

Public Document Pack

COUNCIL

A meeting of Council will be held at Council Chamber, Fenland Hall, County Road, March on MONDAY, 26 FEBRUARY 2024 at 4.00 PM and I request you to attend accordingly for transaction of the following business:

- 1 To receive apologies for absence.
- 2 Previous Minutes (Pages 3 - 14)

To confirm and sign the minutes of 11 December 2023.
- 3 Civic Engagements Update. (Pages 15 - 16)
- 4 To receive any announcements from the Chairman of the Council and/or the Head of Paid Service.
- 5 To receive members' declaration of any interests under the Local Code of Conduct or any interest under the Code of Conduct on Planning Matters in respect of any item to be discussed at the meeting.
- 6 To receive questions from, and provide answers to, councillors in relation to matters which, in the opinion of the Chairman, accord with the provisions of Procedure Rules 8.4 and 8.6.
- 7 To receive reports from and ask questions of Cabinet members with portfolio holder responsibilities, in accordance with Procedure Rules 8.1 and 8.2. (Pages 17 - 62)
- 8 Motion submitted by Councillor Dr Haq Nawaz (Pages 63 - 64)

Motion submitted by Councillor Dr Haq Nawaz concerning bus services in Fenland.
- 9 Motion submitted by Councillor Tim Taylor (Pages 65 - 66)

Motion submitted by Councillor Tim Taylor concerning Bluetongue and Bovine TB.
- 10 Business Plan 2024/25 (Pages 67 - 86)

For Council to consider and approve the Final Business Plan 2024-2025.
- 11 Budget 2024/25 and Medium Term Financial Strategy 2024/25 to 2028/29 (Pages 87 - 156)

To consider the Cabinet recommendations in relation to the General Fund Budget Estimates 2024/25 and the Medium-Term Financial Strategy 2024/25 to 2028/29; the Council Tax levels for 2024/25; the Capital Programme 2024-2027; and the Treasury Management Strategy

Statement, Capital Strategy and Annual Treasury Investment Strategy for 2024/25.

12 Council Tax Resolution 2024/25 (Pages 157 - 160)

Following consideration of the report to this Council on 26 February 2024 and the setting of the Revenue Budget for 2024/25, the Council is required to pass the resolution to set the Council Tax requirement.

13 Constitutional Amendments (Pages 161 - 170)

This report requests that Council authorise amendments to the Constitution as recommended by Cabinet.

14 Senior Manager Pay Policy Statement (Pages 171 - 182)

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2024-2025.

15 Motion submitted by Councillor Tierney (Pages 183 - 184)

Motion submitted by Councillor Tierney concerning the proposed Medworth Incinerator.

Fenland Hall
March



Chief Executive

Friday, 16 February 2024

NOTE The Council may, by resolution, as exemplified below, exclude the public from a meeting during the consideration of any item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that, if members of the public were present, there would be disclosure to them of exempt information as defined in Section 100 I of the Local Government Act, 1972

"Resolved that under Section 100(A)(4) of the Local Government Act, 1972 the public be excluded from the meeting for Item No./Minute No. on the grounds that the item involves the disclosure of exempt information as defined in Paragraph of Part I of Schedule 12A of the Act"

COUNCIL



MONDAY, 11 DECEMBER 2023 - 4.00 PM

PRESENT: Councillor N Meekins (Chairman), Councillor B Barber (Vice-Chairman), Councillor I Benney, Councillor C Boden, Councillor G Booth, Councillor J Carney, Councillor G Christy, Councillor J Clark, Councillor S Clark, Councillor S Count, Councillor D Cutler, Councillor Mrs M Davis, Councillor L Foice-Beard, Councillor Mrs J French, Councillor K French, Councillor R Gerstner, Councillor A Gowler, Councillor A Hay, Councillor P Hicks, Councillor Miss S Hoy, Councillor M Humphrey, Councillor S Imafidon, Councillor Mrs D Laws, Councillor Mrs K Mayor, Councillor A Miscandlon, Councillor J Mockett, Councillor P Murphy, Councillor D Patrick, Councillor B Rackley, Councillor D Roy, Councillor C Seaton, Councillor E Sennitt Clough, Councillor T Taylor, Councillor S Tierney, Councillor S Wallwork and Councillor Woollard

APOLOGIES: Councillor D Connor, Councillor S Harris, Councillor C Marks, Councillor Dr H Nawaz, Councillor D Oliver, Councillor M Purser and Councillor M Summers

C22/23 PREVIOUS MINUTES

The minutes of the meeting of 2 October 2023 were confirmed and signed.

C23/23 CIVIC ENGAGEMENTS UPDATE.

The Chairman drew members' attention to the civic activities undertaken by himself and the Vice-Chairman in the weeks preceding Full Council.

C24/23 TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN OF THE COUNCIL AND/OR THE HEAD OF PAID SERVICE.

The Chairman paid respect to former District Councillors Barry Wales and Florence Newell who had recently passed away.

The Chairman stated that Barry Wales was a District Councillor from August 1997 until May 2003 for the March West/East ward and had served on various committees including Leisure, Policy, Environmental Services, Appeals, Best Value and Staff.

The Chairman advised that Florence Newell was a District Councillor from June 1992 until May 2003 and then again from July 2006 until May 2019 for the Chatteris South/Slade Lode ward and had served on a number of committees including Planning, Corporate Governance, Standards, Community Services, Development and Leisure, Leisure Services Board and Development Control Sub-Committee.

Members joined the Chairman in observing two minutes silence to commemorate Barry and Florence's lives and their service to Fenland District Council and its communities.

The Chairman thanked everyone who had attended his Carol Service that took place on 8 December 2023, which was an enjoyable event in the historic St Peter and St Paul's Church, Wisbech. He extended his thanks to Member Services for their assistance in organising the event as well as Reverend Canon Matthew Bradbury, the children of Elm Road Primary School and the

C25/23 TO RECEIVE QUESTIONS FROM, AND PROVIDE ANSWERS TO, COUNCILLORS IN RELATION TO MATTERS WHICH, IN THE OPINION OF THE CHAIRMAN, ACCORD WITH THE PROVISIONS OF PROCEDURE RULES 8.4 AND 8.6.

The Chairman stated that no written questions had been received under Procedure Rule 8.6. Councillor Booth asked the following question under Procedure Rule 8.4 as Leader of the Opposition:

- Councillor Booth referred to the Quality Organisation report where it mentions the work of the Audit and Risk Management Committee (ARMC), and feels from an independence perspective and with the ARMC being the critical friend, is it appropriate that the report comes from Councillor Boden, who is the finance portfolio holder and he would have thought it should have come from Councillor Miss French as Chairman of the ARMC. He expressed the view that there may need to be a separate section where updates are given on audit and risk management and also potentially Overview and Scrutiny from the Chairs of those committees in future so the differences can be delineated in the independence of those committees. Councillor Boden responded that the portfolio holder reports are reports from the portfolio holders and he is not only the portfolio holder for finance but also for governance. He stated that this does not mean he performs all or even the important parts of the governance of the Council merely that he has responsibility to ensure that governance and risk management are being carried out in the way in which they should be. Councillor Boden advised that this does not mean that he will agree with it and also means that he has to be subject to it but ultimately he has got a responsibility to ensure that the Council has a system in place for governance and of risk management which is appropriate for the Council. He added that where it is necessary, which happened at the last Full Council meeting, the Chairman of the ARMC, Councillor Kim French, does give a report and is able to be asked questions on the contents of the report and there may be other occasions where Councillor Miss French may also come forward, which may not be such a pleasant occasion as if something goes wrong. Councillor Boden made the point that as the portfolio holder with responsibility for ensuring that the overall system is in place he is pleased to say that it is in place, that the Chairman of ARMC is doing a very good job and he looks forward to the continuing challenge from the ARMC to ensure that both himself and the Cabinet continue to do their jobs as efficiently and effectively as they can.

C26/23 TO RECEIVE REPORTS FROM AND ASK QUESTIONS OF CABINET MEMBERS WITH PORTFOLIO HOLDER RESPONSIBILITIES, IN ACCORDANCE WITH PROCEDURE RULES 8.1 AND 8.2.

Members asked questions of portfolio holders in accordance with Procedure Rules 8.1 and 8.2 as follows:

- Councillor Mrs Mayor referred to the fact that virtually all the bus services have been lost in Fenland and several large rural villages and settlements have no public bus service at all. She stated that bus services between Peterborough and Whittlesey have been reduced by more than half and the late weekday bus from Peterborough to Whittlesey is now non-existent, making it very difficult for young people and people working shifts to get to and from home. Councillor Mrs Mayor asked the Leader what action has been taken to reverse the rapid deterioration of bus services across Fenland generally and in Whittlesey in particular? Councillor Boden responded that it is not the responsibility of Fenland District Council to provide bus services, that responsibility has in recent years moved from the County Council to the Cambridgeshire and Peterborough Combined Authority (CPCA) and what has disappointed him is that much of the additional subsidy which has been given by the CPCA to bus services has gone to the south of the region rather than to Fenland or Peterborough. He stated that he has taken this up on several occasions with the Mayor and with the staff and the portfolio holder responsible, Councillor Seaton, together with officers

of Fenland District Council have also taken this matter up with the relevant officers and councillors at the CPCA. Councillor Boden expressed the view that it has got to the stage where now in meetings before he gets the chance to say his piece the Mayor interrupts and says I know what you are going to say about what is happening in Fenland and it is with some relief that he received a communication from the Mayor in the last couple of weeks, which stated "Your observations about the deterioration of bus services over the last 18 months in Fenland are ones of course that are a real concern to all of us, concerns also felt in other parts of Cambridgeshire and Peterborough and are part of a gradual and declining national trend in patronage. The impact in deprived rural areas is considerable as the availability of alternative modes is less, placing more need and dependency on buses for access to education, employment and other services. As you know the situation would have been even worse had we not stepped in to rescue the bus services terminated by Stage Coach last Autumn. Your advice on gaps in the current network across Fenland is helpful to see and I am grateful to you for sharing, the CPCA team met with your officers earlier this month to discuss and I will take each of the three points in turn. On a basic Sunday service it is my understanding that only two services across the subsidised network run on Sundays, one the CPCA inherited from the Peterborough City Council and the other introduced by the previous Mayor at Papworth, I think support for Sunday services is an important question for us to address in Fenland and across Cambridgeshire and Peterborough as part of the bus reform process, with your support we shall do that. Evening bus service between Whittlesey and Peterborough, FDC officers have agreed to find out more details on this including through discussions with Peterborough City Council and I would expect with key businesses in Peterborough as well, they will share further details with CPCA colleagues to inform opinions. Wisbech and Chatteris services, as above there was a proposal in the bus review paper for an introduction of a demand responsive transport trial in Fenland, I understand that the CPCA and FDC officers agreed to work up a DRT option to address these gaps you have identified and this may already have happened if not I will ask when. Assuming the funding for a DRT in Fenland is agreed by the Board we would look to introduce it as soon as possible in 2024/25. You also mentioned school and college services at Turves and Christchurch, the CPCA and CCC teams are meeting regularly now to look at how home to school and scheduled services can be better integrated. Route 7A in South Cambridgeshire is an example of where good progress has been made, that can be a template and I have asked that group to include Turves and Christchurch when looking at other options." Councillor Boden stated that he will continue to raise this issue on a regular basis at all possible opportunities.

- Councillor Booth referred to the update regarding the Local Plan and the current recruitment taking place, asking Councillor Mrs Laws if there is a Plan B if suitable candidates cannot be found to fill those posts? He knows for example many years ago the Council hired a firm in its entirety to undertake the Local Plan work but does not think it progressed very far at that time but are there other options as the Council is probably a year behind its schedule and the situation does not seem to be getting much better unfortunately. Councillor Mrs Laws responded that there are advertisements out, disappointingly the Tree Officer vacancy has been advertised for some time with no response to it and there has been no response to the Section 106 Officer or to the Senior Enforcement Officer vacancies. However, she advised that two people have applied for the Principal Planning Officer, there are 9 Senior applications, for the Junior Enforcement there are 4 applications and most importantly which is needed for the Council's emerging Local Plan is that there are 6 applications for Policy Officers. Councillor Mrs Laws stated that there is always a Plan B and the Council will not be floundering, with it being very important to drive the Local Plan forward because the existing one is not fit for purpose, completely out of date but it has been held up with the staffing issues.
- Councillor Sennitt Clough asked Councillor Boden in relation to the CPCA that she understands there has been some complaints about the Mayor's conduct and wondered what has happened in relation to this? Councillor Boden responded that it is not necessarily the original activity which is so threatening not merely to the Mayor but also to the CPCA as

a whole, it is the cover up which has taken place since or the secrecy there has been. He stated that secrecy has been really counter productive for the Mayor personally and given the seriousness of what has got out into the public arena there have been quite a number of people on social media who have jumped to the conclusion in the absence of any other information that this is about sexual impropriety on the part of the Mayor and to the best of his knowledge that is totally wrong but people have jumped to that conclusion with the lack of information there has been and so long as there continues to be secrecy and obfuscation on the subject of what has actually happened there will continue to be speculation and people will continue to assume the worst. Councillor Boden advised that he was in a difficult position because he has seen some information in the CPCA Board meetings that have been exempt papers and considered in private session and he has also on occasion been shown reports which he has had to make a confidentiality agreement on that he would not say anything on the subject of what report has been given or shown to him and he is not going to break the confidentiality agreements that he has agreed to nor is he going to breach the requirements of keeping the contents of exempt papers confidential. He is not sure if those items will stay confidential and secret for too long because too many people know about them and are very angry about some of the activities which have taken place which have not come out into the public arena. Councillor Boden advised at the recent meeting of the Board there was a discussion which took place about the complaints which had been made against the Mayor and the report which was conducted by an independent examiner into those complaints but he has not seen this report as it was not made public and a summary was produced which was included in the papers of the CPCA Board, with the summary being quite damning as it said the matters involved were serious, that the Mayor had breached the Code of Conduct and it required the Mayor to make apologies for that but the detail of what was involved was not disclosed. He expressed the view that it seems to him on the spurious grounds of GDPR that the guilty are being kept hidden and the victims are being denied a voice and he is not quite sure how long the victims are going to continue to be denied a voice given how angry some of them are. Councillor Boden stated that he cannot reveal any of the information that he has obtained in those confidential manners but he has continued to receive information that he had not been provided with by the CPCA and he feels he is under no obligation not to say something about this, he has taken legal advice today from FDC officers about what he should and should not say and he is going to be extremely careful about what he does and does not say but even the summary report which was produced by the CPCA was quite damning, it talked about a henchman and it basically said that the Mayor had been aware of the henchman's behaviour, did not call out that behaviour nor did the Mayor take sufficient and appropriate steps to stop it and that his failure to intervene amounted to him condoning such behaviour and that behaviour was very serious, such as making extremely derogatory and potentially even threatening and defamatory remarks about members of staff. He referred to the statement of accounts produced by the CPCA and if you look at the staff notes you find some very strange entries and these are exit payments, they are not pay or pension, these are not the payments that you get if you are sacked and then you get the entitlement for back pay or for notice periods or for holiday not taken, these are exit payments and it is not unusual if someone departs an organisation for an exit payment to be a payment over and above the amount which they are statutorily entitled to but which has been agreed between the individual and the employer and very often this is connected to a non-disclosure agreement and an astonishing amount of £397,000 was disclosed in last year's accounts for these exit payments for 4-5 senior individuals and there were others as well. Councillor Boden stated that an authority will not spend that amount of money unless it believes it is effectively saving money by doing so which says something about the state of affairs that the CPCA has been in with some of its staff and with some of the departures and at the Board meeting he asked if it would be permitted for him to ask questions or make comments about the state of health of some of the former employees of the CPCA who were victims of the situation and he was told this was not appropriate to talk about in public and he further asked if it was appropriate to talk about the amounts of money which were spent on home

security for members of staff and was told again that this was not appropriate for public discussion. He has been provided with more information than he was provided with from the CPCA and some of the things he has seen have been absolutely appalling, such as the CPCA felt it was appropriate to pay for Amazon to deliver a personal alarm to a 21 year old young woman with autism who required it because of feeling under threat and he feels that things like this are outrageous and they should come out into the open but he is prohibited from saying anything which he has learned directly from the CPCA. Councillor Boden made the point that it is not alleged that the Mayor himself was responsible for those threats but he feels that the whole thing stinks, it stinks of a cover up and it stinks of secrecy and these things do come out in the end but it will not be from him. He expressed the view that the current position is wholly unsatisfactory and he believes further investigation is required and is quite confident that the truth will come out and it is better to be honest about what happened than to try and cover it up.

C27/23 MOTION SUBMITTED BY COUNCILLOR TAYLOR

Councillor Taylor presented his motion regarding supporting local farmers.

Councillor Woollard seconded the motion and it was opened up for debate. Members made comments as follows:

- Councillor Tierney stated that he is going to support this motion as he thinks it is important that people have the free choice to eat what they want to eat, it is not the job of councils or Government to instruct people on how they should feed themselves and if someone wants to be a vegan, vegetarian or to follow a keto diet then good for them. He made the point that there are all sorts of medical advice which is quite different and they all have experts backing them up but people should read what they can and make their own decisions as adults and for their children for what is best for them. Councillor Tierney expressed the view that whilst it does seem to be coming from the left, the left in this Council Chamber is normally more reasonable than the left seen elsewhere.
- Councillor Sennitt Clough stated that she fully supports the motion as the minute people's choice is taken away from them it is a slippery slope.
- Councillor Carney expressed the view that it is greatly important that a local authority should be seen to supporting its local food and drink producers and as has already been said there is a good number of them in this District. He feels it is important to remember that there is a choice out there and it is good to highlight the fact that this Council does support lesser food miles. Councillor Carney referred to Hertfordshire County Council who were going down the route about a year ago where they were going to be completely plant based which effectively denies people who do not want to eat plant based products so he thinks this motion is the way forward and he does not know what the Council food and drink procurement policy is but he thinks it is worth throwing weight behind it to show that the Council is doing the right thing by supporting its local producers.
- Councillor Booth stated that he supports the motion, he is a liberal and believes in free choice and the benefits of supporting the District's local economy is great. He expressed surprise that a few years back the Council looked at its procurement policy and the whole aim of that was to try and buy more locally produced goods but it appears that this might not being achieved.
- Councillor Woollard stated that being a lifelong Fenlander he appreciates the impact that the farming community has within the area and the Council must be seen to support individual choices and on this particular issue it is important that this Council supports a very key factor within the community which is the farming sector.
- Councillor Taylor thanked members for supporting the motion and stated that he is working closely with the Countryside Alliance as this is a nationwide problem and there are various councils up and down the country that are already going dairy and meat free. He expressed the view that this Council is not only now leading Fenland but Fenland is now in charge of the whole of Cambridgeshire through this motion.

Members AGREED to

- **recognise and note the huge contribution made by Fenland’s farmers, growers and wider food and drink industry to the local economy, environment and rural communities;**
- **commit to further enhancing partnerships with local arable, livestock and dairy farmers to enhance Fenland’s magnificent countryside;**
- **commit to supporting local farmers, growers and food and drink sector by, where possible, ensuring that food and drink provided at Council organised events are sourced from local suppliers. If plant based produce is provided, meat and dairy options should also be provided; and**
- **as part of furthering environmental priorities, the Council will consider ways to encourage residents, where possible, to shop locally, taking advantage of home-grown, affordable, and nutritious produce, including meat, dairy and plant-based options thus reducing food miles to the table and boosting the local economy.**

(Councillors Clark and Humphrey declared that they own land that is farmed but will approach the item with an open mind)

(Councillor Sennitt Clough declared that she does own agricultural land but not in the Fenland District and will approach the item with an open mind)

(Councillor Taylor declared that he is a farmer but will get no benefits from the motion personally as it is concerning the industry)

C28/23 IRP RECOMMENDATIONS/MEMBERS ALLOWANCE SCHEME REVIEW

Amanda Orchard, Chairman of the Independent Remuneration Panel (IRP), presented the recommendations of the IRP review of Members’ Allowances. She stated that whilst she is no longer a resident of Fenland she does have strong links to the District and does have a soft spot for Fenland as she grew up and went to school in the area.

Amanda Orchard advised that the IRP met to conduct a statutory review of Member Allowances as requested by the Council, with a statutory review having to be conducted every four years. She advised that the IRP consisted of herself, Ged Dempsey and Nicky Blanning, all of whom are experienced remuneration panel members having worked on other local reviews in this area and she thanked both of them for their input into this review and the officers of the Council for their support.

Amanda Orchard thanked all the councillors who provided their views into this review, either in written format or via the virtual meetings. She stated that councillors were very candid in their thoughts and not only provided views around the allowances in the context of the financial climate but also regarding the time commitment required to effectively fulfil the role of District Councillor.

Amanda Orchard stated that she often gets asked what is the benefit of the IRP being convened to consider remuneration rather than it being set at a national level and she feels there is a couple of advantages as they can tailor the requirements specifically to the authority as every authority is different in terms of geography, financial position and Council make up and they look at all those factors to ensure the remuneration recommendations are fair and proportionate. She advised that all issues that are brought to the IRP are considered and discussed fully and the other difference to an IRP v national Government is that they listen and react accordingly.

Amanda Orchard stated that the IRP considered not only the impact of the Combined Authority on members, but the new Executive Advisory Committees as well as the matter of annual increases particularly given that public sector staff have been awarded lump sum annual increases in more

recent years. She added that the IRP were keen to recommend a formula on which to calculate the Basic Allowance to ensure transparency and the Basic Allowance was then used as the basis for calculating Special Responsibility Allowances (SRA).

Amanda Orchard stated that the IRP recommended the introduction of new SRA in respect of the Combined Authority and whilst it is recognised that not all councillors who took part in the review were supportive of this change all recognised the significant extra responsibilities the Combined Authority roles required as well as additional time commitment and the benefits that being involved in the Combined Authority had for the District. She made the point that it was not a decision that the IRP took lightly as she can recall at the very beginning that the Combined Authority was not to cost constituent councils any more, however, the authority has evolved over time and has not quite panned out as people saw it initially but the IRP considered it fair and proportionate to allocate allowances to those that undertake that work which is considered to be quite substantial. She added that the IRP also made recommendations in respect of the basis for parental leave policy for members as a means of improving the diversity of councillors.

Amanda Orchard hoped that members consider the package of recommendations contained within the review to be useful in providing direction and clarity in the next few years with regard to remuneration of the Council.

Councillor Boden proposed the report and thanked the IRP for the hard work and thoughts that went into undertaking the review. He stated that the report produced by the IRP must be presented in full as it was written and within that report there are changes to be made that will mean that the remuneration will approach the average of the other five districts that make up Cambridgeshire and he feels that the structure and formula that has been set up will stand the test of time.

Councillor Mrs Laws seconded the report.

Councillor Mrs Davis recommended an amendment to the proposal as follows:

- the Vice-Chairman of the Planning Committee to receive an SRA of 0.4 x the Basic Allowance (£2,122).
- the additional SRA for membership (or substitute membership) of the Planning Committee should be allowed to be claimed in addition to any other SRAs claimed (other than SRAs as Chairman or Vice-Chairman of the Planning Committee).
- the Chairman of the Planning Committee shall be deemed to be fulfilling an approved duty for the purposes of mileage allowance is, in his consideration of whether a proposed refusal under delegated powers should be referred to the full Planning Committee, he travels to the site of an application.
- the Chairmen of the Culture, Arts and Heritage and Rural and Farming Executive Advisory Committees should each receive an SRA amounting to 0.35 x the Basic Allowance (£1,856 each).
- amendments 1 and 2 to be backdated to 1 April 2023. Amendment 3 to be backdated by 3 months as per the current mileage policy. Amendment 4 to be backdated to the date of appointment as Chairman by the relevant committee.

She advised that the additional cost of these proposals is £7,365 plus any mileage claimed throughout the year.

Councillor Miss French seconded the amendment and the item was opened for debate. Members made comments as follows:

- Councillor Booth stated he would be interested to know if these amendments were run past the IRP, he suspects it was not and if that is the case he cannot support the amendment as the whole point about having an IRP is that its independence sets the pay and when the Council starts to interfere it takes away from the whole principle of how these panels were created and set up. He added that he believes that there should probably be a national scale because otherwise you get these types of amendments

being brought forward. Councillor Booth stated that he personally disagrees with allowances for the CPCA but he would be willing to support the findings of the independent review even if he disagrees with elements of it. He reiterated that he will not be supporting this amendment as members should not be setting this and they should be listening to the IRP.

- Councillor Hoy stated that she agrees with Councillor Booth's comments in relation to the CPCA because she remembers when the CPCA was formed it was said that it was going to be costing more money and there was going to be lots of allowances and every time there has been an IRP a number of members have said there should not be an allowance for the CPCA. However, she feels the problem now is that each constituent council has their own IRP and there is a situation now where every single authority board member is receiving an allowance except for Fenland and that is not very fair and the Leader does a really good job for Fenland on the CPCA as has been heard today as he has his finger on the pulse and is listening to what goes on there representing Fenland and what does it say about Fenland's Leader if they are not remunerated as every other leader in the county is.
- Councillor Tierney stated that he remembers when the CPCA was discussed and he did not vote for it, being the only person who did not, and the reason he did not vote for it is because he said what is going to happen is it will become more and more complex and eventually they will be wanting SRAs and this is exactly what has come about. He made the point that what Councillor Hoy has said is correct, it is not fair given the situation, he would personally prefer to do away with it entirely and then nobody would get an SRA but while that work has to be undertaken it is correct that the person who has to do that work is remunerated for it. Councillor Tierney advised that he wrote to the IRP stating that he does not think members should receive any rise as he always has because he thinks it shows good leadership to not take a rise when people are struggling but he will support the recommendations this time as you cannot forever say nobody has a rise as he always thinks that councillors deserve to be remunerated for what they do, councillors all work hard regardless of the party and they all do the best they can for people, the only thing for him is showing leadership in difficult times but those difficult times have been existence for a while, they effect members as well as everyone else so as long as members can carry on delivering good work and freeze Council Tax again then he is happy to support the proposals, but if the Council is unable to freeze Council Tax next year then he will not take it. He stated that he feels the amendments are very fair and astute, with the Planning Committee having much more additional responsibilities and this reflects this and of course the two committee chairmen should be remunerated in the same way as other committee chairmen are.
- Councillor Boden stated that he fully respects the comments made by Councillor Booth and they are consistent with comments that he has made before and are a perfectly reasonable position to take but he accepts that members should be listening to the IRP and that is exactly what has happened. He made the point that due regard has been paid to the recommendations and it is agreed that the IRP have undertaken a very good job and that is why he was more than happy to propose the report but ultimately the responsibility does not lie with the IRP but with this Council and with any individual council as to what system of remuneration exists and members in this Council do know on a personal basis the amount of work that is put in by some individuals and which is involved in some particular positions. Councillor Boden expressed the view that the Vice-Chairman of the Planning Committee has to be prepared to stand in at any time at short notice and be able to chair meetings which can be highly contentious and very difficult so all the preparatory work has to be made that the Chairman puts in and the Vice-Chairman has had to step in on more than one occasion this year and it is realised by members that this position of Vice-Chairman does involve a significant amount of time and work, which generally applies to the Planning Committee which is why it is unfair to say that some members of the committee should not receive a relatively small SRA to recognise that members of this committee have to attend more meetings and spend

more time researching for meetings than any other committee that the Council has. He added that the Chairman of Planning Committee does put in a considerable amount of time in fulfilling the duties that members of the Council gave him to examine those applications which are scheduled to be refused under delegated powers and to decide whether they are appropriate or not to go to the Planning Committee itself or whether they should be refused under delegated powers and on occasion in order to do this the Chairman says he needs to be able to see the site itself and he notes that the same has applied for Councillor Davis and given this it seems that the Council have asked him to do the job and are then saying that mileage will not be paid so that you can do it properly, which does not seem right so point 3 on the amendment seems acceptable. Councillor Boden expressed the view that it is unfair that there are two new committees where the Chairmen will not receive an SRA, where a significant amount of work has already been undertaken and there is more to come forward in the future so it seems appropriate to recognise the amount of work already undertaken and for what is expected.

Proposed by Councillor Davis, seconded by Councillor Miss French and AGREED that the amendments outlined above to the recommendations of the IRP be approved.

Members made comments on the original IRP recommendations as follows:

- Councillor Count thanked the IRP who put together this package and he thinks they have done a very good job of putting this together. He is glad the amendment was approved, which he fully supported, and if these recommendations are approved today he does not think members should lose sight of where the Council is in the grand scheme of things as if approved a 3.5% cut is being made to the basic allowance compared to inflation and an additional 3-4% on last year so although an increase in actual basic allowance is proposed it is a reduction in real terms and there is nothing wrong with this as the UK at the moment is full of people who are not getting full inflationary increases and it would have been wrong for the Council to demand 6.7% and say this is what is expected as this is what inflation is and members do not want their roles to be any more diminished by inflation so it is right for members to take a cut but it is also right for there to be recognition of the value it has. Councillor Count expressed the view that if you look at the Council and the cost of this proposal compared to the way the Council has behaved in recent years by not putting up Council Tax and in fact reducing Council Tax he thinks the public should see the just reward that they are getting by investing some money in the people that are trying so hard on their behalf alongside officers to make a difference and to do the very best, which he feels is succeeding in Fenland. He questioned how some of the figures were arrived at in the IRP report, recognising that there is very robust thinking identified in the formula and it works very well to give the basic rate and this is based on a lot of information the IRP receives from councillors, other councils, legislation but one of the fundamental pieces of information that they get which he finds difficult is that they always get the previous recommendations so there is an element of the allowances used to do this so how much is it tinkered with or changed as a starting point rather than a fresh sheet of paper and that is why there is largely a very similar IRP report to the previous one. Councillor Count stated that whilst he does not disagree with that being used he thinks it is quite helpful that there are some areas where at the next IRP there could be some improvements to the way that it is approached, not on the basic formula but in terms of the SRAs because if you take the Leader's SRAs, which is 3.5 times the basic allowance, with the basic allowance being based on 20 hours but the IRP are not saying that the Leader does another 70 hours work on top of this and what would happen if you worked in a large company everybody would do a basic week of 35 hours but as you move up through the tiers you get more responsibility, there are more people underneath and more management there has to be a greater skill set and that is where the 3.5 comes in and the 1.4 for the Chairmen and it would be useful in the future that it is defined how the IRP arrived at these figures, all of which he agrees with, so the public can see the rationale and not that the Leader does a 90 hour week, although he is

pretty certain that he does. He referred to the CPCA and he has long been an advocate, ever since Cambridge City were the very first to introduce a members' allowance, for those people that suffer with the CPCA and all the demands it puts on them and if he had his chance tomorrow, being heavily involved in its set up, he would still vote for it today because despite the extra money involved for the allowances, if you take March for example, with 12 million pounds being invested that would not have happened and by providing Fenland's leadership with some extra resource they can dedicate extra time to the CPCA and will be able to fight as hard for this area as they already do without reward where other areas have been rewarded for years so he is very much in favour of this allowance and the overall position with the allowances.

- Councillor Booth thanked the IRP members for the work they have undertaken and he supported the recommendations as they were unadulterated but the amendments have been approved. He referred to the financial analysis that Councillor Count mentioned saying effectively it is a cut but brought to members attention Section 16.1 where it gives a breakdown that the increases relate to a 8.9% increase, which is before the amendment that has just been agreed to and with that amendment the increase is at 11% on the allowances being paid out by this Council so to say it is a pay cut is not correct.
- Councillor Boden thanked all that have spoken today as it is very important that all honest voices are heard and he reiterated his thanks to Amanda and to the IRP, having paid due regard not merely to the results of this report but also to the methodology used in order to reach it and he is very grateful for all of the work. He stated that very largely it has been accepted what is in the IRP, with there being four extremely specific amendments that have been agreed to none of which fundamentally change what the IRP suggested.

Proposed by Councillor Boden, seconded by Councillor Mrs Laws and AGREED

- **the conclusion and recommendation of the Independent Remuneration Panel (IRP) in respect of the review of the current Members' Allowance Scheme, to come into effect from 1 April 2023, together with the amendments agreed;**
- **authorises the Monitoring Officer to make such typographical amendments as are necessary to produce clean text copies of the Constitution; and**
- **to consider an interim review in two year's time with the suggested primary focus being the recently formed Executive Advisory Committees, with the next full review taking place no later than December 2027.**

(Under Standing Order 2.3, this item was moved forward in the order of business)

C29/23 TREASURY MANAGEMENT STRATEGY STATEMENT & ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW 2023/24

Councillor Boden presented the Treasury Management Strategy Statement and Annual Investment Strategy Mid-Year Review 2023/24.

Councillor Boden stated that the report lays out where the Council is as far as its treasury management function is concerned over the last six months and the Council is pretty much where it was expected to be, with there being three differences. He advised that one of the differences is that interest rates have remained higher than it was anticipated they were going to be so the Council is on track to earn more at the year end in investment interest and similar in revenue.

Councillor Boden added that secondly those who have any interest in UK commercial property will be aware funds have not been doing particularly well over the course of the last 9 months so the amount of money the Council is now expecting to receive from its property fund investment is somewhat lower. He stated the third area where there is a change is shown in Paragraphs 5.10 and 5.11 of the report which are the changes in the operational boundary and authorised limits for external debt and some members might have looked at this and thought why is there such big number changes and what does this mean but this basically relates to what is anticipated to be in

the capital programme and the authorised limit is always significantly higher than the operational boundary. He added that the reason that the numbers have gone down so far from the original estimate to the revised estimate is overwhelmingly because Fenland Future Ltd has not progressed with the speed envisaged some 9-10 months ago and where it was thought funding would be lent to Fenland Future Ltd for two developments this is not likely to happen until next year rather than this year so the numbers are anticipated to have an outturn significantly lower than was the case 9 months ago.

Councillor Boden made the point that the Council has stayed within its financial limits and remained on track with the exception of the timing difference in terms of funding Fenland Future Ltd.

Proposed by Councillor Boden, seconded by Councillor Booth and AGREED to note the report.

C30/23 POLLING DISTRICT REVIEW REPORT

Councillor Boden presented the Polling Districts and Polling Places Review.

Councillor Boden made the point that this exercise had been undertaken recently so although it is a legal requirement for there to be a review at this time there was little that had to be changed. He stated that the main changes are in March South where there has been an increase in polling districts to reflect the significant residential expansion that is being made in this area and additionally in Wimblington parish it was no longer possible for a separate location to be found for residents of Stonea to vote so the whole of the parish of Wimblington will now vote together at Wimblington Village Hall.

Councillor Boden referred to two significant concerns in Whittlesey with the original report that was produced, the first was the suggestion that the residents of Turves would need to go to Coates to vote and the second was the lack of suitable polling stations in the Whittlesey North West ward. He stated that he was pleased that, with a lot of hard work from officers, that a location has been found in a private residential house in Turves and a location has been found for the eastern most of the two polling districts in Whittlesey North West, with it being possible to continue to have two polling stations to cover a two member ward.

Councillor Boden thanked the officers who played a large part in getting the report to this position.

Councillor Miscandlon seconded the proposal and the item was opened up for debate. Members made comments as follows:

- Councillor Booth stated that he is happy with the majority of the report but one area he has concern with is regarding the polling station for Guyhirn. He referred to Page 89 of the pack where it contains the response from Wisbech St Mary Parish Council and their recommendation was to move it to the community room because that is now established and recognised within Guyhirn as a hub, with it having a very active committee and the reason why it has been discounted again is that it was previously visited and if it had been visited recently officers would have found that the Parish Council have undertaken a lot of work on the access, there is more street lighting and an enlarged car park at the front of the facility. Councillor Booth referred to the fact that it says the tarmac roadway is blocked off, but it is not necessarily blocked off, it is locked and that can be overcome and there will be additional car parking outside the community room as the Parish Council is going through the process of expanding that car parking. He expressed the opinion that it is a pity that officers have not actually engaged with the community to see what has happened, with much of this taking place over the last year and he would like to see this report amended so that the community room at Guyhirn is included as a potential polling place as a lot of work has been undertaken to make it more accessible and there is more work ongoing, with it, in

his view, being a suitable venue.

- Councillor Miscandlon recognised how difficult it has been for officers to find appropriate polling stations throughout the area and he knows particularly the one in Turves, both Councillor Boden and himself drove around the area trying to find a solution so he is grateful to the household that has offered the premises as a polling station. He referred to the one that Councillor Booth has just mentioned he does not know whether that can be altered or whether it is appropriate enough, officers have obviously looked at it and turned it down at this moment in time, but it may come forward in future. Councillor Miscandlon stated he supports the recommendations wholeheartedly, he stated that it is known for a fact in Turves that the original polling station at the Three Horseshoes was central to the village, the new one is at the Old School House which is right down the other end of the village so people in Turves are slightly inconvenienced by the new polling station but it is in the village so they do not have to travel to Coates.
- Councillor Booth requested clarification as the point he was making is that the location in Guyhirn was made in a previous review and there have been substantial changes made to the access road and if officers worked with the Community Centre Committee they would make the tarmac access way open and they are very engaged in holding events at this new facility which is why he is concerned that they have not been engaged with.
- Councillor Boden stated that it would have been helpful to have heard about this before the meeting so officers could have had the opportunity to rectify this prior. He made the point that the actual allocation of polling places at any election is the responsibility of the Returning Officer and he has to be satisfied that what is being proposed is acceptable and that is why it is not possible to make this change at this time. Councillor Boden advised, however, he is happy to agree, if acceptable to Councillor Booth, that the Guyhirn Community Room be included as an option subject to further investigation by the Returning Officer and if that change could be delegated to the Returning Officer and himself to consider and if it is acceptable then this location will be inserted within the list of polling places.
- Councillor Booth indicated that he was happy with that proposal.

Proposed by Councillor Boden, seconded by Councillor Miscandlon and AGREED to

- **note the outcome of the review and the consultation undertaken;**
- **approve the changes recommended to polling districts and polling places as detailed in the report at Appendix C; and**
- **delegate authority to the Returning Officer and the Leader to investigate the feasibility and acceptability of using the Guyhirn Community Room as the polling place for Guyhirn.**

5.33 pm

Chairman



Fenland District Council Fenland Hall County Road March Cambridgeshire PE15 8NQ
Tel 01354 622285 www.fenland.gov.uk

Civic Engagements

From December 8, 2023 to February 16, 2024

December 8, 2023	Chairman's Carol Service Attended by the Chairman
December 14, 2023	Chairman's Staff Coffee Morning Attended by the Chairman
December 15, 2023	Chairman's Christmas visit to Boathouse Attended by the Chairman
December 19, 2023	Elm Road School Attended by the Chairman
January 22, 2024	Wisbech Pavilion Opening Attended by the Chairman
January 25, 2024	Peterborough City Council Holocaust Memorial Event Attended by the Chairman
January 26, 2024	Huntingdon District Council Holocaust Memorial Event Attended by the Chairman
February 14, 2024	Kings Lynn Borough Council – Opening of the Mart Attended by the Chairman
February 15, 2024	Wisbech Air Training Corp 272 Squadron Classification evening Attended by the Chairman

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Cabinet and Corporate Management Team

Portfolio Holder Briefing Report

**February 2024
(For performance in November &
December 2023)**

Cabinet Members



Cllr Chris Boden
Leader of the Council
& Portfolio Holder for
Finance



Cllr Ian Benney
Portfolio Holder for
Economic Growth & Skills



Cllr Jan French
Deputy Leader of the
Council, Portfolio Holder
for Revenues & Benefits
and Civil Parking
Enforcement



Cllr Sam Hoy
Portfolio Holder for
Housing & Licensing



Cllr Dee Laws
Portfolio Holder for
Planning & Flooding



Cllr Alex Miscandlon
Portfolio Holder for
Leisure & Internal
Drainage Boards



Cllr Peter Murphy
Portfolio Holder for
Refuse & Cleansing,
Parks & Open Spaces



Cllr Chris Seaton
Portfolio Holder for
Transport, Heritage &
Culture



Cllr Steve Tierney
Portfolio Holder for
Communications,
Transformation, Climate
Change & Strategic
Refuse



Cllr Susan Wallwork
Portfolio Holder for
Community, Health,
Environmental Health,
CCTV, Community
Safety & Military
Covenant

Communities

Projects from Business Plan:

Support Vulnerable Members of Our Community

ARP updates (Cllr French)

We continue to see more customers using e-services. The suite of forms and other functionality is available to all customer teams using Capita customer contact software to sign customers up to e-services and the number of those using e-services continues to rise. We have recently launched a new improved 'Contact Us' online form which signposts customers to online forms and gathers all required information at the first contact. We are also testing an option to send e-bills as PDF attachments to email to remove the complex sign-up and log in process currently required to view an annual Council Tax bill.

The further recovery work jointly funded by County Councils secured just over £1 million. This is a great result for a small team actioning complex further recovery cases for the collection of Business Rates and Council Tax.

The Fraud teams work, also jointly funded by the County Councils, identified over £2.8 Million in fraud and error last year, an increase on the previous year. Following approval by Cambridgeshire County Council, the team have started work on the Cambridgeshire Fraud Hub to achieve even higher values.

In collaboration with each partner's Housing teams, we took a risk-based approach to target empty properties where data indicated occupation. During the 2023-24 empty property review, a number of properties that had not returned review forms were visited and 38% of these were found to be occupied.

We continue to automate around 97% (in effect as close to 100% as possible) of changes reported by Universal Credit Data Share (UCDS) and following successful collaboration with our software supplier we successfully helped to develop and implement automation of new claims via UCDS. Currently 35-40% of these new claims are automated and we continue to work with our software supplier to expand and improve the functionality.

Partnership working between teams across all Councils and the ARP teams continues to work well, remaining a priority to ensure that we continue to work as closely in the future, especially with regard to the impact of rising living costs and economic pressures.

Supporting residents to manage the effects of the costs of living (Cllr Boden)

In early 2023, two new Government schemes were announced to help support residents with rising energy costs if they did not receive payments automatically. The schemes (Energy Bill Support Scheme (Alternative funding) and Alternative Fuel Payments (Alternative funding)) were administered by The Department of Energy, Security and Net Zero (DESNZ) with Local Authorities responsible for undertaking verification checks and making payments. The schemes ran from late February through to July during our busiest time of year alongside the CTSF and annual billing process. As a pilot site ARP played a key part in helping to shape and design the scheme guidance and processes and was the first Authority to make payment

nationally. In total we paid out almost £1.6 m to help residents with rising fuel costs.

We continue to provide support for our residents via our My Fenland team to signpost them quickly to the support they need from partner organisations.

We are currently working with public health partners to scope out the delivery of an Early Help Hub based at Fenland to provide tailored support with Employability concerns.

Homelessness and meeting housing needs (Cllr Hoy)

The Housing Options team has successfully prevented 198 households from becoming homeless since April 2023 (up to 31/12/23).

Total homeless presentations for this period were 1643 households.

Housing advice has been given to 956 households where no duties were owed.

The number of households requiring housing advice continues to rise as the cost-of-living crisis continues and fixed rate mortgage periods come to an end. There has been an 8% increase in homeless presentations compared to this time last year.

The proportion of households presenting to the Council as homeless whose housing circumstances were resolved through Housing Options work for the year is currently 45% (198 preventions divided by 437 households where duties were owed).

This is 12% under target with the following mitigating actions to improve performance:

- New community support officer recruited to provide management and support for existing and new temporary accommodation residents which frees up Housing Options officers time to resolve homeless presentations earlier through each households personal housing plan
- Increase in temporary accommodation through Local Authority Housing Fund and leased properties from Clarion
- Improvement in void performance by Registered Providers which has been affected by work necessary because of learning from the Awaab Ishak review outcome (damp and mould)
- Increase in new build affordable housing being completed (see affordable housing section)

We have successfully rehoused 58 households within the private sector. This continues to be a challenge with many landlords selling due to economic conditions thereby decreasing the pool of properties available. The market is also highly competitive.

Reducing Rough Sleeping (Cllr Hoy)

The Rough Sleeper Initiative (RSI) 5 project is currently working with 16 clients.

The current number of rough sleepers is 7, all of whom have recourse to public funds. A total of 6 clients are receiving assistance with tenancy sustainment to maintain their current home to prevent homelessness. 3 clients are placed in off-street accommodation, including 2 clients who have been rehoused under the Prevention and Move On scheme funded by DLUHC (see below).

During December, extreme weather warnings were plentiful, and usually with a day or two between. Severe Weather Emergency Provision (SWEP) is put in place and activated when the overnight temperature is forecast to be 1C (one degree Celsius) or below at midnight each day or when the Met Office issues an Amber or Red weather warning.

Having this longer period to work with individuals achieved better and sustained outcomes as demonstrated below:

SWEP Provision Outcomes December 2023- Highlights Prevention Work 24.11.23 to 11.12.23

Prevention Outcomes for SWEP:

4x Placed in off the street accommodation.

1x Clarion Property through the Rough Sleeping Accommodation Programme (RSAP) funded by DLUHC.

2x Placed in supported living.

1x Private Rented.

5x Placed in Temporary Accommodation

2x Returned to family.

2x Found own accommodation.

1x Outcome unknown, attended one night and lost contact.

Due to the decision to continue with SWEP from 24.11.23 to 11.12.23 it gave the opportunity for rough sleepers to use this period to settle and engage with services on a deeper level. An example of this is the client who moved in to RSAP. There were concerns as to how he would manage accommodation and engage in support given as he had been street homeless for a long period of time. However, the client was able to use the opportunity of SWEP to engage well with support staff and be in a position to move on. We were able to demonstrate to partners the level of engagement from the client had increased and used this provision as an example of them being able and ready to move in to settled accommodation with support.

In addition to SWEP being of advantage to those already known under RSI, it also allowed those who were at risk of rough sleeping to seek support. For those noted above that returned to family, placed in off the street accommodation and found their own accommodation, they were clients who had not been verified as rough sleepers and were new to services. As they accessed the provision while being at risk of homelessness, the Ferry Project were able to work with them and quickly put support in place so they could access alternative accommodation and therefore prevent them from becoming street homeless.

The council receives £20k from central government for SWEP provision for 2023/24.

Prevention & Move On (P&MO) Fund:

7 clients supported through this funding to date-

3x Under intervention 1 (Moving On Fund)

1x Under intervention 2 (Deposits)

2x Under intervention 3 (Decompression for RS in work)

1x Under intervention 4 (Arrears)

The P&MO fund also had a positive influence on the successful outcomes of SWEF. Due to this funding (referenced as Intervention 1) a client was able to move on from the Ferry Project into their own accommodation. This then created a space within Ferry to be able to move our rough sleeper client who was accessing SWEF in to off the street accommodation. This client therefore is no longer rough sleeping and is awaiting a move in to RSAP accommodation.

Golden Age & Supporting older people (Cllr Wallwork)

A Golden Age Fair was held at March Braza Club on Monday 4th December where over 100 visitors attended to access information and advice from the following organisations: CPFT, Oddballs, Armed Forces Covenant/CCC Communities Services, Cambridgeshire Libraries, PECT, Careline, March Model Railway Club, Dementia Carer Support Service, Octavius, The Bobby Scheme, Camsight, Parkinsons Support Group, Royal Air Force Benevolent Fund, Fenland Volunteer Centre, Lyncorft Care Home, College of West Anglia, Citizens Advice Bureau, Anglian Water, Active Fenland, Victoria Lodge, FACT , Clarion Housing, East of England Ambulance Service NHS Trust, Age UK and How are You? Fenland.

At the event winter warmer packs, jointly funded by Golden Age, PECT and Citizens Advice Rural Cambs, were distributed to all those over 60 that attended the event. These included a blanket, hot water bottle, a hat, gloves and scarf set which promoted our Stay Warm campaign throughout the winter and each visitor also received a wrapped Christmas present with a thermal flask inside which received very positive feedback from those that attended. Following feedback from previous events, Octavius also donated some keychain torches to giveaway and we will continue promotions at future events.

For further information about Golden Age see our website: www.fenland.gov.uk/goldenage

Housing Enforcement Policy & Empty Homes (Cllr Hoy)

Town	HMOs investigated	Other Homes investigated
Wisbech	49	72
March	13	28
Chatteris	1	7
Whittlesey	6	12
Villages	3	33

Total homes investigated is 224.

VILLAGE BREAKDOWN

- Benwick = 0
- Coates = 2
- Coldham = 0
- Christchurch = 2
- Doddington = 2
- Eastrea = 0
- Elm = 2
- Fridaybridge = 2

Foul Anchor = 0
 Gorefield = 1
 Guyhirn = 3
 Leverington = 10
 Manea = 4
 Murrow = 1
 Newton = 1
 Parson Drove = 1
 Stonea = 0
 Throckenholt = 0
 Thorney Toll = 0
 Tydd = 3
 Turves = 0
 Wimblington = 0
 WSM = 2

No.s of Notices Served April - December 31st 2023	S.11 Improvement Notice *	S.12 Improvement Notice **	Notice of Intent ***	Final Civil Penalty Notice ****	EICR *****	MEES *****	EPC *****
April		1	1				
May					1	2	
June	3	4		1			1
July			6	1			1
August	1	1					
September	4	4		1		1	
October	1	1			1	1	
November	1	1			2		3
December	2	2					
Total	12	14	7	3	4	4	5

* Notices served in relation to Category 1 (serious) hazards identified during inspection

**Notices served in relation to Category 2 hazards identified during inspection

***Notice issuing intent to serve a civil penalty fine due to a breach of legislation & can be reviewed by Assistant Director upon appeal if a request is submitted by the landlord.

****Final Civil Penalty fine issued after review by Assistant Director- (landlord can only make a further appeal to the First Tier Tribunal)

***** EICR- Requirement for Landlord to comply with Electrical Installation Regulations- Final

Number of fines issued after internal review

***** MEES- Requirement for Landlord to comply with Minimum Energy Performance Regulations- Final Number of fines issued after internal review

***** EPC- Requirement for Landlord to comply with Energy Performance Certification Regulations- Number of fines issued after internal review

Empty Homes

The tables below represent properties bought back into use up to and including 31 December 2023.

Table 1

Represents the total number of properties brought back into use through officer involvement.

Long term empty with a premium (LTEP)

Long term empty (LTE)

From 1 April 2023 to 31 March 2024

	LTE 6-23MTHS	LTEP 24MTHS +
Total Officer involvement	58	8
Total for the period	1.4.23 – 31.3.24	66

Table 2

Represents the number of properties brought back into use for the New Homes Bonus

From 3 October 2023 to 7 October 2024 (CTB1 submission date)

	LTE 6-23MTHS	LTEP 24MTHS+
Total Officer Involvement	15	3
Total for the period	3.10.23 - 7.10.24	18

Throughout 2023 there have been delays with the Probate service, Land registry and Solicitors which have ultimately led to delays in property sales and finalising deceased estates. On a positive note, estate agents noted that sales continued through December due to property price reductions, lots of choice and competitive mortgage rates. One of the more problematic issues within empty homes is those executors who refuse or are unwilling to apply for probate. Consequently, properties are sitting empty with a council tax F exemption meaning they are not paying council tax. Often family disputes are one of the main reasons why probate is not applied for. The Empty Homes Officer has also noticed that legal firms are not updating council tax as quickly as they should if probate has been applied for or even granted.

The officer tries to obtain information about F Exempt properties in the following ways:

- During visits the Officer determines if the property is for sale or check Rightmove.
- Stage 1 intervention letters sent to executors or solicitors will often illicit a response and update regarding the estate.

- Direct emails to legal firms mean they must respond to an enquiry

Once a Grant of probate is obtained, the executors have a further 6-month exemption from the date of the grant. Previously this was sufficient time for them to sell and or exchange contracts as they often put the property on the market whilst waiting for probate to be granted. However, owners are now experiencing delays with sales and exchange dates too. This is not always the fault of the probate service or legal team and can often be caused by housing chains breaking down or buyers withdrawing from the sale at the last minute.

Total F Exempt properties in December for each category:

LTEP – 19

LTE – 129

0-6mths 130

The officer has emailed the F exempt list of properties to a genealogist company, and over the next 2-3 months they will check every case and provide an update as to whether probate has been applied for and or granted. It will enable the officer to determine which executors haven't applied so when the Officer makes contact, she can encourage them to do so or at least understand what is preventing them from applying. The information obtained will also be shared with the council tax team so they can update the account and either start charging council tax and set the empty date for a property or indeed place a premium charge on the account because the property has been empty for over 2 years.

Promote Health & Wellbeing for all

Leisure & Freedom Updates (Cllr Miscandlon)

Our partner, Freedom Leisure, continues to manage the leisure centres within Fenland effectively. The latest evidence of this is the number of membership sales made in January. Freedom's target was 680 across the four sites and they exceeded this target.

The strategic facilities assessment is underway, with a report regarding potential options for the three larger centres expected to be presented to Cabinet in May 2024.

The Council was successful last year with a bid to the Sport England Swimming Pool Support Fund. The second phase of the fund opened late last year inviting bids for capital works to improve facility energy efficiency. FDC has again been successful with a grant of £166,000. This was lower than anticipated due to the fund being many times oversubscribed. A project to deliver additional solar PV capacity to all pools, alongside other works has commenced.

Active Fenland (Cllr Miscandlon)

The Active Fenland Team continues to deliver three main projects across the District. All projects are funded entirely by third party grants with one project funded by the CCC Public Health Team (as a consortium of Districts across Cambridgeshire) and the other two projects funded by the ICS. Just under 4,000 participants have attending the Active Fenland sessions in this financial year so far.

A list of available activities can be found here;
[New Year Timetable 2024 - Digital v5 \(fenland.gov.uk\)](https://fenland.gov.uk)

Following a Transformation Team review of customer bookings for both the Events team and Sports Development Team, a piece of booking software has been purchased. This should be operation in the Active Fenland Team in February. It will improve the customer experience considerably when booking or cancelling sessions. It will also allow the team members themselves more time to effectively manage the projects and potentially delivery more opportunities to be active in Fenland.

Increase the use of local open spaces and collaborate with local activity providers and other partners to address health inequalities (Cllr Wallwork)

With the Wisbech Park pavilion now completed, both the Active Fenland Team and Community Teams are considering the use of the Pavilion, with bookings through the Town Council, for opportunities to carry out more community activities within Wisbech Park. The Pavilion as a point to meet, relax, grab a coffee, or use the community room is expected to provide real opportunities in the coming few months.

Health & Wellbeing Update (Cllr Wallwork)

The last meeting of the Cambridgeshire and Peterborough Health and Wellbeing Board was January 2024.

The agenda pack can be found here:

[Council and committee meetings - Cambridgeshire County Council > Meetings \(cmis.uk.com\)](https://cmis.uk.com)

The Cambridgeshire and Peterborough Tobacco Control Alliance are developing a fresh plan 'Smoking and Vaping Prevention Plan 2024-29' following the government's recent announcement (following the consultation period in 2023) to remove disposable vape products from sale. This plan will be developed as a partnership approach with oversight through the Joint Health and Wellbeing and Integrated Care Partnership Board.

Work with partners to promote Fenland through Culture & Heritage

Delivering the Creativity & Culture Strategy (Cllr Seaton)

Round one of the Fenland Culture Fund closed in November and decisions were made in December 2023. The Fenland Culture Fund was part-funded by the UK Government through the UK Shared Prosperity Fund and was supported using public funding by Arts Council England and is a partnership project with Arts Fundraising & Philanthropy.

A total of 42 applications were received with a combined value of more than £70,000. Initially a £23,000 budget was available in the first round (from Arts Council England and the UK Shared Prosperity Fund), however due to the high number of quality applications further funding was made available from the UK Shared Prosperity Fund, to increase the number of projects we

were able to support in this first round to more than £30,000.

The Integrated Care System funded project called Express Yourself launched its artist call-out process and training will begin in early 2024, with delivery commencing in February.

Working with partners to promote Fenland through Culture & Heritage (Cllr Seaton)

Fenland Poet Laureate Award launched in December 2023 for entries. An annual poetry competition to find the next Poet Laureate for the district, which has often been described as the most prestigious award of its kind in Cambridgeshire, this is the first time it has been organised by FDC.

The Wisbech Christmas Fayre in December saw the town centre footfall figures triple. This FDC supported event is organised throughout the year because of extensive partnership working and collaboration. This year saw a range of additions to the performance programme including a selection of music on the bandstand from singers, choirs and bands, and stilt-walker street performers in collaboration with Fenland based, Arts Council England National Portfolio Organisation Gorilla Circus. The Wisbech & Fenland Museum hosted several of the heritage groups and organisations in the town altogether with great feedback and the library held craft stalls, music and family activities.

Supporting groups to hold public events (Cllr Murphy)

A new online booking system, which has been introduced as a council transformation project, is soon to go live. This will provide a simple end to end booking system for the customer and save considerable time for staff.

March Christmas Market – The wrap up meeting has taken place and feedback has been very positive both from traders and visitors. Thousands turned out to shop. This year we trialled a park and ride from Fenland Hall which was successful. The date for 2024 will be Sunday 1st December 2024 and plans are underway to utilise the new Broad Street layout for the benefit of local businesses.

Wisbech Christmas Fayre – Despite the rain setting in around lunch time, footfall in Wisbech Town Centre was 3 times that of the Sunday before. Highlights included stilt walkers and over 1400 visitors to Wisbech Library and 600 at Wisbech Museum. The date for this year's event will be Sunday 8th December 2024.

Planning for St George's Fayre (21st April 2024) , Chatteris (22nd and 23rd June 2024) and Whittlesey Festivals (8th September 2024) are currently underway.

Pride In Fenland Awards (Cllr Wallwork)

The Pride In Fenland Awards will be taking place on Wednesday 13th March 2024 at Wisbech St Mary Community and Sports Centre. Nominations are now live and the closing date for nominations is midnight on Sunday, February 11, 2024.

For more information on how to vote please visit: <https://www.fenland.gov.uk/prideinfenland>

5 Market Place Wisbech – Fire Damaged Building (Cllrs Laws & Seaton)

Phased demolition works commenced at the site and the owner is preparing a planning application for the replacement building. Decorative hoarding to the existing herras fencing is being investigated in order to improve the appearance of the street scene.

Key PIs:

Key PI	Description	Baseline	Target 2023/24	Cumulative Performance	Variance (RAG)
ARP1	Days taken: new claims and changes for Council Tax Support	6.48 days	9.00 days	9.45	
ARP2	Days taken: new claims and changes for Housing Benefit	5.29 days	8.00 days	10.86	
CELP1	Total number of private rented homes where positive action has been taken to address safety issues	246	250	224	
CELP2	The proportion (%) of households presenting to the Council as homeless whose housing circumstances were resolved through Housing options work (%)	53%	57%	45%	
CELP3	Number of empty properties brought back into use	81	50	66	
CELP4	Amount of New Homes Bonus achieved as a result of bringing empty homes back into use	£98,395	£45,000	N/A (March 2024)	N/A
CELP6	Number of Active Health sessions per year that improve community health	513	650	440	
CELP19	Satisfaction with our leisure centres (Net Promoter Score)	29	30	N/A (March 2024)	N/A
CELP20	Value of Arts Council Grants achieved in Fenland	£43,000	£201,000	N/A (March 2024)	N/A

Key:	
	Within 5% of target
	5-10% below target
	10% or more below target

Comments
ARP 2 - Days taken: new claims and changes for Housing Benefit. Performance year to date has been impacted by the energy schemes which have now closed. A system issue affecting automation of

Universal Credits records has also impacted resource requirements within Benefits. This has also now been resolved, we have added several 'focus' days and identified some additional focused resources to assist and we aim to meet the target by the end of the year.

CELP 2 - please see Homelessness and meeting housing needs

Environment

Projects from Business Plan:

Deliver a high performing refuse, recycling and street cleansing service

Diverting waste from landfill (Cllr Murphy)

The provisional waste figures for the first 9 months of this financial year demonstrate a continuation of the changes that we observed in previous reports based on the impact of the cost of living.

The teams have already collected a total of more than 30,800 tonnes of domestic and commercial waste from our customers. Within this total the Residual Waste (green bin waste) has reduced by 3% (569 tonnes) and blue bin recycling waste collected has reduced by around 5% (359 tonnes) however the weather has resulted in an increase in garden waste collected of 21% (1,209 tonnes).

Collected Waste Tonnes	2022	2023	% Change
Overall tonnage	30,509	30,789	<1%
Residual Tonnage (green bins)	18,064	17,495	-3%
Dry Recycling Tonnage Actual (blue bins)	6,584	6,225	-5%
Compost Tonnage Actual (brown bins)	5,860	7,069	+21%
Dry Recycling & Compost Tonnage Total (blue and brown bins)	12,444	13,295	+7%

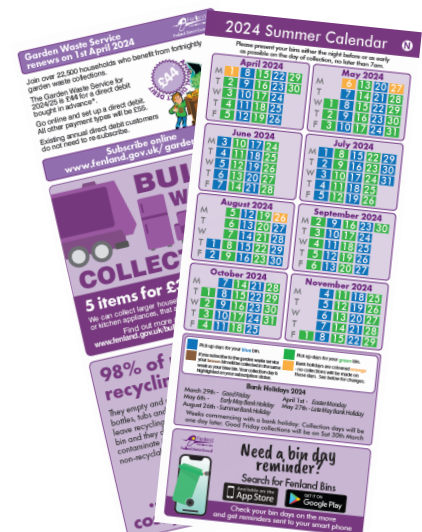
Collected Waste – Percentage Recycling (blue bins to green bins)	26.7%	26.2%
Percentage Recycling (blue and brown bins to green bins)	40.8%	43.2%

The economic pressure on our customers is being seen in the reduced amount of green and blue bin waste being produced.

These reduced levels of recycling, along with significant changes in the values of the recycling material markets has seen a change in the income achieved from recycling compared to the highs of previous years.

In the first 9 months of this financial year, we achieved a net income of £236,861 from the materials presented, which is £141,657 less than the same period last year. This is because a tonne of Fenland's recycling was worth £72 in December 2022, down from £130 in August 2022, and is now worth closer to £45. The 50% profit share within the contract has been impacted by this change in the value of the materials.

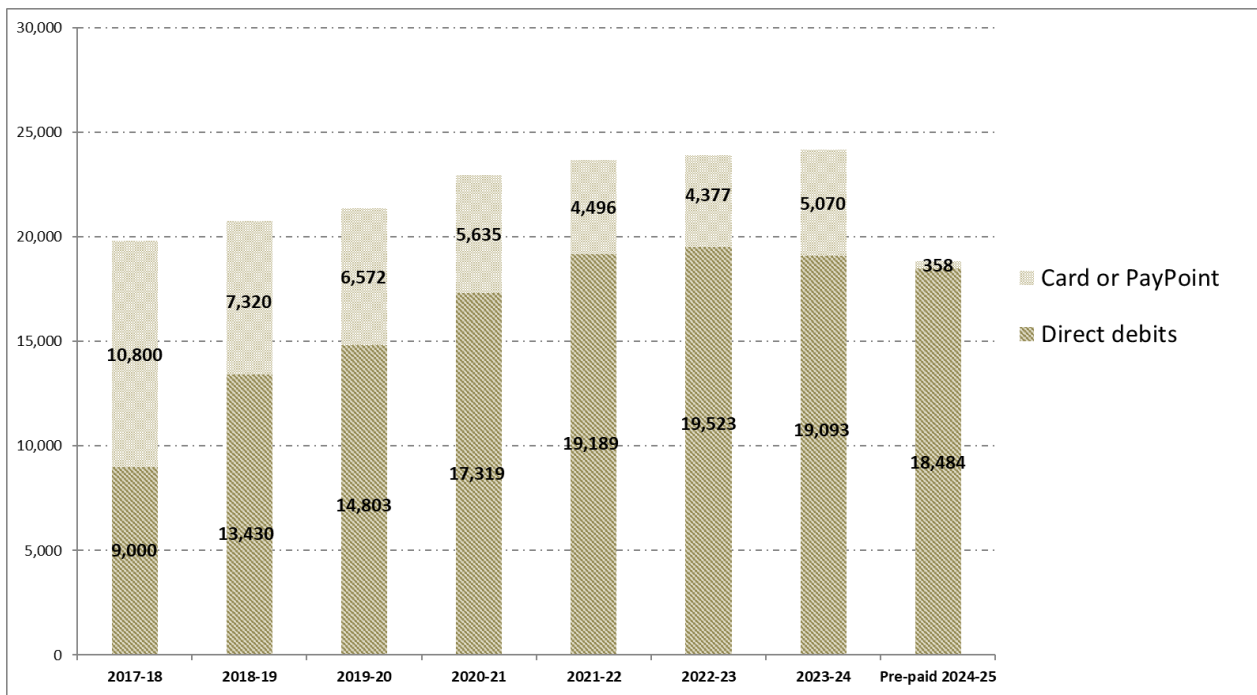
We will continue to support our customers to maximise their recycling efforts and continue to treat their waste as a resource, but the economic situation is having an impact across the recycling resource chain and reducing income from the materials collected.



To protect the quality of recycling materials collected, the team have rejected 6,069 blue bins so far this year. Each of these customers is written to with information about how to get their recycling correct. Alongside this, through inspections 2,962 properties received information directly from supervisors encouraging best use of recycling bins. Of these 2,962 bins inspected, 7% contained incorrect materials (194). During November all 45,500 properties received the winter collection calendar and will receive the summer calendar again in early March, along with a flier in council tax bills, all contain recycling messages to encourage improved recycling behaviours.

Garden Waste Collection (Cllr Murphy)

The levels of garden waste subscriptions this year already exceed those at the end of last year. A total of 24,163 subscriptions this current year, with 69% direct debits, has generated an income of £980,000 to cover the costs of providing the garden waste service to those who have chosen to make use of it.



Last summer produced significantly more garden waste than the previous year’s dry summer and the team have collected more than 7,000 tonnes of garden waste. This material is sent to be composted locally.

Service cost increases have resulted in the fee for 2024/25 being £44 for the direct debit and £55 for cash or card. Communications are in place to share the changes with customers, including calendars, bin tags, council tax flyers, emails and letters.

The team work hard to keep the service costs as low as possible, and they have maintained the service below inflationary rises since 2017. Inflation plus the original direct debit fee of £36 fee would be in the region of £46.50 by now. This is why the service is still amongst the cheapest fees of neighbouring authorities and across the eastern region.

Delivering clean streets and public spaces (Cllr Murphy)

The cleansing team works 7 days a week, 364 days a year to keep Fenland's streets and public open spaces clean.

So far this year (to end December 2023) they have responded to 1,442 requests from the public to deal with fly-tipping, graffiti, street cleansing or similar requests. Of these 95% (1,373) were actioned the same or next day.

The scheduled cleansing and rapid response service, with support from Fenland's active local volunteers, including Street Pride groups, deliver clean streets and public open spaces in Fenland. The standard of cleanliness is monitored by Street Scene officers using Keep Britain Tidy surveying methodology across a range of land use types and all wards. In the past 9 months officers have completed 894 surveys for litter and street sweeping and found 864 to be of a suitable standard (97%).

Fenland's Open Spaces

FDC's open spaces contractor, Tivoli, has provided a good service throughout the grass cutting season this year. Customer satisfaction has been high, with very few complaints received. Tivoli continues to carry out work through the off-season, getting ready for grass cutting once again in March or late February.

Wisbech Park Pavilion;

The Pavilion is now completed with a celebration event taking place in January with the Chairman of the Council Nick Meekins. Also in attendance were local Members and our funding partners, the deputy Mayor of the CPCA and CCC officers. The Mayor of Wisbech also attended with Wisbech Town Council leasing the facility with an opening expected in the coming months.

Street Pride

A total of 18 Street Pride events were held in November and 16 in December by community groups to improve the environment. As well as regular work parties, a few key events to highlight are:

March Street Pride / In Bloom installed knitted poppies onto the town bridge for Remembrance Day, which was a beautiful and creative way to remember 'the fallen.'

The Friends of March Railway Station spent time refurbishing the memorial garden, located on the footpath leading towards the entrance to the station.

Broken railings have been replaced with upcycled redundant pallet tops and the railway timeline sign moved to the front of the garden, so it is more visible.

The Friends of Rings End Nature Reserve utilised marketing opportunities from festive events by decorating a Christmas tree for display at St Peter's Church Christmas Tree Festival.

Benwick Street Pride / In Bloom held a Christmas Bazaar on 1st December with funds raised going to further support the group's activities.

Whittlesey Street Pride held a litter pick morning of 9th December and then had a stall at the Whittlesey Extravaganza later that evening.

Whittlesey In Bloom utilised marketing opportunities from local magazine Discovering Whittlesey by recruiting for additional volunteers.

Working with key stakeholders to deliver an effective waste partnership and update the Cambridgeshire & Peterborough Waste Strategy (Cllr Tierney)

Members agreed at a recent RECAP board meeting to jointly develop and fund a shared waste strategy for Cambridgeshire now that Defra have clarified 'simpler recycling' and are close to determining the nature of weekly food waste collections for Cambridgeshire.

There was a determination to continue the existing focus of waste infrastructure, behaviour change and efficiency across the county.

Deliver a competitive trade waste service (Cllr Murphy)

Fenland has 563 commercial waste customers, including 28 who make use of the commercial food waste service. The team have collected more than 850 tonnes of waste from these customers, of which 100 tonnes was recycling and 70 tonnes was food waste. The total invoiced income for the first three quarters of the year for the commercial waste, recycling and food waste is £396,782.

Tackling fly-tipping, illegal parking, dog fouling, littering and ASB (Cllr Murphy)

The total number of fly tips for November and December are shown below. Wisbech rural villages have been the most affected across the district.

Month	Total	Chatteris	March	Whittlesey	Wisbech	Villages
Nov	97	8	9	14	39	27
Dec	57	5	12	4	23	13

The Street Scene Team continue with proactive patrols, interventions and enforcement:

- **1 Fixed Penalty Notice £150** for littering bagged waste.
- **2 Fixed Penalty Notice of £400** for breaching the householder's duty of care. Both these fines have been paid at the discounted amount of £250.
- **Fixed Penalty Notice of £400** for fly tipping following evidence found at site. This fine has now been paid.
- **Fixed penalty notice of £300** for failing to provide evidence of business waste duty of care.
- **2 fly tipping cases** have been referred to legal for consideration to prosecute relating to fly tipping (fixed penalty period has elapsed).
- **1 Formal Section 34 Notice** requesting they produce documents in relation to adequate trade waste provisions

Additional enforcement work is taking place on March Marketplace to raise awareness of the parking order following the recent improvement works. Sadly, we have had to issue **8 parking fines** to cars who were found to be parking illegally.

The team have received **a total of 63 reported abandoned vehicles. All were investigated and 2 were removed by our contractor** due to be a danger to the highway.

Other work in the community during this time has included:

- Dog Patrols – as part of the PSPO renewal all signage is being checked and refreshed where necessary. Patrols are taking place in our open space and key areas. Including rural parish land as requested by Street Pride groups. A communication plan has also been put into place to highlight this work.
- Grant funding of £4,500 has been received from the Police and Crime Commissioner anti-social behaviour fund. This has been used to carry out a fly tipping prevention campaign in partnership with residents, landowners and Highways. Historic waste of 24 tonnes has been removed as well as building up the bank to restrict access to the drains by would be fly tippers. We have also run a publicity campaign to highlight our work which has included reminding householders how to dispose of their waste responsibly. Before and after pictures below:



Work with partners to keep people safe in their neighbourhoods by reducing crime & antisocial behaviour and promoting social cohesion

Community Safety Partnership updates (Cllr Wallwork)

Loan Sharks

Linked to the intelligence of Loan Sharks operating locally, in partnership with Stop Loan Sharks England a community engagement event was held at the Horsefair Shopping Centre and Wisbech Market Place. Residents and their children took away reporting and support information to raise awareness of loan shark trends and reporting options. Local businesses in the Market Place and the Horsehair Shopping Centre displayed over 30 posters to help raise the awareness in Wisbech.

Support from Schools in identified localities of risk to loan sharks (2 in Wisbech and 1 in March) included the display of Loan Shark information, distribution of leaflets and information electronically to parents.

Tackling Domestic Abuse

The Fenland Community Safety Partnership has been delivering a Domestic Abuse Awareness Campaign across Fenland since November 2023 through to March 2024. This included working with the county Domestic Abuse Sexual Violence Partnership (DASV) in the showing of the film Rattlesnake, two workforce development sessions, a Domestic Homicide Review (DHR) partnership event which explored recommendation trends from previously completed DHRs, engagement sessions and a media campaign.

Discreet stickers, with contact information for the Domestic Abuse Support Service's and the DASV, were designed, printed and distributed to help raise awareness over the festive period. These were distributed to Libraries, Community Centres, transport services used by residents including Fenland Licensed Taxis and Fenland Association for Community Transport (FACT). They have also been displayed within FDC buildings.

Workforce Development

The CSP continues to deliver Work Force Development sessions to help improve the awareness of frontline staff and volunteers who work across Fenland. These sessions are linked to community safety topics and priorities of the partnership.

In November and December, we delivered sessions on Prevent, Domestic Abuse and Coercive Control and Hate Crime. These sessions are delivered using video conferencing to maximise attendance, which averages at 50.

Community Engagement

The third of our main town events was held late in October at Whittlesey library. This event was supported by partner agencies including, Cambs Fire & Rescue, NHW volunteers, Scams & Cybercrime Officer from Cambs Police, Bobby Scheme, Barclays Bank Fraud Team and Fen Youth Radio. Issues reported included concerns with Burglary, Planning, Highways issues/Speeding, Scams and Homelessness.

We continue to seek opportunities to visit rural locations and these smaller events are primarily

supported by Cambridgeshire Constabulary through the local Neighbourhood Police Team and the Scams/Cybercrime Officer. A coffee morning at both Parson Drove and Walsoken were visited in November and December.

Fenland Diverse Communities Forum updates on delivering the Community Cohesion Action Plan (Cllr Wallwork)

Whilst the majority of the Diverse Communities Forums work is preventative and focussed on projects aimed to build community cohesion, we are also collating, monitoring and responding to any rises in tension. Early intervention can make a real difference in preventing low level tension building into bigger issues, potential incidents of public disturbance and disorder which impact on communities. This work also contributes to building good relations, integration and positive development of community cohesion.

We have an established a tension monitoring group, bringing together key partners and community representatives to discuss incidents which have occurred/ may occur due to rumblings of discontent. This information also provides the Diverse Communities Forum with an opportunity to identify proactive and strategic work needed to address any emerging community tensions. Group members make others aware of any tensions and/ or incidents between communities as soon as they are aware. This includes both large scale incidents e.g. disputes between communities, but also small scale incidents with the potential for a significant community impact – e.g. between communities which have been involved in disturbances in the past.

In addition to working through partners in other organisations, we have also set up links with perceived hard to reach communities – seeking to encourage them to be proactive about contacting appropriate support agencies if they have any concerns. This enhances the groups work and enables people that do not have the confidence to speak more openly about a variety of issues to a trusted agency. We also use these contacts to spread positive messages back out to the community, such as on the importance of good community relations and using this to send positive messages/ counter misinformation to resolve tensions.

Hate Crime:

In partnership with Cambridgeshire Constabulary and the Diverse Community's Forum (DCF), an awareness programme is underway to improve awareness of hate crime trends, formal reporting options and third-party reporting opportunities. This also included refresher training for the established third-party reporting centres across Fenland, with 47 professionals/ volunteers who work across Fenland attending the training. There is another refresher session for third party reporting scheduled for 7th March. There was also a Social Media campaign which partners were encouraged to support. This hopefully will improve the under reporting of issues that take place.

Many of the victims state to partners that they believe that they have to accept being treated in this way as part of life in general. They simply don't feel valued enough to see that this is unacceptable and/or confident enough to report these to the police for a number of reasons. A lot of work is done by Diverse Communities Forum partners to dispel this myth and to help build confidence to report incidents and provide alternative ways to do this. To make this more user friendly, we have promoted on-line reporting and local independent reporting centres, for anyone to come forward and report incidents of hate crime. The centres offer the opportunity to victims and witnesses of crime to talk to someone in a safe place. What people say in the

centres are strictly confidential and help people to report an incident without, in the first instance, directly speaking to the police. Trained members of staff are on hand to provide people with advice and to also refer victims to support services if they need any extra help.

The Diverse Communities Forum also engaged in low level community mediation as one of a range of conflict resolution interventions that seeks to settle disputes and conflicts at the neighbourhood level. Other practical conflict resolution intervention tools include peer mediation in schools and town wide dialogues.

Community Safety Grant Agreement updates (Cllr Wallwork)

The passage in Norfolk Street is closed because of urination as well as drug and sexual activity and is also subject to litter accumulation. Links have been made with internal partners and the local Police team to monitor and cleanse when necessary. Links have also been made with retail outlets either side of passage to encourage reporting of concerns.

Close liaison takes place internally with Streetscene colleagues who reported evidence of NOS (Vape) use in an open public space and an area known for ASB. Information has been shared with the local Police team who was aware of youths congregating in the area and had been subject of Police intervention. Prompt removal of litter and intelligence have supported evening police patrol activity.

The England Illegal Money Lending Team (IMLT) shared intelligence with Community Safety regarding a Loan Shark operating within Wisbech. Together with IMLT and a Housing Provider, it was agreed to disseminate information to the Housing Provider's tenants through door to door calling and through the housing providers community newsletter. The IMLT also delivered a training session for the housing provider's Neighbourhood Officers.

Community Safety, Police and Clarion delivered a partnership training event for members of the Problem Solving Group who meet monthly to discuss partnership responses to the more serious ASB issues affecting the district. The focus of the event was to improve awareness of the partnership Problem Solving Model. This was done through a presentation by a subject matter expert and working on desk top ASB scenarios.

Safer Streets 5: ASB Engagement & Support to Wisbech Business Community

Initial activity has been the engagement of the retail community within the specific LSOA (3H) subject of Safer Streets 5 (SS5), generally the residential, retail and industrial areas found in the southern part of South Wisbech ward.

This engagement has identified concerns linked to shoplifting, issues linked to homelessness and environmental concerns related to littering. Linking with appropriate partners to develop a response will happen once full engagement has been completed.

There has been early intervention alongside the Police linked to Op Luscombe and ASB activities at one of the out-of-town retail outlets.

Work has commenced to engage with Neighbourhood Watch (NHW) to develop schemes across all sectors where possible.

Deliver the CCTV shared service with Peterborough City Council (Cllr Wallwork)

The CCTV shared service has maintained its 100% service function across a 24/7 period – the CCTV service is the only council service that is delivered across 24 hours a day, 365 days a year.

From April 2023 to January 2024, the CCTV service has been able to respond to 871 incidents across our four market towns including incidents relating to anti-social behaviour, criminal damage, violent crime, illegal drug use, possession of weapons and theft.

As a result of CCTV intervention this has led to 120 arrests being made by Cambridgeshire Police. This highlights the work CCTV services do to support the council and partners in responding to crime and disorder and helping to make our communities safer and reduce the fear of crime.

The CCTV service also continues to be pro-active in delivering services that helps reduce crime & disorder and anti-social behaviour by delivering regular camera patrols of our four market towns and other key locations. Since April the CCTV team have delivered 3,218 patrols. All patrols all conducted across the 24/7 period ensuring that no matter what time of day and night our local communities are being protected and that any issues or concerns are being identified as early as possible.

The CCTV service also provides the councils 'out of hours' telephone contact services for example, homelessness, stray and lost dogs, cleansing incidents, dangerous buildings and structures, damaged trees, to name but a few areas. From April to January, the CCTV service has responded to over 271 calls for services from our telephone contact service.

CCTV control room visits took place during October and November with our town council partners and was positively received from all that attended.

Street Drinking Update (Cllr Wallwork)

Community reports to police and FDC continue to be low.

CCTV continue to monitor and provide data feedback. Of the observed street drinking by CCTV, the behaviour of the individuals involved rarely requires notifying the police for their consideration of attendance.

Homeless outreach resources continue to report less observed street drinking in public open spaces. It's believed Op Luscombe has had a positive impact.

Op Luscombe, the police led partnership work to tackle street based ASB issues, continues to have a positive impact. External funding will support extra policing activity in addition their normal patrols.

Monthly partnership monitoring meetings continue in addition to the Op Luscombe hub meetings.

Key PIs:

Key PI	Description	Baseline	Target 22/23	Cumulative Performance	Variance (RAG)
CELP8	Rapid or Village Response requests actioned the same or next day	96%	90%	96%	
CELP9	% of inspected streets meeting our cleansing standards	98%	93%	97%	
CELP10	% of collected household waste – Blue Bin recycling (1 month in arrears)	27%	28%	26%	
CELP11	Customer satisfaction with refuse and recycling services	95.8%	90%	N/A (March 2024)	N/A
CELP12	Customer satisfaction with our garden waste service	89.1%	85%	Draft result	86.9%
CELP13	Number of Street Pride and Friends Of community environmental events supported	236	204	188	
CELP14	% of those asked who are satisfied with events	97%	95%	97%	N/A
CELP18	% of businesses who said they were supported and treated fairly	100%	95%	100%)	

Key:	
	Within 5% of target
	5-10% below target
	10% or more below target

Comments
CELP10: The influence of cost-of-living and producers reducing packaging are that blue bin recycling tonnages are reducing.

Economy

Projects from Business Plan:

Attract new businesses, jobs and opportunities whilst supporting our existing businesses

Attract inward investment and establish new business opportunities (Cllr Benney)

We continue to work with two inward investors, one from Peru and one from India, both in the AgriTech sector.

Provide responsive Business Support (Cllr Benney)

- The team continue to work with the developers of the Peterborough Science and Technology Park and attended the public exhibition in Whittlesey in December.
- Attended Agri-Food-Tech & Sustainability Consortium – outlines the support to businesses offered by ARU Peterborough
- Attended the official opening of the North Cambridgeshire Training Centre
- Attended Smart Manufacturing Alliance meeting in Chatteris. Four Fenland companies attended and are working with the alliance to adopt smart tech to improve their manufacturing businesses.
- Attended CPCA State of the Region and Shared Vision Working Group. City Science won the contract to deliver the project. The interim report is due on 4 March and the final report is due on 3 June.
- First round of UK Shared Prosperity Fund (SPF) Grants – All projects are up and running, some businesses are starting to show major improvements since being awarded a UKSPF grant for example

Vita Nova

Vita Nova are employing one new apprentice in February and have taken on two new Sales Reps – one in the UK the other in Ireland. With the support of a UKSPF grant the purchase of 3D printing machine has saved the company £20,000 (since October 2023) as they can make the components on site.

Vita Nova have attracting new business with a Moy Park contract worth £300,000 and new business in Ireland worth £980,000.

Vita Nova are currently negotiating with Pilgram Foods (USA company).

Qualitech

Qualitech are creating 3 operative roles this quarter and the Compliance Manager will be in post by the end of this year. Estimated annual income will increase from £3 million to £4.5 million.

UK Rural Prosperity Fund – Round 1

This project is on track and we are currently making payments to those businesses who were

successful. There will be a slight underspend which can be carried forward to round 2.

UKSPF Round 2

This grant is still live and closes at the end of February 2024. To date there have been 29 expressions of Interest.

UKSPF – Start Ups

This grant is currently live and closes at the end of February 2024. To date there have been 7 expressions of Interest.



Promote business premises at South Fens, The Boathouse and Light Industrial Units (Cllr Benney)

The Estates team continue to actively engage with tenants of all sites. Industrial units are fully occupied whilst the Boathouse occupancy has remained static since the previous report at 96.8% but this has risen to 100% during January.

Occupancy at South Fens Business Centre has risen to 69.7%. A number of tenants have left recently for various reasons including switching back to full time working from home or business relocation. Investigations with the marketing agents and outgoing tenants to understand this decrease are ongoing with a view to amending the offer on site to attract tenants once again remains ongoing and proposals to this end are to be included in the proposed fees and charges schedule for the upcoming financial year subject to member approval.

The process of reviewing the occupancies of the industrial units continues with officers taking action to renew expired leases across all sites before moving onto rent reviews which have not been actioned. To date the work has resulted in rent increases to the benefit of FDC of approaching 31% on the estates actioned, as well as the management benefit to ensure the properties remain occupied and profitable.

Skills Update (Cllr Benney)

The Economic Growth Team are developing the 2024-25 Shared Prosperity Funded (SPF) Business Skills for Young People (16-25) comprising three projects:

- Business training for early-stage businesses

- Running a business/entrepreneurial course for schools
- How to be business ready event(s)

One of the key requirements set out by DLUHC for SPF was to include significant investment in skills related projects and outcomes in year three. Our year three proposed programme reflects this requirement with its focus on business skills for young people. In addition, at the Cabinet meeting on 30 January 2023, it was agreed that a sum of c£131k from the Council's SPF allocation be provided to the CPCA to invest in a Cambridgeshire and Peterborough People and Skills Programme in year three. This SPF will deliver:

- A refined 'Skills Brokerage Service' offer for businesses.
- Further development of the 'All-age careers service' aspiration/offering.
- Funding to provide paid internship opportunities.

Environmental Health inspection and business support programme (Cllr Wallwork)

Throughout November and December, 63 businesses received an inspection and were offered a score using the food hygiene rating scheme, where applicable. A total of 8 businesses were subject to the alternative enforcement strategy (this is used for low-risk businesses to enable the council to focus attention to those premises which present the greatest risk to consumer safety or who are failing to meet their statutory obligations).

The purpose of the food hygiene rating is to allow consumers to make informed choices about the places where they eat or shop for food and, through these choices, encourage businesses to improve their hygiene standards. Some premises may be excluded from the scheme or their rating may not be published for sensitivity purposes, however they are still rated in accordance with the standard.

Food Hygiene Ratings were awarded as follows:

- 36 businesses received a 5
- 14 businesses received a 4
- 7 businesses received a 3
- 3 business received a 2
- 2 businesses received a 1
- 1 business received a 0

The lower scoring businesses have received follow up support and revisits to assist them in achieving at least a 3 rating consistently. The 0 scoring businesses was closed by means of a voluntary agreement and only reopened when we believed the risk to public health had been removed.

In November and December we received 3 applications for a food hygiene rating rescore visit. An opportunity to request a re-visit when improvements have been made in order to be re-assessed for a 'new' rating is one of the 3 safeguards to ensure that the Food Hygiene Rating scheme is fair to businesses, alongside a right to appeal and a right to reply. The re-score visit is unannounced and must take place within 3 months of the application being made by paying a fee via our website.

Businesses that were subject to alternative enforcement strategy do not receive a new food hygiene rating.

We also received 18 support requests, ranging from new business enquiries to foreign body complaints or issuing a food export certificate.

Recently we also contributed to the Fenland for Business Newsletter. The article briefly explains the Food Hygiene Rating Scheme and what advisory packs the Council offer in order to assist new and existing businesses.

Sampling cockles in the Nene Outer Mouth

As part of our duties to protect public health an investigation took place in December to ascertain the reason for poor sampling results affecting the cockle beds in the Nene Outer Mouth.

Sampling results indicate wider public health issues and in partnership with the food standards agency, other district councils and the centre for environment, fisheries and aquatic science (Cefas) additional sampling was undertaken and a review of recent weather incidents and potentially polluting activities.

Follow up samples showed much improved results. This will continue to be monitored and may result in temporary closure of the beds if a further sampling exceedance is identified.

Promote and enable housing growth, economic growth and regeneration

Planning updates (including progress on the Local Plan) (Cllr Laws)

In year performance in respect of the speed in the determination of planning applications continues to improve with performance on Minor applications getting closer to being on target. With regard to the Government's 24 month rolling performance tracker, the service remains close to the designation threshold as we are at 71% of non-major planning applications being determined on time compared against a threshold of 70%, if in year performance continues to remain strong.

The Government increased planning fees at the beginning of Dec 2023 and is looking to increase the performance requirement. The planning guarantee for non-major application has been changed from 26 weeks to 16 weeks. So, unless the applicant agrees to giving the Council more time to decide the application (called extensions of time), the Council will have little opportunity to seek amendments to schemes as otherwise there is the risk that applications won't be decided in 16 weeks and the planning fee will have to be refunded. Revisions to the scheme of delegation would reduce the risk of the situation arising. The Government is due to consult on other possible changes which may include not allowing extensions of time for householder applications and only allowing one extension of time for all other types of application. This means that householder applications will be decided as submitted, with no revisions allowed. In this situation more applications are going to be recommended for refusal and if these go to committee there is an increased likelihood of the planning fee having to be refunded. For non-householder applications, unless a long extension of time is agreed then applications that cannot be approved as submitted are likely to only have one chance of submitting amended plans as otherwise the application would be determined 'late' in respect of the performance target.

A decision on the Medworth Energy from Waste proposal is expected soon from the Secretary of State for Energy.

A non-statutory consultation is underway for a power transmission line proposals in the vicinity of Tydd St Giles [Grimsby to Walpole | National Grid ET](#). The scheme is one which will be decided by the Secretary of State for Energy.

Biodiversity Net Gain is now compulsory for large sites under national legislation and developments have to deliver 10% net gain in biodiversity.

Tesco are mounting a legal challenge to the grant of planning permission by the Council for an Alid Store in March.

With regard to the Local Plan, a paper is being prepared which makes recommendations in respect of which of the sites allocated in the Draft Plan should be considered for deletion and which alternatives should be considered instead. Work is progressing in the Gypsy & Traveller needs assessment and also on the Annual Monitoring Report.

Delivery of new homes (including affordable homes) (Cllr Laws & Cllr Hoy)

A total of 137 new affordable homes at Skylark near the College of West Anglia will start to become available for residents on the Council's HomeLink register (97 homes) and also for households interested in purchasing the shared ownership properties (40 homes). This is through investment from a Housing Provider called Platform who the Council have encouraged to start to deliver schemes in our area to meet housing needs as well as grant funding from Homes England.

External funding bid updates (Cllr Boden)

Please click on the relevant links below:

- [Shared Prosperity Fund](#), [Shared Prosperity Fund Grants](#), [Shared Prosperity Fund Business Skills](#)
- [March Future High Street Fund](#) (Cllr French)
- [Growing Fenland](#) (Cllr Boden)

Capital Projects Update (Cllr Boden)

Accommodation Review

Work continues in conjunction with the instructed expert external partners to help draw together the Outline Business Case in respect of the short-listed options regarding the organisation's future accommodation requirements. The Outline Business Case will support the decision-making process in relation to the future of the Corporate Accommodation.

Recent tours of Fenland Hall and Melbourne Avenue (The Base) have taken place with elected Members. The tours had provided Members with the opportunity to see all aspects of the current corporate accommodation.

Next Steps

- We are engaging with key partners via One Public Estate (OPE) to ascertain the potential for future co-location.
- A report seeking members agreement to a preferred option regarding the Corporate Accommodation will be brought to Cabinet in Spring 2024, following which, if Cabinet are in agreement, a full business case of the preferred option will be commissioned.

The Elms Chatteris

FFL / Lovell homes are working with the architect, engineering and planning consultants on the reserved matters planning application.

Nene Waterfront Development

Work continues securing reserved matters planning for a new extra care affordable home scheme on plot 5. A new electricity substation is being put in by FDC / FFL utilising Brownfield Land Release Fund money.

24 High Street, Wisbech – construction project

Members can find updates regarding this project in a monthly update to Cabinet.

11-12 High Street, Wisbech

Members can find an update regarding this plot, owned by FDC, in Cabinet papers on a monthly basis.

March Future High Street Fund (Cllr Seaton & Cllr French)

The March Future Highstreets fund programme continues through delivery phase and at pace. To date the Marketplace scheme has been completed on time and under budget, along with four property grants being provided to local property owners. March dental and 24 Market Place have both received grants totalling £100,000 to improve their premises from empty/derelict properties to bring them back into use. Following intervention by the grants, FDC have been able to facilitate the creation of two new purpose build business units (now let) and three new residential units (also let) within the town centre.

The Broad Street project continues to be delivered by Octavius, with regular community coffee mornings making officers and staff available to members of the public that may have questions or concerns. At time of writing, paving along the eastern side of Broad Street, Dartford Road and Station Road approached completion with the demolition of the Toilet block and shelter scheduled for 14th February 2024.

The coming weeks will see the next phase of the project begin as works focus on the northern end of the work area in preparation for the switch over to the western carriageway for completion.

Items of note for members which have been undertaken since the last update are:

- The pedestrian crossing has been decommissioned at the bridge which has seen

significant easing to traffic caused by the works.

- A new temporary toilet has been installed at the rear of the old Barclays building on Grays Lane this is now open to the public and will remain in situ until a replacement toilet is created on Grays Lane.
- A planning application for a new toilet to the west of Grays lane has been submitted for review.

Growing Fenland (Cllr Boden)

Chatteris Projects

The Chatteris Town Council managed Chatteris Museum project has now moved the museum into its new premises (the old Barclay's bank building in the High Street) as scheduled.

The works to 14 Church Lane are continuing but there have been a few setbacks; the principal ones being the need to remove the flat roof at the rear of the building and the weather which has hampered building works. It is estimated that this has set the programme back by at least 6 weeks.

With the weather improving, the extension is now going up and internal plumbing and electrical works are underway. It is hoped that the Town Council will be able to move back in early summer and to have the two, two-bedroom flats available for rent and the community rooms ready for occupation at the same time.

Whittlesey Projects

Funding from the CPCA, following the suspension of the Whittlesey Heritage Centre project, has been secured for work to;

- Develop an SOBC regarding a Whittlesey relief road. Consultants will be appointed to progress this work.
- Add additional solar PV to the Manor swimming pool;
Business case developed. Application to UKPN underway & funding application to Swimming Pool Support Fund, managed by Sport England has been submitted. As noted in the Freedom Leisure update, FDC will be progressing this project in February, now that the outcome to the Swimming Pool Support Fund has been determined.
- Improvements to the netball / tennis court area at the Manor Centre:
Fencing replacement has been completed, lighting units have been replaced and the playing surface refurbishment will take place shortly – subject to weather conditions.
- Whittlesey Buttercross – trip hazard works
Discussions regarding options for this work have taken place. Meetings with local Members will be booked in the coming week to consider the situation.

Wisbech Projects

There is no further progress with the Shop Watch Radio Scheme due to issues around access to the aerials at Exchange Tower.

Continue to review council land and property assets to ensure they are fit for purpose and optimised to deliver better public services, improve efficiency and release surplus land for residential and commercial development as outlined in our Commercial Investment Strategy (Cllr Benney)

The Estates team continue to engage as a key stakeholder in the ongoing accommodation review. As reported to members, this has included member tours of both Fenland Hall and The Base and work with appointed agents in preparation of an outline Business case to be presented to members in due course.

The first tranche of disposal and overage claims is ongoing with a total of £466K received as of October 2023. The remaining initial properties continue to be pursued via planning consents prior to sale at auction to ensure maximum value. Future value gains are also protected with the adoption of stricter overage clauses.

Work is concluding in relation to identifying potential sites for a further tranche of disposals, and these will be put before members for approval prior to disposal work commencing.

Promote and lobby for infrastructure improvements

Promotion of sustainable road, rail and concessionary travel initiatives (Cllr Seaton)

Manea Railway Station

The car park at the station opened in August 2023 with a soft launch. The official opening was held in January 2024.

March Station

The platform 1 building project and the refurbished and extended station car park was officially opened in May 2022.

Whittlesea Station

Following the completion of the second strategic outline business case and options appraisal work in late 2022, we have been continuing to try and secure funding for the Outline Business Case (OBC) Project. In November 2023 the CPCA included £3million for Whittlesey Station in its draft Medium-Term Financial Plan (MTFP). Subject to the outcome of the public consultation and sign off in January 2024, funding will be available to commence the OBC from April 2024.

Hereward Community Rail Partnership

Funding applications have been successful to secure money for a Manea Walking and Cycling map, route audits/mini maps and route promotion and a summer 2023 drone video. The completed drone video was launched at a special CRP celebration event in October 2023. Work to develop the audits and mini maps is ongoing. A design template has been put together for the maps and the text is being finalised following the audits. An initial draft of the Manea walking and cycling map has been completed following discussions with the Parish Council and key stakeholders.

Engagement with CPCA and CCC on delivery of major road and rail infrastructure projects (Cllr Seaton)

Local Transport and Connectivity Plan (LTCP)

The LTCP sets out the forward transport strategy for Cambridgeshire and Peterborough. It is an essential document to help secure funding for local transport improvements. The CPCA are currently updating this document. In September 2023, CPCA latest version of the LTCP went to Committee and Board but was not approved. At FDC Council on 2 October 2023, a motion was passed that the LTCP should be revised. The good elements should be retained and matters relating to deliverability and funding should be amended and prioritised. Any such prioritisation should recognise differences within individual districts. A copy of the motion was sent to all CPCA Board members. Further details can be found in the FDC press release, a link to which is below:

[Call for revised local transport plan - Fenland District Council](#)

In November 2023, the LTCP was taken back to CPCA Transport Committee and CPCA Board. This time the latest version was approved. The final documents can be found in the link below.

[CMIS > Meetings](#)

Wisbech Access Strategy

There is no specific update for this project.

This is a CPCA funded project being delivered by Cambridgeshire County Council. It contains a range of transport projects in Wisbech that aim to address transport issues within the town and to help support the delivery of the scale of growth in the Fenland Local Plan. The latest information about the project can be found on the County Council website from the following link:

<https://www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/transport-funding-bids-and-studies/wisbech-access-strategy>

A Wisbech Access Strategy report was presented to CPCA Business Board in July 2021 and CPCA Board in September 2021. The report required a strategic decision on the way forward linked to timescales and budgets. It was agreed that funding would be made available to complete the detailed design and the land acquisition for the 3 schemes – A47 Broad End Road, A47 Elm High Road and A1101 Ramnoth Road/Weasenham Lane. A copy of the main accompanying paper for the meetings mentioned above can be found from the following link:

https://cambridgeshire.cmis.uk.com/ccc_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1529/Committee/62/Default.aspx

There has been delays relating to land acquisition and ongoing discussions around related issues such as probate. This work is now expected to complete before the end of 2023. The next step for these 3 projects is to secure funding for their construction.

March Area Transport Study – Main schemes

There is no specific update for this project. Work is ongoing to progress the individual

projects as set out below.

This is a CPCA funded project being delivered by Cambridgeshire County Council. It includes a range of transport projects across March to address transport issues and to facilitate new housing and employment growth.

In January 2023, A paper went to CPCA Transport and Infrastructure Committee. The paper asked the Committee to:

- note the completion of the Full Business Case stage 1 (FBC1);
- Recommend to the Combined Authority Board to approve the drawdown of £4,149,825 for the construction of MATS Broad Street;
- Recommend to the Combined Authority Board to approve the drawdown of £300,000 for the completion of the FBC 2;

Here is a link to the Committee Paper and relevant reports for further details: [CMIS > Meetings](#)

The schemes forming part of this project are:

- A141 / Peas Hill Roundabout Upgrade (52m ICD), including the creation of an allmovement signalised junction at the A141 / Hostmoor Avenue Junction.
- A141 / Twenty Foot Road Signals.
- Broad Street / Dartford Road / Station Road Mini Roundabout, with one lane in each direction on Broad Street
- High Street / St Peter's Road Traffic Signal Improvements.
- Development of a Northern Industrial Link Road (NILR) – As a larger more complex project this scheme is expected to be taken to FBC2 in 2024.

March Area Transport Study – Walking & Cycling Schemes

There is no specific update for this project. Work is ongoing to progress the individual projects as set out below.

The MATS project also includes a Walking and Cycling Strategy. £562,800 was approved at the October 2022 CPCA Board meeting. This funding allows for schemes in the Walking and Cycling Strategy to be progressed in 3 phases. The phase one schemes which are primarily lining and signing will be constructed and completed in full. Phase 2a schemes require further investigation and design work to determine the solution to be built. Phase 2b schemes require option development work as well as further investigation and design work. This funding will enable 28 projects to be progressed as set out above. Phases 2A and 2B will require further funding in the future for their construction.

A copy of the October 2022 CPCA Board meeting paper setting out more details and information including for the 28 schemes can be found from the link below:

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/2117/Committee/63/SelectedTab/Documents/Default.aspx>

The full technical details and feasibility study work associated with the March Area Transport Strategy can be found on the County Council website from the link below

<https://www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/transport-funding-bids-and-studies/march-transport-study>

March to Wisbech Railway Line

There is no specific update for this project. Work is ongoing to progress the individual projects as set out below.

This is a CPCA funded project with study work being taken forward by CPCA.

In November 2022, CPCA Transport and Infrastructure Committee and the Board approved work to Undertake an Options Assessment Report to provide the economic analysis on mode options, including existing information on heavy rail. This will be based on a service operating between Wisbech and March which removes the current dependency on Ely Area Capacity Enhancements whilst still being mindful of the future strategy to link into Cambridge. £80,000 has been drawn down from CPCA Medium Term Financial Plan to undertake this options assessment work. This study work is currently ongoing.

A link to the papers and information from the November 2022 CPCA meeting with the the relevant reports and papers can be found from the link below:

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/2139/Committee/67/SelectedTab/Documents/Default.aspx>

A47

There is no specific update for this project. Work is ongoing to progress the individual projects as set out below.

In May 2023 National Highways released a series of documents and a consultation to support the Roads Investment Strategy 3 process covering the period 2025 – 2030. The consultation is live until 13 July 2023. It includes a Strategic Road Network Initial report, regional reports, and interactive maps. There are several references to A47 within the East of England regional report. The outcome of the consultation will feed into the RIS3 decision making by Government. The documents can be viewed from the following link:

<https://routestrategies.nationalhighways.co.uk/>

As part of RIS2 National Highways are working on a series of Pipeline scheme undertaking feasibility and other technical work to support decisions for RIS3. One of these projects is A47 Elm High Road roundabout. They are also considering this roundabout alongside Weasenham Lane/Ramnoth Road. Officers are providing extensive technical input into the project. The outcome of the work will go forward to Government as part of their decision making for RIS3. Any such decisions are expected to be in 2024.

Whittlesey Relief Road Project SOBC

The Whittlesey Relief Road Strategic Outline Business Case (SOBC) project is being procured and managed by Fenland District Council with funding from the Cambridgeshire and Peterborough Combined Authority (CPCA) market towns programme.

The project commenced in March 2023 with a paper approved by FDC Cabinet for the Governance arrangements and procurement of a contractor to deliver the project. Please see the link to the Cabinet paper for further details:

[Cabinet Paper March 2023 - Whittlesey Relief Rd V2 6.2.2023 updated 02.03.23.pdf \(fenland.gov.uk\)](#)

A procurement exercise has since been completed and a contractor appointed in August 2023. Project Board meetings took place in August and September 2023. The project has an agreed programme to complete in late autumn 2024. The Initial evidence and gap analysis work was completed and approved by the Project Board in November 2023. The Baseline Data and evidence gathering stage is in progress and is expected to be signed off by the Project Board in February 2024.

Work with CPCA to influence housing and infrastructure funding to stimulate housing development and economic growth (Cllr Boden)

CPCA funded affordable homes at Wisbech Road, March (118 affordable homes) are progressing to completion over the next few months.

Key PIs:

Key PI	Description	Baseline	Target 21/22	Cumulative Performance	Variance (RAG)
CELP15	% of major planning applications determined in 13 weeks	74%	70%	91%	
CELP16	% of minor planning applications determined in 8 weeks	62%	70%	67%	
CELP17	% of other planning applications determined in 8 weeks	81%	80%	86%	
EGA1	% occupancy of our business estates	93.9%	90%	93.8%	
MS1	% occupancy of Wisbech Yacht Harbour	99%	100%	99%	

Key:	
	Within 5% of target
	5-10% below target
	10% or more below target

Comments
In year performance in respect of the speed in the determination of planning applications continues to improve with performance on Minor applications getting closer to being on target. With regard to the Government's 24 month rolling performance tracker, the service remains close to the designation threshold as we are at 71% of non-major planning applications being determined on time compared against a threshold of 70%, if in year performance continues to remain strong.

Quality Organisation

Projects from Business Plan:

Governance, Financial Control & Risk Management

Data Protection Update

There have been no reportable breaches of the UK GDPR during the period to which this briefing relates however there have been 13 recorded breaches requiring no further action. In the same period, there have been 4 data subject access requests.

Transformation and Efficiency

The Transformation Team has recently successfully recruited to the fixed term vacancies within the team including the Transformation Lead Officer and Business Improvement Officer roles.

Recruitment to the roles is vital in order that the Transformation Reviews of all Council services can commence. The programme of service reviews has been documented and commenced in November 23, the service review programme was informed by a prioritisation exercise scoring risks and opportunities associated with each service and will be rolled out across the organisation over the next 2 years.

Services reviews in respect of the following Services have commenced:

- Marine Services
- Cemeteries
- My Fenland

Work continues in relation to the Review of the Planning Service, to date 25 recommendations have been identified and endorsed including the following:

- Funding secured for Idox to complete a systems audit and implementation
- Enterprise Workflow system – including automated task allocation
- Connector between Planning Portal and Uniform, application via portal integrate with Uniform, preventing the duplication of data entry
- Implement new and update existing templates to streamline processes
- Reduce the use of paper, greater use of reprographics
- Investigate and resolve connectivity and printing issues when hybrid working
- Building resilience and removing single points of failure

To date the recommendations have resulted in the delivery of increasingly efficient working practices, including the enhanced use of the software to drive processes including automation,

where possible, resulting in a saving of 252 Technical Officer hours per annum.

Identify and deliver projects that support us to become a 'Council For the Future' (CFF) (Cllr Boden & Cllr Tierney)

Individual project updates are as detailed elsewhere in this report. A full review of 2022-23 was published in the Annual Report as approved by Cabinet on 17th July 2023. The report is available on our website.

Communication, Consultation and Engagement

News update

The number of news stories added to the FDC website and distributed as press releases to local media in November = 13

Highlights included:

- Council working to bring empty homes back into residential use.
- Jobs created and safeguarded thanks to grant awards to eight Fenland businesses.
- Where in Fenland do you fear suffers air pollution - council asks.
- Celebration marks culmination of Golden Age 20th anniversary events.
- New changing rooms unveiled as lifeline leisure centre funding confirmed.
- Grants to support improvements to forgotten Fenland corners.
- Traffic surveys to help with development of business case for Whittlesey relief road.
- Free supportive age and dementia friendly exercise classes come to Fenland.

The number of news stories added to the FDC website and distributed as press releases to local media in December = 14. We also created an additional 3 news articles we published on our website.

Highlights included:

- Five years of Fenland leisure centre partnership
- Town centre footfall tripled on Christmas fayre day
- Residents supported at Beat Your Bills event
- Entries open for 2024 Fenland Poet Laureate Awards
- New Wisbech Park community pavilion nears completion
- Subscriptions to Fenland's 2024/25 garden waste service now on sale
- Fens' community rail project shortlisted for national industry award
- Free exercise, wellness and social activity sessions for New Year

All press releases are distributed to relevant press and media organisations, appear as a web article on the news pages of the [Fenland District Council website](#) and on our social media channels [Facebook](#) and [Twitter](#).

Monthly update on FDC social media sites:

The number of social media updates added to the FDC twitter and Facebook accounts in

November:

- Twitter = 113
- Facebook = 103

The number of social media updates added to the FDC twitter and Facebook accounts in December:

- Twitter = 110
- Facebook = 109

We currently have 7,176 followers on Facebook and 8,862 followers on twitter.

Consultation Summary:

No consultations in November or December 2023

Excellent Customer Service

Customer Service Excellence accreditation (Cllr Tierney)

We are currently preparing for our annual re-accreditation process, which will take place in June 2024.

Supporting vulnerable customers with complex queries (Cllr Wallwork) – ALL

Please see updates on [Homelessness](#), [Rough Sleepers](#) and [Community Safety](#).

3C's Update (Cllr Tierney)

Quarterly figures to be reported on, July, October, December and March

Summary table for 3C's covering the period October – December 2023 inclusive:

October 2023 – December 2023	Total Received	On Time	% on Time
Correspondence	27	26	96%
Stage 1			
CELP	32	29	91%
GI	1	1	100%
PRCS	12	11	92%
Stage 2			
CELP	1	1	100%
GI	0	0	N/A
PRCS	1	1	100%

Stage 3			
CELP	0	0	100%
GI	0	0	N/A
PRCS	0	0	N/A

Asset Management and Commercialisation

Commercial & Investment Strategy (Cllr Boden)

As part of the Commercial and Investment Strategy, a facility of £25m was granted to the Investment Board to finance capital expenditure to be undertaken in accordance with the aims and objectives of the agreed strategy. At the end of March 2023, £4m of this facility has been utilised to fund the acquisition of a commercial investment in Wisbech and a house in March. These acquisitions were approved at Investment Board meetings held on 16th March 2021 and 3rd December 2021 respectively. Further utilisation will be needed when the funding position of Fenland Future Ltd is finalised and the draft Business Plan for 2023/24 has now been agreed.

The Commercial Investment in Wisbech has delivered a rental income of £230k for the year to March 2023. Rental income continues to be on track for 2023/24. As we used our own funds to acquire this asset there is no external cost of capital and the loss of interest foregone on our funds is minimal at present. This acquisition has enhanced the Councils revenue position and has had a positive impact on the MTFS.

Updates on the work of the Investment Board were presented to Cabinet at its meetings on 30 January 2023, 16th March 2023 and 11th September 2023. The annual report on Investment Board activity was presented to Overview and Scrutiny on 19th September 2023.

Fenland Future Limited (Cllr Boden, Cllr Benney & Cllr Tierney)

Fenland Future Ltd (FFL) has been granted Outline Planning permission on the two Council owned sites identified for development in their Business Plan. Work now progresses on options for the delivery methodology to be utilised in delivering the developments.

On The Elms site in Chatteris, Lovell Homes have been commissioned to work with FFL as a Development Management Partner and Design Architects, Planning Consultant and Engineering specialists have been appointed to work up the Reserved Matters Application. At the Nene Waterfront in Wisbech, a Reserved Matters Application is being prepared for 1 of the 5 plots for a circa 70 home affordable housing extra care scheme.

Workforce Development

Workforce skills and training (Cllr Boden)

We have a strong commitment to learning and development. We believe that if we are to continue to deliver excellent services to our customers, our staff must be well trained.

We have an extensive learning and development offer for our workforce, which involves opportunities for formal and informal training; we have a range of learning resources available to all staff, e-learning, coaching, shadowing, secondments, in house training workshops delivered by our own in-house experts; as well as more formal courses and training and apprenticeships.

Staff value the learning and development opportunities that are offered at FDC and are able to indicate the difference that training makes to them and their team. However, it is important that we continually review our learning and development offer to ensure it is fit for purpose and as accessible as possible.

We believe that talent exists in all our staff and that it needs to be encouraged and nurtured. Every manager with staff responsibility manages talent through the following activities:

- Performance management
- Coaching and development
- Springboard discussions, 121's and
- Recruitment

Talent management and succession planning ensures ongoing organisational capacity and capability for the future and enables transformation; and at a time when more is demanded of less, it becomes increasingly important.

Supporting and empowering staff (Cllr Boden)

We are committed to supporting and empowering our workforce, and we have a range of support that our staff can access, from an Employee Assistance Programme (EAP)

The EAP is free and confidential for staff to use, and is available 24 hours a day, 7 days a week, 365 days a year and is accessible by phone, email and online.

The EAP is designed to help with a wide range of work, family, and personal issues. It provides practical information, fact sheets and packs, resource information on support services in the local area and even short-term face to face or telephonic counselling if required. It is supported by a comprehensive EAP website offering extensive resources including articles, interactive tools, regular online seminars, confidential 24/7 support, self-help workbooks, Podcasts, blogs, videos, and articles on a range of topics, Debt advice, Debt Management, Domestic Abuse support, Wellbeing portal & App, Trauma programme and Exercise and Fitness advice.

Alongside this we provide additional support via our team of Mental Health First Aiders (MHFA), our Occupational Health Advisor, a range of family friendly policies and procedures, a comprehensive (cost neutral) employee benefits platform. We also provide individual support via our HR team, service managers, our Management and Trade Union and Staff Partnership (MTSP) reps.

We carry out our Staff Survey every two years to get a better understanding of employee morale, satisfaction, and engagement at Fenland District Council. This was undertaken in 2022, with 87% of respondents stating they were proud to work for Fenland District Council. In 2024 we will be replacing this survey process with pulse surveys, looking at specific areas.

Enforcement

All enforcement policies update (Cllr French (CPE), Cllr Laws (Planning), Cllr Murphy (Streetscene) & Cllr Wallwork Environmental Health))

The Environmental Offences (fixed penalties England) Regulations 2023 has increased the maximum fine levels for a number of fixed penalty notices; fly tipping, littering, householders' duty of care, graffiti and fly posting.

A comparison exercise is being undertaken to ensure Fenland's fines meet the criteria within these regulations, are at the right level when compared to similar areas and reflect any fines awarded by the magistrates' court for previously prosecuted offences. A new set of fine levels will then be recommended for approval.

120 cases of reported unauthorised developments have been investigated and resolved in the year to date. The service is aiming to at least match the number of resolved cases against the number of service requests by the year end.

Health & Safety

Maintaining Health & Safety Systems to comply with legislation (Cllr Boden)

The Council has a comprehensive suite of Health and Safety Policies and procedures, which all managers are aware of and trained on. We have a Health and Safety Panel, with membership drawn from all areas of the Council. This Panel meets every quarter to ensure ongoing compliance in all areas; to track all health and safety related issues, accidents and near misses. An ongoing Action Plan to monitor the corporate health and safety goals is in place and well established.

Work continues to drive forward improvements in health and safety management where required.

In 2024 the emphasis will be to support managers and staff to continue good standards of health and safety, whilst operating a shared service with East Cambridgeshire District Council, (three days per week at Fenland and two days per week at East Cambridgeshire).

A summary of some of the work planned for 2024 is provided below:

- Ongoing delivery of a corporate Health & Safety training programme

- Conduct accident investigations as applicable
- Plan the next phase of the health surveillance programme across the Council for roll out at the end of 2024
- Development of further e-learning training courses for the Council's e-learning platform
- Undertake audits/inspections of individual services/teams/buildings as per the audit programme
- Update intranet-based health & safety information for staff use.

Health & Safety Action Plan updates (Cllr Boden)

Good progress has been made over the last 12 months to deliver our objectives as set out in the health and safety action plan for 2023. Some of the actions are highlighted below:

- The roll out of internal health and safety e-learning courses developed for staff training via the Intranet.
- An analysis of all accidents and their consequent actions has been undertaken.
- The Accident Incident Rate (based on 100 per employees) was 6.31, which was the same as for the previous year
- Health and Safety training was delivered to a total of 91 staff
- A programme of audits and inspections undertaken.
- A key focus for the coming year will be the transfer of all Health and Safety e-learning courses on to the new system.

Other Updates:

Cambridgeshire & Peterborough Combined Authority (CPCA) update (Cllr Chris Boden)

Information relating to the CPCA can be found on their website:

[Cambridgeshire & Peterborough Combined Authority \(cambridgeshirepeterborough-ca.gov.uk\)](http://cambridgeshirepeterborough-ca.gov.uk)

Mayoral decisions can be found [here](#).

Office decisions can be found [here](#).

The papers for recent meetings can be found by clicking on the links below:

CPCA COMMITTEE	DATE OF MEETING	LINK
Combined Authority Board	31.01.24	CMIS > Meetings
Audit & Governance Committee	26.01.24	CMIS > Meetings
Overview & Scrutiny Committee	09.01.24	CMIS > Meetings
Overview & Scrutiny Committee	29.01.24	CMIS > Meetings
Employment & Skills Board	12.12.23	CMIS > Meetings
Employment & Skills Board	20.02.24	CMIS > Meetings

Transport & Infrastructure Committee	17.01.24	CMIS > Meetings
Business Board	15.01.24	CMIS > Meetings
Environment & Sustainable Communities Committee	22.01.24	CMIS > Meetings
Human Resources Committee	10.11.23	CMIS > Meetings
Human Resources Committee	16.11.23	CMIS > Meetings
Human Resources Committee	16.11.23	CMIS > Meetings
Skills & Employment Committee	15.01.24	CMIS > Meetings

Forthcoming CPCA meetings include:

CPCA COMMITTEE	DATE OF MEETING	LINK
Combined Authority Board	28.02.24	CMIS > Meetings
Combined Authority Board	20.03.24	CMIS > Meetings
Audit & Governance Committee	08.03.24	CMIS > Meetings
Overview & Scrutiny Committee	18.03.24	CMIS > Meetings
Skills & Employment Committee	04.03.24	CMIS > Meetings
Employment & Skills Board	14.05.24	CMIS > Meetings
Transport & Infrastructure Committee	13.03.24	CMIS > Meetings
Business Board	04.03.24	CMIS > Meetings
Human Resources Committee	08.03.24	CMIS > Meetings
Human Resources Committee	13.03.24	CMIS > Meetings
Human Resources Committee	14.03.24	CMIS > Meetings
Environment & Sustainable Communities Committee	11.03.24	CMIS > Meetings

Key PIs:

Key PI	Description	Target 21/22	Cumulative Target	Cumulative Performance	Variance (RAG)
PRC1	% of customer queries processed at the first point of contact	99%	90%	99%	
PRC2	% of customers satisfied with our service (measured annually in February)	86%	90%	N/A (Feb 2024)	
PRC3	% of contact centre calls answered within 20 seconds	47.49%	46.5%	35.86%	
PRC4	% of contact centre calls handled	87.96%	80%	82.39%	
ARP3	In year % of Council Tax collected	96.76%	85.17%	85.38%	
ARP4	Council Tax net collection fund receipts	£65,262,181	£57,429,446	£57,568,740	
ARP5	In year % of NNDR collected	97.10%	81.11%	80.78%	
ARP6	NNDR net collection fund receipts	£24,120,990	£20,572,849	£21,345,038	
PRC5	Number of online forms submitted via FDC website	21,504	21,000	16,940 (Nov-1,383) (Dec-1,322)	

Key:	
	Within 5% of target
	5-10% below target
	10% or more below target

Motion submitted by Councillor Dr Haq Nawaz

BUS SERVICES IN FENLAND

Council notes that the proposed changes to bus services in Fenland are not commensurate with the needs of rural communities of the district. Such lack of public transport contributes to social isolation, inability to take full advantage of educational and employment opportunities, and to take care of the health needs of the residents.

The Local Transport and Connectivity Plan (LTCP) evidently falls short of its own commitment to "...make transport more accessible to everyone."

The Council further notes that the proposed three-fold increase in the Mayoral precept to £36 to pay for the wholly inadequate bus service 'improvements' cannot be justified or supported.

Given that the district has some the country's most deprived wards and concomitant health inequalities, FDC resolves to call upon the Mayor to review the LTCP and proposed bus service provision in order to address the needs of residents of Fenland.

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Motion submitted by Councillor Tim Taylor

BLUETONGUE & BOVINE TUBERCULOSIS

Council Notes:

1. That Bluetongue is a viral disease, most commonly spread by midges, which primarily affects sheep and, to somewhat lesser amounts, cattle, deer, goats and camelids (such as llamas and alpacas).
2. That vaccination is the standard and most effective measure that farmers can normally use to protect their livestock, but unfortunately there is not yet a vaccine developed which is effective against the serotype currently spreading around Europe.
3. That within England, at the time of writing this motion, 99 bluetongue cases have been identified at 55 premises across 3 counties: Kent, Suffolk, and Norfolk.
4. That the nearest suspected outbreak has been at Emneth, although this has now been found to have been a false alarm.
5. That, worryingly, DEFRA have not yet been able to confirm that the current bluetongue outbreak is being transmitted by midges, which had been the transmission vector for all previous serotypes.

Council Further Notes:

1. That Bovine TB (bTB) results from a bacterial infection, most commonly spread directly between cattle.
2. That bTB is a disease which presents very slowly in infected livestock, months or even years after infection.
3. Given that bTB is a zoonosis (humans can be infected), that bTB is a notifiable disease which is primarily detected through routine testing of cattle rather than as a result of animals becoming symptomatic.
4. That routine tests for bTB in the UK either use a skin test (Single Intradermal Comparative Cervical Tuberculin – SICCT) or they use a blood test (Gamma Interferon).
5. That the frequency of testing depends upon the location of a farm, with Fenland currently being defined as being in a low-risk area. Nevertheless, the ‘edge risk’ area requiring 6 monthly testing now reaches the border of Northamptonshire.

As far as Fenland's farmers are concerned, Council notes:

1. That the risks posed to their herds and flocks is very real.
2. That farmers have a real commitment to the health and welfare of their animals.
3. That farming businesses can be significantly damaged financially in cases of bluetongue or bTB, either in their own animals or even if the outbreak is at another farm in the locality.
4. That farmers are experiencing increasing amounts of stress generally, exacerbated by the threats of bluetongue, bTB and other pressures to the extent that there should be concerns as to some farmers' mental welfare.

Council therefore resolves:

1. To contact our Member of Parliament, Steve Barclay, requesting that routine testing for bTB be conducted using a blood test (Gamma Interferon) rather than a skin test (SICCT) since blood testing is more accurate, produces far fewer false positives, results in fewer uninfected cattle being unnecessarily slaughtered (at considerable cost to farmers) and because blood tests have a quicker turnaround time than using SICCT.
2. To contact our Member of Parliament, Steve Barclay, requesting that testing for bluetongue be allowed to be conducted by any qualified local veterinary surgeon, as opposed to the current requirement for testing to be done only by a DEFRA vet, as the DEFRA vet service currently has a 12 week waiting time for such visits, leading to an increased danger of both intra-flock and onward transmission and increased costs to farmers. Additionally, to request that our MP supports a greater priority being given to developing a vaccine for the current bluetongue serotype.
3. To contact CCC Public Health and the North Cambridgeshire & Peterborough Care Partnership asking them both to include farmers' mental health as a specific item on their register of mental health risks, with a view to generally promoting awareness of mental health risks to farmers together with identifying and dealing with any farmer's mental health issues at the earliest possible stage.

Agenda Item No:	10	
Committee:	COUNCIL	
Date:	26th February 2024	
Report Title:	FINAL BUSINESS PLAN 2024-25	

Cover sheet:

1 Purpose / Summary

For Council to consider and approve of the Final Business Plan 2024-2025.

2 Key Issues

- Our Business Plan 2024-25 identifies the key challenges and opportunities for Fenland. Its structure outlines our key Corporate Priorities (Communities, Environment, Economy and Quality Organisation), and an additional cross cutting 'Transformation Agenda - Council for the Future' section. This section encompasses our ongoing transformation work to improve efficiency and customer experience, drive positive change and ensure the Council is fit for the future.
- Despite global challenges of the last few years and an ever-evolving landscape of public service, no other principal council in the country has a better record for keeping council tax down for its residents than Fenland.
- Almost every other principal council has raised its council tax over the past six years, and of the few which haven't raised their council tax, none can match Fenland's 2% reduction in that period. Fulfilling the mandate on council tax on which the ruling group had been elected, councillors believe that the burden of providing cost-efficient services should fall on the Council itself, a long way before it falls on our residents.
- A Task and Finish group set up from members of the O&S panel have reviewed the current performance indicators. The purpose of the review was to ensure the performance indicators enhanced the Council's corporate priorities and are both measurable and achievable.
- The recommendations from the Task and Finish group were approved at Cabinet on 18 December 2023 to be included in the Business Plan 2024-25.
- The Draft Business Plan was presented to the Overview and Scrutiny Panel on 15 January 2024. The Panel recommended a change to the wording on one of the Communities Performance Indicators 'Create healthier communities through activities developed and delivered by Active Fenland', which has been updated.

3 Recommendations

For Council to consider and approve the Final Business Plan 2024-2025.

Wards Affected	All
Portfolio Holder(s)	Councillor Chris Boden, Leader of the Council Cabinet Members
Report Originator(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director Carol Pilson, Corporate Director David Wright, Head of Policy & Communications
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director Carol Pilson, Corporate Director David Wright, Head of Policy & Communications
Background Papers	Budget and Medium Term Financial Strategy Draft Business Plan 2024-25

Report:

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 The Business Plan 2024-25 sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of our communities and set a framework for how we will work towards our ambitions for the area and achieve our goal of creating a thriving place to live and visit.
- 1.2 Our core priorities focus on three areas: Communities, Environment and Economy. These priorities primarily focus on the statutory and wide variety of services that we provide day-to-day. In a typical year we empty 3 million bins, clean 210 square miles of town centres and open spaces, answer 78,000 telephone enquiries and determine 1,300 planning applications – and more! A fourth priority, Quality Organisation, sits alongside everything we do. It aims to ensure that the Council runs effectively, transparently and sustainably. We invest in and support our workforce to ensure they have the skills and resources they need to work to the best of their ability.
- 1.3 Each priority is underpinned by a series of performance indicators, which are used to track progress, measure success, and identify areas for improvement. All performance indicators are reported to all elected Members at our Council meetings. These public reports are summarised to provide end of year

performance updates against our priorities in our Annual Report, which is available to download on our website.

- 1.4 We also have a fifth cross cutting priority: Transformation Agenda. This priority encompasses our ongoing transformation work to improve efficiency and customer experience, drive positive change and ensure the Council is fit for the future.

2 REASONS FOR RECOMMENDATIONS

- 2.1 Council is being asked to approve the Business Plan 2024-25 because it will provide a structure of proposed aspirations and outcomes which will guide delivery of the council's core priorities. It will also aim to ensure that the Council runs effectively, transparently, and sustainably.

3 CONSULTATION

- 3.1 We ran an online public consultation about our Draft Business Plan and Budget 2024-25 between 2 January and 4 February 2024. It was publicised on the front page of our website, our news web page and FDC social media accounts, via press releases and circulated to our news distribution list. It was also circulated to our business contacts, community groups and hard to reach groups. It was also available in paper format at the South Fens Business Centre, Chatteris, the Boathouse Business Centre, Wisbech, and Fenland Hall, March.
- 3.2 36 people responded to our survey. 72% supported our community ambitions, 86% supported our environment ambitions, 72% supported our economy ambitions, 75% supported our quality organisation ambitions, and 69% supported our transformation agenda ambitions. All responses were from Fenland residents.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 No alternative options were considered as the Council has made an ongoing commitment to produce an annual Business Plan.

5 IMPLICATIONS

5.1 Legal Implications

- 5.2 There are no specific legal considerations connected with the content of this report.

5.3 Financial Implications

- 5.4 The Business Plan 2024-25 sets out our corporate priorities we aim to deliver over the next 12 months. These are reflected in the Council budget.


5.5 Equality Implications

N/A



Fenland District Council
Business Plan 2024/25

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Introduction by the Leader and Chief Executive

Welcome to Fenland District Council's Business Plan for 2024/25.

We are pleased to present Fenland District Council's Business Plan for 2024/25, which sets out our ambitions and priorities for the year ahead.

As you read through the plan, you'll see it is not merely a document, but a testament to our commitment of putting the people we serve at the heart of everything we do.

Despite global challenges of the last few years and an ever-evolving landscape of public service, no other principal council in the country has a better record for keeping council tax down for its residents than Fenland.

Almost every other principal council has raised its council tax over the past six years, and of the few which haven't raised their council tax, none can match Fenland's 2% reduction in that period. Fulfilling the mandate on council tax on which the ruling group had been elected, councillors believe that the burden of providing cost-efficient services should fall on the Council itself, a long way before it falls on our residents.

Councillors are also passionate about building on the Council's strong track record of delivering high quality services people can rely on and, in a changing world, continuing to foster a resilient local authority that can adapt, innovate and lead.

We have big ambitions for the district, but every year we have less money from central government to deliver them. The world around us is changing, but we need to diversify and modernise our services to respond to those changes.

At the core of our plan is a commitment to transformation. In 2023, the Council was nationally recognised by The Municipal Journal for workforce transformation, but we want to do more.



Paul Medd
Chief Executive



Chris Boden
Leader of the Council

Through our ongoing Transformation Agenda, we're embracing innovative solutions and investing in technology to reshape the way we work and streamline internal processes. Not only will this make our services more efficient, it will make it easier for residents and businesses to engage with us, resolve matters more quickly, and experience a level of service that reflects the high standards we set.

Another key priority in our plan is directed towards businesses, acknowledging their pivotal role in our local economy. Through targeted funding initiatives and supportive programs, we aim to catalyse entrepreneurial growth, build skills development, and support a vibrant business landscape.

Furthermore, we understand the ongoing challenges many people across Fenland continue to face with the cost of living and will ensure that everyone who needs help has access to the support and guidance available to them.

Guided by the priorities set out in this plan, we will also continue to adopt a more commercial approach in what we do to help deliver our growth aspirations and further futureproof the organisation. We will also promote and develop active and sustainable travel; support Fenland's thriving arts, heritage and culture scene, and improve the way we empower and engage with our local communities.

Collaboration and engagement with our communities, businesses and public sector partners over the next 12 months will, as always, be at the forefront of our approach.

Together, we can face the future with real confidence and deliver a stronger, more connected district of which we can all be proud.

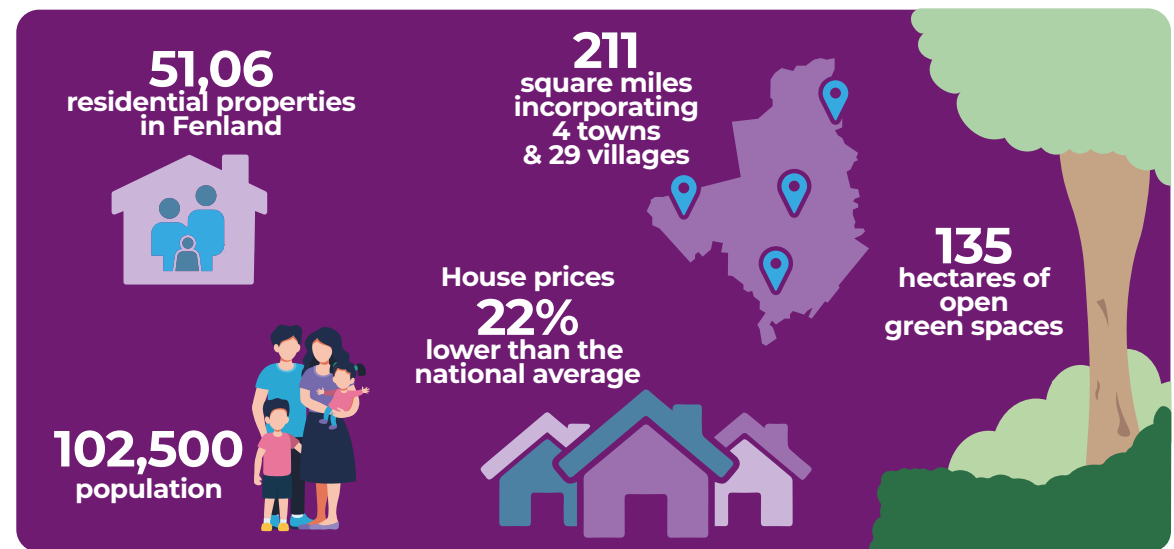
About Fenland

Fenland has a strong community spirit and pride in its heritage. There are 102,500 people living in Fenland District (ONS: 2021), which covers 211 square miles within North Cambridgeshire. Over 70% of residents live within our four market town of Chatteris, March, Whittlesey and Wisbech, and our beautiful rural landscape is home to 29 villages.

Fenland has the lowest house prices in Cambridgeshire, with the average house priced at £241,483 (UK HPI August 2023), 22% less than the national average. With close proximity to large Urban centres such as Cambridge and Peterborough, Fenland's population continues to grow. By 2043, it's expected that our population will have increased by 16% to 118,826 (ONS 2021).

In addition, 23,400 residents (23%) are aged over 64, above average compared to Cambridgeshire and the UK (ONS 2021). Alongside our partners, we are working to enable residents to access the support and resources they need to live happily, healthily and independently.

We also face some challenges around deprivation. We are the 80th (out of 317) most deprived area in the country (IMD: 2019). Nevertheless, we continue to work closely with our partner organisations to positively overcome these challenges.



Our Priorities

Our Business Plan sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of our communities and set a framework for how we will work towards our ambitions for the area and achieve our goal of creating a thriving place to live and visit.

Our core priorities focus on three areas: Communities, Environment and Economy. These priorities primarily focus on the statutory and wide variety of services that we provide day-to-day. In a typical year we empty 3 million bins, clean 210 square miles of town centres and open spaces, answer 60,000 telephone enquiries and determine 1,300 planning applications – and more!

A fourth priority, Quality Organisation, sits alongside everything we do. It aims to ensure that the Council runs effectively, transparently and sustainably. We invest in and support our workforce to ensure they have the skills and resources they need to work to the best of their ability.

Each priority is underpinned by a series of performance indicators, which are used to track progress, measure success, and identify areas for improvement. All performance indicators are reported to all elected Members at our Council meetings. These public reports are summarised to provide end of year performance updates against our priorities in our Annual Report, which is available to download on our website.

Where a priority does not have a linked performance indicator, usually where we work towards objectives with partners, updates will be reported via Portfolio Holder Briefings at Council meetings (Appendix 1).

We also have a fifth cross cutting priority: Transformation Agenda. This priority encompasses our ongoing transformation work to improve efficiency and customer experience, drive positive change and ensure the Council is fit for the future.

Summary of our Corporate Priorities

Communities

- Support vulnerable members of our community
- Promote health and wellbeing for all
- Work with partners to promote Fenland through Culture and Heritage

Environment

- Deliver a high performing refuse, recycling and street cleansing service
- Work with partners and the community on projects that improve the environment and our street scene
- Work with partners to keep people safe in their neighbourhoods by reducing crime and anti-social behaviour and promoting social cohesion

Economy

- Attract new businesses, jobs and opportunities whilst supporting our existing businesses in Fenland
- Promote and enable housing growth, economic growth and regeneration across Fenland
- Promote and lobby for infrastructure improvements across the district

Transformation Agenda - Council for the Future

In 2019, we began our Transformation Agenda programme (TA1). This focussed on transforming the way the Council delivers all aspects of our services to our customers.

TA1 is on track to deliver over £1m savings over the medium term.

In order to assist with meeting our financial challenges and to continue to transform the Council, our Cabinet members have committed to building on the successes of our first Transformation Agenda programme, and to develop a second phase.

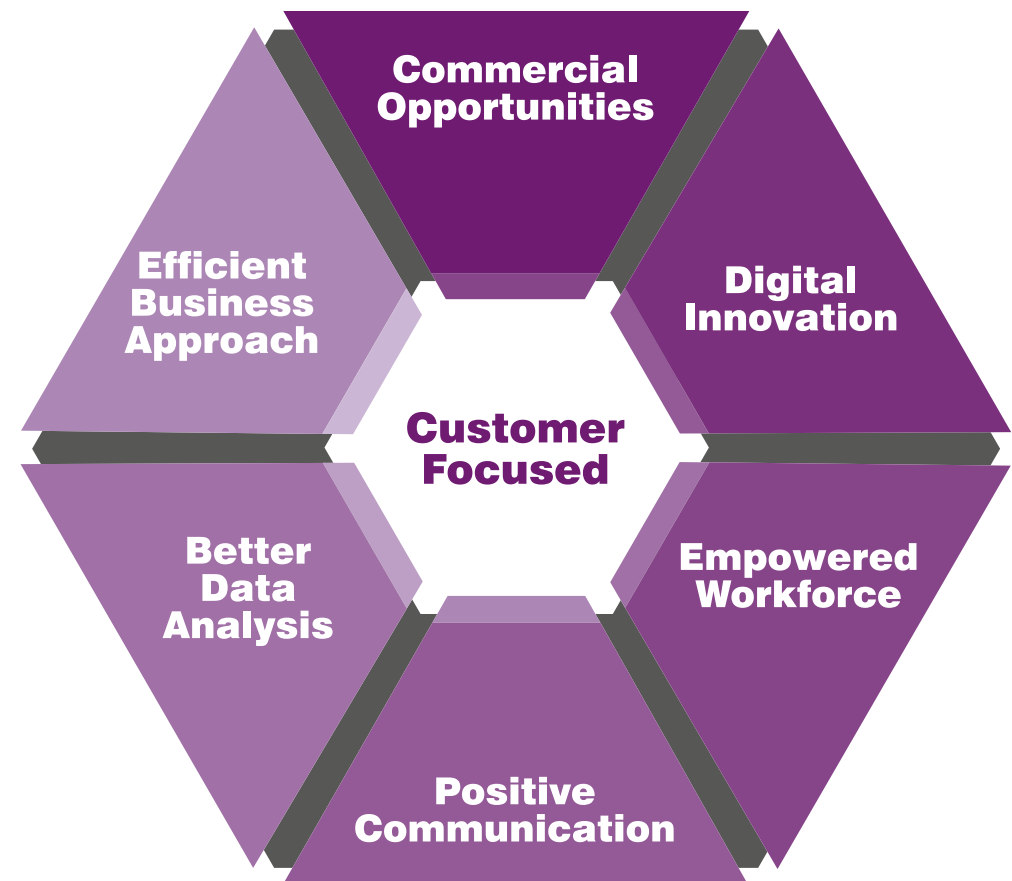
Transformation Agenda 2 (TA2)

Spanning across all services within the council, the Transformation Agenda 2 programme ties together all major 'change' initiatives that are looking to improve how the council works and delivers services.

Whether this is reviewing a service, how systems support delivery or how staff are able to conduct their jobs in a more effective and flexible manner, the programme will aim to ensure we

are an effective and efficient Council for the future.

We have developed a number of key principles that will align with all future transformation projects and the TA2 programme.



Transformation Service Reviews

A key focus of the Transformation Agenda 2 will be working with all services across the council in order to carry out service reviews. This holistic approach will ensure we maximise the opportunities, outlined below across the organisation;

- Efficiency
- Smarter ways of working
- Maximising the use of technology
- Enhanced customer experience
- Maximise opportunities for income generation

Key Service Reviews will be sponsored by our Cabinet Members as outlined below:

Transformation Agenda 2

Cllr Chris Boden Finance Audit & Risk Accommodation Project	Cllr Sam Hoy Housing Options Private Sector Housing Licensing	Cllr Peter Murphy Environmental Services Park & Open Spaces
Cllr Ian Benney Property & Estates Marine Services Economic Growth	Cllr Dee Laws Planning Local Plan	Cllr Chris Seaton Transport Heritage
Cllr Jan French Benefits & Council Tax (ARP) Car Parking	Cllr Alex Miscandlon Leisure Internal Drainage Board (IDB)	Cllr Steve Tierney ICT My Fenland Policy & Communications
		Cllr Susan Wallwork Environmental Health Communities

Partnership Investment in Fenland

We're working hard to attract the crucial external funding needed to unlock Fenland's potential and bolster its prosperity and resilience in the coming years.

Our previous policy of applying for any and all funding opportunities will now have to be tempered by any potential financial liability that the Council could face, particularly in respect of rising capital costs and the new requirement upon the s151 Officer to guarantee that the Council will meet any additional unanticipated costs when applying for some Government funding opportunities.

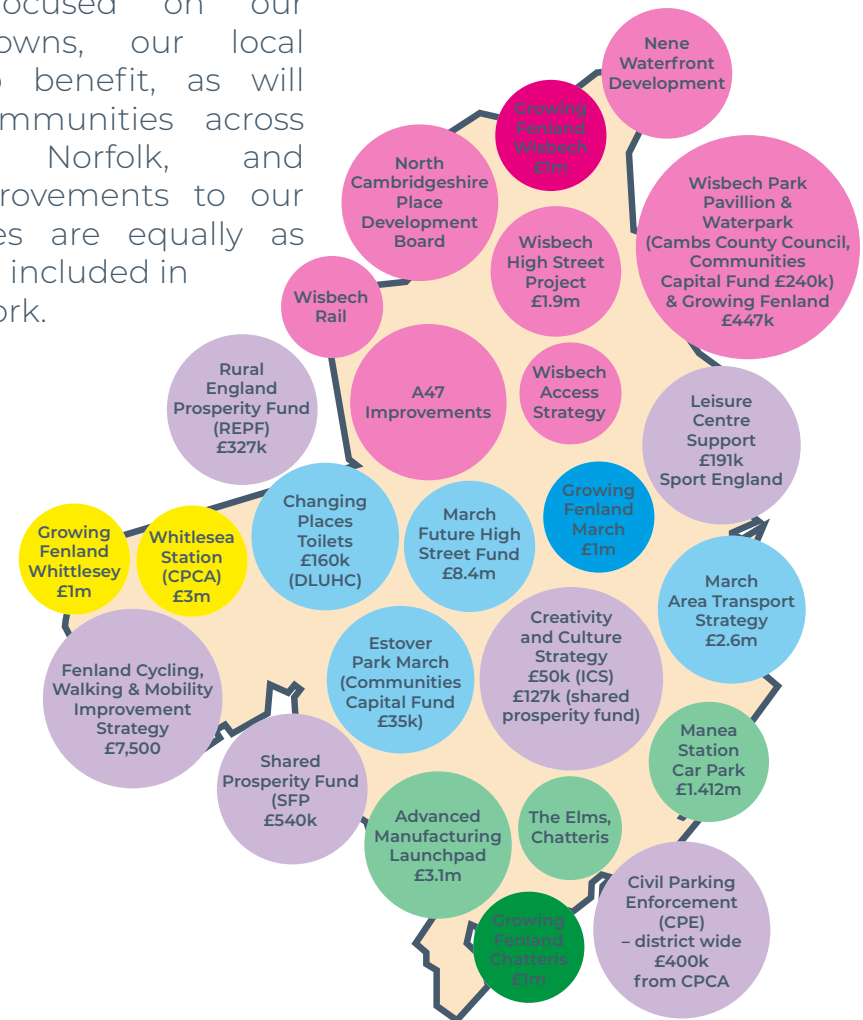
The diagram shows some of the projects currently in progress across the district thanks to millions of pounds worth of inward investment already secured.

The projects include development and regeneration of key sites, investment to improve transport and digital connectivity, and innovation and technology centres.

The opportunities will help to boost our economy, support new skills

opportunities, and create much-needed new jobs.

Although many of these funding schemes are focused on our four market towns, our local villages will also benefit, as will neighbouring communities across Cambridgeshire, Norfolk, and Lincolnshire. Improvements to our rural communities are equally as important and are included in our investment work.



Our Priorities - Communities

Support vulnerable members of our community

- Enable residents to claim the Council Tax Support they are entitled to.
- Enable residents to claim the Housing Benefit they are entitled to.
- Use our housing powers to improve the condition of private rented homes and ensure they are safe, secure and accessible.
- Use our housing powers to prevent homelessness and reduce rough sleeping.
- Use our housing powers to meet housing needs, including bringing empty homes back into use.
- Support residents to manage the effects of the cost of living.
- Encourage a range of partners to support the delivery of the Golden Age programme and support older people.

Promote health and wellbeing for all

- Create healthier communities through activities developed and delivered by Active Fenland.
- Update the Council's Leisure Strategy in 2024 and work collaboratively with Freedom Leisure and other partners to deliver the Strategy.

- Work collaboratively within the Integrated Care System to tackle local health and wellbeing priorities to give people the information to enable them to make healthier choices.

Work with partners to promote Fenland through Culture and Heritage

- Work with local stakeholders to deliver an action plan to support the aims of the Creativity and Culture Strategy.
- Provide proportionate support and advice for community groups to hold safe and successful public events.

Our Priorities - Environment

Deliver a high performing refuse, recycling and street cleansing service

- Work with partners, the community and volunteers to divert at least 50% of Cambridgeshire's household waste from landfill.
- Maximise the value of materials collected for recycling, including through Getting It Sorted recycling champions.
- Deliver an effective, self-funding Garden Waste collection service.
- Deliver clean streets and public spaces as set out in the national code of practice.
- Work with key stakeholders to deliver an effective waste partnership and update the Cambridgeshire and Peterborough Waste Strategy.

Work with partners and the community on projects to improve the environment and streetscene

- Use education, guidance and Council powers to fairly enforce environmental standards and tackle issues such as fly-tipping, illegal parking, dog fouling, littering and antisocial behaviour.
- Ensure well maintained parks and open spaces by working with our grounds maintenance contractor.
- Supporting community groups such as Street Pride, In Bloom, Friends of Groups, and Green Dog Walkers.

- Work with Town Councils and the community to provide local markets and thriving market town community events.
- Deliver the council's carbon reduction and climate adaptation plan including meeting all climate change targets which are legally required by the UK Government.

Work with partners to keep people safe in their neighbourhoods by reducing crime & antisocial behaviour and promoting social cohesion

- Manage the Community Safety Partnership to reduce crime, hate crime and anti-social behaviour.
- Support the Fenland Diverse Communities Forum to deliver the Fenland-wide Community Cohesion Action Plan.
- Deliver the Community Safety Grant Agreement with the Police and Crime Commissioner.

Our Priorities - Economy

Attract new businesses, jobs and opportunities whilst supporting our existing businesses

- Provide responsive business support to encourage business growth, job diversity, skills development and increased access to grants.
- Promote and develop our Business Premises at South Fens, The Boathouse and Light Industrial Estates to encourage investment, business development, job creation and skills diversification.
- Work with external stakeholders, local businesses and the Combined Authority to attract inward investment and establish new business opportunities.

Promote and enable housing growth, economic growth and regeneration

- Enable appropriate growth, development and infrastructure through delivering a proactive and effective Planning service.
- Drive forward the development and delivery of new homes and commercial space by using our surplus property and land assets to deliver sustainable economic and residential growth.
- Work with our partners to enable new affordable housing to meet housing needs.

- Identify and bid for external funding that aligns with and supports our housing, economic and growth objectives.

Promote and lobby for infrastructure improvements

- Promote sustainable road, rail and concessionary transport initiatives to improve access to employment and local services.
- Engage with the Combined Authority and Cambridgeshire County Council on the feasibility and delivery of major road and rail infrastructure projects.
- Work with the Combined Authority to influence how housing and infrastructure funding is used to stimulate housing development and economic growth in the district.

Our Priorities - Quality Organisation

Performance Management (Performance Indicators)

- Set relevant and robust performance targets to ensure the effective delivery of Business Plan priorities.
- Report regularly on service performance to the Corporate Management Team, Councillors and the public.

Excellent Customer Service

- Maintain our Customer Service Excellence accreditation to ensure we continue to deliver the most effective service to our communities.
- Help residents to self-serve and access our services digitally to allow us to provide greater support for vulnerable customers and complex queries.

Governance, Financial Control and Risk Management

- Maintain robust and effective financial standards, internal controls and organisational management.
- Comply with data protection and General Data Protection Regulation requirements.

Transformation and Efficiency

- Sustainably deliver required savings whilst pursuing transformation and commercialisation opportunities to ensure the organisation is fit for the future.
- Engage with the Combined Authority's Public Service Reform agenda.

Consultation and Engagement

- Appropriately consult with residents about our service and proposals as outlined in our Consultation Strategy.

Equalities

- Meet our Public Sector Equality duty by delivering the requirements of the 2010 Equality Act and 1998 Human Rights Act through our core service delivery and publication of a statutory Annual Equality Report.

Asset Management and Commercialisation

- Ensure our asset base is sustainable, suitable and fully utilised to maximise income opportunities and financial efficiencies.
- Deliver our adopted Capital Programme in line with our Corporate Asset Management Plan to maintain the integrity and safety of our assets.

Our Priorities - Quality Organisation

- Work jointly with public, private and third sector partners to improve access to our services, including from co-located facilities.
- Continue with our Commercial Investment Strategy to make informed decisions about the purchase and management of property assets through Fenland Future Limited.

Workforce Development

- Equip our workforce with the right skills to effectively deliver our priorities.
- Support and empower our staff to make effective decisions.

Enforcement

- Use a fair and proportionate approach to improve living, working and environmental standards as set out in our Enforcement Policies.

Health and Safety

- Maintain effective Health and Safety systems to comply with relevant legislation and local requirements.
- Deliver all aspects of the Council's Health and Safety action plan to ensure the safety and wellbeing of our workforce, partners and wider community.



Appendix 1 - Corporate Priorities and Performance Measures

Communities	Performance Measures
Enable residents to claim the Council Tax Support they are entitled to.	Days taken to process new claims and changes for Council Tax Support.
Enable residents to claim the Housing Benefit they are entitled to.	Days taken to process new claims and changes for Housing Benefit.
Use our housing powers to improve the condition of private rented homes and ensure they are safe, secure and accessible.	Total number of private rented homes where positive action has been taken to address safety issues.
Use our housing powers to prevent homelessness and reduce rough sleeping.	The proportion of households presenting to the Council as homeless whose housing circumstances were resolved through housing options work.
Use our housing powers to meet housing needs, including bringing empty homes back into use.	Number of empty properties brought back into use.
Support residents to manage the effects of the cost of living.	Performance reported via Portfolio Holder Reports.
Encourage a range of partners to support the delivery of the Golden Age programme and support older people.	Performance reported via Portfolio Holder Reports.
Create healthier communities through activities developed and delivered by Active Fenland.	Number of Active Fenland sessions delivered and total attendance per year.
Update the Council's Leisure Strategy in 2024 and work collaboratively with Freedom Leisure and other partners to deliver the Strategy.	Leisure Strategy 2024. Customer satisfaction: Net promoter score for Freedom Leisure Centres.
Work collaboratively within the Integrated Care System to tackle local health and wellbeing priorities to give people the information to enable them to make healthier choices.	Performance reported via Portfolio Holder Reports.
Work with local stakeholders to deliver an action plan to support the aims of the Creativity and Culture Strategy.	Value of Arts Council Grants achieved in Fenland.
Provide proportionate support and advice for community groups to hold safe and successful public events.	Performance reported via Portfolio Holder Reports.
Environment	
Work with partners, the community and volunteers to divert at least 50% of Cambridgeshire's household waste from landfill.	% of household waste recycled through the blue bin service.
Maximise the value of materials collected for recycling, including through Getting It Sorted recycling champions.	Customer satisfaction with our Refuse and Recycling services.
Deliver an effective, self-funding Garden Waste collection service.	Customer satisfaction with our Garden Waste service.
Deliver clean streets and public spaces as set out in the national code of practice.	% of inspected streets meeting our cleansing standards.
Work with key stakeholders to deliver an effective waste partnership and update the Cambridgeshire and Peterborough Waste Strategy.	Performance reported via Portfolio Holder Reports.
Use education, guidance and Council powers to fairly enforce environmental standards and tackle issues such as flytipping, illegal parking, dog fouling, littering and antisocial behaviour.	% of Rapid or Village response requests (to action issues such as fly-tipping, dog fouling and littering) actioned the same day.
Ensure well maintained parks and open spaces by working with our ground maintenance contractor.	Performance reported via Portfolio Holder Reports.

Supporting community groups such as Street Pride, In Bloom, Friends of Groups, and Green Dog Walkers.	Number of Street Pride, In Bloom, Friends of Groups and Green Dog Walkers community environmental events supported.
Work with Town Councils and the community to provide local markets and thriving market town community events.	% of those asked satisfied with community events.
Deliver the council's carbon reduction and climate adaptation plan including meeting all climate change targets which are legally required by the UK Government.	Performance reported via Portfolio Holder Reports.
Manage the Community Safety Partnership to reduce crime, hate crime and anti-social behaviour.	Performance reported via Portfolio Holder Reports.
Support the Fenland Diverse Communities Forum to deliver the Fenland-wide Community Cohesion Action Plan.	Performance reported via Portfolio Holder Reports.
Deliver the Community Safety Grant Agreement with the Police and Crime Commissioner.	Performance reported via Portfolio Holder Reports.

Economy

Provide responsive business support to encourage business growth, job diversity, skills development and increased access to grants.	Performance reported via Portfolio Holder Reports.
Promote and develop our Business Premises at South Fens, The Boathouse and Light Industrial Estates to encourage investment, business development, job creation and skills diversification.	% occupancy of Business Premises estates. % occupancy of our Wisbech Yacht Harbour.
Work with external stakeholders, local businesses and the Combined Authority to attract inward investment and establish new business opportunities.	Performance reported via Portfolio Holder Reports.
Enable appropriate growth, development and infrastructure through delivering a proactive and effective Planning service.	Annual Monitoring Report.
Drive forward the development and delivery of new homes and commercial space by using our surplus property and land assets to deliver sustainable economic and residential growth.	% of major planning applications determined in 13 weeks. % of minor applications determined in 8 weeks. % of other applications determined in 8 weeks.
Work with our partners to enable new affordable housing to meet housing needs.	Performance reported via Portfolio Holder Reports.
Identify and bid for external funding that aligns with and supports our housing, economic and growth objectives.	Performance reported via Portfolio Holder Reports.
Promote sustainable road, rail and concessionary transport initiatives to improve access to employment and local services.	Performance reported via Portfolio Holder Reports.
Engage with the Combined Authority and Cambridgeshire County Council on the feasibility and delivery of major road and rail infrastructure projects.	Performance reported via Portfolio Holder Reports.
Work with the Combined Authority to influence how housing and infrastructure funding is used to stimulate housing development and economic growth in the district.	Performance reported via Portfolio Holder Reports.

Quality Organisation


Set relevant and robust performance targets to ensure the effective delivery of Business Plan priorities.	Corporate performance reported via Portfolio Holder Reports.
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Report regularly on service performance to the Corporate Management Team, Councillors and the public.	% of Council Tax collected. Council Tax net collection fund receipts. % national non-domestic rates (NNDR) (Business Rates) collected. National non-domestic rates (NNDR) (Business Rates) net collection fund receipts.
Maintain our Customer Service Excellence accreditation to ensure we continue to deliver the most effective service to our communities.	Customer Service Excellence Report.
Help residents to self-serve and access our services digitally to allow us to provide greater support for vulnerable customers and complex queries.	% of customer queries responded at first point of contact. % of customers satisfied by our service. Contact Centre calls answered within 20 seconds. Contact Centre calls handled.
Maintain robust and effective financial standards, internal controls and organisational management.	Annual External Audit Report.
Comply with data protection and General Data Protection Regulation requirements.	Performance reported via Portfolio Holder Reports.
Sustainably deliver required savings whilst pursuing transformation and commercialisation opportunities to ensure the organisation is fit for the future.	Performance reported via Portfolio Holder Reports.
Engage with the Combined Authority's Public Service Reform agenda.	Performance reported via Portfolio Holder Reports.
Appropriately consult with residents about our service and proposals as outlined in our Consultation Strategy.	Consultation Strategy and Consultations reported via Portfolio Holder Reports.
Meet our Public Sector Equality duty by delivering the requirements of the 2010 Equality Act and 1998 Human Rights Act through our core service delivery and publication of a statutory Annual Equality Report.	Annual Equality Report.
Ensure our asset base is sustainable, suitable and fully utilised to maximise income opportunities and financial efficiencies.	Performance reported via Portfolio Holder Reports.
Deliver our adopted Capital Programme in line with our Corporate Asset Management Plan to maintain the integrity and safety of our assets.	Performance reported via Portfolio Holder Reports.
Work jointly with public, private and third sector partners to improve access to our services, including from co-located facilities.	Performance reported via Portfolio Holder Reports.
Continue with our Commercial Investment Strategy to make informed decisions about the purchase and management of property assets through Fenland Future Limited.	Commercial Investment Strategy updates via Portfolio Holder Reports.
Equip our workforce with the right skills to effectively deliver our priorities.	Customer Service Excellence Accreditation.
Support and empower our staff to make effective decisions.	Bi-annual Staff survey.
Use a fair and proportionate approach to improve living, working and environmental standards as set out in our Enforcement Policies.	% of local businesses who said they were supported and treated fairly. Performance reported via Portfolio Holder Reports.
Maintain effective Health and Safety systems to comply with relevant legislation and local requirements.	Annual Health and Safety Report. Annual Audit and Risk Report.
Deliver all aspects of the Council's Health and Safety action plan to ensure the safety and wellbeing of our workforce, partners and wider community.	Annual Health and Safety Report. Annual Audit and Risk Report.

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Agenda Item No:	11	
Committee:	Council	
Date:	26 February 2024	
Report Title:	General Fund Budget Estimates 2024/25 and Medium Term Financial Strategy (MTFS) 2024/25 to 2028/29; Capital Programme 2024 - 2027	

Cover sheet:

1 Purpose / Summary

To consider the Cabinet recommendations in relation to:

- the General Fund Budget Estimates 2024/25 and the Medium Term Financial Strategy 2024/25 to 2028/29;
- the Council Tax levels for 2024/25;
- the Capital Programme 2024-2027;
- the Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2024/25.

2 Key issues

- The Final Local Government Finance Settlement was announced on 5 February 2024. This provided £254,887 additional resources (excluding business rates income) compared with what was included in the draft budget report in December 2023.
- As a result of the de-coupling of the Business Rates multiplier and the decision to freeze the Small Business Rates multiplier while increasing the Standard Business Rates multiplier by inflation, the Business Rates Baseline and Tariff Payments have been amended in 2024/25 (see Table 1).
- Council at their meeting of 17 July 2023 (Minute C8/23), agreed that the cash amount of Council Tax raised be kept at the current level for 2024/25 and over the MTFS period rather than the 0% increase previously adopted by Council in July 2019. This report shows an increase in the level of Council Tax income raised in 2024/25 to fund the forecast shortfall. This level of Council Tax has then been extended across the MTFS.
- Council Tax Referendum limits for 2024/25 have been set at an increase of 3% or £5 whichever is the higher.
- Latest projections for 2023/24 are showing a shortfall of £548k (Section 7 of the report).
- Current forecasts for 2024/25 show a shortfall of £114k based on the assumptions detailed in Appendix C, before any adjustment to the level of Council Tax and a surplus of £2.5k after adjusting the level of Council Tax for 2024/25. It is proposed that a contribution of £2.5k to the Budget Equalisation Reserve be made to achieve a balanced budget. The MTFS projects shortfall increases year on year, reaching £2.728m in 2028/29. Projected shortfalls in the MTFS are usual, both in FDC and in Local Government generally. They represent the challenge to be faced in future years in reaching a balanced budget position each year. The projected shortfalls are

however significantly higher than previous years forecasts and represent significant challenges for the Council. Any decision this year to not increase the level of Council Tax necessarily increases the scale of that challenge.

- Although there are currently many uncertainties regarding the budget for 2024/25 and the MTFs, there remains a significant structural deficit which the Council will need to address. The ongoing Transformation 2 programme (of re-basing the establishment and underlying operation environments of the Council) will be crucial in helping to address that long-standing structural deficit.
- An updated Capital Programme for 2023/24 and for the medium term 2024-27 is proposed.

3 Recommendations

- **It is recommended by Cabinet that:**
 - (i) the General Fund revenue budget for 2024/25 as set out in Section 8 and Appendix A be approved;
 - (ii) the Medium Term Financial Strategy as outlined in this report and Appendix B be adopted;
 - (iii) the Capital Programme and funding statement as set out in Appendix D be approved;
 - (iv) the adoption of the additional Business Rates Relief measures as detailed in Section 6 using Discretionary Relief Powers be approved;
 - (v) the expenses detailed in Section 11 be approved to be treated as general expenses for 2024/25;
 - (vi) the Port Health levy for 2024/25 be set as shown in Section 12;
 - (vii) the current working age Council Tax Support Scheme be adopted with effect from 1 April 2024 as set out in Section 14, with appropriate changes to the prescribed pensioner scheme as determined by regulations;
 - (viii) the Long Term Empty Premium and Second Homes premium be amended as detailed in Section 15 as follows:
 - (a) to agree to shorten the period that a 100% Council Tax premium on long term empty dwellings is payable from the current 2 years (empty) to 1 year from 1 April 2024.
 - (b) to agree to implement the 100% Council Tax premium on all second homes from 1 April 2025.
 - (c) to agree that the classes of properties detailed in paragraph 15.10 do not attract the long term empty premium for the periods specified.
 - (ix) the Treasury Management Strategy Statement, Minimum Revenue Provision, Treasury Investment Strategy, Prudential and Treasury Indicators for 2024/25 and Capital Strategy 2024/25 as set out in Section 16 and Appendix E be approved;
 - (x) the Band D Council Tax level for Fenland District Council Services for 2024/25 be set at £254.79, a decrease of 0.18% (£0.45) on the current year.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Background Paper(s)	Final Finance settlement – Department for Levelling Up, Housing & Communities (DLUHC). Autumn Statement 2023 (HM Treasury) Medium Term Financial Strategy working papers. Government announcements since February 2023.

This report contains the following Appendices:

Appendices

- A. (i) General Fund Revenue Estimates - Summary
(ii) General Fund Revenue Estimates – Individual Services
- B. Medium Term Financial Strategy (MTFS)
- C. Assumptions built into Budget and Medium Term Strategy
- D. Capital Programme
- E. Treasury Management Strategy Statement, Minimum Revenue Provision Strategy, Annual Treasury Investment Strategy and Prudential Indicators
- E. Annex A Capital Strategy
- F. Parish Precepts
- G. Earmarked Reserves

Report:

1 INTRODUCTION

- 1.1 This report sets out the financial implications of the council's priorities described in the Business Plan 2024/25. The Revenue budget estimates and the Capital Programme are final at this stage for approval. The draft Business Plan 2024/25 and draft Budget Estimates 2024/25 considered by Cabinet on 18th December 2023 together were subject to a public and stakeholder consultation from 2nd January to 4th February 2024, prior to final budget and council tax setting for 2024/25 on 26th February 2024. The results from the consultation are published on the Council's website. There were a small number of comments in favour of increasing Council Tax.
- 1.2 The Overview and Scrutiny Panel considered the Draft Budget 2024/25 and MTFs on 15 January 2024 and made its comments to the Cabinet. Members asked questions, made comments and received responses from Officers and Portfolio Holders. The Panel agreed to note the revised General Fund Budget and Capital Programme for 2023/24 and agreed to send the Draft General Fund Budget Estimates 2024/25 and the Draft Medium Term Financial Strategy 2024/25 to 2028/29 for consultation. They also approved the Capital Programme 2024-2027.
- 1.3 Much of the financial information is necessarily based on a number of assumptions which are wholly or partly influenced by external factors. However, where final actual costs and revenue is known then they are included, for example the Final Local Government Finance Settlement for 2024/25 was announced on 5 February 2024. In addition, the Business Rates income estimates have been finalised following completion of the 2024/25 NNDR1 return at the end of January 2024, which incorporated the impact of the de-coupling of the multipliers effective from 1 April 2024. Equally, some additional costs and income discussed later in this report have been updated since the Draft Budget Estimates were prepared.

2 AUTUMN STATEMENT 2023

- 2.1 On 22 November 2023, the Chancellor delivered his Autumn Statement and confirming the Government's spending plans for 2024-25.
- 2.2 The relevant points for this Council from these announcements are as follows:

Council Tax

- A Council Tax referendum limit of up to 3% (or £5 whichever is the higher), together with an additional 2% increase for authorities with responsibilities for Adult Social Care (the same as for 2023/24).

Business Rates

- **Retail, Hospitality and Leisure Relief (RHL)** will continue in 2024/25 with the level of relief continuing at 75% with a maximum of £110,000 per business. Local authorities will be compensated in the usual way through S31 grants;
- **The small business rates multiplier in 2024/25 will be frozen** (currently 49.9p which normally would increase in line with the CPI rate as at September 2023, ie.6.62%), while **the standard multiplier will be updated by September CPI to 54.6p** (from 51.2p currently). Local authorities will be fully compensated for the decision to freeze the small business multiplier;
- De-coupling the multipliers for 2024/25 will impact on the Council's Business Rates Baseline and the Baseline Funding Level which could potentially have either a positive or negative impact on the Council's overall business rates income, although the intention is for the changes to be financially neutral;

- A further distribution of the surplus from the national Levy Account will be made (£100m in 2023/24 in respect of 2022/23). The individual allocations to authorities will be detailed in the final settlement. The last surplus distribution in 2022/23 (in respect of 2021/22) resulted in an additional £31k allocation for Fenland.

Local Authority Housing Fund

- There will be a further £450m for a third round of the Local Authority Housing Fund to deliver 2,400 new housing units nationally to house Afghan refugees and ease wider housing and homelessness pressures.

Core Spending Power and Other Announcements

- There will be cash-terms growth in Core Spending Power (CSP) in 2024/25 because of the increases in social care funding and Band D thresholds. Growth is likely to be less than inflation, however.
- Full details of the allocation of funding within CSP will be announced later this month in the 2024/25 Finance Settlement. There are still a number of issues remaining to be resolved, even though there is unlikely to be a change in the overall allocations announced as part of last year's settlement. Decisions will have to be made about the Services Grant, Core Spending Power Guarantee Grant and the New Homes Bonus.
- Local government funding reforms (Fair Funding Review and business rates retention changes) are not likely until at least 2025/26;
- A decision about the future of the New Homes Bonus (NHB) was promised before the provisional settlement but none has yet been released. We are expecting that there will be one more further year of NHB in 2024/25;

2.3 Details of how these have been converted into specific funding allocations for individual local authorities were announced as part of the final local government finance settlement on 5 February 2024.

3 LOCAL GOVERNMENT FINANCE SETTLEMENT 2024-25

3.1 The Final Finance Settlement for 2024/25 was announced on 5 February 2024. An additional £600m of funding for local government was announced over and above the previous overall allocations detailed in the Provisional Finance Settlement. £500m of the additional funding is for social care with a £15m increase in the Rural Services Delivery Grant, an increase in the funding guarantee from 3% to 4% (£72m) and an increase in the Services Grant (£11m).

3.2 The Council's Settlement Funding Assessment for 2024/2 is detailed in Table 1 below:

Table 1 – Settlement Funding Assessment (Core Funding)

	Actual 2023/24 £000	Actual 2024/25 £000	2024/25 % Increase
Settlement Funding Assessment			
Revenue Support Grant (RSG)	173	184	6.4%
Business Rates income	11,207	11,559	
Tariff Payment to government	<u>-7,367</u>	<u>-7,554</u>	
Business Rates Baseline Funding	3,840	4,005	4.3%
Services Grant	150	26	-82.7%
Core Spending Power Guarantee Grant	601	789	31.3%

- 3.3 **Revenue Support Grant (RSG)** for 2024/25 has been increased by inflation and FDC's allocation is £184,901. This is £11,487 higher than included in the draft budget.
- 3.4 **New Homes Bonus (NHB)** payment for 2024/25 will be £442,392 for this Council, £2,392 higher than included in the draft budget report. The government say that 2024/25 will be the final year of NHB and they will set out the future position of the NHB ahead of the 2025/26 finance settlement. Consequently, the future of the NHB is a considerable risk to the Medium Term Strategy from 2025/26 onwards.
- 3.5 The **Services Grant** continues in 2024/25 but at a much reduced level (national total reducing from £483m in 2023/24 to £87m in 2024/25). FDC's allocation is £25,846 which is £123,874 lower than included in the draft budget.
- 3.6 **The CSP Funding Guarantee** was introduced in 2023/24 to ensure that no authority received a Core Spending Power increase of less than 3% without having to increase their Band D council tax. This funding guarantee has continued for 2024/25 but at a higher level of 4%. FDC's allocation is £788,558 which is £187,601 higher than included in the draft budget.
- 3.7 **Core Spending Power (CSP)** for local government as whole has increased by 7.5% and for Shire Districts by 5.9%. Our increase in CSP is 5.8%. CSP is a measure of the revenue funding available for local authority services. This includes council tax; business rates; Revenue Support Grant; New Homes Bonus; adult social care grants and other grants (including the Services Grant and new CSP Guarantee Grant).
- These government forecasts assume that every local authority will raise their council tax by the maximum permitted without a referendum.
- Assumed Council Tax increases make up 46% of the increase in CSP and Council Tax is now around 56% of the total CSP. The increased reliance on increasing council tax has been a feature of the finance settlements and CSP over the past few years.
- 3.8 **Internal Drainage Board (IDB)** grant funding of £3m nationally was provided in 2023/24 to the 15 councils most affected by increases in IDB levies. FDC's allocation was £177,281. A further £3m of funding is being provided for 2024/25 although no allocations have yet been made. The same amount of grant funding has been included in the final estimates for 2024/25 as was received in 2023/24. As this was announced only at the final settlement, no allowance for this grant had been made in the draft budget.
- 3.9 Although the settlement was for 2024/25 only, the Medium Term forecasts detailed in Appendix B have assumed a continuation of the current policy of increasing business rates baselines by inflation based on current Treasury forecasts over the medium term. In addition, the forecasts assume a continuation of the funding currently allocated as Services Grant and CSP Guarantee Grant.
- 3.10 In summary, the final settlement (excluding Business Rates income) has provided a total of £254,887 of additional resources compared with what was included in the draft budget report.

Fair Funding Review

- 3.11 Local government funding reforms (Fair Funding Review and business rates retention changes) have been pushed back to at least 2025/26.

4 NEW HOMES BONUS

- 4.1 As mentioned earlier, a decision about the future of the New Homes Bonus (NHB) was promised before the provisional settlement but none has yet been released. There will be one further year of NHB in 2024/25 with no legacy payments.
- 4.1 Actual NHB received in 2023/24 was £369k and for 2024/25 will be £442k (calculation based on the increase in dwelling numbers between October 2022 – October 2023).
- 4.2 The Future of the New Homes Bonus is very uncertain. The government have now said that they will set out the future position of the NHB ahead of the 2025/26 finance settlement. The current national total of £291m allocated by way of NHB may also change in future spending reviews. There is however expected to be some form of housing growth incentive scheme. The impact on this Council's funding could be significant. We have included £442k of NHB funding in the MTFS from 2025/26 onwards. These could be replaced by allocations we receive from whatever the new Housing Incentive system will look like
- 4.3 **The lack of clarity around the future of the NHB is a significant risk to the MTFS.**

5 BUSINESS RATES

- 5.1 Members will be aware that the Business Rates Retention system was introduced in April 2013. Under this system, authorities would benefit if their actual Business Rates income collected in a year was higher than the baseline funding determined by government.
- 5.2 There has been real business rates growth in Fenland over the last six years, however how this impacts on the resources available to this Council is complex, due to the rules and the operation of the current 50% Business Rates Retention system. The complexity of the system has been exacerbated by the number of business rates relief schemes and multiplier caps and freezes implemented by the government over the last few years.

Business Rates Pooling Arrangement – 2023/24

- 5.3 The Council has joined with the County Council, Peterborough City Council, Fire Authority, East Cambridgeshire and South Cambridgeshire to become part of a pooling arrangement for business rates since 2020/21 up to and including 2023/24. Unlike the Business Rates Pilot schemes, this is not a bidding process against other pools but is part of the existing system whereby authorities can choose to apply to become a pool with the agreement of the constituent authorities.
- 5.4 The benefit of being in a pool is that authorities will not be liable to levy payments on their business rates growth, which is then shared amongst the pooled authorities by a mutually agreed method. This will be based on where the growth has originated from with an appropriate share allocated to the County Council and Fire Authority.
- 5.5 Depending on actual business rates received in 2023/24, the net effect of the pooling arrangement could be considerable for the authorities in the pool. Current forecasts indicate that this Council could receive up to £450k additional income according to the sharing methodology agreed between the pooled authorities.

2024/25 Pool

- 5.6 As a result of further detailed analysis of forecast business rates income, the current pool members decided that the most financially beneficial arrangement for 2024/25 would be a pool without Fenland. As recompense for not being in the pool, agreement has been reached with the other pool members that Fenland would be no worse off as a result of the revised pooling arrangement for 2024/25.
- 5.7 Consequently, an amount of £300k per annum has been included in 2024/25 as a 'pooling' benefit. We are still awaiting final estimated figures as all authorities in the pool will now have completed the annual statutory business rates estimate, the NNDR1 form, and returned this to MHCLG by the end of January 2024.

- 5.8 There will be no further major changes to the rates retention system until 2025/26 at least. Consequently, assuming the proposed pooling and 'no detriment' arrangements to this Council continue, an amount of £300k per annum has been included in the MTFS as a pooling benefit to this Council.

Business Rates Reform – 2025/26 onwards

- 5.9 As stated earlier, no major changes will take place until 2025/26 at least. At that time, it is likely that the Baseline Funding Level of all Councils will be reset with all 'growth' income being taken into account nationally and redistributed in the new system. In the estimate for 2024/25 and the medium term forecasts, around £1.4m of business rates above the Council's Baseline Funding Level is being retained. Under a baseline reset, this would mean that initially the additional £1.4m business rates income would be removed and redistributed. What remains unclear, is how much of this £1.4m will be returned to the Council as part of its recalculated Baseline Funding Level.
- 5.10 In theory therefore, the Council could lose all of this additional £1.4m in the absolute worst case scenario. However, this is unlikely and would create significant volatility within future funding allocations nationally, which the government does not wish to see. There will also undoubtedly be some kind of transitional arrangements which would also limit the extent of any gains and losses in funding arising from the new system.
- 5.11 Although it is extremely difficult to exemplify the impact of this redistribution, in broad terms, if the Council were to lose 50% of its growth income then this would add a further £700k per annum from 2025/26 to the current forecast MTFS shortfalls. A 20% loss of growth income would add a further £280k per annum to the current shortfalls.
- 5.12 In addition, the current system of retaining 100% of business rates from businesses generating Renewable Energy (estimated £1.476m in 2024/25) and the benefits from current pooling arrangements (estimated £300k in 2024/25) could also be reviewed and amended.
- 5.13 At the time of writing, the Fair Funding Review, the implementation of Business Rates Reform and the changes to the New Homes Bonus are all major risk areas for this Council over the medium term.**

6 ADDITIONAL BUSINESS RATES RELIEF MEASURES 2024/25

2024/25 Retail, Hospitality and Leisure Relief Scheme

- 6.1 At the Autumn Statement on 22 November 2023, the Chancellor announced that the Retail, Hospitality and Leisure (RHL) Business Rates Relief scheme will be extended for a fifth year into 2024/25 to continue to provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief, up to a cash limit of £110,000 per business.
- 6.2 Guidance about the operation and delivery of this relief has been provided by government. Billing authorities and major precepting authorities will be fully reimbursed for their loss of income under the rates retention scheme as a result of awarding relief in accordance with the guidance, using a S31 grant.
- 6.3 The reliefs will be granted using discretionary relief powers under Section 47 of the Local Government Finance Act 1988 and is available to reduce chargeable amounts in respect of rates due in 2024/25.

7 FORECAST OUTTURN 2023/24

- 7.1 The approved budget set by Council in February 2023, showed a balanced budget without any funding required from either the Budget Equalisation Reserve or the General Fund Balance.
- 7.2 The approved budget set by Council in February 2023, showed a shortfall of £203k which was to be funded from the Budget Equalisation Reserve to the extent that it was needed at the end of 2022/23.
- 7.3 An updated projection for 2023/24, taking into account the latest estimate of spending and income pressures, was included in the draft budget report presented to Cabinet on 18 December 2023. At that time, a shortfall of £707k was being projected for 2023/24. The reasons for the increase in the projected shortfall were detailed in the draft budget report.
- 7.4 The latest projected outturn for 2023/24 is set out at Appendix A and show the likelihood of a shortfall in the region of £548k by the end of this financial year.
- 7.5 The main reasons for the changes since the draft budget report are additional investment income (-£35k), reduced interest payable and MRP charge from reprofiling of capital programme (-£97k), adjustments to the 2023/24 business rates tariff payment and S31 Grants due (-£75k), allocation from the national business rates levy account surplus (-£31k) and additional grant from the Planning Skills Delivery Fund (-£75k).
- 7.6 To off-set these additional income variances, there have been a number of additional cost pressures, mainly premises costs relating to repairs and maintenance (+£51k) and utilities (+£42k), supplies and services costs relating to ICT Software and Maintenance (+£12k) and Legal Fees (+£20k) together with additional recycling gate fees (+£37k).
- 7.7 There are still uncertainties around the final position for 2023/24 and there is no requirement at this time, to formally approve an amount to be transferred to reserves. Any shortfall at the year end will be funded from the Budget Equalisation Reserve. At the present time, Corporate Management Team, Senior Managers and the Accountancy Team are managing and monitoring the position carefully and will continue to review spending levels to ensure where possible, the projected surplus at year-end is maintained.

8 BUDGET ESTIMATES 2024/25 AND MTFS

- 8.1 The Council's MTFS has to ensure that the commitments made in the Business Plan are funded not only in the year for which formal approval of the budget is required (2024/25) but for forecast years as well, within a reasonable level of tolerance.
- 8.2 The impact of the Final Local Government Finance Settlement has been incorporated into the figures in this report.
- 8.3 The Council's medium term forecasts are shown at Appendix B and summarised in Table 2 below. The table includes for Council Tax income to remain at its' current level from 2024/25 onwards.

Table 2 - MTF5 – Council Tax income constant level from 2024/25 onwards

	Estimate	Forecast	Forecast	Forecast	Forecast
	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
Expenditure					
Net Service Expenditure	16,706	16,731	16,777	16,973	17,041
Corporate Items	1,344	1,776	1,802	1,918	2,237
Contribution to/from(-) Earmarked Reserves	-653	-90	118	39	125
Net Expenditure (before use of balances)	17,397	18,417	18,697	18,930	19,403
Funding					
Revenue Support Grant	-185	-185	-185	-185	-185
Business Rates Funding (<i>detailed in Appendix B</i>)	-7,821	-8,050	-8,085	-8,271	-8,396
Business Rates Collection Fund Surplus(-)	-1,292	0	0	0	0
Council Tax Collection Fund Surplus(-)	-58	-50	-50	-50	-50
Council Tax (<i>cash level constant from 24/25 onwards</i>)	-8,044	-8,044	-8,044	-8,044	-8,044
Total Funding	-17,400	-16,329	-16,364	-16,550	-16,675
Surplus(-)/Shortfall(+) before use of balances	-3	+2,088	+2,333	+2,380	+2,728
Contribution to Budget Equalisation Reserve	3	0	0	0	0
Shortfall(+) after use of balances	0	+2,088	+2,333	+2,380	+2,728

- 8.4 Government support for 2024/25 was confirmed as part of the final finance settlement. This Council will receive retained business rates and a small amount of Revenue Support Grant from the finance settlement. The projections for 2024/25 onwards are based on the best estimates and information available and are consistent with the announcements in the Autumn Statement 2023. However, subject to further clarity on the detailed implementation of the announcements, there remains significant uncertainty in these projections.
- 8.5 The net budget requirement for 2024/25 is currently estimated at **£17.400m** after all identified savings, contingencies and reserve transfers are included. This includes the assumptions detailed at Appendix C. With the final funding assumptions and a slight reduction in the Band D Council Tax level, a surplus of £3k is currently forecast for 2024/25. **It is proposed that a contribution of £3k to the Budget Equalisation Reserve be made at this time to achieve a balanced budget for 2024/25.**
- 8.6 The estimates for 2024/25 have benefited from a significant estimated surplus on the Business Rates Collection Fund account at the end of 2023/24. This surplus of £1.292m is a result of a significant decrease in the appeals provision required in 2023/24. There will always be an estimated surplus or deficit relating to the Business Rates Collection Fund in a particular year which is then included in the following years estimates (included in the 2023/24 estimates was a deficit of £211k). **Without this significant one-off surplus, the estimates for 2024/25 would be showing a shortfall of £1.289m.**
- 8.7 The development of the Commercial and Investment Strategy has the potential to generate additional significant returns over the MTF5. Currently, recharges to Fenland Future Ltd (FFL) for officer time and loan interest receipts have been included in the forecasts at Appendix A and B. These are based on the current business plan of FFL over the next three years. Additional returns may also be realised depending on the type and timing of investment opportunities. These are however limited at the current time due to high interest rates and the current policy of the PWLB not to lend for purely investment for yield projects. Consequently, no allowance for these further potential returns (over

and above the recharges and loan interest to FFL) have been included in the MTFs at the current time.

- 8.8** Officers are currently progressing a number of initiatives to increase the amount of Housing Benefit subsidy reclaimed and together with the anticipated reduction in temporary accommodation costs (partly resulting from the additional houses purchased with assistance from the Local Authority Housing Fund), **a significant increase in subsidy reclaimed and lower temporary accommodation costs of £370k has been included in the estimates for 2024/25.**
- 8.9** Members will be aware that the Transformation Agenda 2 (TA2) programme is now underway and together with the Accommodation Review, is critical in achieving the necessary savings over the course of the MTFs. An amount of £225k has currently been included in the 2024/25 estimates as savings from the TA2 programme, increasing to £372k per annum by 2028/29. **Significant savings over and above these will be required from this programme over the MTFs period.**
- 8.10** Taking into account the proposals in the Table 2 above, the estimated net budget requirement in 2024/25 is detailed in Appendix A. The level of forecast resources available to the Council and the estimated levels of expenditure over the medium term are set out in detail in Appendix B. **These show a funding gap of £2.088m in 2025/26 rising to £2.728m by the end of 2028/29.**
- 8.11** There is still considerable uncertainty around the estimates for 2024/25 and the forecasts for the medium term. Currently there are a number of 'unknowns' which could both positively and negatively impact on the forecasts including:

Risks associated with the MTFs forecasts:

- The ongoing impact of the Finance Settlements on 2024/25 and the medium term;
- Impact of potential changes to the New Home Bonus methodology and allocations from April 2025;
- Impact of the longer-term changes to the Business Rates Retention system from April 2025;
- Impact of pay awards higher or lower than currently allowed for in the MTFs (4% increase included for 2024/25 and 2% per annum from 2025/26 onwards);
- Impact of potential additional costs and income of the government's waste strategy particularly in relation to Food Waste and the Extended Producer Responsibility scheme for managing packaging waste;
- Impact on income streams being greater than anticipated due to external factors such as Port Income;
- Impact of the current review of Port operations and the future liability of the quay at Wisbech Port;
- Continuing impact of homelessness temporary accommodation costs in 2024/25 and the medium term and the impact on recovery of housing benefit subsidy;
- Potential for additional support for the Leisure Management contractor in 2025/26 as a result of the energy costs crisis;
- Impact of increases in Fees and Charges (where feasible) on the 2024/25 estimates and MTFs;
- Impact of service developments eg. Car Parking Enforcement (CPE);
- Revenue impact of funding new capital schemes not currently included in the capital programme;

- Potential impact of the Council's future transformation programme with associated savings. Further detailed work is required to quantify the extent of these savings;
- Potential positive impact over the MTFS of implementing the outcomes from the Accommodation Strategy;
- Review of the recharge of staff time to the LATCO (Fenland Future Ltd) to quantify potential revenue savings. Currently recharges of £125k in 2024/25 onwards have been assumed in the MTFS;
- Potential net benefits from FFL of loan interest and dividends from future developments over and above already included in the MTFS generating revenue income;
- Commercial and Investment Strategy and future potential positive returns to the Council;
- Review of the General Fund Balance and Earmarked Reserves to ensure they align with the future requirements of the Council.

8.12 Whatever impact the above issues may have however, there will remain a significant structural deficit for the Council to address over the medium term.

8.13 The forecasts for the years 2025/26 – 2028/29 are provisional at this stage and should be considered with extreme caution. Future announcements and consultation outcomes will also determine government policy and therefore the funding in the future years. In addition, the forecasts are dependent on permanently maintaining the savings identified through the My Fenland transformation initiative and the current TA2 programme.

8.14 As detailed earlier in this report, Business Rates Retention Reform, Fair Funding Review and changes to the New Homes Bonus could have a significant impact on the Council's forecast resources over the term of the MTFS. Further to the risks associated with these externally determined funding streams the Council should also ensure that income budgets are achieved and new income streams considered and implemented for medium to long term sustainability in combination with any operational and transformational benefits that the Council realises. The use of general reserves to support revenue expenditure adds to the overall risks to the Council as such reserves can only be used once but the cumulative impact of such use will continue to be felt into the future.

Other Risks

Capital Programme – Future Funding

8.15 The Council is increasingly relying on borrowing (Internal and Prudential) to fund its future programme as the amount of capital receipts and the level of reserves available to fund the capital programme are reducing considerably over the next two years. Consequently, any new capital schemes (which do not generate a return to repay borrowing costs) will have to be funded through borrowing which will result in revenue costs and therefore will impact on the MTFS and future shortfalls.

8.16 For example, a £1m scheme with a 20 year life, funded by prudential borrowing, would result in around an additional £100,000 per annum in interest (5%) and repayment costs.

8.17 Consequently, a review of the current capital programme together with potential new schemes (as detailed in Section 16) and the ongoing revenue cost impact will be undertaken to ensure the programme is sustainable within the context of the Council's Medium Term Financial Strategy.

8.18 To exemplify the effect on the MTFS of potential additional costs arising from the above risks, Table 3 below details a scenario whereby the Council loses 50% of its business rates growth income following potential reforms in 2025/26, NHB reduces from 2025/26 and the impact of an additional £1m per year borrowing associated with new capital schemes.

Table 3: MTFS Potential Impact of Major Risks – for illustrative purposes only

	Estimate	Forecast	Forecast	Forecast	Forecast
	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
MTFS Shortfall - Appendix B	0	2,205	2,450	2,497	2,845
<i>(Council Tax income level constant from 24/25 onwards)</i>					
50% loss of NNDR growth income		700	700	700	700
Increasing NHB threshold by 0.1%		100	150	200	250
Additional £1m per year borrowing	25	125	225	325	425
Revised Shortfall	25	3,130	3,525	3,722	4,220

8.19 As stated earlier, it is important to note that the figures detailed in the above table are purely illustrative as no decisions have yet been made regarding changes to these funding streams or new capital schemes and the potential impact on this Council.

9 PARISH PRECEPTS

9.1 The levels of parish precepts set throughout Fenland are provided for information at Appendix F. These will be reported to Council as part of the Council Tax setting process

10 FEES AND CHARGES

10.1 The Overview and Scrutiny Panel reviewed fees and charges for 2023/24 at its meeting on 15 January 2024 and these were subsequently considered by Cabinet on 22 January 2024. All of the recommendations from these meetings have been included in the financial forecasts.

11 SPECIAL AND GENERAL EXPENSES

- 11.1 For the purposes of Section 35 of the Local Government Finance Act 1992, the Council needs to pass appropriate resolutions for each financial year to determine how expenses which could legally be regarded as special should be treated.
- 11.2 If expenses are treated as special expenses, then they must be charged against the parts of the Council's area to which they relate.
- 11.3 Parish precepts are special expenses and cannot be treated as general expenses.
- 11.4 Drainage Board and Port Health levies which affect only part of the Council's area are treated as general expenses unless the Council resolves otherwise. These are currently treated as general expenses and it is recommended that this position continues for 2024/25.
- 11.5 Expenses incurred by the Council in performing, in part of its area, a function performed elsewhere by a parish council are special expenses unless the Council determines otherwise. Currently, these are treated as general expenses. To maintain this position, it is recommended that the Council determines that such expenses should not be treated as special expenses for the financial year 2024/25.

12 PORT HEALTH

- 12.1 The Port Health levy for 2024/25, based on expected expenditure, is recommended as shown in Table 4 below for Council to approve.

Table 4: Port Health Levy 2024/25

Description	£
a) Port Health anticipated expenditure	18,708
b) Port Levy	
Fenland District Council	16,556
South Holland District Council	1,310
King's Lynn and West Norfolk Borough Council	842
Total	18,708

13 COUNCIL TAX 2024/25

- 13.1 The government has set the referendum limit for 2024/25 at 3% or £5, whichever is higher for District Councils (the same as 2023/24). A 3% increase on the Band D Council Tax equates to £7.65 per annum.
- 13.2 Social care authorities, such as Cambridgeshire County Council can also increase their element of council tax by a further 2% (5% in total).
- 13.3 Council at its meeting on 17 July 2023, agreed to re-position the MTFs by keeping the cash level of Council Tax raised at the current level rather than the previously adopted 0% increase, while recognising that the Council continues to face significant financial challenges and uncertainties that may not allow this ambition to be met.
- 13.4 Members of the Council need to act responsibly each year when setting the precept to balance the ambition of keeping Council Tax income at its' current level with the legal need to balance the budget. It was agreed that raising Council Tax in any of the next four years will be a last resort in order to minimise the financial effects of Council Tax on all of Fenland's households.
- 13.5 The proposals in this report will increase the amount of Council Tax raised compared with the current year but will still result in a slight decrease in the headline Band D level.
- 13.6 For information, an additional 1% increase in Council Tax in 2024/25 would generate in the region of £81,000 of revenue per annum to the Council. Even with this additional revenue included, the estimates for future years show a significant shortfall (see Table 5 below).

Council Taxbase

- 13.7 The amount of Council Tax income recognised in the estimates is determined by the Council Taxbase (Band D equivalents) and the level of Band D Council Tax. For 2024/25, the Council Taxbase has been calculated using the number of dwellings (as notified by the Valuation Office Agency), the impact of exemptions and discounts (eg. Single Person discount) and the amount of Council Tax Support awarded.
- 13.8 In addition, an allowance for growth and for non-collection is included to produce the estimated taxbase. For 2024/25, the taxbase has been calculated as 31,571 (Band D equivalents), an increase of 512 (1.65%) on 2023/24.
- 13.9 After the estimates of expenditure and income have been prepared, and the Final Settlement has been received, the next step is to set the council tax for 2024/25 for Fenland District Council.
- 13.10 Council Tax income for 2024/25 has been set at a level to recover the shortfall which would result if the Council Tax income had remained at its' current level for 2024/25 and over the period of the MTFs.

- 13.11 Even at this level of Council Tax, there will be a significant deficit to fund over the period of the MTFS. Consequently, the Council will need to continually consider its strategy to meet the estimated shortfalls shown at Table 2 and in Appendix B, particularly if there are additional impacts from the funding reforms from 2025/26 onwards together with the impact of new capital schemes.
- 13.12 The implications of not increasing Council Tax over the remainder of the MTFS is that the Council will be reducing its financial base permanently as it would not be able to recover potential revenue foregone due to the cumulative year on year impact. The consequences of continually setting zero Council Tax levels and not achieving the necessary savings/additional income have been clearly demonstrated by the events at other Councils. The ability to achieve significant year on year savings (without increasing existing and/or introducing new revenue streams together with transformational change) to balance the budget becomes progressively difficult without eventually impacting on front-line services and delivery.
- 13.13 Council can of course agree to a higher increase (up to the referendum limit of 3%) and a 1% increase in Council Tax raises around £81,000 revenue per annum. Table 5 shows the implications of increasing the Council Tax in 2024/25 by 3% per annum and thereafter compared to keeping the Council Tax income constant and compared to freezing the Council Tax in 2024/25 and throughout the MTFS period.

Table 5: MTFS Net Position at Differing Council Tax increases in 2024/25 onwards

Deficits based on different levels of Council Tax	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Deficits at CT at current level (as shown in Table 2/Appendix B)	0	+2,088	+2,333	+2,380	+2,728
Additional CT with 0% increase p.a. from 2024/25	-14	-147	-282	-420	-559
Net Position at 0% increase	-14	+1,941	+2,051	+1,960	+2,169
Additional CT with 3% increase p.a. from 2024/25	-253	-641	-1,048	-1,473	-1,918
Net Position at 3% increase	-253	+1,447	+1,285	+907	+810

- 13.14 Last year's budget report included an expectation that options around introducing a scheme to accept voluntary council tax contributions from residents whereby they can pay an additional amount over and above the 'normal' amount of Council Tax would be brought forward for consideration in the 2024/25 budget. However, Officers are still working through some of the technical challenges involved in implementing this. In addition, as this will come under the remit of the newly created Culture, Arts and Heritage Executive Advisory Committee to review and propose which option to implement, the expectation is that a scheme will be introduced in the budget for 2025/26.

13.15 Table 6 shows the Band D Council Tax for spending at the level proposed, together with Council Tax levels from the major preceptors and Parishes.

Table 6: Band D Council Tax Levels 2024/25

COUNCIL TAX BASE	2024/25 31,571		2023/24 31,059	
	£	Band D £	£	Band D £
Fenland District Council Precept (Appendix A)	<u>8,043,971</u>		<u>7,927,495</u>	
Fenland District Band D Council Tax	-0.18%	254.79	-2.00%	255.24
MAJOR PRECEPTORS				
County Council	(4.99%)	1,619.82	(4.99%)	1,542.87
Police & Crime Commissioner	(4.76%)	285.48	(5.80%)	272.52
Fire Authority	(2.93%)	82.26	(6.60%)	79.92
Combined Authority	(200.00%)	36.00		12.00
Sub Total BAND D TAX		2,278.35		2,162.55
Parish Councils-average Band D (Appendix F)	(3.09%)	52.75	(5.55%)	51.17
Total average Band D Tax		2,331.10		2,213.72
Total average Band D increase over 2023/24		£117.38 (5.30%)		

13.16 The County Council increase for 2024/25 includes 2% for the Adult Social Care precept (£30.86) and 2.99% on the general council tax (£46.09), giving a total increase of 4.99% (£76.95). For 2024/25, the Police and Crime Commissioner is allowed to increase council tax by up to £13.00 on a Band D property. The actual increase is £12.96 (4.76%). Cambridgeshire and Peterborough Combined Authority has agreed a Band D council tax of £36.00 for 2024/25 increasing from £12.00 in 2023/24.

14 COUNCIL TAX SUPPORT SCHEME 2024/25

14.1 Each year, the Council is required to review and approve its Council Tax Support Scheme (CTSS). The only changes relate to the prescribed pensioner scheme for 2024/25 which are determined by the usual annual regulations and which the Council has no discretion over.

14.2 The Council can only determine the working age CTSS and there are no proposals to change the current scheme for 2024/25. The current scheme is set out in the following link: [Fenland District Council - Council Tax Reduction Scheme 2023 24 \(angliarevenues.gov.uk\)](https://angliarevenues.gov.uk)

14.3 Consequently, it is proposed that the current working age CTSS scheme be continued with effect from 1 April 2024 with the prescribed pensioner scheme being updated by the relevant regulations.

15 COUNCIL TAX LONG TERM EMPTY PREMIUMS AND SECOND HOME PREMIUMS

15.1 The Levelling Up and Regeneration Act became law on 26 October 2023. The Act allows, amongst other proposals, two important changes to council tax, as follows:

- A change in the application of a council tax premium on 'long term empty' dwellings. Currently, if a property has been unoccupied and unfurnished for 2 years but less

than 5 years, then a 100% council tax premium can be applied to the property. The shortens that 2 year period to 1 year. 'Long term empty' premiums are applied to encourage owners to bring properties back into use so they are not left empty for extended periods.

- The implementation of a council tax premium on 'second homes'. 'Second homes' are properties which are unoccupied but furnished. The Act allows local authorities to apply a 100% council tax premium on second homes. This would mean an owner of a second home in the district would pay double the normal council tax charge.

15.2 The change to long-term empty premium is effective from 1 April 2024.

15.3 The change to the 'Second homes' premium charge comes into effect 12 months after the Council determines to implement the charge. Therefore, the earliest this could be implemented is 1 April 2025.

15.4 No allowance for the financial implications of the proposed changes has been made in the Medium Term Forecasts from 2024/25 onwards.

15.5 It is therefore proposed :

- to agree to shorten the period a 100% premium on long term empty dwellings is payable from the current 2 years (empty) to 1 year from 1 April 2024.
- to agree to implement the 100% premium on all second homes from 1 April 2025.

15.6 There is no legal requirement to consult on the recommended changes but there is a legal requirement for implementation of the second homes premium to have a 12 month lead period from the decision to the implementation.

15.7 There is a legal requirement to publish any changes to the Council Tax regime in at least one newspaper circulating in the Billing Authority's area. This must be done within 21 days of the resolution being agreed by the Council.

15.8 Any amendments made to Council Tax premiums or to apply a second home premium are not based on individual circumstances or family characteristics. The recommendations will therefore apply equally to everyone.

Scheme Discretion – Long Term Empty Property Premiums

15.9 The current long term empty property premiums policy is causing some unintended financial consequences for certain classes of properties and although in these circumstances, the Council can and does suspend the premium, it is considered more appropriate to have a clear policy relating to these classes of properties as detailed in the proposal below:

15.10 It is recommended that the following classes of properties do not attract the long term empty property premium:

- A property which is purchased through land registry at market value and where the new owners are unable to reside in the property due to its condition, where evidence of this situation by the new owners is produced – the premium will be waived for a maximum of 12 months from the date of purchase before reverting back to the appropriate level of premium prior to the waiver period.
- Where a property is actively being marketed for sale at market value, the premium will be waived for a maximum of 24 months.
- Where a property has been inherited and the new owners are unable to reside in the property due to its condition, where evidence of this situation by the new owners is produced – the premium will be waived for a maximum of 12 months from the date of ownership before reverting back to the appropriate level of premium prior to the waiver period.

15.11 It should be stressed that existing exemptions will remain in place that relate to properties that are empty because of specific circumstances such as the owner being in care, prison or being the executor of an estate where probate has been granted (time limited).

16 TREASURY MANAGEMENT STATEMENT, ANNUAL TREASURY INVESTMENT STRATEGY AND CAPITAL STRATEGY 2024/25

16.1 Full details of the proposed Treasury Management, Annual Investment Strategy and Capital Strategy for 2024/25 are contained in Appendix E. The proposed Treasury Management and Annual Investment strategies were presented to and endorsed by Audit and Risk Management Committee on 12 February 2024.

16.2 The key issues relating to the strategies and their impact on the MTFs are as follows:

- The prudential and treasury indicators detailed in paragraphs 2-13 of Appendix E, show that the Council's capital investment plans are affordable, prudent and sustainable
- The Capital Strategy, detailed at Annex A of Appendix E, sets out the context in which capital expenditure and investment decisions are made and establishes that the Council has arrangements in place to ensure it gives due consideration to risk, reward, and impact on the achievement of priority outcomes.
- The MRP policy sets out how the Council will make prudent provision for the repayment of borrowing needs over the medium-term forecast.
- The Treasury Management Strategy has been organised so that the Council will have sufficient cash resources to meet capital expenditure plans and operational cash flows.
- Total external interest payments which include finance lease interest payments; revised estimate for 2023/24 is £534,450 and the estimate for 2024/25 is £906,325. Based on the estimated funding of the current capital programme detailed at Appendix D, these interest payments would rise to around £1.36m annually by the end of 2027/28.
- Link Group forecast that Bank Rate has now peaked at 5.25%.
- The current Medium Term Financial Strategy assumes that some external borrowing will be required over the four-year period to 31 March 2027.
- The aim of the Council's annual investment strategy is to provide security of investments whilst managing risk appropriately; investment returns are commensurate with the Council's historic low risk appetite although we are in the process of transition as a Council from a low risk policy to an appropriate managed risk policy. The Council achieves these objectives through differentiating between "specified" and "non-specified" investments and through the application of a creditworthiness policy.
- The council holds £4m in Property Funds which are long term investments. Although the returns from these investments can be higher than short term investments there is an increased risk that capital values will rise and fall.
- Total investment income from temporary investments is estimated at £1,125,000 for 2023/24 and £645,000 for 2024/2025. Income from pooled property funds is estimated at £130,000 in 2023/24 and £150,000 in 2024/25.

17 REVIEW OF GENERAL FUND BALANCE AND EARMARKED RESERVES

- 17.1 An important part of any budget strategy is the review and consideration of reserves. Earmarked Reserves are typically held and used in a planned way to deal with issues where it is foreseen that resources need to be set aside to meet a specific need but the exact amount and timing is not known. General Reserves are held to cushion the impact of an event or events that cannot be foreseen whilst maintaining these resources at a consistent and reasonable level over the medium term.
- 17.2 Sufficient levels of reserves are necessary to provide for various contingent and unplanned items that could include:-
- significant increased costs of providing statutory services
 - significant increased contractual costs
 - an unexpected and/or significant event or disaster, e.g. civil emergency
 - an unexpected major liability in law
 - the need to make significant payments in relation to prior year adjustments under the direction of the external auditor
- 17.3 The Council's current uncommitted General Fund Balance is £2m. It is good practice to keep the balance on this reserve under review alongside ensuring that the purposes for which other earmarked reserves were allocated remain consistent with and relevant to the Council's Medium Term Financial Strategy.
- 17.4 Consequently, a review of the level of the General Fund Balance and the number and purpose of the earmarked reserves (Appendix G) will be undertaken and any amendments will be presented to a future meeting of Cabinet and Council. It is envisaged that the level of the General Fund Balance could be reduced and a Transformation Reserve be created from merging several existing earmarked reserves.
- 17.5 The Budget Equalisation Reserve was established in 2019/20 to provide a smoothing mechanism between financial years which could provide resources to help achieve balanced budgets in future years whilst not increasing Council tax each year. The current balance on this reserve is £1.866m and is available to meet potential budget shortfalls for 2023/24 and 2024/25.
- 17.6 In previous reports, the Leader has stated that one of the main purposes of the Budget Equalisation Reserve was to facilitate a form of feedback loop to counter what he described as the Council's systemic outturn surpluses. Table 7 below, demonstrates the point that the Leader was making. It is, ultimately, a matter of political interpretation whether the pattern of repeated outturn surpluses is evidence of taxing residents more than we need to each year, or if it bears a different interpretation. That is entirely a political matter for Cabinet and Full Council to consider.
- 17.7 At a time of much personal financial pressure for households across Fenland, the Leader proposed, and Full Council approved at their budget meeting in February 2023, a one-off 2% reduction in Council tax in 2023/24. Subsequently, Council at its meeting on 17 July 2023, agreed to re-position the MTFs by keeping the cash level of Council Tax raised at the current level rather than the previously adopted 0% increase, while recognising that the Council continues to face significant financial challenges and uncertainties that may not allow this ambition to be met. The decisions by Council in February and July 2023 was considered a more effective and appropriate way to eliminate the Council's pattern of outturn surpluses, and that the fact that the Budget Equalisation Reserve now stands at £1.866m (before any potential use to fund any shortfall in 2023/24) provides the facility to smooth any short term revenue account budget pressures in any year(s) over the term of the MTFs. In that way the Leader proposed that the Council will be able to rebalance its Council Tax take from residents against its spending requirements. That though is a

political judgment, and it is quite appropriate for Cabinet and Full Council either to accept that judgment or to reach a different political conclusion.

Table 7: Net Deficit/Surplus(-) transferred from/(to) Reserves/Budget Equalisation Reserve

	Budget £000	Outturn £000		Outturn Transferred to Reserves			Reserve Balance
				Capital Reserve	Management of Change	Budget Equalisation	
2024/25	-3	(estimate)				3	1,321
2023/24	-4	548 (projected)				-548	1,318
2022/23	203	-800				800	1,866
2021/22	842	-584				584	1,066
2020/21	0	-167				167	482
2019/20	151	-115				115	315
2018/19	73	-200				200	
2017/18	0	-935		600	335		

17.8 The analysis of reserves at Appendix G details the projected General Fund and earmarked reserves position at 31 March 2024 and 31 March 2025 taking into account the proposals detailed in this report. The proposal to maintain the current level of Council Tax income for 2024/25 has no effect on the projected value of the General Fund Balance in 2024/25.

18 CAPITAL PROGRAMME

18.1 Capital Expenditure and Income plans have been prepared through the Council's service and financial planning cycle. The Council's capital resources are dependent on government funding, external grants or through the ongoing disposal of assets.

18.2 Since February 2023, Members have continued to receive regular updates on several high-profile schemes including Wisbech High Street and the Future High Street Fund, March.

18.3 An updated Capital Programme for 2023-27 is presented at Appendix D(i) for approval. The programme has been updated to ensure it adequately reflects the cost and anticipated timing of schemes previously approved. At this stage, no further capital schemes over and above those already approved have been included in the updated programme and the financing costs included in the MTFS.

18.4 No allowance has yet been made for any potential new schemes detailed in Appendix D(ii). These schemes will be subject to further review by officers and members prior to any decision to include them in the approved capital programme.

18.5 In addition, no allowance has yet been made for the following developments which will significantly impact the Council's capital programme.

Accommodation Strategy

18.6 Currently members and officers are working closely with the Council's professional advisors to produce an Accommodation Strategy. The decisions taken will inform the level of work required at Fenland Hall and The Base over the life of the capital programme. When decisions are taken regarding members' preferred option/s the capital programme will be adjusted accordingly. On this basis no commitments relating to Fenland Hall and the Base have been included in the current programme.

Structural Works – Wisbech Port

- 18.7 Major structural concrete repair works have been completed in the current financial year to address the deteriorating condition of the suspended quay at Wisbech Port. Extensive further work will be required over the next few years to ensure the quay at the port of Wisbech remains safe and operational. Full details of this work was presented to Cabinet at their meeting on 16 March 2023. A detailed option appraisal regarding the future of Wisbech Port will be required before any further investment in the quay is considered. Ultimately, the long-term replacement of the suspended quay could cost in the region of £50m. Further reports will be brought to Cabinet for consideration of the future of Wisbech Port.
- 18.8 A comprehensive review of the current capital programme, Appendix D(i) and incorporating the projects above and others detailed at Appendix D(ii) will need to be undertaken together with its ongoing revenue cost impact to ensure the programme is sustainable within the context of the Council's Medium Term Financial Strategy.
- 18.9 It is proposed that a comprehensive review of the programme be undertaken and reported to Cabinet in July 2024.
- 18.10 Should resources from external funding and/or capital receipts not generate the level of receipts forecast, or there is a delay in disposal of assets, then the capital programme will need re-visiting to ensure funding is sufficient to meet proposed expenditure including through borrowing. Reviews of the programme and resources available are carried out regularly during the year.
- 18.11 The Council's Borrowing Strategy which is incorporated into the Council's Treasury Management Strategy Statement, recognises that some prudential borrowing will be required over the life of the capital programme. The projected additional annual revenue costs for the programme detailed at Appendix D(i) are reflected in the medium term forecasts at Appendix B.

19 RISK ASSESSMENT

- 19.1 There is an element of risk inherent in any process that looks into the future to make forecasts, particularly in the current economic climate and other national and international events now or in the future that may impact on the Council either directly or indirectly. The Council has a strong track record in good financial management as recognised in the recent Annual Audit Letter. This risk is further minimised by adopting the following methodology when preparing the estimates:-
- Service managers and the Accountancy Team working together to define likely service income/expenditure patterns matched with service delivery plans;
 - Maintaining "earmarked" reserves for expenditure that it is known will occur but the exact amount and timing of the expenditure is not known;
 - Maintaining an adequate level of general reserves to meet sudden and or unforeseen expenditure;
 - Adopting clear guidelines and control systems (robust revenue and capital budget management and monitoring procedures, Financial Regulations and Contract Procedure Rules etc.) to alert service managers, and members before variances reach tolerance levels;
 - Using professional and expert advice and economic forecasts where these are available, e.g. treasury management, interest rates;
 - Maintaining a rolling review of forecast estimates beyond the current year.
- 19.2 These assumptions are made with all available information but are necessarily calculated based on broad assumptions. In the current economic climate, some of these

assumptions are particularly volatile. The MTFs will be prepared annually on a rolling basis so that as information becomes more certain the figures will be updated and early consideration can be given to any action or changes in direction that may be required.

20 REPORT OF THE CHIEF FINANCE (SECTION 151) OFFICER UNDER SECTION 25 OF THE LOCAL GOVERNMENT FINANCE ACT 2003.

20.1 Under Section 25 of the Local Government Act 2003 and CIPFA Code of Practice, the Council's Chief Finance Officer (Section 151 Officer) is required to report on the robustness of the estimates made for the purpose of the budget calculations and the adequacy of the proposed reserves.

Cabinet and Council are required under the 2003 Act to consider and give due regard to the Chief Finance Officer's report as part of the budget approval and council tax setting process.

20.2 The proposed budget is set against the context of significant economic uncertainty in a post-Covid-19 world, the current cost of living crisis, together with considerable uncertainty regarding government funding over the MTFs. The Government intends to make fundamental changes to the funding system for Local Government through the introduction of a new needs based fairer funding formula and the introduction of business rates reforms and a new system of distributing the New Homes Bonus. The cumulative impact of these changes and lack of visibility on any transition or damping arrangements means that financial planning for 2025/26 and the medium term is very uncertain.

20.3 The Corporate Director and Chief Finance Officer (Section 151 Officer) makes the following statement:

The robustness of the Budget estimates and the adequacy of the reserves are largely dependent on the levels of risk and uncertainty. There is an element of judgement as budget estimates of spending and income are made at a point in time and may change as circumstances change, particularly given the economic uncertainty in a post-Covid-19 world.

This statement on the robustness of estimates cannot give a 100% guarantee about the budget but should give the Council reasonable assurance that the budget has been based on the best information and assumptions available at the time.

The estimates that support this budget have used all the data and supporting information that the Council has at its disposal at this point in time. The principal financial assumptions made in the Budget are noted in this report and attached at Appendix C. Budget monitoring throughout the year will be an important tool in identifying, at an early stage, potential issues so appropriate action can be taken.

Although there are still many uncertainties around the estimates for 2024/25 and over the medium term to 2028/29 detailed in this report, there are undoubtedly significant challenges facing the Council over the next few years. The report also highlights several major areas of risk which could also adversely affect the estimates over the MTFs. Of particular concern is the additional revenue impact of any new capital schemes.

As detailed in the report, Council Tax over each year of the MTFs has been included at the proposed level for 2024/25, which has been set to fund the shortfall which would occur if the decision by Council at its' meeting on 17 July 2023 was implemented. At this level, there is a balanced budget in 2024/25, with subsequent shortfalls rising to £2.845m in 2028/29.

It is therefore, imperative that the Council has a robust savings strategy in place to meet these challenges. As detailed in the report, significant savings are expected from the Transformation Agenda 2 (TA2) programme and the outcome of the Accommodation Review.

The delivery of the planned savings and major business projects **is critical** to the successful delivery of the Council's budget strategy. Without these savings being delivered, the current Council Tax strategy of keeping the level at the same cash amount as this year (or even a 0% increase per annum), will be unsustainable and future increases in Council Tax inevitable to deliver a balanced budget.

Current activity provides adequate assurance as to the deliverability of the 2024/25 budget with future year projections representing realistic planning assumptions which will be subject to review as part of the annual budget setting process. The MTFS is currently forecasting a small financial surplus for the financial year 2024/25 which will be transferred to the Budget Equalisation Reserve.

The Budget has been prepared reflecting known service pressures and following thorough review by Service Managers of planned savings.

There are however significant funding risks over the period of the MTFS. Potential changes to the Business Rates Retention system are particularly concerning and will have a significant impact on this funding. As detailed in Section 5 of this report, this could result in less funding in the future. It is however uncertain as to when and what actual changes will take place and the budget and MTFS is presented on the basis of the current arrangements continuing.

Current proposals of keeping Council Tax income at its' current level in 2024/25 and over the remainder of the MTFS (effectively a Council Tax reduction in each year over the medium term) should be viewed in the light of the forecast shortfalls detailed within this report and the financial impact of increasing Council Tax up to the referendum limit. This is exemplified in Table 5 in paragraph 13.12 of this report. In addition, as detailed in paragraph 3.7, the government's assessment of Council's Core Spending Power assumes Council Tax is increased by the maximum permitted without a referendum.

Although no use of the General Fund Balance is planned in 2024/25, it is good practice to re-assess the appropriate level of this balance over the period of the MTFS. It is proposed that this is carried out during 2024/25 taking into account actual use of this balance and updated MTFS forecasts.

Given the uncertainties detailed in this report, it is imperative that the Council maintains sufficient resources to cover any in-year unforeseen expenditure. A risk based approach to the consideration of the level of reserves is a component of the Council's overall risk management framework. Operational risks should be managed within Services' bottom line budgets and thus will not normally result in any further call on the Council's General Balances, as detailed in Section 17 above.

My assessment of the process that has been undertaken is that the calculations used in the preparation of the estimates for the Budget for 2024/25 are fair and robust and that reserves are adequate to reflect known circumstances and to be able to manage the stated uncertainties and risks that could realistically be anticipated at this point. All earmarked reserves are held for the purpose for which they are set up and are considered to be adequate to meet the requirements of those purposes when called upon based on the best information available as at the time of writing.

FENLAND DISTRICT COUNCIL

Summary of Revenue Estimates

	Council 20.02.23	Cabinet 18.12.23		
	Original Estimate 2023/24	Current Approved Estimate 2023/24	Projected Outturn 2023/24	Estimate 2024/25
	£	£	£	£
Service Summary				
Growth & Infrastructure	1,149,154	1,447,945	1,441,865	1,454,340
Communities, Environment, Leisure & Planning	5,044,350	4,379,122	4,701,947	5,402,610
Resources & Customer Services	9,707,920	9,888,740	10,143,820	10,304,470
Pay Award 2023/24	0	691,000	0	0
Vacancy Factor (1.5%)	-199,000	0	0	-230,000
Transformation Programme - TA2 savings	0	0	0	-225,000
NET COST OF GENERAL FUND SERVICES	15,702,424	16,406,807	16,287,632	16,706,420
Corporate Items				
Internal Drainage Board Levies	1,877,510	1,903,750	1,903,750	2,098,570
Internal Drainage Board Levies Grant	0	-177,280	-177,280	-177,280
Contributions to/ (from) Earmarked Reserves	-740,187	-134,286	64,734	-652,874
Contributions to/(from) Business Rates Reserve	-211,048	-211,048	-211,048	0
RTB Sharing Income	-20,000	-20,000	-20,000	-20,000
Financing Charges - <i>Interest on External Borrowings</i>	618,990	618,990	534,450	906,325
Financing Charges - <i>MRP current Capital Programme</i>	396,900	396,900	383,989	587,700
Investment Income and Property Funds Income	-775,000	-1,220,000	-1,255,000	-795,000
New Homes Bonus	-369,245	-369,245	-369,245	-442,392
Services Grant	-149,720	-149,720	-149,720	-25,846
Core Spending Power 3% Guarantee Grant	-600,957	-600,957	-600,957	-788,558
Corporate Items	27,243	37,104	103,673	690,645
Net Expenditure	15,729,667	16,443,911	16,391,305	17,397,065
Contribution to/from(-) Budget Equalisation Reserve	3,695	0	-548,352	2,515
NET EXPENDITURE after use of balances	15,733,362	16,443,911	15,842,953	17,399,580
Core Funding				
Revenue Support Grant	-173,414	-173,414	-173,414	-184,901
Business Rates - Income due in Year				
Business Rates Funding	-10,557,996	-10,557,996	-10,557,996	-11,177,561
Tariff Payment to Government	7,367,123	7,367,123	7,243,731	7,554,448
Renewable Energy Rates Retained	-1,904,210	-2,076,700	-2,076,700	-1,476,267
Business Rates Pool - FDC Share of Benefit	-350,000	-450,000	-450,000	-300,000
Business Rates S31 Grants due in year	-2,911,969	-2,897,620	-3,028,030	-3,166,574
Business Rates Levy due in year	600,615	854,970	1,034,013	744,929
Business Rates Levy Account Surplus allocation	0	0	-31,046	0
	-7,756,437	-7,760,223	-7,866,028	-7,821,025
Business Rates Collection Fund Deficit(+)/Surplus(-)	211,048	211,048	211,048	-1,291,784
Council Tax Collection Fund Deficit(+)/Surplus(-)	-87,064	-87,064	-87,064	-57,899
Council Tax	-7,927,495	-7,927,495	-7,927,495	-8,043,971
Business Rates and Council Tax Funding	-15,733,362	-15,737,148	-15,842,953	-17,399,580
Surplus(-)/Shortfall(+)	0	706,763	0	0

GROWTH AND INFRASTRUCTURE			
Service	2023/24 Current Approved Estimate £	2023/24 Projected Outturn £	2024/25 Original Estimate £
Direct Services			
Transport Development	156,100	146,140	246,450
Miscellaneous (Clocks, Monuments)	5,800	5,800	5,800
Drainage (District)	3,500	3,500	3,500
Highways (District)	190,240	197,240	216,940
Car Parks	208,300	208,300	229,700
Marine Services	585,645	580,245	429,050
Economic Estates	-163,850	-173,100	-279,250
Sewage Treatment Works	39,930	48,010	48,090
Parish Council Concurrent Functions	55,840	55,840	55,840
Economic Development	78,190	83,860	117,730
Regeneration	-35,440	-30,760	-18,400
HLF- High St Wisbech	21,390	21,390	21,390
Total Direct Services	1,145,645	1,146,465	1,076,840
Support Services			
Asset & Project Services	358,300	351,400	457,500
Net Cost of Services	1,503,945	1,497,865	1,534,340
Less Support Services Recharges to Capital Schemes	-56,000	-56,000	-80,000
TOTAL GROWTH AND INFRASTRUCTURE	1,447,945	1,441,865	1,454,340

General Notes for Appendix A(ii):

1. Within all the Service Estimates detailed in Appendix A(ii), Support Services costs have not been reallocated with the exception of recharges to Capital Schemes.
2. Similarly, Capital Charges have not been reallocated as these 'costs' are reversed out within the Corporate Items section of the estimates, thereby having no impact on the Budget Requirement and Council Tax.
3. Estimates for 2024/25 include the assumptions on pay, expenditure and income detailed at Appendix C. In addition, staff cost allocations to services have been reviewed for 2023/24 and have resulted in costs being re-allocated to better reflect time spent on providing those services.

COMMUNITIES, ENVIRONMENT, LEISURE & PLANNING			
Service	2023/24 Current Approved Estimate £	2023/24 Projected Outturn £	2024/25 Original Estimate £
Direct Services			
Housing Strategy	131,065	130,780	142,950
Private Sector Renewals	87,780	95,370	99,490
Housing Standards	98,520	102,940	104,280
Care & Repair	31,120	31,660	33,320
CCTV	67,990	68,690	78,020
Safer Fenland	80,200	93,670	117,970
Licensing	-34,250	-32,570	-32,260
Housing Options	133,330	174,240	260,980
Housing Needs and Advice	-601,430	-810,070	119,240
LAHF Properties	-39,450	-22,880	-201,000
Community Development	128,940	130,970	138,450
Travellers Services	-53,590	-45,590	-85,020
Pollution Reduction	121,060	128,580	141,050
Public Health	398,520	407,330	277,730
Food Safety	136,790	149,420	154,310
Health and Safety	65,950	70,120	82,290
Refuse Collection - Domestic	1,539,010	1,660,880	1,983,640
Garden Waste	-154,170	-106,570	-187,330
Refuse Collection - Trade Waste	-223,990	-234,150	-220,980
Street Cleansing	983,720	1,058,790	1,112,990
Streetscene	192,880	206,150	252,650
Public Conveniences	28,460	23,510	23,350
Arts Development & Culture	20,730	27,440	41,720
Planning Policy	154,380	157,980	228,190
Development Management	66,530	135,260	-253,940
Building Control	54,510	54,270	54,110
Conservation	37,460	41,730	43,840
Planning Compliance	175,670	174,590	102,870
Technical Support	223,860	268,400	289,550
Leisure Centres	-417,520	-414,700	-440,620
Sports Development	167,097	165,657	149,490
Parks and Open Spaces	641,480	653,120	645,630
Cemeteries	28,900	40,330	-430
Markets and Fairs	-14,580	-13,800	-9,830
Community Events	78,650	86,580	110,960
Vehicle Workshop	43,500	43,820	44,950
TOTAL COMMUNITIES, ENVIRONMENT, LEISURE & PLANNING	4,379,122	4,701,947	5,402,610

RESOURCES AND CUSTOMER SERVICES			
Service	2023/24 Current Approved Estimate £	2023/24 Projected Outturn £	2024/25 Original Estimate £
Direct Services			
Miscellaneous Central Services	138,720	138,220	138,540
Unfunded Pension Costs/Apprenticeship Levy	1,025,440	1,027,350	990,950
Corporate Management	1,006,220	1,029,600	965,870
Council Tax Cost of Collection	487,020	534,750	615,940
Business Rates Cost of Collection	-18,530	-19,940	-19,110
Housing Benefits	1,269,190	1,306,570	1,007,310
ICT Direct Service Costs	866,630	891,850	889,050
Policy & Comms	295,710	304,010	340,800
Land Charges	-7,850	-9,600	-11,300
Elections & Electoral Registration	359,040	361,840	251,920
Democratic Services	649,630	622,260	664,840
Emergency Planning	55,520	57,050	59,610
Total Direct Services	6,126,740	6,243,960	5,894,420
Support Services			
Accountancy	667,650	699,290	714,350
Information & Communication Technology	565,060	582,450	696,800
Customer Services/My Fenland	863,700	919,600	1,115,000
Transformation	218,800	231,600	278,200
Post & Reprographics	124,820	123,030	131,700
Internal Audit	159,220	153,300	128,920
Legal Services	203,510	193,470	301,860
Corporate Health & Safety	18,140	19,320	17,680
Human Resources	369,200	385,600	376,690
Fenland Hall	401,100	416,900	466,900
The Base	170,800	175,300	181,950
Total Support Services	3,762,000	3,899,860	4,410,050
TOTAL RESOURCES AND CUSTOMER SERVICES	9,888,740	10,143,820	10,304,470

APPENDIX B
(Council Tax income level constant
2024/25 onwards)

Medium Term Financial Strategy	Projected 2023/24 £000	Estimate 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000	Forecast 2027/28 £000	Forecast 2028/29 £000
<u>Expenditure</u>						
Service Expenditure/Income						
Gross Service Expenditure	29,669	29,404	29,141	29,421	29,964	30,355
Gross Service Income	-13,383	-12,243	-11,869	-12,067	-12,375	-12,692
Vacancy Factor (1.5%)	0	-230	-235	-238	-244	-250
Transformation Programme - additional savings	0	-225	-306	-339	-372	-372
Total Net Service Expenditure	16,286	16,706	16,731	16,777	16,973	17,041
Corporate Items						
Corporate Expenditure/Savings						
Internal Drainage Board Levies	1,904	2,099	2,162	2,226	2,293	2,362
Internal Drainage Board Levies Grant	-177	-177	0	0	0	0
Financing Charges - Interest on External Borrowing	534	906	1,025	1,185	1,360	1,360
Financing Charges - MRP Current Capital Programme	384	588	674	676	750	800
	2,645	3,416	3,861	4,087	4,403	4,522
Corporate Income Items						
Contribution to(+)/from(-) Earmarked Reserves	65	-653	-90	118	39	125
Contribution to(+)/from(-) Business Rates Reserve	-211	0	0	0	0	0
RTB/VAT Sharing Income	-20	-20	-20	-20	-20	-20
Investment and Property Fund Income	-1,255	-795	-945	-1,145	-1,345	-1,145
New Homes Bonus	-369	-442	-442	-442	-442	-442
CSP Guarantee Grant	-601	-789	-654	-654	-654	-654
Services Grant	-150	-26	-24	-24	-24	-24
Contribution to/from(-) Budget Equalisation Reserve	-548	3	0	0	0	0
	-3,089	-2,722	-2,175	-2,167	-2,446	-2,160
Total Corporate Items	-444	694	1,686	1,920	1,957	2,362
Gross Service/Corporate Expenditure	32,314	32,365	32,461	32,931	33,751	34,255
Gross Service/Corporate Income	-16,472	-14,965	-14,044	-14,234	-14,821	-14,852
Net Budget Requirement	15,842	17,400	18,417	18,697	18,930	19,403
<u>Funding - RSG, Business Rates & Council Tax</u>						
Revenue Support Grant	-173	-185	-185	-185	-185	-185
Business Rates						
Business Rates Baseline Funding	-10,558	-11,177	-12,047	-12,105	-12,467	-12,693
Tariff Payment to Government	7,244	7,554	7,683	7,813	7,946	8,081
Renewable Energy Rates Retained	-2,077	-1,476	-1,595	-1,598	-1,601	-1,610
Business Rates Pool - FDC Share of Benefit	-450	-300	-300	-300	-300	-300
Business Rates S31 Grants due in year	-3,028	-3,167	-2,555	-2,598	-2,642	-2,687
Business Rates Levy due in year	1,034	745	764	703	793	813
Business Rates Levy Account Surplus Allocation	-31	0	0	0	0	0
Business Rates Collection Fund Deficit/Surplus(-)	211	-1,292	0	0	0	0
Total Business Rates Funding	-7,655	-9,113	-8,050	-8,085	-8,271	-8,396
Council Tax						
Council Tax Collection Fund Surplus(-)/Deficit	-87	-58	-50	-50	-50	-50
Council Tax (Constant level 2024/25 onwards)	-7,927	-8,044	-8,044	-8,044	-8,044	-8,044
Total Council Tax Funding	-8,014	-8,102	-8,094	-8,094	-8,094	-8,094
Total Funding - RSG/Business Rates/Council Tax	-15,842	-17,400	-16,329	-16,364	-16,550	-16,675
Surplus(-)/Shortfall(+)	0	0	+2,088	+2,333	+2,380	+2,728

Assumptions built into Budget and Medium Term Financial Strategy (MTFS)

Within the forecasts are a number of assumptions which are necessary to produce the overall budget strategy. However, there is an element of risk associated with this process although the aim is to mitigate these risks as detailed in section 19 of the main report.

The main assumptions are as follows:

- Council Tax income increases from current levels for 2024/25 and remains at this level over the period of the MTFS (£7.927m in 2023/24 increasing to £8.044m in 2024/25 and thereafter). With the estimated increases in the Council Tax base, this equates to a reduction in Band D Council Tax levels of £0.45 or 0.18% for 2024/25 with further reductions in the following years. The cumulative reduction in Council Tax by 2028/29 would be around £16.14 or 6.33%. (For comparison, a 0% increase would generate £14k of resources and a 3% increase around £253k of resources in 2024/25).
- 1.65% increase in Council Tax base in 2024/2025 (Tax-base 31,571) and thereafter (increase of 520 Band D equivalent properties in 2025/26 rising to 547 in 2028/29).
- Inflation increases in Retained Business Rates income from 2025/26 onwards. Future net benefits from Business Rates will be dependent upon the impact of any potential system re-set and other changes from April 2025 onwards.
- Inclusion of this Council's share (£300k) of the potential benefit arising from the continuation of the Cambridgeshire Business Rates Pool in 2024/25 onwards. Although Fenland will not formally be part of the Pool for 2024/25, the Pool members have agreed for Fenland to be no worse off as a result of the new Pool arrangements. Potential benefit from the Pool in future years will be dependent on any changes to the Business Rates Retention System from April 2025.
- Continuation of the Services Grant (£26k allocated in 2024/25) and the Core Spending Guarantee Grant (£789k allocated in 2024/25) in 2025/26 and over the medium term. Although the national totals of these grants will remain in the Local Government sector in future years, they may be allocated differently as a result of changes to the Local Government funding system from April 2025, which could negatively affect our funding from these sources.
- The New Homes Bonus (£442k allocated in 2024/25) has been included at £442k per annum from 2025/26 onwards as detailed in Section 4 of the report. Future allocations will be dependent upon the scheme design and national totals of any replacement Housing Growth initiative.
- 4% pay award in 2024/25 (£608k cost) and 2% thereafter together with an allowance for pay increments of around 0.5% p.a. (£76k cost).
- Employer's Pension Contributions – following the triennial valuation as at 31.03.2022, the contribution rate for 2023/24 – 2025/26 increased slightly to 17.6% of salary (17.4% in 2022/23) with an additional past deficit lump sum payment of £922k for 2023/24, £884k for 2024/25 and £845k for 2025/26 representing an overall increase of 1% p.a. in total contributions.
- Inclusion of a vacancy factor for 2024/25 onwards, equivalent to a reduction in staff costs of 1.5% (£230k in 2024/25).

- Specific allowance for inflation where required eg: employee costs (as detailed above), business rates, external contracts, energy and water, fuel costs etc. Otherwise, no allowance for inflation has been included.
- Estimated 10% increase in Internal Drainage Board Levies in 2024/25 based on correspondence received from 4 of the largest Drainage Boards regarding their likely increases. The actual levies are not set by the Drainage Boards until after we have set our budget and Council Tax levels. To help off-set these increases, the government is once again allocating £3m nationally to the worst affected authorities. In 2023/24 we were allocated £177k of IDB grant and the same amount has been included for 2024/25. Allocations for 2024/25 will be announced in the coming months (and after we have set our budget) so the actual amount of grant received may be different to this.
- Investment interest rates are forecast to remain at current levels until Q2, 2024 before subsequently decreasing back to 3% in Q4, 2025 (£445k estimated income from temporary investments in 2024/25).
- Investment income includes the £4m investment in property funds in March 2022 (£150k p.a. income net of costs in 2024/25).
- Forecast income levels from fees and charges in 2024/25 include the agreed fee increases (Cabinet 22 January 2024) together with a review of activity levels.
- For 2024/25 onwards, a full years' worth of Management Fee being received from the Leisure Management contractor has been assumed. This follows two years of significant additional Council support for the Leisure Management contract in 2020/21 and 2021/22 as a result of Covid-19, through deferral of the management fee and also cash support. Further support was agreed in 2022/23 and 2023/24 to mitigate the significant impact of rising energy costs. No allowance has been made at this stage for any potential additional support for 2024/25.
- For 2024/25 onwards, provision has been included for a reduction in costs/increase housing benefit subsidy of £370k relating to bed and breakfast and temporary accommodation for the homelessness and rough sleeper's service. This is a result of various initiatives currently progressing, in conjunction with current providers and from the impact of the additional houses purchased with support from the Local Authority Housing Fund.
- Recharges to Fenland Future Limited to reflect the use of FDC officer time on the company's behalf has been included (£125k in 2022/23 and future years). This amount could vary depending on the amount of time and types of activities being carried out for the company.
- Potential net benefits from Fenland Future Ltd of loan interest and dividends from future developments have been included. These amounts could vary depending on the timing and profitability of developments being carried out by the company.
- No allowance has been made in the medium term forecasts for the potential impact of the government's waste strategy particularly relating to Food Waste.
- No potential additional income (or costs) from the Extended Producer Responsibility scheme for managing packaging waste (effective from 2025/26) has been included as there are currently no indications of the level of this income.
- £225k of in-year savings have been included in 2024/25 for potential savings from the Transformation Agenda 2 programme, rising each year to £372k savings included in 2028/29.

- Estimated financing costs (Interest and MRP) of the current capital programme as detailed in Appendix D(i) are included in the MTFS. No allowance has been made for any additional new capital schemes.

CAPITAL PROGRAMME AND FUNDING 2023 - 2027

	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£4628
Capital expenditure – Capital Programme	14,634	6,695	3,097	1,829
Capital expenditure – Commercial and Investment Strategy	7,389	2,730	6,000	7,972
CURRENT FORECAST EXPENDITURE	22,023	9,425	9,097	9,801

FORECAST RESOURCES AVAILABLE

Capital Grants	12,541	2,754	1,194	1,194
Usable Capital Receipts - In Year	155	250	250	250
Reserves used in year to fund Capital	2,674	730	0	0
Section 106s and Other Contributions	1,025	45	38	35
Borrowing (Internal and Prudential) - Capital Programme	4,628	3,646	1,615	350
Borrowing (Prudential) - CIS	1,000	2,000	6,000	7,972
TOTAL FORECAST RESOURCES	22,023	9,425	9,097	9,801

CAPITAL PROGRAMME SUMMARY 2023/24 - 2026/27										APPENDIX D(i)
		2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106	
Leisure Centres										
1	Condition Survey Improvements	208	1,055	1,055		2,318	2,265	53	£53k DLUHC 'Changing Places' Grant	
2	Energy Efficiency Works - Solar PV; Manor CHP; Manor Pool AHU	635				635	275	360	£110k CPCA Growing Fenland; £250k Sport England	
3	Manor Basketball/Tennis/Netball Improvements including site investment appraisal	80				80	0	80	£55k CPCA Growing Fenland; £25k FCC Communities Grant	
4	Leisure Centres - Facility Strategy	100	25	25	0	150	150	0		
Regeneration Programmes										
5	Heritage Lottery Fund - Non-FDC Properties	98				98	0	98	HLF Grant.	
6	Heritage Lottery Fund - 24 High Street, Wisbech	1,000	1,989			2,989	2,531	458	£220k CPCA Grant; £238k HLF	
7	Railway Station Master-Planning - Manea Station Car Park	10				10	10	0		
8	Future High Street Fund, March	5,716	1,000			6,716	197	6,519	£2,000k CPCA, £4,519k DLUHC Future High Streets,	
9	Growing Fenland - Capital Grants	33				33	0	33	£33k CPCA Grant	
10	Whittlesey Market Place Improvements	20				20	0	20	£20k CPCA Growing Fenland Grant	
11	Whittlesey Southern Relief Road - SOBC	265				265	0	265	£265k CPCA Growing Fenland Grant	
Parks and Open Spaces										
12	Wisbech Park Pavillion	950				950	449	501	£240K Cambs CC Capital Communities Fund Grant, £299K CPCA Grant, £60K DLUHC Changing Places Grant	
13	Wisbech Park - Play Area Refurbishment	135				135	88	47	£47k DLUHC Levelling Up Parks Fund, £25k S106	
14	National Trust Peckover House	40	0	0	0	40	40	0	£40K DLUHC Changing Places Grant	
15	Play Park Re-furb Programme	0	45	38	35	118	118	0		
Cemeteries										
16	Cemetery Chapels Condition Survey Works	237				237	237	0		
17	Remedial Works in Closed Cemeteries	50	150	150		350	350	0		
Highways										
18	Category 2 Street Lights - FDC Lights	54	110			164	164	0		
19	Street Light Improvements - Parishes (Contribution to Cat 2 Replacements)	2				2	2	0	£2k Capital Contribution Reserve	
20	Growing Fenland - Civil Parking Enforcement	5	322			327	0	327	£327k CPCA Grant	
21	Huntingdon Road Improvements, Chatteris	120				120	120	0		
Environment										
22	Replacement and Additional Litter Bins	27				27	27	0		
23	Sound Monitoring Equipment	30				30	30	0	£30k Capital Contribution Reserve	
Port										
24	Wisbech Suspended Quay - Structural Concrete Repairs	1,200				1,200	1,200	0		
Sub Total		11,015	4,696	1,268	35	17,014	8,253	8,761		

		2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106		
Brought Forward		11,015	4,696	1,268	35	17,014	8,253	8,761			
Vehicles and Plant											
25 Vehicles		233	200	200	200	833	833	0			
26 CCTV Cameras		26				26	0	26	£26k Safer Fenland Funding		
ICT System Replacement Programme & Upgrades											
27 Replacement & Upgrade Programme		200	100	100	100	500	500	0	£149k Management of Change Reserve		
28 Transformation Projects		265				265	265	0			
Improvement of Assets											
29 Sewage Treatment Works Refurbishment		500	300	300	300	1,400	1,400	0			
30 March Moorings Renewals		20	25	25		70	70	0			
31 Lattersey Nature Reserve - Capping Layer			40	10		50	50	0			
32 Nene Waterfront Infrastructure Improvements		180				180	0	180	£180k Brownfield Land Release Fund		
Car Parks											
32 Eastwood, Chatteris		10	140			150	150	0			
Economic Estates											
33 Longhill Industrial Estate - Roof - Urgent Works		205				205	205	0	£205k Repairs & Maintenance Reserve		
Libraries											
34 Heritage Library Display - Whittlesey		10				10	0	10	£10k CPCA Growing Fenland Grant		
Private Sector Housing Support											
35 Private Sector Renewal Grants		60	40	40	40	180	0	180	£180k Govt Grant		
36 Disabled Facilities Grants/Loans		1,760	1,154	1,154	1,154	5,222	0	5,222	£5,222k Govt Grant		
UK Shared Prosperity Fund											
37 Investment in Business Grants		150				150	0	150	£150 CPCA Grant		
38 Rural UK Shared Prosperity Fund Grant											
Commercial and Investment Strategy Schemes											
39 Local Authority Housing Fund (LAHF) 1		2,087				2,087	0	2,087	£874k LAHF 1		
40 Local Authority Housing Fund (LAHF) 2		4,302	730			5,032	4,005	1,027	£2,240k LAHF 2		
41 Loans to Fenland Future Ltd/Other Investment Opportunities		1,000	2,000	6,000	7,972	16,972	16,972	0			
Total - Approved Programme		22,023	9,425	9,097	9,801	50,346	32,703	17,643			
Capital Grants		12,541	2,754	1,194	1,194	17,683					
Usable Capital Receipts - In Year		155	250	250	250	905					
Reserves used in year to fund Capital		2,674	730	0	0	3,404					
Section 106s and Other Contributions		1,025	45	38	35	1,143					
Borrowing (Internal and Prudential)		5,628	5,646	7,615	8,322	27,211					
		22,023	9,425	9,097	9,801	50,346					

POTENTIAL NEW CAPITAL SCHEMES 2024/25 - 2026/27								APPENDIX D(ii)
	2024/25 £000	2025/26 £000	2026/27 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106	
Leisure Centres								
1 Manor Leisure Centre	500	2,000	0	2,500	2,500	0		
2 Hudson Leisure Centre	250	450	0	700	700	0		
3 George Campbell Leisure Centre	250	350	0	600	600	0		
4 Cardio Gym Kit Replacement	0	100	0	100	100	0		
5 Resistance Gym Kit Replacement	0	0	500	500	500	0		
Parks and Open Spaces								
6 Park Infrastructure (paths / gates etc)	200	150	0	350	350	0		
7 Play Park Re-furb Programme	205	200	0	405	405	0		
8 Tree Works	50	50	0	100	100	0		
Cemeteries								
9 Remedial Works in Open Cemeteries	140	100	0	240	240	0		
10 Flood Management Programme - Eastwood Cem, March	100	0	0	100	100	0		
Highways								
11 Algores Way, Wisbech - Road Resurfacing Works	300	0	0	300	300	0		
12 Europa Way, Wisbech - Road Resurfacing Works	275	0	0	275	275	0		
13 Brewin Chase, March - Road Resurfacing Works	250	0	0	250	250	0		
Port								
14 Small Twin Screw Tug, Wisbech Port	500	0	0	500	500	0		
Sub Total	3,020	3,400	500	6,920	6,920	0		
Brought Forward								
	3,020	3,400	500	6,920	6,920	0		
Vehicles and Plant								
15 Vehicles (additional to current programme)	639	532	665	1,836	1,836	0		
16 Bring Banks							Budget and Funding to be decided	
Improvement of Assets								
17 West End Park Moorings, March	155	0	0	155	155	0		
18 Boat House							Budget and Funding to be decided	
19 Creek Hostel - Roof							Budget and Funding to be decided	
20 Accomodation Review							Budget and Funding to be decided	
Car Parks								
21 Chapel Road Car Park, Wisbech	750	0	0	750	750	0		
Grant Match Funding								
22 Potential Wisbech Levelling up Fund Bid; match funding required	350	1,650	0	2,000	2,000	0		
Total - Potential New Schemes	4,914	5,582	1,165	11,661	11,661	0		
Capital Grants	0	0	0	0				
Usable Capital Receipts - In Year	0	0	0	0				
Reserves used in year to fund Capital	0	0	0	0				
Section 106s and Other Contributions	0	0	0	0				
Borrowing (Internal and Prudential)	4,914	5,582	1,165	11,661				
	4,914	5,582	1,165	11,661				

Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2024/25

1 Introduction

CIPFA Treasury Management Code and Prudential Code (Revised 2021)

- 1.1 CIPFA published the revised codes on 20 December 2021 and has stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Council has to have regard to these codes of practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.
- 1.2 The revised codes will have the following implications:
- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement;
 - clarify what CIPFA expects a local authority to borrow for and what they do not view as appropriate. This will include the requirement to set a proportionate approach to commercial and service capital investment;
 - address Environmental, Social and Governance (ESG) issues within the Capital Strategy;
 - require implementation of a policy to review commercial property, with a view to divest where appropriate;
 - create new Investment Practices to manage risks associated with non-treasury investment (similar to the current Treasury Management Practices);
 - ensure that any long term treasury investment is supported by a business model;
 - a requirement to effectively manage liquidity and longer term cash flow requirements;
 - amendment to Treasury Management Practice 1 to address ESG policy within the treasury management risk framework;
 - amendment to the knowledge and skills register for individuals involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council;
 - a new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing/leverage).

- 1.3 In addition, all investments and investment income must be attributed to one of the following three purposes: -

Treasury management

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity

which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments. The Council's investment in property funds falls into this category.

Service delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return. This does not preclude the Council from taking forward investments as part of its Commercial and Investment Strategy so long as financial return is not the primary reason for taking forward the scheme. This particularly applies in the case of projects relating to housing where service delivery objectives can be achieved as well as a financial return.

- 1.4 As this Treasury Management Strategy Statement and Annual Investment Strategy deals solely with treasury management investments, the categories of service delivery and commercial investments will be dealt with as part of the Capital Strategy report
- 1.5 These changes are now fully adopted within the 2024/25 TMSS report.

2 Background

- 2.1 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 assessment of its risk appetite, providing adequate liquidity initially before considering investment return.
- 2.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 2.3 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.

CIPFA defines treasury management as:

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

- 2.4 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.

3 The Capital Strategy Reporting Requirements

- 3.1 The CIPFA revised 2021 Prudential and Treasury Management Codes require all local authorities to prepare an additional document, a Capital Strategy which will provide the following:
- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - an overview of how the associated risk is managed; and
 - the implications for future financial sustainability.
- 3.2 The aim of the Capital Strategy is to ensure that all elected members on full Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

4 Treasury Strategy Reporting Requirements

- 4.1 The Council is required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals. These reports are required to be adequately scrutinised by the Audit and Risk Management Committee and Cabinet before being recommended to the Council.
- 4.2 **Prudential and Treasury Indicators and Treasury Strategy** (this report), the first and most important report is forward looking and covers:
- the capital plans (including prudential indicators);
 - a Minimum Revenue Provision policy (how residual capital expenditure is charged to revenue over time);
 - the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
 - an Investment Strategy (the parameters on how investments are to be managed).

A Mid-Year Treasury Management Report - This will update Members with the progress of the capital position, amending prudential indicators as necessary and whether any policies require revision.

An Annual Treasury Report - This is a backward looking review document and provides details of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

- 4.3 The Strategy covers two main areas:

Capital issues

- the capital expenditure plans and associated prudential indicators;
- the 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 use of external service providers.

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

4.4 **IFRS16 - Leases** The CIPFA Local Authority Accounting Code Board has deferred implementation of IFRS16 until 1 April 2024, the 2024/25 financial year. IFRS 16 defines a lease as a contract or part of a contract, which conveys the right to use an asset (the underlying asset) for a period of time in exchange for a consideration. Under the new standard the distinction between finance leases and operating leases under the previous leasing standard is removed and all leases are treated in the way the finance leases currently are. A 'right of use' asset is shown on the balance sheet with a corresponding liability of the discounted value of the future lease payments. There are exceptions for short, dated leases (under a year, or with less than a year remaining at transition) and low value leases (low value to be determined by the council using its approach to determining de minimus items). This means that all leases that do not meet the exceptions will be treated as capital expenditure from 2024/25 and form part of the Capital Financing Requirement. Although legally the Council doesn't own the asset during the lease duration, International Accounting Standards require that the Council capitalise the asset and liability on its balance sheet, much like a loan. Whilst this increases the CFR, the nature of the finance lease agreement doesn't require the Council to separately borrow to fund the asset.

4.5 **Training** - The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

The training needs of treasury management officers and members are periodically reviewed.

5 Capital Prudential Indicators 2024/25 to 2026/27

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

5.2 The capital expenditure prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously and those forming part of this budget cycle. Commercial activities/non-financial investments relate to areas such as capital expenditure on investment properties, loans to third parties etc.

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

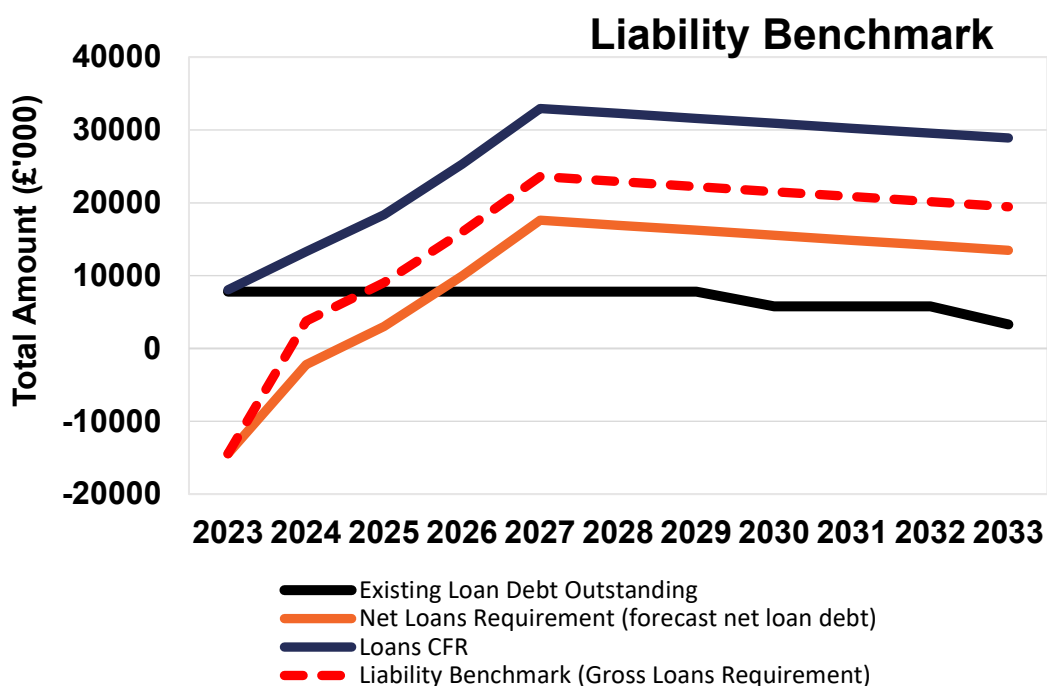
Capital Programme	2023/24 Revised	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
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	Estimate £000	£000	£000	£000
Forecast Capital Expenditure	14,634	6,695	3,097	1,829
Commercial and Investment Strategy Schemes	7,389	2,730	6,000	7,972
TOTAL	22,023	9,425	9,097	9,801
Financed by:				
Capital Grants	12,541	2,754	1,194	1,194
Capital Receipts	155	250	250	250
Reserves used in year to fund Capital	2,674	730	0	0
Section 106 and Other Contributions	1,025	45	38	35
Total Financing	16,395	3,779	1,482	1,479
Net Financing Need for The Year (Borrowing)	5,628	5,646	7,615	8,322

- 5.4 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, its underlying borrowing need. Any capital expenditure shown above, which has not immediately been paid for will increase the CFR.
- 5.5 The CFR does not increase indefinitely, as each year the Council is required to pay off an element of the capital spend (including finance leases) through a statutory revenue charge (MRP). In the case of schemes taken forward as part of the Council's capital programme this has the effect of reducing the Council's (CFR) broadly over the asset's life.
- 5.6 In the case of capital expenditure incurred in accordance with the Council's Commercial and Investment Strategy the MRP charge cannot be determined until such time that the Investment Board approves a scheme. Where the projected Capital Financing Requirement is disclosed in this report the figures used reflect the impact of borrowing to fund the full allocation of the remaining £16.972m over the next 4 years but no assumptions have been made regarding how MRP might reduce the CFR attributable to these schemes. This approach is considered reasonable until such time that any new schemes are formally approved by the Investment Board. In accordance with the current Minimum Revenue Policy, a provision for MRP in relation to the investment and residential property acquired in previous financial years is incorporated into the information in this report and the Council's Medium Term Financial Strategy.
- 5.7 In this context, it is also important to note that, as well as the statutory MRP charge, the Council is permitted to make additional voluntary payments to reduce the CFR. These voluntary payments will typically reduce the statutory charge that would have been due in future years. Voluntary payments can be funded from capital resources. This is particularly significant in the context of the Council's Commercial and Investment Strategy. As a result of investments undertaken, the Council may receive significant capital receipts and/or repayments of amounts due under the terms of loan agreements with third parties, including the Local Authority Trading Company. These amounts may be received before the maturity date of the external borrowing used to undertake the initial investment. Any assumptions regarding the anticipated use of capital resources to reduce the CFR will be reported as part of future treasury management reporting.
- 5.8 The CFR includes any other long term liabilities (finance leases).

Capital Financing Requirement (CFR)	2023/24 Revised Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
CFR – as at 31 March				
Opening CFR	8,052	13,296	18,354	25,295
Movement in CFR	5,244	5,058	6,941	7,646
Closing CFR	13,296	18,354	25,295	32,941
Movement in CFR represented by				
Net financing need for the year	5,628	5,646	7,615	8,322
Less MRP and other Financing Movements	(384)	(588)	(674)	(676)
Movement in CFR	5,244	5,058	6,941	7,646

- 5.9 The third prudential indicator is the Liability Benchmark (LB). The liability benchmark is a measure of how well the existing loans portfolio matches the authority's planned borrowing needs.
- 5.10 The purpose of this prudential indicator is to compare the authority's existing loans outstanding (the black line) against its future need for loan debt, or liability benchmark (the red line).
- 5.11 The liability benchmark below indicates a future borrowing requirement over the life of this strategy.
- 5.12 The timing of actual borrowing arranged may differ from the liability benchmark depending on actual cash balances, the rate at which the capital programme is delivered and actual use of reserves and working capital.



6 Minimum Revenue Provision (MRP) Policy Statement

- 6.1 The Council is required to pay off an element of the accumulated general fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision),

although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision).

6.2 DLUHC regulations have been issued which require the Council to approve an MRP statement in advance each year. A variety of options are provided to Councils within the guidance. Councils are permitted under the guidance to establish their own approach to setting MRP, and different approaches can be applied for different types of assets. The Council's principal responsibility is to ensure that it can demonstrate that whatever approach they adopt across their asset base it is prudent. Given the Council's decision to adopt a Commercial and Investment Strategy it was necessary to revise the MRP policy in 2020/21 to take account of investments which might feasibly be taken forward in accordance with the Commercial and Investment Strategy. The policy applicable for the current financial year onwards is as follows:

- (1) For unsupported borrowing (including finance leases) undertaken to fund the Council's capital programme, excluding any capital expenditure approved by the Council's Investment Board for Investment Properties, MRP will be based on the estimated useful life of the assets to be purchased or acquired. Repayments made under the terms of finance leases shall be applied as MRP.
- (2) For Investment Properties purchased or constructed (following a decision taken by the Council's Investment Board) the MRP charge shall be based on the difference between the value of the asset and the value of any outstanding unsupported borrowing secured to fund the original purchase of the asset. A calculation shall be undertaken at the end of each financial year to identify the difference between the value of the asset and the amount borrowed. Where a difference exists MRP shall be charged over a period commensurate with the period the Council expects to hold the asset as set out in reports presented to the Investment Board.
- (3) For any loans made to third parties, including those made to the Local Authority Trading Company, no MRP shall be charged where the loan requirement requires the third party to make repayments on at least an annual basis over the life of the loan. In the unlikely event of the Council providing a maturity loan to a third party, MRP shall be charged in equal amounts over the life of the loan.
- (4) Should the Council acquire an equity stake in any third party, the MRP charge will be for the lower of twenty years or the scheduled completion date of any projects funded by the third party using the proceeds from selling an equity stake to the Council.
- (5) For investment in Property Funds which the Council, following consultation with its Treasury Advisors, assesses as meeting the definition of capital expenditure MRP shall be charged over the period the Council expects to hold the investment. The period over which MRP can be charged for this type of investment shall not be permitted to exceed 20 years. The property funds referred to elsewhere in this document do not meet the definition of capital expenditure.

6.3 It is important to note that DLUHC are currently consulting on potential changes to the guidance relating to setting the Minimum Revenue Provision. One potential outcome of the consultation is that government could bring forward changes to the regulations.

7 The Use of Council's Resources and the Investment Position

7.1 The application of resources (capital receipts, reserves etc) and temporary use of 'surplus cash balances' to both finance capital expenditure and other budget decisions to support the revenue budget reduces cash investment balances held (see below). Unless resources are supplemented with new sources (asset sales, capital grants, etc) then new

borrowing will be required to fulfil the objectives as set in the Council's Business Plan. Detailed below are estimates of the year end balances for each resource.

Year End Resources	2023/24 Revised Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
Fund balances / reserves	13,000	12,600	11,600	11,500
Expected investments	14,600	14,800	14,500	15,000

8 Affordability Prudential Indicators

8.1 The previous sections cover the overall capital and control of borrowing prudential indicators; also 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 indicators.

8.2 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.

Financing Costs to Net Revenue Stream	2023/24 Revised Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/7 Estimate %
General Fund	5.94	8.25	9.75	10.65
Net Revenue Stream	£16.857m	£18.097m	£17.405m	£17.466m

8.3 Net Income from Commercial and Service Investments as % of net revenue stream. This indicator identifies the authority's reliance on income from Commercial and Service Investments such as rents from the Council's long-standing portfolio of non-operational assets managed to secure rental income and income from fees and charges earned from providing facilities for conferences and meetings (economic estates) and one commercial investment property.

Ratio of Income from Commercial and Service Investments to net revenue stream	2023/24 Revised Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %
General Fund	6.8	6.7	7.0	7.0
Net Revenue Stream	£16.857m	£18.097m	£17.405m	£17.466m

9 Treasury Management Strategy

9.2 The capital expenditure plans set out in section 5 provide a summary of future level of spend. 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 service activity and the Council's capital strategy. This will involve both the organisation of cash flow and where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

- 9.3 The Council's treasury portfolio as at 31 March 2023 for borrowing and investments was £7.823m and £22.550m respectively. As of 31 December 2023, investments are £21.720m (see Appendix A attached) and borrowing £7.823m.
- 9.4 The Council's forward projections for borrowings are summarised below. The next table shows the actual external debt, against the underlying capital borrowing need (the Capital Financing Requirement - CFR).

	2023/24 Revised Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
Debt at 1 April	7,800	13,430	19,080	26,700
Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)	4,630	3,650	1,620	350
Borrowing to fund Commercial and Investment Strategy Schemes	1,000	2,000	6,000	7,970
Other long term liabilities (OLTL)	23	0	0	0
Expected change in OLTL	(23)	0	0	0
Actual gross debt at 31 March	13,430	19,080	26,700	35,020
Capital financing requirement (CFR) at 31 March	13,296	18,354	25,295	32,941
Borrowing less CFR – 31 March	134	726	1,405	2,079

- 9.5 At 1 April 2023 the Council's Debt position comprised other long-term liabilities relating to finance leases of £23k and external borrowing of £7.8m. These loans were taken out at prevailing market rates between 1994 and 2004. The term of these loans is between 25 and 50 years. Following the transfer of the Council's Housing Stock in 2007, which generated a significant capital receipt for the Council, the Council has retained investment balances which exceed the amounts borrowed. However, changes in prevailing interest rates since the loans were taken out mean that a high premium would be payable by the Council if it were to seek to repay the PWLB loans (£4.5m) early. The premiums to be applied are considered to be prohibitively high for early redemption to be regarded as a reasonable treasury management decision. Repaying the Barclays market rate loan of £3.3m may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment. The Council continues to keep this situation under review with the support of its appointed treasury management advisors. However, for the purposes of this strategy, it has been assumed that external borrowing of £7.8m brought forward, as at 1 April 2023, will continue to be carried forward.
- 9.6 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its 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 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that long term borrowing is not undertaken for revenue or speculative purposes (in the sense of anticipating future upward movements in interest

rates), other than where the borrowing fits in with the Council's approved Investment Strategy.

- 9.7 The Council notes that the Prudential Code published by CIPFA prohibits local authorities from borrowing in advance of need. This prohibition has been recently re-affirmed by DLUHC in its Statutory Guidance on Local Authority Investments which states that this prohibition extends to undertaking borrowing to fund the purchase of financial and non-financial investments, including investment properties. This is on the basis that in such circumstances local authorities would be borrowing 'purely in order to profit from investment of the extra sums borrowed'. Section 4 of the Council's Capital Strategy explains how the Council has had regard for this guidance and notes the Council's approach to determining whether the motivation behind any proposed investment is purely to profit from investment of any sums borrowed.
- 9.8 Interest repayments associated with the external debt (including finance leases) above are shown below.

YEARS	INTEREST DUE £000
2023/24	534,450
2024/25	906,325
2025/26	1,023,700
2026/27	1,183,000

- 9.9 The operational boundary is the limit beyond which external debt is not normally expected to exceed. In most cases this would be a similar figure to the CFR but may be lower or higher depending on the levels of actual debt.

Operational Boundary	2023/24 Revised Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
Debt	12,430	16,080	17,700	18,050
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non Financial Investments	1,000	3,000	9,000	16,970
Total	14,430	20,080	27,700	36,020

- 9.10 The authorised limit is a key prudential indicator, which 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 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.
- 9.11 This is a 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 council's plans, or those of a specific council, although this power has not yet been exercised. The Council is asked to approve the following authorised limit.

Authorised Limit	2023/24 Revised Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
Debt	17,430	21,080	22,700	23,050
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non Financial Investments	1,000	3,000	9,000	16,970
Total	19,430	25,080	32,700	41,020

10 Prospects for Interest Rates

- 10.1 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. The following table gives Link Assets Service's central view.

	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

- 10.2 Links central forecast for interest rates was updated on 7 November and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25 until at least summer 2024. They then expect rate cuts to start when both the CPI inflation and wage/employment data are supportive of such a move, and when there is a likelihood of the overall economy enduring at least a slowdown or mild recession over the coming months (although most recent GDP releases have surprised with their on-going robustness).
- 10.3 Naturally, timing on this matter will remain 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.
- 10.4 In the upcoming months, 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 also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.
- 10.5 Gilt Yields and PWLB Rates - The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation continues to fall through 2024.
- 10.6 Links target borrowing rates are set two years forward (as they expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 08.01.24 p.m.	Target borrowing rate now (end of Q4 2025)	Target borrowing rate previous (end of Q3 2025)
5 years	4.53%	3.70%	3.80%
10 years	4.67%	3.90%	3.80%
25 years	5.19%	4.20%	4.20%
50 years	4.97%	4.00%	4.00%

10.7 Borrowing advice: Links long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

10.8 The current forecast shown in paragraph 10.1, includes a forecast for Bank Rate to have peaked at 5.25%. The Council continues to benefit from what is a higher interest rate environment than has been the case in recent years. The Medium Term Financial Strategy (MTFS) reflects expected investment rate income in future years. This is expected to reduce from that observed in 2023/24 as existing cash balances are used to fund capital expenditure and the base rate begins to reduce.

10.9 As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

11 Borrowing Strategy

11.1 As noted above in paragraph 9.5 the Council recognises that statutory guidance indicates that whilst the Council has the necessary powers to borrow in advance of need the government and CIPFA state it should refrain from doing so where such borrowing takes place purely in order to profit from investment of the extra sums borrowed. None of the Council's current borrowing was undertaken in advance of need.

11.2 The Council has previously maintained 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 have been used as an alternative funding measure. This strategy is considered prudent whilst investment returns are lower than the cost of borrowing and counterparty risk remains an issue to be considered.

11.3 The current MTFS assumes that external borrowing will be required over the four-year period to 31 March 2027. Assumptions about the level of external interest payable are reflected as part of the prudential indicators included in this document. Responsibility for deciding when to borrow externally, together with details of the amount to borrow and the term and type of any loan, rests with the Chief Finance Officer. The Chief Finance Officer's decision will be informed by advice from the Council's treasury management advisors and information regarding the progress of schemes set out in the capital programme. Any borrowing decisions will be reported to Cabinet through either the mid-year or annual treasury management reports.

- 11.4 When the Council borrows externally it will ordinarily do so using funds borrowed from the Public Works Loan Board, though this does not preclude the Council considering other sources of lending.
- 11.5 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.
- 11.6

Maturity structure of fixed interest rate borrowing 2024/25	Lower %	Upper %
Under 12 months	0	100
12 months to 2 years	0	100
2 years to 5 years	0	100
5 years to 10 years	0	100
10 years and above	0	100

Maturity structure of variable interest rate borrowing 2024/25	Lower %	Upper %
Under 12 months	0	100
12 months to 2 years	0	100
2 years to 5 years	0	100
5 years to 10 years	0	100
10 years and above	0	100

12 Debt Rescheduling / Repayment

- 12.1 Rescheduling of current borrowing in our debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment, or rebalancing of the portfolio to provide more certainty is considered appropriate.
- 12.2 If rescheduling was done, it will be reported to the Cabinet at the earliest meeting following its action.

13 Annual Investment Strategy - management of risk

- 13.1 The Department of Levelling Up, Housing and Communities (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, are covered in the Capital Strategy, (a separate report).
- 13.2 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 2021 ("the Code"); and
 - CIPFA Treasury Management Guidance Notes 2021.
- 13.3 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
- 13.4 The above guidance from the DLUHC and CIPFA, place a high priority on the management of risk. The Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means.

- 13.5 Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.
- 13.6 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.
- 13.7 Investment instruments identified for use in the financial year are listed below under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Council’s treasury management practices – schedules.
- 13.8 **Specified Investments** - These investments are sterling investments (meeting the minimum ‘high’ quality criteria where applicable) of not more than one year maturity, or those which could be for a longer period but where the Council has the right to repay within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. Investment instruments identified for use in the financial year are as follows:
- term deposits with part nationalised banks and local authorities;
 - term deposits with high credit criteria deposit takers (banks and building societies);
 - callable deposits with part nationalised banks and local authorities;
 - callable deposits with high credit criteria deposit takers (banks and building societies);
 - money market funds (CNAV) / (LVNAV) / (VNAV);
 - Debt Management Agency Deposit Facility (DMADF); and
 - UK Government gilts, custodial arrangement required prior to purchase.
- 13.9 **Non-Specified Investments** - These are any other type of investment (i.e. not defined as specified above). Investment instruments identified in both “specified” and “non-specified” categories are differentiated by maturity date and classed as non-specified when the investment period and right to be repaid exceeds one year. Non-specified investments are more complex instruments which require greater consideration by members and officers before being authorised for use. Investment instruments identified for use in the financial year are as follows:
- term deposits with high credit criteria deposit takers (banks and building societies);
 - term deposits with part nationalised banks and local authorities;
 - callable deposits with part nationalised banks and local authorities;
 - callable deposits with high credit criteria deposit takers (banks and building societies);
 - Debt Management Agency Deposit Facility (DMADF);
 - UK Government gilts, custodial arrangement required prior to purchase; and
 - Property funds.
- 13.10 As a result of the change in accounting standards for 2023/24 under IFRS 9, this Authority 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 MHCLG, concluded a

consultation for 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 31.3.23. More recently, a further extension to the over-ride to 31.3.25 has been agreed by Government.

- 13.11 At present, fluctuations in the value of the external property funds do not impact on the council's revenue account, because they are held in an unusable reserve via the statutory override arrangements set out in IFRS9. The override was extended in early 2023 to 31 March 2025. It is unclear if the override will be extended beyond that date.
- 13.12 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. Short term cash flow requirements (up to 12 months) include payments such as, precepts, business rate retention, housing benefits, salaries, suppliers, interest payments on debt etc.
- 13.13 The current forecast shown in paragraph 10.1, includes a forecast for Bank Rate to have peaked at 5.25%.
- 13.14 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	
2023/24 (residual)	5.30%
2024/25	4.55%
2025/26	3.10%
2026/27	3.00%

- 13.15 Estimated investment income is £1,090,000 2023/24 and £750,000 in 2024/25. These estimates assume that none of the existing cash balances held by the Authority will be utilised to fund schemes approved by the Investment Board.
- 13.16 £4m of the Council's investments are held in externally managed pooled property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability.
- 13.17 As the Council's externally managed funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium to long-term investment objectives are regularly reviewed. Although the returns from these investments can be higher than short term investments there is an increased risk that capital values will rise and fall. The 2023/24 projected outturn for property fund income is £130,000 and the estimate for 2024/25 is £150,000.
- 13.18 **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.

	2024/25 £000	2025/26 £000	2026/27 £000
Maximum principal sums invested > 365 days	10,000	10,000	10,000

- 13.19 For its cash flow generated balances, the Council will seek to utilise its call accounts and short dated deposits (overnight to 180 days) in order to benefit from the compounding interest.
- 13.20 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

14 Creditworthiness Policy

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

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

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

- yellow 5 years;
- dark pink 5 years for ultra-short dated bond funds with a credit score of 1.25;
- light pink 5 years for ultra-short dated bonds funds with a credit score of 1.5;
- purple 2 years;
- blue 1 year (only applies to nationalised or semi nationalised UK banks);
- orange 1 year;
- red 6 months;
- green 100 days
- no colour not to be used.

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

14.4 Typically, the minimum credit ratings criteria the Council will use will be short term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one 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

14.5 The Council's own bank currently meets the creditworthiness policy. However, should they fall below Link Group creditworthiness policy the Council will retain the bank on its counterparty list for transactional purposes, though would restrict cash balances to a minimum.

14.6 All credit ratings are monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Link Group creditworthiness service.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - In addition to the use of credit ratings the Council will be advised of information in movements in credit default swaps against the iTraxx European Senior Financials benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 14.7 Sole reliance will not be placed on the use of Link Group Creditworthiness policy. In addition, this Council will also use market data and market information, information on any external support for banks to justify its decision making process.
- 14.8 To further mitigate risk the Council has decided that where counterparties form part of a larger group, group limits should be used in addition to single institutional limits. Group limits will be as set through the Council's Treasury Management Practices – schedules.
- 14.9 In relation to financial institutions, the Council currently only invests in UK banks and building societies, which provides sufficient high credit quality counterparties to meet investment objectives. It should be noted that in some cases these banks are subsidiaries of foreign banks, but these are of the highest credit quality.

15 External Service Providers

- 15.1 The Council uses Link Group as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the authority 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 available information, including, but not solely, our treasury advisors.
- 15.2 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.
- 15.3 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties. The Council will engage specialist advisers for commercial-type investments.

FENLAND DISTRICT COUNCIL
CAPITAL STRATEGY 2024/25-2026/27

1. OVERVIEW AND CONTEXT

- 1.1 The Council has established statutory and regulatory responsibilities for the management of its financial affairs. These responsibilities encompass revenue and capital expenditure. The specific responsibilities of full Council, the Cabinet, the Investment Board, Corporate Management Team (CMT) and the Council's appointed Section 151 Officer are defined within the Council's constitution.
- 1.2 The Council regularly updates its Medium Term Financial Strategy (MTFS). The MTFS provides a framework for setting the Council's annual revenue budget and updating the Council's three-year capital programme. The MTFS sets out the primary assumptions underpinning the assessment of the resources available to the Council and anticipated service budgets over the coming five financial years.
- 1.3 Whilst local authorities are required to set a balanced revenue budget, legislation permits local authorities to obtain credit and therefore fund their capital programmes from borrowing. Individual authorities are required to have regard for the Prudential Code published by the Chartered Institute of Public Finance and Accountancy. The Prudential Code requires authorities to ensure:
- all capital expenditure and investment plans are affordable;
 - all external borrowing and long-term liabilities are within prudent and sustainable levels;
 - treasury management and other investment decisions are taken in accordance with professional good practice; and
 - authorities can demonstrate themselves to be accountable by providing a clear and transparent framework.
- 1.4 Historically, this Council has discharged its responsibilities under the Prudential Code by ensuring that the Treasury Management Strategy, which is approved annually by full Council, is prepared with reference to the latest capital programme. The Capital Programme is itself developed with explicit consideration of the extent to which proposed capital investment is affordable, prudent and sustainable given the resources available to the Council as set out in the MTFS.
- 1.5 Following an update to the Prudential Code in December 2021, local authorities are now required to have a Capital Strategy. The introduction of this requirement acknowledges that individual authorities will each have their

own approach to assessing priorities for capital investment, the amount the Authority can afford to borrow and the Authority's appetite to risk.

- 1.6 This strategy sets out in a single document the long term context in which capital expenditure and investment decisions are made and establishes that the Council has arrangements in place to ensure it gives due consideration to risk, reward, and impact on the achievement of priority outcomes. The Strategy is updated annually and subject to approval by Full Council alongside the annual budget.

2. CAPITAL EXPENDITURE

- 2.1 Capital expenditure incorporates a range of different types of financial transaction which the Council might enter into. What these transactions have in common is that they relate to investments decisions which impact on the Council and its stakeholders over a period which extends beyond the financial year in which the transaction is entered into. The Council's appointed S151 Officer ultimately has responsibility for determining whether expenditure is capital in nature in accordance with relevant regulation and statute.

Role and Purpose of the Asset Management Plan

- 2.2 The Council has developed an Asset Management Plan in accordance with acknowledged best practice. This document provides a strategic framework for managing the Council's current portfolio of land and buildings ensuring that officers and elected members can have confidence, in the long-term, that the Council has the land and property needed to fulfil the pledges set out in the Council's Business Plan.
- 2.3 The Asset Management Plan incorporates oversight of operational and non-operational property owned by the Council. Operational assets are those assets held by the Council to enable the Council, or its partners, to deliver those services which are either statutory in nature or provided on a discretionary basis to the extent that providing those services is consistent with the strategic objectives of the Council. Non-operational assets are those assets which are not directly used for the purposes of service delivery but are held to either provide the Council with a return on investment, either through rental income, appreciation in the value of the asset or the potential contribution that holding the asset makes to the Council's wider corporate objectives, e.g. taking forward opportunities to regenerate and develop the local economy.
- 2.4 Responsibility for the Asset Management Plan rests with the Council's Assets and Projects team which reports to the Council's Corporate Director and Chief Finance Officer. The Assets and Projects team regularly appraise

the condition of the Council's property portfolio to determine the revenue and capital resources required to ensure the portfolio continues to meet the needs of Service Managers. When the needs of services managers change the Assets and Projects team will assist in determining the impact on the property portfolio, including the resources required to meet those needs. The Assets and Projects team recognise that the Council's property needs are unlikely to remain static and the past cost of maintaining a Council asset is not necessarily a reliable indicator of future costs. Forward projections regarding the resources to be allocated to asset management recognise the interaction between revenue and capital expenditure in determining the Council's cost base.

- 2.5 The capital resources required to meet investment needs identified as part of the Asset Management Plan are routinely assessed and anticipated capital expenditure is profiled over the financial years when it is expected to be incurred. On at least an annual basis capital schemes identified as part of the Asset Management Plan are presented to a meeting of the Council's Corporate Asset Team to determine when and if they should be incorporated into the Council's Capital Programme.

Investment in Vehicles, Plant, Equipment and IT

- 2.6 The Council has nominated service managers who are responsible for the vehicles, plant and information technology assets in use within the Council. These assets all have an expected useful economic life informed by an assessment by the nominated manager. The need to allocate capital resources to fund the replacement of these assets at the end of their useful life is assessed annually by the Council's Corporate Asset Team. There is also an annual appraisal of business cases relating to proposals to invest in additional equipment not reflected in the programme of rolling replacements.

Role and Function of the Corporate Asset Team

- 2.7 The Corporate Asset Team is an officer-led group which meets bi-monthly under the Chairmanship of the relevant Corporate Director. On behalf of the Council's Corporate Management Team, the Corporate Asset Team assumes responsibility for providing a strategic oversight in respect of all matters pertaining to asset management.
- 2.8 All proposed changes to the Council's three-year capital programme are subject to review by the Corporate Asset Team prior to being considered by Corporate Management Team, the Cabinet and Full Council. Any scheme which is not already incorporated into the Council's Asset Management Plan will only be considered for inclusion in the Capital Programme if the Officer proposing the scheme can demonstrate, with appropriate evidence, one or more of the following:
- there is a statutory obligation for the Council to incur the capital expenditure proposed;

- the proposed capital expenditure relates to works deemed necessary on the grounds of health and safety;
- capital expenditure is proposed to protect a Council asset and reduce the risk of excessive revenue expenditure being incurred in upcoming financial years;
- the proposed capital expenditure will generate income, either of a revenue or capital nature, in excess of the capital expenditure which is expected to be incurred including any financing costs but does not meet the definition of asset acquired 'primarily for yield' as defined in guidance issued by HM Treasury; and/or
- the proposed capital expenditure will (after including financing costs) reduce revenue expenditure incurred by one or more of services in future financial years.

2.9 The capital financing regulations permit the Council to treat as capital expenditure certain types of transaction which do not result in the acquisition of a physical asset by the Council. These transactions can be high-volume, small value transactions such as the awarding of Disabled Facilities Grants which are currently funded from monies received as part of Cambridgeshire County Council's Better Care Fund allocation. Such transactions do not require specific approval providing the nature and purpose of the expenditure has been approved as part of the Capital Programme.

2.10 Any proposals to incur capital expenditure which do not lead to the recognition of a physical asset where the expenditure proposed exceeds £10,000 but does not fall within the scope of the Council's Commercial and Investment Strategy will be considered at a meeting of CMT. If approved by Cabinet, approval will be sought at a meeting of Cabinet before being considered at full Council if necessary. Possible examples include, but are not restricted to:

- granting loans to third parties (for reasons not linked to the objectives of the Commercial and Investment Strategy);
- providing grant-funding to a third party which enables that third party to undertake expenditure which would have been capital in nature had it been undertaken by the Council.

Role and Function of the Investment Board

2.11 During the 2019-20 financial year the Council initiated the development of a Commercial and Investment Strategy for the Council. The current version of the Strategy was approved by full Council on 9 January 2020.

2.12 The Commercial and Investment Strategy was developed in recognition of the investment opportunities available to the Council acknowledging that utilising the Council's powers to invest could bring substantial benefits not

only to the Council but also to the wider District and its residents. The Capital Strategy has been updated to take account of the changes in the Council's arrangements for determining its capital priorities which arise from the implementation of the Commercial and Investment Strategy. This is explained in more detail in section four of this document.

- 2.13 Following the approval of the Commercial and Investment Strategy Cabinet approved the establishment of a sub-committee known as the Investment Board. The Investment Board has initially been allocated a maximum budget of £25M to take forward capital schemes which facilitate the achievement of the objectives set out in the Strategy. To date £4.028M of this allocation has been utilised to take forward specific schemes and the balance has been profiled over the upcoming three financial years.
- 2.14 The Investment Board undertakes its own appraisals of proposed capital schemes. The appraisal of such schemes will be separate from and in addition to the proposals for new capital schemes considered at meetings of Corporate Asset Team which follow the process outlined in paragraph 2.10 of this strategy. The Investment Board has delegated powers to approve schemes providing the maximum budget is not exceeded.
- 2.15 Capital schemes which fall within the remit of the Investment Board include the acquisition of share capital or the granting of loan funding to companies and/or partnerships in which the Council has an interest. The decision about whether to establish a company or enter into a partnership rests with Cabinet. The Investment Board is responsible for the approval of the business plans of any entities created as a result of a decision taken by Cabinet. Approval of the relevant business plan will precede the allocation of capital funds.
- 2.16 On 9 June 2020 Cabinet approved a business case for the establishment of a Local Authority Trading Company. Following that meeting the Council formally registered Fenland Future with Companies House (Company No. 12659496). Directors have been appointed to the Board of Fenland Future and the Board and during the 2023/24 financial year work on appraising potential investments and developing relevant business cases has continued.
- 2.17 The Council recognises that since the Commercial and Investment Strategy was approved in January 2020 guidance has been introduced restricting local authorities' access to Public Works Loan Board financing where that funding is to be used to acquire investment assets primarily for yield. Additionally, the Council recognises that where internal borrowing is utilised to acquire investment assets this has the potential to increase the Council's overall level of debt by bringing forward the point in time when the Council needs to borrow externally. Notwithstanding these considerations, the

Council believes there is still a substantial opportunity for the Council to deliver against its objectives linked to regeneration and improving the supply of housing in the District by investing responsibly under the aegis of the Commercial and Investment Strategy.

3. DEBT AND BORROWING AND TREASURY MANAGEMENT

3.1 Day-to-day responsibility for the Treasury Management function rests with the Chief Finance Officer. This section of the strategy reproduces key information taken from the Treasury Management Strategy Statement. The profile of borrowing linked to the Commercial and Investment Strategy shown below is indicative. The operational boundary and authorised limits shown in Tables 3 and 4 have been determined with reference to the budget allocated to the Investment Board referred to in paragraph 2.15 above. This recognises that the Investment Board could invest the remaining allocation in one financial year if this were deemed to be appropriate.

Key Considerations relating to Treasury Management

3.2 The tables below set out the Council's Investment and Debt positions with forward projections.

Table 1: Year End Investment Balances projected over the period 1 April 2023 – 31 March 2027

Year End Investments	2023/24 Revised Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
	£000	£000	£000	£000
Fund balances / reserves	13,000	12,600	11,600	11,500
Expected investments	14,600	14,800	14,500	15,000

Table 2: Year End Debt and Net Investment projected over the period 1 April 2023– 31 March 2027

Year End Debt	2023/24 Revised Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
	£000	£000	£000	£000
Debt at 1 April	7,800	13,430	19,080	26,700
Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)	4,630	3,650	1,620	350
Borrowing to fund Commercial and Investment Strategy schemes	1,000	2,000	6,000	7,970
Other long term liabilities (OLTL)	23	0	0	0
Expected change in OLT	(23)	0	0	0
Actual debt at 31 March	13,430	19,080	26,700	35,020

3.3 At 1 April 2023 the Council's Debt position comprised other long-term liabilities relating to finance leases of £23k and external borrowing of £7.8m. These loans were taken out at prevailing market rates between 1994 and 2004. The term of these loans is between 25 and 50 years. Following the transfer of the Council's Housing Stock in 2007, which generated a significant capital receipt for the Council, the Council has retained investment balances which exceed the amounts borrowed. However, changes in prevailing interest rates since the loans were taken out mean that a high premium would be payable by the Council if it were to seek to repay any of the loans early. The premiums to be applied are considered to be prohibitively high for early redemption to be regarded as a reasonable treasury management decision. The Council continues to keep this situation under review with the support of its appointed treasury management advisors. However, for the purposes of this strategy, it has been assumed that external borrowing of £7.8m brought forward, as at 1 April 2023, will continue to be carried forward due to the current historically low interest rates.

3.4 Regulation requires the Council to determine, as part of the Treasury Management Strategy, the maximum external debt position for the upcoming three financial years. This is known as the Council's authorised limit. Additionally, the Council is required to set an operational boundary. The purpose of the operational boundary is to set a threshold for external borrowing which the Council would not expect to exceed in the ordinary management of its affairs. Sustained breaches of the operational boundary would be indicative that the Council could be at risk of exceeding its authorised limit.

3.5 The current authorised limits and operational boundaries for the period covered by this strategy are set out in the table below

Table 3: Operational Boundary over the period 1 April 2023 – 31 March 2027

Operational Boundary	2023/24 Revised Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
	£000	£000	£000	£000
Debt	12,430	16,080	17,700	18,050
Other long term liabilities	1,000	0	0	0
Commercial Activities/ Non-Financial Investments	1,000	3,000	9,000	16,970
Total	14,430	19,080	26,700	35,020

Table 4: Authorised Limit over the period 1 April 2023 – 31 March 2027

Authorised Limit	2023/24 Revised Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
	£000	£000	£000	£000
Debt	17,430	21,080	22,700	23,050
Other long term liabilities	1,000	0	0	0
Commercial Activities / Non- Financial Investments	1,000	3,000	9,000	16,970
Total	19,430	24,080	31,700	40,020

3.6 Table 2 above indicates that the Council's Actual Debt position is expected to increase over the period covered by this strategy. This reflects an anticipated decision to undertake external borrowing to fund the expenditure commitment set out in the capital programme. In accordance with the Council's constitution, any decision about when, how much and from where to borrow will be made by the appointed S151 Officer.

3.7 Regulations prevent the Council from borrowing in advance of needs purely in order to profit from the investment of the extra sums borrowed. There is no requirement for the Council to draw on investment balances to fund its capital commitments prior to undertaking external borrowing but guidance being developed by CIPFA encourages authorities to considering exiting long-term investments to reduce the need to take on additional debt. To manage interest rate risk effectively, the Council will continue to consider medium and long-term forecasts of interest rates provided by its Treasury Management advisors to project likely returns from the investment of surplus funds and the financing costs associated with external borrowing. This approach recognises that postponing long-term borrowing to future years could be more expensive over the life of the loan if interest rates were to increase.

- 3.8 The Council is required by statute to make arrangements to ensure that there is provision to repay as part of the Council's revenue budget any borrowing undertaken to finance the capital programme. This is known as the Minimum Revenue Provision (MRP) and the Council is required to approve its MRP policy on an annual basis:

Table 5: Projected Minimum Revenue Provision over the period 1 April 2023– 31 March 2027

	Projected Minimum Revenue Provision (£000)
2023/24	384
2024/25	588
2025/26	674
2026/27	676

- 3.9 Regulation requires the Council to ensure that its MRP policy results in prudent levels of MRP. The Council's MRP policies are explained in full as part of the Treasury Management Strategy Statement which is approved by Full Council annually. Specific provisions are in place to explain the approach taken to determine MRP for schemes taken forward as part of the Commercial and Investment Strategy.
- 3.10 At the present time no assumptions have been made regarding the MRP which would be due on schemes taken forward as part of the implementation of the Commercial and Investment Strategy. These assumptions will be updated as schemes are taken forward.
- 3.11 In recognition of the inherent volatility of commercial investment the Council has established an Investment Strategy reserve. One of the purposes of that reserve is that it should hold surpluses in respect of those years where actual income generated from commercial investments exceeds budget estimates. This can help reduce the impact on the General Fund of any unanticipated shortfall which might arise in future years.

4. FRS16 - Leases

- 4.1 The CIPFA LAASAC Local Authority Accounting Code Board (LASAAC is the Local Authority (Scotland) Accounts Advisory Committee) has deferred implementation of IFRS16 until 1 April 2024, the 2024/25 financial year. IFRS 16 defines a lease as a contract or part of a contract, which conveys the right to use an asset (the underlying asset) for a period of time in exchange for a consideration. Under the standard the distinction between finance leases and operating leases under the previous leasing standard is removed and all leases are treated in the way the finance leases currently are. A 'right of use' asset is shown on the balance sheet with a corresponding liability of the discounted value of the future lease payments. There are exceptions for short, dated leases (under a year, or with less than a year remaining at transition) and low value leases (low value to be determined by the council using its approach to determining de minimus items). This means that all leases that do not meet the exceptions will be treated as capital expenditure from 2024/25 and form part of the Capital Financing Requirement. Although legally the Council doesn't own the asset during the lease duration,

International Accounting Standards require that the Council capitalise the asset and liability on its balance sheet, much like a loan. Whilst this increases the CFR, the nature of the finance lease agreement doesn't require the Council to separately borrow to fund the asset.

5. Environmental, Social and Governance Risk Management

- 5.1 This Council is supportive of the Principles for Responsible Investment (www.unpri.org) and will seek to bring ESG (environmental, social and governance) factors into the decision-making process for investments. Within this, the Council is also appreciative of the Statement on ESG in Credit Risk and Ratings which commits signatories to incorporating ESG into credit ratings and analysis in a systemic and transparent way. The Council uses ratings from Fitch, Moody's and Standard & Poor's to support its assessment of suitable counterparties. Each of these rating agencies is a signatory to the ESG in credit risk and ratings statement, which is as follows: *"We, the undersigned, recognise that environmental, social and governance (ESG) factors can affect borrowers' cash flows and the likelihood that they will default on their debt obligations. ESG factors are therefore important elements in assessing the creditworthiness of borrowers. For corporates, concerns such as stranded assets linked to climate change, labour relations challenges or lack of transparency around accounting practices can cause unexpected losses, expenditure, inefficiencies, litigation, regulatory pressure and reputational impacts.*

At a sovereign level, risks related to, inter alia, natural resource management, public health standards and corruption can all affect tax revenues, trade balance and foreign investment. The same is true for local governments and special purpose vehicles issuing project bonds. Such events can result in bond price volatility and increase the risk of defaults.

In order to more fully address major market and idiosyncratic risk in debt capital markets, underwriters, credit rating agencies and investors should consider the potential financial materiality of ESG factors in a strategic and systematic way. Transparency on which ESG factors are considered, how these are integrated, and the extent to which they are deemed material in credit assessments will enable better alignment of key stakeholders.

In doing this the stakeholders should recognise that credit ratings reflect exclusively an assessment of an issuer's creditworthiness. Credit rating agencies must be allowed to maintain full independence in determining which criteria may be material to their ratings. While issuer ESG analysis may be considered an important part of a credit rating, the two assessments should not be confused or seen as interchangeable.

With this in mind, we share a common vision to enhance systematic and transparent consideration of ESG factors in the assessment of creditworthiness."

- 5.2 For short term investments with counterparties, this Council utilises the ratings provided by Fitch, Moody's and Standard & Poor's to assess creditworthiness, which do include analysis of ESG factors when assigning ratings.

6. COMMERCIAL ACTIVITY

- 6.1 The Council has a long-standing portfolio of non-operational assets which it manages to secure a rental income and income from fees and charges earned from providing facilities for conferences and meetings. The main non-operational assets held by the Council are:

- Boathouse Business Centre, Wisbech – Office Units, Conference and Meeting Space
- South Fens Business Centre, Chatteris - Office Units, Conference and Meeting Space
- South Fens Enterprise Park, Chatteris – Light Industrial Units for Small Business Use

- 6.2 Rents generated from the lease to third parties of areas of land, buildings and/or infrastructure held by the Council principally for the purposes of service delivery, i.e. premises at Fenland Hall, the Base and Wisbech Port have been assessed by officers to fall outside the scope of commercial activity in the context of this section of the Council Strategy. This reflects the fact that the motive for holding these assets is not principally commercial in nature.

- 6.3 Responsibility for assessing the need for capital investment in the current portfolio of non-operational assets, reflecting those non-operational assets held as at 31 March 2023 currently rests with the Corporate Asset Team in accordance with the arrangements set out in paragraph 2.10 above.

- 6.4 During the 2020-21 financial year the Council approved a Commercial and Investment Strategy. The Council has established an Investment Board to take forward capital schemes which deliver against objectives set out in part two (commercial property investment) and part three of the Strategy (commercial investment and regeneration).

- 6.5 The Commercial and Investment Strategy sets out the assessment criteria to be used for investments undertaken in accordance with part two of the strategy. This requires the Council to determine the net yield associated with each proposed acquisition, after taking account of financing costs, including MRP, and to assess the particular circumstances relating to each acquisition to understand the risks the Council is subject to and possible sources of mitigation. The Council is cognisant of the recent changes to the regulations which govern the basis on which authorities can take out loans from the Public Works Loan Board and specifically preclude authorities who plan to acquire investment assets primarily for yield from accessing PWLB loans. Reference to the current regulations has been incorporated into the Investment Board's decision-making processes.

- 6.6 Following approval of a proposal in March 2021 to date, the Council has acquired one commercial investment property which is let to a commercial tenant on a 25-year repairing and insuring lease.
- 6.7 The Investment Board is a sub-committee of the Cabinet. The Council's constitution requires that the committee's membership includes the Leader (who Chairs the Investment Board), the Portfolio Holder for Finance, as well as one other member of Cabinet appointed by the Leader or two members of Cabinet if the Leader also has the Finance Portfolio. The constitution requires the Chair of the Investment Board to ensure the Investment Board meets a minimum of three times each year. The Chair of the Overview and Scrutiny Panel will attend the Investment Board's meetings in an observational capacity.
- 6.8 The Investment Board is a decision-making body and its functions include the determination of investment appraisals and business cases submitted for its consideration. A report on the discharge of these functions is provided to the Cabinet twice a year.
- 6.9 The Investment Board also has responsibility for monitoring the performance and financial delivery of those appraisals and business cases it agrees to fund. The Section 151 Officer ensures that reports on the activities of the Investment Board prepared for consideration by Cabinet include details about the impact of the Board's activities on the overall financial position of the Council.
- 6.10 Statutory guidance published by DLUHC (Department of Levelling Up, Housing Communities requires the Council to:
- assess and disclose publicly the extent to which it is dependent on profit-generating investments to deliver a balanced revenue budget over the life of the medium-term financial strategy; and
 - to set limits for gross debt and commercial income as a proportion of the Council's budgeted net service expenditure over the life of the medium-term financial strategy.

Commercial Income as a proportion of net service expenditure

- 6.11 The current limit for budgeted commercial income as a proportion of net service expenditure has been set at 20% (equivalent to commercial income of £2.968M per year based on 2022/23 budgeted net service expenditure).
- 6.12 The Investment Board was established in January 2020. To date it has approved the acquisition of one tenanted industrial property and twenty nine houses under the Local Authority Housing Fund for Afghan and Ukraine families and general temporary accommodation for the homeless. The indicator recommended by CIPFA is reported in the table below:

Table 6: Commercial Income as a proportion of Net Service Expenditure

Budgeted Income 2023/24 non-operational assets (Economic Estates)	£1.151m
Net Service Expenditure	£17.445M
Commercial Income as a % of Net Service Expenditure	6.60%
Approved Limit	20%

Gross Debt as a proportion of net service expenditure

- 6.13 The current limit for gross debt as a proportion of net service expenditure has been set at 375% (equivalent to gross debt of £65.42M per year based on 2024/25 budgeted net service expenditure).
- 6.14 As explained in paragraph 3.3 above whilst the Council has not undertaken external borrowing in recent years it does have £7.8M of external debt which was taken out at prevailing market rates between 1994 and 2004. This impacts on the calculation of gross debt as a proportion of net service expenditure as follows:

Table 7: Gross Debt as a proportion of Net Service Expenditure

Gross Debt expected as at 31 March 2024	£7.8M
Net Service Expenditure (2022/23)	£17.445M
Gross Debt as a proportion of Net Service Expenditure	45.7%
Approved Limit	375%

Commercial Property Investment – Loan to Value Assessment

- 6.15 An important consideration when appraising the impact of the Council's commercial and investment strategy on the Council is to consider the extent to which borrowing undertaken by the Council to fund investment in property is matched by the underlying value of the assets purchased.
- 6.16 When assets are first purchased it is common for the directly attributable costs associated with acquiring the asset, including applicable stamp duty, to exceed the realisable value of the asset. Consequently, if a property purchase is funded from borrowing this may mean in the early years of the Council's ownership the fair value of property owned by the Council may be less than the borrowing undertaken by the Council to fund the acquisition. Over time, if property prices appreciate this will have a positive impact on the Council's loan to value ratio.
- 6.17 4.16 The Council will obtain valuations of all its commercial investment properties annually and disclose the Loan to Value ratio as part of each year's capital strategy.
- 6.18 The Council has one commercial investment property which had been funded from borrowing. A valuation of that asset obtained as part of work

completed to produce the 2022/23 statutory accounts indicated that, as at 31 March 2023, its value had increased to £4.92m which is an increase of £1.48m against the consideration the Council had paid to the vendor in March 2021 exclusive of stamp duty and legal fees.

Borrowing in Advance of Need

- 6.19 Statutory guidance on Local Authority Investments and the Prudential Code published by CIPFA requires that authorities must not borrow in advance of their needs purely in order to profit from the investment of the extra sums borrowed. Government has clarified that this requirement extends to the use of external borrowing to fund the purchase of non-financial investments, including investment properties.
- 6.20 As noted in paragraph 2.15 above the Council's Investment Board has been allocated a budget of £25M to take forward the Council's Commercial and Investment Strategy. The Council's Commercial and Investment Strategy provides for two types of investments to be taken forward: part two of the strategy sets out the process to be followed for commercial property investment and part three is concerned with investments for regeneration and place-shaping.
- 6.21 The Council will need to undertake external borrowing if it is to utilise the full budget of £25M which has been allocated by Full Council.
- 6.22 The statutory guidance recognises that the Council can disregard the provisions of the Prudential Code and the statutory guidance providing it explains its reasons for doing so and its policies for investing the extra amounts borrowed and the arrangements in place to manage the associated risks. However, the decision taken by government in November 2020 to preclude Councils from accessing loans from the Public Works Loans Board if they plan to acquire investment assets primarily from yield limits Councils' opportunities to take forward proposals which would previously have been possible.
- 6.23 The delivery of objectives linked to the Council's Commercial and Investment Strategy represents a key element of the Council's Business Plan. Whilst the regulatory context in which Councils are permitted to invest has altered and is expected to alter again following implementation of the revised Prudential Code from 2024/25s, this Council nevertheless believes there are opportunities for prudent investment in the District. Such investments can contribute to enhancing the District's economic vitality and act as leverage which enhances the viability of investment in our District funded by the private sector.
- 6.24 The Commercial and Investment Strategy sets out in detail the appraisal and decision-making approach the Investment Board is required to follow before any investment in commercial property is undertaken. This ensures that appropriate governance arrangements are in place and the Council has due regard to the risks associated with investments both individually and in the context of the overall level of risk presented by the Council's current portfolio.

- 6.25 Active monitoring of the portfolio will take place throughout the year with reference to the indicators included in this strategy together with appropriate commentary relevant to the particular investments held by this Council.

7. KNOWLEDGE AND SKILLS

- 7.1 The Council has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.
- 7.2 Appropriate external advice will be engaged from suitably qualified professionals as and when required. This will apply particularly in those circumstances when the Council needs to undertake independent due diligence prior to making a decision regarding a proposed investment. Additionally, the Council will continue to enlist the year-round support of external Treasury Management advisors. This support is currently provided by Link Asset Services.
- 7.3 Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge capital proposals brought forward for approval and interpret the treasury management policies developed by officers in conjunction with relevant professional advisors.

PARISH PRECEPTS 2024/25

TAX BASE (Equated Band D Properties)	PRECEPT 2023/24 £	COUNCIL TAX PER BAND D PROPERTY £	PARISH	TAX BASE (Equated Band D Properties)	PRECEPT 2024/25 £	COUNCIL TAX PER BAND D PROPERTY £	INCREASE FROM 2023/24 %
362	12,852	35.50	BENWICK	363	13,419	36.97	4.1
3,398	170,000	50.03	CHATTERIS	3,451	173,500	50.28	0.5
290	18,500	63.79	CHRISTCHURCH	297	18,500	62.29	-2.4
873	60,000	68.73	DODDINGTON	882	65,000	73.70	7.2
1,257	60,000	47.73	ELM	1,288	78,420	60.89	27.6
403	20,000	49.63	GOREFIELD	405	22,500	55.56	11.9
1,166	58,750	50.39	LEVERINGTON	1,189	59,925	50.40	0.0
922	72,000	78.09	MANEA	926	84,759	91.53	17.2
6,763	360,000	53.23	MARCH	6,841	360,000	52.62	-1.1
246	10,000	40.65	NEWTON IN THE ISLE	251	13,000	51.79	27.4
459	20,011	43.60	PARSON DROVE	461	20,010	43.41	-0.4
404	15,000	37.13	TYDD ST GILES	416	18,000	43.27	16.5
5,860	174,000	29.69	WHITTLESEY	6,047	174,000	28.77	-3.1
880	67,168	76.33	WIMBLINGTON	883	67,168	76.07	-0.3
6,555	392,670	59.90	WISBECH	6,602	407,110	61.66	2.9
1,221	78,230	64.07	WISBECH ST MARY	1,269	89,965	70.89	10.7
31,059	1,589,181	51.17	GRAND TOTAL	31,571	1,665,276	52.75	3.09

Reserve Name	Balance 01.04.23 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2023/24 £	Revised Balance 31.03.24 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2024/25 £	Estimated Balance 31.03.25 £
Travellers Sites	447,968		17,850	465,818		62,670	528,488
CCTV - Plant & Equipment	41,128		10,000	51,128		10,000	61,128
Station Road, Whittlesey - Maintenance	10,400		2,800	13,200		2,800	16,000
Management of Change	447,782	-149,000	-79,830	218,952		-206,690	12,262
Business Rates Equalisation Reserve	1,050,993		-211,048	839,945			839,945
Capital Contribution Reserve	131,117	-15,000		116,117			116,117
Port - Buoy Maintenance	146,999		-1,200	145,799			145,799
Repairs and Maintenance	704,706	-235,000		469,706			469,706
Heritage Lottery Fund (HLF) - Wisbech	51,682		-21,390	30,292		-21,390	8,902
Highways Street Lighting	65,910		19,230	85,140		19,230	104,370
Solid Wall Remediation	100,000			100,000			100,000
Investment Strategy Reserve	1,340,168			1,340,168			1,340,168
Budget Equalisation Reserve	1,866,568		-548,352	1,318,216		2,515	1,320,731
Planning Reserve	325,418		-100,000	225,418		-166,680	58,738
Elections Reserve	194,742		-114,724	80,018		-750	79,268
Port - Pilots Staff Development Training	24,000		-13,930	10,070			10,070
Cambridgeshire Horizons	2,515,244		-181,170	2,334,074		-122,230	2,211,844
Specific Government Grants (received in previous years)	1,659,859	-300,000	527,098	1,886,957		-229,834	1,657,123
TOTAL EARMARKED RESERVES	11,124,681	-699,000	-694,666	9,731,015	0	-650,359	9,080,656
General Fund Balance	2,000,000			2,000,000			2,000,000
TOTAL RESERVES	13,124,681	-699,000	-694,666	11,731,015	0	-650,359	11,080,656

Comments / Conditions of Use

Can only be used for specific future maintenance liabilities.

Available for future CCTV maintenance & replacement liabilities.

Required for future road maintenance.

Available for the effective management of any organisational changes required to meet the Council's future priorities.

Available to assist the Council in smoothing out volatility in the business rates retention system.

Available to fund specific spending commitments in future years.

Available for future buoy maintenance to service windfarms.

Available to provide funding for one-off schemes, not covered by the normal Repairs and Maintenance revenue budgets.

To manage the Heritage Lottery Funded scheme in Wisbech.

Available to fund future repairs and maintenance relating to street lighting.

Available to fund potential costs linked to solid wall installations in the District.

Established to provide future funding for Commercial and Investment Strategy projects.

Year-end surpluses are transferred to this reserve. If a deficit is forecast this reserve can be used to offset the expected shortfall.

Available to fund additional planning costs not reflected in the annual budget, including the development of the Local Plan.

Available to fund four-yearly District-wide elections. Transfers are made to this reserve each year to fund the cost of the next District-wide election.

Available to fund the training of maritime pilots to fulfill the authority's statutory functions.

Available for the Council's future use in accordance with the conditions attached to the receipt.

Available to fund specific spending commitments in future years.

Unallocated general reserve required for various and unplanned for contingencies, to mitigate risks associated with future financial planning as well as for general day to day cash flow needs.

NB: In accordance with the Council's Financial Rules and Scheme of Financial Delegation (Part 4, Rule 6 of the Constitution), paragraphs B57 - B60 delegates authority to the Chief Finance Officer to approve expenditure from these reserves in accordance with their approved use as detailed above.

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COUNCIL TAX RESOLUTION

Council Tax 2024/25

Following consideration of the report to this Council on 26 February 2024 and the setting of the Revenue Budget for 2024/25, the Council is required to pass the resolution below to set the Council Tax requirement.

RESOLVED

- (1) it be noted that the Tax Base for the year 2024/25 has been calculated in accordance with the Local Government Finance Act 1992 and associated regulations as follows:
- (a) 31,571 being the amount calculated by the Council as its Council Tax Base for the year, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended).
 - (b) Part of the Council's area

Parish	Tax Base
Benwick	363
Chatteris	3,451
Christchurch	297
Doddington	882
Elm	1,288
Gorefield	405
Leverington	1,189
Manea	926
March	6,841
Newton	251
Parson Drove	461
Tydd St Giles	416
Whittlesey	6,047
Wimblington	883
Wisbech	6,602
Wisbech St Mary	1,269
TOTAL	31,571

being the amounts calculated by the Council, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate, in accordance with regulation 6 of the Regulations.

- (2) The Council calculates that the Council Tax requirement for the Council's own purposes for 2024/25 (excluding Parish precepts) is £8,043,971.

- (3) That the following amounts be now calculated by the Council for the year 2023/24 in accordance with Sections 31 to 36 of the Local Government & Finance Act 1992 (as amended):
- (a) 54,418,846 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act [**Gross Expenditure including benefits & Town/Parish Precepts**]
 - (b) 44,709,599 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act [**Revenue Income including reimbursement of benefits, specific & general grants & use of reserves**]
 - (c) 9,709,247 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year [**Net Expenditure, including Parish Precepts**]
 - (d) 307.54 being the amount at 3(c) above divided by the Council Tax Base at 1(b) above, in accordance with Section 31B(1) of the Act, [**basic amount of its Council Tax for the year, including Parish precepts**]
 - (e) £1,665,276 being the aggregate amount of all special items referred to in Section 35(1) of the Act [**Parish Precepts**]
 - (f) 254.79 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at (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 area to which no special item relates

(g) Part of the Council's area:

Parish	Band D
Benwick	291.76
Chatteris	305.07
Christchurch	317.08
Doddington	328.49
Elm	315.68
Gorefield	310.35
Leverington	305.19
Manea	346.32
March	307.41
Newton	306.58
Parson Drove	298.20
Tydd St Giles	298.06
Whittlesey	283.56
Wimblington	330.86
Wisbech	316.45
Wisbech St Mary	325.68

being the amounts given by adding to the amount at 3(f) above the amounts of the special 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) Part of the Council's area

Parish of	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
BENWICK	194.51	226.92	259.34	291.76	356.60	421.43	486.27	583.52
CHATTERIS	203.38	237.28	271.17	305.07	372.86	440.66	508.45	610.14
CHRISTCHURCH	211.39	246.62	281.85	317.08	387.54	458.00	528.47	634.16
DODDINGTON	218.99	255.49	291.99	328.49	401.49	474.49	547.48	656.98
ELM	210.45	245.53	280.60	315.68	385.83	455.98	526.13	631.36
GOREFIELD	206.90	241.38	275.87	310.35	379.32	448.28	517.25	620.70
LEVERINGTON	203.46	237.37	271.28	305.19	373.01	440.83	508.65	610.38
MANEA	230.88	269.36	307.84	346.32	423.28	500.24	577.20	692.64
MARCH	204.94	239.10	273.25	307.41	375.72	444.04	512.35	614.82
NEWTON IN THE ISLE	204.39	238.45	272.52	306.58	374.71	442.84	510.97	613.16
PARSON DROVE	198.80	231.93	265.07	298.20	364.47	430.73	497.00	596.40
TYDD ST.GILES	198.71	231.82	264.94	298.06	364.30	430.53	496.77	596.12
WHITTLESEY	189.04	220.55	252.05	283.56	346.57	409.59	472.60	567.12
WIMBLINGTON	220.57	257.34	294.10	330.86	404.38	477.91	551.43	661.72
WISBECH	210.97	246.13	281.29	316.45	386.77	457.09	527.42	632.90
WISBECH ST. MARY	217.12	253.31	289.49	325.68	398.05	470.43	542.80	651.36

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
[Council Tax relating to the District Council & Parish expenditure]


- (4) it be noted that for the year 2024/25 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwellings shown below:

Valuation Band								
Precepting Authority	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Police & Crime Commissioner for Cambridgeshire	190.32	222.04	253.76	285.48	348.92	412.36	475.80	570.96
Cambridgeshire & Peterborough Fire Authority	54.84	63.98	73.12	82.26	100.54	118.82	137.10	164.52
Cambridgeshire & Peterborough Combined Authority	24.00	28.00	32.00	36.00	44.00	52.00	60.00	72.00
Cambridgeshire County Council	1,079.88	1,259.86	1,439.84	1,619.82	1,979.78	2,339.74	2,699.70	3,239.64
Total	1,349.04	1,573.88	1,798.72	2,023.56	2,473.24	2,922.92	3,372.60	4,047.12

- (5) having calculated the aggregate in each case of the amounts at 3(h) & 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below:

Parish of	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
BENWICK	1,543.55	1,800.80	2,058.06	2,315.32	2,829.84	3,344.35	3,858.87	4,630.64
CHATTERIS	1,552.42	1,811.16	2,069.89	2,328.63	2,846.10	3,363.58	3,881.05	4,657.26
CHRISTCHURCH	1,560.43	1,820.50	2,080.57	2,340.64	2,860.78	3,380.92	3,901.07	4,681.28
DODDINGTON	1,568.03	1,829.37	2,090.71	2,352.05	2,874.73	3,397.41	3,920.08	4,704.10
ELM	1,559.49	1,819.41	2,079.32	2,339.24	2,859.07	3,378.90	3,898.73	4,678.48
GOREFIELD	1,555.94	1,815.26	2,074.59	2,333.91	2,852.56	3,371.20	3,889.85	4,667.82
LEVERINGTON	1,552.50	1,811.25	2,070.00	2,328.75	2,846.25	3,363.75	3,881.25	4,657.50
MANEA	1,579.92	1,843.24	2,106.56	2,369.88	2,896.52	3,423.16	3,949.80	4,739.76
MARCH	1,553.98	1,812.98	2,071.97	2,330.97	2,848.96	3,366.96	3,884.95	4,661.94
NEWTON IN THE ISLE	1,553.43	1,812.33	2,071.24	2,330.14	2,847.95	3,365.76	3,883.57	4,660.28
PARSON DROVE	1,547.84	1,805.81	2,063.79	2,321.76	2,837.71	3,353.65	3,869.60	4,643.52
TYDD ST.GILES	1,547.75	1,805.70	2,063.66	2,321.62	2,837.54	3,353.45	3,869.37	4,643.24
WHITTLESEY	1,538.08	1,794.43	2,050.77	2,307.12	2,819.81	3,332.51	3,845.20	4,614.24
WIMBLINGTON	1,569.61	1,831.22	2,092.82	2,354.42	2,877.62	3,400.83	3,924.03	4,708.84
WISBECH	1,560.01	1,820.01	2,080.01	2,340.01	2,860.01	3,380.01	3,900.02	4,680.02
WISBECH ST. MARY	1,566.16	1,827.19	2,088.21	2,349.24	2,871.29	3,393.35	3,915.40	4,698.48

- (6) authorise the publication of the amounts
- (7) authorise the appropriate officer to demand the amounts in accordance with the Council Tax (Administration and Enforcement) Regulations 1992
- (8) This Council hereby determines that its relevant basic amount of Council Tax for 2024/25 is not excessive in accordance with Section 52ZB of the Local Government Finance Act 1992, as amended by section 5 of the Localism Act 2011.

Agenda Item No:	13	
Committee:	Council	
Date:	26 February 2024	
Report Title:	Constitutional Amendments	

1 Purpose / Summary

- 1.1 This report requests that Council authorise amendments to the Constitution as recommended by Cabinet.

2 Key Issues

- 2.1 Amendments to the Constitution can be made upon the recommendation of Cabinet to Full Council.
- 2.2 It is the responsibility of the Monitoring Officer to keep the Constitution under review and to make recommendations as to how it could be amended to better achieve the purposes set out in Article 1.

3 Reasons for Recommendations

- 3.1 The proposed changes to the Constitution identified in this report are designed to ensure the effective delivery of services and the Council's representation on Outside Bodies.
- 3.2 Specifically, the recommendations engage the specific Article 1 purposes of:
- Paragraph 3.1(d) helping Councillors represent their constituents more effectively; and
 - Paragraph 3.1(e) enabling decisions to be taken efficiently and effectively

4 Recommendations

- 4.1 On the recommendation of Cabinet, Full Council are requested to make the following changes to the Constitution:
1. At Part 3, Table 4, paragraph 71a, to amend the existing wording of the Constitution as follows:

To authorise the allocation of external funding awarded to the Council, the approval of the Council's acquisitions of goods, services and works (whether following a procurement exercise or otherwise) and entry in to the associated financial and legal agreements up to £100,000 in consultation with the relevant portfolio holder and Leader of the Council.

2. At Part 3, Table 5, paragraph 10, to amend the existing wording of the Constitution as follows:

To authorise the allocation of external funding awarded to the Council, the approval of the Council's acquisitions of goods, services and works (whether following a procurement exercise or otherwise) and entry in to the associated financial and legal agreements up to the following limits:

Value	Designation
Up to £100,000	Corporate Directors in consultation with the relevant Portfolio Holder and Leader of the Council.
Between £100,001 and £500,000	Cabinet Member and Leader of the Council
Over £500,001	Cabinet

3. At Part 4, Council Procedure Rules, paragraph 28 which relates to Substitutions, the addition of a new paragraph 28.7 which states:

“Where Outside Bodies are concerned, the Leader of the relevant political group may nominate an alternative attendee where exceptionally, neither the approved substantive or substitute members are able to attend a meeting of the relevant Body and provided that the Body’s Constitution/Terms of Reference permit that attendance”.

4. Save in so far as a function is delegated to a specific member of the Corporate Management Team such as the Chief Executive, s.151 Officer and/or Monitoring Officer, for the Constitution to be amended so that ‘Corporate Directors instead reads ‘Corporate Directors and Assistant Directors’ with the associated delegations then equally applying to them.
5. For Part 7 of the Constitution, Management Structure to be amended in accordance with the proposals set out at Appendix 1.
6. At Part 3 Responsibilities for Functions, 3.3 Executive Advisory Committees, 3.3.3 RURAL & FARMING EXECUTIVE ADVISORY COMMITTEE to add to the terms of reference to include:
 - Reflect upon flooding issues affecting the District

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Boden, Leader and Portfolio Holder for Governance
Report Originator(s)	Paul Medd, Chief Executive Carol Pilson, Corporate Director and Monitoring Officer Peter Catchpole, Corporate Director and S151 Officer Amy Brown, Assistant Director Anna Goodall, Assistant Director Dan Horn, Assistant Director
Contact Officer(s)	Carol Pilson, Corporate Director – cpilson@fenland.gov.uk Amy Brown, Assistant Director – amybrown@fenland.gov.uk
Background Papers	Fenland District Council's Constitution

Report:

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 Article 15, paragraph 2.1 of the Constitution specifies that it is a key role for the Monitoring Officer to be aware of the strengths and weaknesses of the Constitution adopted by the Council and to make recommendations for ways in which it could be amended in order to better achieve the purposes set out in Article 1.
- 1.2 Article 1 of the Constitution specifies that the purpose of the Constitution is to:
- (a) enable the Council to provide clear leadership to the community in partnership with citizens, businesses and other organisations;
 - (b) support the active involvement of citizens in the process of local authority decision making;
 - (c) support the Council in achieving its strategic vision for the District.
 - (d) help Councillors represent their constituents more effectively;
 - (e) enable decisions to be taken efficiently and effectively;
 - (f) create a powerful and effective means of holding decision-makers to public account;
 - (g) ensure that no one will review or scrutinise a decision in which they were directly involved;
 - (h) ensure that those responsible for decision making are clearly identifiable to local people and that they explain the reasons for decisions; and
 - (i) provide a means of improving the delivery of services to the community.
- 1.3 It is proposed that Cabinet recommend the Monitoring Officer's proposals for approval by Full Council for the reasons set out in this Report and in support of the purposes set out at paragraph 3.1(d) and 3.1(e) above.

2 REASONS FOR RECOMMENDATIONS

- 2.1 *In relation to Recommendations 1 and 2:*
- 2.2 Current officers have delegated authority to take decisions up to the value of £50,000, individual Cabinet Members up to the value of £250,000 and Cabinet decisions of any value, provided they are within the approved budget but primarily valued at £250,001 and above save in respect of the allocation of grant funding where the levels were increased as described in December 2020.
- 2.3 The delegations (other than in respect of grant funding) have remained unchanged for many years and, having regard to ongoing increases in market values for goods, services and works have effectively decreased in value

meaning that they are no longer as relative as first intended. The impact of this is that there are an increasing number of contract awards which require Cabinet approval which could have been approved via a Cabinet Member Decision Notice and similarly which require Cabinet Member approval which could have been approved via an Officer Decision Notice. In turn this has an additional impact on officer and member capacity and the timing with which decisions can be made. For instance, unless exceptional circumstances exist, Cabinet Decisions must be taken during an ordinary meeting of the Cabinet whereas a Cabinet Member can take a decision more immediately (unless it is a key decision where additional time-constraints apply).

- 2.4 Whilst the proposed changes will enable Officers and individual Cabinet Members to take an increased number of decisions, the level of transparency will not decrease. In particular, notice of key decisions (those with a value/saving of over £100,000 (or in respect of the acquisition or disposal of property £250,000) or which will have a significant impact on 2 or more wards will continue (as statutorily required) to be published in the Forward Plan 28 days prior to the decision being taken. Further, the Overview and Scrutiny Panel will, along with the relevant decision maker, continue to receive a copy of the draft decision notice 3 working day's prior to a Key Decision being taken and all Decision Notices (key and non-key) will continue to be published on the Council's website.
- 2.5 The aim of the proposed changes is therefore to ensure that outcomes can be achieved in the most effective and efficient way having regard to the ordinary business of the Council as it is now and the related value of those decisions in the current economic climate.
- 2.6 *In Relation to Recommendation 3*
- 2.7 At its first meeting of the municipal year, Cabinet is responsible for reviewing and agreeing the list of outside bodies and making nominations for representatives to be aligned to those organisations.
- 2.8 The nomination process includes the allocation of substantive and substitute seats in accordance with political proportionality requirements. However, as the number of seats available on any one body can be as little as one, there are some very exceptional circumstances where, due to current constitutional requirements, it would not be possible to for anyone else to attend in the nominated member's place.
- 2.9 The aim of the proposed change is therefore to ensure that Councillors are able to represent their constituents more effectively by enabling, in exceptional circumstances where neither the substantive or substitute member can attend, for the one-off nomination of an alternative attendee by

the relevant group Leader and provided that such an arrangement accords with the governance requirements of the relevant outside body (this to be confirmed by the Chair/lead representative/advisor of that Body).

2.10 *In Relation to Recommendations 4 and 5*

2.11 In December 2022, following an internal recruitment process, changes to the Corporate Management Team were approved and saw the introduction of 3 Assistant Director roles. The new arrangements have embedded well over the last year and in order to strengthen the resilience and capacity that the roles were designed to provide, it is now proposed that references to the 'Corporate Management Team within the Constitution (save in respect of those delegations which are post specific e.g. Chief Executive, Monitoring Officer, Chief Finance Officer etc) should now include reference to the Assistant Directors.

2.12 The proposed changes will enable the Assistant Directors to take the same decisions as the Corporate Directors within their areas of functional responsibility and/or on behalf of other members of the Corporate Management Team as required. This again ensures that outcomes can be achieved in the most effective and efficient way.

2.13 *In Relation to Recommendation 6*

2.14 Due to the recent flooding issues in the District, Members consider adding an oversight of matters relating to flooding would be a helpful and useful role for the Committee and therefore this has been added to the terms of reference.

3 CONSULTATION

3.1 There are no specific consultation requirements in relation to the proposed amendments to the Constitution however, the recommendations have been made by the Monitoring Officer in consultation with CMT colleagues and the Head of Procurement. The ultimate decision as to whether the proposed changes are made will rest with all members at Full Council.

4 ALTERNATIVE OPTIONS CONSIDERED

4.1 The primary alternative to the proposals set out in this report is to maintain the status quo. Delivery of the Council's functions would remain lawful and operational should the status quo be maintained however, the changes proposed within the report are designed to enhance the current position and the Purposes identified within the Article 1 of the Constitution.

- 4.2 As regards the proposed changes to the delegation levels, alternative figures could be proposed and agreed however, the figures that have been put forward for consideration reflect the existing arrangements that are already in place with regard to grant funding and which have worked well to date.

5 IMPLICATIONS

5.1 Legal Implications

- 5.2 The proposed changes set out in this Report reflect Fenland District Council's legislative and Constitutional obligations.

5.3 Financial Implications

- 5.4 There are no specific financial implications. The proposals set out in this Report to not require any additional expenditure or change the overall value of the decisions to be taken. In some instances where decisions can be taken by officers rather than Cabinet Members or Cabinet Members rather than Cabinet there will be time and efficiency savings but it is difficult to measure this in precise financial terms.

5.5 Equality Implications

- 5.6 There are no specific equality implications.

6 SCHEDULES

Schedule 1 – Part 7 of the Constitution as amended.

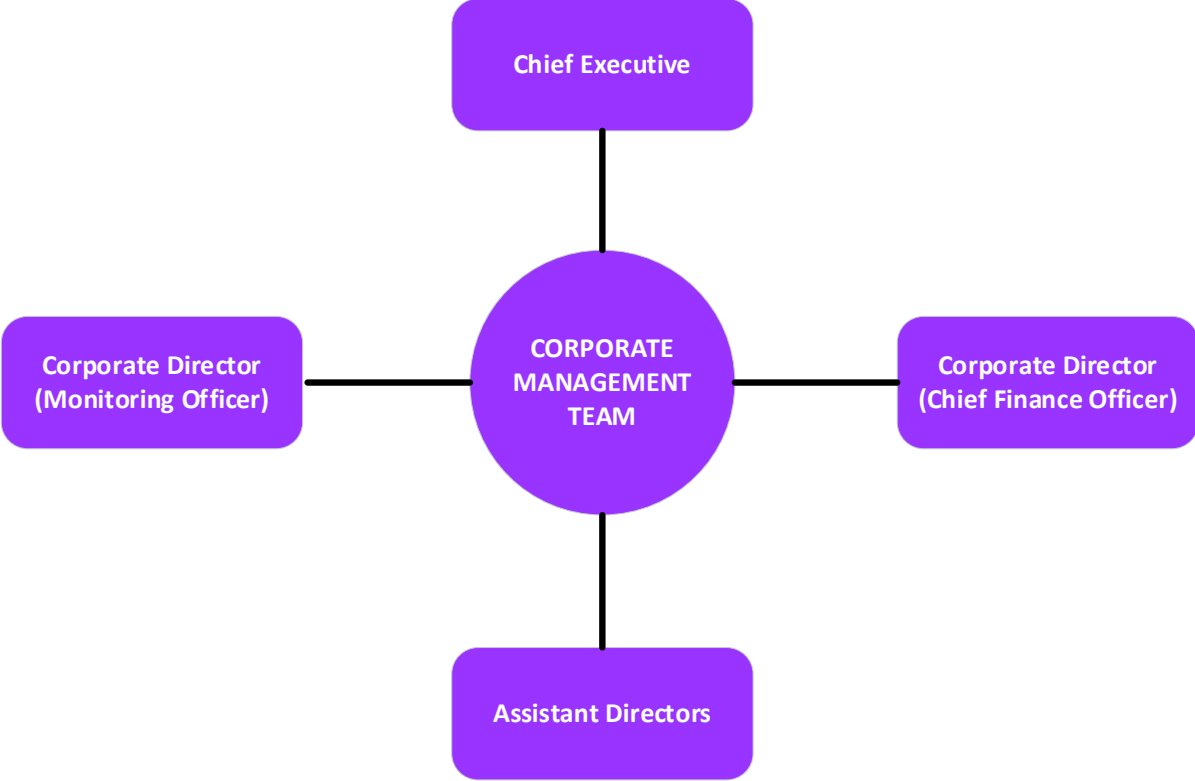
SCHEDULE 1
Part 7 - Constitution

PART 7


MANAGEMENT STRUCTURE

MANAGEMENT STRUCTURE

Corporate Management Team shall be:



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Agenda Item No:	14	
Committee:	COUNCIL	
Date:	26 February 2024	
Report Title:	Senior Manager Pay Policy Statement	

Cover sheet:

1 Purpose / Summary

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2023-2024 attached to the report.

2 Key Issues

- Last year, Members approved the Council's Senior Manager Pay Policy Statement as part of the Localism Act 2011 (s38) on the 20th February 2023. The act also states that this must be reapproved every year by the 31st March.
- The statement has been updated for 2023-2024 to reflect national pay awards.
- The policy must include pay and remuneration for chief officers and other employees, including the lowest paid.
- This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual.

3 Recommendations

It is recommended that Council adopts the Senior Managers Pay Policy Statement for 2023/2024 at Appendix 1 as required by the Localism Act 2011.

Wards Affected	N/A
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance Cllr Kim French, Chairman of Audit and Risk Management Committee

Report Originator(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR, OD & Customer Service
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR, OD & Customer Service
Background Papers	MHCLG Guidance 'Openness and Accountability in Local Pay': Draft Guidance under section 40

4 BACKGROUND AND INTENDED OUTCOMES

- 4.1 The Localism Act 2011 (s38) requires English local authorities to produce a pay policy statement for 2013/2014, and for each financial year thereafter. Council approved the 2022/23 statement last year as set out in the act and the 2023/24 statement has been updated to reflect national pay awards and the employee contribution rate changes for pensions.
- 4.2 The Act states that the policy must include pay and other remuneration for chief officers and other employees, including the lowest paid. The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.
- 4.3 This policy has been developed in response to this and sets out Fenland District Council's approach to the pay and remuneration of the Council's Senior Managers.
- 4.4 This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual. As stated, the Localism Act 2011 requires local authorities to produce a pay policy statement. This follows Will Hutton's 2011 Review of Fair Pay in the Public Sector which has been a key driver for the Government's aim for greater transparency and value for money in terms of senior public sector pay.
- 4.5 Fenland District Council, under the direction of the Leader and Cabinet, has been at the forefront of ensuring value for money in the Council's senior management arrangements by looking at business need, capacity and management savings.

- 4.6 A number of reviews have taken place since 2010 which has seen the Corporate Management Team reduce from 11 to 6 members and further restructuring which has reduced the number of Heads of Services and Managers.
- 4.7 It is important that the Council's approach to Senior Manager's pay is a balance between securing and retaining employees to continue delivering member priorities and quality services whilst providing value for money.

Appendix 1 sets out the Council's Senior Manager's Pay Policy Statement for 2023/24, in line with the Localism Act 2011 for adoption by the Council.

5 REASONS FOR RECOMMENDATIONS

- 5.1 It is recommended that Council adopts the Senior Managers Pay Policy Statement for 2023/24 at Appendix 1 as required by the Localism Act 2011.

6 CONSULTATION

- 6.1 All changes to terms and conditions of employment are subject to consultation with the trade unions.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 There are no alternatives as this policy statement is required in law.

8 IMPLICATIONS

8.1 Legal Implications

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The pay policy contains all the information required by the Localism Act.

8.2 Financial Implications

The pay policy has been produced with input from the finance team.

8.3 Equality Implications

There are no specific equality implications in relation to the pay policy itself however, impact assessments are completed in respect of any changes to terms and conditions which impact pay.

An initial equality impact assessment (IEQIA) has not been carried out on the pay policy itself. However, IEQIA's are carried out on any changes that are proposed that impact on pay.

9 SCHEDULES

Not applicable

1.0 INTRODUCTION

The Localism Act 2011 (s38) requires English local authorities to produce a pay policy statement for 2012/2013, and for each financial year thereafter. The Act states that the policy must include pay and other remuneration for chief officers and other employees, including the lowest paid. The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.

This policy has been developed in response to this and sets out Fenland District Council's approach to the pay and remuneration of the Council's Senior Managers.

The Council is committed to equality and fairness for all staff. This policy has been developed for Fenland District Council and with specific reference to national terms and conditions and legislative requirements.

2.0 SCOPE

The Council's senior managers are classified in the following groups:

- Chief Officers
- Corporate Management Team
- Heads of Service

2.1 Chief Officers

At Fenland District Council, the Chief Officers are:

- The Chief Executive (Head of Paid Service).
- The Chief Finance Officer / Section 151 Officer (a statutory Chief Officer role with responsibility for financial governance).
- The Monitoring Officer (a statutory Chief Officer role with responsibility for legal governance).

These posts are currently also part of the Corporate Management Team.

2.2 Corporate Management Team

At Fenland District Council, there are six posts that fall within this category which include the Chief Officer posts set out in 2.1.

2.3 Heads of Service

At Fenland District Council, there are nine posts that fall within this category.

3.0 REMUNERATION

Major decisions on pay, such as annual pay awards, are determined for most local authorities in England and Wales by the National Agreement on Pay, arrived at through a system of central collective bargaining between representatives of the

Local Government Employers and representatives of the relevant trades unions on the National Joint Council.

3.1 Heads of Service

a) For Heads of Service subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services' (commonly known as the 'Green Book'), the Council uses a Hay Management pay spine that commences at Hay 1, SCP - 1 and ends at Hay 4, local SCP - 4. This pay spine is divided into 4 pay bands, which each contain a number of incremental points. Hay 1 is the lowest and Hay 4 is the highest of these management pay grades. Posts are allocated to a pay band through a process of job evaluation.

b) The values of the SCPs in these pay grades are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services. In addition to this, these pay grades will receive an annual increment, subject to the top of their grade not being exceeded.

c) The salary range for these posts is shown below at 4.0.

3.2 Corporate Management Team

a) For Corporate Directors subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services', the Council uses a Senior Management pay spine that commences at £71,652 and ends at £96,704.

b) Salaries within these pay grades are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services. In addition to this, progression through the pay grade is also determined by assessment of the employee's performance in line with the Council's Performance and Development Review process, assessed by the Chief Executive in consultation with the Leader of the Council.

c) The salary range for these posts is shown below at 4.0.

d) Chief Officers within the Corporate Management Team may also be subject to the Conditions of Service determined by the Joint Negotiating Committee for Chief Officers of Local Authorities.

3.3 Chief Executive

a) The terms and conditions of employment for the Chief Executive are determined in accordance with collective agreements, negotiated by the Joint Negotiating Committee for Chief Executives.

b) The Chief Executive's salary grade will be updated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Executives of Local Authorities.

c) The Chief Executive also receives a Returning Officer fee in respect of County, District and Parish Council Elections. The fee for undertaking this role is calculated in accordance with a formula approved annually by the Chief Executives' Group, based on a recommendation by the County Electoral Officers' Group. These fees currently are £373 for each contested District ward and £55 for each uncontested District ward, and £104 for each contested Town/Parish ward and £28 for each uncontested Town/Parish ward. If a Town/Parish ward is contested along with a District ward the fee is £34 for the Town/Parish element. Fees for conducting Parliamentary Elections, European and Police and Crime Commissioners are determined by way of a Statutory Instrument.

d) Annual increments for progression to the next scale point are subject to successful performance assessed by a Members' Appraisal. This will include the Leader of the Council and two other members nominated by the Leader.

e) The Chief Executive also receives healthcare provision of £2,000 per year.

f) The salary range for the Chief Executive is shown at 4.0 below.

4.0 SALARY RANGES

The current salary ranges for Heads of Service, CMT and the Chief Executive are presented in the table below.

Post	Range	
	From	To
Head of Service	£49,421	£67,702
Corporate Management Team	£71,652	£96,704
Chief Executive	£125,000	£160,213

These salary ranges may change if either local or national pay awards are awarded within the financial year and before the next pay policy statement is produced.

5.0 PENSIONS

The employees within the scope of this Statement are entitled to join the Local Government Pension Scheme (LGPS). Employees contribute between 5.5% and 12.5% of their salary. For the purpose of this statement, employees included with the table in section 4.0 contribute between 6.8% and 12.5%, depending on where they are within the salary range. The employer pension contribution rate is 17.6% for all employees and managers (regardless of their grade or salary rate).

6.0 REMUNERATION ON RECRUITMENT

On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases when new starters need to move to the area.

All permanent or fixed term posts are advertised in accordance with the Council's Recruitment Policy and Process, and appointment of Chief Officers is made on merit, in accordance with the rules governing the recruitment of Chief Executive and Chief Officers set out in the Council's Constitution.

Appointment of Heads of Service is the responsibility of the Chief Executive or his/her nominee. The salary on recruitment will be within the current salary range of these posts at that time.

7.0 OTHER BENEFITS

The expenses which may be payable to the Chief Executive, the Corporate Management Team or Head of Service are as follows:

- Re-imbursment of travel and subsistence – Any excess travelling allowance that is paid will be in accordance with the Council's established policies, and any subsistence allowance that is paid will normally be no higher than the current rates set by Her Majesty's Revenues and Customs (HMRC). All rail travel for officers will be second class unless there are exceptional circumstances.
- Vouchers are issued in accordance with the Councils' Eye Test Policy.
- The employees within the scope of this policy are entitled to participate in the Council's Salary Sacrifice Scheme. Such schemes are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase bicycles or technological products.
- Professional fees for employees, including Chief Officers, Corporate Managers and Heads of Service are paid in accordance with the Council's established process for the payment of professional fees for those employees whose role requires professional qualification and continued professional development.

There are no bonus arrangements payable to the Chief Executive, the Corporate Management Team or Heads of Service.

8.0 CAR ALLOWANCES

An annual car allowance is also currently payable to the Corporate Management Team and Heads of Service, but whilst this is subject to the normal deductions for tax and National Insurance, this does not count towards pensionable pay and no pension contributions are paid for it, either by the Council or by the employee. The car allowance is linked to grading and salary.

9.0 RELATIONSHIP TO THE LOWEST PAID EMPLOYEE

The lowest paid staff within the Council are on Band 2 of the Council's pay structure. This band is therefore defined as the lowest paid for the purposes of this policy.

Band 2 is currently £22,366, and therefore lowest pay point on the council's pay scale is currently £22,366 per annum.

The Chief Executive's salary scale is set out in section 4.

The current ratio between the lowest and highest pay points is - 1:7.1.

The current ratio between the actual lowest pay grade and actual Chief Executive's salary is - 1:7.1.

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

10.0 TERMINATION OF EMPLOYMENT

On ceasing to be employed by the Council, individuals will only receive compensation:

- (a) in circumstances that are relevant (e.g., redundancy), and
- (b) that is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
- (c) that complies with the specific term(s) of a settlement agreement.

The Council will not re-employ an individual, who was previously employed by the Council and, on ceasing to be employed, was in receipt of a severance payment or a voluntary redundancy payment. The Council will not engage such an individual under a contract for services, unless there are exceptional circumstances, and/or there is a sufficient business need.

11.0 PUBLICATION OF THIS POLICY AND SALARY DATA

Salary data for the Chief Officers is published on the Council's website within the Council's statement of accounts. This policy is also published on the website.

12.0 CONSULTATION

All changes to terms and conditions of employment are subject to consultation with the trade unions.

13.0 IMPLICATIONS

13.1 Financial Implications

The pay policy has been produced with input from the finance team.

13.2 Legal Implications

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The pay policy contains all of the information required by the Localism Act.

13.3 Equalities Implications

There are no specific equality implications in relation to the pay policy itself however, impact assessments are completed in respect of any changes to terms and conditions which impact pay.

An initial equality impact assessment (IEQIA) has not been carried out on the pay policy itself. However, IEQIA's are carried out on any changes that are proposed that impact on pay.

14.0 BACKGROUND DOCUMENTS

MHCLG Guidance 'Openness and Accountability in Local Pay': Draft Guidance under section 40.

15.0 REVIEW

This policy will therefore be reviewed at annual intervals to ensure that it remains fit for purpose, and it will be submitted to Full Council for approval by the end of March each year.

Please contact Human Resources for further information.

Author	Human Resources
Date	February 2024
Status	Approved
Date of revisions (if applicable)	February 2013, February 2014, February 2015, February 2016, February 2017, February 2018, February 2019, February 2020, February 2021, February 2022, February 2023
Date agreed	February 2012
Date for revision	February 2025
Links to other People Policies	N/A

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Motion submitted by Councillor Tierney

PROPOSED MEDWORTH INCINERATOR

Notification was received last week that Claire Coutinho MP, the Secretary of State for Energy Security and Net Zero, has granted development consent for the proposal by MVV Environment to build a massive waste-to-energy incinerator on the Algores Industrial Estate in Wisbech, despite the overwhelming opposition of local residents, councillors and Councils.

This decision is a slap in the face for the local democratic process and has resulted in real fear and understandable anger in the local community. Fenland District Council has always been against these plans and provided strong arguments against the proposal.

Fenland District Council stands with local residents in seeking to oppose development of this incinerator and re-affirms the Councils opposition to this.

The decision by the Secretary of State is not able to be appealed. However, the decision can potentially be challenged by means of a Judicial Review if the decision can be shown to have been made irrationally and/or without proper process having been followed.

Fenland District Council therefore authorises Officers to instruct legal Counsel with appropriate expertise to provide their Opinion in respect of this decision and the way in which it has been made by the Secretary of State, specifically to advise whether there are any grounds for a Judicial Review to be sought to overturn this decision, and the likelihood that any such Judicial Review would be successful.

Council instructs Officers to begin conversations with Wisbech Town Council, Cambridgeshire County Council, King's Lynn and West Norfolk Borough Council, Norfolk County Council and the CPCA to establish what their contribution would be to the costs of a Judicial Review if there are grounds to pursue such action.

Furthermore, Council issues an invitation to Claire Coutinho to visit Fenland, as soon as possible on whatever date her diary commitments allow, so that a formal meeting may be held at which she would be invited to explain in greater detail her rationale for approving the proposed incinerator, and at which she will be invited to respond to questions and statements from Fenland District Councillors about her decision.

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