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Ribble Valley
Borough Council

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Dear Councillor

The next meeting of the **POLICY AND FINANCE** will be held at 6.30 pm on **TUESDAY, 30 MARCH 2021 by ZOOM.**

I do hope you can be there.

Yours sincerely

M. H. Scott

CHIEF EXECUTIVE

AGENDA

1. **APOLOGIES FOR ABSENCE**
2. **TO APPROVE THE MINUTES OF THE TWO PREVIOUS MEETINGS** (Pages 5 - 20)
3. **DECLARATIONS OF PECUNIARY AND NON PECUNIARY INTERESTS**

Members are reminded of their responsibility to declare any pecuniary or non-pecuniary interest in respect of matters contained in the agenda.

4. **PUBLIC PARTICIPATION**

ITEMS FOR DECISION

5. **BUSINESS SUPPORT GRANTS UPDATE** (Pages 21 - 26)
Report of Director of Resources enclosed.
6. **VOLUNTARY ORGANISATIONS GRANTS 2021/22** (Pages 27 - 38)
Report of Director of Resources enclosed.
7. **DRAFT CYCLE OF COMMITTEE MEETINGS 2021/22** (Pages 39 - 42)
Report of Chief Executive enclosed
8. **LOCAL GOVERNMENT REORGANISATION IN NORTH YORKSHIRE AND CUMBRIA - RESPONSE TO CONSULTATION** (Pages 43 - 68)

- Report of Chief Executive enclosed.
9. **CLIMATE CHANGE WORKING GROUP UPDATE** (Pages 69 - 86)
Report of Chief Executive enclosed.
10. **VOLUNTARY ORGANISATION GRANT - CITIZEN'S
ADVICE BUREAU PERFORMANCE MONITORING
INFORMATION.** (Pages 87 - 90)
Report of Director of Resources enclosed
11. **CAPITAL AND TREASURY MANAGEMENT STRATEGY** (Pages 91 - 132)
Report of Director of Resources enclosed.
12. **TREASURY MANAGEMENT POLICIES AND PRACTICES
2021/22** (Pages 133 - 178)
Report of Director of Resources enclosed.
13. **LOCAL TAXATION WRITE OFFS** (Pages 179 - 182)
Report of Director of Resources enclosed.
14. **REFERENCES FROM COMMITTEES**
- i) Community Services - Capital Programme 2021/22 (Pages 183 - 194)
Report of Director of Resources enclosed.
- ii) Community Services - Council Assets in Longridge (Pages 195 - 198)
Report of Director of Resources enclosed.
- iii) Health & Housing - Joiners Arms Roof Renewal and
Renovation works (Pages 199 - 204)
Report of Director of Resources enclosed.
- ITEMS FOR INFORMATION**
15. **CAPITAL PROGRAMME 2021/22** (Pages 205 - 210)
Report of Director of Resources enclosed.
16. **REVENUE MONITORING 2020/21** (Pages 211 - 218)
Report of Director of Resources enclosed.
17. **OVERALL REVENUE MONITORING 2020/21** (Pages 219 - 228)
Report of Director of Resources enclosed.
18. **REVENUES AND BENEFITS GENERAL REPORT** (Pages 229 - 232)
Report of Director of Resources enclosed.

19. **MINUTES OF BUDGET WORKING GROUP 28** (Pages 233 - 236)
SEPTEMBER 2020

Copy enclosed.

20. **MINUTES OF LONGRIDGE ASSETS WORKING GROUP** (Pages 237 - 240)

Enclosed.

21. **REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES**

None.

22. **EXCLUSION OF PRESS AND PUBLIC**

ITEMS FOR DECISION

23. **LOCAL TAXATION WRITE OFFS** (Pages 241 - 242)

1

Report of Director of Resources enclosed.

Electronic agendas sent to members of Policy and Finance – Councillor Stephen Atkinson (Chair), Councillor Susan Bibby, Councillor Alison Brown, Councillor Stuart Carefoot, Councillor Judith Clark, Councillor Stewart Fletcher, Councillor Mark French, Councillor Jonathan Hill, Councillor Mark Hindle, Councillor Stuart Hirst, Councillor Simon Hore (Vice-Chair), Councillor Allan Knox, Councillor David Peat, Councillor James (Jim) Rogerson and Councillor Robert Thompson.

Contact: Democratic Services on 01200 414408 or committee.services@ribblevalley.gov.uk

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Minutes of Policy and Finance

Meeting Date: Tuesday, 19 January 2021, starting at 6.30pm
Present: Councillor S Atkinson (Chair)

Councillors:

S Bibby	M Hindle
A Brown	S Hore
S Carefoot	A Knox
J Clark	D Peat
S Fletcher	J Rogerson
M French	R Thompson
J Hill	

In attendance: Chief Executive, Director of Resources, Director of Community Services, Director of Economic Development and Planning, Head of Revenues and Benefits, Head of Legal and Democratic Services, Head of Regeneration and Housing and Senior Accountant

Also in attendance: Councillor D Berryman

Not in attendance: Councillor S Carefoot

924 APOLOGIES FOR ABSENCE

Apologies for absence from the meeting were received from Councillor S Hirst.

925 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 17 November 2020 were approved as a correct record and signed by the Chairman.

926 MINUTES OF EMERGENCY COMMITTEES DATED 25 NOVEMBER 2020 AND 8 DECEMBER 2020

The minutes of the meetings held on 25 November 2020 and 8 December 2020 were approved as a correct record and signed by the Chairman.

927 DECLARATIONS OF PECUNIARY AND NON PECUNIARY INTERESTS

There were no declarations of pecuniary or non-pecuniary interest.

928 PUBLIC PARTICIPATION

There was no public participation.

929 REVISED REVENUE BUDGET 2020/21

The Director of Resources submitted a report outlining the revised revenue budget for 2020/21 for this committee. She reminded members that at this time of year the estimates are revised for the current financial year in order to predict the likely outturn. This also assists in preparing the original estimates for the coming financial year.

The budget this year had been particularly impacted by the Covid-19 pandemic, and any impacts on fees and charges had been included within the estimates, along with the estimated part funding towards these losses from the Government.

The original budget for 2020/21 included provision for pay increase at 3% and price increase at 2%. As well as using data on past performance there had been detailed discussions with budget holders and heads of service on past service provision and on future plans which played an integral part in the budget setting process.

She informed committee that the revised budget for 2020/21 showed a decrease in net expenditure of £144,460 after allowing for transfers to and from earmarked reserves.

A comparison between the original and revised budgets for each cost centre was included for committee's information and the key movements were highlighted.

The report also included information on Covid-19 emergency response costs that were being considered as part of the budget setting for this committee. The report outlined the grant support received from the Government to date and other funding likely to be received totalling £2,072,026 to date. Much of this would be matched against costs incurred. This did not include grants received paid out to businesses as financial aid as these were accounted for separately under agency arrangements with the government.

RESOLVED THAT COMMITTEE

Approved the revenue revised estimate for 2020/21.

930

FEES AND CHARGES

The Director of Resources submitted a report seeking member approval on proposals to increase this committee's fees and charges with effect from 1 April 2021.

These proposals were the first stage in the review of this committee's budget for the forthcoming 2021/22 financial year.

The council's latest budget forecast allows for the 2% inflationary increase in the level of income raised from fees and charges and the review aims to increase the budgeted income for 2021/22 by this amount when compared to last year's original budget estimate.

After applying this percentage increase, proposed charges had generally been rounded up or down to minimise any problems with small change. This inevitably impacts on the individual percentage rise for each separate charge, particularly when the current charge is low.

There were extremely high levels of uncertainty around income levels from the council's fees and charges in light of Covid-19 and the impact this was having on use of the council's services and facilities. In the current financial year the government was partly compensating the council for lost income at 75% of lost sales, fees and charges income – after first adjusting for 5% of total budgeted income. It was on the continuation of this, or alternatively the recovery of income levels, that the fees and charges had been set.

Following discussions with financial services, heads of service and budget holders a proposed set of fees and charges for implementation from 1 April 2021 had been produced for this committee for members to consider. This included some proposed

new charges for variations to section 106 agreements and an administration fee for new garage licences

RESOLVED THAT COMMITTEE

Approved the proposed fees and charges for this committee as set out in Annex 1 to the report.

931

ORIGINAL REVENUE BUDGET 2021/22

The Director of Resources submitted a report asking committee to agree the draft revenue budget for 2021/22 for this committee for consideration at Special Policy and Finance committee.

With regard to the council's overall financial position, she reminded members that in February the 3-year budget forecast had predicted the following budget gaps: £281k in 2021/22, £206k in 2022/23, £337k in 2023/24, after allowing for the general fund balances.

At the time of producing the February forecast, the outcome of the Fair Funding Review, the potential changes to the New Homes Bonus Scheme and the implications of Business Rate Retention Reforms were unknown. The forecast was also made before the extent of the impact of Covid-19 in the current financial year was known.

In the light of Covid-19 the government had scrapped its plans for a multi-year spending review, and instead conducted a one-year review for 2021/22. The key messages were highlighted to committee.

At the Policy & Finance committee in November 2020, members had agreed with the conclusion of the Budget Working Group that the Council should prepare its budget on the base budget plus inflation and on the expectation that any variance due to Covid would be made good by the government.

The Budget Working Group would consider the overall position once all committees had approved their detailed estimates and would then make recommendations to Special Policy and Finance committee on 2 February 2021 in order to achieve a balanced budget.

The proposed fees and charges for 2021/22 had been considered by committee earlier in the agenda and had already been incorporated into the service budgets on the assumption that they would be approved without material change.

Estimates had been prepared on current levels of service allowing for pay increase at 2% and price increases at 2%. The budget for each cost centre within the report was presented individually showing the original estimate, inflation, movements in expenditure, income, support services and capital which then culminated in the draft original estimate for 2021/22.

The report detailed individual budget areas under this committee and comments were provided on the key variations.

The net expenditure for this committee had increased by £15,180 from £2,266,100 to £2,281,280 after allowing for associated movements on earmarked reserves. The main reasons for the net increase were summarised for committee's information.

It was acknowledged by members that it was difficult at this time to determine the budget for the next year due to the pandemic.

RESOLVED THAT COMMITTEE

Approved the revenue original estimate for 2021/22 and submit it to Special Policy and Finance committee.

932

REVISED CAPITAL PROGRAMME 2020/21

The Director of Resources submitted a report seeking committee's approval of the revised estimate for this committee's capital programme for the current financial year. The original estimate for 2020/21 had been approved by Policy and Finance committee in March 2020.

In March 2020, four capital schemes with a total approved budget of £204,530 had been approved. This included two new schemes for 2020/21 and budget for two 2019/20 schemes that had been moved from the 2019/20 capital programme to the 2020/21 capital programme.

Since then the following changes had been made:

Four capital schemes were not completed by 31 March 2020 and had unspent budget available at that date. The total unspent budget of £33,480 on these schemes known as slippage had been moved into the 2020/21 capital budget, after slippage requests from the budget holders were approved by the Director of Resources;

In August 2020 the Emergency committee approved a new scheme budget of £25,000 for the purchase of land behind Old Row, Barrow and this was added to this committee's capital programme.

As a result of the above, the total approved budget for this committee's capital programme of eight schemes was £263,010.

Following discussions on each of the schemes in the capital programme with budget holders, the proposed revised estimate was £158,310 for seven schemes, a reduction of £104,700 from the total approved budget. The reasons for this reduction were outlined to committee.

The Director of Resources reported that the expenditure and commitments to the end of December 2020 represented 90% of the revised capital programme for this committee. Of the seven schemes in the revised capital programme, two schemes had been completed. The report outlined the current progress on the schemes with the largest remaining budgets.

Councillor Berryman was given permission to speak on this item and asked specifically about the Dewhurst Road, Langho scheme. He also queried whether the planning page would be improved as part of the re-design of the corporate website capital programme.

RESOLVED THAT COMMITTEE

1. Approve the 2020/21 revised estimate of £158,310 for this committee's capital programme as set out in Annex 1,
2. Approve the move of the following capital budgets from 2020/21 to 2021/22
Dewhurst Road, Langho – resurfacing works - £65,800

Network infrastructure - £30,000
Lift replacement at Council offices - £2,110
Committee Administration IT System - £7,600

3. Recommend Special Policy and Finance committee approve the additional budget of £10,000 on the Dewhurst Road, Langho – resurfacing works scheme.

933

CAPITAL PROGRAMME REVIEW 2021/22 - 2024/25

The Director of Resources submitted a report asking members to consider the proposed future four-year capital programme (2021/22 to 2024/25) for this committee for recommendation to Special Policy and Finance committee.

The future capital programme was reviewed and updated each year. In recent years, the council has been setting a proposed and fully funded five-year capital programme each year. However, given the additional burdens caused by and priority focus on Covid-19 issues throughout 2020, Budget Working Group had streamlined the capital programme budget update process for this year. This involved moving to a four-year capital programme only, covering 2021/22 to 2024/25, and there being no new capital bids for 2025/26 (year five).

A review and update of the four-year capital programme had therefore taken place and had resulted in a proposed four-year programme of £538,390 that was set out in the report for members to consider and approve.

Councillor Berryman was given permission to speak on this item and asked where Brookfoot Footbridge was in Ribchester and why the council was responsible for it.

RESOLVED THAT COMMITTEE

1. Approve the proposed four-year capital programme (2021/22 to 2024/25) of £538,390 for this committee as set out in Annex 1 to the report, and
2. Recommend to Special Policy and Finance committee the proposed four-year capital programme (2021/22 to 2024/25) of £538,390 for this committee.

934

LOCAL TAXATION WRITE OFFS

Committee were asked to approve the writing off of council tax and business rate debts relating to three cases where the company had gone into administration and five cases where the companies had gone into liquidation. Reasonable steps by various means had been taken to collect the debts.

RESOLVED THAT COMMITTEE

Approved the writing off of £81.75 in council tax, £89,470.99 in business rates and £360.00 costs where it has not been possible to collect the amounts due.

935

REVIEW OF STANDING ORDERS

The Chief Executive submitted a report asking committee to review the Council's Standing Orders to ensure clarity.

Members were reminded that every Local Authority was required to prepare and keep up to date a constitution containing amongst other things a copy of its Standing Orders – the rules which govern the conduct and proceedings of the council's meetings. The Council had last approved changes in May 2020 when a temporary addendum had been added to include provisions for remote meetings.

Members were informed that a number of amendments had been made to pick up minor typographical errors and also to more clearly link the provisions with regard to notice provisions for summons to the provisions of the Local Government Act 1972. These were shown as tracked changes for consideration.

*** RESOLVED THAT COMMITTEE

1. Approved the changes to Standing Orders as outlined in the report, and
2. Refer the changes to Council with a recommendation for their approval.

936 TREASURY MANAGEMENT MONITORING 2020/21

The Director of Resources submitted a report for committee's information on the treasury management activities for the period 1 April 2020 to 31 December 2020. The report outlined the following topics: temporary investments; local government bonds agency; borrowing; borrowing requirements; Prudential indicators; approved organisations, recent events and exposure to risk.

937 REVENUES AND BENEFITS GENERAL REPORT

Committee considered a report for information that covered national non-domestic rates (NDR); council tax; sundry debtors; housing benefit and council tax support performance and housing benefit overpayments.

938 INVESTIGATORY POWERS COMMISSIONERS REPORT

The Chief Executive submitted a report on the receipt of the Office of Surveillance Commissioners inspection report, the Council's usage of RIPA and to seek approval of the revised RIPA policy.

The Investigatory Powers Commissioner's Office carries out routine inspections of all public bodies to ensure their compliance with the requirements of RIPA. An inspection had taken place in June 2020. A copy of the report was included for committee's information with the Inspector's recommendations of areas for consideration which had subsequently been actioned.

The Council had not used its RIPA power since the last inspection, nor since the matter was last reported in November 2019.

*** RESOLVED THAT COMMITTEE

1. Noted the Inspector's recommendations,
2. Noted the usage of RIPA during the period 20 November 2019 to date, and
3. Approved the amended RIPA policy and recommend its adoption to Council.

939 OMBUDSMAN ANNUAL REVIEW LETTER 2020

The Chief Executive submitted a report for information on the referrals to the Local Government Ombudsman (LGO) for the period to 31 March 2020. No detailed investigations had been carried out during this period, therefore none had been upheld.

940 COVID-19 DELEGATED DECISIONS

The Chief Executive submitted a report for member's information outlining a decision taken by himself in consultation with the Leader, Deputy Leader and Shadow Leader

under delegated powers given by the Emergency Committee on 7 May 2020 with regard to the Local Government Act 1972, the Coronavirus Act 2020 and other legislation governing local authority decision making.

The Chief Executive informed committee of two additional decisions that had been taken with regard to Additional Restrictions Support Grants to enable payments up to 15 February 2021.

He also gave a general update on the areas that the Council was involved in with the pandemic.

941 REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from representatives on outside bodies.

942 EXCLUSION OF PRESS AND PUBLIC

That by virtue of the next items of business being exempt information under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act the press and public be now excluded from the meeting.

943 LONGRIDGE ASSETS

The Director of Economic Development and Planning submitted a report for members to consider the future management of key Council assets in Longridge. These included the former public toilets on King Street; the Civic Hall and associated car parking; the Old Fire Station and the Over 60's Club – both at Townley Buildings, Berry Lane. There was currently no clear options and no capital scheme or resource provision.

Members discussed this in some detail.

RESOLVED THAT COMMITTEE

1. Instruct officers to formally consult with relevant stakeholders and to develop a strategic framework for the key Longridge assets identified in the report and report the findings back to committee for further consideration,
2. Ask the Chief Executive to hold discussions with Longridge Social Enterprise Company regarding their ongoing operation of the Civic Hall facility, and
3. Ask the Chief Executive to consider the most appropriate approach to determine the feasibility for the future of the Civic Hall site, including options to create a sustainable community resource facility for cultural and social wellbeing of Longridge residents and report back to committee for further consideration.
4. Set up a working group consisting of officers and councillors R Thompson (chair), A Knox, J Clark, J Rogerson, S Carefoot and S Hore to consider all options.

944 LOCAL TAXATION AND HOUSING BENEFIT WRITE OFFS

Committee considered a report asking them to approve the writing off of council tax debts relating to four cases where a debt relief order was in place and three where the whereabouts of the debtor was unknown and it had not been possible to recover the outstanding debts.

RESOLVED THAT COMMITTEE

Approved the writing off of £12,214.09 of council tax debts and £780.00 in court costs where it has not been possible to collect the amount due.

The meeting closed at 8.02 pm

If you have any queries on these minutes please contact the committee clerk, Olwen Heap 01200 414408 olwen.heap@ribblevalley.gov.uk.

Minutes of Policy and Finance

Meeting Date: Tuesday, 16 February 2021, starting at 6.30 pm
Present: Councillor S Atkinson (Chair)

Councillors:

S Bibby	S Hirst
A Brown	S Hore
J Clark	A Knox
S Fletcher	D Peat
M French	J Rogerson
M Hindle	R Thompson

In attendance: Chief Executive, Director of Resources, Director of Community Services, Director of Economic Development and Planning and Head of Financial Services

Also in attendance: Councillor R Sherras

Not in attendance: Councillor S Carefoot

990 APOLOGIES FOR ABSENCE

Apologies for absence from the meeting were received from Councillor J Hill.

991 DECLARATIONS OF PECUNIARY AND NON PECUNIARY INTERESTS

There were no declarations of pecuniary or non-pecuniary interest.

992 PUBLIC PARTICIPATION

There was no public participation.

993 PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2021/22

The Director of Resources submitted a report for committee's information providing details of the Spending Review and the Local Government provisional finance settlement for 2021/22. The Local Government Finance Settlement is the annual determination of funding to Local Government and is approved by the House of Commons.

The Secretary of State for Housing, Communities and Local Government, Robert Jenrick MP, issued a written Ministerial Statement to the House of Commons which set out the Local Government Finance Settlement for 2021/22. The consultation period ended 16 January 2021 and it was expected the final settlement would be laid before the House of Commons in February.

The Spending Review announced on 25 November 2020 was for one year only, and provided a potential increase of 4.5% in council core spending power to support local services, specifically enabling social care authorities to increase their council tax bills by up to 5%.

The Government had stated it would provide over £3 billion in additional support to help local authorities with Covid-19 pressures.

The implementation of the Fair Funding Review had been delayed with no indication of when it would be revisited.

With regard to the rural services delivery grant the Government had announced that they would continue with and increase the level by £4m to £85m. For Ribble Valley this would mean we will receive £113,250.

The Director of Resources informed committee of the new £111m 'lower tier services' grant. Ribble Valley would receive £57,680.

She also reported that the Government would maintain the existing New Homes Bonus Scheme for a further year with no new legacy payments. Reforms would be consulted upon with a view to implementation in 2022/23. This would mean our in-year allocation for 2021/22 would increase from £490k to £637k. Our total provisional allocation for next year is £1.516m compared with £1.771m in 2020/21.

The Government was undertaking a fundamental review of the business rate system with a final report expected in Spring 2021. Local authorities would be compensated for the Government's decision to freeze the business rate multiplier in 2021/22. The Government was also considering options for further Covid-19 related support through business rate reliefs, and had also decided not to proceed with a reset of business rates baselines in 2021/22 but maintain the existing 100% business rates pilots for a further year.

Ribble Valley BC remained a member of the Lancashire Business Rate pool where members benefit from retaining levies on growth above their baseline, and as Lead Authority also received £20k to act as a channel for payments.

With regard to council tax, the Director of Resources informed committee that the Government had decided upon several referendum principles which included Shire District Councils in two tier areas being allowed increases of up to 2% or £5 whichever was higher; this would not apply to parish or town councils.

The Final Local Government Finance Settlement for 2021/11 was announced on 4 February 2021. The figures for Ribble Valley remained the same except for a further £16 Lower Tier Services Grant taking the total to £57,696.

994

OVERALL REVISED CAPITAL PROGRAMME 2020/21

The Director of Resources submitted a report informing committee of the overall revised Capital Programme for 2020/21.

The original programme had been approved by Council in March 2020 and regular reports had been presented to all committees on progress with the schemes. There had been a number of further approvals and adjustments made during the year resulting in the total approved Capital Programme for 2020/21 of £3,527,940 over 30 schemes. The revised estimate for each of these schemes had been determined following discussion with budget holders regarding their progress and estimated full year expenditure.

The revised Capital Programme now showed at £1,925,000 for 27 schemes which was a reduction of £1,602,940 from the previously approved capital programme and a reduction of 3 schemes. The main reasons for the budget changes were outlined in the report.

The report went on to outline how the capital programme had been financed with a summary of the movement on the capital earmarked reserve.

The Council relies heavily on the use of its earmarked reserves to fund the capital programme. In 2020/21 the estimated use of earmarked reserves would be £777,730. The balance of the funding comes from grants and contributions of £1,128,910 and borrowing of £8,260 and usable capital receipts of £10,100.

At the end of December 2020 £1,201,218 had been spent or committed on capital programme schemes. This equated to 62.4% of the full year proposed revised capital programme budget. 11 of the 27 schemes had been completed; 14 were in progress and 2 were on-going demand-led Housing capital grant schemes. Progress on these schemes with variances were outlined in the report.

RESOLVED THAT COMMITTEE:

Approved the overall revised capital programme for 2020/21.

995

FOUR YEAR CAPITAL PROGRAMME 2021/22 TO 2024/25

The Director of Resources submitted a report with details of the previously approved Capital programme schemes for 2021/22 to 2024/25 asking for member consideration of a number of adjustments.

This year it had previously been agreed by this committee that there were no new additional bids and the capital programme would go forward to Council on 2 March 2021 as a four-year capital programme as a result of pressures on resources due to the Covid pandemic.

Heads of Service had reviewed and updated the four-year capital programme, and each committee had considered and approved it for their own committee.

The adjustments and suggested movements of schemes to a different financial year were highlighted in the report.

The final four-year capital programme was summarised for committee to consider.

Committee Expenditure	2021/22	2022/23	2023/24	2024/25	TOTAL
Community Services Committee	1,555,000	920,100	510,800	451,000	3,436,900
Economic Development Committee	66,750	0	0	0	66,750
Health and Housing Committee	639,640	397,000	509,600	397,000	1,943,240
Planning and Development Committee	26,420	0	0	0	26,420
Policy and Finance Committee	105,510	226,600	118,200	88,080	538,390
TOTAL	2,393,320	1,543,700	1,138,600	936,080	6,011,700

Financing	2021/22	2022/23	2023/24	2024/25	TOTAL
Disabled Facility Grants	-347,000	-347,000	-347,000	-347,000	-1,388,000

Financing	2021/22	2022/23	2023/24	2024/25	TOTAL
VAT Shelter Earmarked Reserve	-186,740	-50,000	-50,000		-286,740
Capital Earmarked Reserve	-94,920		-401,982		-496,902
New Homes Bonus Earmarked Reserve	-241,040	-70,960	-306,637		-618,637
External Funding towards Castle Keep Repointing		-222,240			-222,240
External Funding for Mardale Playing Field Changing Rooms				-30,000	-30,000
ICT Renewals Earmarked Reserve		-24,241		-63,400	-87,641
Vehicle Renewals Earmarked Reserve		-37,500	-13,530		-51,030
Fleming VAT Earmarked Reserve		-38,272	-5,451		-43,723
Refuse (Wheeled Bins) Earmarked Reserve	-13,000	-13,000	-14,000	-15,000	-55,000
Business Rates Growth Earmarked Reserve	-37,600	-474,387		-480,680	-992,667
Rural Services Delivery Grant Earmarked Reserve	-360				-360
Usable Receipts Capital	-164,060	-266,100			-430,160
Borrowing	-1,308,600				-1,308,600
TOTAL	-2,393,320	-1,543,700	-1,138,600	-936,080	-6,011,700

Committee considered the proposed Capital programme as outlined taking in to account the proposed financing of the programme and the impacts of the proposals on the capital reserve.

*** RESOLVED THAT COMMITTEE:

Recommend to Council the Capital Programme for 2021/22 to 2024/25 as set out in the report.

996

OVERALL REVENUE BUDGET 2021/22

The Director of Resources submitted a report asking committee to approve the revised Revenue Budget for 2020/21 and to recommend a Revenue Budget and Council Tax Requirement for 2021/22 to Council on 2 March 2021.

She gave a brief overview of the current year's revised budget for 2020/21 highlighting the main reasons for net expenditure having increased by £44k.

The impact of Covid-19 had been considerable and to date £803,272 of unringfenced emergency funding had been received from the Government as well as Contain Outbreak Management Funding of £669k, Surge Enforcement Funding of £22k, New Burdens Funding for the administration of the business grant schemes prior to September 2020 of £189k. In total Covid funding of £1.75m had been received. The Director of Resources informed committee how this funding had been allocated over the Covid expenditure pressures. They had also launched an income support scheme to recognise the impact the pandemic has had on income from sales, fees and charges and introduced a co-payment scheme to compensate councils for relevant unforeseen losses that are irrecoverable. The Spending Review had confirmed that the Government would also compensate local authorities for 75% of irrecoverable losses in council tax and business rate income in respect of 2020/21.

The Chief Executive informed committee that impacts of additional work due to Covid-19 had mainly been covered by existing staff including the running of a lateral flow testing site in the council chamber.

A significant element of our income was business rate growth and the Director of Resources outlined the latest estimate of Ribble Valley's share of business rate income for the current year.

When setting the original budget it had been agreed to use £875,514 to fund the revenue budget and £60,880 to fund the capital programme. Based on the latest position we expect to receive £2.092m, use £100,200 to fund the capital programme, use £875,514 to fund the base revenue budget and use £32,220 of further revenue in year expenditure approved by the Emergency committee; therefore the revised difference of £1,083,776 would be added to the business rate growth reserve.

She informed committee that there were further in year complications due to the late announcement in March 2020 of 100% retail discount and the issuing of new regulations in December to enable the repayment of collection fund deficits arising in 2020/21 to be spread over the next three years rather than the usual period of a year.

The forecast transfers to and from earmarked reserves compared with the original estimate were highlighted, in particular the addition of £2.999m largely due to timing differences in receipt of section 31 grants paid to us from the Government for 100% business rate retail discount and that our share would need to be carried forward to offset the deficit to be repaid next year.

The overall position showed that instead of taking £142k from general fund balances at the end of the year, based on revised estimates it would be £186k from balances.

Looking forward to 2020/21, the Director of Resources briefly highlighted the key elements of the provisional grant settlement for 2021/22; rural services delivery grant; lower tier services grant; future years government funding and the reforms due to come on Fair Funding Review, Business Rate Retention and New Homes Bonus scheme.

The report went on to detail the Council Tax Base and the Council Tax Referendum criteria. The Director of Resources highlighted the fact that the current band D tax of £155.69 meant that Ribble Valley was in the bottom quartile of all district councils at 30th out of 188 and the lowest across Lancashire districts. The report outlined the potential amount of income that would be generated by increasing the Council Tax by £5 (the maximum allowed for next year). This would generate £120,035 in extra revenue and in addition the increase in the tax base would generate a further £59,785.

Reference was made to the New Homes Bonus scheme and the Director of Resources informed members that we currently rely on £1.105m each year to fund the revenue budget. Should reforms take place the balance of unused funds of £2.8m would cover the funding gap on the revenue budget for 2022/23 and 2023/24.

With regard to the Business Rate Retention Scheme the NNDR1 return had been submitted and based on the share of business rate income from the Lancashire Business Rate Pool it was anticipated that the total business rate income for next year would be £1,455,212 of which £675,514 would be used to fund the revenue budget leaving a surplus of £779,698.

She drew members attention to the fact that the estimated balance of the volatility reserve stands at £1.682m. This was sufficient to provide a safety net protection which we would have to forgo as a pool member of 92.5% of our business rate growth. Since reaching this level a Business Rate Growth Reserve had been created to support both the revenue and capital programme.

The Director of Resources reported that the Collection Fund was likely to produce an overall deficit of £6,855,148 this year, that consisted of a surplus for council tax of £262,369 and a deficit for business rates of £7,117,517 mainly due to the awarding in year of £6.9m of retail discount. The council tax surplus would be shared amongst all the major precepting authorities with our share being £24,995 and the business rate deficit would be jointly borne between precepting authorities with our share being £2,725,770.

With regard to the revenue budget 2021/22 the Director of Resources outlined the provisional base position as agreed by service committees. Committee expenditure was set to fall by £14k for reasons outlined and reported to the service committees. Committee therefore needed to consider how to fund the balance of £5.985k after deducting the collection fund surplus and the business rates baseline funding level. She highlighted the capital adjustments, movement of other items, the pay award and continuing difficulties in recruitment and retention that may need to be addressed.

The Director of Resources reminded committee that the Budget Working Group had considered the Council's financial position and overall budget position for the next year and had made a number of recommendations in order to achieve an affordable budget:

- That a contingency be added to next year's budget of £150,000 for potential further income losses due to the Covid pandemic to be funded from General Fund balances.
- That £1,105,000 of New Homes Bonus be used to fund the 2021/22 revenue budget.
- That £675,514 of business rate growth fund be used to support the 2021/22 revenue budget.
- That a £5 increase be made to the Band D council tax for 2021/22 to assist in bridging the funding gap generating an extra £120,035.
- That £250,000 be used from General Fund balances.
- That the remaining shortfall of £97,015 be met from the Business Rate Volatility Reserve.

The Director of Resources went on to inform committee of the robustness of the budget and the adequacy of the Council's balances and reserves.

She outlined the recommended Revenue Budget for 2021/22 with expenditure of £5,637,073 which after use of balances would result in a net budget of £5,237,073. This would still leave £2.189m in general fund balances at the end of March 2021.

The Director of Resources gave committee a summary of the updated 3-year budget forecast for the revenue budget assuming that the 2021/22 budget was agreed and highlighted the budget gap over the next 3 years. She pointed out that the potential changes to the New Homes Bonus scheme and the implications of Business Rate Retention Reforms would be crucial in terms of the future budget forecast.

*** RESOLVED THAT COMMITTEE:

1. Approve the revised revenue budget for 2020/21;
2. Approve the Budget Working Group's recommendations with the exception of the increase to Council Tax which should remain at £155.69 for a Band D property and the difference be funded from the Business Rate Growth Reserve, and set a budget and Council Tax requirement for 2021/22 as set out:

BUDGET AND COUNCIL TAX REQUIREMENT	
	£
RVBC Net Budget	5,117,038
Plus Parish Precepts (Annex 3)	503,609
	5,620,647
Less - Settlement Funding Assessment	-1,354,393
Net Requirement Before Adjustments	4,266,254
Council Tax Surplus	-24,995
Council Tax Requirement (Including Parishes)	4,241,259

3. And recommend the Budget and Council Tax requirement to Council on 2 March 2021.

997 REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from representatives on outside bodies.

998 EXCLUSION OF PRESS AND PUBLIC

There were no items under this section.

The meeting closed at 7.24 pm

If you have any queries on these minutes please contact the committee clerk, Olwen Heap 01200 414408 olwen.heap@ribblevalley.gov.uk.

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: BUSINESS SUPPORT GRANTS UPDATE
 submitted by: DIRECTOR OF RESOURCES
 principal author: JANE PEARSON

1 PURPOSE

- 1.1 To provide an update regarding the various Business Support Grants awarded since the introduction of the local restrictions due to the Covid pandemic in September last year
- 1.2 To consider the Additional Restrictions Grant Scheme and how to utilise the remaining funding available.
- 1.3 To also inform members of the new Restart Grants which will replace the Local Restrictions Support Grants (LRSG) from 1 April 2021.

2 BACKGROUND

2.1 In Ribble Valley the following local restrictions have applied since 22 September 2020.

	from	to	
Tier 2	22/09/2020	16/10/2020	restrictions on restaurants - no mixing and no bar drinks
Tier 3	17/10/2020	04/11/2020	pubs and bars had to close unless they served a substantial meal
National Lockdown	05/11/2020	02/12/2020	national lockdown all non-essential retail to close also
Tier 3	02/12/2020	30/12/2020	hospitality, accommodation, indoor entertainment all closed but leisure and sports facilities may stay open
Tier 4	31/12/2020	04/01/2021	non essential retail, personal care and leisure also had to close
National Lockdown	05/01/2021	31/03/2021	national lockdown all non-essential retail to close also

2.2 The Government have announced 10 different grant schemes throughout this period

- Local Restrictions Grant (Open)
- Local Restrictions Grant (Closed) pre 5 November 2020
- Local Restrictions Grant (Closed) Addendum 5 November - 2 December 2020
- Local Restrictions Grant (Closed) 2 December - 30 December 2020
- Local Restrictions Grant (Closed) Tier 4 31 December - 4 January 2021
- Christmas Support Payment for wet-led pubs
- Local Restrictions Grant (Closed) Addendum 5 January - 31 March 2021
- Closed Business Lockdown Payment
- Local Restrictions Grant - Sectors
- Additional Restrictions Support Grant (ARG)

- 2.3 The Local Restrictions Support Grants (Closed), Christmas Support Payment for Wet led pubs, and Closed Business Lockdown Payments are all set schemes with the eligibility criteria set by the Government.
- 2.4 For the Local Restrictions Support Grants (Open) scheme local authorities have the discretion to determine the precise eligibility criteria. However, Government expect the funding to be targeted at hospitality, hotel, bed & breakfast and leisure businesses.
- 2.5 Full details regarding all grant schemes are available on our website at https://www.ribblevalley.gov.uk/info/200427/coronavirus_covid-19/1744/business_advice_and_support

3 GRANTS PAID TO DATE

- 3.1 Annex 1 shows the LRSG paid to the 28/2/21. You will see that we are yet to receive funding from some of the grants from BEIS whilst others are somewhat lower than the advance we have received. It is not clear exactly how the allocations have been calculated though BEIS have said that they are linked to the Scat codes used by the Valuation Office Agency when determining business rate hereditaments.

4 CLOSURE OF SCHEMES

- 4.1 The Government have announced that the LRSG schemes will all close on 31 March 21 with the following exceptions:
- Local Restrictions Support Grant (Closed) for the period 16 February 2021 – 31 March 2021 will close on 31 May 2021
 - Closed Business Lockdown Payment will close on 30 April 2021.

5 RESTART GRANTS

- 5.1 The Government have now issued guidance regarding the new Restart Grants which will replace the Local Restrictions Support Grants from 1 April 2021.
- 5.2 We expect the restart grants will be for businesses which have been legally required to close during the lockdown period and are registered for business rates (though there is some uncertainty regarding this)
- 5.3 Grant payments will be as follows:
- Non-essential retail businesses with a rateable value of £15,000 or less, will receive a one-off grant of £2,667.
 - Non-essential retail businesses with a rateable value over £15,000 and less than £51,000, will receive a one-off grant of £4,000.
 - Non-essential retail businesses with a rateable value of £51,000 or above, will receive a one-off grant of £6,000.
 - Qualifying Hospitality and Leisure properties with a rateable value of £15,000 or less, will receive a one-off grant of £8,000.
 - Qualifying Hospitality and Leisure properties with a rateable value over £15,000 and less than £51,000, will receive a one-off grant of £12,000.
 - Qualifying Hospitality and Leisure properties with a rateable value of £51,000 or above, will receive a one-off grant of £18,000

6 ADDITIONAL RESTRICTIONS GRANT SCHEME

6.1 The Government recognised that some businesses that are required to close may not have rateable commercial premises (and therefore won't be eligible for the LRSG schemes), and others won't have been forced to close, but they will be severely impacted due to Local and/or National Lockdown restrictions. As such Local Authorities were allocated Additional Restrictions Grant (ARG) to design a scheme to support such businesses.

6.2 By way of sector of business, the Government stated this could include:

- businesses which supply the retail, hospitality, and leisure sectors
- businesses in the tourism and events sectors

6.3 We have been awarded £1.217m via a first tranche plus £541k via a second tranche of ARG funding, giving a total allocation of £1.759m.

6.4 It was agreed that our ARG scheme should support the following:

- to meet any shortfall on the LRSG (open) scheme which is cash limited;
- to support businesses legally required to close under Tier 4 and/or the National Lockdown who are not on the rating system;
- Businesses in the events sectors.
- to support businesses where the majority of their trade is supporting or supplying to the Hospitality, Leisure and Accommodation and non-essential retail sectors who have been severely impacted since Ribble Valley entered National Lockdown.

6.5 It was decided that the amounts paid would mirror the amounts set by the Government for the LRSG (Open) and LRSG (Closed) grants. These are shown in Annex 2.

6.6 It was also decided that instead of having application windows (as with our Discretionary Grants scheme that ran from May – August last year), the ARG scheme should remain open with different qualifying periods dependant on the restrictions Ribble Valley was in at that time, whilst funding was still available.

6.7 There are 4 qualifying periods for our ARG scheme.

- Period 1 Grants - 44 days in total from 22 September 2020 to 4 November ie the Period that Ribble Valley was in the Tier 2 followed by the Tier 3 Local restrictions.
- Period 2 Grants - 28 days from 5 November 2020 to 2 December 2020 ie the Period of National Lockdown restrictions.
- Period 3 Grants - from 2 December 2020 until 4 January 2021
- Period 4 Grants - from 5 January onwards

ARG paid to date

	Total Grants Nos.	Total £ Grants Paid	Funding Received from BEIS
Additional Restrictions Support Grant (ARG)	213	751,948	1,758,631

- 6.8 The Government originally stated that the ARG funding could be spent upto 31 March 2022. However they have recently announced, whilst this remains the case, additional funding will be provided by way of top-ups to local authorities who have spent their original allocation by the end of June 2021.
- 6.9 The Budget Working Group are due to meet on 22 March 2021 to consider options for our remaining ARG funding. Any recommendations from the BWG will be reported verbally to your meeting.
- 7 RECOMMENDED THAT
- 7.1 Members note the progress made with the allocation of LRSG grants and consider next steps with regard to our ARG scheme.

DIRECTOR OF RESOURCES

PF23-21/JP/AC
22 MARCH 2021

LOCAL RESTRICTIONS SUPPORT GRANTS PAID TO 28/2/21

ANNEX 1

Local Restrictions Support Grants	<15k	£	15k-51k	£	>51k	£	Total Grants Nos.	Total £ Grants Paid	Funding Received from BEIS
Local Restrictions Grant - Sectors							2	3,930	
Local Restrictions Grant (Open)							295	568,460	594,562
Local Restrictions Grant (Closed) pre 5 November	28	23,244	16	21,355	0	0	44	44,599	95,375
Local Restrictions Grant (Closed) Addendum 5 November - 2 December	508	677,672	86	172,000	41	123,000	635	972,672	1,245,438
Local Restrictions Grant (Closed) 2 December - 30 December	172	237,704	54	111,834	36	111,852	262	461,390	736,192
Local Restrictions Grant (Closed) Tier 4 31 December - 4 January	511	121,618	86	30,702	42	22,512	639	174,832	
Christmas Support Payment for wet-led pubs							36	36,000	51,200
Local Restrictions Grant (Closed) Addendum 5 January - 31 March	511	2,083,087	86	525,155	42	386,988	639	2,995,230	1,868,157
Closed Business Lockdown Payment	511	2,044,000	86	516,000	42	378,000	639	2,938,000	3,735,000
							1913	8,195,113	8,325,924

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ADDITIONAL RESTRICTIONS GRANTS - AMOUNT OF GRANTS CURRENTLY AVAILABLE

ANNEX 2

Amount of Grant Calculated as Due:

Rateable Value/equivalent	Period 1		Period 2		Period 3							
	28 Days 22 September 2020 to 19 October 2020	16 Days 20 October 2020 to 4 November 2020	not required to close 28 Days 5 November 2020 to 2 December 2020	legally required to close 28 Days 5 November 2020 to 2 December 2020	Closed Period 2 to 15 December	Open Period 2 to 15 December	Closed Period 16 to 29 December	Open Period 16 to 29 December	Closed Period 30 Dec (1 Day)	Open Period 30 Dec (1 Day)	Tier 4 - Closed Period 31 Dec to 4 January (5 Days)	Tier 4 - Open Period 31 Dec to 4 January (5 Days)
No RV and low fixed costs	N/A	N/A	£500	£500	N/A	N/A	N/A	N/A	N/A	N/A	£89	N/A
<= £15,000	£934	£534	£934	£1,334	£667	£467	£667	£467	£48	£33	£238	£167
> £15,000 <= £51,000	£1,400	£800	£1,400	£2,000	£1,000	£700	£1,000	£700	£71	£50	£357	£250
>= £51,000	£2,100	£1,200	£2,100	£3,000	£1,500	£1,050	£1,500	£1,050	£107	£75	£535	£375

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Rateable Value/equivalent	Period 4a		Period 4b	
	not required to close 42 Days 5 January to 15 February 2021	legally required to close 42 Days 5 January to 15 February 2021	not required to close 44 Days 16 February to 31 March 2021	legally required to close 44 Days 16 February to 31 March 2021
No RV and low fixed costs	£750	£750	£750	£750
<= £15,000	£1,401	£2,001	£1,468	£2,096
> £15,000 <= £51,000	£2,100	£3,000	£2,200	£3,143
>= £51,000	£3,150	£4,500	£3,300	£4,714

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 30 MARCH 2021
title: VOLUNTARY ORGANISATION GRANT APPLICATIONS 2021/22
submitted by: DIRECTOR OF RESOURCES
principal author: ARIFAH BHIKHU

1. PURPOSE

1.1 To approve the allocation of voluntary organisation grants for 2021/22.

2. BACKGROUND

2.1 The Council has a number of grant schemes in operation including recreation grants, culture grants and sports grants which are administered by Community Committee. The voluntary organisation grant scheme is administered by this Committee.

2.2 A member working group considers the applications received and makes recommendations to this Committee regarding the allocation of funds to voluntary organisations on an annual basis.

2.3 The following members attended the working group held on Wednesday 17 March 2021:

- Cllr S Atkinson
- Cllr A Brown
- Cllr J Clark
- Cllr M Robinson

3. APPLICATION PROCESS

3.1 Applicants must clearly demonstrate that the purpose of the grant sought is to provide services or facilities that will meet the needs of communities in the Ribble Valley or directly benefit our residents.

3.2 The scheme will not normally fund the following:

- Capital projects on which work has already started or in aid of expenditure already committed or paid.
- Commercial organisations / businesses
- Any activity designed to promote political party politics or influence government policies
- Applications from the County Council or other government agencies
- Applications from religious organisations unless there is a clear broad community benefit.
- Schemes that can be funded by the Councils' other grant aid schemes.

3.3 Applicants can only be accepted from parish/town councils and properly constituted organisations operating on a non-profit making basis. A valid constitution or memorandum of articles or association, which clearly indicates the voluntary or charitable status of the organisation, should accompany all applications.

3.4 Applications for grants are to be supported by copies of recent bank statements showing how much the organisation has in its bank accounts. Where applications are for grant of over £10,000 a 3-year financial plan must be supplied and all applicants for grants of over £1,000 are required to provide a copy of the organisation's latest audited accounts. Capital projects are limited to 50% of the approved costs to a maximum of £5,000.

4. 2021/22 GRANTS

4.1 26 applications requesting total support of £167,225.20 have been received. A summary of all applications is set out in Annex 1.

4.2 The voluntary organisation grant budget for 2021/22 is £115,810.

5. VOLUNTARY ORGANISATION GRANTS WORKING GROUP

5.1 The working group met on 17 March 2021. The minutes of the meeting are attached at Annex 2.

5.2 After considering the applications the group made the following specific suggestions:

- Suicide Awareness Prevention UK are supported subject to a most recent bank statement being received which clearly shows total balances held in the organisation's name.
- Newton Gigabit Broadband volunteer group be awarded a grant subject to confirmation being received from Newton Parish Council detailing their involvement in administering any potential grant payments for 2021/22.
- Members expressed concern that the grant allocation over recent years for the Citizens Advice Bureau dominated the grants to be awarded, representing almost half of the total budget available. It was agreed that the Citizens Advice Bureau will be awarded a grant subject to the Council receiving satisfactory quarterly monitoring information and that payments will be made on an instalment basis, subject to Committee Approval.

5.3 The group recommended the allocation of voluntary organisation grants as set out in Annex 2 totalling £104,797.20

5.4 The Working Group recognised that the total grants recommended was lower than the available budget by £11,012.80 but recommended holding this balance to be available for any further applications that may arise during the year.

6. RECOMMENDATION

6.1 Approve the allocation of grants as proposed by the voluntary organisation grant working group as set out in Annex 2, totalling £104,797.20

ACCOUNTING TECHNICIAN

DIRECTOR OF RESOURCES

PF24-21/AB/AC
18 MARCH 2021

VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2021/22

Organisation Name	Brief Description of Organisation	Grant Requested for 2021/22 £	Purpose of Grant Request
Braille IT	Delivers free Braille classes in the Ribble Valley to blind and visually impaired individuals and to their parents/carers	£1,797.20	To purchase two Perkins Brailers for learners in the Ribble Valley who would like to access distance learning opportunities (due to Covid) but are currently unable to as there are not enough Brailers available and all existing equipment held by the Organisation has been loaned out.
Bowland Pennine Mountain Rescue Team	Provides search and rescue services in the moorlands of the Forest of Bowland and beyond. Also delivers water rescue services, vulnerable missing person search and 4x4 vehicle access for the Ambulance service during severe weather conditions	£5,000	To help cover running costs of the organisation reducing the organisation's need to use up their existing reserves
Carers Link Lancashire	Provides help, support and training to those who care for people who are ill, disabled or elderly across East Lancashire	£3,000	To expand current capacity and assist the Organisation in providing carers with support services. To assist them to identify "hidden" carers and provide outreach services and awareness training for individuals/groups across the Ribble Valley.
Citizens Advice Ribble Valley	The service is independent and provides free, confidential and impartial advice to everybody	£68,486	To cover the core running costs of the organisation such as staff salaries, rent, insurance, information subscriptions and volunteer expenses
Clitheroe Caste Bonfire and Fireworks	Plan and stage the Clitheroe Community Bonfire and Fireworks display each year November with all proceeds going to local charities	£1,000	To assist with the cost of the firework display which is in excess of £5,000

VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2021/22

Organisation Name	Brief Description of Organisation	Grant Requested for 2021/22 £	Purpose of Grant Request
The Foundation for Ribble Valley Families	To improve the social and emotional wellbeing of vulnerable families in the Ribble Valley	£10,000	Funds will be used towards the cost of supporting vulnerable families across the next 12 months and towards the organisation's general running costs
Hodder Valley Agricultural and Horticultural Society	To improve the standard of animal husbandry and horticultural practices and to foster and encourage interest among children and young people in agriculture and the countryside	£500	To assist the financing of the show and sponsorship of agricultural and horticultural classes
Home-Start in East Lancashire Ltd	Charity which works across East Lancashire and supports vulnerable and hard to reach families who are struggling with a wide variety of issues	£5,000	To support the infrastructure of the organisation and allow it to continue in the area. It will enable recruitment, training and supervision of volunteers
Hyndburn & Ribble Valley CVS	Main focus is promoting, organising and cooperating in initiatives to advance education, protect health and relieve poverty, distress and sickness, through bringing together voluntary organisations and statutory authorities for the benefit of the communities they support.	£3,000	To support Volunteers with travel expenses when carrying out core activities such as prescription delivery and shopping for vulnerable residents in the Ribble Valley
Lancashire Federation of Young Farmer's Clubs	A rural youth organisation who have 17 clubs across the county which deliver a wide programme of activities such as farm tours, trips and annual competitions. Also offer training courses such as First Aid and internal training in farm safety and team building	£1,500	To pay towards venue fees, first aid training costs and farm safety training. To also cover the costs of providing a 'study tour' which will provide members an opportunity to develop their business knowledge and will offer 'social interaction to combat rural isolation'

VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2021/22

Organisation Name	Brief Description of Organisation	Grant Requested for 2021/22 £	Purpose of Grant Request
Longridge Field Day	A longstanding voluntary organisation which arranges an annual spectacular event for the community of Longridge and surrounding villages	£750	To enable a September event to take place in line with necessary Covid / Health and Safety measurements
Longridge Hockey Club	Volunteer-run Hockey club which trains over 50 junior members weekly. The club promotes Hockey and the benefit of exercise and social interaction to boys, girls, women and seniors	£5,000	To be used towards training costs, hire of facilities, league admissions and affiliation bills. The Hockey club have experienced an increase in costs due to Covid - i.e. extra cleaning equipment, hire of extended pitch areas, new equipment, new training kits etc and therefore require assistance to cover the short-term costs until they are able to fund-raise as normal
Little Green Bus	The Charity's main activity is the provision of community transport services for mainly elderly and vulnerable people living in the Ribble Valley	£10,000	To support the community car scheme which provides door to door transport to and from vital medical appointments. This scheme costs over £20,000 per year to deliver. To also cover training and recruitment costs for additional volunteers that the Organisation aims to recruit in the next 12 months
Newton Gigabit Broadband Volunteer Group	To install a 1000 mbps full fibre gigabit broadband network for all residential and rural properties and businesses in the village of Newton. The group are currently in the installation phase of the broadband and work under the guidance provided by B4RN Ltd	£1,000 - £1,500	Work on installing the broadband in Newton has already started however assistance is required to help fund the tools, equipment and consumables required to carry out the volunteer work, including machine hire e.g. mini digger, masonry, disc cutter etc

VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2021/22

Organisation Name	Brief Description of Organisation	Grant Requested for 2021/22 £	Purpose of Grant Request
Outdoors 4 All Together CIC	Working in the Ribble Valley and surrounding areas of Lancashire and Yorkshire, the Organisation aims to improve the mental health and wellbeing of the public through contact with nature and so offers a variety of activities for individuals to get involved in	£1,692	To contribute towards core running costs of the Organisation (i.e. insurance costs, accountancy fees, marketing material, training costs, additional hygiene and safety costs due to Covid)
Reachout.Work CIC	Delivers early intervention and wellbeing services to young people who are unable to attend school and are struggling with mental health problems. They offer home support, child counselling and centre-based support to young people and their families and deliver learning support in various subjects including Maths, English and Science	£5,000	The organisation plan to open up a new Community Café / Hub (in Clitheroe) post Covid and need assistance towards their current rental and administration costs. They also require funding to pay towards staff costs for delivering Zoom sessions and carrying out home support visits
Ribble Valley Art4All (Ribble Valley Gateway Trust)	Provides an Art experience for adults who are disadvantaged or with special needs and learning disabilities	£1,000	To assist with material costs and delivering art projects. The Group wish to compile a booklet for a future project which will be used by students
Ribble Valley Crossroads Care	Charity which provides Carer Support Workers to care for people in their own homes to give their carers a break. All individuals supported by the Charity live in the Ribble Valley	£20,000	To assist with the high travel costs the charity incurs as its staff have to travel around the Ribble Valley to reach clients. Also pay the carer support workers time between calls which are paid at NMW - due to increase in April 2021

VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2021/22

Organisation Name	Brief Description of Organisation	Grant Requested for 2021/22 £	Purpose of Grant Request
Ribble Valley Talking Newspaper Group	Ribble Valley Talking Newspaper has provided a recorded version of the Clitheroe Advertiser & Times for visually impaired residents since 1978	£500	No CD has been produced this year due to Covid however the Organisation is seeking grant assistance towards their general running costs and hope to continue with providing their services after the pandemic.
Salesbury Memorial Hall	Holds various activities and functions at the Hall. Aims to promote usage of the Hall and invite local residents / visitors to the Hall	£2,000	To carry out relevant floor and door repairs so that those with mobility issues who use the chair lifts are able to have safe access to the hall and prevent a health and safety hazard
Shop Mobility provided by Modern Mobility	Modern Mobility operate a total of three shops across Blackburn, Leicester and Clitheroe. The organisation provides mobility equipment such as scooters, wheelchairs and powerchairs and currently offers free wheelchair hire for anyone struggling to gain access to vaccination appointments due to limited mobility.	£9,000	To assist with the running costs of maintaining Shop Mobility
St Leonards Langho Scout Group	Gives young people aged 6 to 14 in the local area a rounded education in life skills and provides experiences in a safe, fun environment that they might not be able to get at home. The group attracts young people from Mellor, Whalley, Wilpshire, Barrow, Billington and Langho	£4,000	To fund camps, trips and extra activities which the Group want to hold post-Covid. The group's main fundraising activity is the Community bonfire which due to Covid was cancelled last year. Income gained from this event is normally used to subsidise all extra costs which would otherwise be paid in full by parents of the Cubs and Scouts.

VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2021/22

Organisation Name	Brief Description of Organisation	Grant Requested for 2021/22 £	Purpose of Grant Request
St Vincent de Paul Society Clitheroe Conference	Tackles poverty in the locality by: Visiting and befriending those who need support, providing food parcels, offering holidays to those who can't afford a break, distributing furniture, housing the homeless and supporting disaster relief projects worldwide.	£1,000	All grant funding will be used in the provision and delivery of projects for the needy and disadvantaged (as outlined under 'brief description of organisation')
Suicide Awareness Prevention UK	To prevent suicide and suicidal idealisation by promoting a healthier mental health and supporting those in need via the SAPChat Service	£500	To support SAPChat - SAPUK's phone line service
Whalley and District Lions Club CIO	To serve the local community and provide charitable support in crisis situations around the world. The club help during floods both physically and financially, help in tree planting, litter collecting and regularly organise social events for children and adults to attend	£1,000	The Organisation have been unable to raise funds over the last year due to Covid. Any funding gained will be added to their Charity Account
Worston Mission Room	Provides Worston with a community building for groups and individuals to use for group activities and social events	£5,000	To fund renovation costs for the Mission Room - The mission room would like to redecorate, put in new carpets, update the toilet facilities and put in safety features for the disabled. Also want to install handrails to both the front and rear exits in time for the May Election
Total Requested		£167,225.20	

**MINUTES OF VOLUNTARY ORGANISATION GRANTS WORKING GROUP MEETING
HELD ON 18 MARCH 2021 10.00AM**

Present: Councillor Stephen Atkinson (Chairman)
Councillor Alison Brown
Councillor Judith Clark
Councillor Mary Robinson
Head of Financial Services
Senior Accountant (P&F Committee)
Accounting Technician

Apologies: Councillor Jonathon Hill
Chief Executive
Director of Resources

1 Background

1.1 The purpose of the working group was to consider the 2021/22 voluntary organisation grant applications received and make recommendations to Policy and Finance Committee.

2. 2021/22 Applications

2.1 The Council received 26 applications requesting total support of £167,225.20.

2.2 It was explained that the voluntary organisation grant budget for 2021/22 is £115,810.

2.3 After considering the applications the group made the following specific suggestions;

- Suicide Awareness Prevention UK are supported subject to a most recent bank statement being received which clearly shows total balances held in the organisation's name.
- Newton Gigabit Broadband volunteer group are to be awarded a grant subject to a letter of confirmation being received from Newton Parish Council detailing their involvement in administering any potential grant payments for 2021/22.
- Members expressed concern that the grant allocation over recent years for the Citizens Advice Bureau dominated the grants to be awarded, representing almost half of the total budget available. It was agreed that the Citizens Advice Bureau will be awarded a grant subject to the Council receiving satisfactory quarterly monitoring information and that payments will be made on an instalment basis, subject to Committee Approval.

2.4 The group recommended the allocation of voluntary organisation grants as attached totalling £104,797.20

2.5 The Working Group recognised that the total grants recommended were lower than the available budget by £11,012.80

2.6 In the review of the applications, a declaration of interest was made by Cllr Mary Robinson in respect of the applications made by Little Green Bus and by St Leonards Langho Scout Group. As a result, Cllr Mary Robinson left the meeting at the stages when these applications were discussed and took no part in the decision-making process on these application.

3 Recommended Grant Allocations for 2021/22

**MINUTES OF VOLUNTARY ORGANISATION GRANTS WORKING GROUP MEETING
HELD ON 18 MARCH 2021 10.00AM**

- 3.1 The group recommended the allocation of Voluntary Organisation grants for 2021/22 on the following basis:

Organisation Name	Recommended Grant for 2021/22 £
Braille IT	1,797.20
Bowland Pennine Mountain Rescue Team	5,000
Carers Link Lancashire	1,500
Citizens Advice Ribble Valley	52,500
Clitheroe Castle Bonfire and Fireworks	750
The Foundation for Ribble Valley families	5,000
Hodder Valley Agricultural and Horticultural Society	500
Home-Start in East Lancashire Ltd	4,000
Hyndburn & Ribble Valley CVS	1,500
Lancashire Federation of Young Farmer's Clubs	750
Longridge Field Day	500
Longridge Hockey Club	0
Little Green Bus	10,000
Newton Gigabit Broadband Volunteer Group	1,000
Outdoors4All Together CIC	0
Reachout.Work - CIC	0
Ribble Valley Art4All (Ribble Valley Gateway Trust)	0
Ribble Valley Crossroads Care	17,500
Ribble Valley Talking Newspaper Group	500
Salesbury Memorial Hall	0
Shop Mobility provided by Modern Mobility	0
St Leonards Langho Scout Group	500
St Vincent de Paul Society Clitheroe Conference	1,000
Suicide Awareness Prevention UK	500
Whalley and District Lions Club CIO	0
Worston Mission Room	0
Total	£104,797.20

**MINUTES OF VOLUNTARY ORGANISATION GRANTS WORKING GROUP MEETING
HELD ON 18 MARCH 2021 10.00AM**

- 4.1 The group commented that it would be advantageous if the application timetables for this grant scheme and that of the Recreation and Culture Grant scheme could be aligned in future years, as there was often a number of grant applications received under this scheme which should fall under the Recreation and Culture Grant scheme.

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 30 MARCH 2021
title: DRAFT CYCLE OF COMMITTEE MEETINGS 2021/22
submitted by: CHIEF EXECUTIVE
principal author: OLWEN HEAP

1 PURPOSE

1.1 To request Committee's consideration of the proposed meeting cycle for committees for the municipal year 2021/22.

1.2 Relevance to the Council's ambitions and priorities:

One of the Council's stated aims is to be a well-run Council. Meetings of the Council and its committees are arranged to be as accessible as possible in order to enhance the transparency of the Council's work.

2 BACKGROUND

2.1 The draft meeting cycle is drawn up at this time of year for the forthcoming municipal year ie 2021/22

2.2 It is subject to final approval at the Annual meeting on 11 May 2021.

2.3 Some meeting dates have to fit into other timetables, eg approval of the Statement of Accounts, setting the Council Tax.

3 ISSUES

3.1 The draft meeting cycle at Appendix A is similar to the cycle for 2019/20. All the committees are the same and the order in which the meetings are held largely remain the same also.

3.2 As there are elections for 3 Borough councillors as well as LCC and PCC elections on 6 May 2021 the previously approved date of the Annual meeting will have to be changed from the 11 May 2021 to 18 May 2021 to allow for the legal requirement of 5 days notice of the meeting to all councillors.

3.2 Consideration has been given to various issues that have resulted in

- Meeting dates being arranged around the Easter holidays
- Meeting dates avoiding, where possible half term holidays
- the 'summer' cycle being condensed as far as possible to avoid August;

3.3 At this moment in time it is unknown as to whether these meetings will be held remotely or whether other arrangements will have to be made as the appropriate legislation is not

yet in place. The current legislation allowing for remote meeting expires on 7 May 2021. Members will be kept informed.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – the estimated costs of administering the committee arrangements is included in the approved budget for 2021/22.
- Technical, Environmental and Legal – None arising as a direct result of this report.
- Political – None arising as a direct result of this report.
- Reputation – None arising as a direct result of this report.
- Equality & Diversity – None arising as a direct result of this report.

5 **RECOMMENDED THAT COMMITTEE**

5.1 Approve the draft meeting cycle at Appendix A for ratification at the Annual Meeting on 18 May 2021.

OLWEN HEAP
ADMINISTRATION OFFICER

MARSHAL SCOTT
CHIEF EXECUTIVE

BACKGROUND PAPERS

Meeting Cycle 2019/20

For further information please ask for Olwen Heap, extension 4408

REF: OMH/P&F300321

Ribble Valley Borough Council
Meeting Cycle 2021/22
(11 May 2021 – 10 May 2022)

MEETINGS	Day	TIME	1ST CYCLE 2021	2ND CYCLE 2021	3RD CYCLE 2021	4TH CYCLE 2022	5TH CYCLE 2022
Community Services	Tues	6.30pm	25 May	24 Aug	19 Oct	11 Jan	8 March
Planning and Development	Thurs	6.30pm	27 May	29 Jul + 26 Aug	21 Oct	6 Jan	10 March
Personnel	Wed	6.30pm	9 June	1 Sept	27 Oct	12 Jan	16 March
Health & Housing	Thurs	6.30pm	10 June	2 Sept	28 Oct	13 Jan	17 March
Licensing	Tues	6.30pm	15 June	7 Sept	2 Nov	25 Jan	22 March
Economic Development	Thurs	6.30pm	17 June	9 Sept	4 Nov	20 Jan	24 March
Policy & Finance	Tues	6.30pm	22 June	14 Sept	9 Nov	18 Jan + 8 Feb	29 March
Parish Liaison	Thurs	6.30pm	24 June	16 Sept	11 Nov	27 Jan	31 March
Planning & Development	Thurs	6.30pm	1 July	23 Sept	2 Dec	10 Feb	7 April
Accounts & Audit	Wed	6.30pm	28 July	29 Sept	17 Nov	2 Feb	6 April
Full Council	Tues	6.30pm	13 July	12 Oct	14 Dec	1 March	26 April

2021

Offices Closed

Spring Bank : 31 May 2021
 August Bank : 30 August 2021
 Christmas : 25 - 31 December 2020

Annual Council : 18 May 2021
 LCC and PCC Elections : 7 May 2021

2022

Offices Closed

New Year : 1 - 3 January 2022
 Good Friday : 15 April 2022
 Easter Monday : 18 April 2022
 May Day : 2 May 2022

Annual Council : 10 May 2022

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

meeting date: TUESDAY, 30 MARCH 2021
 title: CONSULTATION ON PROPOSALS FOR LOCALLY-LED REORGANISATION OF LOCAL GOVERNMENT IN CUMBRIA, NORTH YORKSHIRE AND SOMERSET
 submitted by: CHIEF EXECUTIVE
 principal author: MARSHAL SCOTT, CHIEF EXECUTIVE

1 PURPOSE

1.1 To consider how to respond to the Government’s consultation on locally-led proposals to reorganise local government in Cumbria and North Yorkshire.

1.2 Relevance to the Council’s ambitions and priorities

- Community Objectives }
- Corporate Priorities } The consultation has no direct impact on the Council or our residents and businesses.
- Other Considerations }

2 BACKGROUND

2.1 We have been invited as a District Council in a neighbouring county to consider whether we wish to respond to the consultation to reorganise local government in Cumbria and North Yorkshire.

2.2 The consultation was launched on 22 February 2021 and will run for 8 weeks to 19 April 2021.

2.3 Following the consultation, the Secretary of State will decide, subject to Parliamentary approval, which, if any, proposals are to be implemented, with or without modification. The full consultation is attached at Annex 1 and explains the process in more detail.

3 PROPOSALS

3.1 The Secretary of Stage has received proposals for locally-led reorganisation of local government from the following Councils by 9 December 2020.

3.2 Cumbria

- **Allerdale Borough Council and Copeland Borough Council** submitted a joint proposal for two unitary Councils covering the whole of the administrative County of Cumbria.
 - West – comprising the current districts of Allerdale, Carlisle and Copeland
 - East – comprising the current districts of Barrow, Eden and South Lakeland
- **Barrow Borough Council and South Lakeland Borough Council** submitted a joint proposal for two unitary Councils covering the whole of the administrative County of Cumbria and the district area of Lancaster City within Lancashire County.

- The Bay – comprising the current districts of Barrow, Lancaster City and South Lakeland
- North Cumbria – comprising the current districts of Allerdale, Carlisle, Copeland and Eden
- **Carlisle City Council and Eden District Council** submitted a joint proposal for two unitary Councils covering the whole of the administrative County of Cumbria.
 - North – comprising the current districts of Allerdale, Carlisle and Eden
 - South – comprising the current districts of Barrow, Copeland and South Lakeland
- **Cumbria County Council** submitted a proposal for a single unitary for the whole of the administrative County of Cumbria.

3.3 North Yorkshire

- **Craven District Council, Harrogate Borough Council, Richmondshire District Council, Ryedale District Council, Scarborough Borough Council and Selby District Council** submitted a joint proposal for two unitary Councils covering the whole of the administrative county of North Yorkshire and the whole of the administrative area of the City of York.
 - East comprising the current districts of Ryedale, Scarborough, Selby and the current unitary of York
 - West comprising the current districts of Craven, Hambleton, Harrogate and Richmondshire
- **North Yorkshire County Council** submitted a proposal for a single unitary Council for the whole of the county of North Yorkshire with no changes to the existing City or unitary.

4 THE CONSULTATION

- 4.1 The Secretary of State for Housing Communities and Local Government is consulting on these proposals and welcomes views from interested persons, before he makes any assessment of the merits of the proposals or considers them against the criteria set out below.

Criteria

A proposal should seek to achieve for the area concerned the establishment of a single tier of local government, that is the establishment of one or more unitary authorities:

- a. which are likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and which are more sustainable structures;
- b. which command a good deal of local support as assessed in the round overall across the whole area of the proposal; and
- c. where the area of each unitary authority is a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.

The 2007 Act requires that before a proposal for local government reorganisation can be implemented, the Secretary of State must first consult any council affected that has not submitted the proposal, as well as any other persons that he considers appropriate.

Consultation Questions

This consultation seeks views on the Cumbria, North Yorkshire and Somerset councils' proposal and in particular on the following questions in relation to each proposal:

- 1) Is the councils' proposal likely to improve local government and service delivery across each area? Specifically, is it likely to improve council services, give greater value for money, generate savings, provide stronger strategic and local leadership, and create more sustainable structures?
- 2) Where it is proposed that services will be delivered on a different geographic footprint to currently, or through some form of joint arrangements is this likely to improve those services? Such services may for example be children's services, waste collection and disposal, adult health and social care, planning, and transport.
- 3) Is the councils' proposal also likely to impact local public services delivered by others, such as police, fire and rescue, and health services?
- 4) Do you support the proposal from the councils?
- 5) Do the unitary councils proposed by the councils represent a credible geography?
- 6) Do you have any other comments with regards to the proposed reorganisation of local government in each area? Please indicate reasons for your answers.

What happens next?

The consultation will close at 23.59 on 19th April 2021.

The Secretary of State is consulting on these proposals before he has made any assessment of the merits of the proposals. He will consider all of these proposals carefully, the responses he receives to this consultation, all representations he receives and all other relevant information, assessing the proposals against the criteria below before reaching a balanced judgement on which proposals, if any, to implement.

- a. Is it likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and more sustainable structures;
- b. Does it command a good deal of local support as assessed in the round overall across the whole area of the proposal; and
- c. Is it a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.

The Secretary of State may decide, subject to Parliamentary approval, to implement a proposal with or without modification, or to not implement any proposal for an area. He may also seek advice from the Local Government Boundary Commission for England. If any proposals are to be implemented, we would expect new unitary councils to take on full council role from April 2023, with the transitional arrangements in 2022-23 to support a smooth implementation.

The Secretary of State's decisions will be communicated to the councils as soon as practicable.

5 RESPONDING TO THE CONSULTATION

5.1 The Council can respond to one or both of the proposals for local government reorganisation in our neighbouring county areas.

5.2 If you wish to respond we have until 19 April to formulate our answers to the consultation questions.

5.3 You may consider the creation of a small working group of Members who can go through the various options in more detail would be useful.

6 RISK ASSESSMENT

6.1 The approval of this report may have the following implications

- Resources }
- Technical, Environmental and Legal } There are no direct implications of any of these proposals for the Council.
- Political } However, the outcome may well prove to be a blueprint for more widespread reorganisation of local government in the future.
- Reputation }
- Equality & Diversity }

7 **RECOMMENDED THAT COMMITTEE**

7.1 Consider if you wish to respond to the consultation on proposals to reorganise local government in Cumbria and North Yorkshire.

7.2 Appoint a small working group of Members to consider the Council's response.

7.3 Delegate to the Chief Executive in consultation with the chairman of this Committee the submission of any response agreed by the working group.

MARSHAL SCOTT
CHIEF EXECUTIVE

For further information please ask for Marshal Scott, extension 4400



Ministry of Housing,
Communities &
Local Government

Consultation on proposals for locally-led reorganisation of Local Government in Cumbria, North Yorkshire and Somerset



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This document/publication is also available on our website at <https://consult.communities.gov.uk/>

If you have any enquiries regarding this document/publication, complete the form at <http://forms.communities.gov.uk/> or write to us at:

Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF
Telephone: 030 3444 0000

For all our latest news and updates follow us on Twitter: <https://twitter.com/mhclg>

February 2021

ISBN:

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Scope of the consultation

<p>Topic of this consultation:</p>	<p>This consultation seeks views on the locally-led proposals that the Secretary of State has received following his invitation to councils in Cumbria, North Yorkshire, and Somerset to submit proposals for local government reorganisation. The proposals in this consultation were submitted by:</p> <p><u>Cumbria:</u></p> <ol style="list-style-type: none"> 1. Allerdale Borough Council and Copeland Borough Council 2. Barrow Borough Council and South Lakeland District Council 3. Carlisle City Council and Eden District Council 4. Cumbria County Council <p><u>North Yorkshire:</u></p> <ol style="list-style-type: none"> 5. Craven District Council, Harrogate Borough Council, Richmondshire District Council, Ryedale District Council, Scarborough Borough Council and Selby District Council 6. North Yorkshire County Council <p><u>Somerset:</u></p> <ol style="list-style-type: none"> 7. Mendip District Council, Sedgemoor District Council, Somerset West & Taunton Council and South Somerset District Council 8. Somerset County Council <p>It asks a number of questions about each proposal to help inform the Secretary of State's assessment of the proposal, including:</p> <ul style="list-style-type: none"> • Whether each proposal will improve local government • Whether there is a good deal of local support in the round for the proposal • Do the proposed new council areas cover a credible geography
<p>Scope of this consultation:</p>	<p>This consultation relates to the structure of local government in Cumbria, North Yorkshire and Somerset</p>
<p>Geographical scope:</p>	<p>These proposals relate to England only but may have implications for the areas and councils involved in the Borderlands Growth Deal¹</p>
<p>Impact Assessment:</p>	<p>An Impact Assessment has not been prepared for this consultation as it will only affect local government in Cumbria, North Yorkshire and Somerset and so there will be no direct regulatory, economic or social impacts.</p>

¹ The Borderlands Partnership brings together the five cross-border local authorities of Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland Council and Scottish Borders Council to promote the economic growth of the area that straddles the Scotland-England border.

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Basic Information

<p>To:</p>	<p>We welcome the views of all those interested in these proposals, including local residents, town and parish councils, businesses and the voluntary sector.</p> <p>Before implementing a proposal, the Secretary of State is required to consult any local authority that is affected by the proposal (but which has not submitted it), and any such other persons as he considers appropriate.</p> <p>The Secretary of State is therefore consulting the councils which made the proposals, other councils affected by the proposals and the councils in neighbouring areas which may be affected by the proposals.</p> <p>He also considers it appropriate to consult public service providers, including health providers and the police, Local Enterprise Partnerships, and certain other business, voluntary sector and educational bodies. A full list of named consultees is at Annex B.</p> <p>The Secretary of State will carefully consider all views expressed, including from local residents, as well as from named consultees.</p>
<p>Body/bodies responsible for the consultation:</p>	<p>This consultation is conducted by the Ministry of Housing, Communities and Local Government.</p>
<p>Duration:</p>	<p>This consultation will last for eight weeks closing 23:59 19th April 2021</p>
<p>Enquiries:</p>	<p>For any enquiries about the consultation please email Governance Reform and Democracy Unit - unitaryconsultation@communities.gov.uk</p>
<p>How to respond:</p>	<p>Please go to the section ‘Responding to this consultation’ below, where you will find links to the consultation questionnaire for each proposal included in this consultation.</p> <p>Alternatively, you can email your response to the questions in this consultation to unitaryconsultation@communities.gov.uk</p> <p>If you are responding in email or writing, please make it clear which area and questions you are responding to.</p> <p>Written responses should be sent to: Governance Reform and Democracy Ministry of Housing, Communities and Local Government</p>

2 Marsham Street
London
SW1P 4DF

When you reply it would be very useful if you confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- Are you responding as a resident or on behalf of an organisation? Please indicate as below:
 - Resident living in area affected
 - Resident not living in area affected
 - Business organisation
 - Education organisation
 - Local Government organisation – Principal council
 - Local Government organisation – Parish/Town council
 - Local Government organisation – Other
 - Police organisation
 - Fire organisation
 - Health organisation
 - Other
- your position in the organisation and the organisation's name (if applicable),
- an email address

Introduction

1. Residents and businesses in Cumbria, North Yorkshire and Somerset are currently served by a two-tier system of local government. County Councils are responsible for services such as adults' and children's social care, maintaining roads, libraries and waste disposal, and the District and Borough Councils are responsible for service such as rubbish collection, housing and planning and environmental health. The City of York Council is a unitary local authority which is responsible for all local government services in its area.
2. Councils in these three areas have been developing ideas about restructuring local government for some time and in each area, some or all of the councils have requested an invitation from the Secretary of State to submit proposals for unitary local government – a single tier of local government delivering all of the local government services for the area.
3. The Government's approach to local government reorganisations is locally-led, on the basis that those in a local area are best placed to know what is best for the area. This broader policy position was reaffirmed by the Secretary of State in a written ministerial statement published on 12 October 2020 that can be accessed [here](#)
4. On 9 October 2020, in response to these requests, the Secretary of State invited the councils in all three areas, including associated existing unitary councils, to submit locally led proposals for unitary local government. The invitations invited proposals for a single tier of local government permissible under the primary legislation, explained that proposals could be submitted by a council individually or jointly with other councils receiving the invitation and included guidance on what the proposals should seek to achieve, to which the councils were required to have regard. These invitations started the legislative process for restructuring local government in the three areas, which is set out in the Local Government and Public Involvement in Health Act 2007 (the 2007 Act).
5. The Secretary of State received 8 proposals by the specified deadline of 9 December 2020, 4 from councils in Cumbria, 2 from councils in North Yorkshire and 2 from councils in Somerset.
6. The 2007 Act requires that, before a proposal for local government reorganisation can be implemented, the Secretary of State must first consult any local authority that is affected by a proposal (but which has not submitted it), and any such other persons as he considers appropriate.
7. In deciding which proposal, if any, to implement in an area, subject to Parliamentary approval, the Secretary of State will make a balanced judgement assessing the proposals against the three criteria set out in the statutory guidance accompanying the invitation, and having regard to all representations received, including responses to this consultation, and to all other relevant information available to him. These criteria, which reflect longstanding criteria for assessing unitary proposals, are that - a proposal should seek to achieve for the area concerned the establishment of a single tier of local government, that is the establishment of one or more unitary authorities:

- a. which are likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and which are more sustainable structures;
 - b. which command a good deal of local support as assessed in the round overall across the whole area of the proposal; and
 - c. where the area of each unitary authority is a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.
8. Respondents, including local residents, are able to respond in relation to one or more of the proposals included in the consultation, although we expect respondents to comment only on the proposals affecting their area; the responses will help to inform the Secretary of State's careful consideration of the proposals.

The Government's invitation to the councils

9. On 9 October 2020, an invitation to develop proposals for the creation of new single-tier (unitary) authorities was issued to the following councils.

Cumbria:

Allerdale Borough Council
Barrow Borough Council
Carlisle City Council
Copeland Borough Council
Cumbria County Council
Eden District Council
South Lakeland District Council

North Yorkshire and York

City of York Unitary Council
Craven District Council
Hambleton District Council
Harrogate Borough Council
North Yorkshire County Council
Richmondshire District Council
Ryedale District Council
Scarborough Borough Council
Selby County Council

Somerset

Bath and North East Somerset Council
Mendip District Council
North Somerset Council

Sedgemoor District Council
Somerset County Council
Somerset West & Taunton Council
South Somerset District Council

10. The invitation issued by the Secretary of State on 9 October 2020 was issued under Part 1 of the 2007 Act. It invited the councils to make proposals for the restructuring of local government, which could take the form of any of the types of proposal permissible under the 2007 Act:

- Type A – a single tier of local authority covering the whole of the county concerned
- Type B – a single tier of local authority covering an area that is currently a district, or two or more districts in the county concerned
- Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals

11. The invitation specified that any councils responding to the proposal must have regard to the Secretary of State's guidance appended to the invitation. This guidance is as follows:

Guidance from the Secretary of State for councils submitting proposals:

1. A proposal should seek to achieve for the area concerned the establishment of a single tier of local government, that is the establishment of one or more unitary authorities:
 - a. which are likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and which are more sustainable structures;
 - b. which command a good deal of local support as assessed in the round overall across the whole area of the proposal; and
 - c. where the area of each unitary authority is a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.
2. The following matters should be taken into account in formulating a proposal:
 - a. A proposal should describe clearly the single tier local government structures it is putting forward, and explain how, if implemented, these are expected to achieve the outcomes described in paragraph 1 above.

- b. The need for evidence and analysis to support a proposal and any explanation of the outcomes it is expected to achieve, including evidence of a good deal of local support.
- c. The impact of any proposed unitary authorities on other local boundaries and geographies. If the area of any proposed unitary authority crosses existing police force and fire and rescue authority boundaries, the proposal should include an assessment of what the impact would be on the police forces and/or fire and rescue authorities and include the views of the relevant Police and Crime Commissioners and Fire and Rescue Authorities
- d. Any wider context for any proposed unitary authorities around promoting economic recovery and growth, including possible future devolution deals and Mayoral Combined Authorities.
- e. If the proposal submitted by 9 November 2020 is an outline proposal it should indicate what further material is expected to be provided and when this would be submitted which should be no later than 9 December 2020

12. Paragraph 1 of the guidance sets out the criteria to be used by the Government when considering and assessing proposals for unitary local government.

Paragraph 2c required any proposals proposing a unitary authority which crosses existing police force and fire and rescue authority boundaries, to include an assessment of what the impact would be on the police forces and/or fire and rescue authorities and include the views of the relevant Police and Crime Commissioners and Fire and Rescue Authorities. This reflects that the invitation permits proposals that include one or more districts from outside county boundaries to be included which may have implications for the police and fire and rescue services.

The councils' proposals

13. Proposals for locally-led reorganisation of local government were received from the following councils by 9 December 2020.

Cumbria

- **Allerdale Borough Council and Copeland Borough Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Cumbria: one unitary council in the West comprising the current districts of Allerdale, Carlisle and Copeland; and one in the East comprising the current districts of Barrow, Eden and South Lakeland.
- **Barrow Borough Council and South Lakeland District Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Cumbria and the administrative district area of Lancaster City within Lancashire County: one unitary council ("The Bay") comprising the current districts of Barrow, Lancaster City (in Lancashire) and South Lakeland; and one comprising the current districts of Allerdale, Carlisle, Copeland and Eden districts in "North Cumbria".

- **Carlisle City Council and Eden District Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Cumbria: one unitary council in the north comprising the current districts of Allerdale, Carlisle and Eden; and one in the south comprising the current districts of Barrow, Copeland and South Lakeland in the south.
- **Cumbria County Council** submitted proposal for a single unitary council for the whole of the area of the administrative county of Cumbria County.

North Yorkshire

- **Craven District Council, Harrogate Borough Council, Richmondshire District Council, Ryedale District Council, Scarborough Borough Council and Selby District Council submitted** a joint proposal for two unitary councils covering the whole of the area of the administrative county of North Yorkshire and whole of the area of the administrative area of the City of York; one unitary in the east comprising the current districts of Ryedale, Scarborough, Selby and the current unitary of York; and one in the west comprising the current districts of Craven, Hambleton, Harrogate and Richmondshire.
- **North Yorkshire County Council** submitted a proposal for a single unitary council for the whole of the area of the administrative county of North Yorkshire with no changes to the existing City of York unitary.

Somerset

- **Mendip District Council, Sedgemoor District Council, Somerset West & Taunton Council and South Somerset District Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Somerset County; one unitary council in the west comprising the current districts of Sedgemoor and Somerset West & Taunton and the other in the east comprising the current districts of Mendip and South Somerset in the east.
- **Somerset County Council** submitted a proposal for a single unitary council for the whole of the area of the administrative county of Somerset.

This Consultation

14. All 8 of the proposals submitted are for a type of proposal which is permissible under the 2007 Act. The Secretary of State is consulting on these proposals and welcoming views from any interested persons, including residents, before he makes any assessment of the merits of the proposals or considers them against the criteria.
15. The 2007 Act requires that before a proposal for local government reorganisation can be implemented, the Secretary of State must first consult any council affected that has not submitted the proposal, as well as any other persons that he considers appropriate. We welcome views from any interested persons, including residents, and a full list of named bodies being consulted on each proposal are at Annex B.
16. The detailed information and supporting analysis within each councils' proposal are not summarised in this document as the detailed proposals are accessible on the

councils' websites through the hyperlinks in this document. You can choose which proposals to review further and which to comment on through this consultation through clicking on the links below.

Responding to the consultation

17. Do you wish to review and comment on;

Cumbria proposals <https://consult.communities.gov.uk/governance-reform-and-democracy/cumbria>

North Yorkshire proposals <https://consult.communities.gov.uk/governance-reform-and-democracy/northyorkshire>

Somerset Proposals <https://consult.communities.gov.uk/governance-reform-and-democracy/somerset>

18. The above links will take you to the proposals via the Departments online consultation platform which you can use to respond. The links below will take you directly to the proposals

Cumbria Links

Allerdale [link](#) to proposal for two unitary councils from Allerdale and Copeland Borough Councils

Copeland [link](#) to proposal for two unitary councils from Allerdale and Copeland Borough Councils

Barrow [link](#) to proposal for two unitary councils from Barrow Borough and South Lakeland District Councils

South Lakeland Council [link](#) to proposal for two unitary councils from Barrow Borough and South Lakeland District Councils

Carlisle [link](#) to proposal for two unitary councils from Carlisle City and Eden District Councils

Eden [link](#) to proposal for two unitary councils from Carlisle City and Eden District Councils

[Link](#) to proposal for one unitary council from Cumbria County Council

North Yorkshire

[Link](#) to proposal for one unitary council from North Yorkshire County Council

[Link](#) to proposal for two unitary councils from Craven, Harrogate, Richmondshire, Ryedale, Scarborough and Selby District Councils

Somerset

[Link](#) to proposal for one unitary council from Somerset County Council

[Link](#) to proposal for two unitary councils from Mendip District Council, Sedgemoor District Council, Somerset West & Taunton Council and South Somerset District Council

19. Alternatively, you can email your response to the questions in this consultation to unitaryconsultation@communities.gov.uk

20. If you are responding in email or writing, please make it clear which area and questions you are responding to.

Written responses should be sent to:
Governance Reform and Democracy
Ministry of Housing, Communities and Local Government
2 Marsham Street
London
SW1P 4DF

When you reply please confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- Are you responding as a resident or on behalf of an organisation? Please indicate as below:
 - Resident living in area affected
 - Resident not living in area affected
 - Business organisation
 - Education organisation
 - Local government organisation – Principal council
 - Local government organisation – Parish/Town council
 - Local government organisation – Other
 - Police organisation
 - Fire organisation
 - Health organisation
 - Other organisations
- your position in the organisation and the organisation's name (if applicable),
- an email address

21. This headline information about respondents – whether you are responding on behalf of an organisation or an individual and some other background information - will be used to help us understand the responses.

What happens next?

22. The consultation will close at 23.59 on 19th April 2021.

23. The Secretary of State is consulting on these proposals before he has made any assessment of the merits of the proposals. He will consider all of these proposals carefully, the responses he receives to this consultation, all representations he receives and all other relevant information, assessing the proposals against the criteria below before reaching a balanced judgement on which proposals, if any, to implement.

a. Is it likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and more sustainable structures;

b. Does it command a good deal of local support as assessed in the round overall across the whole area of the proposal; and

c. is it a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.

24. The Secretary of State may decide, subject to Parliamentary approval, to implement a proposal with or without modification, or to not implement any proposal for an area. He may also seek advice from the Local Government Boundary Commission for England. If any proposals are to be implemented, we would expect new unitary councils to take on full council role from April 2023, with the transitional arrangements in 2022-23 to support a smooth implementation.

25. The Secretary of State's decisions will be communicated to the councils as soon as practicable.

Consultation questions

This consultation seeks views on the Cumbria, North Yorkshire and Somerset councils' proposal and in particular on the following questions in relation to each proposal:

- 1) Is the councils' proposal likely to improve local government and service delivery across each area? Specifically, is it likely to improve council services, give greater value for money, generate savings, provide stronger strategic and local leadership, and create more sustainable structures?
- 2) Where it is proposed that services will be delivered on a different geographic footprint to currently, or through some form of joint arrangements is this likely to improve those services? Such services may for example be children's services, waste collection and disposal, adult health and social care, planning, and transport.
- 3) Is the councils' proposal also likely to impact local public services delivered by others, such as police, fire and rescue, and health services?
- 4) Do you support the proposal from the councils?
- 5) Do the unitary councils proposed by the councils represent a credible geography?
- 6) Do you have any other comments with regards to the proposed reorganisation of local government in each area?

Please indicate reasons for your answers.

About this consultation

This consultation has been designed in line with the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal data, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the General Data Protection Regulation, and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the Freedom of Information Act and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Ministry of Housing, Communities and Local Government will process your personal data in accordance with the law and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included at Annex A.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the [complaints procedure](#).

Annex A

Personal data

The following is to explain your rights and give you the information you are be entitled to under the Data Protection Act 2018.

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

The Data Protection Act 2018 states that, as a Government department, MHCLG may process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

3. With whom we will be sharing your personal data

Once data has been analysed and consultation is concluded, it will then be stored within Parliament Libraries with redacted information. Therefore no personal data will be shared post consultation.

4. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for two years from the closure of the consultation

5. Your rights, e.g. access, rectification, erasure

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have all or some of your data deleted or corrected
- d. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

6. Your personal data will not be sent overseas

7. **Your personal data will not be used for any automated decision making.**
8. **Your personal data will be stored in a secure Government IT system.**

Annex B

Named Consultees

We welcome the views of all those interested in the proposals, including local residents, town and parish councils, businesses, and the voluntary sector. In this annex we list for information those who are specifically named consultees.

The 2007 Act requires that before a proposal for local government reorganisation can be implemented, the Secretary of State must first consult every authority affected by the proposal (except the authority or authorities which made it); and any such other persons as he considers appropriate. This consultation is specifically inviting comments from the following councils and other named bodies:

Cumbria Consultees

- **Principal councils in the area:**

Allerdale Borough Council
Barrow Borough Council
Copeland Borough Council
Cumbria County Council
Carlisle City Council
Eden District Council
Lancashire County Council
Lancaster City Council
the district councils within Lancashire County
South Lakeland District Council

- **Neighbouring principal councils:**

Blackburn with Darwen Borough Council
Blackpool Council
Durham County Council
North Yorkshire County Council,
The district councils within North Yorkshire County
The district councils within Lancashire County
Northumberland County Council

North of Tyne Combined Authority
North East Combined Authority

- **Other named consultees:**

Public Service Bodies –

Health Bodies: NHS Morecambe Bay CCG, NHS North Cumbria CCG, Calderdale & Huddersfield NHS Foundation Trust, North Cumbria Integrated Care Foundation Trust, South West Yorkshire Partnership NHS Foundation Trust, University Hospitals of Morecambe Bay NHS Foundation Trust, Lancashire and South Cumbria Integrated Care System, North East and North Cumbria Integrated Care System, North West Ambulance Service NHS Trust.

Policing, Fire and Rescue Bodies: Chief Constable of Cumbria Constabulary, Chief Constable of Lancashire Constabulary, Chief Fire Officer of Cumbria Fire and Rescue Service, Chief Fire Officer of Lancashire Fire and Rescue, Cumbria Police and Crime Commissioner (Peter McCall), Lancashire Police and Crime Commissioner (Clive Grunshaw).

Other Public Sector Bodies: Arnside and Silverdale Area of Outstanding Natural Beauty, Lake District National Park Authority, North Pennines Area of Outstanding Natural Beauty, Solway Coast Area of Outstanding Natural Beauty, Yorkshire Dales National Park Authority, Nuclear Decommissioning Authority, Independent Chair of the Cumbria Children's Safeguarding Partnership, Independent Chair of the Safeguarding Adults' Board, Dumfries & Galloway Council, Scottish Borders Council, Transport for the North.

Business Bodies: Cumbria Chamber of Commerce, Cumbria Local Enterprise Partnership, Federation of Small Businesses (Lancashire & Cumbria), Lancashire Local Enterprise Partnership, Lancashire Chamber of Commerce, Sellafeld Ltd.

Voluntary Sector Bodies: Cumbria Community Foundation, Cumbria Council for Voluntary Services, Cumbria Third Sector Network, Lancaster Council for Voluntary Services.

Education Bodies: Lancaster University, University of Central Lancashire, University of Cumbria.

Other Bodies: Cumbria Tourism, Lord-Lieutenant for Cumbria, Lord-Lieutenant for Lancashire.

National Bodies: Environment Agency, Highways England, Local Government Association, National Housing Federation, National Association of Local Councils, Public Health England.

North Yorkshire Consultees

- **Principal Councils in the area:**

City of York Unitary Council,
Craven District Council,
Hambleton District Council,
Harrogate Borough Council,
North Yorkshire County Council,
Richmondshire District Council,
Ryedale District Council,
Scarborough Borough Council
Selby District Council.

- **Neighbouring Principal Councils:**

Bradford Metropolitan District Council,
Cumbria County Council and the district councils within Cumbria County,
Darlington Borough Council,
Doncaster Metropolitan Borough Council,
Durham County Council,
East Riding of Yorkshire Council,
Lancashire County Council, the district councils within Lancashire County,
Leeds City Council,
Middlesbrough Council

Redcar and Cleveland Borough Council,
Stockton on Tees Borough Council,
Wakefield Metropolitan District Council,

Sheffield City Region Combined Authority
Tees Valley Combined Authority
West Yorkshire Combined Authority.

- **Other named consultees:**

Public Service Bodies –

Health Bodies: Bradford and Craven CCG, Morecambe Bay CCG, North Yorkshire CCG, Vale of York CCG, Airedale NHS Trust Hospital, Bradford District Care Trust, Harrogate and District NHS Foundation Trust, Humber Coast and Vale ICS, Humber Teaching Foundation Trust, South Tees Foundation Trust, Tees, Esk and Wear Valleys NHS Foundation Trust, York Teaching Hospitals NHS Foundation Trust, Yorkshire Ambulance Service NHS Trust.

Policing, Fire and Rescue Bodies: North Yorkshire Police, Fire and Crime Commissioner (Julia Mulligan), Chief Constable of North Yorkshire Police, Chief Fire Officer of North Yorkshire Fire and Rescue Service.

Other Public Sector Bodies: Howardian Hills Area of Outstanding Natural Beauty, Forest of Bowland Area of Outstanding Natural Beauty, Nidderdale Area of Outstanding Natural Beauty, North Yorkshire Moors National Park Authority, Yorkshire Dales National Park Authority, Independent Chair of the North Yorkshire Safeguarding Adults Board, Independent Chair and Scrutineer of the North Yorkshire Safeguarding Children's Board, Transport for the North.

Business Bodies: Federation of Small Business (Yorkshire, Humber and the North East), West and North Yorkshire Chambers of Commerce, York and North Yorkshire Local Enterprise Partnership, Yorkshire & Humber CBI.

Voluntary Sector Bodies: Community First Yorkshire, York CVS.

Education Bodies: University of York, York St John's University.

Other Bodies: Lord-Lieutenant for North Yorkshire, Welcome to Yorkshire.

National Bodies: Environment Agency, Highways England, Local Government Association, National Housing Federation, National Association of Local Councils, Public Health England.

Somerset Consultees

- **Principal Councils in the area:**

Mendip District Council
Sedgemoor District Council
Somerset County Council
Somerset West & Taunton Council
South Somerset District Council

- **Neighbouring Principal Councils:**

Bath & North East Somerset Council

Bristol City Council
Devon County Council and the district councils within Devon County
Dorset Unitary Council
North Somerset Council
Wiltshire Council

West of England Combined Authority

- **Other named consultees:**

Public Service Bodies –

Health Bodies: NHS Somerset CCG, Somerset NHS Foundation Trust, Royal United Hospitals Bath NHS Foundation Trust, South Western Ambulance Service NHS Foundation Trust, University Hospitals Bristol and Weston NHS Foundation Trust (UHBW), Yeovil District Hospital NHS Foundation Trust, The Somerset Sustainability and Transformation Partnership (ICS).

Policing, Fire and Rescue Bodies: Avon and Somerset Police and Crime Commissioner (Sue Mountstevens), Chief Constable of Avon and Somerset Police, Chief Fire Officer of Devon and Somerset Fire and Rescue Service.

Other Public Sector Bodies: Somerset Rivers Authority, Blackdown Hills Area of Outstanding Natural Beauty, Cranbourne Chase Area of Outstanding Natural Beauty, Mendip Hills Area of Outstanding Natural Beauty, Quantock Area of Outstanding Natural Beauty, Independent Chair Somerset Safeguarding Adults Board, Somerset Safeguarding Children Partnership, Independent Chair of the Somerset Corporate Parenting Board, Western Gateway, Peninsula Transport.

Business Bodies: Heart of the South West Local Enterprise Partnership, Somerset Chambers of Commerce, Institute of Directors (South West), Federation of Small Businesses (South West), CBI (South West)

Voluntary Sector Bodies: Spark Somerset

Other Bodies: Lord-Lieutenant for Somerset, Visit Somerset (Somerset Tourism Association)

National Bodies: Environment Agency, Highways England, Local Government Association, National Housing Federation, National Association of Local Councils, Public Health England

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 30TH MARCH 2021
title: CLIMATE CHANGE WORKING GROUP UPDATE
submitted by: DIRECTOR OF RESOURCES
principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE OFFICER

1 PURPOSE

1.1 The purpose of this report is to present committee with an update from the Climate Change working group and seek financial support for a project.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – The Corporate Plan 2019-2023 includes the objective
- Corporate Priorities – 'To aspire to be a carbon neutral borough by 2030' and a priority action of:
- Other Considerations –
 - To develop an action plan to work towards being a carbon neutral borough by 2030 which is based on a better understanding of our current carbon emissions

2 BACKGROUND

2.1 It was resolved at the November 2019 meeting of this Committee that Committee agreed to the setting up of a Climate Change Working Group with the following representation: Councillors S Atkinson, J Clark, S Bibby, D Berryman, R Thompson and 2 Liberal Democrats (A Knox and S Fletcher).

2.2 The remit of the Working Group is to consider how the Council is meeting the challenge of climate change, both in relation to how the Council provides its own services and how it provides wider support to the community in their efforts to tackle climate change, and to report the findings of the Working Group to the Policy and Finance Committee.

3 UPDATE

3.1 The Working Group has met on four occasions. The minutes of the meetings are attached at Appendix A.

3.2 One of the priority actions in the 2019-2023 Corporate Strategy is 'To develop an action plan to work towards being a carbon neutral borough by 2030 which is based on a better understanding of our current carbon emissions.'

3.3 We are currently in the process of drafting a Climate Change Strategy to cover the period 2021-2030. The strategy will outline the actions we intend to take to ensure we reach our target of being a carbon neutral borough by 2030, consisting of three parts addressing:

- Ribble Valley Borough Council as an organisation - climate change is to be embedded in all the Council's internal activities
- Ribble Valley Borough Council as a service provider - climate change is to be embedded in the Council's services
- Ribble Valley Borough Council as a community leader - the Council will continue to provide clear community leadership by leading through example in the fight against climate change, encouraging businesses and residents to address climate change

3.4 The Climate Change Strategy will be based on an understanding of our current carbon emissions, our carbon footprint, and will address how we intend to reach the target of

being carbon neutral by 2020 through the action plan.

- 3.5 It is intended that the strategy will be presented to this committee for approval by June 2021. The strategy will then be reviewed annually.
- 3.6 The starting point is having a better understanding of what our current carbon footprint is. To help us work out our carbon footprint the working group applied for a £1500 grant from One Carbon World. One Carbon World is a delivery partner of the UN Climate Neutral Now scheme. It helps organisations reduce their carbon footprint by retiring carbon credits, supporting emission reduction and forestry projects that meet the highest standards, reducing carbon emissions and contributing to sustainable development.
- 3.7 Our grant application was successful and this, together with a contribution of £1500 paid by the Council, will provide:
 - A measurement of our carbon footprint (by phone consultation and data collection)
 - Data Validation and Calculation (carbon auditors will calculate our carbon footprint and this will be sent for independent external validation)
 - The One Carbon World International Standard Report (they will produce a carbon footprint report detailing the greenhouse gas emissions resulting from the activities measured of the organisation over the footprint period. The report will also provide recommendations for reducing and offsetting the carbon footprint of the organisation)
 - Compensating our unavoidable emissions (carbon credits, certificates – they will offset the footprint, up to a total of 300 tons. This will be achieved through purchasing and retiring carbon credits in the name of the Council. Offsetting enables organisations to compensate for the greenhouse gas emissions they cannot avoid by supporting climate-friendly projects that reduce global greenhouse gas emissions)
 - UN Climate Neutral Now Participation

4 REQUEST FOR FUNDING

- 4.1 The Council has received a request for funding support from the Ribble Rivers Trust for a woodland planting scheme.
- 4.2 The working group recognise that in order to become a carbon neutral authority by 2030 we need to look at three areas:
 - Minimising our greenhouse gas emissions
 - Sequestration - the process of 'locking in' greenhouses gases to remove them from the atmosphere, and hence from contributing to climate change. Tree-planting is a typical example, although hedgerows, peat bogs, and some soils can also be used
 - Offsetting is the final stage of the net zero process. This allows the Council to offset unavoidable emissions by funding projects that will lead to equivalent greenhouse gas reductions elsewhere, either locally or globally.
- 4.3 Currently within the UK there are no full carbon offset units (Woodland Carbon Units) available. There are however, Pending Issuance Units (PIUs) which are in essence Carbon futures – certified and validated by a UK government process.
- 4.4 These are also in short supply, with very few, if any, within Lancashire. More resource is required to identifying sites and conduct the work to register the sites for carbon offset accreditation.
- 4.5 The Ribble Rivers Trust project is hoping to:
 - fund resources to actively go and find sites that offer carbon offsets – but also deliver the greatest additional benefit – from flood risk reduction, to physical and mental health benefits

- develop and design the woodland, carry out consultation, as well as to obtain all of the necessary consents, permits and funding to deliver the physical work
 - deliver the woodland, using a combination of contractors and volunteers
 - fund the validation (under the Woodland Carbon Code to obtain PIUs), maintenance and verification of PIUs into WCUs.
- 4.6 For organisations who would like/prefer to offset their emissions locally, and deliver more benefit this process enables that. As otherwise there are no opportunities for offsetting being created.
- 4.7 The carbon itself is sold separately to this process. The PIUs belong to the landowner and/or tenant farmer. This is how the government has set up the carbon code.
- 4.8 Some local authorities have been able to identify, within their own land holdings, land in which they would like Ribble Rivers trust to go through the process, for which they will own the carbon, and then they are able to offset without further cost. The Council has restricted landownership so this is not likely to be the case here. However, the PIUs would be available for purchase by the Council.
- 4.9 We may decide, like some local authorities, to commit as it is more about simply supporting woodland creation.
- 4.10 The working group agreed to make a recommendation to this committee to support the scheme for one year only at a cost of £15,000.
- 5 RISK ASSESSMENT
- 5.1 The approval of this report may have the following implications:
- Resources - £15,000 to be funded from Business Rate Growth for year one of the Ribble Rivers Trust tree planting project and £1500 towards the One Carbon World Grant.
 - Technical, Environmental and Legal – None identified.
 - Political – None identified.
 - Reputation – None identified.
 - Equality & Diversity - None identified.
- 6 RECOMMENDED THAT COMMITTEE
- 6.1 Agree a grant of £15,000 for the Ribble Rivers Trust woodland planting project.

Michelle Haworth
 PRINCIPAL POLICY AND
 PERFORMANCE OFFICER

Jane Pearson
 DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF:

For further information please ask for Michelle Haworth, extension 4421

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CLIMATE CHANGE WORKING GROUP – meeting 27.01.2020

PRESENT:

Cllr S Atkinson	John Heap
Cllr J Clark	Michelle Haworth
Cllr S Bibby	Olwen Heap
Cllr D Berryman	
Cllr A Knox	
Cllr S Fletcher	
Cllr R Thompson	

APOLOGIES: received from Marshal Scott

It was agreed that Cllr Judith Clark should chair the meetings of the working group. Each member gave a short precis of any experience in the climate change field they felt relevant to the working group/

TERMS OF REFERENCE

The Terms of Reference as agreed by Policy & Finance committee were outlined to the group

“To consider how the Council is meeting the challenge of climate change, both in relation to how the Council provides its own services and how it provides wider support to the community in their efforts to tackle climate change, and to report the findings to Policy & Finance committee”.

This statement allows for consideration of where the Council is now although it doesn't make any reference to the Corporate Strategy. When reporting to Policy & Finance it was felt that

ACTION: the working group should be able to make specific recommendations.

FRIENDS OF THE EARTH - REPORT AND ACTION PLAN

RVBC is at the bottom of the ratings when compared to other similar authorities. The working group must look specifically at RVBC.

Discussion ensued around insulation in housing and commercial buildings and the changes made to Building Regulations that means all new build are much improved. Private rentals are an unknown quantity although landlords are required to produce an energy performance certificate. However, the traditional stone-built property in RV cannot have cavity wall insulation. Listed building / conservation area rules also has an effect on including energy conservation measures. This is based on National guidance, not primary legislation so there may be scope to review our policies. Also, as part of the Core Strategy review there may be scope to consider a lot of the issues in the Friends of the Earth report.

Consideration would need to be given to the Action Plan relating specifically to RV and whether the actions fall under the remit of the Council. It may be that the Council could lead by example and use positive publicity to encourage others to follow suit.

Another area to consider would be that of procurement by supporting those businesses that can show and demonstrate they are environmentally sustainable. Although this is often done on a practical basis it is not written in the form of a statement in Policy.

It is important that desirable outcomes are both possible and deliverable and need to be considered and evaluated as to whether they will work. Eg new licences for hackney carriage / private hire vehicles only be issued to electric / hydrogen cars.

ACTION: Invite Trading Standards to attend a meeting of the working group and/or provide a report on energy performance measures taken by private landlords in Ribble Valley.

ACTION: Ask the Head of Regeneration & Housing to attend a meeting of the working group to inform what scope / flexibility can be included in the review of the Core Strategy

ACTION: Each Councillor to look at their own ward and provide feedback

ACTION: Michelle to check what action the Councils at the top of the Friends of the Earth ratings are taking to see if there are any that we could be doing relatively easily.

ACTION: Each member of the working group to consider the Action Plan and feedback views at the next meeting

ACTION: Michelle to circulate feedback from Heads of Service and CMT on the Action Plan once it has been considered.

ACTION: Publicise good practice by way of example using the Council's high profile.

ACTION: Examine the Council's Procurement Policy

ACTION: Examine if policy could be changed around licencing of hackney / private hire vehicles.

ACTION: Michelle to circulate a list of benchmark councils so that working group members can look for educational material

ACTION: Michelle to circulate the following documents to the working group for their information

- Carbon Trust – Saving Energy in Local Authority Buildings
- Friends of Earth Actions for Councils
- LGA Councillors work book

ASSESSING THE COUNCIL'S CARBON FOOTPRINT

One Carbon World are a worldwide resource partner with the UN programme for Climate Neutral Now initiative and are recognised for offering advice and support on measuring and reducing green house gas emissions. To achieve full Carbon Neutral Gold status costs £3000. There is an 80% grant of £2400 with a contribution of £600 from the local authority. They are a nationally recognised accredited organisation.

Data including utility bills, car mileage information etc would have to be provided to establish our baseline for which staffing resources would be required. They would then produce a report.

Lancashire CE's and Leaders are currently giving consideration to all Lancashire authorities taking advantage of this offer.

Michelle also reported upon Scatter, a greenhouse gas reporting tool website that supports local authorities once they have got their carbon footprint by using a model to show the impact of potential changes on the footprint.

ACTION: Agree to ask Policy & Finance committee for the budget to get this study carried out by One Carbon World.

UPDATE ON MEETINGS

Cumbria & Lancashire: Climate Emergency – Towards Net Zero – A Learning Event on 10 January 2020. Michelle had attended this meeting where a good mix of university professors, public health and local authorities had been in attendance and presenting. Michelle had now maintained contacts with officers at Blackpool and Blackburn.

Responding to Climate Emergency – event on 30 January 2020. Alex Shutt (Countryside Officer) will attend as there is a particular emphasis on trees.

Cllr Thompson informed the group that engagement is already happening with the Huntroyde Estate with regard to tree planting and with the Pendle Hill Landscape Partnership with regard to peat wetland restoration.

ACTION: Cllr Judith Clark will attend the event on 30 January on behalf of the working group and report back.

ACTION: Cllr Thompson will get a costing for the peat wetland restoration on Pendle Hill and report back.

A PUBLIC CLIMATE CHANGE STATEMENT

After some deliberation and acknowledging that whatever we say as a Council there will be issues from residents and/or pressure groups a statement was agreed.

The working group has to remember that the Council has to consider other competing priorities and objectives as well.

We may be able to make use of the existing citizens panel to get feedback as well as allowing organisations/persons to exercise their right to speak at meetings to voice their concerns and ideas.

ACTION: Engage with the existing citizens panel for feedback

ACTION: Put the following on the Council website as a public statement

“The Council recognises the many challenges of climate change and has therefore set up a working group that is currently evaluating and analysing the role the Council can play”

DATE AND TIME OF NEXT MEETING

It was agreed that the meetings would be monthly. The next one was scheduled for **10am on Monday 2 March 2020.**

The meeting closed at 11.55am,

CLIMATE CHANGE WORKING GROUP – 2 March 2020

PRESENT:

Cllr J Clark	Marshal Scott
Cllr A Knox	Michelle Haworth
Cllr S Bibby	Olwen Heap
Cllr R Thompson	Colin Hirst

APOLOGIES: received from Cllrs D Berryman and S Fletcher

MINUTES

The minutes of the meeting held on 27 January 2020 were approved as a correct record.

ACTIONS FROM MINUTES

The actions from the first meeting were considered.

Members gave general feedback from their wards which included issues surrounding on street charging points on terraced streets; electric taxis and mayoral car; litter picks and recycling; wildflower and tree planting; and an environment group.

A discussion took place around the Council's recycling operation.

It was felt that the Friends of the Earth Action Plan was not necessarily the right thing for us. Climate change is not just about reducing carbon but building resilience. The Council needs to consider its own competing priorities.

The Chair gave feedback on the conference she had attended on 30 January 2020 which was well attended and interesting with lots of knowledgeable speakers.

ACTION: Michelle would look at how electric charging points in terraced streets were being provided in other areas as well as finding out from LCC their plans.

ACTION: Michelle would find the report that went to Community Services committee on our recycling operation and what the changes are to collectable items outlined in the Government White Paper

ACTION: Michelle would continue to look at what actions other councils are taking on climate change

ACTION: Michelle (with help from Heads of Service) would capture what the Council already does on climate change that is not necessarily labelled as such and include it on the webpage.

ACTION: It was confirmed that P & F should be asked to support the grant application to One Carbon World on order for our carbon footprint to be calculated.

ACTION: Feedback on the climate change questions added to the biennial perception survey was requested (circulated)

LANCASHIRE WOODLAND CONNECT PROJECT

A letter from the Ribble Rivers Trust was circulated asking the Council for a contribution of £15,000 towards their tree planting campaign that would enable them give leverage for additional match funding.

There was general support for this, although it was also felt that the Council should make contact with the major landowners in Ribble Valley to ascertain their plans for planting schemes eg United Utilities, Duchy of Lancaster.

We should also be looking at the Government's policy on tree planting as well as a position statement from the Council's point of view.

ACTION: Report to P & F asking for £15,000 contribution to Ribble Rivers Trust project

ACTION: Contact to be made with major landowners

ACTION: Colin to find out Governments view on tree planting and do a position statement

LOCAL PLAN – CLIMATE CHANGE

Colin explained the various plans that make up the Local Plan which is a statutory document that reflects National policy based on the NPPF and aims to achieve sustainable development.

He reminded members that the Plan was currently undergoing a review which would give the opportunity to strengthen it and add other points into it around climate change issues.

He informed the group that an objective included in policy was 'addressing and mitigating against climate change' but that the presumption was always in favour of 'sustainable' development. The Plan currently contains a large section of key sustainability policies including construction methods and reference to renewable energy. The Plan had been tested through examination to be sound.

Ideally it would be the Government who changed building regulations to ensure that development was built to a high sustainable standard eg no gas boilers; grey water recovery, electric charging points etc

The chair thanked Colin for attending the meeting.

DATE AND TIME OF NEXT MEETING

It was agreed that the meetings would be monthly. The next one was scheduled for **10am on Monday 20 April 2020.**

The meeting closed at 11.55am,

CLIMATE CHANGE WORKING GROUP – 8 February 2021 at 11am

PRESENT:

Cllr J Clark (Chair)	Marshal Scott
Cllr A Knox	John Heap
Cllr S Bibby	Colin Hirst
Cllr R Thompson	Mair Hill
Cllr D Berryman	Michelle Haworth
Cllr S Fletcher	
Cllr S Atkinson	

APOLOGIES: none received.

TERMS OF REFERENCE

These had been drafted for consideration. The members approved them as follows:-

1. The working group has been constituted by Policy and Finance Committee at its' meeting held on the 19 November 2019 to consider how the Council is meeting the challenge of Climate Change.
2. The purpose of the group is to consider in further detail the challenge of climate change both in how the Council provides its own services and how it provides wider support to the community in their efforts to tackle climate change and to present the findings to Policy and Finance Committee with suggested actions.
3. Nominated Members of the group are:
Councillor Clark (Chair)
Councillors, Atkinson, Bibby, Berryman, Fletcher, A Knox and Thompson.
4. The group will meet as necessary.
5. 4 nominated Councillors of the working group need to be present to be quorate.
6. The working group does not have any delegated decision-making powers.
7. The working group will consult with the relevant Chairs of other service committees as appropriate.

MINUTES

The minutes of the meeting held on 2 March 2020 were approved as a correct record.

ACTIONS FROM MINUTES

The actions from the meeting were considered. This meeting had taken place just before the Coronavirus lockdown. Since then there had been a break in committees.

The report scheduled to go to Policy & Finance on a lot of the actions was drafted. The Chair asked for a review and confirmation of those issues.

The request to P & F to support a grant application to One Carbon World in order for our carbon footprint to be calculated was discussed. This would give a benchmark of where RVBC are up to. The grants had now reduced to 50% of the cost instead of 80% = £1500 (£3000). Marshal agreed this could go ahead without the permission of Policy & Finance committee.

ACTION: It was confirmed that One Carbon World be procured to calculate the carbon footprint of RVBC.

It was felt useful for details of the performance certificates of council properties to be gathered together so that an assessment could be made on what improvements might be made. John Heap reported that work was constantly being carried out in this area eg improved insulation, LED lighting, change of suppliers of energy.

ACTION: It was agreed that Michelle Haworth would pull together the status of each building and prepare a report for the next meeting.

The request for P & F to consider a grant of £15,000 to River Ribble Trust towards their tree planting campaign was considered again. Members were agreeable to supporting this but wanted more details about the contract to be entered into and specifically the measures of carbon mitigation. Mair Hill would draw up the contract to include the elements suggested once more information had been sought.

ACTION: Michelle Haworth to find out from RRT exactly what the scheme is and prepare a report to P & F asking for £15,000 contribution to Ribble Rivers Trust tree planting project

UPDATE ON LOCAL PLAN FROM A CLIMATE CHANGE PERSPECTIVE

Colin Hirst gave an update on the Local Plan. The publication of the White Paper had stalled the Plan a little, and updating the evidence has also been put on hold as the impact of Covid-19 was not yet known.

Existing legislation meant that climate change must be reflected in the Plan and the Council needs to be able to justify and demonstrate any stance taken. Policy framework around sustainable development and eco systems already exists in the current Plan. A meeting of the working group would be arranged soon.

Members asked how tree planting in new developments was measured and if energy efficiency standards were monitored in housing grant procedures.

The big changes in National legislation were also highlighted with regard to electric vehicles, gas boilers, wood burning stoves, fibre broadband – all of which would have a profound impact on a rural area such as Ribble Valley.

ELECTRIC COUNCIL VEHICLES – INCLUDING TAXIS

John Heap reported that electric vehicles had been on the agenda for the last 20 years. Battery technology and the geography of Ribble Valley were not helpful in

moving this forward. In those areas where electric vehicles are used the terrain is mainly urban and flat. However, the use of electric vehicles in lighter operations is improving all the time and evaluation of the ones that most lend themselves to it were being considered. Logistical issues had to be examined with regard to where and how vehicles could be charged. To move to cleaner technologies would mean adding to the capital programme considerably. A move to hydrogen power would be better and a hydrogen charging station could be hosted at the depot. A request to trial an electric refuse vehicle had been made. It was suggested that looking at work patterns might be useful in ascertaining the best vehicles for electric use.

It was noted by the members that there needs to be an acceptable balance between environmental performance, running costs, and capital investment.

RVBC had installed 7 double charging points on 2 car parks in Clitheroe at a cost of £40k. Putting them on residential car parks (x 3 owned by RV) could be investigated.

With regard to taxis, an amount of grant had been made available from the Government to develop on-street charging facilities but this came under the remit of LCC. LCC had installed on-street charging points in several areas of the borough.

Mair had looked at incentives other councils had used to encourage the use of electric/hybrid taxis. She was informed that Blackpool have a big fleet. Our current policy only incentivised the use of newer vehicles.

ACTION: John Heap would arrange the trial of an electrical vehicle at the depot in order to assess the baselines and investigate installing charging meters on RVBC residential car parks.

ACTION: Mair Hill would contact other councils to find about the use of electric/hybrid taxis.

HOW CAN SERVICE COMMITTEES CONTRIBUTE?

It was felt that an action plan / strategy was needed for RVBC so that the climate change agenda could be pushed forward for service committees to consider as part of each report consideration. A change of attitude was required so it was automatically considered and embedded in everything that the Council does.

An idea was to look at the strategies of other 'like' councils to see if they could be adapted into something RVBC could adopt.

ACTION: Michelle Haworth would look at this and formulate a report for the next meeting of the working group.

DATE AND TIME OF NEXT MEETING

The next meeting was scheduled for **11am on Monday 8 March 2021**.

The meeting closed at 12.51pm.

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CLIMATE CHANGE WORKING GROUP – 8 March 2021 at 11am

PRESENT:

Cllr J Clark (Chair)	Marshal Scott
Cllr S Bibby	John Heap
Cllr R Thompson	Mair Hill
Cllr D Berryman	Michelle Haworth
Cllr S Fletcher	
Cllr S Atkinson	

APOLOGIES: Received from Councillor A Knox.

MINUTES

The minutes of the meeting held on 8 February 2021 were approved as a correct record.

ACTIONS FROM MINUTES

The actions from the meeting not covered on the agenda were considered.

Electric vehicles including taxis

John Heap reported that investigations had been made with regard to the 5 small vans and 5 transit vans that the Council operates. There were currently no hire vehicles available short term to trial in RV. Feedback from Blackburn with Darwen who use small electric vehicles around town is good. Responses are awaited from the leasing companies the Council currently works with, and paperwork is also awaited from Citroen Peugeot. The Energy Savings Trust will meet with us to offer advice. Trade news on hydrogen is more positive and perhaps in the future is the way to go.

Mair Hill reported that surrounding authorities are not pushing electric vehicles within their taxi policy but by making it easier to have electric by providing dedicated charging points.

REPORT OF THE CHAIR

The Chair reported upon two webinars that she had attended. For one the key points included engaging with the public regarding lifestyle changes and community renewal. For the other by Electricity North West it outlined LCC projects, the fact that Lancaster University was looking for partners to work with and the big challenge around skills, affordability and diversity.

She also commented upon recent lobbying by both organisations and individuals and perhaps the need for a RVBC statement following the Policy & Finance committee.

ONE CARBON WORLD

Michelle Haworth had received a response to the grant application following the last meeting confirming that the Council's appraisal report had been accepted and therefore a 50% grant was available = £1500 which covers the cost of the carbon footprint report, the International Standard Certification and 300 tonnes of carbon credits. The grant offer was valid until 23.03.21.

It was felt this was a good option for an independent body to supply the report on behalf of the Council.

ACTION: Marshal Scott as Chief Executive would sign the document.

ENERGY CERTIFICATES AUDIT

Michelle Haworth had gathered together the performance certificates for the council properties when one was required. She informed the group that some of the work recommended had already taken place and that there were specific reasons why it hadn't taken place in some areas eg Blueberries café being included in the market re-development.

The information only covered those buildings that were required to have a certificate and not those that were too small by definition.

Several questions were asked and answered regarding specific buildings, and a costing exercise would be required if these became a priority in the strategy.

RIBBLE RIVERS TRUST

Cllr Thompson was aware of a site in Horton-in-Craven where the landowner was planting 10k trees, however the carbon credits would be kept by the landowner.

Jack Spees had presented the Lancashire Woodland Connect scheme to Lancashire Leaders and had confirmed that these carbon credits would go to landowners where the trees had been planted and not the local authority who had paid for them by grant.

ACTION: It was agreed that it be a recommendation to P& F to support the scheme for one year only at a cost of £15k.

DRAFT CLIMATE CHANGE STRATEGY

Michelle Haworth had circulated links to strategies of other Local Authorities for information.

She had also prepared an initial draft of a strategy based on a previous environmental action plan (2010). Members of the group were pleased with this initial document, and hopefully information gathered from One Carbon World would help to fill in some of the blanks. It was requested that a section on the energy efficiencies of our properties be added. The document should also include a summary page on 'aims and objectives'.

ACTION: It was agreed that the draft document should be populated with the One Carbon World data and circulated to Directors for their comments before the working group look at it again.

ANY OTHER BUSINESS

Cllr Atkinson asked about cycle to work schemes using e-cycles – Marshal would have a look.

The CE informed the group that the new car for the Mayor would be hybrid.

DATE AND TIME OF NEXT MEETING

The next meeting was scheduled for **11am on Monday 12 April 2021**.

The meeting closed at 12noon.

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
title: VOLUNTARY ORGANISATION GRANTS – CITIZENS ADVICE BUREAU
PERFORMANCE MONITORING INFORMATION
submitted by: DIRECTOR OF RESOURCES
principal author: ARIFAH BHIKHU

1. PURPOSE

- 1.1 To receive and consider the performance monitoring information provided by the Ribble Valley Citizens Advice Bureau for the period October to December 2020.
- 1.2 To consider whether to approve payment of the final quarterly instalment of voluntary organisation grant to the Citizens Advice Bureau for 2020/21.

2. BACKGROUND

- 2.1 At their meeting held in June 2020, the Chief Executive in consultation with the Council Leader and Leader of the opposition reviewed voluntary organisation grant applications and approved grants supporting 21 voluntary organisations across the borough totalling £109,050.
- 2.2 Grant allocations were approved under delegated decision-making powers provided by Emergency Committee in May 2020 as a consequence of COVID-19 social distancing measures.
- 2.3 It was agreed that the Citizens Advice Bureau will be awarded £52,500 for the financial year 2020/21.
- 2.4 Concern was expressed by members in April 2019 that the proposed 2019/20 grant allocation for the Citizens Advice Bureau dominated the grants to be awarded, representing almost half of the total budget available.
- 2.5 Although it was recognised that the Citizens Advice Bureau have an important role to play it was also felt that the Council should receive regular updates on their work with measurable targets in order for the Council to be sure that the grant was well spent.
- 2.6 Members therefore agreed that the grant allocation for the Citizens Advice Bureau of £52,500 be paid quarterly subject to satisfactory monitoring information being received and approved by Policy and Finance Committee.
- 2.7 The first two quarterly grant instalments totalling £26,250 for the current financial year (2020/21) were paid to Citizens Advice Bureau in September 2020 following receipt of monitoring information for the period January to June 2020.
- 2.8 The most recent grant payment of £13,125 was paid in November 2020 following receipt of monitoring information for the period July to September 2020.

3. MONITORING INFORMATION

- 3.1 The manager of the Citizens Advice Bureau has supplied monitoring information for the latest quarter October to December 2020 (Annex 1 - 2)

4. RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – assignment of budget for payment of this grant has already been approved and approval of this report would result in the release of the final quarterly grant instalment to Citizens Advice Bureau (£13,125)
- Technical, Environmental and Legal – None
- Political – None
- Reputation – None
- Equality and Diversity –The additional information supplied by the Citizens Advice Bureau (Annex 2) seeks to demonstrate the geographical spread of assistance provided for the period October to December 2020.

5. CONCLUSION

5.1 In June 2020, the Citizens Advice Bureau were awarded £52,500 of the total voluntary organisation grant fund distribution of £109,050.

5.2 Grant payments totalling £39,375 for the first three quarters of this year were paid to Citizens Advice Bureau in September and November 2020.

5.3 Monitoring information for the latest quarter (October to December 2020) has now been included for consideration at Annex 1 to 2.

6. RECOMMENDATION

6.1 To consider the monitoring information supplied by the Citizens Advice Bureau and decide whether to approve payment of the final quarterly instalment totalling £13,125.

ACCOUNTING TECHNICIAN

DIRECTOR OF RESOURCES

PF15-21/AC
10 March 2021

Key Statistics

Ribble Valley (member)

01/10/2020 18/12/2020



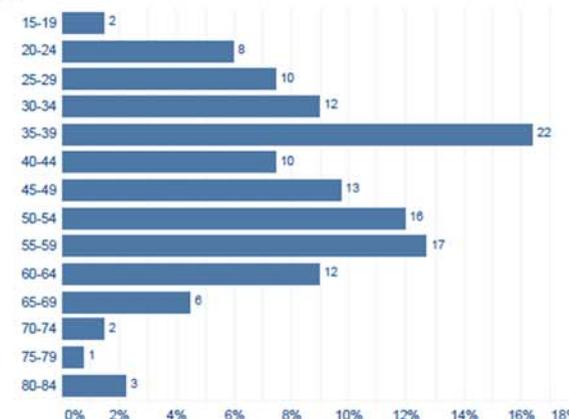
Summary

Clients	142
Quick client contacts	122
Issues	426
Activities	326
Cases	109
Outcomes	
Income gain	£15,478
Debts written off	£33,470
Repayments rescheduled	£9,016
Other	£0

Issues

Issues	Clients
Benefits & tax credits	50
Benefits Universal Credit	45
Consumer goods & services	3
Debt	15
Employment	6
Financial services & capability	2
Health & community care	2
Housing	10
Immigration & asylum	1
Legal	3
Other	16
Relationships & family	6
Tax	1
Travel & transport	2
Utilities & communications	2
Grand Total	426

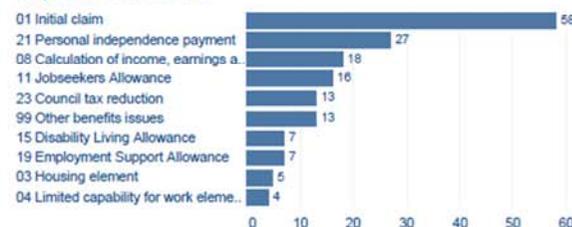
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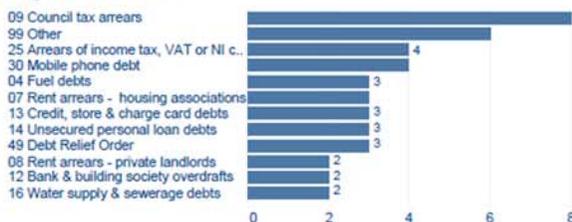
Channel



Top benefit issues



Top debt issues



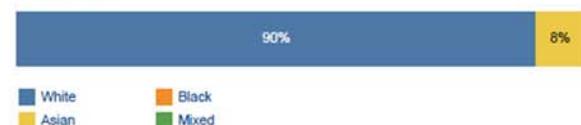
Gender



Disability / Long-term health



Ethnicity



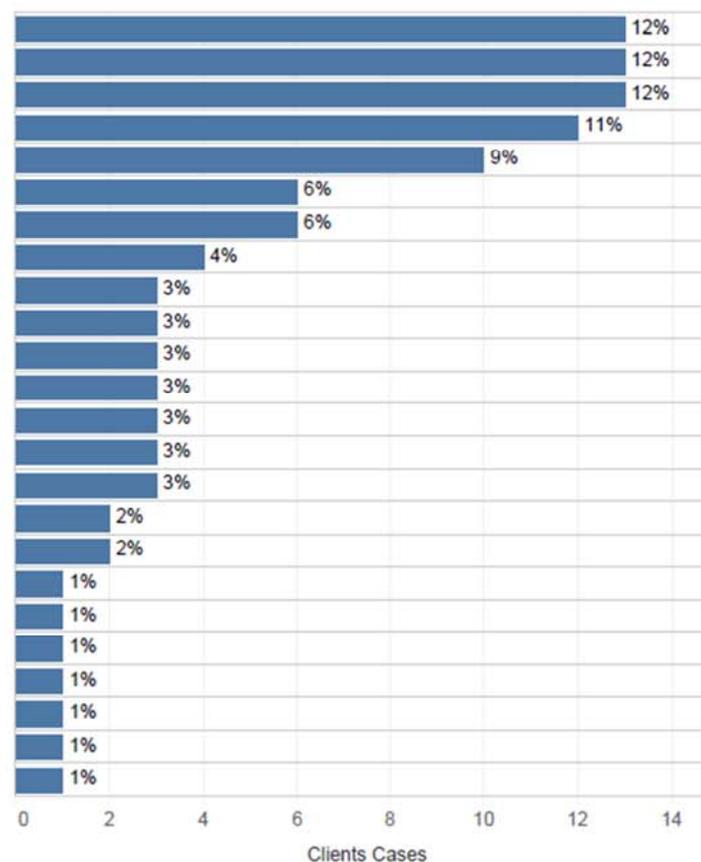
Clients by Ward

Clients (set minium number to display)
From 1

You can click on the data picker to set the minimum number of clients seen (this will filter out wards with lower numbers of clients and allow you to focus on the areas with the highest volumes)

Ward

Local Authority Ward	Local Authority	
Littlemoor	Ribble Valley	13
Primrose	Ribble Valley	13
Salthill	Ribble Valley	13
Edisford & Low Moor	Ribble Valley	12
St Mary's	Ribble Valley	10
Billington & Langho	Ribble Valley	6
Derby & Thornley	Ribble Valley	6
Wiswell & Barrow	Ribble Valley	4
Alston & Hothersall	Ribble Valley	3
Gisburn & Rimington	Ribble Valley	3
Hurst Green & Whitewell	Ribble Valley	3
Ribchester	Ribble Valley	3
Sabden	Ribble Valley	3
Whalley & Painter Wood	Ribble Valley	3
Wilpshire & Ramsgreave	Ribble Valley	3
Dilworth	Ribble Valley	2
West Bradford & Grindleton	Ribble Valley	2
Brockhall & Dinckley	Ribble Valley	1
Chatburn	Ribble Valley	1
Chipping	Ribble Valley	1
East Whalley, Read & Simonstone	Ribble Valley	1
Mellor	Ribble Valley	1
Waddington, Bashall Eaves & Mitton	Ribble Valley	1
Whalley Nethertown	Ribble Valley	1



RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

meeting date: 30 MARCH 2021
title: CAPITAL AND TREASURY MANAGEMENT STRATEGY
submitted by: DIRECTOR OF RESOURCES
principal author: VALERIE TAYLOR

1 PURPOSE

- 1.1 To seek member approval for the Council's Capital and Treasury Management Strategy for the 2021/22 financial year.

2 BACKGROUND

- 2.1 Local authorities in England and Wales are required by the Local Government Act 2003 to have regard to both CIPFA's Code of Practice on Treasury Management in the public services and to CIPFA's Prudential Code for Capital Finance in Local Authorities.
- 2.2 It is a key principle of the Code of Practice on Treasury Management that public service organisations should put in place comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
- 2.3 The Prudential Code imposes on local authorities clear governance procedures for the setting and revising of a range of prudential indicators that are designed to deliver accountability in taking capital financing, borrowing and treasury management decisions.
- 2.4 There is a requirement for the council to have in place an approved Capital Strategy, which due to the very close links to Treasury Management we hold as the Capital and Treasury Management Strategy.

3 STRATEGY REVIEW

- 3.1 A full review of the strategy has been undertaken and is presented at Annex 1 with tracked changes.
- 3.2 The Strategy reflects the linkage between asset management, the capital programme and our treasury management activities and is intended to set the framework for all aspects of the Council's capital expenditure including planning, management, prioritisation, funding, monitoring and outcomes.
- 3.4 It also provides the policy framework for the engagement of the council with financial markets in order to fund its capital programme, maintain the security of its cash balances and protect them from credit, liquidity and interest rate risk.

4 CONCLUSION

- 4.1 The Capital and Treasury Management Strategy has been reviewed and updated and is attached for approval.
- 4.2 Elements of the document have previously been approved as part of the budget setting process, but here they are brought together under a single strategy.
- 4.3 The strategy requires approval of Full Council.

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications:

- Resources – the strategies aim to safeguard the interests of the council and aim to help demonstrate how the council will operate in dealing with capital and treasury management activities.
- Technical, Environmental and Legal – it is a requirement for the council to follow the stipulations of the CIPFA Prudential and Treasury Management Codes.
- Political - none
- Reputation – the production of this strategy provides transparency to the council’s decision making process and management of the activities involved in capital and treasury management.
- Equality and Diversity - none

6 RECOMMENDED THAT COMMITTEE

6.1 Recommend to Council the Capital and Treasury Management Strategy as set out in Annex 1.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF22-21/VT/AC
19 MARCH 2021

Capital and Treasury Management Strategy

2021/22



Ribble Valley
Borough Council

www.ribblevalley.gov.uk

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Introduction and Background

The Prudential Code requires authorities to self-regulate the affordability, prudence and sustainability of their capital expenditure and borrowing plans, by setting estimates and limits, and by publishing actuals, for a range of prudential indicators.

The Prudential Code has been developed alongside the Treasury Management Code and there is a great deal of interaction between the two codes. Compliance with both codes is a statutory requirement for local authorities in the UK.

The Prudential Code imposes on local authorities clear governance procedures for setting and revising of prudential indicators, and describes the matters to which an authority will have regard when doing so. This is designed to deliver accountability in taking capital financing, borrowing and treasury management decisions.

In December 2017 CIPFA issued an update to the Prudential Code requiring that authorities should have a Capital Strategy either as a standalone document or integrated within existing strategy documents, with the purpose of establishing a long-term direction for the management and use of capital resources.

In order to allow us to produce a meaningful capital programme that meets the priorities identified in our Corporate Strategy, we must ensure that we have robust processes in place for potential projects to be proposed, evaluated and prioritised, and for approving the programme and the resources to fund it.

A clear process has been produced to demonstrate the information required from Heads of Service when proposing projects and how such proposals are then taken forward and prioritised against each other, and against the resources available to the council to take such projects forward.

As well as considering the projects that the council wish to see taken forward, the manner in which these projects are financed must also be carefully considered, particularly the long-term implications around borrowing, internally or externally, on the revenue budget.

This Strategy is intended to set the framework for all aspects of the Council's capital expenditure including planning, management, prioritisation, funding, monitoring and outcomes.

It also provides the policy framework for the engagement of the council with financial markets in order to fund its capital programme, maintain the security of its cash balances and protect them from credit, liquidity and interest rate risk.

Under the Prudential Code and Treasury Management Code, the council is required to produce a strategy on proposed treasury management activities. This requirement forms part of this strategy document.

Introduction and Background

The overall strategy maintains a strong and current link to the Council's priorities and to its key strategy documents notably the Corporate Strategy and Medium Term Financial Strategy.

Objectives and Strategic Approach

The council's Corporate Strategy provides the overall direction for the Strategy.

The Corporate Strategy sets out the strategic direction of the council, providing a focus to ensure that the services the council delivers meet the needs of its communities. It is one of the council's most important documents setting out those areas identified for focused improvement over future years.

The council's Vision continues to be that we aim to ensure that the Ribble Valley is:

OUR VISION

An area with an exceptional environment and quality of life for all; sustained by vital and vibrant market towns and villages acting as thriving service centres meeting the needs of residents, businesses and visitors.

We believe that this Vision reflects our shared aim for the Borough, which has the highest quality of environment for those who live in and visit the area. It recognises that people must have a high quality of life; that suitable homes are available to meet their diverse needs and that they should be safe and feel safe. People should also be able to access the best services without having to travel long distances to receive them.

The role of the council's financial planning process, including this Capital and Treasury Management Strategy, is to support the achievement of the council's Corporate Strategy.

In order to deliver its Vision and provide a focus for how it delivers services, the council has agreed a set of five corporate ambitions. The council's ambitions are deliberately limited to focus attention over the life of the Corporate Strategy. Each ambition has a number of objectives, underlying actions, and key measures of success, which should allow progress towards the achievement of the ambition to be monitored.

Above all, the ambition '**We aim to be a well-managed council providing efficient services based on identified customer needs**' overarches all of our ambitions, whilst recognising the importance of securing a diverse, sustainable economic base for the Borough. The 5 ambitions are driven by local needs with consideration to national priorities, and are listed below.

- To ensure a well-managed council providing efficient services based on identified customer needs.
- To sustain a strong and prosperous Ribble Valley.
- To help make people's lives safer and healthier.
- To protect and enhance the existing environmental quality of our area.
- To match the supply of homes in our area with the identified housing needs.

Objectives and Strategic Approach

As part of the capital scheme bidding process Heads of Service are required to demonstrate which overriding ambition their scheme will help achieve.

Our work under Treasury Management, whilst touching on the achievement of all ambitions, is best demonstrated as helping us to meet the ambition of ensuring that we are a well-managed council providing efficient services based on identified customer needs.

Asset Management Planning

Planning Process

This council own a number of properties, with ownership arrangements varying from being an owner occupier to acting as landlord with a licensed occupier. As a result, asset management obligations for each facility vary widely.

Properties are regularly checked and inspected, helping to ensure adequate maintenance, but also helping to extend the asset lives.

While the survey phase is an objective assessment of the conditions of the assets, the prioritisation, planning and allocation of items will vary according to a range of factors.

By undertaking repairs before components go wrong, planned preventative maintenance can have a positive impact on business continuity by reducing down time and keeping facilities operational.

Major items of work that fall within the capital expenditure classification are planned in advance and resources bid for as part of the capital programme scheme bidding process referred to in the next section of this strategy document.

The council utilise the Technology Forge system for recording asset management planning activity.

Vehicles and Plant

In a similar manner to the planning process covered for the council's property portfolio, a long term plan is developed and reviewed annually of the condition and planned replacement years for the council's vehicle fleet and other items of plant.

Vehicle and plant replacement is planned so that asset are replaced on a rolling basis to help ensure no 'peak years' arise which could put undue pressure on the financing of the capital programme. This is especially pertinent in the review of the replacement programme for the council's refuse collection vehicle fleet, with current plans showing the replacement of one vehicle per annum.

The review of these assets is driven by the relevant Heads of Service together with staff responsible for fleet maintenance.

Capital Expenditure

Definition

Expenditure is only capitalised where it is on an asset that will provide the council with control of the resulting economic benefit or service potential and has a measurable cost, or where it is revenue expenditure allowed to be funded by capital under statute (REFCUS) or under a capitalisation direction in accordance with the Local Government Act 2003. Expenditure under the latter categories would not normally result in recognition on the council's balance sheet or asset register.

For this council, the main example of revenue expenditure allowed to be funded by capital under statute (REFCUS) would be Disabled Facility Grants.

In order to count as capital expenditure, new assets or additions to assets must have a life of more than one year.

The council has a policy of not treating anything with an initial value below £10,000 as capital expenditure.

The Capital Programme

The future capital programme is reviewed and updated each year. In recent years, the Council has been setting a proposed and fully funded five-year capital programme each year. The process of updating the programme has involved reviewing and updating the schemes that were approved in the previous year's programme for what will become the first four years of the new five-year programme and submitting new bids for year five of the new five-year programme.

~~The council operate a five-year capital programme, with a review undertaken every year to examine whether the programme still marries with our current and future plans.~~

~~Additionally, each year there is a bidding process for the new final year of the five-year capital programme.~~ Such bids are examined against the council's priorities and for affordability.

As part of this bidding process, occasionally some schemes may be seen as a priority and are brought forward to an earlier financial year.

Should a capital scheme opportunity be identified outside this normal bidding process, such a scheme would first be considered by the Corporate Management Team, then the relevant service committee and finally the Policy and Finance Committee.

The Capital Scheme Bidding Process

Each year around August, all Heads of Service are asked to consider their service area and identify any potential capital schemes. This is principally with a view to it being included in the fifth year of the future capital programme, but occasionally scheme bids are highlighted as a more pressing need, with a request that earlier programming be considered.

Given the additional burdens caused by, and priority focus on, Covid-19 issues throughout 2020, on the recommendation of Budget Working Group it was agreed at Policy and Finance Committee that the capital programme budget update process undertaken during 2020 would be streamlined. This involved moving to a four-year capital programme only, covering the financial years 2021/22 to 2024/25, and there being no new capital bids for 2025/26 (year five).

The proposals that are put forward by Heads of Service in their bids are based on a variety of sources such as:

- Past discussions that have taken place at service committees
- Known current service pressures
- Anticipated future service pressures
- Central Government expectation
- Specific funding received from Central Government
- Legislative requirements

As part of the bidding process, a standard pro-forma is completed which allows for the provision of information in a standard format and ensures that all relevant information can be considered and compared. The details requested cover:

- Scheme Name
- Head of Service
- Service Area
- Brief Description of the Scheme
- Environmental Considerations
- Revenue Implications
- Alternatives that have been Considered
- Timescales for Completion
- Any Risks to Completion
- Capital Costs

Under the streamlined process that was undertaken during 2020, Heads of Service/Directors were asked to review and update the proposed four-year capital programme, as follows:

- Review the 2021/22 capital schemes already in the capital programme to confirm that costings are correct and that they will be able to be completed in that year; and
- Review the current year's (2020/21) capital schemes to identify whether any may need to be moved to the 2021/22 financial year.

Capital Expenditure

The Approved ~~Four~~Five Year Capital Programme

As previously mentioned the overall capital programme ~~has moved to~~ is for a ~~four~~five year period, and whilst the coming financial year is fixed, the remaining ~~three~~four years of the capital programme remain in a relatively fluid state and are open to review on an annual basis.

The table below provides a summary by committee of the future ~~four~~five-year capital programme from ~~2021/22~~~~2020/21~~ to 2024/25.

Approved Capital Programme for ~~2021/22~~~~2020/21~~ to 2024/25

Committee	2021/22	2022/23	2023/24	2024/25	TOTAL
Community Services Committee	1,555,000	920,100	510,800	451,000	3,436,900
Economic Development Committee	66,750	0	0	0	66,750
Health and Housing Committee	639,640	397,000	509,600	397,000	1,943,240
Planning and Development Committee	26,420	0	0	0	26,420
Policy and Finance Committee	105,510	226,600	118,200	88,080	538,390
TOTAL	2,393,320	1,543,700	1,138,600	936,080	6,011,700

Current and Longer-Term Priority Areas

Whilst not currently within the approved ~~four~~five-year capital programme, there are a number of priority areas where there is potential that the council may incur future capital expenditure.

The council is looking at the promotion of industrial estates, particularly on the A59 corridor and the railway ribbon, to supplement those already being developed in Longridge, Barrow and on the former Time Computers site in Simonstone.

The council continues to look for opportunities for increasing car parking within the borough and the identification of any further potential sites for development could result in a sizeable capital scheme above that already allowed for in the budget.

For ongoing commitments, the capital programme currently largely consists of replacement vehicles and plant and it is anticipated that this is likely to continue in the longer term.

The council will continue to review service provision and the adequacy of its assets in meeting the service demands of the borough's residents. In the long term any forecast changes to the level of, or manner in which services are provided will be considered proactively by service committees, together with any potential consequential capital investment that may be needed.

Affordability, including from the perspective of revenue impacts, plays a key part in the development of the capital programme and would continue to be a paramount consideration.

Capital Financing

Funding

The council has always sought to maximise funding for capital, including any from revenue sources.

The council's funding policy has been to set programmes which address its short-term and medium-term priority actions and to fund these by utilising prudential borrowing, capital receipts (both in hand and anticipated in year) and earmarked reserves such as the Business Rates Growth Reserve, VAT Shelter Reserve and New Homes Bonus Reserve, in a corporate approach, thus providing the maximum investment position.

Earmarked reserves are primarily the main source of financing the capital programme. A variety of earmarked reserves are used, but in the main the current five-year capital programme relies on New Homes Bonus Earmarked Reserve and Business Rates Growth Earmarked Reserve.

With the continued uncertainty around local government funding it is difficult to forecast which specific resources will be used to finance capital in the longer-term, other than for there to be an even greater reliance on our earmarked reserves.

External Grant Funding

The use of external grant to fund schemes has become increasingly scarce over recent years. The only currently secured source of external funding is in relation to the council's statutory obligations under Disabled Facility Grants and the funding received via Lancashire County Council from the Better Care Fund.

Other external funding has been sought more recently for the Clitheroe Castle Keep for repointing works that are needed, but to date no external grant funding has been identified. There is also a further capital scheme for the Refurbishment of Mardale Playing Field Changing Rooms which will rely on the ability to source external funding. Whilst this scheme is not planned to take place until 2024/25, the availability of external funding seen to date is a cause for concern.

No change in the availability of external grant funding towards capital schemes is identified at this time, which in turn places added pressure on the council's earmarked reserves, which increasingly offer the only viable means of funding the capital programme – in the medium term and longer term.

However, wherever possible the council will always strive to identify external funding as the first option of funding schemes within the capital programme.

Capital Receipts

With a low base of assets and no longer-term surplus assets identified, the scope for income from capital receipts is minimal. This is reflected in the relatively low level of capital receipts currently being accumulated, with the majority of receipts relating to the sale of larger vehicles such as refuse collection vehicles.

The council operate a policy of only treating asset sales with a value of £10,000 or greater as capital receipts. Any sales achieving a sale value of lower than this would be credited to the service and then transferred to the Capital Earmarked Reserve to help fund future capital expenditure.

The council always looks to maximise the income it receives from the sale of surplus assets and in the case of usable capital receipts, this must be further invested in future capital schemes.

Earmarked Reserves

There are a wide range of earmarked reserves operated by the council, and depending on the capital scheme needing to be funded, most have the potential to be used in some way to help finance the capital programme.

The council is conscious of the fine balance between the role of earmarked reserves in supporting both revenue and capital. With alternative sources of financing the capital programme reducing (notably external grants), our earmarked reserves generally offer the most viable method of financing.

The current ~~four~~five-year capital programme utilises the following earmarked reserves, a number of which will be fully depleted by the end of the plan:

- VAT Shelter Earmarked Reserve
- Capital Earmarked Reserve
- New Homes Bonus Earmarked Reserve
- ~~Planning Earmarked Reserve~~
- Rural Services Delivery Grant Earmarked Reserve
- ICT Renewals Earmarked Reserve
- Vehicle and Plant Renewal Earmarked Reserve
- Fleming VAT Earmarked Reserve
- Wheeled Bins Earmarked Reserve
- Business Rates Growth Earmarked Reserve

New Homes Bonus Earmarked Reserve and Business Rates Growth Earmarked Reserve are currently the most relied on earmarked reserves, but with continued uncertainty around the future of local government finance, at this time we are unable to place any reliance on these funding streams for financing the capital programme in the longer term.

Capital Financing

Internal Borrowing

The use of internal borrowing to support the capital programme is currently kept to those schemes in respect of land and property. This is due to the long asset lives and therefore the year-to-year impact on revenue. This is as a direct consequence of accounting for the Minimum Revenue Provision (MRP) in line with the council's policy.

There is currently no anticipated change in the longer-term to the council's viewpoint on borrowing only for land and property assets.

Approved Financing of the Capital Programme for ~~2020/21~~2019/20 - 2024/25

The availability of resources to fund the capital programme has been a key concern, particularly with the heavy reliance that is placed on the use of earmarked reserves to fund the capital programme.

There are continued high levels of uncertainty around funding streams such as New Homes Bonus and Business Rates Growth that are set aside funds in these earmarked reserves, and also opposing pressure on these resources for supporting the revenue budget.

The VAT Shelter arrangement will also end in 2022/23, and already we are seeing a substantial fall in resources, with only ~~£6,405~~~~£26,060~~ anticipated to be received in ~~2020/21~~2019/20 and nil in ~~2021/22~~2020/21 based on discussions with Onward Homes.

A number of the Earmarked Reserves that we have previously used are now coming to the point of being exhausted based on future commitments for the existing capital programme. As a result, the residual values of these Earmarked Reserves form part of the financing.

External funding is extensively in respect of Disabled Facility Grants with an element of as yet unconfirmed external funding factored into the capital programme for the Castle Keep Repointing in 2022/23 and Mardale Playing Field Changing Rooms in 2024/25~~in 2020/21 and also in 2024/25 as referred to above.~~

Over the life of the current ~~four~~five-year capital programme there is borrowing in respect of two schemes, being residual works on Clitheroe Market Improvements (~~£78,600~~~~£57,000~~) and Installation of a Second Parking Deck at Chester Avenue Car Park (£1,230,000).

Approved Financing of the Capital Programme for 2021/22 - 2024/25

Method of Financing	2021/22	2022/23	2023/24	2024/25	TOTAL
Earmarked Reserves	-573,660	-708,360	-791,600	-559,080	-2,632,700
External Funding	-347,000	-569,240	-347,000	-377,000	-1,640,240
Usable Capital Receipts	-164,060	-266,100	0	0	-430,160
Borrowing	-1,308,600	0	0	0	-1,308,600
TOTAL	-2,393,320	-1,543,700	-1,138,600	-936,080	-6,011,700

Current Treasury Management Position

Borrowing through the Public Works Loans Board represents the total debt for the Council, and is gradually decreasing as payments of the principle are made year by year. It is estimated that the outstanding principle on all PWLB loans at 31 March ~~2021~~~~2020~~ will be ~~£116k~~~~£126k~~.

Investments at the end of the ~~2020/21~~~~2019/20~~ financial year are anticipated to be in the region of £17m~~£12m~~ based on current cash flow forecasts. These investments relate to monies placed with institutions on our approved counterparty list. The estimate is subject to some uncertainty concerning the timing of coronavirus grant transactions, both in terms of grants receivable from Central Government and grants payable to local residents and businesses.

There was no short-term borrowing on the 31 March ~~2020~~~~2019~~, and none is forecast for the 31 March ~~2021~~~~2020~~. Only very occasionally has the Council utilised short term borrowing in order to temporarily aid cash flow.

A summary of the Council's treasury position at the end of the ~~2019/20~~~~2018/19~~ financial year and that anticipated at the end of the ~~2020/21~~~~2019/20~~ financial year is summarised below.

	31 March 2020 Actual £	Actual Average Rate %	31 March 2021 Estimate £	Estimated Average Rate %
Borrowing				
Fixed Rate Debt - PWLB	125,983	4.97	115,590	4.98
Total Debt	125,983		115,590	
Investments				
Short Term Investments	-11,900,000	0.61	-14,000,000	0.05
Cash at bank	-2,780,922		-3,610,000	
Total Investments	-14,680,922		-17,610,000	
Net External Debt/(Credit)	-14,554,939		-17,494,410	

The Council's current treasury position is not at risk from movements in interest rates as all current PWLB borrowing is on a fixed rate. Should the council choose to take any future borrowing on variable rates then this would expose the council to a greater risk from any adverse movement in interest rates.

Current Treasury Management Position

The forecasted balance of PWLB debt at 31 March ~~2021~~~~2020~~ comprises of the following individual loans:

Original loan Amount £	Term	Interest Rate	Estimated Principal Outstanding at 31 March 2021 £	Year of Final Repayment
250,000	15 years	4.75% Fixed	590 983	2022/23
250,000	25 years	4.88% Fixed	115,000 125,000	2032/33
		Total PWLB	115,590125,983	

The total debt is summarised in the table below, showing the estimated debt maturity assuming no further borrowing is undertaken.

The maturity date is the date on which the principal amount of a note, draft, acceptance bond or another debt instrument becomes due and is repaid to the investor and interest payments stop. It is also the termination or due date on which an instalment loan must be paid in full.

Estimated Debt Maturity Analysis as at 31 March 2021		
Maturity	£	%
Under 12 Months	0	0
12 Months and within 24 Months	590	0.5
24 Months and within 5 Years	983	0.8
5 Years and within 10 Years	0	0
10 Years and within 20 Years	115,000 125,000	99. 52
20 Years and above	0	0
Total PWLB and Bond	115,590125,983	100.00

Interest Rates

Prospects for Interest Rates

The Monetary Policy Committee (MPC) of the bank of England decides monetary policy decisions that influence how much money is in the economy and how much it costs to borrow, including decisions over the bank of England interest rate.

Through these decisions the MPC aims to maintain price stability within the UK and to support the economic policy of the Government, including its objectives for growth and employment.

In order to maintain price stability the government has set the bank's MPC a target for an annual inflation rate of the consumer price index (CPI) of 2%.

Over the last few years the MPC has kept interest rates low as the economy recovered from the global financial crisis. As the economy grew more quickly the rate of inflation increased above the 2% target. In response to this the MPC increased interest rates from 0.25% to 0.5% in November 2017 and then to 0.75% in August 2018.

More recently, particularly in [In](#) response to Coronavirus, the MPC took a decision to reduce bank base rate by 0.5% taking it to 0.25% on 13 March 2020 and then further reduced rates by 0.15% on 19 March 2020 taking bank base rate to 0.1% [where it remained throughout the financial year 2020/21. The rate was maintained by unanimous decision at the most recent MPC meeting in March 2021.](#)

The MPC has said that the ~~recent~~ decisions to reduce bank base rate have been taken to help households and businesses get through the economic slowdown caused by Coronavirus. [At their most recent meeting the MPC states that the outlook for the economy continues to depend on the evolution of the pandemic, measures taken to protect public health, and how households, businesses and financial markets respond to these developments.](#)

These are worryingly rapid changes to interest rates, which inevitably impact on the council's budgeted investment income in the short-term, but which will have no immediate impact on the council's borrowing costs as this is all at fixed rates.

The council's longer-term budget forecasts of [investment](#) interest rates have anticipated that interest rates, and therefore interest receipts, will [improve slightly in 2022/23 and from there](#) remain static ~~at the 0.75% previously seen at the time of setting the budget.~~ However, this recent volatility, [particularly as a result of Brexit and Covid-19,](#) presents much uncertainty around future interest rates.

Borrowing and Debt Strategy

The introduction of the Prudential Code and uncertainty over future interest rates increases the risks associated with the treasury strategy should the council need to increase its use of short term borrowing or make further longer term borrowing on a variable rate. As a result the Council needs to take a cautious approach to its treasury strategy.

Long term fixed interest rates and base rates are both expected to remain very volatile in the short term and difficult to predict. Taking into account ~~changes to the~~ interest rates ~~as they occur, shown in the table included in the section “prospects for inflation”~~, the most appropriate form of borrowing will be undertaken.

We intend to continue the current policy of meeting our long-term borrowing requirements from the Public Works Loan Board.

Councils that provide ‘information and transparency’ on ‘borrowing and associated capital spending plans’ are eligible for a certainty rate discount on PWLB loans of 20 basis points below the standard rate.

This data is gathered through government returns. Ribble Valley Borough Council are currently listed as an eligible Council until 31 October ~~2021~~2020, by which time we intend to submit a further return to continue as an eligible body.

We will engage in short-term borrowing from the money market if necessary, in order to finance temporary cash deficits, however by managing our cash flow effectively these will be kept to a minimum. Wherever possible, any loan will be taken out for periods of less than 7 days in order to minimise the interest payable and will initially be sought from other local authorities and lenders of preference through the money markets.

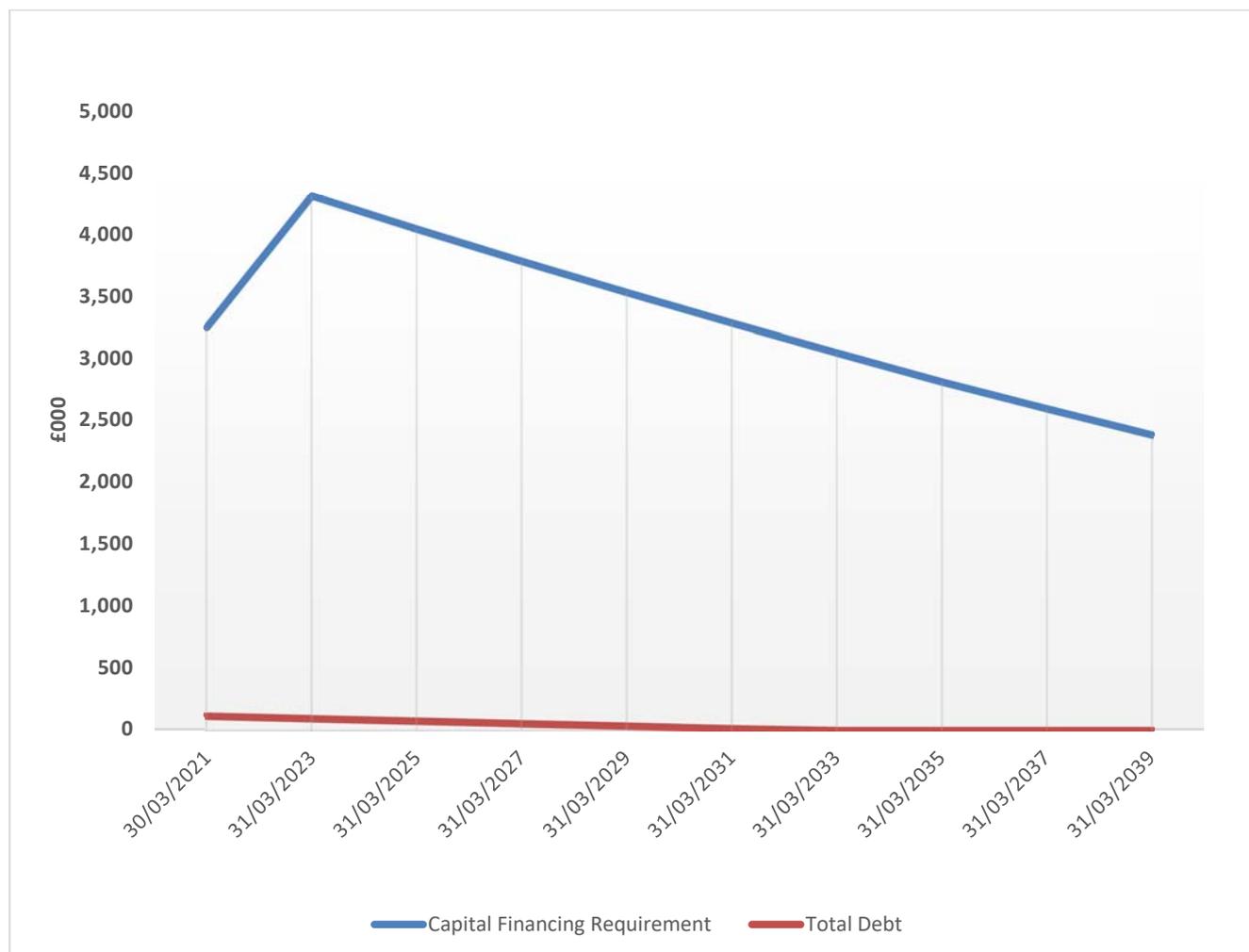
CIPFA’s Prudential Code for Capital Finance in Local Authorities recommends that the council's total debt should be lower than its highest forecast capital financing requirement over the next three years.

Based on the current medium-term capital financing plans in the approved capital programme, and the existing levels of borrowing, the council’s borrowing is comfortably below the capital financing requirement when forecast for the next 20 years.

It must be noted that this is a snap shot in time based on current plans and current policies around such items as Minimum Revenue Provision (MRP).

Borrowing and Debt Strategy

Forecast Capital Financing Requirement and Total Debt (Current Position)



Minimum Revenue Provision (MRP) Policy Statement 2021/22~~2020/21~~

The Council is required each year to pay off an element of its accumulated General Fund capital expenditure through a revenue charge, the Minimum Revenue Provision (MRP).

The Ministry of Housing, Communities and Local Government (MHCLG) issued regulations which require Full Council to approve an MRP Policy Statement in advance of each financial year. The council's MRP Policy Statement for 2021/22~~2020/21~~ is detailed below

- For capital expenditure incurred **before** 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP Policy will be to allow MRP equal to 4% of the capital financing requirement (the element of which relates to capital expenditure incurred before 1 April 2008) at the end of the previous financial year.

- For capital expenditure incurred **after** 1 April 2008, for all Unsupported Borrowing the MRP Policy will be to follow the Asset Life Method (Equal Instalment method), i.e. the MRP will be based upon the estimated life of the assets financed from borrowing.

Investment Strategy

Background

The council holds reserves and other cash items on its balance sheet which are invested. In investing these cash balances the council follows guidance issued by CIPFA and MHCLG.

The MHCLG guidance requires treasury management investments to prioritise security, liquidity and yield in that order of importance. The council will not make any investments with low credit quality bodies, nor any that are defined as capital expenditure by legislation, such as company shares.

Strategy Guidelines

The main principle governing the Council's investment criteria is the security and liquidity of its investments before yield, although the yield or return on the investment will be a consideration, subject to adequate security and liquidity. The Council must ensure that:

- It has sufficient liquidity in its movements. We continually monitor our cash flow position maintaining a balance between short term lending and availability of resources in our main HSBC account – taking advantage of the interest rates that are now available on this HSBC account at 0.1% below base rate;
- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counter parties with adequate security, and monitoring of their security.

A counter party list is maintained in compliance with these criteria and it will be revised and submitted to Council for approval as necessary. In accordance with new legislation, the proposed criteria detailed above are shown in the following subsections.

Liquidity of Investments

The Council expects to maintain potential average investment balances of £15.6m, subject to other service commitments meaning a fall in available cash to invest. The Council will continue to invest these balances in accordance with the Council's investment policies and prevailing legislation and regulations.

Specified Investments

These investments are sterling investments of not more than one-year maturity. These are low risk assets and the possibility of loss of principal or investment income is very low. The investments are defined as:

- The UK Government (such as the Debt Management Office, UK Treasury Bills or gilts with less than one year to maturity).
- Supranational bonds with less than one year to maturity and only with organisations awarded a AAA credit rating from Fitch, Moody's and Standard and Poor's credit rating agencies.
- A local authority, parish council or community council.
- A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society). These bodies will have a minimum rating as set out in our counter party criteria and as listed in our Treasury Management Policy.

In accordance with the Treasury Management Code, the Council has set additional criteria to set a limit on the time and amount of monies which will be invested with these bodies.

Non-Specified Investments

Non-specified investments include any other type of investments, i.e. not defined as specified above. These are sterling investments with:

- Securities admitted to the Officials List of the Stock Exchange that is guaranteed by the UK Government (such as supranational bonds).
- Gilt edged securities with a maturity of greater than one year.
- Institutions not meeting the basic security requirements under the specified investments.
- A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society) for deposits with a maturity of greater than one year.
- Shareholding in the Local Government Bonds Agency.

At the present time the Council has no immediate plans to invest in non-specific investments other than a maximum share that it already holds in the Local Government Bonds Agency of £10k.

Policy on the Use of Financial Derivatives

Many local authorities have previously made use of financial derivatives embedded in loans and investments both to reduce interest rate risk (i.e. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk. However, previous legislation was understood to prevent the use of such tools where they were not embedded in other instruments.

The Localism Act 2011 includes a general power of competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives. The latest CIPFA Code requires local authorities to clearly detail their policy on the use of derivatives in their annual strategy.

Investment Strategy

The Council has not and does not plan to use derivatives.

The Monitoring of Investment Counter parties

The credit rating of counter parties is monitored monthly. Any counter party failing to meet the criteria will be removed from the approved counterparties list immediately and, if required, new counter parties, which meet the criteria, will be added to the list.

Fitch credit ratings are monitored and are used as an indication of the probability of organisations defaulting on our investments. Whilst they only show an indication of the current credit position, they are being monitored on a regular basis and any significant changes will be reported to Policy and Finance Committee.

The banks and building societies the Council use are reviewed annually as part of the Treasury Management policies and practices to take into account their Fitch IBCA long-term and short-term credit rating. The Council has a policy to only use institutions with a short-term Fitch rating of F2 or above.

In addition to the building societies and banks we use for investments, also approved for use is the United Kingdom Debt Management Office, where the Government guarantees investments.

Business Model for Holding Investments

Under International Financial Reporting Standard 9, the accounting for certain investments depends on the council's "business model" for managing them.

The council holds investments to collect contractual cash-flows and as such these investments would not result in changes in market value having to be a charge against the Council Tax at year end.

Long-Term Investments

The Treasury Management code requires that where an authority invests, or plans to invest, for periods longer than one year, then an upper limit for investments maturing in excess of one year is set. This council has a policy of not investing for periods of longer than 1 year.

Use of External Fund Managers

It is the Council's policy not to use an external fund manager.

Prudential Code

The Prudential Code

In line with the relevant legislation the council has adopted the Prudential Code for Capital Finance in Local Authorities and the CIPFA Treasury Management in the Public Services Code of Practice (2017) as setting the framework of principles for its treasury management activities. In accordance with the requirements of these codes the council produces each year prudential indicators which provide a framework for the prudent management of its treasury management including limits with regard to certain types of activity such as borrowing. The indicators below are a consequence of the activities set out within this strategy.

Capital Expenditure

The Capital Expenditure indicator is the platform from which most prudential indicators of the council are formed.

Capital expenditure is a significant source of risk and uncertainty since cost variations, slippage, acceleration of major projects or changing specifications are often a feature of large or complex capital programmes. Capital investment also carries risk in relation to the availability of capital finance from capital receipts, grants and external contributions.

As part of this indicator, we will undertake regular monitoring of the capital programme throughout the financial year and report progress and any variations to the relevant service committees and Policy and Finance Committee.

The actual capital expenditure that was incurred in [2019/202018/19](#) is shown alongside the current and future years that are recommended for approval:

Prudential Code

Capital Expenditure					
Committee	Actual Capital Expenditure for 2019/20	Forecast Capital Expenditure for 2020/21	Forecast Capital Expenditure for 2021/22	Forecast Capital Expenditure for 2022/23	Forecast Capital Expenditure for 2023/24
	£	£	£	£	£
Community Services Committee	1,787,147	392,300	1,555,000	920,100	510,880
Economic Development Committee	0	35,000	66,750	0	0
Health and Housing Committee	276,243	1,277,520	639,640	397,000	509,600
Planning and Development Committee	122,542	61,870	26,420	0	0
Policy and Finance Committee	595,815	158,310	105,510	226,600	118,200
Total	2,781,747	1,925,000	2,393,320	1,543,700	1,138,680

Financing Costs

The calculation of Financing Costs for the purposes of the Prudential Code includes those items included under the Financing and Investment Income and Expenditure section of the council's Comprehensive Income and Expenditure Statement in the Statement of Accounts – but excluding pension interest costs and any gain or loss on trading accounts.

For this council, this includes the interest we pay on our borrowing, interest we receive on our investments and also the Minimum Revenue Provision (MRP), being the means by which capital expenditure financed by borrowing or credit arrangements is paid for by council tax payers.

The table below summarises our net financing costs that were shown in the statement of accounts for the 2019/2020~~2018/19~~ financial year, and those forecast for the current and future years.

Financing Costs				
2019/20 Actual £	Forecast for 2020/21 £	Forecast for 2021/22 £	Forecast for 2022/23 £	Forecast for 2023/24 £
19,179	73,516	62,753	67,613	64,865

Net Revenue Stream

The calculation of the Net Revenue Stream for the purposes of the Prudential Code includes those items included under the Taxation and non-Specific Grant Income section of the council's Comprehensive Income and Expenditure Statement in the Annual Statement of Accounts, but excludes capital receipts and capital grants.

Net Revenue Stream				
2019/20 Actual £	Forecast for 2020/21 £	Forecast for 2021/22 £	Forecast for 2022/23 £	Forecast for 2023/24 £
9,668,268	12,170,485	6,304,519	8,668,569	8,455,620

Financing Costs to Net Revenue Stream

Estimates of the ratio of financing costs to net revenue stream for the current and future years, and the actual figures for ~~2019/20~~2018/19 are shown in the table below. This indicator uses the Financing Costs calculated above as a percentage of Net Revenue Streams, also calculated above.

It should be noted that the calculation of these indicators relies heavily on the forecast of future financial support from the government. As members will be aware there is a substantial amount of uncertainty with regard to most elements of local government finance.

Financing Costs to Net Revenue Stream				
2019/20 Actual	Forecast for 2020/21	Forecast for 2021/22	Forecast for 2022/23	Forecast for 2023/24
0.2%	0.6%	1.0%	0.8%	0.8%

Prudential Code

As would be expected due to our low level of external borrowing, the percentage of financing costs to net revenue stream is relatively low.

Capital Financing Requirement

The capital financing requirement measures the council's underlying need to borrow for a capital purpose, although this borrowing may not necessarily take place externally.

In accordance with best professional practice, the Council does not associate borrowing with particular items or types of expenditure. The council has an integrated capital and treasury management strategy and has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

We have, at any point in time, a number of cash flows, both positive and negative, and manage our treasury position in terms of our borrowings and investments in accordance with our approved practices.

In day-to-day cash management we make no distinction between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirements reflects the authority's underlying need to borrow for a capital purpose.

Capital Financing Requirement				
2019/20 Actual £'000	Forecast for 2020/21 £'000	Forecast for 2021/22 £'000	Forecast for 2022/23 £'000	Forecast for 2023/24 £'000
3,356	3,248	4,450	4,312	4,177

External Debt

In respect of the Capital Financing Requirement, the level of external debt is a consequence of a treasury management decision about the level of external borrowing.

The inclusion of total external debt in the Prudential Code means that it covers all borrowing whether this is for capital or revenue. This is mainly due to the fact that our daily treasury management activities make no distinction between revenue and capital cash. External borrowing occurs as a result of all of a council's transactions, not just those arising from the capital programme.

External Debt					
	2019/20 Actual £	Forecast for 2020/21 £	Forecast for 2021/22 £	Forecast for 2022/23 £	Forecast for 2023/24 £
PWLB Borrowing	125,983	115,590	105,197	95,000	85,000

Gross Debt and Capital Financing Requirement

The Prudential Code states that in order to ensure that over the medium term, debt will only be for a capital purpose, the council should ensure that debt doesn't, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

It is not envisaged that the council will have any difficulty meeting this requirement going forward. This view takes into account current commitments, existing plans and the proposals in the Council's budget report.

The Authorised Limit

The authorised limit, like all the other prudential indicators, has to be approved and revised by full council. It should not be set so high that it would never in any possible circumstances be breached. It should reflect a level of borrowing which, while not desired, could be afforded but may not be sustainable.

Any unanticipated revision to the council's authorised limit would be a most exceptional event that would trigger a review of all the prudential indicators. The authorised limit is set to establish the outer boundary of the council's borrowing based on a realistic assessment of the risks. The authorised limit is certainly not a limit up to which the council expects to borrow on a regular basis.

The authorised limit for external debt is the upper limit on the level of gross external indebtedness, which must not be breached without council approval. It is the **worst-case scenario**.

Factored in to the setting of the authorised limit is the council's role as the lead authority of the Lancashire Business Rates Pool.

The limit separately identifies borrowing from other long-term liabilities such as finance leases. Authority is delegated to the Director of Resources, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities, in accordance with option appraisal and best value for money for the council. Any such changes made will be reported to the Council at its next meeting following the change.

Prudential Code

Authorised Limit for External Debt			
	2021/22 £'000	2022/23 £'000	2023/24 £'000
Borrowing	15,992	15,784	15,578
Other Long-Term Liabilities	0	0	0
Total	15,992	15,784	15,578

The Operational Boundary

This indicator focuses on the day-to-day treasury management activity within the council. It is a way in which the council manages its external debt to ensure that it remains within the self-imposed Authorised Limit.

The Operational boundary is based on expectations of the maximum external debt of the council according to probable events.

The operational boundary for external debt is based on the same estimates as the authorised limit but reflects directly my estimate of the most likely prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash movements, and equates to the maximum of external debt projected by this estimate.

The operational boundary represents a key management tool for in year monitoring by my staff and me. Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified. Authority is delegated to the Director of Resources, within the total operational boundary for any individual year, to effect movement between the separately agreed figures for borrowing and other long term liabilities, in a similar fashion to the authorised limit. Any such changes will be reported to the Council at its next meeting following the change.

Operational Boundary for External Debt			
	2021/22 £'000	2022/23 £'000	2023/24 £'000
Borrowing	2,817	2,609	2,403
Other Long Term Liabilities	0	0	0
Total	2,817	2,609	2,403

Maturity Structure of Borrowing

The council is required to set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowing. These prudential indicators are referred to as the upper and lower limits respectively for the maturity structure of borrowing and are calculated using the amount of projected borrowing that is maturing in each period, expressed as a percentage of total projected borrowing.

The maturity date is the date on which the principal amount of a note, draft, acceptance bond or another debt instrument becomes due and is repaid to the investor and interest payments stop. It is also the termination or due date on which an instalment loan must be paid in full.

The Upper limit profile is based on the potential borrowing identified under the Operational Boundary indicator.

MATURITY STRUCTURE OF BORROWING			
	Current Borrowing Profile %	Lower Limit %	Upper Limit %
Under 12 Months			
12 Months and within 24 Months	0.51	0.51	0.04
24 Months and within 5 Years			
5 Years and within 10 Years			
10 Years and within 20 Years	99.49	99.49	7.12
20 Years and above			92.85

Principal Sums Invested for Periods Longer than a Year

The Treasury Management code requires that where an authority invests, or plans to invest, for periods longer than one year, then an upper limit for investments maturing in excess of one year is set. This council has a policy of not investing for periods of longer than 1 year.

Interest Rate Exposures

In order to control interest rate risk, the council measures its exposure to interest rate movements. These indicators place limits on the overall amount of risk the council is exposed to. The one-year impact indicator calculates the theoretical impact on the revenue account of an immediate 1% rise in all interest rates over the course of one financial year. As the council's debt is on a fixed rate, this will not be impacted, so the only exposure would be on our investment income. As a result, this figure shows as a negative value.

Prudential Code

Interest Rate Exposures	Upper Limit £'000
Upper limit on one-year revenue impact of a 1% rise in interest rates	-156

Credit Risk

The Council has a policy to only use institutions with a short-term Fitch rating of F2 or above.

Credit Risk	Lower Limit for Credit Rating
Short Term Fitch Rating of Counterparties Used	F2

Risk Management

Capital Programme and Risk Management

As part of the capital scheme bidding process officers are asked to detail any risks that may be present to the completion of the scheme within budget and on time. These are reported and considered by members as part of the process of producing an overall achievable and affordable capital programme.

Where relevant, larger projects will be recorded separately on the council's corporate risk management system and the risk monitored on a regular basis, being reported to the corporate management team and the Accounts and Audit Committee, should any risk be deemed to be scored a 'Red' risk.

Treasury Management and Risk Management

The Council's activities expose it to a variety of financial risks:

- Credit Risk – the possibility that other parties might fail to pay amounts due to the Council.
- Liquidity Risk – the possibility that the Council might not have funds available to meet its commitments to make payments.
- Market Risk – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates and stock market movements.

The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out within the Council's Financial Services team, under policies approved by the Council in the annual treasury management strategy.

The Council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

Overall Procedures for Managing Treasury Management Risk

Overall these procedures require the Council to manage risk in the following ways:

- by formally adopting the requirements of the Code of Practice;
- by approving annually in advance prudential indicators for the following three years limiting:
 - The Council's overall borrowing;
 - Its maximum and minimum exposures to fixed and variable rates;

Risk Management

- Its maximum and minimum exposures to the maturity structure of its debt;
- Its maximum annual exposures to investments maturing beyond a year.
- by approving a Treasury Management Strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance;

The Prudential Indicators are required to be reported and approved at or before the Council's annual Council Tax setting meeting in early March. These items are also reported within this Strategy. Actual performance is also reported quarterly to Members.

Treasury Management activity is monitored by the Financial Services team. The Council maintains written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash through Treasury Management Practices (TMPs). These TMPs are a requirement of the Code of Practice and are reviewed regularly.

Risk and Commercial Activity

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or capital appreciation or both.

This council does not hold any investment properties; neither does the council borrow money with a view to investing purely for commercial gain.

Governance Framework

Initial Capital Scheme Bidding Process

The development of the scheme bids was detailed in the earlier section on Capital Expenditure. The reporting of the same and the decision-making process is summarised in the table below, following a standard process for the annual review of the capital programme:

August: Heads of Service are asked to consider their service area and identify any potential capital schemes.
October/November: All submitted bids are reviewed by Corporate Management Team and Budget Working Group and reported to the relevant Service Committee and approval sought. Members are also asked to put forward any capital bid suggestions and amendments that they may wish to make at this stage.
January: The Budget Working Group and Corporate Management Team consider which scheme bids should be included in the capital programme and the level of resources to be used to fund the capital programme, having consideration to any comments or approval made by Service Committees. A recommendation is prepared for Special Policy and Finance Committee.
February: Special Policy and Finance Committee meet to consider the recommendations of the Budget Working Group and Corporate Management Team. The final approved capital programme is then recommended to Full Council.
March: Full Council approve the final four five-year capital programme.

As part of this process there will inevitably be scheme bids that are not able to be taken forward, be that through lack of resources or competing priorities.

Capital Budget Monitoring

The council has a structured process of budget monitoring, with regular meetings with budget holders to ensure schemes are on track and within budget. Reports are taken to all service committees quarterly (including revised estimate report) and also the overall position is reported to Policy and Finance Committee on a quarterly basis.

Further reports are also taken to the council's Budget Working Group during the year.

The outturn position is also reported to all committees in line with the budget monitoring reporting.

Governance Framework

Treasury Management Activities

This council is committed in embracing the principals of corporate governance in their treasury management activities: These include

- Adoption of the principals and policies promoted in the prudential code in order to promote openness and transparency in the council's treasury management function.
- Publication of and free access to information about the council treasury management transactions.
- Establishing clear treasury management policies, separation of roles and management of relationship within and outside the council, to establish integrity of the function.
- Well defined treasury management responsibilities and job specifications to enhance accountability.
- Equality in treasury management dealings with an absence of business favouritism to promote fairness.

The principals of corporate governance are successfully implemented. The council should ensure that treasury risk management is an integral part of its overall risk management process.

- The management and administration of treasury management be robust, rigorous and disciplined.
- The council should receive regular reports on its treasury management activities
- Performance data should be clear, concise and relevant to its treasury management activities.
- External parties should be monitored for adherence to the legal or regulatory regimes under which they operate.

Reports are taken quarterly to the Policy and Finance committee on all treasury management activities. Outturn position reports are also reported to the same. All policies and practices are also reported to and agreed by Policy and Finance Committee and Council.

Knowledge and Skills

Staff involved in Capital Projects

The Council utilises the knowledge and skills of its internal officers when considering capital investment decisions and where necessary it may also rely on the expert knowledge of specialist external advisors.

The Council employs professionally qualified finance, legal and property officers who are able to offer advice and guidance when considering any capital investment decisions.

Finance and legal staff are professionally qualified and have the necessary experience of how the Council works.

All professionally qualified staff undertake Continuing Professional Development and maintain knowledge and skills through regular technical updates from appropriate bodies and are regulated by their respective professional bodies. Their rules of conduct require that they have an appropriate level of skill and expertise to deal with the particular matter with which they are dealing.

The Council occasionally uses external advisors where necessary in order to complement the knowledge its own officers hold. If required these would be engaged on an ad-hoc basis and be project based.

Staff involved in Treasury Management Activities

The Council recognises the importance that all treasury management staff should receive appropriate training relevant to the requirements of their duties at the appropriate time. The Council operates a Performance Appraisal system which aims to identify the training requirements of any individual members of staff engaged on treasury related activities.

Additionally, training may also be provided on the job and it will be the responsibility of the Director of Resources together with the Head of Financial Services, to ensure that all staff involved in the service receive the necessary training.

Treasury Management courses run by such bodies as CIPFA, money brokers, or other recognised bodies are those normally sourced and attended.

The qualifications of those staff that are authorised to be involved in treasury management activities are detailed below

- Chief Executive - CIPFA Qualified
- Director of Resources – CIPFA Qualified
- Head of Financial Services – CIPFA Qualified
- Senior Accountant – CIPFA Qualified

Knowledge and Skills

- Accounting Technician – AAT Qualified (studying for the CIPFA Qualification)

With regard to members, detailed explanations of all reports are given, as they are scrutinised by committee, by the Director of Resources in order to ensure full understanding.

**RIBBLE VALLEY BOROUGH COUNCIL
 REPORT TO POLICY & FINANCE COMMITTEE**

meeting date: 30 MARCH 2021
 title: TREASURY MANAGEMENT POLICIES AND PRACTICES 2021/22
 submitted by: DIRECTOR OF RESOURCES
 principal author: VALERIE TAYLOR

1 PURPOSE

- 1.1 To review, approve and adopt the treasury management policy statement and practices for 2021/22.
- 1.2 Recommend to Council the Treasury Management Policies and Practices 2021/22.

2 BACKGROUND

- 2.1 The Treasury Management Policies and Practices document governs the way we manage our investments. It is reviewed on an annual basis to comply with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code. The Code identifies twelve areas where statements of treasury management practices should be developed to implement the full requirements of the Code.

3 TREASURY MANAGEMENT POLICY STATEMENT AND TREASURY MANAGEMENT PRACTICES

- 3.1 The revised Treasury Management Policy Statement and Treasury Management Practices are shown at Appendix 1 within the Treasury Management Policies and Practices document.
- 3.2 The Treasury Management Policy Statement follows the wording recommended by the latest edition of the CIPFA Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes 2017 Edition.
- 3.3 The Council's Treasury Management Practices (TMPs) set out the manner in which the Council will seek to achieve its treasury management policies and objectives, and how it will manage and control those activities
- 3.4 The Treasury Management Practices are split as follows:
 - **Key Principles:** *which follow the wording recommended by the revised CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes*
 - **Schedules:** *which cover the detail of how the Council will apply the key Principles in carrying out its operational treasury activities*
- 3.5 Since the treasury management policy statement and treasury management practices were approved in November 2020, there has been a number of minor updates made to the Schedules within the Treasury Management Policies and Practices document and are highlighted accordingly.

4 RECOMMENDED THAT COMMITTEE

4.1 Review, approve and formally adopt the Treasury Management Policies and Practices document as attached at Appendix 1, incorporating the

- Treasury Management Key Principles
- Treasury Management Policy Statement
- Treasury Management Clauses
- Treasury Management Practices and Schedules

4.2 Recommend to Council the Treasury Management Policies and Practices 2021/22.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF21-21/VT/AC

18 March 2021

BACKGROUND PAPERS:

CIPFA Treasury Management in the Public Services – Code of Practice and Cross – Sectoral Guidance Notes 2017 Edition.

Treasury Management Policies and Practices

2021/22



Ribble Valley
Borough Council

www.ribblevalley.gov.uk

Key Officer Contacts for the Treasury Management Practices

Name	Job Title
Jane Pearson	Director of Resources
Lawson Oddie	Head of Financial Services
Valerie Taylor	Senior Accountant

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Introduction

Local authorities' treasury management activities are prescribed by statute. The sources of their powers, in England and Wales, are the Local Government Act 2003.

Essentially a local authority in England and Wales may borrow or invest for any purpose relevant to its functions, under any enactment, or '*for the purposes of the prudent management of its financial affairs*'.

Under the Act, a local authority is required to determine and keep under review how much money it can afford to borrow and may only borrow only in sterling (except with the consent of HM Treasury).

Local authorities are not constrained by law in the types of investments they can make or the investment instruments they may use. However, they are in practice constrained by the MHCLG guidance 'Statutory Guidance on Local Government Investments' (MHCLG 2018), which stress the prudent investment strategy of security, liquidity and yield. This means that first and foremost local authorities must ensure the security of their principal sum invested. i.e. ensure that they get back their full investment. Then they should ensure that they have the liquidity they need, i.e. that they have funds available when needed, and so should consider the length of an investment. Only when these two are satisfied should the yield or return on the investment be considered.

Under the Local Government Act 2003 and also the Local Authorities (Capital Finance and Accounting) Regulations 2003, the Council is required to have regard to the CIPFA Treasury Management Code of Practice (2017) (The Code) and the associated guidance.

Under The Code the Council is required to formally adopt a number of Clauses and also to adopt a formal treasury management policy statement within this document, which defines the policies and objectives of its treasury management activities. Furthermore The Code recommends that the Council follows a set of Treasury Management Practices in carrying out its treasury management activities. All of these items are outlined over the following sections.

Key Principles

The CIPFA Treasury Management Code of Practice (2017) identifies three key principles. In framing these three principles, or recommendations, CIPFA acknowledges the difficulties of striving for effective risk management and control, whilst at the same time pursuing value for money.

It is CIPFA's view that throughout the public services the priority for treasury management is to protect capital rather than to maximize return. The avoidance of all risk is neither appropriate nor possible. However, a balance must be struck with a keen responsibility for public money.

KEY PRINCIPLE 1:

Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.

KEY PRINCIPLE 2:

Their policies and practices should make clear that the effective management and control of risk are prime objectives of their treasury management activities and that responsibility for these lies clearly within their organisations. Their appetite for risk should form part of their annual strategy, including any use of financial instrument for the prudent management of those risks, and should ensure that priority is given to security and portfolio liquidity when investing treasury management funds.

KEY PRINCIPLE 3:

They should acknowledge that the pursuit of value for money in treasury management and the use of suitable performance measures are valid and important tools for responsible organisations to employ in support of their business and service objectives; and that within the context of effective risk management, their treasury management policies and practices should reflect this.

Treasury Management Clauses

CIPFA recommends that all public service organisations adopt, as part of their treasury management policies the following four clauses:-

1. Ribble Valley Borough Council will create and maintain, as the cornerstones for effective treasury management:
 - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
 - suitable treasury management practices (TMPs), setting out the manner in which the council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities

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

2. The Policy and Finance Committee of Ribble Valley Borough Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
3. Ribble Valley Borough Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Policy and Finance Committee and for the execution and administration of treasury management decisions to the Director of Resources who will act in accordance with the council's policy statement and TMPs and CIPFA's *Standard of Professional Practice on Treasury Management*.
4. Ribble Valley Borough Council nominates the Policy and Finance Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Treasury Management Policy Statement

This Council defines its treasury management activities as:

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

This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.

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

The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important but are secondary considerations.

Treasury Management Practices

CIPFA's Code of Practice on Treasury Management recommends that suitable treasury management practices (TMPs) are maintained, setting out the manner in which the council will seek to achieve the policies, objectives and approach to risk management of its treasury management activities. The code identifies twelve areas where statements of treasury management practices should be developed.

TMP 1: Risk Management

General Statement

This authority regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment.

The responsible officer will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in *TMP6 Reporting requirements and management information arrangements*. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.

i) Credit and counterparty risk management

This council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, method and techniques referred to in *TMP 4 Approved instruments methods and techniques* and listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing or derivative arrangements.

ii) Liquidity risk management

This council will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

This council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

iii) Interest rate risk management

This council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with *TMP 6 Reporting requirement and management information arrangements*.

It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be subject to the consideration and, if required, approval of any policy or budgetary implications.

It will ensure that any hedging tools such as derivatives are only used for the management of risk and the prudent management of financial affairs and that the policy for the use of derivatives is clearly detailed in the annual strategy.

iv) Exchange rate risk management

It will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

v) Inflation risk management

The council will keep under review the sensitivity of its treasury assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole organisation's inflation exposures.

vi) Refinancing risk management

This council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the council as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

vii) Legal and regulatory risk management

This council will ensure that all its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP 1 (i) *Credit and counterparty risk management*, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may affect with the council, particularly with regard to duty of care and fees charged.

This council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

viii) Fraud, error and corruption, and contingency management

This council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

ix) Price risk management

This council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect it from the effects of such fluctuations.

TMP 2: Performance measurement

This council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its treasury management policy statement.

Accordingly, the treasury management function will be the subject of on-going analysis of the value it adds in support of the council's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant or subsidy incentives, and of the scope for other potential improvements. The performance of the treasury management function will be measured using the criteria set out in the schedule to this document.

TMP 3: Decision-making and analysis

This council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at that time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed in the schedule to this document.

TMP 4: Approved Instruments, method and techniques

This council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule to this document, and within the limits and parameters defined in TMP1 Risk management.

Where the council intends to use derivative instruments for the management of risks, these will be limited to those set out in its annual treasury strategy. The organisation will seek proper advice and will consider that advice when entering into arrangements to use such products to ensure that it fully understands those products.

The council has reviewed its classification with financial institutions under MIFID II and has set out in the schedule to this document those organisations with which it is registered as a professional client and those with which it has an application outstanding to register as a professional client.

TMP 5: Organisation, clarity and segregation of responsibilities, and dealing arrangements

This council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principal on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when this council intends, as a result of lack of resources or other circumstances, to depart from these principles, the responsible officer will ensure that the reasons are properly reported in accordance with TMP 6 *Reporting requirements and management information arrangements*, and the implications properly considered and evaluated.

The responsible officer will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangements for absence cover. The responsible officer will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out. The present arrangements are detailed in the schedule to this document.

The responsible officer will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in the schedule to this document.

The delegations to the responsible officer in respect of treasury management are set out in the schedule to this document. The responsible officer will fulfil all such responsibilities in accordance with the council's policy statement and TMPs and, if a CIPFA member, the Standard of Professional Practice on Treasury Management.

TMP 6: Reporting requirements and management information arrangements

This council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effect of decisions taken and transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

As a minimum:

The council will receive:

- An annual report on the strategy and plan to be pursued in the coming year.
- A mid-year review.
- An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the council's treasury management policy statement and TMPs.

The Policy and Finance Committee will receive regular monitoring reports on treasury management activities and risks.

The body responsible for scrutiny, such as audit or scrutiny committee, will have responsibility for the scrutiny of treasury management policies and practices.

The Council will report the treasury management indicators as detailed in the sector specific guidance notes.

The present arrangements and the form of these reports are detailed in the schedule to this document.

TMP 7: Budgeting, accounting and audit arrangements

The responsible officer will prepare, and this council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 Risk Management, TMP 2 Performance measurement, and TMP 4 Approved instruments, methods and techniques. The responsible officer will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with TMP 6 Reporting requirements and management information arrangements.

This council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.

TMP 8: Cash and cash flow management

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of this council will be under the control of the responsible officer, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the responsible officer will ensure that these are adequate for the purposes of monitoring compliance with TMP 1 Liquidity risk management. The present arrangements for preparing cash flow projections, and their form, are set out in the schedule to this document.

TMP 9: Money laundering

This council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this is properly trained. The present arrangements, including the name of the officer to whom reports should be made, are detailed in the schedule to this document.

TMP10: Training and qualifications

This council recognises the importance of ensuring that all staff involved in the treasury management functions— are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The responsible officer will recommend and implement the necessary arrangements.

The responsible officer will ensure that Council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

The present arrangements are detailed in the schedule to this document.

TMP11: Use of external providers

This council recognises that responsibility for treasury management decisions remains with the council at all times. It recognises that there may be potential value in employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such services providers, it will ensure it does so for reasons which have been submitted to a full evaluation of the costs and benefits. It will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subject to regular review. And it will ensure, where feasible and necessary, that a spread of service providers, is used, to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rest with the responsible officer and details of the current arrangements are set out in the schedule to this document.

TMP12: Corporate governance

This council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

This council has adopted and has implemented the key principles of the Code. This together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury management, and the responsible officer will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Investments that are not part of treasury management activity

This council recognises that investments in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting services outcomes, investments in subsidiaries, and investment property portfolios.

This council will ensure that all the organisation's investments are covered in the capital strategy, investment strategy or equivalent, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.

The council will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisation's risk exposure.

We do not currently have any such investments that fall under this category.

SCHEDULE A

TMP 1: Risk Management

CREDIT AND COUNTERPARTY RISK

Credit and counter-party risk is the risk of failure by a third party to meet its contractual obligations to the council under an investment, borrowing, capital, project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or current (revenue) resources.

Criteria to be used for creating/managing approved counterparty lists/limits

As a holder of public funds, the Council recognises its prime responsibility is the security of the principal of the sums which it invests. Consequently, it will optimise returns commensurate with the management of the associated risk.

The Council will determine through its Annual Investment Strategy the credit criteria for various investment instruments.

The credit rating of counter parties is monitored regularly. Any counter party failing to meet the criteria will be removed from the list immediately and, if required, new counter parties, which meet the criteria, will be added to the list.

Principally, Fitch credit ratings are monitored and are used as an indication of the probability of organisations defaulting on our investments. In addition, the rating given by rating agents S&P Global Ratings and Moody's are also considered prior to an investment. Whilst they only show an indication of the current credit position, they are being monitored on a regular basis and any significant changes will be reported to Policy and Finance Committee. It has previously been approved that investments with Building Societies be limited to the top 8 building societies based on their total assets (provided they are included in Fitch ratings).

The banks the Council use are reviewed annually as part of the Treasury Management policies and practices to take into account their Fitch IBCA long-term and short-term credit rating.

The Council has a policy to only use institutions with a short term Fitch rating of F2 or above

In addition to the Building societies and banks we use for investments, also approved for use is the United Kingdom Debt Management Office, where the Government guarantees investments.

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested with these bodies. This criterion is also specified within the approved counter party criteria.

LIQUIDITY RISK

Liquidity risk is the risk that cash will not be available when it is required, that ineffective management of liquidity creates additional unbudgeted costs, and the Council's business/service objectives will be thereby compromised. This can jeopardise the ability of the Council to carry out its functions or disrupt those functions being carried out in the most cost effective manner. The Council will therefore have sufficient stand by facilities to ensure that there is always sufficient liquidity to deal with unexpected occurrences. It will also seek to ensure that its cash flow forecasting gives as accurate a picture as possible of the changes in income and expenditure and the resulting residual daily cash balances.

Amounts of approved minimum cash balances and short-term investments

It is the intention to minimise cash balances held overnight, and for short-term investments to be made in order to fulfil the projected net cash flow requirement.

- **Standby Facilities:** Any funds held on call notices should not exceed 25% of the total amount invested at any one time and a maximum of £500,000.
- **Bank overdraft arrangements:** The council does not have an agreed overdraft facility and instead relies on the stringent cash flow projections.
- **Short-term investment facilities:** Surplus funds shall be temporarily invested via the money market at the best rate of interest available, in accordance with the minimisation of risk of the capital sum. In all investment matters the protection of the capital sum will be of paramount importance and will override the desire to obtain the highest interest rates.

INTEREST RATE RISK

Interest rate risk is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the council's finances, against which the council has failed to protect itself adequately. The Council will seek to minimise this risk by reviewing forecasts of interest rates. It will also determine appropriate limits and trigger points ~~as set out below. These limits and strategy are set out in the annual~~ as set out in the council's Capital and Treasury Management Strategy. This strategy will be periodically reviewed during the relevant year to see whether any modifications are required in the light of actual movements in interest rates.

EXCHANGE RATE RISK

Exchange rate risk is the risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the council's finances, against which the Council has failed to protect itself adequately. The Council has a minimal exposure to exchange rate risk as it does not enter into loans or investments in foreign currency for treasury management purposes.

At this time the Council does not get involved in any other significant foreign currency transactions. These are limited to a very small number of invoice payments.

INFLATION RISK

Inflation risk, also called purchasing power risk, is the chance that the cash flows from an investment won't be worth as much in the future because of changes in purchasing power due to inflation. The Council mitigates against this risk as much as possible by monitoring the Bank of England's Monetary Policy Committee inflation reports and by limiting investments with counterparties to fixed interest rate agreements at terms below 365 days.

REFINANCING RISK

Refinancing risk is the risk that when maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the organisation for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.

Debt/other capital financing maturity profiling, policies and practices

The total debt, comprising both PWLB and a bond, is summarised in the table below, showing the estimated debt maturity assuming no further borrowing is undertaken. The council has no current plans to refinance its debt.

Original loan Amount £	Term	Interest Rate	Estimated Principal Outstanding at 31 March 2021 ⁰ £	Year of Final Repayment
250,000	15 years	4.75% Fixed	590,980	2022/23
250,000	25 years	4.88% Fixed	115,000 125,000	2032/33
		Total PWLB	115,590125,980	

Projected capital investment requirements

In accordance with the Prudential Code for Capital Finance in Local Authorities, the Director of Resources has prepared a four five year plan for capital expenditure for the Council.

The use of borrowing to support the capital programme results in an average of £327,150 ~~£257,400~~ per year for the period 2021/22 ~~2020/21~~ to 2024/25. The nature of the assets where borrowing has been used is in line with recommendations from the council's Budget Working Group and as approved by Policy and Finance Committee i.e. in respect of land and buildings.

A summary of the approved capital programme and its financing are provided in the table below.

	2021/22 £	2022/23 £	2023/24 £	2024/25 £	TOTAL £
Disabled Facility Grants	-347,000	-347,000	-347,000	-347,000	-1,388,000
VAT Shelter Earmarked Reserve	-186,740	-50,000	-50,000	0	-286,740
Capital Earmarked Reserve	-94,920	0	-401,982	0	-496,902
New Homes bonus Earmarked Reserve	-241,040	-70,960	-306,637	0	-618,637
External Funding towards Castle Keep Repointing	0	-222,240	0	0	-222,240
External Funding for Mardale Playing Field Changing Rooms	0	0	0	-30,000	-30,000
ICT Renewals Earmarked Reserve	0	-24,241	0	-63,400	-87,641
Vehicle Renewals Earmarked Reserve	0	-37,500	-13,530	0	-51,030
Fleming VAT Earmarked Reserve	0	-38,272	-5,451	0	-43,723
Refuse (Wheeled Bins) Earmarked Reserve	-13,000	-13,000	-14,000	-15,000	-55,000
Business Rates Growth Earmarked Reserve	-37,600	-474,387	0	-480,680	-992,667
Rural Services Delivery Grant Earmarked Reserve	-360	0	0	0	-360
Usable Capital Receipts	-164,060	-266,100	0	0	-430,160
Borrowing	-1,308,600	0	0	0	-1,308,600
Total Resources	-2,393,320	-1,543,700	-1,138,600	-936,080	-6,011,700

	2021/22 £	2022/23 £	2023/24 £	2024/25 £	TOTAL £
Total of Approved Capital Programme	2,393,320	1,543,700	1,138,600	936,080	6,011,700

Policy concerning limits on affordability and revenue consequences of capital financing

The policy is considered on an annual basis. In considering the affordability of its capital plans, the Council will consider all the resources currently available/estimated for the future together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the ~~two~~ ~~three~~ following years and the impact these will have on council tax. It will also take into account affordability in the longer term beyond this ~~four~~ ~~five~~ year period.

The Council will use the definitions provided in the Prudential Code for borrowing, capital expenditure, debt, financing costs, investments, net borrowing, net revenue stream and other long term liabilities.

LEGAL AND REGULATORY RISK

Legal and regulatory risk is the risk that either the Council, or a third party which it is dealing with in its treasury management activities, acts outside of its legal powers or regulatory requirements and as a result the Council incurs loss.

References to relevant statutes and regulations

The treasury management activities of the Council shall comply fully with legal statute, guidance, Codes of Practice and the regulations of the Council.

Procedures for evidencing the Council's powers and authorities to counterparties and the required information from Counterparties concerning their powers and authorities

The Council will provide written evidence of its powers and authorities to any counterparty that requests us to do so. Counterparties will also provide their details to the Authority as a matter of course.

The Council's powers to borrow and invest are contained in legislation.

- Investing: Local Government Act 2003, section 12
- Borrowing: Local Government Act 2003, section 1

Lending shall only be made to counterparties on the Approved Lending list.

Statement on the Council's political risks and management of same

The Council recognises that future political, legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the authority.

The monitoring officer is the Head of Legal Services; the duty of this officer is to ensure that the treasury management activities of the Council are lawful.

It is the duty of the Director of Resources to ensure that the financial affairs of the Council are conducted in a prudent manner and to make a report to the Council if they have concerns as to the financial prudence of its actions or its expected financial position.

FRAUD, ERROR AND CORRUPTION, AND CONTINGENCY MANAGEMENT RISK

Fraud, error and corruption risk is the risk that the Council fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk. The Council will therefore:-

- Seek to ensure an adequate division of responsibilities and maintenance at all times of an adequate level of internal check which minimises such risks.
- Fully document all its treasury management activities so that there can be no possible confusion as to what proper procedures are.
- Staff will not be allowed to take up treasury management activities until they have had proper training in procedures and are then subject to an adequate and appropriate level of supervision.
- Records will be maintained of all treasury management transactions so that there is a full audit trail and evidence of the appropriate checks being carried out.

Details of systems and procedures to be followed, including internet services

Authority

- The Scheme of Delegation to Officers sets out the delegation of duties to officers.
- All loans and investments are approved by the Director of Resources or the Head of Financial Services, or in the absence of both, the Chief Executive.
- Procedures are defined in the Council's Financial Regulations.

Procedures

- Detailed procedure notes are maintained on all of the treasury management functions. The current treasury management and systems document is attached at Annex1.

Investment and borrowing transactions

- A detailed register of all loans and investments is maintained.
- Any transaction discrepancies are immediately reported to the broker or counterparty for resolution.
- All transactions placed through brokers are confirmed by a broker note showing details of the loan arranged. Written confirmation is received and checked against the dealer's records for the transaction. Any discrepancies are immediately reported to the broker or counterparty for resolution.

Regularity and security

- Lending is only made to institutions on the Approved List of Counterparties.
- The Cash flow -working papers prompt the officer dealing with the daily cash flow that money borrowed or lent is due to be repaid.
- All loans raised and repayments made go directly to and from the bank account of approved counterparties.
- Counterparty limits are set for every institution that the Council invests with.
- There is a separation of duties in the section between dealers and the checking and authorisation of deals.
- The Council's bank holds a list of Council officials who are authorised signatories.
- There is adequate insurance cover for employees involved in treasury management and accounting.

Checks

- The bank reconciliation is carried out monthly from the bank statement to the financial ledger.
- A debt charge/investment income listing is monitored -quarterly against the budget for interest earnings and debt costs.

Calculations

- The calculation of repayment of principal and interest notified by the lender or borrower is checked for accuracy manually.

–Officer compliance with the Treasury Management Policies and Practices is independently checked periodically by the Internal Audit function.

Emergency and contingency planning arrangements

The Council will ensure that written procedures are in place and kept up to date for such situations, for both the Emergency Plan and the Business Continuity Plan.

Insurance cover details

The Authority has a Fidelity Guarantee policy with Zurich Municipal Insurance. This provides cover to the value of £5,000,000. This covers the loss of cash by fraud, or the dishonesty of five designated officers dealing with the treasury management function. All other officers are covered to the value of £250,000.

There is also a Business Interruption policy with Zurich Municipal Insurance. This provides cover for the costs of re-establishing the Council's operations in the event of the normal operational facilities being unavailable.

PRICE RISK

Market risk is the risk that, through adverse market fluctuations in the value of the principal sums an organisation borrows and invests, its stated treasury management policies and objectives are compromised, against which effect it has failed to protect itself adequately.

Details of approved procedures and limits for controlling the Council's exposure to investments / borrowing whose capital value may fluctuate (Gilts, CDs, and Lender's Option Borrower's Option (LOBO) etc.)

These are controlled through setting limits on investment and borrowing instruments where the principal value can fluctuate. The limits would be determined and set through the Annual Investment Strategy, which forms part of the council's Treasury Management Strategy. However, the Council has no investments / loans of this nature at the current time, and has no plans to do so in the near future.

SCHEDULE B

TMP 2: Performance measurement

Evaluation and review of treasury management decisions

The Council has a number of approaches to evaluating treasury management decisions: -

- **Day to day reviews during the financial year:** *The Director of Resources or the Head of Financial Services review all treasury management activity and decisions on a daily basis. This includes ensuring that any activity operates within the boundaries set out within this document and the Treasury Management Strategy.*
- **Annual review after the end of the financial year:** *An annual treasury report is submitted to the Policy and Finance Committee each year after the close of the financial year which reviews the performance of the treasury management activity over the financial year. This report includes coverage on the areas of:*
 - Any borrowing requirements in the year
 - Investments made
 - Performance against the prudential indicators
- **Quarterly Review:** *The annual review is supplemented by quarterly submissions of monitoring reports to Policy and Finance Committee. These reports include coverage on the areas of:*
 - Any borrowing requirements in the year
 - Investments made to date
 - Performance to date against the prudential indicators
 - A review of the approved organisations
- **Comparative reviews:** *When data becomes available, comparative reviews are undertaken to see how the performance of the function compares to other authorities. This is generally a comparison to other Lancashire councils, and the CIPFA Treasury Management statistics published each year for the last complete financial year*

Policy concerning methods for testing value for money in treasury management

Banking services

Banking services are reviewed on a regular basis to ensure that the council is receiving value for money.

Money-broking services

The Council will use money broking services in order to make deposits or to borrow, and will establish charges for all services prior to using them.

Methods to be employed for measuring the performance of the Council's treasury management activities

This will include a comparison with other councils through the CIPFA Expenditure and Treasury Management Statistics return and also through comparison exercises periodically carried out between Lancashire councils. Additionally performance will be measured by comparing the interest earned on investments against budgeted income.

Benchmarks and calculation methodology with regard to risk and return

Debt management

The council currently has a comparatively low level of debt.

Investment

The performance of investment earnings will be measured against budgeted investment income.

SCHEDULE C

TMP 3: Decision-making and analysis

All executive decisions on capital/project financing, borrowings and investments are delegated to the Director of Resources who will fulfil such responsibility in accordance with the CIPFA Code and Guide.

There shall be no restriction on the sources of borrowing with the exception of any statutory restriction.

The Council may use the following methods of raising capital finance:

- Public Works Loan Board
- Market borrowing
- Leasing
- Issue of local bonds

Records to be kept

The team keep records of all investment and loan transactions. The following records will be retained:

- Daily cash balance forecasts
- Dealing records for all money market transactions
- Brokers' confirmations for investment and temporary borrowing transactions
- Confirmations from borrowing /lending institutions where deals are done directly

Processes to be pursued

- Cash flow analysis
- Debt and investment maturity analysis
- Ledger reconciliation
- Review of opportunities for debt restructuring
- Review of borrowing requirement to finance capital expenditure (and other forms of financing where those offer best value)
- Performance information (e.g. monitoring of actuals against budget for debt charges, interest earned, debt management; also monitoring of average rate, investment returns, etc.).

Issues to be addressed.

In respect of every decision made the Council will:

- Above all be clear about the nature and extent of the risks to which it may become exposed
- Be certain about the legality of the decision reached and the nature of the transaction, and that any authority to proceed has been obtained
- Be content that the documentation is adequate both to deliver the organisation's objectives and protect its interests, and to deliver good housekeeping
- Ensure that relevant due diligence has taken place
- Ensure that counterparties are judged satisfactory in the context of the Council's creditworthiness policies, and that limits have not been exceeded
- Be content that the terms of any transactions have been fully checked against the market, and have been found to be competitive.

In respect of borrowing and other funding decisions, the Council will:

- Evaluate the economic and market factors that might influence the manner and timing of any funding decision-
- Consider the merits and demerits of alternative forms of funding, including options such as funding from revenue and leasing and private partnerships-
- Consider the alternative interest rate bases available, the most appropriate periods to borrow and repayment profiles to use-
- Consider the on-going revenue liabilities created, and the implications for the council's future plans and budgets.

In respect of investment decisions, the Council will:

- Consider the risks to capital and returns and the implications for the council's future plans and budgets
- Consider the optimum period, in the light of cash flow availability and prevailing market conditions
- Consider the alternative investment products and techniques available, especially the implications of using any which may expose the Council to changes in the value of its capital.

In respect of decisions regarding derivatives, the Council will:

- Be able to demonstrate that the derivative transaction has reduced the Council's overall exposure to treasury risks. (The Council has no transactions of this nature at the current time, and has no plans to do so in the near future).

SCHEDULE D

TMP 4: Approved Instruments, methods and techniques

Only the approved organisations for investment shown will be used. The organisations listed may be used for the investment of the Council's surplus funds, subject to the maximum sum being invested at any one time with any one organisation not being exceeded. The decision to vary these limits being delegated to the Director of Resources and, through them, to their staff in exceptional circumstances.

Specified investments

These investments are sterling investments of not more than one-year maturity. These are low risk assets and the possibility of loss of principal or investment income is very low. The investments are defined as:

- The UK Government (such as the Debt Management Office, UK Treasury Bills or gilt with less than one year to maturity).
- Supranational bonds with less than one year to maturity and only with organisations awarded a AAA credit rating from Fitch, Moody's and Standard and Poor's credit rating agencies.
- A local authority, parish council or community council.
- A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society). These bodies will have a minimum rating as set out below.

The monitoring of investment counterparties

The credit rating of counter parties is monitored monthly. Any counterparty failing to meet the criteria will be removed from the list immediately and, if required, new counter parties, which meet the criteria, will be added to the list.

Principally Fitch credit ratings are monitored and are used as an indication of the probability of organisations defaulting on our investments. In addition, the rating given by rating agents S & P Global Ratings, and Moody's are also considered prior to an investment. Whilst they only show an indication of the current credit position, they are being monitored on a regular basis and any significant changes will be reported to Policy and Finance Committee. It has previously been approved that investments with Building Societies be limited to the top 8 building societies based on their total assets (Provided they are included in Fitch ratings).

The banks the Council use are reviewed annually as part of the Treasury Management policies and practices to take into account their Fitch IBCA long-term and short-term credit rating.

The Council has a policy to only use institutions with a short term Fitch rating of F2 or above.

In addition to the Building societies and banks we use for investments, also approved for use is the United Kingdom Debt Management Office, where the Government guarantees investments.

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested with these bodies. This criterion is also specified within the approved counter party criteria.

The approved organisations for investment are:

Banks

- Santander UK plc. *
- Barclays Bank *
- Bank of Scotland plc. *
- Co-operative Bank *
- HSBC Bank plc. *
- Lloyds Bank plc. *
- The Royal Bank of Scotland *
- National Westminster Bank *

Building Societies

- Coventry Building Society *
- Leeds Building Society *
- Nationwide Building Society *
- Principality Building Society *
- Skipton Building Society *
- Yorkshire Building Society *

Other

- Debt Management Office **
- Other Local Authorities in the UK ***
- Police and Crime Commissioners, Fire and Rescue Services and Transport Authorities

Key

- * Maturity limit for each counter party 365days
- * Maximum limit per institution £1.75m
- ** Maximum limit per institution £5.0m
- *** Maximum limit per institution £2.5m

Non-Specified Investments

Non-specified investments include any other type of investments, i.e. not defined as specified above. These are sterling investments with:

- Securities admitted to the Officials List of the Stock Exchange that is guaranteed by the UK Government (such as supranational bonds).
- Gilt edged securities with a maturity of greater than one year.
- Institutions not meeting the basic security requirements under the specified investments.
- A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society) for deposits with a maturity of greater than one year.
- Shareholding in the Local Government Bonds Agency.

At the present time the Council has no immediate plans to invest in non-specific investments other than a maximum share in the Local Government Bonds Agency of £10k.

Approved Investment Instruments

Only the approved instruments as follows will be used*:-

- Asian Infrastructure Investment Bank (AIIB)
- European Bank for Reconstruction and Development
- European Investment Fund
- Islamic Development Bank
- ~~European Atomic Energy Community (Euratom)~~
- ~~European Coal and Steel Community~~
- ~~European Union~~
- European Investment Bank
- ~~International Finance Corporation~~
- International Bank for Reconstruction and Development (IBRD)
- ~~International Monetary Fund~~
- African Development Bank
- Asian Development Bank
- ~~Caribbean Development Bank~~
- Inter-American Development Bank
- ~~Guaranteed Export Finance Corporation plc.~~

Policy on the Use of Financial Derivatives

Many local authorities have previously made use of financial derivatives embedded in loans and investments both to reduce interest rate risk (i.e. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk. However, previous legislation was understood to prevent the use of such tools where they were not embedded in other instruments.

The Localism Act 2011 includes a general power of competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives. The latest CIPFA Code requires local authorities to clearly detail their policy on the use of derivatives in their annual strategy.

The Council has not and does not plan to use derivatives.

Use of External Fund Managers

It is the Council's policy not to use an external fund manager.

SCHEDULE E

TMP 5: Organisation, clarity and segregation of responsibilities, and dealing arrangements

It is essential for the purposes of the effective control and monitoring of the Council's treasury management activities, and for the reduction of the risk of fraud or error, for there to be clarity of treasury management responsibilities.

The principles on which this will be based are a separation of duties between:

- Policy formulation, creation and review;
- Deal transaction and execution;
- Subsequent recording and administration; and
- Audit.

Delegated Powers

With the exception of the approval of the Council's borrowing limits under section 45 of the Local Government and Housing Act 1989, all matters relating to treasury management shall be determined by Policy and Finance Committee.

All executive decisions and actions on borrowing, investment or financing shall be delegated to the Director of Resources and, through them, to their staff. Such decisions and actions are at all times to be in accordance with the treasury policy statement.

The delegation of decisions to staff will be regulated by a treasury management systems and procedure manual.

All money in the hands of the Council shall be aggregated for the purpose of treasury management and shall be under the control of the Director of Resources.

In respect of the signing of documents relating to borrowing/investments, this may only be carried out by authorised signatories of the Council.

Responsibilities

The Director of Resources will:

- Ensure compliance by treasury staff with the treasury management policy statement and that the policy statement complies with the law
- Be satisfied that any proposal to vary the treasury policy or practice complies with the law or any code of practice
- Undertake regular reviews of the treasury management function with the Head of Financial Services throughout the year
- Liaise with the Head of Financial Services and treasury management staff on treasury management decisions
- Ensure that there is an adequate internal audit function and liaise with external audit
- Act as authorised signatory of the Council.

The Director of Resources will also ensure there is proper documentation for all deals and transactions and those procedures exist for the effective transmissions of funds.

The Head of Financial Services will:

- Ensure that the Council's treasury management strategy is reviewed annually
- Liaise with the Director of Resources and treasury management staff on treasury management decisions
- Manage the overall treasury function
- Ensure that the treasury management systems document is reviewed at least annually
- Ensure that the organisation of the treasury management function is adequate to meet current requirements
- Ensure that staff involved in treasury management are adequately trained
- Ensure that all treasury staff are aware of the Bank of England's UK Money Markets Code
- Supervise the treasury management staff
- Ensure appropriate segregation of duties
- Ensure elected members receive appropriate reports
- Act as authorised signatory of the Council.

The Senior Accountant will:

- Ensure that day to day activities accord with the treasury management policy statement
- Implement the treasury management systems document
- Ensure compliance with policies, limitations and directions
- Supervise other treasury management staff
- Produce an annual report of the previous year's treasury management operations by 30 September of the following year
- Produce regular performance reports
- Maintain relationships with counterparties

The Accounting Technician will:

- Maintain cover in the absence of a senior accountant, under the supervision of the Head of Financial Services.

Internal Audit will:

- Review compliance with the approved policy and procedures
- Review division of duties and operational practice
- Assess value for money from treasury activities
- Undertake the probity audit of the treasury function.

Policy and Finance Committee will:

- Approve local borrowing limits
- Approve the adopted clauses, treasury management policy statement and treasury management practices and any amendments.
- Receive an annual report on the treasury management strategy before the start of the financial year
- Receive an annual report by 30 September of the following year on the treasury management activity for the preceding year
- Receive other periodic reports on the treasury management function and its performance
- Approve the division of responsibilities

Absence cover

In the instance of absence from any post holder from the above roles, responsibilities will move to the upwards in the organisation hierarchy, unless such responsibilities are seen as reasonable to be delegated downwards by the Director of Resources or Head of Financial Services.

Dealing limits

There are no set dealing limits at an individual post level, however all dealing decisions must be first approved with the Director of Resources or Head of Financial Services.

Approved brokers

The Council is in contact with three money brokers who act on our behalf.

Tullet Prebon (uk) Ltd

Sterling International Brokers

Martin Brokers

SCHEDULE F

TMP 6: Reporting requirements and management information arrangements

Annual review of the treasury management policies and practices

This document will be reviewed annually and reported to Policy and Finance Committee.

Annual Capital and Treasury Management Strategy

The Capital and Treasury Management Strategy sets out the expected capital and treasury activities for the forthcoming financial year. This Strategy will be submitted to the Policy and Finance Committee for approval before the commencement of each financial year.

Prudential indicators

Local Authorities in England and Wales are required by the Local Government Act 2003 to have regard to CIPFA's Code of Practice on Treasury Management and the Prudential Code for Capital Finance in Local Authorities. Accordingly, the following treasury management prudential indicators are set in advance of the financial year:

- Authorised limit for external debt
- Operational boundary for external debt
- Upper and lower limits for the maturity structure of borrowing
- Prudential limits for principal sums invested for longer than 364 days

Should it prove necessary to amend these limits, the Director of Resources will submit the changes for approval to Policy and Finance Committee, before submission to Full Council for approval.

Annual report on treasury management activity

An annual report will be presented to the Policy and Finance Committee at the earliest practicable meeting after the end of the financial year. This report will include the following:

- Any borrowing requirements in the year
- Investments made
- Performance against the Prudential Indicators

Quarterly review of treasury management activity

The annual review is supplemented by quarterly submissions of monitoring reports to Policy and Finance Committee. These reports include coverage on the areas of:

- Any borrowing requirements in the year
- Investments made to date
- Performance to date against the Prudential Indicators
- A review of the approved organisations

Management information reports

Investment income performance is reported to the Corporate Management Team as part of the budget monitoring process

SCHEDULE G

TMP 7: Budgeting, accounting and audit arrangements

Statutory/regulatory requirements

The accounts are drawn up in accordance with the Code of Practice on Local Authority Accounting, which is recognised by statute as representing proper accounting practices. The Council has also adopted in full the principles set out in CIPFA's 'Treasury Management in the Public Services – Code of Practice' (the 'CIPFA Code'), together with those of its specific recommendations that are relevant to this Council's treasury management activities.

Accounting practices and standards

Due regard is given to the Statements of Recommended Practice and Accounting Standards as they apply to Local Authorities.

List of information requirements of external auditors

Each year the External auditors provide the council with its closedown working paper requirements. These are summarised below.

Investment income, other gains and losses and financial costs

- Schedule of calculations to support each element of investment/ interest revenue
- An analysis of interest paid and received, identifying bank, lease and other, with explanations for movements compared to prior year and budget
- Schedule and calculations to support each element of finance costs

Investments

- Details of investments held including nature and terms of investment
- Consideration of any impairment of the investments held

Long-term borrowing and other liabilities

- Details of any liabilities payable between 1 and 2 years, 2 to 5 years and greater than 5 years

Financial instruments

- Reconciliation of financial instruments to relevant balance sheet entries
- Evidence of review of closing balance sheet to identify any financial instruments as defined by CIPFA/ LASSAC's Code of Accounting Practice
- Evidence to support any fair value calculations that have been incorporated into the accounts

SCHEDULE H

TMP 8: Cash and cash flow management

The cash flow forecast for the council is prepared on a daily basis, with a forward forecast included for anticipated major receipts and payments in order to assist in investment decisions.

Cash Flow Forecast Procedure

A cash flow working spreadsheet is prepared in advance of the financial year ahead. This spreadsheet details estimated cash inflows and outflows that we expect to occur throughout the year on a daily basis. Cash flow projections from direct credit and direct debit payments can be reliably estimated in advance and entered to the spreadsheet:

Direct credit payments

These figures are generally obtained either from a written confirmation from a government department in respect of grants receivable, or in-house from the sections for whom the credits are being generated. Examples of in-house generated items are processed direct credit receipts for such items as NNDR, council tax and sundry debts.

Direct debit payments

In a similar fashion to the direct credit receipts, the majority of the direct debit payments can be anticipated prior to the date of payment. Again, these are either generated by ourselves or are collected by external bodies as per an agreement, such as the LCC precept or PWLB repayments. They can therefore be entered onto the working spreadsheet as anticipated expenditure on the particular day they become due for payment and can then be checked against the actual payment made. Examples of in-house generated items are salaries and trade creditor payments.

The Council has two main bank accounts which are currently held by the branch office of the HSBC Bank plc., 8 Castle Gate, Clitheroe, BB7 1BB. They are known as the:

- General account – Council's income
- Disbursement account – Council's expenditure

These accounts are accessed online each morning in order to:

- ensure that anticipated cash flows have taken place as expected;
- calculate a daily balance at bank so that any surplus cash balances can be invested in accordance with the treasury management approved policies and practices; and to
- monitor the liquidity of the council on an ongoing basis, ensuring that cash is available when required to meet our commitments

Payment scheduling and agreed terms of trade creditors

The direct credits and debits generated by the council are scheduled to occur on set dates, which move only in respect of bank holidays and weekends.

Direct debit payments

- Salaries and Members allowances: *15th day of the month*
- Trade Creditors: *every Monday*
- Benefit payments: *every Monday*
- Council tax refunds: *every Wednesday*

Direct credit receipts

- Council tax payments: the *last day of the month*
- NNDR payments: *28th of the month*
- Sundry debtor payments: *30th of the month*

The terms of payment for the council's trade creditors are generally within 30 days of receipt of invoice, unless specific terms have otherwise been agreed.

Banking of funds

All payments to the council must be paid in to the central collection office as soon as possible after receipt. Income is banked by the collection office on a daily basis using a third party contractor.

SCHEDULE I

TMP 9: Money laundering

Money laundering has the objective of concealing the origin of money generated through criminal activity. Legislation has given a higher profile to the need to report suspicions of money laundering. The Proceeds of Crime Act (POCA) 2002 established the main offences relating to money laundering. In summary, these are:

- concealing, disguising, converting, transferring or removing criminal property
- being concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property
- acquiring, using or possessing criminal property

Procedures for establishing identity/authenticity of lenders

The council does not accept loans from individuals.

Methodology for identifying sources of deposits

In the course of its Treasury activities, the Council will only lend money to or invest with those counterparties that are on its approved lending list. These will be authorised deposit takers under the Financial Services and Markets Act 2000 unless specifically exempt from authorisation. The financial services register of the Financial Conduct Authority can be accessed through their website on www.fca.org.uk. All transactions will be carried out by CHAPS for making deposits or repaying loans.

Proceeds of Crime Act 2002 (POCA)

The Proceeds of Crime Act 2002 imposes an obligation on any person or other body that undertakes a regulated activity as defined by the act to submit a Suspicious Activity Report to the National Crime Agency (www.nationalcrimeagency.gov.uk) if it knows or suspects that a person is engaged in, or attempting, money laundering.

The Money Laundering Regulations 2007

The money laundering regulations require all firms undertaking certain financial activities (see Schedule 1 of regulation) to apply risk-based customer due diligence measures and other steps to prevent your services from being used for money laundering or terrorist financing.

The Principal Auditor has been nominated the council's money laundering reporting officer and in their absence, the Head of Financial Services. The council will also train the following staff in being diligent to be alert for suspicious transactions: -

- treasury management
- collection office
- other staff as seen appropriate

Suspicious transactions will be investigated as far as the Council is in a position to do so or it is appropriate for the Council to do so, and if doubts remain, these transactions will then be reported to the National Crime Agency.

SCHEDULE J

TMP10: Training and qualifications

The Council recognises the importance that all treasury management staff should receive appropriate training relevant to the requirements of their duties at the appropriate time. The Council operates a Performance Appraisal system which aims to identify the training requirements of any individual members of staff engaged on treasury related activities.

Additionally, training may also be provided on the job and it will be the responsibility of the Director of Resources together with the Head of Financial Services, to ensure that all staff involved in the service receives the necessary training.

Details of approved training courses

Treasury Management courses run by such bodies as CIPFA, money brokers, or other recognised bodies.

Training and qualifications of treasury staff

- Chief Executive - CIPFA Qualified
- Director of Resources – CIPFA Qualified
- Head of Financial Services – CIPFA Qualified
- Senior Accountant – CIPFA Qualified
- Accounting Technician – AAT Qualified

Training of those charged with governance

Training will be provided for those elected members sitting on the Policy and Finance Committee. Detailed explanations of all reports are given, as they are scrutinised by committee, by the Director of Resources in order to ensure full understanding.

SCHEDULE K

TMP11: Use of external providers

Details of contracts with service providers, including bankers, brokers, consultants and advisers

Bankers

Name of supplier of service is HSBC Bank plc.

Money-broking services

The Council will use money brokers for temporary borrowing and investment and long term borrowing. It will seek to give an even spread of business amongst the approved brokers. The brokers used are listed at schedule E – *TMP 5: Organisation, clarity and segregation of responsibilities, and dealing arrangements*. None of these services are under formal contacts and are used only on an ad-hoc basis.

Consultants'/advisers' services

The Council do not have any contracted services, or use, external consultants or advisers.

Procedures and frequency for tendering services

Banking services

Banking services are reviewed on a regular basis to ensure that the council is receiving value for money.

SCHEDULE L

TMP12: Corporate governance

List of documents to be made available for public inspection

The Council is committed to the principle of openness and transparency in its treasury management function and in all of its functions. It has adopted the CIPFA Code of Practice on Treasury management and implemented key recommendations on developing Treasury Management Practices, formulating a Treasury Management Policy Statement and implementing the other principles of the Code.

The following documents are available for public inspection via Council website or in person:

- Treasury Management Policy Statement
- Capital and Treasury Management Strategy
- Annual Treasury Report
- Quarterly Monitoring Report
- Annual Statement of Accounts
- Revenue and Capital Budget
- Agendas and minutes of all committee meetings.

ANNEX 1

Treasury Management and Systems Document

Introduction

Ribble Valley Borough Council has adopted a treasury management policy that regulates the framework for the operation, review and performance assessment of the treasury management function. This is in accordance with the Code of Treasury Management for Local Authorities, produced by the Chartered Institute of Public Finance and Accountancy. In accordance with the Code of Practice, a treasury systems document has been prepared as follows.

Cash flow record

A cash flow working spreadsheet is prepared in advance of the financial year ahead. This spreadsheet details the main estimated cash inflows and outflows that we expect to occur throughout the year on a daily basis.

The Council has two bank accounts which are currently held by the branch office of the HSBC Bank plc., 8 Castle Gate, Clitheroe BB7 1BB. They are known as:

- General account – Council's income
- Disbursement account – Council's expenditure

These accounts are accessed online each morning in order to:

- ensure that anticipated cash flows have taken place as expected;
- calculate a daily balance at bank so that any surplus cash balances can be invested in accordance with the treasury management approved policies and practices; and to
- monitor the liquidity of the council on an ongoing basis, ensuring that cash is available when required to meet our commitments

Direct Credit Receipts

An anticipated direct credit figure can often be identified before the actual receipt date. The reason being that the majority of the direct credits received are generated either by ourselves or by grant payments. They can therefore be entered onto the cleared balance sheets as anticipated income on the particular day they are expected as an anticipated cash inflow. These are also then checked against actual income on the day of receipt.

These figures are generally obtained either from a written confirmation from a government department in respect of grants receivable, such as revenue support grant, or in-house from the sections for whom the credits are being generated. Examples of in-house generated items are processed direct credit receipts for such items as NNDR, council tax and sundry debts:

Direct Debit Payments

In a similar fashion to the direct credit receipts, the majority of the direct debit payments can be anticipated prior to the date of payment. Again, these are either generated by ourselves or are collected by external bodies as per an agreement, such as the LCC precept or PWLB repayments. They can therefore be entered onto the cleared balance sheets as anticipated expenditure on the particular day they become due for payment and can then be checked against the actual payment made. Examples of in-house generated items are salaries and trade creditor payments.

Investments

In accordance with the Council's treasury management policy, any surplus funds identified on the cleared balance sheets can be invested.

Investment decisions are to be made with regard to the security of the principal sums being invested and to the liquidity of the council before considering the yield.

Funds will therefore only be placed with authorised counterparties and with care being taken not to exceed the authorised limits per institution for the total sums invested.

The term of the investment is not to exceed 365 days and will be decided upon after considering future cash flows to ensure that funds are available to meet the council's short-term commitments.

Once the above appraisals have been completed contact can then be made with available counterparties either directly or through use of one of the council's authorised brokers to secure the most favourable interest rates available for the investment amount and term.

Contact details for treasury departments and approved brokers are available in the cash flow file.

Investments are not to be finalised without prior approval from the Head of Financial Services or the Director of Resources.

All supporting documentation is attached to a temporary investment sheet where details of the counter parties to whom our monies are being lent are recorded

- Name of borrower;
- Borrower's bank details, including sort code and account number;
- Amount to be invested;
- Term of investment, i.e. call, fixed etc.; and
- Rate of interest payable by the borrower.

It should be noted that the interest rate is changeable other than fixed term investments.

Once details have been received an electronic fund transfer (EFT) can be made via the HSBC.net system (separate system notes kept). This transfers funds from our disbursements bank account to the counter party's bank account.

The Head of Financial Services and the Director of Resources (or in their absence the Chief Executive), needs to sign the authorisation sheet obtained from the HSBC.net system.

A "direct banking transaction" creditor voucher should be prepared to charge the investment amount to the general ledger fund.

Details of the investment should also be recorded in the investment register.

Investment with the HSBC bank money market

Another alternative method of placing surplus funds is with the money market team of our bank.

The procedure is as before with the exception that no EFT is necessary to our branch. A transfer is made from our disbursements account by FX system direct on the HSBC.net system. The Head of Financial Services and the Director of Resources (or in their absence the Chief Executive), sign the transaction sheet obtained from the HSBC.net system on the day the transaction takes place.

Repayment of investments

If the investment needs to be repaid the necessary notice needs to be given to the particular counter party, either direct in the case of investments held by the various banking institutions or via the relevant broker

All repayments should be made automatically on the relevant day direct to our general bank account. The repayment date is recorded on the temporary investment sheet and in the investment register. The amount of interest due should be calculated and also entered on these records. Once the monies are credited to our bank account the collection office will credit these amounts to the relevant general ledger account code from the bank statements (they require the split between the principal and interest paid).

The internal audit section requires these completed records on a monthly basis to carry out a relevant audit.

Temporary loans

If a deficit cash balance is estimated on the cleared balance sheet it may be necessary to arrange for a temporary loan. This will depend on the deficit and the charges made by HSBC on the deficit as the council no longer has an overdraft facility. An agreed maximum limit for short-term borrowing is set annually.

Arranging a temporary loan

A temporary loan can be made via our brokers in a similar fashion to making an investment. Details of the counter parties are received by telephone from our brokers who arrange for the monies to be credited direct to our bank account. The branch office will usually confirm when the monies are received, if so requested. The monies will appear on the Council's bank statements and the collection staff will credit the amount to the appropriate general ledger code.

A record of the loan is made on a temporary loan sheet and in the loans register. A confirmation letter is sent direct to the counter parties confirming the loan details.

Repaying a temporary loan

Once there are sufficient funds available to repay the loan the relevant broker should be contacted to inform the counter parties of the repayment, as per the original agreed terms of the loan.

Interest due on the loan should be calculated and entered on the temporary loan sheet and in the loans register. The loan, including interest, can then be repaid by electronic fund transfer using the HSBC.net system.

A confirmation letter should be sent direct to the counter parties indicating how interest due was calculated, and a "no cheque" voucher for principal and interest to ensure the amounts are charged to the relevant general ledger account.

Long-Term borrowing

Each year the Council's borrowing requirements are analysed and an appropriate borrowing strategy produced. This has to be approved by Policy and Finance Committee at the start of the financial year.

Generally long-term borrowing, which is classified as borrowing for a period of between 1-60 years, is normally only used to finance capital expenditure or replace maturing debt.

The Council currently has a policy that limits the methods of raising finance and an annual maximum limit for long-term borrowing. It is usual that long-term borrowing needs are met from the Public Works Loan Board (PWLB). This has been because PWLB interest rates:

- Are below money market rates;
- Loans are generally available for longer periods; and

- PWLB commission rates are minimal.

PWLB borrowing

Application for Loans

The PWLB lending facility is operated by the UK Debt Management Office (DMO) on behalf of HM Treasury. The facility provides loans to local authorities, and other specified bodies, from the National Loans Fund, operating within a policy framework set by HM Treasury. This borrowing is mainly for capital projects.

Lending arrangements are subject to change and are made in accordance with the operational circular in force at the time of the loan application.

At the time of reviewing these policies and practices the arrangement in force are set out in circular 162, which is available to download from the DMO's website:

<https://www.dmo.gov.uk/media/17304/circular-162-march.pdf>.

All loans and investments are approved by the Director of Resources or the Head of Financial Services, or in the absence of both, the Chief Executive.

The DMO will accept loan applications only from staff duly nominated by the authority's Chief Finance Officer and any change must be submitted on the Local Authority Authorisation Form which is available from the DMO website:

https://www.dmo.gov.uk/dmo_static_reports/Local%20Authority%20Authorisation%20Form.pdf

Where nominations are to be refreshed, a new, complete list of names is required. Current authorisations are detailed below:

<u>Designation</u>	<u>Authorised to confirm changes</u>	<u>Authorised to Transact</u>
<u>Chief Executive</u>	<u>YES</u>	<u>YES</u>
<u>Director of Resources</u>	<u>YES</u>	<u>YES</u>
<u>Head of Financial Services</u>	<u>YES</u>	<u>YES</u>
<u>Senior Accountant</u>	<u>NO</u>	<u>YES</u>
<u>Accounting Technician</u>	<u>NO</u>	<u>YES</u>

~~Applications should be made by telephone only on 020 7862 6610 by staff previously nominated by the Director of Resources.~~

~~The Council must submit its lists of names on a single form, Local Authority Authorisation form, available from the Board's website. (DMO.gov.uk). Where nominations are to be refreshed a new, complete list of names is required. The form may also be used to nominate signatories authorised to notify details of a receiving bank account.~~

~~The Board will not accept telephone business before 9.30am. or after 4.15pm. Calls are recorded for training and monitoring purposes. Borrowers should consult the FAQ document in the first instance which is available on the DMO website. Additionally, enquiries may be made by email to pwlb@dmo.gov.uk.~~

~~The terms of the loan and the rate of interest on a fixed rate loan—or the formula for a variable rate loan—will be agreed at the time and the advance made within 48 hours (excluding weekends and bank holidays)~~

~~Advances are made in accordance with the following timetable:~~

<u>Agreement of Terms</u>	<u>Day of Advance of Loan</u> (where no bank holiday intervenes)
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Monday
Friday	Tuesday

~~At the time a loan is requested the Council is required to supply the following information:~~

- ~~• The borrowers number (the boards five figure reference number)~~
- ~~• Then answer to the following questions—~~
 - ~~i. Is this application within the relevant legislation and your council's borrowing powers?~~
 - ~~ii. By when does the Director of Resources expect the loan to be entirely applied to expenditure? (The answer should be expressed in terms of the number of months from the point of application. The response to this question should be agreed in advance with the responsible finance officer)~~

~~The authorised dealer will then be asked to give the following details of the required loan:~~

- ~~• Applicable concessionary rate (as appropriate)~~
- ~~• Type of loan i.e. whether fixed or variable~~
- ~~• Repayment or amortisation method~~
- ~~• Sum required~~
- ~~• Date of final payment, which will coincide with a repayment date~~
- ~~• Where not apparent from the date of final payment: repayment dates, in the case of a fixed rate loan, or interest payment frequency, in the case of a variable rate loan~~
- ~~• Bank name, Sort code and account number of the receiving bank~~

~~All the above information is usually supplied by the Head of Financial Services who generally would make any application.~~

~~Staff from the Board's offices will telephone the local authority as soon as practicable after a loan has been agreed, and in any event within 24 hours (excluding weekends and bank holidays), to verify the details. In addition, the Board will email the authority a letter confirming the terms of the agreement on the advance date; Type of loans by interest rate~~

~~Two types of loan according to interest rate are available from the board:~~

- ~~• Fixed rate loans, on which the rate of interest is fixed for the life of the loan and interest is payable at half yearly intervals;~~

- ~~Variable rate loans, on which the rate of interest is variable at one, three or six monthly intervals. The interval is at the choice of the borrower but once chosen remains the same for the life of the loan.~~

Type of loans by method of repayment or amortisation

~~Fixed rate loans are repayable by one of three methods:~~

- ~~Annuity or Equal Repayments (ER): fixed half-yearly payment to include principal and interest; or~~
- ~~Equal instalments of Principal (EIP): equal half-yearly instalments of principal together with interest on the balance outstanding at the time; or~~
- ~~Maturity: half-yearly payments of interest only with a single repayment of principal at the end of the term,~~

~~Repayments are at half-yearly intervals, with an initial broken period as necessary~~

~~Variable rate loans are repayable by one of two methods:~~

- ~~EIP: equal monthly, quarterly or half-yearly instalments of principal together with interest on the balance outstanding at the time; or~~
- ~~Maturity: monthly, quarterly or half-yearly payments of interest only with a single repayment of principal at the end of the term~~

~~Repayments are at one, three or six monthly intervals from the date of advance at the borrower's choice~~

Interest rates

~~Interest rates are determined by the UK Debt Management Office (DMO) in accordance with methodologies agreed with HM Treasury under section 5 of the National Loans Act 1968. Those for the advance and repayment of fixed rate loans are determined by reference to gilt yields, those for variable rate loans by reference to a formula set by HM Treasury and published by the DMO.~~

~~There are two intra-daily re-determinations of fixed rates, published at 9.30 a.m. for start of business, and 12.30p.m. The rate of interest charged on the advance of a fixed rate loan, the discount rate applied to the repayment of such a loan, and the formula for a variable rate loan, is that agreed at the time of application.~~

~~Variable rates are published at 9.30 a.m. each day. HM Treasury reserves the right to make further, unscheduled intra-daily rate changes, or alter the formula methodology or formula for variable rates, as necessary. The interest rate notice in force and historic rates are displayed on the DMO website.~~

Loan periods and repayment dates

~~An authority may choose the final repayment date for any loan within the following limits:~~

		Minimum period (years)	Maximum period (years)
Fixed rate loans	Maturity	1	50
	Annuity or EIP	2	50
Variable rate loans	Maturity	1	10
	EIP	2	10

Advance of loans

~~The amount of advance, after deduction of the Board's fee will be transmitted to the Council's designated bank account by automated credit transfer. A schedule of the loan agreement will also be supplied, the details of which should be checked against the application and then entered onto the spreadsheet of PWLB loans (separate system notes available).~~

Fees

~~The fees payable by the council in respect of advances from the board are:~~

- ~~• Fixed rate loans — 35p for every £1,000 or part of £1,000~~
- ~~• Variable rate loans — 45p for every £1,000 or part of £1,000~~
- ~~• Minimum fee — £25~~

Reconciliation

A monthly reconciliation is made between transactions in the general ledger and transactions recorded in the investment and loans register and PWLB spreadsheet.

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 30 MARCH 2021
title: LOCAL TAXATION WRITE OFFS
submitted by: DIRECTOR OF RESOURCES
principal author: MARK EDMONDSON

1 PURPOSE

1.1 To obtain Committee's approval to write off Council Tax and Business Rate debts.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives/Corporate Priorities

Without the revenue collected from business rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

2 BACKGROUND

2.1 No specific statute exists to give guidance on the circumstances under which debts, in general, can be written off other than the statute of limitations. We only write debts off where all avenues of debt recovery have been fully explored.

Business Rates

2.2 As a matter of law, we are under obligation to take reasonable steps to collect Business Rates debts.

2.3 We do this by various means, including summonses, enforcement agents, bankruptcy, winding up and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, or are declared bankrupt, insolvent or cease trading.

Council Tax

2.4 As a matter of law, we are under an obligation to take reasonable steps to collect council tax debts.

2.5 We do this by various means, including summonses, Attachment of Earnings, Attachment of Benefits, Attachment of Allowances, distraint of goods, bankruptcy, Charging orders and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, or are declared bankrupt or are deceased with insufficient funds in the estate.

3 CURRENT POSITION

3.1 There are three cases where the companies have been dissolved and we need to write off these debts. Annex 1 shows details of the debts we are seeking approval to write off against the collection fund – these total £1,611.93 in Council Tax, £17,437.37 in business rates and £420.00 costs.

4 FINANCIAL IMPLICATIONS

4.1 Under the **current** Business Rate Pilot arrangements the cost of Business Rate write offs are met in part by central government 50% and in part by local government, i.e. ourselves 40%, the county council 9% and the fire and rescue authority 1%.

4.2 RECOMMENDED THAT COMMITTEE

4.3 Approve writing off £1,611.93 in Council Tax, £17,437.37 in Business Rates and £420.00 costs where it has not been possible to collect the amounts due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF17-21/ME/AC
17 MARCH 2021

Write offs – Council Tax

Property			Amount £
DISSOLVED			
Dissolution is the last stage of liquidation, the process by which a company (or part of a company) is brought to an end, and the assets and property of the company redistributed.			
2018/19	PDA Public Houses Ltd	Old Oak Hotel, 111 Preston Road, Longridge	*1,203.96
2019/20			*416.24
2017/18	PF Pub Management Ltd	Bayley Arms, Avenue Road, Hurst Green	*171.73
TOTAL			1,791.93

Write offs – NNDR

Year	Name	Property	Amount £
DISSOLVED			
Dissolution is the last stage of liquidation, the process by which a company (or part of a company) is brought to an end, and the assets and property of the company redistributed.			
2017/18	PDA Public Houses Ltd	Old Oak Hotel, 111 Preston Road, Longridge	5,592.72
2018/19			*7,068.00
2019/20			*1,483.27
2019/20	Attire UK Limited	9 Market Place, Clitheroe	*1,653.93
2017/18	PF Pub Management Limited	Bayley Arms, Avenue Road, Hurst Green	*1,879.45
TOTAL			17,677.37

*including £60.00 costs

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: REFERENCE FROM COMMUNITY SERVICES COMMITTEE – CAPITAL PROGRAMME 2021/22
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

1 PURPOSE

1.1 To consider a request from Community Services Committee to bring forward the previously approved capital scheme for the Refurbishment of the Bowling Green Café in the Castle Grounds from 2023/24 to the 2021/22 financial year.

2 BACKGROUND

2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The budget for 2021/22 was approved by Special Policy and Finance Committee on 2 February 2021 and by Full Council on 2 March 2021.

2.2 Any revenue or capital expenditure over and above what has already been approved must be agreed by Policy and Finance Committee. However, the request here does not have any additional financial impact, rather a reduction in budget.

3 COMMUNITY SERVICES COMMITTEE 9 MARCH 2021

3.1 Community Services Committee considered a report submitted by the Director of Resources and including a request from the Director of Community Services. The report (attached at Annex 1) gave details in respect of the scheme for the Refurbishment of the Bowling Green Café in the Castle Grounds and the request to bring this forward from the 2023/24 financial year to the 2021/22 financial year, at a reduced budget of £45,000.

3.2 At its meeting, Community Services Committee considered the report and resolved that:

‘RESOLVED: That Committee

1. Approve the proposal to bring forward the Refurbishment of Bowling Green Café in Castle Grounds capital scheme from 2023/24 to 2021/22 at a lower budget of £45,000.

4. RECOMMENDED THAT COMMITTEE

4.1 Approve the request to bring forward the capital scheme to the 2021/22 financial year at the reduced budget of £45,000.

HEAD OF FINANCIAL SERVICES
 PF26-21/LO/AC
 22 March 2021

DIRECTOR OF RESOURCES

DECISION

**RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO COMMUNITY SERVICES COMMITTEE**

meeting date: 9 MARCH 2021
 title: CAPITAL PROGRAMME 2021/22
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To:

- inform members of the schemes approved for inclusion in this Committee's 2021/22 capital programme; and
- request approval for one capital scheme currently included in the 2023/24 capital programme to be brought forward into the 2021/22 capital programme.

2 BACKGROUND

2.1 As members will be aware, at its meeting on 5 January 2021 this Committee proposed a four-year capital programme for 2021/22 to 2024/25 to Special Policy and Finance Committee.

2.2 Following recommendation by Special Policy and Finance Committee on 16 February 2021, it is anticipated that Full Council will have approved the four-year capital programme for 2021/22 to 2024/25 on 2 March 2021. Officers will provide confirmation of Full Council's decision at this Committee's 9 March 2021 meeting.

2.3 The Council's overall capital programme for the four-year period 2021/22 to 2024/25 totals £6,011,700 for all committees. The total for this Committee is £3,436,900 over the four-year life of the programme. £1,555,000 of this relates to the 2021/22 financial year.

3 CAPITAL PROGRAMME 2021/22 – APPROVED SCHEMES

3.1 For this Committee there are five approved schemes in the 2021/22 capital programme, totalling £1,555,000. These are shown in the table below.

Cost Centre	Scheme	Budget for 2021/22 £
PLAYV	Play Area Improvements 2021/22	40,000
REPWB	Replacement of Refuse Wheelie Bins 2021/22	13,000
RVHXX	Replacement of Refuse Collection Vehicle VU62 HXX	232,000
PLAYU	Play Area Improvements 2020/21 (<i>Budget Moved from 2020/21</i>)	40,000
PDECK	Installation of a Second Parking Deck on Chester Avenue Car Park (<i>Budget Moved from 2020/21</i>)	1,230,000
	Total – Community Services Committee	1,555,000

- 3.2 With regard to the Installation of a Second Parking Deck on Chester Avenue Car Park scheme, the scheme can only go ahead after a feasibility study is undertaken by officers and then considered and approved by Policy and Finance Committee.
- 3.3 The detailed information for each scheme is shown in **Annex 1**.
- 3.4 During the closure of our capital accounts there may be some slippage on schemes in the current financial year, 2020/21. A report will be brought to a future meeting of this Committee giving details of any slippage on 2020/21 capital schemes and any slippage will also be reported to Budget Working Group.
- 3.5 Responsible officers will complete and update capital monitoring sheets for each scheme, which will be reported regularly to members to give an indication of progress.
- 4 REQUEST TO BRING FORWARD CAPITAL PROGRAMME SCHEME FROM 2023/24 TO 2021/22
- 4.1 The Refurbishment of Bowling Green Café in Castle Grounds capital scheme is currently included in this Committee's approved 2023/24 capital programme at a budget of £48,000. Attached at **Annex 2** is a request to bring forward the scheme into the 2021/22 capital programme at a lower budget of £45,000.
- 4.2 The Bowling Green Café and the area around it is an important part of the overall Castle Grounds site. The café is currently in a poor state of repair as a result of vandalism and cannot be let out for business. The path around the bowling green adjacent to the café is also in a poor and dilapidated state.
- 4.3 Members are recommended to approve bringing forward the Refurbishment of Bowling Green Café in Castle Grounds scheme from 2023/24 to 2021/22, at a lower budget of £45,000, so that work can be undertaken promptly to return the café to a state where it can be let for a business to operate from and the area around the café is returned to a condition where many people can enjoy that green space safely.
- 5 RISK ASSESSMENT
- 5.1 The approval of this report may have the following implications:
- Resources – The move of the Refurbishment of Bowling Green Café in Castle Grounds scheme from 2023/24 to 2021/22 will result in £3,000 less capital programme funding being required. This is because funding has already been set aside for the current 2023/24 scheme budget of £48,000 and the proposed 2021/22 scheme budget will be £45,000. In addition, the Council will generate rental income sooner rather than later if the café is returned to a state where it can be let out.
 - Technical, Environmental and Legal – Environmental benefits from the improved state of the area around the café site, if that scheme budget is brought forward.
 - Political – None.
 - Reputation – Sound financial planning for known capital commitments safeguards the reputation of the Council. A fit for purpose bowling green café area will create a positive response from Castle Grounds users.
 - Equality and Diversity – Equality and Diversity issues are examined as part of the capital bid appraisal process.

6 CONCLUSION

- 6.1 This Committee has an approved 2021/22 capital programme of £1,555,000 for five schemes.
- 6.2 The Installation of a Second Parking Deck on Chester Avenue Car Park scheme can only go ahead after a feasibility study is undertaken by officers and then considered and approved by Policy and Finance Committee.
- 6.3 Any slippage on schemes in the 2020/21 capital programme will be reported to this Committee.
- 6.4 It is proposed to bring forward the Refurbishment of Bowling Green Café in Castle Grounds capital scheme from 2023/24 to 2021/22, at a lower budget of £45,000, so that work can be undertaken promptly to improve the state of the Bowling Green café and the site around it.

7 RECOMMENDED THAT COMMITTEE

- 7.1 Approve the proposal in **Annex 2** to bring forward the Refurbishment of Bowling Green Café in Castle Grounds capital scheme from 2023/24 to 2021/22, at a lower budget of £45,000.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM6-21/AC/AC
26 February 2021

For further background information please ask for Andrew Cook.
BACKGROUND PAPERS – None

COMMUNITY SERVICES COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Play Area Improvements 2021/22

Service Area: Ribble Valley Parks

Submitted by: Mark Beveridge

Brief Description of the Scheme:

The Council operates 18 play areas. This budget provides for incremental improvements to these areas each year. In addition, the capital is used to deal with ad hoc equipment replacement which arises annually.

The play areas are well used, any injury arising from their use can result in potential insurance claims. The Council inspects on a monthly basis and the insurers annually. The Council as owner and operator has a duty of care to ensure the play areas are safe and replace, repair or remove worn out or broken equipment.

Without this annual budget the play areas would quickly fall into disrepair and reach a point where equipment would need to be removed and eventually the area would be closed.

Revenue Implications:

None – Existing service.

Timescale for Completion:

2021/22.

Any Risks to Completion:

Only the weather.

Capital Cost:

2021/22 £
40,000

COMMUNITY SERVICES COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Replacement of Refuse Wheelie Bins 2021/22

Service Area: Refuse Collection

Submitted by: Adrian Harper

Brief Description of the Scheme:

Although there is an annual revenue budget for replacing bins it is recognised that there will be a need for a more substantial annual capital scheme for replacement of bins due to age and fatigue.

This scheme will cover a selection of bin sizes and colours. The choice of the size of the bins will depend on any possible service changes made each year. There are currently 26,300 properties receiving a 3 stream waste collection comprising 3 bins.

Revenue Implications:

None.

Timescale for Completion:

YPO tender. Delivery normally after 12 weeks.

Any Risks to Completion:

Ability of supplier to deliver.

Capital Cost:

2021/22 £
13,000

COMMUNITY SERVICES COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Replacement of Refuse Collection Vehicle VU62 HXK

Service Area: Refuse Collection

Submitted by: Adrian Harper

Brief Description of the Scheme:

This scheme is for the replacement of Refuse Collection Vehicle VU62 HXK. This scheme follows the vehicle and plant replacement programme that supports the 7 front-line RCVs and the 1 cover RCV that are necessary for the current collection regime.

Revenue Implications:

Annual maintenance savings of £2,000.

Timescale for Completion:

1 month tender – delivery period not known.

Any Risks to Completion:

N/A

Capital Cost:

2021/22 £
232,000

COMMUNITY SERVICES COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Play Area Improvements 2020/21

Service Area: Ribble Valley Parks

Submitted by: Mark Beveridge

Budget moved from 2020/21:

This budget was to be used to fund a significant improvement scheme at Kestor Lane Play Area. However, at the stage of setting the 2020/21 revised estimate capital programme it was assessed that the scheme would not take place in 2020/21 because Covid-19 lockdown periods in-year and staff furlough meant getting meaningful quotes from suppliers and then arranging work would have been problematic before the winter period and carrying out groundworks over the winter period is not satisfactory for large play installations.

Given the above, in January 2021 this Committee approved the move of the full scheme budget of £40,000 from 2020/21 to 2021/22 to fund the improvement scheme at Kestor Lane Play Area.

Capital Cost:

2021/22 £
40,000

COMMUNITY SERVICES COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Installation of a Second Parking Deck on Chester Avenue Car Park

Service Area: Car Parks

Submitted by: Adrian Harper

Budget moved from 2020/21:

The original scheme proposal was for the installation of a second car parking deck on to the current Chester Avenue car park, with the potential of adding a further 100 car parking spaces. This scheme was included in the 2020/21 capital programme on the basis that a feasibility study was undertaken and reported to Policy and Finance Committee for further consideration before the capital scheme could go ahead.

At the stage of setting the 2020/21 revised estimate capital programme it was assessed that this scheme would not take place in 2020/21 because two options for additional parking were still being considered, those being Chester Avenue car park and another site in Clitheroe that officers were negotiating with the site owners.

Given the above, in January 2021 this Committee approved the move of the full scheme budget of £1,230,000 from 2020/21 to 2021/22 because the scheme will not take place in 2020/21.

On the second site, the negotiations with the site owners, previously stalled by Covid-19, have re-started.

Once potential development of the two alternative sites has been established, a feasibility study will be finalised to allow Policy Finance committee to consider whether the scheme progresses further.

Capital Cost:

2021/22 £
1,230,000

**REQUEST TO BRING FORWARD CAPITAL PROGRAMME SCHEME FROM
2023/24 TO 2021/22
Request from Head of Cultural and Leisure Services**

TITLE OF REPORT: Refurbishment of Bowling Green Café in Castle Grounds

PURPOSE OF REPORT: Outline the current situation and a proposal to return the site to a state where it can be let for a business to operate from and also help to ensure this part of the Castle Grounds does not become a no-go area for the many people who use this popular green space in the middle of the town.

RECOMMENDATIONS: To consider the proposal and ask Community Committee to bring forward the capital sum identified for the scheme in the capital programme for 2023/24 to 2021/22.

REASONS FOR RECOMMENDATIONS: The site of the Bowling Green Café is an important part of the overall offer within the Castle Grounds. If it is not invested in the area will continue to deteriorate and be costlier to recover at the point funding is made available, which currently is 2023/24. The current state has resulted in numerous complaints from the public and the path in the area is reaching the point where the public will need to be prevented from admittance to avoid a potential claim arising from an accident.

Background:

The bowling green café was refurbished several years ago before being let. The Council could not get anyone to tender after that contract expired, despite advertising it twice and the café slowly began to deteriorate as a result of vandalism. That process was accelerated after it became a constant target resulting in damage to the down pipes, windows and lead being stolen from the roof.

In attempting to return the building to a standard to be let out, some essential work has been completed to try and make it weather proof to prevent further deterioration, which would require an even more extensive refurbishment programme to get it back to a working state.

This work was funded from existing revenue budgets which limited work to other Council assets.

The bowling green itself is no longer suitable to play bowls on, nor is it intended to try and return it to a state for such use. However, it is a nice green space where people do gather and would provide an ideal external seating area for the café.

Issue:

To get the building ready to tender we need to complete the following outstanding work:

- Re-lay the tarmac path around the bowling green, this is in a poor and dilapidated state £18k
- Internal and external lighting £2k

- Internal flooring £3k
- Internal decoration including plastering £3k
- Painting externally £1k
- Kitchen £10k
- Roof (down pipes, guttering, waste pipe) £4k
- Contingency 10% £4k

Total estimated £45k

Without all of this work being carried out the café site operation cannot be tendered and without a substantial amount of it being carried out the site will continue to deteriorate. For example, the path around the bowling green is reaching the point where it will all need to be barriered off to ensure no one hurts themselves.

The last Community Committee agreed to support the installation of additional CCTV to provide better coverage of the site, so that vandalism can be identified and stopped.

The Council owns the site as it lies within the Castle Grounds. The state of the bowling green area including the café has been the subject of many complaints over recent years. Before the most recent work the building itself was in a very dilapidated state, even after having spent several thousand pounds on it, we still have the front boarded up to prevent further damage, while we wait to get the remaining finance together to complete the refurbishment. It still looks like a very neglected area of the grounds.

The use of the revenue budget to carry out the essential work to make it weather tight is not sustainable going forward, as we do not have sufficient resources to complete the programme identified above from revenue.

Proposal:

While a limited amount of work could be carried out from the revenue budget after April 2021, given that other assets had less spent on them this year, there is now essential maintenance to carry out on them. So, the substantial amount of work needed to finish the café cannot be completed.

There is £48,000 in the capital budget for 2023/24, which could be considered to finance the work in 2021/22 if approval was sought to bring the sum forward. This would allow completion of the site and facilitate letting. We have had two parties who have expressed an interest to operate from there. In bringing the budget forward and competing the work it would enable someone to be using the site from the Spring.

The proposal is to move the scheme forward for the lower cost of £45,000, rather than £48,000.

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: REFERENCE FROM COMMUNITY SERVICES COMMITTEE – COUNCIL ASSETS IN LONGRIDGE
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

1 PURPOSE

1.1 To consider a request from Community Services Committee in respect of the disposal of the King Street toilets site in Longridge (also sometimes referred to as Market Place toilets).

2 BACKGROUND

2.1 The Head of Legal and Democratic Services is authorised to make decisions and take actions regarding land and property matters, including disposal, where under £50,000.

2.2 At this stage the likely value of the site for proposed disposal is unknown and so consideration has been made in respect of the disposal by Community Services Committee. Such a disposal will also result in a capital receipt for future use in funding the capital programme.

3 COMMUNITY SERVICES COMMITTEE 9 MARCH 2021

3.1 Community Services Committee considered a report submitted by the Director of Community Services. The report (attached at Annex 1) gave details of the physical assets in Longridge that are under the control of Community Services Committee, and particularly referenced the toilet block on King Street in Longridge (also sometimes referred to as Market Place toilets).

3.2 At its meeting, Community Services Committee considered the report and resolved that:

‘RESOLVED: That Committee

1. Agree to relinquish control of King Street toilets site; and
2. Recommend to Policy & Finance committee that the site be advertised for sale on the open market.

3.3 There was public participation on this item at committee, with a request that, should the Council choose to sell the toilet block site at King Street, Longridge that the proceeds of the sale be re-invested in Longridge. This was also requested by members of Community Services Committee during the meeting.

4. RECOMMENDED THAT COMMITTEE

4.1 Consider the recommendation above from Community Services committee to advertise the site for sale on the open market.

4.2 Consider any ringfencing of the resulting capital receipt for reinvestment in the future in Longridge.

HEAD OF FINANCIAL SERVICES
 PF28-21/LO/AC
 22 March 2021

DIRECTOR OF RESOURCES

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

meeting date: TUESDAY, 9TH MARCH 2021
 title: COUNCIL ASSETS IN LONGRIDGE
 submitted by: JOHN HEAP – DIRECTOR OF COMMUNITY SERVICES
 principal author: JOHN HEAP – DIRECTOR OF COMMUNITY SERVICES

1 PURPOSE

- 1.1 To remind committee of the physical assets in Longridge that are under the control of this committee.
- 1.2 To consider whether it is in the Council's interest to change the use of any of these assets
 - Community Objectives – To sustain a strong and prosperous Ribble Valley
 - To help make people's lives safer and healthier
 - To protect and enhance the existing environmental quality of our area
 - Corporate Priorities - To ensure best use of council resources

2 BACKGROUND

- 2.1 At a meeting of the Councils Longridge Assets Working Group held on 3 February 2021, it was resolved that this committee should receive a report regarding the Longridge assets under its remit.
- 2.2 The dialogue around Longridge assets (as opposed to Council assets elsewhere in the borough) appears to be driven, at least partly, by local concern for the future of Longridge Civic Hall under the stewardship of Longridge Social Enterprise Company (LSEC). However, keen local interest has been shown consistently over time in other assets, such as Kestor Lane Recreation Ground and the disused toilets in Longridge.
- 2.3 Although the Council owns 23 separate sites in Longridge, the meeting of the working group concentrated its discussions on four specific assets, namely:
 - The former public toilets (King St.)
 - The Civic Hall and associated parking
 - The Old Fire Station Youth Centre (Townley Buildings, Bury Lane)
 - The Over – 60s Club (Townley Buildings, Bury Lane)

3 ISSUES

- 3.1 Each of those assets was discussed in some detail. Consideration was given to existing uses (outside of lockdown restriction, of course) and concern was expressed that each of them could be put to better use to benefit the local community.
- 3.2 In the course of the discussion, it emerged that in the case of three of the assets, LCC retain an interest in one form or another, with LSEC also retaining an operational interest in the Civic Hall.

- 3.3 So, for the purposes of this meeting, committee is asked to consider the asset from the list that has least complication, which is the disused toilet block on King Street (sometimes referred to as Market Place toilets)
- 3.4 These toilets were closed in 2012 along with 8 other sets of toilets across the borough. Officers have received a number of expressions of interest in this site in the intervening period, but the Council has not, so far, resolved to dispose of it so none of the enquiries has been pursued.
- 3.5 On learning of that history, the working group resolved that this committee should be asked for a view on the future of this disused toilet block.
- 3.6 Clearly, no urgent use of the site in question has emerged since the closure nine years ago, the question facing committee is whether to accept the view of the Longridge Assets Working Group that better use can be made of the site, and make the site available, or to reject that view and retain the site in its present state.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications

- Resources – The value of the King St. toilets site is not known currently, but if the site were offered for sale on the open market, given the location of the site and the level of interest shown in the past, it is likely that the Council would receive a sizeable capital receipt.
- Technical, Environmental and Legal – There are no technical or legal issues giving cause for concern at the time of writing.
One of the reasons for this site being the subject of discussion is the fact that minimal maintenance has been carried out in the recent years and the site is somewhat overgrown by the surrounding shrubbery. Whilst not exactly an eyesore, the site does detract from the street scene.
- Political – There is little doubt that one of a number of sources of pressure for the Council to re-examine its use of assets in Longridge is the Town Council, who are keen to see investment in the town. Although the other sites considered by the working group were constrained by existing leases, this site would be one where committee might consider that a different use could contribute to that shared objective.
- Reputation – The council has responded to local pressure by convincing a working group to examine whether/how better use can be made of Council assets in Longridge. Moving swiftly to reach a view on how best to respond in relation to the King Street site – whatever committee's view might be – would demonstrate to the people of Longridge that this committee continues to listen to their concerns.

5 **RECOMMENDED THAT COMMITTEE**

- 5.1 Agree to relinquish control of the King Street toilets site, and
- 5.2 Recommend to Policy and Finance Committee that the site be advertised for sale on the open market.

JOHN HEAP
DIRECTOR OF COMMUNITY SERVICES

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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: REFERENCE FROM HEALTH AND HOUSING COMMITTEE – JOINERS ARMS – ROOF RENEWAL AND RENOVATION WORKS
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To consider a request from Health and Housing Committee to bring forward the previously approved capital scheme for the Joiners Arms Roof Renewal from 2023/24 to the 2021/22 financial year at a value of £42,200 rather than £43,900.
- 1.2 The report also included a request for an additional capital scheme of £13,540 for the renovation of flats 1 and 2 at the Joiners Arms.

2 BACKGROUND

- 2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The budget for 2021/22 was approved by Special Policy and Finance Committee on 2 February 2021 and by Full Council on 2 March 2021.
- 2.2 Any revenue or capital expenditure over and above what has already been approved must be agreed by Policy and Finance Committee.

3 HEALTH AND HOUSING COMMITTEE 18 MARCH 2021

- 3.1 Health and Housing Committee considered a report submitted by the Director of Economic Development and Planning. The report (attached at Annex 1) gave details in respect of the scheme for the Joiners Arms Roof Renewal and the request to bring this forward from the 2023/24 financial year to the 2021/22 financial year, at a reduced budget of £42,200.
- 3.2 The report also explained that there were likely additional works needed to the external rendering of the rear elevation of the building. It was agreed that this should be tendered for at the same time as the roof renewal works, and should additional budget be required then a further report would be brought back to Health and Housing Committee for consideration.
- 3.3 The report also gave details of renovation works needed to flats 1 and 2 at the Joiners Arms and outlined the work needed at an estimated cost of £13,540. The report requested that this be brought in as an additional capital scheme in the council's capital programme for 2021/22.
- 3.4 At its meeting, Health and Housing Committee considered the report and resolved that:

'RESOLVED: That Committee

1. Approve the move of the Joiners Arms Roof Renewal capital scheme from the 2023/24 capital programme to the 2021/22 capital programme, with a revised budget of £42,200, and refer this to Policy and Finance Committee for final approval.
2. Approve a new capital scheme for the renovation of flats 1 and 2 at Joiners Arms, with a budget of £13,540 funded from the Flexible Homelessness Support Grant earmarked reserve and refer this to Policy and Finance Committee for final approval.
3. Agree that work to re-render the rear elevation is undertaken as part of the roof renewal project and included in the tender specification as an addition to the capital scheme in the interests of efficiency, subject to the costs returned from the tender process.

4. RECOMMENDED THAT COMMITTEE

4.1 Approve the requests to:

- bring forward the Joiners Arms Roof Renewal capital scheme to the 2021/22 financial year at the reduced budget of £42,200.
- Bring in a new capital scheme for the renovation of flats 1 and 2 at Joiners Arms, with a budget of £13,540 funded from the Flexible Homelessness Support Grant earmarked reserve

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF27-21/LO/AC
22 March 2021

TRIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

meeting date: 18 MARCH 2021
title: JOINERS ARMS – ROOF RENEWAL AND RENOVATION WORKS
submitted by: DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING
principal author: COLIN HIRST, HEAD OF REGENERATION AND HOUSING
ADRIAN HARPER, HEAD OF ENGINEERING

1 PURPOSE

1.1 To seek agreement to:

- bring forward the proposed roof renewal capital programme scheme at the Joiners Arms; and
- recommend a new capital scheme for renovation works to make two flats at Joiners Arms available for use again.

1.2 Relevance to the Council's ambitions and priorities

- Community Objectives – To meet the identified needs of households in the borough. To help make people's lives safer and healthier.
- Corporate Priorities – To be a well-managed authority.
- Other Considerations – None.

2 BACKGROUND

2.1 The Joiners Arms located at 90 Whalley Road, Clitheroe is the Council's homeless hostel. The unit provides a mix of self contained and shared facility flats to provide emergency temporary accommodation for those in need. The premises were taken back into Council management in 2017 following the ending of the previous agreement with Ribble Valley Homes (Onward) who managed the site for the previous 9 years.

2.2 Since being in Council management, repairs, maintenance and refurbishments have been undertaken to keep the building compliant and operationally fit for purpose. This has generally been ongoing maintenance and repairs, however the need to replace the roof was identified as a significant project out of the capital programme.

3. ROOF RENEWAL AND RENOVATION WORKS

3.1 Members will be familiar with the scheme in the current capital programme to re-roof the building. The relevant programme schedule is included at Appendix 1 to this report. This was initially programmed to be undertaken in the financial year 2023/24 at an estimated cost of £43,900, inclusive of an inflation uplift.

3.2 Recent adverse weather events and considerable, accelerated deterioration of the roof fabric has meant it is now a matter of some urgency that the re-roofing is undertaken. Consequently, Members are asked to approve the movement of the roof renewal capital scheme from the year 2023/24 to 2021/22 to enable the works to proceed. Bringing forward the scheme will reduce the scheme budget to £42,200, to reflect less inflation uplift.

- 3.3 In addition, at present two flats have had to be taken out of service as a result of damp and water ingress. The ceiling in flat 2 has collapsed as a result of water damage. Unfortunately, these units are two of the larger self-contained family flats which brings pressure on the service to accommodate users who need these larger units to meet their needs. Whilst temporary measures could be taken to mask the effects of damp in flat 1, without the roof renewal such measures would simply be a stop gap.
- 3.4 As Members will recall, most of the flats have been refurbished and renovated over a number of years to maintain a basic standard, however flats 1 and 2 have not had this work undertaken in part due to the damp. As well as dealing with the damp issues, these units also require redecoration, replacement of damaged and dangerous flooring, and kitchen renovations to flat 1 where the kitchen units are damaged and cannot be maintained to clean and hygienic standard.
- 3.5 The table below indicates the key renovation work needed to bring these two flats into service.

Flat 1

Strip out existing kitchen supply and install new contract kitchen, re-tile splashbacks and supply and install new 7L water heater.	£3,615.00
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Strip walls of existing paper and re-paper with lining paper.	£1,450.00
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Remove existing laminate flooring and replace with a suitable vinyl floor with weld joints.	£2,335.00
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<u>Flat 1 Total</u>	<u>£7,400.00</u>
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Flat 2

Strip walls of existing paper and re-paper with lining paper.	£1,500.00
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Re-plaster to ceiling and wall in lounge area.	£2,300.00
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Remove existing laminate flooring and replace with a suitable vinyl floor with weld joints.	£2,335.00
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<u>Flat 2 Total</u>	<u>£6,135.00</u>
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Estimated Total Costs £ 13,535.00

- 3.6 Work for maintenance repairs would normally be funded through established revenue budgets for Joiners Arms maintenance and in general work is undertaken within the normal programme of building maintenance and reactive repairs. However, as the work currently being proposed is considered beyond the scope of normal maintenance, it is proposed to undertake a new capital scheme for the renovation of flats 1 and 2 at Joiners Arms as soon as possible in 2021/22 to ensure the work can be progressed effectively and the flats brought back into use at the earliest point.
- 3.7 It is proposed to fund the £13,540 budget for the new capital scheme from amounts set aside in the Flexible Homelessness Support Grant earmarked reserve. This reserve funds measures necessary to meet the Council's homelessness duties.
- 3.8 Possible further work has also been identified in relation to the render to the rear of the building which is need of renovation and investigation is being undertaken. This will be the subject of a further report.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications

- Resources – The Joiners Arms Roof Renewal capital scheme is already funded as part of this Committee’s approved four-year capital programme, but bringing forward the scheme by two years from 2023/24 to 2021/22 will reduce the scheme budget and associated funding required by £1,700, due to less inflation uplift. The proposed new capital scheme in 2021/22 for the renovation of flats 1 and 2 at Joiners Arms will require additional budget of £13,540 and this will be funded from the Flexible Homelessness Support Grant earmarked reserve. Whilst the flats are out of use, there is no opportunity to secure rental income and any need to provide externally sourced accommodation for families that cannot be met through the remaining available flats is likely to be a significant cost on the service depending upon what accommodation can be sourced.
- Technical, Environmental and Legal – The Council has a duty to make provision to address homelessness and any accommodation within its management must be fit for purpose and meet minimum standards.
- Political – N/A
- Reputation – The issues considered in this report help demonstrate the Council is a well-managed authority and that accommodation offered is fit for purpose.
- Equality & Diversity – N/A

5 **RECOMMENDED THAT COMMITTEE**

- 5.1 Approve the move of the Joiners Arms Roof Renewal capital scheme from the 2023/24 capital programme to the 2021/22 capital programme, with a revised budget of £42,200, and refer this to Policy and Finance Committee for final approval.
- 5.2 Approve a new capital scheme for the renovation of flats 1 and 2 at Joiners Arms, with a budget of £13,540 funded from the Flexible Homelessness Support Grant earmarked reserve, and refer this to Policy and Finance Committee for final approval.

COLIN HIRST
HEAD OF REGENERATION AND HOUSING

ADRIAN HARPER
HEAD OF ENGINEERING

NICOLA HOPKINS
DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING

For further information please ask for Colin Hirst, extension 4503 or Adrian Harper, extension 4523.

Joiners Arms Roof Renewal – Capital Scheme

Brief Description of the Scheme:

The existing roof coverings on the property (main & extension roofs) have reached the end of their expected life span, the roof felt has become brittle and perished in places and there are significant numbers of visibly broken tiles. It is anticipated that the majority of the roof tiles are degraded and brittle beyond repair. The chimneys and associated flashings and mortar flashing etc. are in need of repair work, as are the rainwater goods. Replacement of the roof covering will require installation of additional insulation in the roof between the rafters to comply with Building Regulations. The property is a Grade II Listed Building, this scheme proposes to remove and replace the existing roof covering to ensure the fabric of the building is protected from further water ingress and the property is fit-for-purpose in-line with the Council's policies. The existing covering will be removed and replaced with Blue Slate as per the requirements of RVBC's Planning department.

Revenue Implications:

Lost rent income implications, only if any of the flats become uninhabitable, but work should be scheduled without the need to close any of the rooms during the scheme.

Timescale for Completion:

It is anticipated that the works will take 6-8 weeks to fully complete.

Any Risks to Completion:

Adverse/inclement weather conditions, so schedule work in summer.

Capital Cost:

	2021/22 £
Contractors	41,330
Internal Staff Time	670
Planning Fees / Building Regulations	200
Total Capital Cost	42,200

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: CAPITAL PROGRAMME 2021/22
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To inform members of the schemes approved for inclusion in this Committee's 2021/22 capital programme.

2 BACKGROUND

2.1 As members will be aware, at its meeting on 19 January 2021 this Committee proposed a four-year capital programme for 2021/22 to 2024/25 to Special Policy and Finance Committee.

2.2 Following recommendation by Special Policy and Finance Committee on 16 February 2021, Full Council approved the four-year capital programme for 2021/22 to 2024/25 on 2 March 2021.

2.3 The Council's overall capital programme for the four-year period 2021/22 to 2024/25 totals £6,011,700 for all committees. The total for this Committee is £538,390 over the four-year life of the programme. £105,510 of this relates to the 2021/22 financial year.

3 CAPITAL PROGRAMME 2021/22 – APPROVED SCHEMES

3.1 For this Committee there are four schemes approved in the 2021/22 capital programme, totalling £105,510. These are shown in the table below and detailed information for the schemes is shown in **Annex 1**.

Cost Centre	Scheme	Budget for 2021/22 £
DHRST	Dewhurst Road, Langho – Resurfacing Works <i>(Budget moved from 2020/21)</i>	65,800
NTWRK	Network Infrastructure <i>(Budget moved from 2020/21)</i>	30,000
COLFT	Lift Replacement at Council Offices <i>(Budget moved from 2020/21)</i>	2,110
COADM	Committee Administration IT System <i>(Budget moved from 2020/21)</i>	7,600
Total – Policy and Finance Committee		105,510

3.2 Responsible officers will complete and update capital monitoring sheets for each scheme, which will be reported regularly to members to give an indication of progress.

3.3 During the closure of our capital accounts there may be some slippage on the schemes in the 2020/21 current year capital programme. If there is any slippage on those schemes, the details will be reported to a future meeting of this Committee and to the Budget Working Group.

4 CONCLUSION

- 4.1 This Committee has an approved 2021/22 capital programme of £105,510 for four schemes.
- 4.2 Any slippage on the schemes in the 2020/21 capital programme will be reported to this Committee.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD19-21/AC/AC
22 March 2021

For further background information please ask for Andrew Cook
BACKGROUND PAPERS – None

POLICY AND FINANCE COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Dewhurst Road, Langho – Resurfacing Works

Service Area: Estates

Submitted by: Adrian Harper

Budget moved from 2020/21:

The Council are responsible for the maintenance of the majority of Dewhurst Road, Langho. This resurfacing scheme was included in the capital programme because the road was subject to regular costly repairs.

The main resurfacing contract works on this scheme, estimated at £65,800, will now not take place in 2020/21. This is because of additional pre-tender flooding and drainage works needing to be completed first, to enable the site to be clear for the main resurfacing works to take place, and the timescales then involved in the specification and tender process for the main resurfacing contract works.

Therefore, in January 2021 this Committee approved the move of £65,800 budget from 2020/21 to 2021/22 to fund the main resurfacing contract works in 2021/22.

Capital Cost:

2021/22 £
65,800

POLICY AND FINANCE COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Network Infrastructure

Service Area: IT Services

Submitted by: Lawson Oddie

Budget moved from 2020/21:

This scheme is for the replacement of the current hardware that supports the Council's network infrastructure.

There has been no progress to date on this scheme because ICT staff resources have been focussed on supporting the Council's Covid-19 response and new ways of working since the end of March 2020. As a result, the scheme will not take place in 2020/21.

Therefore, in January 2021 this Committee approved the move of the £30,000 scheme budget from 2020/21 to 2021/22.

Capital Cost:

2021/22 £
30,000

POLICY AND FINANCE COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Lift Replacement at Council Offices

Service Area: Council Offices

Submitted by: Adrian Harper

Budget moved from 2020/21:

The main lift replacement contract works are now complete. However, the final retention payment of £2,103 on the main contract is still to be paid, because this is not due until twelve months after practical completion of the contract works, which will be summer 2021.

Therefore, in January 2021 this Committee approved the move of £2,110 budget from 2020/21 to 2021/22 to cover the final retention payment that is due in summer 2021.

Capital Cost:

2021/22 £
2,110

POLICY AND FINANCE COMMITTEE
Schemes Approved for the 2021/22 Capital Programme

Committee Administration IT System

Service Area: Legal and Democratic Services

Submitted by: Mair Hill

Budget moved from 2020/21:

The implementation of the ModGov system software is now complete. The remaining budget of £7,600 on this scheme relates to IT hardware purchases. The IT hardware requirements needed to support the use of the system, possibly some laptops, will be considered in 2021 now the system software is up and running. Given this, any IT hardware purchases, if required, will not be undertaken in 2020/21.

Therefore, in January 2021 this Committee approved the move of the remaining scheme budget of £7,600 from 2020/21 to 2021/22 to support any IT hardware purchases required in that year.

Capital Cost:

2021/22 £
7,600

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: REVENUE MONITORING 2020/21
 submitted by: DIRECTOR OF RESOURCES
 principal author: VALERIE TAYLOR

1 PURPOSE

1.1 To let you know the position for the period April to February 2021 of this year's revised revenue budget as far as this committee is concerned.

1.2 Relevance to the Council's ambitions and priorities:

Community Objectives – none identified

Corporate Priorities - to continue to be a well managed Council providing efficient services based on identified customer need. To meet the objective within this priority, of maintaining critical financial management controls, ensuring the authority provides council tax payers with value for money.

Other Considerations – none identified.

2 FINANCIAL INFORMATION

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the revised estimate for the period to the end of February. You will see an overall underspend of £79,471 on the net cost of services. Please note that underspends are denoted by figures with a minus symbol. After allowing for transfers to/from earmarked reserves there is an underspend of £78,526

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance	
CEXEC	Chief Executives Department	0	960,375	939,044	-21,331	R
CIARA	Storm Ciara Response	2,000	4,500	4,840	340	G
CIVCF	Civic Functions	40,680	27,397	25,650	-1,747	G
CIVST	Civic Suite	0	24,509	22,863	-1,646	G
CLOFF	Council Offices	0	198,126	197,205	-921	G
CLTAX	Council Tax	395,430	50,214	45,410	-4,804	R
COMPR	Computer Services	0	121,175	120,040	-1,135	G
CORPM	Corporate Management	356,270	0	0	0	G
COSDM	Cost of Democracy	483,220	245,777	244,961	-816	G
CSERV	Corporate services	157,170	12,575	9,821	-2,754	A

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance	
ELADM	Election Administration	32,090	0	0	0	G
ELECT	Register of Electors	93,140	49,769	42,133	-7,636	R
EMERG	Community Safety	66,410	7,280	4,296	-2,984	A
ERNET	Emergency Radio Network	300	63	-1,200	-1,263	G
ESTAT	Estates	53,620	-30,597	-29,594	1,003	G
FGSUB	Grants & Subscriptions - Policy and Fin	160,740	139,290	136,508	-2,782	A
FMISC	Policy & Finance Miscellaneous	108,310	68,030	77,670	9,640	R
LANDC	Land Charges	-5,430	-76,373	-83,376	-7,003	R
LICSE	Licensing	46,690	-66,300	-67,049	-749	G
LUNCH	Luncheon Clubs	16,050	12,559	0	-12,559	R
NNDRC	National Non Domestic Rates	53,710	-20,079	-21,608	-1,529	G
PARGR	Parish Council Grants	1,940	1,940	1,939	-1	G
RESOR	Resources Department	0	1,866,925	1,848,692	-18,233	R
SUPDF	Superannuation Deficiency Payments	92,920	80,394	79,831	-563	G
	Sum:	2,155,260	3,677,549	3,598,078	-79,471	
Transfers to/from Earmarked Reserves						
	Election Reserve	30,000	0	0	0	
	Revaluation of Assets Reserve	2,190	0	0	0	
	Cyber Resilience Reserve	3,000	3,000	3,000	0	
	Local Council Tax Support Reserve	-1,600	-1,600	-1,600	0	
	VAT Shelter Reserve	6,410	0	0	0	
	Repairs and Maintenance Reserve	-27,950	-27,950	-27,992	-42	
	Invest to Save Fund	5,510	5,510	5,510	0	
	Equipment Reserve	-17,190	-17,125	-17,407	-282	
	Parish Grants Reserve	-1,940	-1,940	-1,939	1	
	Flood Resilience Reserve	-2,000	-2,000	-2,000	0	
	Business Rates Growth Reserve	-29,750	-29,750	-29,745	5	

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance
	Two Way Radio Reserve	-300	-63	1,200	1,263
Total after Transfers to/from Earmarked Reserves		2,121,640	3,605,631	3,527,105	-78,526

- 2.2 The variations between budget and actuals have been split into groups of red, amber and green variance. The red variances highlight specific areas of high concern, for which budget holders are required to have an action plan. Amber variances are potential areas of high concern and green variances are areas, which currently do not present any significant concern.

Key to Variance shading	
Variance of more than £5,000 (Red)	R
Variance between £2,000 and £4,999 (Amber)	A
Variance less than £2,000 (Green)	G

- 2.3 We have then extracted the main variations for the items included in the red shaded cost centres and shown them with the budget holder's comments and agreed action plans, in Annex 1.
- 2.4 The main variations for items included in the amber shaded cost centres are shown with budget holders' comments at Annex 2.
- 2.5 In summary the **main** areas of variances that are **unlikely** to rectify themselves by the end of the financial year is shown below:

Description	Variance to end February 2021 £
<p><u>Training/ Tuition</u> Budgets have underspent within the Chief Executive department (-£2,621), Resources department (-£3,065) and Corporate training cost centre (-£7,524) for the period to February and it is highly likely that the budgets will not be fully expended before the end of the financial year. The underspends have occurred because professional qualification training being undertaken by several officers within the Resources department is being funded through the apprenticeship levy and opportunities for ad-hoc training within all cost centres have reduced this year as a result of coronavirus social distancing rules.</p> <p>A review of training room equipment is currently being carried out at the Council Offices and Salthill Depot sites with a view to updating equipment used to facilitate corporate training and virtual workshops/ seminars.</p>	-13,210

Description	Variance to end February 2021 £
Whilst an appointment has been made to meet a potential supplier in March to discuss options, any possible procurement would be subject to an ICT feasibility study prior to placing an order. It is therefore likely that any expenditure will fall into the 2021/22 financial year. The underspend position will be further reviewed at year-end.	
<p><u>Luncheon Clubs (LUNCH)</u> As luncheon clubs haven't been meeting this year because of the coronavirus pandemic no grant support was paid for the period to February. There is a budget of £13,700 available for the whole of the current financial year and whilst a small grant payment of £120 was processed to one club in March the budget is expected to be largely unspent by the end of the year.</p>	-£12,559

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £79,471 to February 2021 of the financial year 2020/21. After allowing for transfers to/from earmarked reserves there is an underspend of £78,526.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF20-21/LO/AC
18 March 2021

Policy and Finance Committee Budget Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
LUNCH/4678	Luncheon Clubs/ Grants to Voluntary, Comm & Soc Ent Orgs	13,700	12,559	0	-12,559	Luncheon Clubs have not been meeting this year because of the pandemic, and as a result the budget provision set aside to support clubs has not been required for the period to February.	The budget will underspend this year. It is expected that applications for support will once again be received in the new financial year when lockdown restrictions are lifted.
CEXEC/0100	Chief Executives Department/ Salaries	776,610	703,520	693,577	-9,943	Council staffing budgets at revised estimate assume an average vacancy saving of 2% across the authority on estimated costs. Actual salary savings within the Chief Executive Department during the period were in excess of this by a total of £9k to February.	Salary budgets will continue to be monitored and final outturn will be reported to committee following the end of the financial year.
RESOR/1023	Resources Department/ Corporate Training	14,240	13,054	5,530	-7,524	Group corporate training has not been undertaken this financial year because of COVID-19 social distancing requirements.	A review of training room equipment is currently being carried out at the council offices and Salthill Depot with a view to updating equipment used to facilitate corporate training and virtual workshops/ seminars.

Policy and Finance Committee Budget Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
ELECT/2981	Register of Electors/ Postages	22,340	21,283	14,942	-6,341	The Cabinet Office introduced changes to the annual canvass process from this financial year that have reduced the number of Household Enquiry Form reminders that are posted out. Postage cost savings from the reform are exceeding those estimated at revised estimate when the budget was reduced down from £29k.	The budget is likely to underspend this year. The final outturn will be used to inform future budget estimates.
LANDC/8408n	Land Charges/ Search Fee (Vatable)	-78,960	-73,310	-79,178	-5,868	Land charges income received this financial year is higher than average. This is likely due to an increase in house sales following on from the government's decision to temporarily increase the stamp duty threshold from July 2020 to limit the impact of the coronavirus pandemic on the housing market.	Income received this year in excess of the budget estimate will be added to general fund balances.
FMISC/5029	Policy & Finance Miscellaneous/ Credit/Debit Card Fees	22,370	18,641	23,975	5,334	The council has been overcharged for card payment processing services this year following an error by the council's card services provider.	A refund is currently being processed and the budget will continue to be monitored.

Policy and Finance Committee Budget Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance
CEXEC/8772z	Chief Executives Department/ Debtors - Interest	0	0	-4,557	-4,557	Due to court action taken against a sundry debtor for an unpaid debt. As the principal debt was outstanding for a number of years accrued interest costs of £4.5k have now been charged.
RESOR/1013	Resources Department/ Tuition Fees	7,240	6,635	3,570	-3,065	Professional qualification training being undertaken by four officers within the Resources Department is being funded through the apprenticeship levy. Opportunities for ad-hoc training have reduced this year as a result of the coronavirus pandemic and social distancing rules.
EMERG/2881	Community Safety/ Purchase of Equipment & Materials	5,520	5,066	2,402	-2,664	A business continuity software update, associated system training and a business continuity exercise have all been postponed until the next financial year as a result of the coronavirus pandemic. Responsive expenditure funded from this budget, for example in the event of inclement weather, has also not been required for the period to February.
CEXEC/1013	Chief Executives Department/ Tuition Fees	5,930	5,436	2,815	-2,621	Training opportunities have reduced this year as a result of the coronavirus pandemic and social distancing rules which has brought about an underspend of £2.6k to February.

Policy and Finance Committee Budget Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance
resor/2961	Resources Department/ Protective Clothing	2,370	2,173	0	-2,173	The budget set aside for the biennial replacement of contact centre staff uniforms has not been required this year due to the temporary closure of the council offices. Requirements for replacement/new uniforms will be assessed early in the 2021/22 financial year in advance of the offices re-opening.
FMISC/3085	Policy & Finance Miscellaneous/ Consultants	0	0	4,500	4,500	Cost of engaging consultants to undertake a desktop revaluation of the council's assets. Annual estimate to be brought into the base budget for 2021/22.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 30 MARCH 2021
 title: OVERALL REVENUE MONITORING 2020/21
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

4 PURPOSE

4.1 To report the overall revenue position for the current financial year for the half year position up to the end of February 2021.

2 REVISED REVENUE BUDGET 2020/21

2.1 The revised estimate agreed for the current year is set out below.

	Revised Estimate 2020/21 £
Committee Net Requirements	7,954,560
Capital Charges Adjustment	-769,834
Committee Expenditure After Adjustments	7,184,726
Other Items - Interest Payable	6,020
- Interest on balances	-48,000
- New Homes Bonus	-1,770,952
- Rural Services Delivery Grant	-107,921
- Retained Business Rates Income	-447,301
- Renewable Energy Business Rates	-100,000
- Section 31 Grant for Business Rates	-3,942,197
- 10% of Retained Levy – Payable to LCC under Pooling Arrangements	72,529
- Share of Business Rates Surplus on Collection Fund	-252,894
Expenditure After Other Items	594,010
Less Added to/(taken from) Earmarked Reserves	4,706,569
Less Taken from Revenue Balances	-186,411
Net Expenditure	5,114,168

4 BUDGET VARIANCES

4.1 Our budget monitoring to service committees focuses on the value shown above against Committee Net Requirements of £7,954,560.

- 4.2 Within this report, this amount is broken down subjectively and monitored against the profiled budget up to the end of February 2021. As at this date, there shows a net underspend/over recovery of income of £7,702. Whilst there is a small net variance overall, there are some sizeable individual variances within the report, with Refuse Collection Vehicle Maintenance Costs being a continuing area of concern.
- 4.3 It is also important to note that the various grants that have been received from the government, the various grant support payments that the council have paid out, and the other directly associated Covid-19 expenditure is excluded from this monitoring statement. This report provides details of the financial position for our normal activities. However, there have been repercussions from the Covid-19 pandemic across our services, which have largely been built into our revised estimates.
- 4.4 The full position is shown at Annex 1. For any variances above £10,000 at the high level shown at Annex 1 (items highlighted in yellow) the details with reasons are given over the following pages. Favourable variances are shown as negative values.

Description	Amount £	Variance Reasons
Employee Related Expenditure - Direct Employee Expenses	-10,587	There are a number of smaller underspends across all service committees which overall come to a net variance of -£10,587. This is largely due to the staff turnover and vacancy levels being slightly lower than that allowed for when we revised the estimate.
Employee Related Expenditure - Indirect Employee Expenses	-28,447	Budgets have underspent within the Chief Executive's Department (-£2,621), Resources Department (-£3,065) and Corporate training cost centre (-£7,524) for the period to February. The underspends have occurred because professional qualification training being undertaken by several officers within the Resources department is being funded through the apprenticeship levy and opportunities for ad-hoc training within all cost centres have reduced this year as a result of coronavirus social distancing rules. Quotes are currently being sought to upgrade in-house training equipment, although this may not progress to procurement stage within the current financial year.
Premises Related Expenditure - Energy Costs	-20,274	There are underspends showing here due to the temporary closure of various facilities because of Covid 19 restrictions including electricity (-£3,915) and gas (-£2,784) usage at the pool and gas at the museum (-£1,331). In addition, electricity charges for February have not yet been posted for various facilities resulting in a variance of -£6,698 which will eventually correct itself in March when the actual costs align with the budget.
Premises Related Expenditure - Repairs and Maintenance	35,650	The main overspend is £19,732 within Ribble Valley Parks due to works to repair vandalism at the Castle Grounds and bandstand, along with repairs to the Bowling Green Café. Also included is £6,566 overspend at Edisford All Weather Pitch for the erection of a steel fence to enable better access control at the 3G facility. There is also an overspend at the Platform Gallery of £2,718 due to the redecoration of the gallery during the Covid closure, which is being funded from savings on the promotional activities budget there. Ribchester car park also has an overspend of £2,316 due to work on clearing drains at the car park. Virements are being sought to meet these variances.
Transport Related Expenditure - Direct Transport Costs	156,447	This variance is mainly repairs to date being higher than estimated for refuse collection vehicles (£179,244), partly due to staffing problems earlier in the year at the vehicle workshop where it has been necessary to use external companies to carry out repairs, and also the requirement for vehicle hire (£130,985) whilst the vehicles are off road being repaired. This is partly offset by a reduced requirement on tyres for refuse collection vehicles (-£17,000), reduced repairs and maintenance by outside firms for grounds maintenance vehicles (-£10,633). Further narrative on this variance is provided in a later section of the report.

Description	Amount £	Variance Reasons
Supplies and Services – Equipment, Furniture and Materials	-10,111	This variance is made up of a number of smaller variations across a wide variety of services that net to a total underspend of £10,111.
Supplies and Services – Miscellaneous Expenses	-19,390	This is mainly in respect of promotional activities due to less events and activities as a result of the pandemic, particularly at the Gallery and within Sports Development.
Supplies and Services – Printing and Stationery Expenses	-14,602	Whilst this variance is the net result of a number of variances across many services, the larger proportion is in respect of books and publications, and copy charges under Policy and Finance committee services (i.e. Chief Executive's Department and Resources Department).
Supplies and Services – Services	-54,315	<p>The largest majority of the variance is due to an underspend of £46k on the Local Plan for the period to February (£37k on consultancy costs and £9k on legal costs).</p> <p>The programme was delayed earlier in the year due to the pandemic and concerns around the impact of the government's proposals in the White Paper. The programme and budgets were reprofiled at revised estimate and it was expected at that time that legal advice would be sought in advance of procuring consultancy support. The Planning Advisory Service subsequently offered to provide some consultancy support which has delayed progress on the plan as the meeting with consultants could only be undertaken recently due to the consultant's availability.</p> <p>Under Community Services Committee there have also been underspends here in respect of trade refuse tipping charges (-£6,079) as there has been a decrease in the waste tonnage collected due to a reduction in the demand for the trade refuse collection service caused by Covid 19. There have also been savings on credit/debit card fees at the car parks - £4,696 due to lower usage of car parking facilities as a consequence of the Covid 19 restrictions and lockdown measures.</p>

Description	Amount £	Variance Reasons
Transfer Payments - Benefit Payments	60,067	<p>Rent Allowances benefit payments are 1.2% higher than budgeted for at revised estimate stage.</p> <p>The caseload reduction impact on actual payments to date in 2020/21 from the on-going caseload migration from Housing Benefits to Universal Credit in Ribble Valley is less than budgeted for. However, any higher Rent Allowance payments for the year as a whole will be reflected in more Rent Allowance subsidy grant income received at year-end from the DWP, as payments for the full year are broadly funded by subsidy grant received at year-end. As a result, there is unlikely to be a significant net overspend at year-end.</p>
Transfer Payments – Grant Payments	-25,328	<p>The largest proportion of the variance is in respect of Luncheon Club, which have not been meeting this year because of the pandemic. As a result the budget provision set aside to support clubs has not been required for the period to February, bringing about an underspend of -£13k. There are plans to write out to luncheon clubs in 2021/22 to enquire if clubs are planning any projects that may require grant support.</p>
Income – Other Grants, Reimbursements and Contributions	-19,928	<p>This is largely due to variations under Community Services Committee. There is District Grant Funding (-£13,000 variance) received in respect of increasing the quality of recycling or encouraging waste minimisation. The grant will be used to fund surfacing improvements at Salthill Depot to ensure that cross-contamination is minimised between materials.</p> <p>Additionally, there is funding received to carry out Weight Management (-£18,506), Cardiac Rehab (-£11,000) and Stepping Out (-£2,100) programmes. It is expected the latter two will be carried forward for spending in 2021/22 as the programmes have been unable to be delivered this year due to Covid 19 restrictions.</p> <p>Partly offsetting these variances under Health and Housing Committee is £24,560 less income than budgeted being received to date for the recovery of Rent Allowance overpayments. There have been less benefits overpayments invoiced for the year to date (the level of overpayments identified can fluctuate from year to year and in-year).</p>
Income – Oncosts and recharges	-22,293	<p>The number of recoverable hours worked is higher than estimated which has resulted in an increase in the recovery of Works Admin costs (-£30,935). However, this is partly offset by a reduction in the amount of time spent on capital projects (£6,530) causing a reduction in costs charged to capital schemes. There is also an under recovery of Grounds Maintenance costs (£9,803) due to a number of staff having to self-isolate.</p>

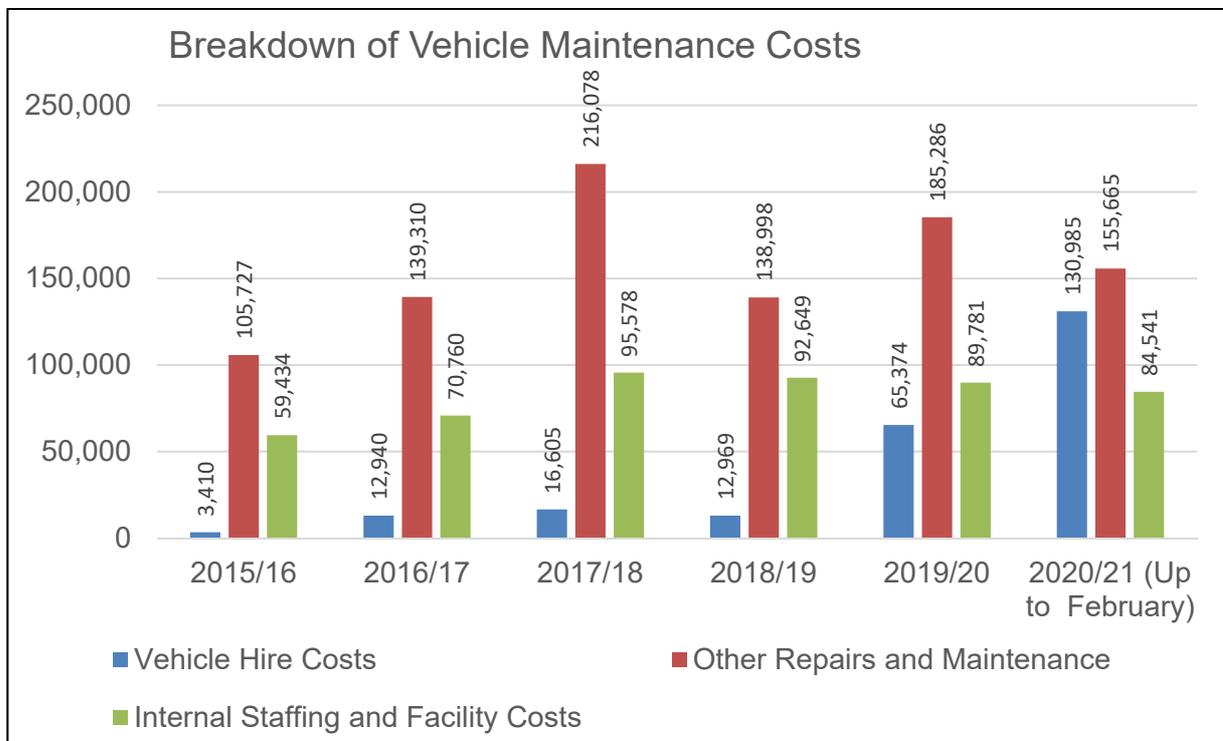
5 REFUSE COLLECTION VEHICLE MAINTENANCE COSTS

5.1 Refuse Collection Vehicle maintenance costs continue to be an area of concern. This is an area that has been raised as part of the council’s Annual Governance Review and is likely to be raised again at the close of this financial year.

5.2 This level of overspend is extremely concerning, and the variance shown to date is after increasing the budget by £50,000 at the revised estimate.

5.3 From a financial perspective, more information is provided below.

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 (Up to February) £
Vehicle Hire Costs	3,410	12,940	16,605	12,969	65,374	130,985
Other Repairs and Maintenance <i>i.e. external contractors and bought in parts</i>	105,727	139,310	216,078	138,998	185,286	155,665
Internal Staffing and Facility Costs <i>earlier lower costs largely relate to vacancies</i>	59,434	70,760	95,578	92,649	89,781	84,541
Total	168,571	223,010	328,261	244,616	340,441	371,191



5.4 As shown above there is a level of services and parts relating to refuse collection vehicles that require the use of external providers, and further very high level analysis of this is included below. One of the worryingly growing areas of spend, and a major factor in the more recent overspends that have been seen, is in respect of vehicle hire.

- 5.5 The service has always operated with a spare vehicle held in case repairs necessitate taking a vehicle off a collection round. As such, these vehicle hire costs shown as external costs are in addition to the use of our own surplus vehicle.
- 5.6 This surplus vehicle is a vehicle that the council has always held for this purpose, and is generally the 'retired' vehicle that is being replaced in the current year's capital programme
- 5.7 Looking back at the spend in the tables above for external supplies and services. Over the period shown, the three highest spend providers in each year for these supplies and services have been:
- **2015/16:** Dennis Eagle Ltd (£38,579); Hydrair (£12,529); Taylor Engineering & Fabrications Ltd (£6,714)
 - **2016/17:** Dennis Eagle Ltd (£35,855); Terberg Matec U.K. Ltd (£16,652); C P Davidson & Sons Ltd vehicle hire (£12,940)
 - **2017/18:** Dennis Eagle Ltd (£50,198); Farid Hillend Engineering Ltd (£24,476); Hydrair (£18,875)
 - **2018/19:** Dennis Eagle Ltd (£36,048); Hydrair (£12,621); Terberg Matec U.K. Ltd (£12,033)
 - **2019/20:** Southfield RCV Services (£84,053); Dennis Eagle Ltd (£39,152); Hydrair (£12,529); Lynch Truck Services Ltd (£16,667)
 - **2020/21 (up to February):** Southfield RCV Services (£128,061); Dennis Eagle Ltd (£56,466); C P Davidson & Sons Ltd (£31,917)
- 5.8 At a meeting of the Budget Working Group on 22 March 2021, the issues above were discussed. It was agreed that there should be an external review of the costs of the service. It was also agreed that costs should be sought for a 'fully inclusive' maintenance contract. Findings would initially be reported back to the Budget Working Group.

6 CONCLUSION

- 6.1 There is an overall net underspend to the end of February 2021 of £7,702.
- 6.2 This overall net position masks the concerning variance on the Refuse Collection Vehicle Maintenance costs. This is a very longstanding concern and with little movement on budget performance.
- 6.3 At a recent Budget Working Group options were discussed for taking this issue forward.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF25-21/LO/AC
19 March 2021

SUBJECTIVE ANALYSIS OF ALL COMMITTEE BUDGETS AND ACTUALS

		Revised 2020/21 £	Revised Estimate to Period End £	Actual and Commitments to Period End £	Variance at Period End* £	Percentage Variance for the Period
Variances of more than £10,000 have been highlighted and examined in the body of the report						
EXPENDITURE						
Employee Related Expenditure	Direct Employee Expenses	6,551,590	5,944,971	5,934,114	-10,857	-0.18%
	Indirect Employee Expenses	185,430	176,398	147,951	-28,447	-16.13%
Employee Related Expenditure	Subtotal	6,737,020	6,121,369	6,082,065	-39,304	-0.64%
Premises Related Expenditure	Appor. of Operntl Bldg Expense	181,500	-199	1,058	1,257	-631.72%
	Business Rates	281,910	281,722	281,721	-1	0.00%
	Cleaning & Domestic Supplies	207,890	93,962	96,564	2,602	2.77%
	Energy Costs	174,430	138,687	118,413	-20,274	-14.62%
	Fixtures & Fittings	410	388	384	-4	-1.06%
	Grounds Maintenance Costs	506,020	439,704	432,866	-6,838	-1.56%
	Premises Insurance	34,550	34,483	33,274	-1,209	-3.51%
	Rates	2,670	2,547	2,382	-165	-6.46%
	Rents	46,530	51,786	48,833	-2,953	-5.70%
	Repairs & Maintenance	315,600	303,428	339,078	35,650	11.75%
	Water Services	92,280	84,460	75,184	-9,276	-10.98%
Premises Related Expenditure	Subtotal	1,843,790	1,430,968	1,429,756	-1,212	-0.08%
Transport Related Expenditure	Car Allowances & Trav Expenses	27,330	25,230	21,685	-3,545	-14.05%
	Contract Hire & Oper Leases	207,370	159,453	158,076	-1,377	-0.86%
	Direct Transport Costs	615,470	560,529	716,976	156,447	27.91%
	Public Transport	2,130	1,932	-14	-1,946	-100.70%
	Transport Insurances	42,660	42,205	43,232	1,027	2.43%
	Transport Recharges	929,060	1,441	0	-1,441	-100.00%
Transport Related Expenditure	Subtotal	1,824,020	790,790	939,956	149,166	18.86%

SUBJECTIVE ANALYSIS OF ALL COMMITTEE BUDGETS AND ACTUALS

		Revised 2020/21 £	Revised Estimate to Period End £	Actual and Commitments to Period End £	Variance at Period End* £	Percentage Variance for the Period
Supplies and Services	Clothes, Uniform & Laundry	23,210	21,183	15,183	-6,000	-28.32%
	Communication s & Computing	472,490	515,061	524,490	9,429	1.83%
	Equipment, Furniture & Materls	305,160	273,704	263,593	-10,111	-3.69%
	Expenses	239,380	219,754	215,616	-4,138	-1.88%
	Grants & Subscriptions	74,060	44,779	44,974	195	0.43%
	Miscellaneous Expenses	132,220	99,244	79,854	-19,390	-19.54%
	Printing, Stationery, Exps	72,360	64,410	49,808	-14,602	-22.67%
	Services	359,260	279,699	225,384	-54,315	-19.42%
<i>Supplies and Services</i>	Subtotal	1,678,140	1,517,834	1,418,903	-98,931	-6.52%
Third Party Payments	Government Departments	5,340	0	0	0	-
	Other Local Authorities	236,540	217,510	220,786	3,276	1.51%
	Private Contractors	142,530	126,293	123,392	-2,901	-2.30%
<i>Third Party Payments</i>	Subtotal	384,410	343,803	344,177	374	0.11%
Transfer Payments	Benefit Payments	5,648,140	5,126,018	5,186,085	60,067	1.17%
	Grant Payments	253,670	216,142	190,814	-25,328	-11.72%
<i>Transfer Payments</i>	Subtotal	5,901,810	5,342,160	5,376,899	34,739	0.65%
Support Services	Central Departmental Support	4,345,930	0	0	0	-
	Departmental Support	2,185,130	0	0	0	-
	Other Recharges	361,000	0	0	0	-
<i>Support Services</i>	Subtotal	6,892,060	0	0	0	-
Depreciation and Impairment	Depreciation	883,780	0	0	0	-
<i>Depreciation and Impairment</i>	Subtotal	883,780	0	0	0	-
TOTAL Expenditure		26,145,030	15,546,924	15,591,756	44,832	0.29%

SUBJECTIVE ANALYSIS OF ALL COMMITTEE BUDGETS AND ACTUALS

		Revised 2020/21 £	Revised Estimate to Period End £	Actual and Commitments to Period End £	Variance at Period End* £	Percentage Variance for the Period
INCOME						
Government Grants	Government Grants	-6,540,990	-5,560,346	-5,567,882	-7,536	0.14%
<i>Government Grants</i>	<i>Subtotal</i>	<i>-6,540,990</i>	<i>-5,560,346</i>	<i>-5,567,882</i>	<i>-7,536</i>	<i>0.14%</i>
Other Grants, Reimbsmts, Conts	Other Grants, Reimbsmts, Conts	-459,610	-76,232	-96,160	-19,928	26.14%
<i>Other Grants, Reimbsmts, Conts</i>	<i>Subtotal</i>	<i>-459,610</i>	<i>-76,232</i>	<i>-96,160</i>	<i>-19,928</i>	<i>26.14%</i>
Customer & Client Receipts	Customer & Client Receipts	-2,145,050	-2,022,981	-2,025,758	-2,777	0.14%
<i>Customer & Client Receipts</i>	<i>Subtotal</i>	<i>-2,145,050</i>	<i>-2,022,981</i>	<i>-2,025,758</i>	<i>-2,777</i>	<i>0.14%</i>
Oncosts and Recharges	Oncosts and Recharges	-9,044,540	-856,168	-878,461	-22,293	2.60%
<i>Oncosts and Recharges</i>	<i>Subtotal</i>	<i>-9,044,540</i>	<i>-856,168</i>	<i>-878,461</i>	<i>-22,293</i>	<i>2.60%</i>
Interest	Interest	-280	0	0	0	-
<i>Interest</i>	<i>Subtotal</i>	<i>-280</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-</i>
TOTAL Income		-18,190,470	-8,515,727	-8,568,261	-52,534	0.62%
NET EXPENDITURE		7,954,560	7,031,197	7,023,495	-7,702	-0.11%

* Variances of more than £10,000 are highlighted in yellow above and are reported in more detail in the body of the report.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

meeting date: 30 MARCH 2021
 title: REVENUES AND BENEFITS GENERAL REPORT
 submitted by: DIRECTOR OF RESOURCES
 principal author: MARK EDMONDSON

1 PURPOSE

1.1 To inform committee of debts outstanding for business rates, council tax and sundry debtors. Also to update committee on benefits performance, including benefits processing times and overpayment recovery.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives/Corporate Priorities

Without the revenue collected from rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

2 NATIONAL NON-DOMESTIC RATES (NNDR)

2.1 The following is a collection statement to 17 March 2021:

	£000	£000	2020/21 %	2019/20 %
Balance Outstanding 1 April 2020		741		
NNDR amounts due	21,167			
Plus costs	0			
Transitional surcharge	6			
Write ons	7			
	21,180			
Less				
- Transitional relief	-22			
- Exemptions	-396			
- Charity, Rural, Community Amateur Sports Clubs Relief	-1,291			
- Small Business Rate Relief	-3,771			
- Nursery Discount, Retail Discount, SSB, Flood Relief, Revaluation 2017, Pub, SSB and Other reliefs	-6,958			
- Interest Due	0			
- Write Offs	-97			
	-12,535	8,645		
Total amount to recover		9,386		
Less cash received to 17 March 2021		-8,358	89.0	94.6
Amount Outstanding		1,028	11.0	5.4

NB The figures included in the table include not only those charges for 2020/21 but also those relating to previous years, but we are required to report to the Ministry of Housing, Communities & Local Government (MHCLG) our in year collection rate. This figure is published and is used to compare our performance with other local authorities. On this measure our current in year collection rate at 28 February 2021 is 94.17% compared with 96.63% at 29 February 2020. Both the collection rate for 2020/21 and the overall amount outstanding have been severely impacted by COVID19.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 17 March 2021:

	£000	£000	2020/21 %	2019/20 %
Balance Outstanding 1 April 2020		1,062		
Council Tax amounts due	52,367			
Plus costs	-1			
Transitional relief	1			
Write ons	1			
	52,368			
Less - Exemptions	-803			
- Discounts	-4,654			
- Disabled banding reduction	-55			
- Council Tax Benefit	3			
- Local Council Tax Support plus Hardship	-2,376			
- Write offs	-24			
	-7,909	44,459		
Total amount to recover		45,521		
Less cash received to 17 March 2021		-43,625	95.8	97.4
Amount Outstanding		1,896	4.2	2.6

NB The figures included in the table include not only those charges for 2020/21 but also those relating to previous years, but we are required to report our in year collection rate to the MHCLG. This figure is published by them and is used to compare our performance against other local authorities. On this measure our current in year collection rate at 28 February 2021 is 96.65% compared to 98.06% at 29 February 2020. Both the collection rate for 2020/21 and the overall amount outstanding have been severely impacted by COVID19.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 17 March 2021 is:

	£000	£000
Amount Outstanding 1 April 2020		696
Invoices Raised	3,541	
Plus costs	9	
		3,550
Less credit notes		-953
Total amount to recover		3,293
Less cash received to 17 March 2021		-2,338
Amount outstanding		955

Aged Debtors	000s	%
< 30 days	102	10.68
30 - 59 days	18	1.88
60 - 89 days	7	0.73
90 - 119 days	25	2.62
120 - 149 days	12	1.26
150+ days	791	82.83
	955	100

4.2 The balance of debt outstanding for '150+ days' includes debts raised on an annual basis at the start of the financial year, which are being paid by direct debit on a monthly basis throughout the year. Another substantial element within this balance is debt relating to overpaid housing benefit due to reasons including fraud. Recovery action continues on such housing benefit debt, with some being paid by instalments.

5 HOUSING BENEFIT AND COUNCIL TAX SUPPORT PERFORMANCE

5.1 The main indicator for Housing Benefit and Council Tax Support performance is known as Right Time. The benefit section also report on Local Performance Indicators that have been set within the department for benefit fraud and overpayments.

5.2 The Department for Work and Pensions does not require Local Authorities (LA's) to report on any other Performance Measures but encourages them to monitor their own performance locally.

5.3 We obviously consider it very important to monitor overpayment data.

Housing Benefit Right Time Indicator 2020/2021

The right time indicator measures the time taken to process HB/CTS new claims and change events; this includes changes in circumstances, interventions, fraud referrals and prints generated by the benefit department.

Target for year	Actual Performance 1 October 2020– 31 December 2020	Average Performance
5 days	3 days	20 days per IRRV

New claims performance

Target for year	Actual Performance 1 October 2020 – 31 December 2020	Top grade 4 for all LA's 2007/08
15 days	6.08 days	Under 30 days

6 HOUSING BENEFIT OVERPAYMENTS

- 6.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations.
- 6.2 The figures overleaf are from the previous quarter as the latest figures were not available at the time of writing the report.

Performance for the period 1 October 2020 - 31 December 2020:

Performance Measure	%
The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB overpayments deemed recoverable during that period.	135.56
The amount of Housing Benefit (HB) overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year plus amount of HB overpayments identified during the period.	10.04
The amount of Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year, plus amount of HB overpayments identified during the period.	0.03

7 CONCLUSION

- 7.1 Note the continuing progress that we make in collecting these debts, and the performance of our Housing Benefit Section remains satisfactory.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF31-20/ME/AC
3 November 2020

For further information please ask for Mark Edmondson.

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 28 SEPTEMBER 2020

Present: S Atkinson (Chair), A Brown, S Fletcher, S Hirst, S Hore, A Knox, D Peat, J Rogerson, Chief Executive, Director of Resources, Director of Community Services, Director of Economic Development and Planning, Head of Financial Services and Head of Revenues and Benefits.

1 Apologies

1.1 None

2 Minutes of meeting held on 23 January 2020

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

3 Covid Financial Information

3.1 The Director of Resources presented a report which took members through the expenditure pressures that the Council had faced due to Covid-19 and also the losses on the Council's income.

3.2 The council had received 3 tranches of un-ringfenced government funding, totalling £703,272. It was explained that there were a number of government returns that were regularly needing to be completed.

3.3 The report included a table on the council's spend to date, based on the most recent government return, which showed that £671K of the £703K had been accounted for against service areas.

3.4 Next the report explained the government funding towards sales, fees and charges income losses. Under the scheme, the council must absorb the first 5% of all irrecoverable losses compared to the original budget, with the government compensating the council for 75 pence in every pound of loss thereafter.

3.5 There were 3 guiding principles within the scheme, the details of which were included in the report.

3.6 It was highlighted that the monthly returns also asked for details of losses on business rates and council tax over a number of categories. Latest information showed total collection fund losses of £1.98m over the reported categories (after business rates reliefs).

3.7 Members were informed that council tax payers and business rate payers were being contacted to encourage them to discuss any arrears and support that might be able to be provided.

3.8 Also discussed was the Council Tax Hardship Fund where any residents of working age and who have had their bill reduced by an award of Council Tax reduction, would be eligible for relief of at least £150 from the fund. The council had received funding of £222k but anticipated that total payments may be in the region of £250k.

3.9 Looking at business rates for 2021/22, the Director of Resources referred to the government's announcement that the fair funding review and the implementation of 75% Business Rates Retention would no longer be implemented in 2021/22.

3.10 Reflecting on this the Director of Resources referred to the Lancashire Business Rates Pool and the governments request for lead authorities to decide by 23 October whether the to confirm the continuation of pool arrangements in 2021/22 – or submit alternative arrangements.

3.11 There was a discussion around this and the difficulties in making this decision in light of the current climate and the high levels of uncertainty. Added to this was the concern around any reset of the baseline if this were to go ahead as previously indicated.

3.12 Following discussions, the Budget Working Group stated that they would be comfortable for the council to stay in the business rates pool, in the knowledge that the option to withdrawn remains if needed, should circumstance dictate.

4 Business Grants Update

4.1 The Director of Resources took members through a report on the Business support grants that were available and had been paid. These consisted of:

- Small Business Grant Fund: *businesses in receipt of Small Business Rates Relief (SBRR) or Rural Rate Relief (RRR) – grant of £10,000*
- Retail Hospitality and Leisure Grant: *businesses in receipt of the Expanded Retail Discount with a rateable value of less than £51,000 and trading on 11 March (with some exclusions) – grant of £10,000 or £25,000 dependent on rateable value*
- Discretionary Business Grant Scheme: *to target small businesses with high fixed property-related costs, but that are not eligible for the above two grant schemes. The government had asked for a number of business types to be prioritised and these were outlined in the report*

4.2 A detailed analysis of the three Discretionary Business Grant Scheme application rounds and the final stage grant allocation process was provided in the report to members, including an analysis of the funding received, allocated and remaining. The analysis included summaries of numbers of applications processed, outcome of the application process and grant awarded where applicable.

5 Further Government Financial Support for Individuals and Businesses

5.1 Members were informed of further financial support schemes that had been announced, namely:

- **Test and Trace Support Payments** – for residents who test positive for Coronavirus or are a named contact required to self-isolate
- **Local Restriction Support Grant** – to provide financial support to businesses required to close during local lockdowns

5.2 The Test and Trace Support Payments would provide grants of £500 to residents on low incomes, who test positive for Coronavirus, or are identified contacts of someone who has tested positive and are therefore required to self-isolate.

5.3 The Local Restrictions Support Grant was to provide support to businesses required to close during localised restrictions, to come in to effect from 9 September 2020. Guidance was not published until Friday 25 September 2020 by BEIS. The scheme would provide grants of £1,000 or £1,500 depending on Rateable Value to businesses required to close

5.4 It was understood that both of the above schemes would have a 5% discretionary element.

5.5 The Government had promised upfront funding for the schemes, but at the time of the meeting funding had yet to be received.

5.6 It was anticipated that the processing of the grants would be very resource intensive.

6 Revenue Outturn 2019/20

6.1 Members were taken through a report on the overall revenue outturn position. It was explained that the timeline for the closure of accounts had changed due to Covid-19 and also that full details of the outturn position in the process of being reported to service committees.

6.2 The final outturn was a deficit of £96,000 which had been taken from general fund balances. This compared to the forecast position at the revised estimate of taking £156,000.

- 6.3 Larger variances had particularly been seen around the substantial overspend on refuse collection vehicle maintenance and also around changes to the contributions to the Pilot Pool Resilience Reserve and to the Pilot Pool Strategic Economic Growth and Financial Sustainability Fund as a result of Covid-19.
- 6.4 There had also been an increase in the amount set aside to earmarked reserves, largely as a result of the Pilot Pool changes referred to.
- 6.5 Details were provided on the key variances, the individual earmarked reserves held and also the closing position on the collection fund.
- 6.6 Guidance was sought from the Budget Working Group as to the approach to be taken in the preparation of the Revised Estimate 2020/21 and the Original Estimate 2021/22 revenue budgets. The following was agreed:

Budget Element	Recommended Approach
Expenditure (non Covid related)	Inflationary increase to base budget
Covid 19 Expenditure	Unknown but budget on basis costs will be reimbursed by the Government
Income (non Covid related)	Inflationary increase to base budget
Income – Impact of Covid	Budget on basis any losses will be reimbursed by the Government. However, could be substantial even if pandemic ends and may not be reimbursed. Some income could be substantially impacted.
Council Tax/Business Rates	Difficult to assess the impact of pandemic particularly on businesses in the next financial year. Collection fund deficits can be spread over 3 years.

7 Capital Outturn 2019/20

- 7.1 A report was presented on the overall capital outturn for 2019/20.
- 7.2 During the year the council had spent £2.782m on capital schemes, which was 76% of the revised estimate.
- 7.3 There was slippage of £774,410 reported on 16 schemes and the reasons for this were detailed within the report.
- 7.4 Guidance was sought from the Budget Working Group as to the approach to be taken in the preparation of the forward capital programme. The following was agreed:
- Review the 2021/22 capital schemes already in the capital programme to confirm that costings are correct and that they will be able to be completed in that year.
 - Review the current year's (2020/21) capital schemes to identify whether any may need to be moved to the 2021/22 financial year.
 - No bidding process to be undertaken for new schemes and the capital programme to be capped at four years.

8 Clitheroe to Hellifield Railway Project

- 8.1 The Director of Economic Development and Planning provided Budget Working Group with an update on the progress made on the Clitheroe to Hellifield Rail Project.

- 8.2 It was explained that an agenda item would be taken to Policy and Finance Committee outlining the need to seek an exemption to the Contract Procedure Rules. This was due to the proposal to award Capacity Analysis Work directly to Network Rail as they were best placed to undertake this work. By awarding in this way, it would remove the need for a verification stage through Network Rail if other consultants were to undertake this work instead.
- 8.3 It was also explained that there would be a funding gap for the project, funding of which would need to be discussed and approved through Policy and Finance Committee. There was potential for external funding.
- 8.4 These issues were outlined in a draft Policy and Finance Committee report, which was presented to Budget Working Group.
- 8.5 Members support progress to date and the proposed report to Policy and Finance Committee.

9 Any Other Business

There were no other items of business.

10 Date of next meetings

Suggested dates would be circulated to members should a meeting need to be arranged.

MINUTES OF LONGRIDGE ASSETS WORKING GROUP – 3 FEB 2021 at 2.00pm

PRESENT

Cllr R Thompson (Chair)	Marshal Scott, Chief Executive
Cllr S Carefoot (2.18pm)	John Heap, Director of Community Services
Cllr J Clark	Nicola Hopkins, Director of Econ Dev and Planning
Cllr S Hore	Mair Hill, Head of Legal and Democratic Services
Cllr A Knox	Colin Hirst, Head of Regeneration and Housing
Cllr J Rogerson	

APOLOGIES

There were no apologies for absence.

CHAIR'S INTRODUCTION

The Chair, Cllr Robert Thompson reminded the members that the working group had been formed as part of the resolution at Policy & Finance committee where a report had been considered on a review of assets in Longridge.

He wanted the group to be 'task and finish' with a target of presenting a report to P&F at it's meeting in September 2021.

ELECTION OF VICE CHAIR

Councillor Judith Clark was elected as Vice Chair.

DECLARATIONS OF INTEREST

There were no declarations for this meeting at this point but members would declare interests as they arose in the subsequent discussions.

TERMS OF REFERENCE FOR WORKING GROUP

These were approved as follows –

The working group has been constituted by Policy and Finance Committee at its meeting held on the 19 January 2021 (Draft Min 928 refers) to support the review of assets in Longridge.

The purpose of the group is to consider in further detail, options emerging from the Asset Review work and to provide advice to Policy and Finance Committee on suggested actions.

Nominated Members of the group are:

Councillor Thompson (Chair)

Councillors, Carefoot, Clarke, Rogerson, Hore, and Councillor Alan Knox.

The group will meet as necessary.

3 nominated Councillors of the working group must be present to be quorate.

The working group does not have any delegated decision-making powers.

The working group will consult with the relevant Chairs of other service committees as appropriate.

The group will consider identified issues and explore realistic options for the future use of Council assets, taking account of existing users and the principles of best value for the Council, to meet the needs and aspirations of the local community.

The working group will take the form of a Task and Finish group with the aim of completing its considerations by 30 July 2021 to enable reporting to September Policy and Finance Committee.

ISSUES

Colin referred to the report presented to P&F in January 2021 which was the culmination of these issues being looked at over a period of time. In the last 12 months lots of discussions had taken place regarding several scenarios including the impact of the Covid-19 pandemic. There was a large range of assets in Longridge where no action would be chosen to be taken. However, there were 3 key assets where consideration was required, namely Towneley Buildings, King Street toilets and the Civic Hall.

Councillor Carefoot joined the meeting.

KEY ASSETS

King Street toilets

It was suggested that Community committee be consulted upon those assets in Longridge that come under its remit. These toilets had been mothballed for a number of years. There had been interest shown in purchasing the site during this time but to date there had been no intention declared by the Council to dispose of the site. A valuation had not been sought for the land.

Cllr Carefoot declared an interest in this particular site.

There was also a question mark over the toilets on Berry Lane that had been taken on by the Town Council.

Towneley Buildings

LCC had use of one part of these buildings for youth facilities whilst the other part was used by the Over 60's club. There is also a flat above and a solicitor's office next door. RVBC was responsible for the maintenance of the structure and exterior.

The use of the buildings needed to be looked at realistically, not necessarily to sell them off but to get good value for money.

Civic Hall

This asset was currently run by ELSEC who were facing operational challenges with the building needing significant investment to make it fit for purpose and sufficient to generate the necessary income for it to be sustainable. At a recent meeting between LTC, ELSEC and Love Longridge it had been agreed to look at a way forward.

The members felt it important that any way forward was viable and ultimately self-funding particularly for revenue costs and that the visions and aspirations of those interested groups for the asset be sought, to inform this working group's deliberations.

NEXT STEPS - ACTIONS:

- 1. Nicola Hopkins to contact key stakeholders within Longridge to seek their thoughts on the future of the assets;**
- 2. Nicola Hopkins/Colin Hirst to contact the existing leaseholders to arrange a meeting to discuss their future intentions;**
- 3. John Heap to prepare a report to Community Services committee in March regarding the Longridge assets under their remit; and**
- 4. Mair Hill to prepare a legal pack on each asset outlining details of lease etc**

DATE AND TIME OF NEXT MEETING(S)

The next two meetings were arranged for Monday 15 March 2021 and Monday 12 April 2021 – both at 2.00pm.

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

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