to these challenges. (October 21)
- Workforce capacity issues could prevent concerns and issues being picked up early and could lead to missed opportunities to identify and respond to risk of abuse or neglect early. (January 22)
- Permanent exclusions have increased and there remains a large increase in number of children electively home educated, which decreases visibility of these children. (March 22)
- There are large waiting lists for children's community health services which may potentially impact upon the development, health and well-being of children, and increase stress in families (March 22)

In response to these concerns the SCP has supported open reflection and conversations regarding the impact of workforce gaps on services and how this is impacting safeguarding through the Keep in Touch meeting and at the main Partnership meetings and has gained assurance that safeguarding continues to be prioritised. The SCP also tasked partners to review how they were identifying and supporting children at risk of harm, particularly those who were less visible to services, such as those missing education or electively home educated.

In addition the SCP reviewed local approaches and practice regarding:

- Peer on peer sexual abuse between children
- The Independent Inquiry into Child Sexual Abuse reports regarding religious institutions and institutional responses to allegations.
- Child Sexual Exploitation and Missing children

From these the SCP identified a need to develop engagement with private schools in the area regarding safeguarding, and following consultation set up a safeguarding forum for private schools in the area alongside existing safeguarding engagement approaches with maintained schools that will commence in the summer of 2022. When the SCP followed up progress on work to address peer on peer sexual abuse at the end of the year it identified inconsistencies in responses across the area and commenced a review of procedures in line with national guidance which will be completed in summer 2022.

This work has also shaped the SCP's priority for 2022/23 to support safeguarding in independent, out of school and small community settings.

***“My social worker was kind, she helped me with practical things. However, my social worker then changed lots of times to someone I had no connection with, I would get transferred and wouldn’t know it was going to happen... it was a very unsettling time; I didn’t know what was happening or when?”***

*(Young person – Domestic Abuse Consultation)*

### 3.3 Multi-Agency Safeguarding Procedures

The partnership has ensured procedures are in place for multi-agency safeguarding in line with [Working Together 2018](#) and has specifically revised the following procedures in response to learning from local and national reviews and assurance processes:

- Procedure for children on child protection plans who leave the UK,
- Guidance regarding children with mental health needs/self-harm and suicide risk
- Neglect Toolkit updated to include adolescent neglect, Sudden Unexplained Infant Death (SUDI) syndrome and pre-birth neglect
- Pre-birth child protection procedure
- Review of the multi-agency thresholds document
- Leicester, Leicestershire & Rutland Child Protection Practice Standards document
- In addition work was underway at the end of the year to complete:
  - A review of the Fabricated and Induced Illness procedures
  - A review of the domestic abuse procedures

The SCP procedures can be found online: <https://llrscb.proceduresonline.com/index.htm>.



### 3.4 Training

The SCPs training co-ordination and delivery function is shared with the Leicester Safeguarding Children Partnership Board to support consistent and effective partnership working.

With the continued impact of the pandemic almost all training was delivered online, however in March 2022 we were able to run our first large-scale in person training event in two years. This was run partnership with De Montfort University (DMU) for World Social Work Day. 125 participants accessed a full programme on 'Transcending Otherness: Disturbing Othering' supporting inclusive practice.

We provided training resources and events in support of our priorities as well as other areas identified in a training needs assessment with partners, identifying other key areas including neglect, intrafamilial sexual abuse and multi-agency safeguarding more broadly.

As well as our core training programme we supported the Violence Reduction Network (VRN) with the booking and administration of an extensive, tiered, Trauma Informed training programme. We have also supported smaller projects by individual agencies such as the Reducing Parental Conflict programmes in Leicester City and Leicestershire

We continued to use a more blended approach to learning incorporating video resources and resource packs alongside online training sessions and exploring different approaches.

One new approach was the 'Festival of Learning'. This was run as a series of 43 training sessions held online over two weeks in September 2021 focussed on how the Statutory, Voluntary and Community Sector Work Together to Safeguard Children.

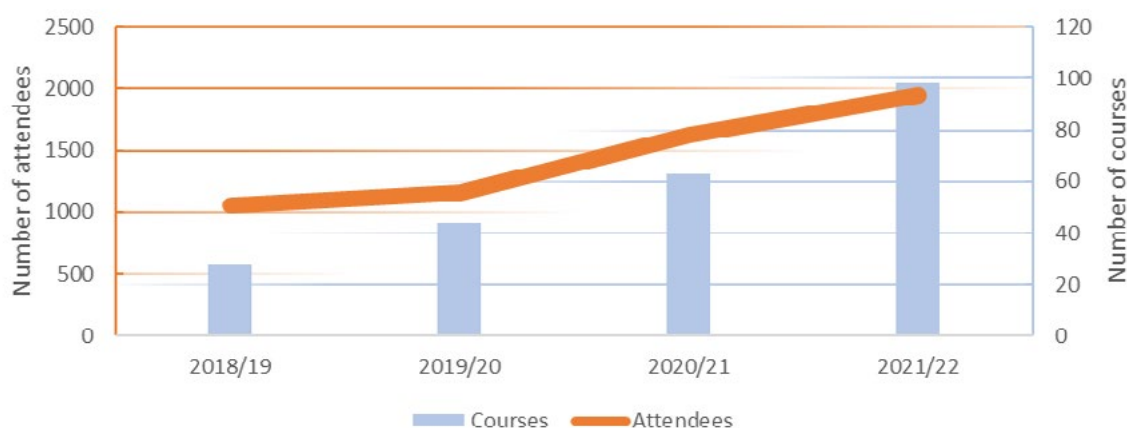
Feedback on the event was good, and demonstrated a need for more training focussed on the voluntary and community sector, however less people attended that we aimed for. The training group has reflected on this and identified areas for improvement for running a similar event in future to increase attendance, including work to increase the reach of information about the event into the voluntary and community sector.

Another new approach has been joint work with the Safeguarding Adults Board to provide some resource packs for learning and sharing on common themes. In 2021-22 we produced two shared 'Build Confidence in Practice' resources:

- 1) Working with Resistance
- 2) Professional Curiosity

Overall training was delivered to almost two thousand (1949) individuals over 98 training events this year. The chart overleaf identifies a continued increase in numbers attending SCP training on previous years.

Leicester, Leicestershire & Rutland Safeguarding Training -  
Attendees and Courses



Alongside this increase several training events were cancelled due to sickness and/or low numbers. There were also a lot of courses which were fully booked but only a half to two thirds of registered participants attended. When reaching out to understand lack of attendance workers reported a significant increase in workload which has been aggravated by a lack of staff, either through sickness or outstanding vacancies.

Our training evaluation shows an increase of 80 to 90 points (on a scale from -100 to +100) across evaluated training in all areas of knowledge, confidence, and skills, in line with last year. This is based upon a return rate of 42% of course attendees, which we are aiming to improve. With broadened learning options it is more difficult to identify who is accessing training materials and therefore the full reach and impact of SCP training.

We want to improve our understanding of access to and impact of SCP training resources to enable us to focus on providing effective training and learning resources that support changes in practice. To do this we will as we explore a learning management system that will work with our continued blended approach including in-person and online training sessions alongside continued use of video and online training resources that can be used in individual agency settings.

To support improved attendance we will also look to reintroduce a charging policy that was suspended with the pandemic.

***“The training was so insightful and engaging. Really pleased I joined. I have gained so much knowledge but also practical skills as well.”***

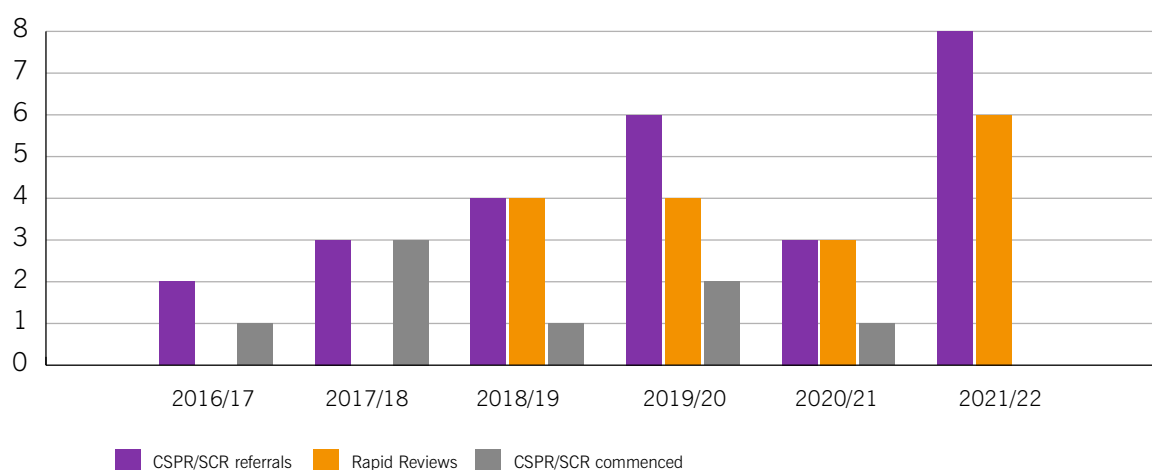
***“This was one of the most comprehensive and interesting training sessions I have attended. Getting the local picture in relation to Modern Slavery was both fascinating, but also worrying, with me now reflecting on recent cases and thinking that I could/should have been more curious. I really recommend all frontline practitioners attend future sessions whether you think it is relevant to your role or not as you will come away knowing just how relevant it is.”***



## 4. Child Safeguarding Practice Reviews

The partnership assesses Serious Safeguarding Incidents as defined by Working Together 2018 and decides whether a Child Safeguarding Practice Review (CSPR), in order to identify how to improve safeguarding responses in future, is required.

The Partnership carried out six rapid reviews following a serious incident notification and considered two further referrals for review in the period of this report. As shown in the chart this is a notable increase in referrals compared to previous years. The Safeguarding partners will monitor this to identify any longer-term trends.



The partnership was able to identify learning to improve safeguarding systems from five of the six Rapid Reviews. The partnership identified no further learning was to be gained from further review of any of these cases and therefore no Child Safeguarding Practice Reviews were required. This view was supported by the Independent Advisor to the Partnership and by the National Child Safeguarding Practice Review Panel.

Two Child Safeguarding Practice Reviews commenced in previous years were nearing completion at the end of March 2022 to be published later in 2022. These have taken longer than the statutory six months to complete for the following reasons:

- Commencing reviews delayed by finding availability for meetings across partners, agreeing an approach regarding the reviewer and commissioning a reviewer.
- The reviewer has identified they need to speak to professionals who worked directly with the children and their families to fully understand the case and learning, which has been delayed awaiting decisions regarding prosecution.
- Criminal processes have also delayed speaking to families.
- In one case lack of availability of the identified expert reviewer to complete the work has delayed progress on the review.

The partnership has continued to develop approaches to improve quality and timeliness of rapid reviews. Local agencies worked well to continue to contribute to rapid reviews and the ongoing Child Safeguarding Practice Reviews whilst facing continued resource challenges during the pandemic.

In addition the rapid reviews and Child Safeguarding Practice Reviews have identified good individual and multi-agency working by many organisations to prioritise, see and respond to children at risk of harm during the ongoing restrictions of the pandemic.

The reviews also identified the following key areas for further work:

- Responding to families where parents have chaotic lifestyles and/or multiple complex needs
- Understanding the impact of modern slavery of adults on children's lived experience
- Information sharing between health agencies, particularly midwifery and health visiting services
- Recognising the impact of parental learning difficulties on parenting and responding to additional support needs relating this.
- Improved confidence in recognising and responding to potential Fabricated and Induced Illness.
- Continued work in health, police, local authority services and across all agencies to support identification and response to neglect
- Consistent use of the procedure to respond to bruises or marks of concern on pre-mobile babies
- Promote messages regarding safe use of bath seats

In response to this learning from reviews the following action has been undertaken:

- Improved the Thresholds document, the Pre-Birth and Post Birth Planning procedure and the Management of Bruises, Marks, and Injuries of Concern in Pre-Mobile Babies and Non-Independently Mobile Children procedure
- Significant update to the Fabricated or Induced Illness procedure
- Delivery of a learning session on Modern Slavery and its effect on children, which will be repeated in the New Year due to demand.
- Promotion of bath seat safety awareness with Public Health within social care and the health community
- Promotion of proactive communication with substance misuse treatment agencies where parents are substance misusers.
- Local work to highlight the importance of hearing and responding to the voice of children including promotion of the 'Was not brought' video and 'Was Not heard' video, also used in national psychological wellbeing training
- Neglect toolkit updated to support practitioners to identify and respond to neglect of children including babies and older teenagers.

Learning has been shared with practitioners across organisations through multi-agency training, briefings and learning events to communicate learning, guidance and changes in procedures and learning.

The SCP also communicates learning to the partnership workforce through the Safeguarding Partnerships' [Safeguarding Matters newsletter](#), through articles and '7-minute briefings' designed to convey key messages from reviews and encourage managers and workers to reflect on their practice.

Action plans are in place to respond to other areas of learning from reviews.

The partnership continues to develop its approach to rapid reviews and these have become a useful tool to identify learning swiftly and ensure action can be taken more quickly to respond to matters arising from serious safeguarding incidents.

During the period covered in this report the Child Safeguarding Practice Review Panel published one National Child Safeguarding Practice Review. “The Myth of Invisible Men” Safeguarding children under 1 from non-accidental injury caused by male carers was published in September 2021.

The report identifies *“an urgent need to improve how the system sees, responds to and intervenes with men who may represent a risk to the babies they are caring for. For this group of men, the role that they play in a child’s life, their history of parenting and their own experiences as children and how this effects them as adults, are too frequently overlooked by the services with responsibilities for safeguarding children and for supporting parents”*.

Whilst the recommendations from the report are firstly aimed at national bodies, local partners have been assessing and adapting their response to fathers and other male carers. Five of the eight Rapid Reviews and one of the two CSPRs related to babies who were pre-birth or under 12 months old. Therefore Safeguarding babies has been and remains a priority of the partnership and updates to procedures and training have included the need to consider the role of and include fathers and male carers in work with families.

Local work on the ICON programme promoting strategies to cope with and respond appropriately to crying babies has included a focus on engaging with fathers and public campaign planned for the coming year will have a focus on getting ICON messages to males.

In the coming year the partnership will include focussed questions in all its assurance and review work to assess how fathers and male carers are engaged in safeguarding work and support services. It will also carry out assurance work to assess the effectiveness of local work to safeguard babies.



## 5. How feedback from children and families has informed our work and influenced service provision.

During the year the SCP reviewed its engagement approach to ensure it was having meaningful engagement with young people that made a difference to the work of the partnership.

The focus going forward will be drawing upon existing participation work within organisations across the partnership, to understand what young people are saying about safeguarding and how partners are hearing and responding to the voice and lived experience of children and young people. This will reduce duplication and consultation fatigue, and where the partnership requires specific participation work this will be carried out through working with existing participation groups.

Partners commissioned Barnado's to carry out some work to hear from children and young people whose parents have been considered at Domestic Abuse MARAC to understand their experience. The reach of the survey was limited by the pandemic and interviews were only able to be carried out by telephone with eleven young people.

Most young people felt that support they received was helpful, but they had to wait too long for it, and communication with them about their experience and support, including listening to them could be significantly improved.

The more detailed findings of the consultation were:

- Communication with young people could have been better. Many felt professionals seemed judgemental and did not understand what they had been through. Many young people were anxious about support, not understanding what support would be available or be like.
- Many young people had to wait a long time for support, and in the meantime developed their own coping strategies which were not always healthy.
- Almost all young people who received support from specialist domestic abuse services found this to be beneficial and a positive experience.
- Changes in workers was very unsettling
- Having to repeat their lived experience several times as part of the process caused more trauma for some young people.

The report made the following recommendations:

- Scope existing Domestic Abuse support pathways and arrangements to support children and young people, identifying gaps. Build on good practice examples.
- Young people to be involved in shaping new and existing services for domestic abuse.
- Improving access to and range of domestic abuse services and support.
- Discuss the support offer and the benefits of support services
- Explain and re-explain confidentiality
- Provide needs led holistic support
- Triage for access to appropriate referral pathways
- Audit / examine robustness of multi-agency working
- Trauma Informed Practice training for professionals
- Consideration of a Phase 2 Consultation

All of this feedback and the recommendations will be taken into account in the review of the SCP domestic abuse procedures in 2022 and have been shared with the Domestic Abuse Partnerships to influence domestic abuse strategy, commissioning and service provision.

The Partnership continued to promote and receive excellent feedback on the 'Was not heard' film. This film by young people locally encourages those who work with children to understand how children communicate with them and highlights the importance and legal duty to hear and respond to them.

***“It would have been helpful if someone had helped me to understand what was happening and who was going to be helping me”***

*(Young person – Domestic Abuse Consultation)*

***“I enjoyed the freedom of it. I had a lot of my freedom stripped from me in other ways, and so knowing that I had support and someone I could openly speak about my problems to, without judgement really helped me to be less fearful of speaking about things that happened to me”***

*(Young person – Domestic Abuse Consultation)*



## 6. Changes to the arrangements

The partnership is committed to developing and improving. The partnership continued its joint working arrangements with the Leicester Safeguarding Children Partnership Board to support effective use of resources and consistency in approaches.

The safeguarding partners for the two areas, alongside the Safeguarding Adults statutory partners reviewed the business office support arrangements for the SCPs, and decided to retain current arrangements with a greater focus on join up and reducing duplication.

Chairing of the joint partnership moved from the Independent Advisor to the Safeguarding partners for Leicester, Leicestershire & Rutland in rotation.

The arrangements will also be updated to recognise meetings between the lead representatives of the statutory partners as part of the partnership structure and to clarify delegation and reporting structures within the organisations of the safeguarding partners.

The arrangements document will be updated in line with this and published alongside this annual report.



## 7. Independent Scrutiny -

### Report of the Independent Advisor, Kay Whyte-Bell

During the last year the impact and challenges of Covid 19 have remained however, statutory and partner agencies have responded robustly, ensuring that the most vulnerable are prioritised. It is important to recognise and appreciate the singular and collective efforts of all members of the statutory and partner agencies in their relentless focus on safeguarding children, their continued collaboration and seeking to identify and seek solutions to the emerging gaps, issues and challenges.

A key priority for Scrutiny Activity was to hear the voice of frontline practitioners and managers. It is important to get a sense of how strategic decisions and partnerships impact on the day-to-day experience and practice of those charge with delivering on those priorities. This was achieved by meeting with staff from both Leicestershire and Rutland Children's Services, and additionally with Leaders from the Clinical Commissioning Group (CCG).

Overall, there were minimal multi-agency practice issues identified, and those that were, all practitioners and managers had a good understanding of the route to channel issues and used escalation processes as appropriate. Following on from the national interest in the outcome of the court trials in relation to two child deaths, staff reported calls and activity had increased at the front line, coupled with the growing pressure due to recruitment or sickness absence. However, staff reported good support from their managers and leaders as well as excellent partnership arrangements to ensure that resources were made available to respond as well as possible to these emerging challenges.

Leaders from the CCG identified capacity issues particularly in health visiting and midwifery (national issue), but were able to clarify how arrangements had been adapted to ensure that safeguarding children remained a priority for front line service provision. Professional relationships are critical but also in calling each Partner to account; to this end there continues to be regular meetings with Children's Social Care Leaders and Health Leaders to focus on the capacity and response issues.

#### **Scrutiny activity during 2021-22 has included:**

- Attendance at least once of all the SCP's subgroups to seek assurance of process, attendance and engagement
- Meeting with front line staff and managers from Leicestershire CS and Rutland CS
- Meeting with Health professionals from the CCG
- Regular touch base meetings with the 3 Stat Partners
- Regular attendance at the Audit & Assurance Sub-Group
- Member of T&F Group (Safeguarding Children from Diverse Backgrounds)
- Providing independent advice for Rapid Reviews and Case Review Group
- Regular meetings with SAB Chair to assure progress on joint priorities
- Joint Chairing of SAB and SCP's meetings
- Attendance at Vulnerability Executive
- Attended (The Association of Safeguarding Partners (TASP) seminars and East Region Chairs/Independent Scrutineers quarterly meetings

**Key strengths:**

- Through meetings with front line managers and staff evidence of strong collaboration, accountability and partnership across the three Statutory Partners and other agencies
- More Children's Services staff co-located in police Safeguarding Hub brings greater partnership understanding, communication and better working together
- A range of new or updated multi-agency procedures and guidance introduced including the Launch of the newly revised Neglect Toolkit to include learning from the Myth of the Invisible Men national report
- Continuation of the Safeguarding Sub-Cell
- Positive Ofsted reports for both Leicestershire County and Rutland Children's Services evidenced strong partnership working
- Relaunch of the public awareness campaign "Our Door is Open"

**Key areas identified for further assurance activity:**

- Development of a robust multi agency data set linked to the priorities of the SCPs
- Progressing work on joint SAB/SCP's transitions priority
- Evidence of impact in key learning from Rapid Reviews
- Front line staff and managers identified more work to be done on improving the quality of some referrals
- Assurance on the priority of children and young people's mental health and well-being

**Emergent challenges:**

- Workforce issues across all statutory partner agencies. Assurance is being sought that children who are most vulnerable or subject to CPP are being prioritised by all Statutory Partners.
- The local impact of the two recently published national reviews on safeguarding and children's social care is yet to be fully understood whilst the response is considered by national government.

## 8. Finance

The work of the SCP is supported by the Leicestershire & Rutland Safeguarding Partnership Business Office that also supports the Safeguarding Adults Boards and carries out Domestic Homicide Reviews for Community Safety Partnerships in Leicestershire & Rutland. The SCP is funded by contributions from its partners.

A single funding arrangement for the Safeguarding Children Partnerships and Safeguarding Adults Boards for 2020 onwards has been agreed between the statutory partners for the Safeguarding Adults Boards and the children's Safeguarding Partners for Leicester, Leicestershire & Rutland.

**The contributions from partners for the Leicestershire & Rutland SCP and SAB as a whole for 2021/22 can be seen below alongside contributions for the previous year:**

	2020/21	2021/22
Leicestershire County Council	£112,633	£102,496
Rutland County Council	£50,367	£45,833
Leicestershire Police	£89,000	£88,725
West Leicestershire CCG and East Leicestershire & Rutland CCG	£106,500	£88,724
National Probation Services	£1,348	£1,348
<b>Total income for SCP and SAB</b>	<b>£359,848</b>	<b>£327,126</b>

Statutory partners agreed to reduce contributions for one year with the difference to be funded from the SCP and SAB reserves.

**Overall expenditure across the SCP and SAB for 2021/22 was £327,594. Expenditure for the SCP was apportioned as follows:**

	2020/21	2021/22
Staffing	£110,676	£105,579
Independent Advisor	£14,113	£7,914
Support Services	£3,250	£12,370
Operating Costs	£9,128	£6,700
Training	£41,200	£48,100
Case Reviews	£3,760	£5,254
<b>Total Expenditure</b>	<b>£182,127</b>	<b>£185,917</b>

Expenditure overall was broadly in line with the previous year. Expenditure on support services have increased with legal advice for the partnership now funded from this pooled budget. Expenditure on training increased as we implemented training in response to previous review findings and adapted training approaches. Expenditure on staffing reduced due to vacancies in the business office and expenditure on the Independent Advisor reduced with the first full year of the revised Advisor role.

## 9. Priorities 2022/23 onwards

The SCP has reviewed learning from local and national reviews, and from local assurance and engagement work, as well as speaking to children and young people and considering the current context of the pandemic in determining its priorities going forward. The SCP has identified the following shared forward priorities with Leicester Safeguarding Children Partnership Board:

### SAFEGUARDING BABIES

Continue to improve how we work together with families before and after births to safeguard babies



### CHILD MENTAL HEALTH AND EMOTIONAL WELLBEING

Seek assurance that partners are working to support good mental health for children and that mental health and safeguarding are effectively addressed together

### SAFEGUARDING CHILDREN FROM DIVERSE BACKGROUNDS

Complete our work to understand and improve how well partners work together with children and families from diverse backgrounds

### HARM OUTSIDE OF THE HOME

Seek assurance that the local approach to safeguarding children from extra-familial threat is effective. This includes priority work on Safeguarding Transitions shared with the Safeguarding Adults Boards.

### SAFEGUARDING IN INDEPENDENT AND OUT OF SCHOOL SETTINGS

– Work with faith groups, independent schools, community organisations and other settings to support them to play an effective role in safeguarding children.

