

# Public Document Pack



Ribble Valley  
Borough Council

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Dear Councillor

The next meeting of the **POLICY AND FINANCE** Committee will be held at **6.30 pm** on **TUESDAY, 29 MARCH 2022** in the **Council Chamber**.

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 PREVIOUS MEETING** (Pages 5 - 12)
3. **DECLARATIONS OF DISCLOSABLE PECUNIARY, OTHER REGISTRABLE AND NON REGISTRABLE INTERESTS**

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

4. **PUBLIC PARTICIPATION**

### ITEMS FOR DECISION

5. **COUNCIL TAX ENERGY REBATE** (Pages 13 - 48)  
Report of Director of Resources enclosed.
6. **COVID 19 ADDITIONAL RELIEF FUND - UPDATE** (Pages 49 - 86)  
Report of Director of Resources enclosed.
7. **DISCRETIONARY DISCOUNT/RELIEF POLICY** (Pages 87 - 106)  
Report of Director of Resources enclosed.
8. **VOLUNTARY ORGANISATION GRANTS 2022/23** (Pages 107 - 116)  
Report of Director of Resources enclosed.

9. **TREASURY MANAGEMENT POLICIES AND PRACTICES** (Pages 117 - 162)  
Report of Director of Resources enclosed.
10. **QUEEN'S JUBILEE** (Pages 163 - 168)  
Report of Chief Executive enclosed.
11. **CAPITAL AND TREASURY MANAGEMENT STRATEGY** (Pages 169 - 212)  
Report of Director of Resources enclosed.
12. **CHANGES TO STANDING ORDERS** (Pages 213 - 242)  
Report of Chief Executive enclosed.
13. **LOCAL TAXATION WRITE OFFS** (Pages 243 - 244)  
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14. **DRAFT MEETING CYCLE 2022 - 23** (Pages 245 - 248)  
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- REFERENCES FROM COMMITTEES** (Pages 249 - 250)
15. **REFERENCE FROM HEALTH AND HOUSING COMMITTEE – PROPOSED REVISED LANDLORD TENANT GRANT POLICY AND INTRODUCTION OF A NEW GRANT FOR FIRST TIME BUYERS** (Pages 251 - 262)
16. **REFERENCE FROM HEALTH AND HOUSING COMMITTEE - AFFORDABLE HOUSING COMMUTED SUMS** (Pages 263 - 272)
- ITEMS FOR INFORMATION**
17. **FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES** (Pages 273 - 274)  
Report of Director of Resources enclosed.
18. **REVENUE MONITORING 2021/22** (Pages 275 - 286)  
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19. **CAPITAL PROGRAMME 2022/23** (Pages 287 - 294)  
Report of Director of Resources enclosed.
20. **REVENUES AND BENEFITS GENERAL REPORT** (Pages 295 - 298)  
Report of Director of Resources enclosed.
21. **LEVELLING UP WHITE PAPER AND UK SHARED PROSPERITY FUND** (Pages 299 - 308)

Report of Chief Executive enclosed.

22. **BWG MINS 29 NOVEMBER 2021 AND 24 JANUARY 2022** (Pages 309 - 314)

Copies enclosed.

23. **MINUTES OF ARG TASK AND FINISH GROUP - 1** (Pages 315 - 318)  
**FEBRUARY 2022 AND 28 FEBRUARY 2022**

Copies enclosed.

24. **MINUTES OF LONGRIDGE ASSETS WORKING GROUP -** (Pages 319 - 322)  
**23 AUGUST 2021 AND 3 MARCH 2022**

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

26. **EXCLUSION OF PRESS AND PUBLIC**

#### **ITEMS FOR DECISION**

27. **LOCAL TAXATION WRITE OFFS** (Pages 323 - 324)

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Report of Director of Resources enclosed.

#### **REFERENCE FROM COMMITTEE**

28. **REFERENCE FROM PERSONNEL COMMITTEE - PAY** (Pages 325 - 328)  
**STRUCTURE WORKING GROUP DISCUSSIONS**

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Report of Director of Resources enclosed.

Electronic agendas sent to members of Policy and Finance – Councillor Stephen Atkinson (Chair), Councillor David Berryman, Councillor Susan Bibby, Councillor Alison Brown, Councillor Judith Clark, Councillor Stewart Fletcher, Councillor Mark French, Councillor Gaynor Hibbert, Councillor Jonathan Hill, Councillor Mark Hindle, Councillor Stuart Hirst, Councillor Simon Hore (Vice-Chair), Councillor Kevin Horkin MBE, Councillor David Peat and Councillor Robert Thompson.

Contact: Democratic Services on 01200 414408 or [committee.services@ribblevalley.gov.uk](mailto:committee.services@ribblevalley.gov.uk)

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## Minutes of Policy and Finance

Meeting Date: Tuesday, 22 February 2022, starting at 6.30 pm  
Present: Councillor S Atkinson (Chair)

Councillors:

D Berryman	J Hill
S Bibby	M Hindle
A Brown	S Hirst
S Fletcher	S Hore
M French	K Horkin (arr. 6.40pm)
G Hibbert	D Peat

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: Councillors L Edge, G Mirfin and R Newmark

### 675 APOLOGIES FOR ABSENCE

Apologies for absence from the meeting were received from Councillors J Clark and R Thompson.

### 676 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING AND THE EMERGENCY COMMITTEE ON 25 JANUARY 2022

The minutes of the meeting held on 18 January 2022 and Emergency committee on 25 January 2022 were approved as a correct record and signed by the Chairman.

### 677 DECLARATIONS OF DISCLOSABLE PECUNIARY, OTHER REGISTRABLE AND NON-REGISTRABLE INTERESTS

There were no declarations of disclosable pecuniary, other registrable or non-registrable interests.

### 678 PUBLIC PARTICIPATION

There was no public participation.

### 679 FINAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2022/23

The Director of Resources submitted a report for committee's information providing details of the Final Local Government Finance Settlement for 2022/23. The Local Government Finance Settlement is the annual determination of funding to Local Government and is approved by the House of Commons and was issued on 16 December 2021.

The Secretary of State for Housing, Communities and Local Government, Michael Gove, issued a written ministerial statement to the House of Commons which set out the Local Government Finance Settlement for 2022/23. The consultation period ended on 13 January 2022 and the final settlement was announced on 7 February 2022.

The final settlement figures were broadly in line with the provisional figures and was for one year only which made long term financial planning very difficult. For Ribble Valley the council core spending power in cash terms equated to 0.6% ie £39,000, and assumes that the Council would increase their share of the council tax by the maximum amount.

A new one off 2022/23 Services Grant of £93,368 to provide funding for all tiers of local government in recognition of our services and includes the costs of the increase in NI contribution had been allocated. This would not form part of any transitional protection.

With regard to the rural services delivery grant the Government had announced that this would be continued with the same amount of £113,250 being awarded as last year.

The Director of Resources informed committee that the one-off 'lower tier services' grant would continue for 2022/23. Ribble Valley would receive £61,960.

She also reported that the Government had allowed a new round of New Homes Bonus allocations in respect of 2022/23 which would not attract any future legacy payments. They had also allowed the one remaining legacy payment of £464k. This would mean we will receive £741k for 2022/23 along with the legacy payment of £464k = £1.2m.

Ribble Valley BC remained a member of the Lancashire Business Rate pool which would continue in 2022/23, 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.

Regarding council tax, the Director of Resources informed committee that the Government had decided that we would be allowed to increase our council tax by £5 without having to hold a referendum. Should this be agreed, it would generate extra council tax income of £123k.

680

## OVERALL REVISED CAPITAL PROGRAMME 2021/22

The Director of Resources submitted a report informing committee of the overall revised capital programme for 2021/22.

The original programme had been approved by Council in March 2021 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 2021/22 of £3,453,420 over 31 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 stood at £1,761,370 which was a reduction of £1,692,050 from the previously approved capital programme and a reduction of 7 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.

Earmarked reserves are used to fund £540,420 of the 2021/22 proposed revised capital programme, with the balance of the funding coming from usable capital

receipts of £74,910, grants and contributions of £1,131,040 and borrowing of £15,000.

At the end of December 2021 £784,801 had been spent or committed on capital programme schemes. This equated to 44.6% of the full year proposed revised capital programme budget. Of the 23 schemes 3 had been completed; 18 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.

Cllr R Newmark was given permission to speak on this item.

RESOLVED THAT COMMITTEE:

Approve the overall revised capital programme for 2021/22.

Councillor K Horkin joined the meeting.

681

THREE YEAR CAPITAL PROGRAMME 2022/23 – 2024/25

The Director of Resources submitted a report providing members with details of the previously approved capital programme schemes for 2022/23 to 2024/25, and the movement of some schemes from 2021/22 to 2022/23 following the revised capital programme 2021/22 review for recommendation to Council on 8 March 2022.

This year there were no new bids to consider, and the capital programme would go forward as a three-year capital programme rather than a five-year capital programme.

New bids had been sought and reported to service committees but in the light of the uncertainty regarding local government funding beyond 2022/23 and the impending fair funding review, had been set aside until later in the 2022/23 financial year.

Heads of Service had reviewed and updated the existing three-year capital programme covering 2023/24 to 2024/25.

The previously approved capital programme was summarised along with a number of adjustments proposed totalling £215,000, so increasing the programme from £3,526,480 to £3,741,480. Of the £215,000, £138,000 would be funded from increased Disabled facility grant funding. The balance of £77,000 would be funded from the Business Rate Growth Earmarked Reserve.

In addition, the external funding of £222,240 towards the Castle Keep Repointing scheme was unlikely to materialise so it was proposed that the balance of this scheme be funded from the Business Rates Growth Earmarked Reserve.

A further scheme had been approved by Community Services committee in respect of the Mardale Playing Pitches in the sum of £80,900 that would be fully funded from S106 monies.

In revising the 2021/22 capital programme, there had been 12 schemes/part schemes totalling £1,736,890 proposed to be moved to the 2022/23 financial year as they would not be completed by 31 March 2022 for various reasons.

Two of these schemes required additional funding due to increased scheme prices that would result in a further increase of £4,700 that would be funded from the Business Rates Growth Earmarked Reserve.

The final proposed capital programme and its financing was outlined for committee.

Reference was made to the Chester Avenue Car Park scheme and whether this was needed given the pressures on the Council's resources for other schemes. The Chairman reminded members that it had already been agreed previously that the scheme would not go ahead before full consideration was given by this Committee.

RESOLVED THAT COMMITTEE:

1. Recommend the Capital Programme for 2022/23 to 2024/25 as set out in the report to Full Council on 8 March 2022, and
2. Ask for due diligence work to be undertaken on all new capital bids to enable further consideration over the summer when we know the impact of the pending key financial reforms.

682

INFLATION AND THE REVENUE BUDGET 2022/23

The Director of Resources submitted a report providing members with information on the inflationary increases allowed for in the 2022/23 revenue budget, and the potential impact of further inflationary increases above that allowed for in the budget.

Committee were informed that inflation had been increasing substantially over the last twelve months reaching 5.4% in January 2022, largely driven by items such as vehicle fuel and utilities, particularly gas and electricity costs. The Bank of England were currently forecasting that inflation would reach 7.25% by spring.

Some substantial increases had already been allowed for in the budget in respect of the council's own direct costs in these areas, but suppliers were now passing on substantially more of their own costs in their prices as inflation becomes more sustained.

To be able to set a prudent and affordable budget it would be recommended that a contingency for inflationary increase be provided for within the budget for 2022/23 of at least £140,000 which allowed a further 1% inflationary increase on top of the 2% allowed on pay and the 3% allowed for on prices.

Councillor G Mirfin was given permission to speak on this item.

683

OVERALL REVENUE BUDGET 2022/23

The Director of Resources submitted a report asking committee to approve the revised Revenue Budget for 2021/22 and to recommend a revenue budget and council tax requirement for 2022/23 to Council on 8 March 2022.

The revised budget now forecast that instead of having to take £400k from general fund balances to balance the budget, £198k would now be added to balances at the end of the year.

She explained the main reasons for committee expenditure having fallen by £360k.

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 £795,549 to fund the revenue budget and £85,200 to fund the capital programme. Based on the latest position we expect to receive £1.469m, use £85,200 to fund the capital programme,

use £795,549 to fund the base revenue budget and use £6,675 of further revenue in year expenditure approved by the Emergency committee; therefore, the revised difference of £581,719 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 2021 of 100% retail discount for the 3 months to 30 June 2021 followed by a 66% discount for the remaining 9 months. The section 31 grant for the expanded retail discount would be moved into next year by setting aside in an earmarked reserve totalling £1.641m.

The forecast transfers to and from earmarked reserves compared with the original estimate were highlighted, in particular the addition of £1.766m to earmarked reserves largely due to timing differences in receipt of section 31 grants that would need to be carried forward to offset the deficit to be faced next year.

Looking forward to 2022/31, the Director of Resources briefly highlighted the key elements of the final grant settlement; rural services delivery grant; lower tier services grant; 2022/23 services grant; future years government funding and the reforms due to come on Fair Funding Review, Business Rate Retention reform 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 28<sup>th</sup> 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 £122,765 in extra revenue and in addition the increase in the tax base would generate a further £85,007

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. The assumption had been made that 2022/23 was the last year of the scheme and could not, therefore be relied upon to fund the revenue budget going forward.

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 £1,879,798 of which £795k would be used to fund the revenue budget and a further £296k to fund the cost of the new pay line. It was also planned to use £512k to fund the capital programme along with £219k agreed elsewhere on the agenda due to changes on schemes.

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.

For Ribble Valley the core spending power had been increased by just 0.6% and the report outlined possible transitional arrangements following the outcome of key financial reforms.

The Director of Resources reported that the Collection Fund was likely to produce an overall deficit of £3,112,640 this year, that consisted of a surplus for council tax of £1,260,939 and a deficit for business rates of £4,373,579 mainly due to the awarding in year of £3.988m of retail discount. The council tax surplus would be shared

amongst all the major precepting authorities with our share being £115,329 and the business rate deficit would be jointly borne with our share being £1,749,431.

Regarding the revenue budget 2022/23 the Director of Resources outlined the provisional base position as agreed by service committees. Committee expenditure was set to increase by £699k for reasons outlined and reported to the service committees.

She highlighted the capital adjustments, movement of other items, substantial increase in inflation, the pay award and continuing difficulties in recruitment and retention that may need to be addressed. She informed committee that growth items totalling recurring bids of £525,210 and non recurring bids of £67,750 had not been included in the figures at this time.

Given the future uncertainties she gave an indication based on assumptions of the annual budget shortfall for the years up to 2026/27 and the potential call on reserves.

The Director of Resources reminded advised committee that the Budget Working Group had considered the Council's financial 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 revenue budget of £140,000 for inflation and the budget working group closely monitor the impact of inflation on the Council's budget throughout the year.
- That a contingency be added to next year's budget of £50k for potential further income losses due to the covid pandemic.
- They recommend that no growth bids be included at this stage in the next year's budget but asked for due diligence work be undertaken on all revenue bids for further consideration over the summer when the impact of the pending key financial reforms is known.
- That £795k of business rate growth fund be used to support the 2022/23 revenue budget plus £296k to fund the 2022/23 cost of the new pay line.
- That £1.105m of New Homes Bonus be used to fund the revenue budget.
- That a £5 increase be made to the Band D council tax for 2022/23 to £160.69.
- That £250,000 be used from General Fund balances as per the budget forecast with an additional £162k to fund the budget gap = £412k.

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 2022/23 was a net budget of £5,415,359. This would still leave £2.319m in general fund balances at the end of March 2023.

The Director of Resources gave committee a summary of the updated 5-year budget forecast for the revenue budget assuming that the 2022/23 budget was agreed and highlighted the budget gap over the next 5 years. She pointed out if these proved correct then £8.363m of our earmarked reserves / general fund balances would be required for the period 2024/25 to 2026/27.

Members discussed various aspects of the proposed budget.

RESOLVED THAT COMMITTEE:

1. Approve the revised revenue budget for 2021/22,
2. Approve the Budget Working Group's recommendations and set a budget and Council Tax requirement for 2022/23 as set out:

<b>BUDGET AND COUNCIL TAX REQUIREMENT</b>	
	<b>£</b>
RVBC Net Budget	5,415,359
Plus Parish Precepts (Annex 3)	517,347
	<b>5,932,706</b>
Less - Settlement Funding Assessment	-1,354,608
<b>Net Requirement Before Adjustments</b>	<b>4,578,098</b>
Council Tax Surplus	-115,329
<b>Council Tax Requirement (Including Parishes)</b>	<b>4,462,769</b>

3. And recommend the budget and council tax requirement to Council on 8 March 2022.

684 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the next item of business being exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 the press and public be now excluded from the meeting.

685 COUNCIL OWNED ASSETS

The Director of Economic Development and Planning submitted a report informing committee of the current position regarding several Council owned assets and seeking approval to dispose of them.

These related to the former ticket office at Clitheroe Railway Station and the former physiotherapy centre at Back King Street, Clitheroe. She highlighted the background relating to each one and informed committee that the assets had been reviewed on behalf of the Council and recommendations made. She advised committee that the matter of the Over 60's club premises in Longridge would be withdrawn pending consideration by the Longridge Asset Working Group.

RESOLVED THAT COMMITTEE:

1. Approve and authorise the Director of Economic Development and Planning to procure services to market the former ticket office for rent,
2. Approve and authorise the Director of Economic Development and Planning to procure services to market the former Physiotherapy Centre for rent; and

3. Delegate authority to the Chief Executive to enter into rental agreements for both the former ticket office and physiotherapy centre subject to suitable offers being made.

The meeting closed at 7.45 pm

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

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

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meeting date: 29 MARCH 2022  
title: COUNCIL TAX ENERGY REBATE  
submitted by: DIRECTOR OF RESOURCES  
principal author: MARK EDMONDSON

### 1 PURPOSE

- 1.1 To update Committee about the Council Tax Energy Rebate that was announced by the Chancellor on 3 February 2022.
- 1.2 To decide on the next steps regarding making payments to council taxpayers in bands A to D and determining how to spend the discretionary funding that we have been allocated.

### 2 BACKGROUND

- 2.1 The Government recognised that the growing cost of living pressures was the ‘number one issue on peoples’ minds’ and announced a package of support.
- 2.2 Millions of households will receive up to £350 to help with the cost of living following the rise in energy prices.
- 2.3 All domestic electricity customers will get £200 off their energy bills from October and 80% of households will receive a £150 Council Tax rebate from April.
- 2.4 The Government published guidance to billing authorities on 23 February 2022, the latest update dated 16 March 2022 can be found at Appendix 1.
- 2.5 Funding totalling £2,911,350 (£2,822,850 core scheme and £88,500 discretionary scheme) has been allocated to Ribble Valley Borough Council.
- 2.6 A one off £150 payment will be made to all council taxpayers for every household that occupies a property which meets all of the following criteria on 1 April 2022.
  - i. It is valued in council tax bands A to D. this includes properties in band E that have a disabled band reduction.
  - ii. It is someone’s sole or main residence.
  - iii. It is a chargeable dwelling, or in exempt classes N, S, V or W; and
  - iv. The person who is liable to pay the council tax (or would be were the property not exempt) is not a local authority, a corporate body or other body such as a housing association, the government or governmental body.
- 2.7 Payments should be made direct from billing authorities to eligible households. Only one payment of £150 should be made under the core Council Tax Rebate per household, regardless of the number of occupants or liable council taxpayers.
- 2.8 Where councils hold live direct debit instructions for a liable council taxpayer payment should be made automatically, unless the name on the bank details does not match the name of a liable party.

- 2.9 Councils should make clear to recipients that the grant is being provided on the assumption that they meet the eligibility criteria, and that if this is not the case the grant may be liable for recovery.
- 2.10 Where Councils do not hold live direct debit instructions the government expects them to make all reasonable efforts to contact the households as early as possible to make them aware and invite them to make a claim.
- 2.11 Claimants will self-certify that they are the liable taxpayer and meet the eligibility criteria and where it has not been possible to make a direct payment councils can credit £150 to an eligible council tax account.
- 2.12 Councils are required to send a leaflet (Appendix 2) to council taxpayers giving information about the council tax rebate.

#### The Discretionary Fund

- 2.13 The Government recognised that billing authorities may also wish to provide support to other energy bill payers who are not eligible under the core scheme, or to provide carefully targeted 'top up' payments to the most vulnerable households. It therefore has provided a £144 million Discretionary Fund and Ribble Valley Borough Council has been allocated £88,500.

### 3 ISSUES

- 3.1 The administration of this rebate is extremely challenging and resource intensive.
- 3.2 The Government have mandated that significant checks are required by local authorities to reduce the risk of fraud and error.

#### Core Scheme

- 3.3 As at 13 March 2022 there are 28,485 properties in Ribble Valley 19,664 of which are in bands A to D (3,829 band A, 5,417 band B, 5,498 band C, 4,920 band D). There are also 41 band E properties that currently have disabled band reduction to band D.
- 3.4 Ribble Valley Borough Council has 21,194 accounts with live direct debit details which equates to 74.4% of total properties.
- 3.5 We estimate that we will be able to pay 15,000 council taxpayers automatically and will need to obtain payment details from approximately 5,000 taxpayers.
- 3.6 We have purchased an additional module for the NEC Revenues System which will enable us to make automatic payments and obtain further information from taxpayers who do not currently pay by direct debit.

#### Discretionary Scheme

- 3.7 Ribble Valley Borough Council has received funding totalling £88,500 which equates to 590 payments of £150.
- 3.8 At present there are 109 council taxpayers in receipt of Local Council Tax Support in band E to H and paying each of them £150 would total £16,350.
- 3.9 There are 2,108 council taxpayers in receipt of Local Council Tax Support and giving each one a top up of £30 would total £63,240. This is the government's preferred option as per the FAQ's issued on 16 March 2022 (Appendix 3).

## 4 RISK ASSESSMENT

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

- Resources – the administration of these rebates will be very challenging and resource intensive. The Government has indicated that it will provide new burdens funding to cover the cost.
- Technical, Environmental and Legal – these rebates will be paid from funding provided by Government using an additional module purchased from our revenues system supplier NEC.
- Political - none
- Reputation – the Chancellor has indicated that the growing cost of living pressures are the number one issue on peoples' minds. It is therefore essential that we provide this support as efficiently as possible.
- Equality and Diversity - none

## 5 CONCLUSION

- 5.1 Committee note the additional core funding provided by the Government and approve the process proposed to distribute it.
- 5.2 Agree that the discretionary funding should be used to provide a £150.00 payment to Local Council Tax Support recipients on 1 April 2022 in bands E to H and to provide a £30.00 'top up' to Local Council Tax Support recipients in all bands on 1 April 2022.
- 5.3 Agree to delegate the decision to award further payments, with the balance of any funding remaining, to the Director of Resources in conjunction with the Head of Revenues and Benefits to cover other council taxpayers who have been severely impacted by the increase in energy prices.

HEAD OF REVENUES

DIRECTOR OF RESOURCES

PF11-22/AC  
17 March 2022

## BACKGROUND PAPERS

For further information please ask for , extension

## Coronavirus (COVID-19) (/coronavirus)

Latest updates and guidance

1. Home (<https://www.gov.uk/>)
  2. Regional and local government (<https://www.gov.uk/regional-and-local-government>)
  3. Local government (<https://www.gov.uk/regional-and-local-government/local-government>)
  4. Council Tax (<https://www.gov.uk/regional-and-local-government/local-government-council-tax>)
  5. The council tax rebate 2022-23 – billing authority guidance (<https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance>)
- Department for Levelling Up, Housing & Communities (<https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities>)

### Guidance

# Support for energy bills - the council tax rebate 2022-23: billing authority guidance

Updated 16 March 2022

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[Annex A: allocations](#)



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This publication is available at <https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance/support-for-energy-bills-the-council-tax-rebate-2022-23-billing-authority-guidance>

1. This guidance is issued by the Secretary of State for Levelling Up, Housing and Communities to billing authorities in England. It is intended to support billing authorities in administering the Council Tax Rebate and associated Discretionary Fund for households, announced on 3 February as part of a package of support for rising energy costs.

2. This guidance applies to England only. The devolved administrations will receive around £565 million corresponding funding through the Barnett formula, which will enable them to provide similar support.

3. Any enquiries about this document or administration of the Rebate should be addressed to: [Council.tax@levellingup.gov.uk](mailto:Council.tax@levellingup.gov.uk).

## Introduction

4. The government has announced a package of support known as the Energy Bills Rebate to help households with rising energy bills, worth £9.1 billion in 2022-23. This includes:

- A £200 discount on their energy bill this autumn for domestic electricity customers in Great Britain. This will be paid back automatically over the next 5 years.
- A £150 non-repayable rebate for households in England in council tax bands A to D, known as the Council Tax Rebate.
- £144 million of discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Rebate, known as the Discretionary Fund.

5. This guidance covers the operation and delivery of the Council Tax Rebate and Discretionary Fund. The Department for Business, Energy and Industrial Strategy will separately set out details on the energy bill discount scheme in a consultation in the spring.

6. Funding will be paid to billing authorities in March 2022. Funding for the Council Tax Rebate will be based on the number of eligible properties recorded in the [2021 council tax base statistics](https://www.gov.uk/government/statistics/council-taxbase-2021-in-england) (<https://www.gov.uk/government/statistics/council-taxbase-2021-in-england>). For eligible classes of exemption, allocations assume that the band distribution matches that across all exemption classes, in the absence of a breakdown by property band for each individual exemption class. Allocations are at [Annex A](#).

7. Funding paid to billing authorities for the Council Tax Rebate is to be passed on directly as one-off £150 grants to households that are eligible under the terms set out in paragraphs 10 to 18. All Council Tax Rebate grants should be paid as soon as possible from April. Later in 2022, the government will run a reconciliation exercise against actual expenditure under these terms, as certified by Chief Financial Officers. All payments within scope of the reconciliation process will need to have been made by 30 September 2022. Any over-funding of grant to billing authorities will be required to be paid back to government and any under-funding will be settled with billing authorities following the reconciliation.

8. Funding for the Discretionary Fund will be allocated to billing authorities as set out at [Annex A](#). Allocations have been calculated based on the index of multiple deprivation and estimated number of local council tax support claimants in bands E to H. A full methodology note is published alongside this guidance.

9. Funding paid to billing authorities for the Discretionary Fund is to be passed on directly as one-off grants to households that the billing authority chooses to support, having considered the guidance at paragraphs 36 to 40. Any unspent funding by 30 November 2022 will be required to be repaid to government and in the event of an overspend, no additional funding will be provided.

# The Council Tax Rebate

## Eligibility

10. The government recognises that many households will need support to deal with the rising cost of household bills in 2022-23, driven by increasing energy bills. While these rising costs will affect most households across the country, they are more likely to disproportionately affect those on lower incomes, who tend to spend a higher proportion of their income on utility bills.

11. To provide some immediate relief for these rising costs, while targeting those most likely to require support, the government expects billing authorities to provide a £150 one-off payment to a liable council tax payer (or a person who would otherwise be liable where the property is exempt) for every household that occupies a property which meets all of the following criteria on 1 April 2022<sup>[footnote 1]</sup>:

- i. It is valued in council tax bands A to D. This includes property that is valued in band E but has an alternative valuation band of band D, as a result of the disabled band reduction scheme;
- ii. It is someone's sole or main residence;
- iii. It is a chargeable dwelling, or in exemption classes N, S, U or W\*; and
- iv. The person who is liable to pay the council tax (or would be were the property not exempt) is not a local authority, a corporate body or other body such as a housing association, the government or governmental body.

This list is not exhaustive and councils should use their judgement in consideration of the aims of the scheme, which is to support households with domestic energy costs;

\*The Ministry of Defence will be in touch with residents of armed forces accommodation that is exempt under class O about corresponding cost of living support.

12. This means that:

- A property that meets all the criteria, but has a nil council tax liability as a result of local council tax support, **will** be eligible.
- A property that has no permanent resident and is someone's second home **will not** be eligible.
- An unoccupied property (for the purposes of calculating council tax) **will not** be eligible.

13. For the purpose of the Council Tax Rebate, a household is a person or group of persons occupying a single dwelling, as defined in section 3 of the Local Government Finance Act 1992.

14. Eligibility should be determined based on the position at the end of the day on 1 April 2022<sup>[footnote 2]</sup>. Where a council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, they should withhold the payment and take reasonable steps to determine the correct information.

15. Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, councils should take reasonable steps to pay or clawback payments.

16. Where the property band recorded on a valuation list is amended retrospectively to 1 April 2022, for example as a result of a successful appeal made to the Valuation Office Agency ('VOA') that concluded after this date, councils are not required to pay or clawback payments. The exception is where a property is a new build and awaiting an official banding from the VOA. In these cases, eligibility should be determined based on the official band subsequently allocated by the VOA, where this has an effective date before or on 1 April 2022.

17. Where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate, councils may wish to provide support using their Discretionary Fund.

18. It is for a billing authority to determine eligibility for the fund, with reference to this guidance and (in the case of the discretionary scheme), their published eligibility criteria. The government does not have a role in the case of disputes, which should be resolved through a billing authority's usual complaints processes. Any disputes about council tax banding should be resolved through the Valuation Office Agency's usual process for reviews, proposals and appeals.

## **Making payments**

19. Payments should be provided directly from billing authorities to eligible households. Only one £150 payment should be made under the core Council Tax Rebate per household, regardless of the number of occupants or liable council taxpayers.

## **Where a council holds live direct debit instructions for a liable council tax payer of an eligible household**

20. Where a council holds live direct debit instructions for a liable council taxpayer of an eligible household, they should make an automatic payment as early as possible in the 2022-23 financial year, provided that they are assured that the household is eligible and the bank details have been verified. Where multiple residents of an eligible household are jointly and severally liable for council tax, and a council holds live direct debit instructions for that household, the full £150 payment should be made to the direct debit account. Councils should, as far as possible, exclude any direct debits from automated payments (and follow the steps from paragraph 23 onwards) where the name on the bank details does not match a liable party.

21. Councils should make clear to recipients that the grant is being provided on the assumption that they were a liable council tax payer (or would have been if the property were not exempt) and that the property met the criteria set out at paragraph 11 on 1 April 2022. They should set out that, if this is not the case, the grant may be liable for recovery. They should also make clear that the grant is being provided to support all residents of the household.

22. Councils may wish to take additional steps before payment to prevent erroneous payments and the need for clawback. These may include waiting to make payment until after the first direct debit council tax payment for 2022-23 has been taken on the given live instruction, or asking taxpayers to self-certify that they meet the eligibility criteria. Councils should be aware of the risk of mandate fraud and may want to exercise particular caution where direct debit details have been changed or newly provided since the scheme was announced on 3 February 2022.

## **Where a council does not hold live direct debit instructions for an eligible household**

23. Where a council does not hold live direct debit instructions for an eligible household, the government expects them to make all reasonable efforts to contact the household as early as possible to make them aware of the scheme and to encourage them to make a claim.

24. Councils can determine an appropriate claims method locally, considering the software solutions available to them, but should include an option for residents who are digitally excluded, for example assisted applications by phone. Payment methods other than BACS are acceptable, but all payments within scope of the reconciliation process should be made by 30 September 2022. As part of the claims process, councils can choose whether to offer £150 credit to an eligible household's council tax account as a payment option.

25. Councils should ask the claimant to self-certify that they are (or would be in the case of exempt property) a liable taxpayer, that they meet the eligibility criteria at paragraph 11, and that are claiming on behalf of the household. In doing so, councils can refer taxpayers to their powers under section 3(1)(c) of the Council Tax (Administration and Enforcement) Regulations 1992 to request information for the purposes of identifying the liable taxpayer.

26. Councils should include information on how households can contact them if they have any doubt that it is the council making contact. The government will not tolerate any council tax payer falsifying their records or providing false evidence to gain access to the Council Tax Rebate or Discretionary Fund. A ratepayer who provides false information or makes false representation in order to benefit from the Council Tax Rebate or Discretionary Fund may be guilty of fraud under the Fraud Act 2006. Councils may wish to alert claimants to this as part of the claims process.

27. Councils will be required to undertake pre-payment checks prior to payment of any grant which is not awarded to a live direct debit holder. These should allow them to:

- a) Satisfy themselves that the person who is applying is entitled to payment; and
- b) Satisfy themselves that payment details provided (if applicable) belong to an entitled person and relate to the relevant address<sup>[\[footnote 3\]](#)</sup>

28. Councils should retain a record of:

- i) all evidence provided as part of claims, and
- ii) all pre-payment checks undertaken

29. To assist the pre-payment checks discussed in paragraph 28 above, the government will make available Spotlight, its due diligence risking tool. The fees incurred to use Spotlight for checks carried out for the Council Tax Rebate and Discretionary Fund will be covered by the government, and not be councils themselves. Spotlight can assist with the pre-payment checks listed above with its bank account verification function, which allows councils to confirm the name and address of a payee against the bank details provided. It can also check for instances of multiple applications being made with the same bank account. Workshops will be made available to explain how to use the toolkit and understand the results. The use of Spotlight or an equivalent tool to support pre-award due diligence is required, and evidence of checks undertaken needs to be retained by councils for audit purposes. Councils should hold a record of any instances of attempted or successful fraud, either uncovered by Spotlight (or an equivalent tool), or other processes such as via tip-offs.

## **Council tax billing and communication**

30. Councils are required to ensure that households are provided with clear and timely information about the Council Tax Rebate.

31. The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022 came into force on 12 February 2022. The regulations require the following explanatory sentence to be included in council tax demand notices (bills) issued to households in

respect of 1 April 2022: “The Government is providing a £150 one-off Energy Bills Rebate for most households in council tax bands A-D”.

32. The regulations do not prevent councils from including the prescribed text in bills issued to households in bands E to H, or in bills which do not relate to 1 April 2022 – for example because a person’s council tax liability for a dwelling begins on or after 2 April 2022.

33. Alongside this guidance the government is providing an information pamphlet about the terms and implementation of the Council Tax Rebate. It is a condition of the grant provided to administer the rebate that councils must send the pamphlet to all dwellings shown on the valuation list in bands A to D. Where administratively preferable it may also be issued to other households.

34. Whenever possible, the pamphlet should be issued in hard copy alongside the council tax demand notice, unless the council and household have an electronic billing arrangement in place. Where an electronic billing arrangement is in place, councils can attach an electronic copy of the leaflet or, where not possible, include a prominently signposted link to a digital version.

35. If the pamphlet cannot be issued with the demand notice it should be sent out in hard copy as soon as possible afterwards, and no later than 28 March 2022. Councils must issue the pamphlet in the format provided but may do so in either A4 or A5 size. They may also print the pamphlet in black and white where this is essential to enable it to be issued alongside the demand notice. If absolutely necessary, councils can add short additional explanatory text to the pamphlet to aid taxpayer understanding of local handling arrangements provided this does not alter the leaflet format or any of its content.

## **The Discretionary Fund**

36. The government recognises that billing authorities may also wish to provide support to other energy bill payers who are not eligible under the terms of the core scheme, or to provide carefully targeted ‘top-up’ payments to the most vulnerable households in bands A to D. It will therefore provide every billing authority with a share of a £144 million Discretionary Fund, as per the allocations at [Annex A](#).

37. Councils can determine locally how best to make use of this funding to support those suffering financial hardship as a result of the rising cost of living. This could include households living in property valued in bands E to H that are on income related benefits or those where the energy bills payers are not liable for council tax. Where councils consider it the best means of supporting those in financial difficulty, they can use the discretionary fund to offer carefully targeted ‘top-up’ payments to the most vulnerable households in bands A to D (for example, those on means tested benefits), or to offer discretionary support exceeding £150 per household. Occupants of class M (student halls) are unlikely to be eligible for discretionary support, unless they are exposed to rising energy prices in a similar way to other households. Discretionary support should not be offered to occupants of property in exemption class O, where the Ministry of Defence will provide cost of living support. Support from the Discretionary Fund does not have to be provided in relation to the position on 1 April 2022.

38. Once determined (and approved where considered appropriate by elected members), councils should publish their agreed guidelines setting out the eligibility criteria for their Discretionary Fund.

39. Councils should undertake pre-payment checks similar to those described at paragraphs 23 to 29 before providing support from the Discretionary Fund.

40. Allocations from the discretionary fund should be spent by 30 November 2022. Any remaining funding will be required to be repaid to government.

41. To ensure that households already receiving council tax support receive the full benefit of the rebate scheme, the Secretary of State made the Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022 which came into force on 12 February 2022. The Regulations require that from 1 April 2022 all local council tax support schemes (including those for persons of working and pension age) must disregard scheme payments in determining a person's eligibility for a council tax reduction and the amount of any such reduction. Where a council has already determined its local council tax support scheme for 2022-23, it will need to revise it by the statutory deadline of 11 March 2022, taking a proportionate approach to the local consultation requirements set out at paragraph 3(1) of Schedule 1A of the Local Government Finance Act 1992.

42. All payments made under the Council Tax Rebate or Discretionary Fund are to be treated as local welfare provision and therefore will not be taken into account in the calculation of income related benefits. For Universal Credit, the Department of Work and Pensions will legislate to ensure payments are disregarded. DWP will write separately to councils to confirm this approach.

43. All payments made under the Council Tax Rebate or Discretionary Fund are non-taxable. Recipients do not need to inform HMRC of the amounts received and those who are self-employed do not need to report the amounts on their Self Assessment tax returns. As these payments are non-taxable they do not impact tax credits. Tax credits claimants do not need to report these payments as income to HMRC.

## Monitoring and reporting requirements

44. Local authorities should maintain a record of expenditure under the Council Tax Rebate and Discretionary Fund, through all payment methods. The Department for Levelling Up, Housing and Communities will undertake a monthly DELTA collection exercise to monitor implementation progress. Councils should therefore ensure they put in place arrangements to support this data collection process. In particular, councils should ensure that they are able to monitor and report on expenditure and numbers of benefiting households (both from the Rebate Scheme and Discretionary Fund) at Parliamentary constituency level and local authority level.

## New burdens

45. The government recognises that the implementation of this policy will place an additional burden on local authorities. In accordance with the New Burdens doctrine the government will conduct an assessment of the expected reasonable additional costs associated with the implementation of the policy, working closely with local government in doing so.

## Annex A: allocations

Local Authority	Discretionary Fund (£)	Non-Discretionary Fund (£)	Total Fund (£)
England	144,000,000	2,925,444,900	3,069,444,900
Adur	103,350	3,754,500	3,857,850
Allerdale	181,050	6,094,950	6,276,000
Amber Valley	206,250	7,573,050	7,779,300
Arun	373,350	8,238,150	8,611,500

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Ashfield	256,050	8,003,250	8,259,300
Ashford	327,000	5,909,550	6,236,550
Babergh	142,350	4,816,950	4,959,300
Barking and Dagenham	560,400	11,065,650	11,626,050
Barnet	2,856,300	11,726,850	14,583,150
Barnsley	562,200	15,803,700	16,365,900
Barrow-in-Furness	162,000	4,629,900	4,791,900
Basildon	475,500	9,508,050	9,983,550
Basingstoke and Deane	272,550	8,435,400	8,707,950
Bassetlaw	216,000	7,086,300	7,302,300
Bath and North East Somerset	278,400	9,125,700	9,404,100
Bedford UA	342,300	8,876,700	9,219,000
Bexley	667,200	10,952,100	11,619,300
Birmingham	3,606,300	60,410,700	64,017,000
Blaby	119,850	5,477,850	5,597,700
Blackburn with Darwen UA	427,650	8,442,750	8,870,400
Blackpool UA	524,850	9,872,850	10,397,700
Bolsover	157,200	5,170,350	5,327,550
Bolton	705,150	16,918,950	17,624,100
Boston	119,250	4,389,000	4,508,250
Bournemouth, Christchurch and Poole	816,000	21,227,250	22,043,250
Bracknell Forest UA	184,650	5,305,200	5,489,850
Bradford	1,503,600	28,276,200	29,779,800
Braintree	229,200	7,667,850	7,897,050

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Breckland	240,900	8,088,150	8,329,050
Brent	1,933,800	13,748,100	15,681,900
Brentwood	206,100	2,758,950	2,965,050
Brighton and Hove	594,450	15,896,700	16,491,150
Bristol	961,200	27,202,350	28,163,550
Broadland	151,200	7,565,700	7,716,900
Bromley	1,015,950	11,461,350	12,477,300
Bromsgrove	163,800	4,159,050	4,322,850
Broxbourne	346,800	4,198,650	4,545,450
Broxtowe	148,650	6,800,400	6,949,050
Buckinghamshire UA	1,211,400	18,819,600	20,031,000
Burnley	263,100	5,806,950	6,070,050
Bury	393,750	11,017,800	11,411,550
Calderdale	469,050	12,498,600	12,967,650
Cambridge	245,850	6,239,250	6,485,100
Camden	2,420,100	8,337,000	10,757,100
Cannock Chase	162,300	6,193,200	6,355,500
Canterbury	313,950	7,801,500	8,115,450
Carlisle	199,200	7,083,000	7,282,200
Castle Point	178,950	4,683,750	4,862,700
Central Bedfordshire UA	429,450	13,790,100	14,219,550
Charnwood	231,300	9,444,000	9,675,300
Chelmsford	263,850	8,315,100	8,578,950
Cheltenham	162,450	6,691,350	6,853,800

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Cherwell	235,800	7,687,650	7,923,450
Cheshire East UA	661,050	19,190,550	19,851,600
Cheshire West and Chester UA	623,850	18,471,300	19,095,150
Chesterfield	204,300	6,900,750	7,105,050
Chichester	274,650	5,110,650	5,385,300
Chorley	181,200	6,389,100	6,570,300
City of London	30,300	213,450	243,750
Colchester	313,800	9,777,600	10,091,400
Copeland	140,400	4,451,250	4,591,650
Cornwall UA	1,239,450	33,408,450	34,647,900
Cotswold	152,850	3,913,950	4,066,800
Coventry	737,850	20,019,900	20,757,750
Craven	92,100	2,999,550	3,091,650
Crawley	201,750	5,891,250	6,093,000
Croydon	1,616,550	17,466,000	19,082,550
Dacorum	289,350	6,611,100	6,900,450
Darlington UA	233,700	6,824,550	7,058,250
Dartford	266,850	5,422,200	5,689,050
Derby UA	516,600	15,273,900	15,790,500
Derbyshire Dales	130,800	3,398,250	3,529,050
Doncaster	724,350	19,329,000	20,053,350
Dorset UA	877,800	18,379,050	19,256,850
Dover	244,500	6,487,050	6,731,550
Dudley	639,900	19,027,500	19,667,400

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Durham UA	1,161,900	33,668,400	34,830,300
Ealing	1,866,300	14,633,400	16,499,700
East Cambridgeshire	113,700	4,502,100	4,615,800
East Devon	269,850	7,116,750	7,386,600
East Hampshire	177,900	4,887,750	5,065,650
East Hertfordshire	244,500	5,757,600	6,002,100
East Lindsey	342,000	9,212,550	9,554,550
East Riding of Yorkshire UA	539,250	19,204,950	19,744,200
East Staffordshire	208,800	6,570,300	6,779,100
East Suffolk	441,450	14,162,400	14,603,850
Eastbourne	232,500	5,941,800	6,174,300
Eastleigh	132,600	6,926,400	7,059,000
Eden	101,550	3,053,250	3,154,800
Elmbridge	381,150	3,507,300	3,888,450
Enfield	2,279,250	12,839,850	15,119,100
Epping Forest	377,550	4,795,050	5,172,600
Epsom and Ewell	188,250	2,323,950	2,512,200
Erewash	184,950	7,120,500	7,305,450
Exeter	188,700	7,426,800	7,615,500
Fareham	122,400	5,367,000	5,489,400
Fenland	217,500	6,329,400	6,546,900
Folkestone and Hythe	302,100	5,990,550	6,292,650
Forest of Dean	167,400	4,564,950	4,732,350
Fylde	181,350	4,320,750	4,502,100

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Gateshead	447,750	13,116,900	13,564,650
Gedling	172,800	6,884,700	7,057,500
Gloucester	235,950	7,818,450	8,054,400
Gosport	142,950	4,844,250	4,987,200
Gravesham	249,150	5,297,100	5,546,250
Great Yarmouth	265,350	6,385,500	6,650,850
Greenwich	891,750	15,111,600	16,003,350
Guildford	235,500	4,789,050	5,024,550
Hackney	1,931,400	14,377,950	16,309,350
Halton UA	348,000	7,825,200	8,173,200
Hambleton	153,450	4,174,350	4,327,800
Hammersmith and Fulham	1,614,000	7,180,950	8,794,950
Harborough	106,800	4,149,300	4,256,100
Haringey	1,464,750	13,125,900	14,590,650
Harlow	202,500	5,107,950	5,310,450
Harrogate	253,350	7,323,900	7,577,250
Harrow	1,262,550	8,167,050	9,429,600
Hart	146,400	3,168,600	3,315,000
Hartlepool UA	269,250	5,937,900	6,207,150
Hastings	258,750	5,791,200	6,049,950
Havant	259,050	6,925,650	7,184,700
Havering	684,900	12,007,950	12,692,850
Herefordshire UA	481,350	9,410,850	9,892,200
Hertsmere	340,500	3,745,200	4,085,700

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
High Peak	150,600	5,199,300	5,349,900
Hillingdon	1,120,350	11,854,650	12,975,000
Hinckley and Bosworth	143,100	6,354,600	6,497,700
Horsham	251,100	5,384,850	5,635,950
Hounslow	1,266,300	11,550,150	12,816,450
Huntingdonshire	211,350	9,276,750	9,488,100
Hyndburn	215,250	5,227,200	5,442,450
Ipswich	274,350	8,450,250	8,724,600
Isle of Wight UA	331,650	8,540,250	8,871,900
Isles of Scilly	17,550	53,250	70,800
Islington	2,465,100	10,604,700	13,069,800
Kensington and Chelsea	2,018,850	3,832,500	5,851,350
King's Lynn and West Norfolk	319,800	9,015,150	9,334,950
Kingston upon Hull UA	769,200	17,593,650	18,362,850
Kingston upon Thames	687,600	5,665,950	6,353,550
Kirklees	964,800	24,670,650	25,635,450
Knowsley	497,550	9,905,250	10,402,800
Lambeth	1,525,500	16,417,200	17,942,700
Lancaster	299,700	8,408,550	8,708,250
Leeds	1,795,200	46,264,650	48,059,850
Leicester UA	836,250	19,602,000	20,438,250
Lewes	222,150	4,987,650	5,209,800
Lewisham	890,550	17,269,650	18,160,200
Lichfield	140,700	5,148,600	5,289,300

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Lincoln	196,950	6,103,200	6,300,150
Liverpool	1,612,500	32,305,050	33,917,550
Luton UA	457,950	11,446,050	11,904,000
Maidstone	396,300	7,861,050	8,257,350
Maldon	132,000	2,914,800	3,046,800
Malvern Hills	152,850	3,661,050	3,813,900
Manchester	1,626,150	32,448,150	34,074,300
Mansfield	229,800	7,059,000	7,288,800
Medway UA	604,350	14,907,600	15,511,950
Melton	73,050	2,719,050	2,792,100
Mendip	195,150	6,098,100	6,293,250
Merton	565,350	8,834,400	9,399,750
Mid Devon	143,550	4,228,800	4,372,350
Mid Suffolk	161,250	5,199,300	5,360,550
Mid Sussex	200,550	5,993,550	6,194,100
Middlesbrough UA	461,850	8,730,750	9,192,600
Milton Keynes UA	503,100	14,044,500	14,547,600
Mole Valley	236,850	2,428,800	2,665,650
New Forest	320,850	8,206,350	8,527,200
Newark and Sherwood	195,900	6,929,400	7,125,300
Newcastle upon Tyne	709,200	17,856,150	18,565,350
Newcastle-under-Lyme	206,250	7,460,250	7,666,500
Newham	1,086,300	16,883,400	17,969,700
North Devon	192,000	5,655,750	5,847,750

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
North East Derbyshire	162,450	6,060,900	6,223,350
North East Lincolnshire UA	375,300	10,188,300	10,563,600
North Hertfordshire	216,600	6,268,050	6,484,650
North Kesteven	121,800	6,747,150	6,868,950
North Lincolnshire UA	302,700	10,250,700	10,553,400
North Norfolk	226,350	6,216,450	6,442,800
North Northamptonshire	561,450	19,817,700	20,379,150
North Somerset UA	395,250	11,103,150	11,498,400
North Tyneside	352,800	13,761,150	14,113,950
North Warwickshire	134,100	3,572,850	3,706,950
North West Leicestershire	133,350	5,740,650	5,874,000
Northumberland UA	647,250	19,091,400	19,738,650
Norwich	292,050	9,291,150	9,583,200
Nottingham UA	847,050	19,875,600	20,722,650
Nuneaton and Bedworth	247,800	7,999,050	8,246,850
Oadby and Wigston	72,450	3,021,450	3,093,900
Oldham	605,400	13,407,900	14,013,300
Oxford	327,300	6,777,000	7,104,300
Pendle	232,200	5,439,900	5,672,100
Peterborough UA	429,000	11,757,900	12,186,900
Plymouth UA	556,500	16,633,350	17,189,850
Portsmouth UA	433,800	12,318,900	12,752,700
Preston	349,200	8,516,400	8,865,600
Reading UA	299,550	8,959,500	9,259,050

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Redbridge	1,175,850	11,146,650	12,322,500
Redcar and Cleveland UA	329,400	8,789,100	9,118,500
Redditch	170,100	4,761,900	4,932,000
Reigate and Banstead	331,650	5,153,400	5,485,050
Ribble Valley	88,500	2,822,850	2,911,350
Richmond upon Thames	832,200	5,420,400	6,252,600
Richmondshire	91,350	2,197,500	2,288,850
Rochdale	591,600	12,980,250	13,571,850
Rochford	125,250	4,080,000	4,205,250
Rossendale	144,450	4,226,400	4,370,850
Rother	294,000	4,528,800	4,822,800
Rotherham	615,900	16,421,400	17,037,300
Rugby	165,450	5,632,050	5,797,500
Runnymede	169,800	3,193,050	3,362,850
Rushcliffe	130,950	5,527,500	5,658,450
Rushmoor	134,550	4,942,650	5,077,200
Rutland UA	43,050	1,688,250	1,731,300
Ryedale	110,250	2,770,800	2,881,050
Salford	711,150	17,208,300	17,919,450
Sandwell	886,650	19,187,550	20,074,200
Scarborough	254,550	6,975,600	7,230,150
Sedgemoor	241,350	6,785,400	7,026,750
Sefton	708,150	16,431,900	17,140,050
Selby	125,250	4,734,000	4,859,250

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Sevenoaks	307,350	4,197,150	4,504,500
Sheffield	1,204,050	33,848,100	35,052,150
Shropshire UA	584,700	16,785,300	17,370,000
Slough UA	363,450	7,223,850	7,587,300
Solihull	503,250	9,930,000	10,433,250
Somerset West and Taunton	292,200	8,356,950	8,649,150
South Cambridgeshire	209,850	6,531,150	6,741,000
South Derbyshire	152,550	5,734,200	5,886,750
South Gloucestershire UA	337,650	14,950,950	15,288,600
South Hams	173,700	4,332,600	4,506,300
South Holland	131,250	5,854,500	5,985,750
South Kesteven	189,900	8,104,350	8,294,250
South Lakeland	191,250	5,193,450	5,384,700
South Norfolk	185,100	7,595,250	7,780,350
South Oxfordshire	214,050	5,796,750	6,010,800
South Ribble	170,850	6,481,800	6,652,650
South Somerset	298,350	8,994,450	9,292,800
South Staffordshire	186,600	5,324,550	5,511,150
South Tyneside	369,000	10,158,150	10,527,150
Southampton UA	528,150	15,267,000	15,795,150
Southend-on-Sea UA	394,650	10,260,600	10,655,250
Southwark	1,529,100	15,838,200	17,367,300
Spelthorne	309,000	3,932,400	4,241,400
St Albans	336,900	4,484,550	4,821,450

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
St Helens	447,600	11,530,050	11,977,650
Stafford	177,900	7,225,200	7,403,100
Staffordshire Moorlands	162,300	5,411,850	5,574,150
Stevenage	161,550	4,922,400	5,083,950
Stockport	599,100	15,898,800	16,497,900
Stockton-on-Tees UA	450,000	11,389,800	11,839,800
Stoke-on-Trent UA	647,100	16,674,600	17,321,700
Stratford-on-Avon	252,900	5,742,150	5,995,050
Stroud	166,800	5,983,350	6,150,150
Sunderland	656,400	18,234,600	18,891,000
Surrey Heath	136,500	2,760,300	2,896,800
Sutton	491,550	8,947,950	9,439,500
Swale	355,050	7,900,500	8,255,550
Swindon UA	371,400	12,482,400	12,853,800
Tameside	530,400	14,545,050	15,075,450
Tamworth	133,050	4,607,700	4,740,750
Tandridge	284,850	2,535,750	2,820,600
Teignbridge	273,300	7,107,900	7,381,200
Telford and Wrekin UA	381,300	10,386,450	10,767,750
Tendring	407,250	9,161,100	9,568,350
Test Valley	178,050	5,705,100	5,883,150
Tewkesbury	152,400	4,602,000	4,754,400
Thanet	397,350	8,738,700	9,136,050
Three Rivers	205,050	2,908,050	3,113,100

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
Thurrock UA	351,000	8,980,950	9,331,950
Tonbridge and Malling	288,600	5,213,100	5,501,700
Torbay UA	375,750	8,397,900	8,773,650
Torridge	143,250	4,039,050	4,182,300
Tower Hamlets	2,881,350	14,080,350	16,961,700
Trafford	371,850	12,220,200	12,592,050
Tunbridge Wells	185,100	4,839,600	5,024,700
Uttlesford	177,000	3,120,450	3,297,450
Vale of White Horse	164,100	5,718,150	5,882,250
Wakefield	735,450	21,799,500	22,534,950
Walsall	732,600	15,889,950	16,622,550
Waltham Forest	776,250	14,269,350	15,045,600
Wandsworth	1,205,100	13,376,700	14,581,800
Warrington UA	367,950	11,647,200	12,015,150
Warwick	228,900	7,013,250	7,242,150
Watford	239,850	4,824,600	5,064,450
Waverley	216,600	3,997,500	4,214,100
Wealden	327,000	6,475,950	6,802,950
Welwyn Hatfield	251,100	5,007,750	5,258,850
West Berkshire UA	195,450	6,839,250	7,034,700
West Devon	110,550	2,875,350	2,985,900
West Lancashire	259,500	6,033,450	6,292,950
West Lindsey	169,950	5,632,050	5,802,000
West Northamptonshire	701,550	21,280,800	21,982,350

<b>Local Authority</b>	<b>Discretionary Fund (£)</b>	<b>Non-Discretionary Fund (£)</b>	<b>Total Fund (£)</b>
West Oxfordshire	131,400	5,040,900	5,172,300
West Suffolk	270,300	9,533,400	9,803,700
Westminster	2,270,250	6,811,950	9,082,200
Wigan	667,200	20,384,250	21,051,450
Wiltshire UA	877,050	23,241,450	24,118,500
Winchester	193,200	4,666,950	4,860,150
Windsor and Maidenhead UA	294,150	4,597,950	4,892,100
Wirral	816,600	19,511,100	20,327,700
Woking	174,900	3,917,850	4,092,750
Wokingham UA	206,100	5,492,700	5,698,800
Wolverhampton	650,100	15,509,700	16,159,800
Worcester	174,300	6,018,900	6,193,200
Worthing	200,850	6,175,500	6,376,350
Wychavon	270,150	5,922,600	6,192,750
Wyre	266,100	6,592,050	6,858,150
Wyre Forest	227,850	5,924,700	6,152,550
York UA	249,600	11,382,900	11,632,500

1. A billing authority is defined at section 1(2) of the Local Government Finance Act 1992. The disabled band reduction scheme refers to reductions provided under the Council Tax (Reductions for Disabilities) Regulations 1992. A chargeable dwelling is as defined at section 4 of the Local Government Finance Act 1992. Classes N, S, U and W are set out at article 3 of the Council Tax (Exempt Dwellings) Order 1992 (as amended by the Council Tax (Exempt Dwellings) (Amendment) Order 1993, the Council Tax (Discount Disregards and Exempt Dwellings) (Amendment) Order 1995 and the Council Tax (Chargeable Dwellings, Exempt Dwellings and Discount Disregards) Amendment Order 1997). A local authority is as defined at section 270 of the Local Government Act 1972 and includes any authority listed at section 138C(1) of that Act.
2. This is consistent with the liability provisions at section 2(2) of the Local Government Finance Act 1992.

3. In exceptional circumstances a council may consider it appropriate for a payment to be made to a third party if nominated by an eligible, liable council taxpayer. Councils should still undertake the appropriate pre-payment checks in relation to the nominated individual.
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HM Government

# £150 GOVERNMENT COUNCIL TAX REBATE



**If you live in a property in council tax bands A to D, you are likely to receive a £150 council tax rebate from the Government to help with the cost of living.**

As countries around the world come out of Covid-19 lockdowns, surging demand for energy has meant energy prices have increased. Over the past year, the price of gas alone has quadrupled.

Whilst the problem is global, the effect is being felt by millions of households here in the UK.

The Government has listened to these concerns and it has acted.

Recently, the Government announced that around 20 million households in England in council tax bands A-D will get a £150 rebate from April.

**The rebate will not need to be repaid.**

## WHO'S ELIGIBLE?

Households in council tax bands A-D will receive the £150 council tax rebate.

This means 4 out of 5 households in England will benefit, including around 95% of rented properties. However, second homes or empty properties will not benefit. If you are unsure of your council tax band, check your council tax band via your printed council tax bill or at: <https://www.gov.uk/council-tax-bands> or contact your local council.

### What if my household isn't eligible?

- Councils will receive an extra £144 million to provide support to vulnerable households who may not qualify for the £150 council tax rebate.
- This includes people on low incomes in council tax bands E-H.
- Your council will provide more detail on how this will operate in your area.

### How will my household get its £150?

- Your council will confirm how the rebate will be paid in your area.
- For people who pay council tax by direct debit, in most cases, the rebate will go directly into bank accounts. If you don't already pay by direct debit, you might want to sign up. This will make sure the rebate is paid to you quickly.
- For those who do not pay council tax via direct debit, your council will confirm how the rebate will be paid to you. Please make sure that communication is from your local council before providing payment details.
- The rebate will not need to be repaid.

### What else is on offer to support households with their energy bills?

- We are helping to spread the cost of the recent jump in energy prices over several years. £200 of this year's energy bill will be taken off from October and spread equally over the next 5 years instead, easing the burden on family budgets. This is not a debt, no interest is charged and no credit ratings are affected.
- The Warm Home Discount will be expanded, so nearly 3 million low-income households will benefit from a £150 discount.



Scan the QR code with your smart mobile device to check your council tax band.



Department for Levelling Up,  
Housing & Communities

**Local Taxation Division**  
*Department for Levelling Up, Housing & Communities*

Fry Building  
2 Marsham Street  
London  
SW1P 4DF

To: Local Authorities in England.

Email: [council.tax@levellingup.gov.uk](mailto:council.tax@levellingup.gov.uk)

[www.gov.uk/dluhc](http://www.gov.uk/dluhc)

**16/03/2022**

**FOR THE ATTENTION OF THE COUNCIL TAX SECTION**

Dear Colleague

**The council tax rebate - frequently asked questions**

On 23 February, the Department published guidance to billing authorities on delivery of the council tax rebate. The guidance is available at the following link: <https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance/support-for-energy-bills-the-council-tax-rebate-2022-23-billing-authority-guidance>.

Since publication, we have engaged closely with local authorities through various forums. In order to clarify issues raised in response to the guidance and make sure that all authorities are receiving consistent advice, the Government is now providing a summary of answers to the most frequently asked questions. These are available at Annex A.

These FAQs are intended to expand on, rather than replace the guidance. They provide further detail on payment mechanisms, scheme eligibility, the discretionary fund, fraud risk management, funding and monitoring requirements.

Should you have any queries, please contact the Department at: [council.tax@levellingup.gov.uk](mailto:council.tax@levellingup.gov.uk).

**Local Taxation Division**  
**DLUHC**

## Council tax rebate FAQs

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### Making payments

#### **Q1. What is expected where the name on the direct debit bank account details does not match a liable party?**

The guidance advises at paragraph 20 that councils should exclude eligible households from automated payments where the name on the direct debit bank details does not match someone who is liable for council tax in that household. The name does not need to be an exact match (for example, an initial matching a first name should be sufficient), but councils should be satisfied as far as possible that they are not making automated payments to a third party.

Where direct debit details belong to a third party, councils should contact a liable person to confirm whether they would like the rebate paid into the existing direct debit account, or to arrange an alternate payment method (following the process for eligible households for whom the council does not hold bank account details), as referenced elsewhere in this section. Payment should not be made to a third party without explicit consent, which should be evidenced.

#### **Q2. Do councils have to write out to every household that receives an automatic payment to inform them of the grounds on which a payment has been made?**

No. The information at paragraph 21 of the guidance is intended to provide clarity to taxpayers, to encourage people to identify and report errors and to support councils in the event of needing to clawback money following erroneous payments.

Ultimately, it is for councils to determine the most appropriate method of providing this information, weighing up costs against benefits, and to conclude whether individual direct communication to each recipient is most appropriate or whether information published on their website is sufficient.

#### **Q3. Is an application required from all eligible households where councils do not already hold current payment details?**

No. The guidance from paragraph 23 onwards sets the expectation of a claims process where a live council tax direct debit instruction is not already held by councils. This is to help prevent erroneous payments and to give councils the cover to clawback money in the event of error, or to bring criminal proceedings if there is evidence of fraud.

The exact process can be determined locally by councils in consideration of the software and resources available to them, the needs and preferences of their residents, the data requirements for monitoring and the security offered against fraud. The process should fit with the statutory responsibilities of Chief Financial Officers to support the proper administration of their council's financial affairs and to put in place internal audit systems to ensure effective and sound internal financial controls.

Where in line with the answers to questions 4 and 5, a claim could be implied, for example through redeeming a voucher, rather than through completing an application form. In these circumstances, including for the purposes of taking action under the Fraud Act 2006, councils should be clear to households that by redeeming the money, they are self-certifying against the statements set out at paragraph 25 of the guidance.

#### **Q4. What payment methods are acceptable, other than BACS?**

Councils are encouraged to establish a range of payment options to enable them to provide support to eligible households in different circumstances.

All payment options used for the rebate should enable councils to:

- i) Be satisfied that the person receiving the money is entitled to payment;
- ii) Keep an audit trail of the payments redeemed, when and by whom;
- iii) Prevent payments being redeemed after 30 September 2022 (as per paragraph 7 of the guidance, any payments redeemed after this date will be outside the scope of the Government's reconciliation exercise);
- iv) Be satisfied that the payment method selected is appropriate value for money when compared with other alternatives and adequately secure against fraud.

Support under both the core and discretionary scheme should not be provided through restricted use vouchers (for example food or fuel vouchers.)

#### **Q5. Can councils use single use voucher-based payment transactions in appropriate circumstances? (for example, Post Office Payout or other similar providers)**

Yes. To enable councils to reach households in a range of different circumstances, councils can use single use voucher-based payment transactions to provide support where they consider it appropriate. Councils should ensure that they put in place suitable controls to ensure the payment mechanism meets the criteria listed under question 4 (such as ID checks).

#### **Q6. How can councils support eligible households that are overdrawn?**

Councils may wish to provide information as part of their application process on how eligible households can exercise their first right of appropriation on the £150 payment, so their bank doesn't use it to pay off any overdraft. A sample letter that households may wish to use to exercise their right of appropriation is available here: <https://www.nationaldebtline.org/sample-letters/ask-your-bank-pay-particular-bills/>

#### **Q7. Can councils make payment to a third party?**

In exceptional circumstances, yes. Having regard to the guidance, a council may consider it appropriate for a payment to be made to a third party if nominated by an eligible, liable council taxpayer. Councils should still undertake the appropriate pre-payment checks in relation to the nominated individual, whilst ensuring the taxpayer isn't under duress to nominate the third party. A record should be maintained of all such payments for future audit and assurance records.

**Q8. Can councils automatically credit £150 to eligible households' council tax accounts (either those eligible under the core or discretionary scheme) where current payment details are not already held?**

No. As set out in paragraph 24 of the guidance, councils can offer the option of a credit to council tax accounts to eligible households (under the core and discretionary scheme) for whom they do not hold current details allowing councils to make automatic payments. However, this option should always first be provided alongside one of direct payment.

This is so that households have the choice to receive the support up-front, rather than as a credit on their council tax account, which may be spread across their usual council tax instalments. It also allows support to be provided where households do not pay council tax, have a council tax liability of less than £150 or have already paid their council tax liability for 2022-23 in full.

**Q9. Can councils automatically credit £150 to eligible households' council tax accounts (either those eligible under the core or discretionary scheme) where current payment details are not already held, as a backstop option?**

Yes. Councils can specify that if households do not respond when given a choice of payment method by a certain date, they will take this as an indication that the household wishes to receive the support as a council tax account credit. Councils should make clear which council tax account the money will be credited to. It is for councils to determine an appropriate timescale to allow for response – up to and including the 30 September 2022 – and the number of reminders (if any) that are appropriate prior to making any automatic credits.

**Q10. Where eligible households choose to receive a council tax account credit (or this is applied as a backstop option), does this have to be allocated to the financial year 2022-23?**

No. Where a household that is eligible for support chooses to receive this as a credit to their council tax account (or this is applied as a backstop option), councils can choose whether to allocate this to the financial year 2022-23, or to any arrears. This should be made clear when giving households the option to receive support as a council tax credit. As with other eligible households, households in arrears can choose instead to receive a direct payment. Credits should not be allocated to future years' liability (eg. 2023-24 onwards).

**Q11. Can councils use bank account details or information that they hold for other purposes (for example for housing benefit or local council tax support) to administer the rebate?**

In principle, yes. Councils can use any information which they hold to administer the rebate (for example to confirm eligibility or to make payments) where they are satisfied that they can lawfully use it under GDPR for administering the rebate. This may depend on the types of data and ways in which it is collected and is therefore an issue for individual councils to take legal advice on if necessary.

DWP has written separately to councils to confirm that the rebate will be classified as Local Welfare Provision. This permits councils to use Searchlight for verification purposes in order to administer the Discretionary Fund.

## Q12. What are the GDPR implications of using data obtained to collect council tax for the different purpose of paying grants outside the council tax system?

Councils may wish to consider the lawful bases for processing set out in the ICO's Guide to Data Protection, such as processing data for a public task where the processing is not incompatible with the purposes for which the data was collected: <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/lawful-basis-for-processing/public-task/>. Where an authority has concerns about its plans to implement the scheme as set out in the guidance, we recommend it seek its own legal advice.

## Eligibility for the Council Tax Rebate

### Q13. Who is eligible for the rebate in cases where there is a landlord involved?

A household is eligible for the rebate if it meets the criteria set out at paragraph 11 of the guidance. Payment should be made to a liable council tax payer (or a person who would otherwise be liable where the property is exempt) for that household.

Some examples of situations involving tenants, and the expected approach, are as follows:

- *A rental property meets the criteria set out at paragraph 11 of the guidance and councils hold a live council tax direct debit instruction for that property.*
  - i) If the name on the direct debit details match a liable party, automatic payment of the rebate can be made.
  - ii) If the name on the direct debit details does not match a liable party (for example because the council tax bill is usually paid by the landlord as part of an “all bills included” tenancy agreement), automatic payment **should not** be made. Instead, councils should contact a liable party to confirm whether they would like the rebate paid into the existing direct debit account, or to arrange an alternate payment mechanism.
- *A rental property meets the criteria set out at paragraph 11 of the guidance and it is a house in multiple occupation.*
  - i) *The liable council tax payer is the landlord, who is liable as an individual rather than as a corporate body (eg. a company).*

Payment should be made to the landlord, who in many cases may also be the energy bill payer. If the tenants pay energy bills directly, they may be able to access support from their council’s discretionary fund.
  - ii) *The liable council tax payer is the landlord, who is liable as a corporate body rather than as an individual.*

No payment should be made. If the tenants pay energy bills directly, they may be able to access support from their council’s discretionary fund.

## The Discretionary Fund

### Q14. Can the Department clarify how the Discretionary Fund allocations have been calculated?

Allocations for the core scheme and the Discretionary Fund were published alongside the guidance, as well as a [methodology note](#). 60% of the £144 million Discretionary Fund has been allocated based on shares of the index of multiple deprivation and 40% allocated based on shares of the estimated number of local council tax support claimants in bands E – H as at September 2021.

### **Q15. What are the Government's expectations for use of the Discretionary Fund?**

Councils can determine how best to use their Discretionary Fund to support those suffering financial hardship as a result of the rising cost of living, in consideration of paragraphs 36 – 40 of the guidance. Where councils consider it the best means of supporting those in financial difficulty, they can use the discretionary fund to offer carefully targeted 'top-up' payments to the most vulnerable households in bands A - D (for example, those on means tested benefits), or to offer support exceeding £150 per household under their discretionary scheme. The Government expects that all support from the Discretionary Fund is targeted towards those most likely to be suffering hardship as a result of the rising cost of living. Allocations from the Discretionary Fund should be spent by 30 November 2022. Any remaining funding will be required to be repaid to government.

### **Fraud risk**

### **Q16. What are councils' responsibilities for protecting against fraud under this scheme?**

It is the responsibility of each council's Chief Financial Officer to put in place appropriate arrangements to support the proper administration of their council's financial affairs, as well internal audit systems to ensure that effective and sound financial and internal controls are in place. This includes tackling fraud and safeguarding public money.

The guidance sets out the minimum measures that councils should take to detect and prevent fraud. Councils are required to undertake pre-payment checks prior to payment of any grant which is not awarded to a person where there is a "live" direct debit instruction. These should allow them to satisfy themselves that the person is entitled to payment and that the payment details provided (if applicable) belong to an entitled person and relate to the relevant address. Councils should retain a record of these checks, as per paragraph 28 of the guidance.

Councils are also encouraged to take additional steps to prevent erroneous payments, for example waiting to pay households for whom they hold a live direct debit instruction until the first council tax payment for 2022-23 has been taken on the given live instruction.

### **Q17. Will councils be expected to draw up risk assessment or pre-payment/post-payment assurance plans?**

Councils are expected to conduct pre-payment checks as per the guidance and adopt appropriate assurance checks when disbursing payments in order to limit the risk of fraud and error. Councils should take an appropriately robust approach towards risk assessment and payment assurance locally. Following payment, councils should collect evidence on any fraud and error uncovered, as per paragraph 29 of the guidance. The department may additionally undertake spot-checks on councils' counter fraud systems.

### **Q18. Can the Department provide further information about Spotlight?**

Spotlight is a due-diligence risk tool which councils can use for the council tax rebate scheme as part of their pre-payment checks for both the core and discretionary scheme. The fees incurred for checks will be covered by the government and not councils themselves. Guidance on how to use the tool will be offered to councils from the Spotlight team, together with training via online webinars over the coming weeks. The Cabinet Office team will support councils and answer questions about the use and functionality of the software and can be contacted at [spotlight-localauthority@cabinetoffice.gov.uk](mailto:spotlight-localauthority@cabinetoffice.gov.uk). Of course, councils may alternatively wish to use an equivalent tool, provided it enables the same pre-payment checks as set out at paragraph 29 of the guidance.

## **Q19. How can councils help people to keep their personal information safe?**

The council tax rebate creates an opportunity for malicious actors to pose as government departments, local authorities or council tax rebate services in order to collect personal or banking information from citizens. Councils should communicate the rebate process clearly to citizens including how and when they will be contacted. Councils may wish to signpost citizens to advice on identifying scams and reporting suspicious emails, phone calls and text messages, such as guidance published by [Action Fraud](#) and [NCSC's Suspicious Email Reporting Service \(SERS\)](#). Councils may also wish to see NSCS's [guidance](#) on defending against email phishing attacks.

## **Funding for councils**

### **Q20. When will payments for the scheme be made to councils?**

Payments covering the full allocation for the core and discretionary schemes, as published [here](#), will be made to councils on 30 March.

### **Q21. Will the Department undertake a New Burdens assessment and when will New Burdens funding be paid?**

As set out in the guidance and in line with the New Burdens doctrine, the government will meet the administrative costs incurred by councils as a result of implementing the scheme.

We are undertaking an initial new burdens exercise to estimate the early set-up costs and will make a down payment against these costs shortly. We are also engaging with local government representatives to gather detailed evidence of the full New Burdens costs arising from the range of activities councils need to undertake in line with the guidance and will reconcile against these in due course.

## **Monitoring and reconciliation**

### **Q22. When will DLUHC start collecting monitoring information via DELTA? What information will be requested?**

We expect to start asking councils for monitoring related information on the scheme from early May onwards. Councils should be prepared to return data at least monthly. An outline of the information required is as follows, at both parliamentary constituency level and local authority level:

a)	Cumulative spend to date against the core Council Tax Rebate Scheme (£)
b)	Date automatic awards started to be made under the core Scheme to households for whom the council holds a live council tax Direct Debit instruction (captured once)
c)	Date awards started to be made under the core Scheme to households for whom the council did not already hold payment details (captured once)
d)	Number and value (£) of automatic payments made under the core Scheme to households for whom the council holds a live council tax Direct Debit instruction
e)	Number and value (£) of payments under the core Scheme paid to households for whom the council did not already hold payment details
f)	Cumulative spend to date against the Discretionary Fund for the Council Tax Rebate Scheme (£)
g)	Date awards started to be made under the Discretionary Fund (captured once)

h)	Number and value (£) of payments made under the Discretionary Fund
i)	Total number of households supported to date across the core Council Tax Rebate Scheme and Discretionary Fund
j)	Number and percentage of total households (across all bands) who paid their council tax by Direct Debit as at the 1 April 2022 (captured once)
k)	Date the council tax rebate information leaflet for households in council tax bands A-D was sent out (captured once)

Separately, councils should be prepared to submit records in accordance with paragraph 28 of the guidance, as part of spot checks throughout the financial year.

**Q23. What evidence is expected from councils where fraud/error is identified?**

Where fraud or error is identified, councils are expected to make reasonable efforts to recover the money, in accordance with their general fiduciary duties. Where councils consider it appropriate to write off any debts as a result of fraud or error, as usual, full details and reasoning to satisfy audit and assurance should be held on each case.

**Q24. What data will be required for reconciliation of spend under the core Council Tax Rebate Scheme?**

As set out at paragraph 7 of the guidance, the Government will run a standalone reconciliation exercise in Autumn 2022 against spend for the core Council Tax Rebate Scheme, under the terms set out in paragraphs 10 to 18. Spend will need to be certified by Chief Financial Officers. As part of the reconciliation process, councils should be prepared to declare the following:

- How much grant has been spent on the core Council Tax Rebate Scheme under the terms set out in paragraphs 10 to 18 of the guidance?
- Of this, how much – if any:
  - a) is the council seeking to recover?
  - b) has the council written off?
- For a) and b) above – from how many households?

Further information about the reconciliation process will be provided shortly.

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

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meeting date: 29 MARCH 2022  
title: COVID 19 ADDITIONAL RELIEF FUND - UPDATE  
submitted by: DIRECTOR OF RESOURCES  
principal author: MARK EDMONDSON, HEAD OF REVENUES AND BENEFITS

### 1. PURPOSE

- 1.1. To update Committee about the Covid 19 Additional Relief Fund (CARF) that was announced by the Chancellor on 21 December 2021.
- 1.2. To decide on the next steps regarding granting relief to eligible applicants and determining what to do with the remaining funding.

### 2. BACKGROUND

- 2.1. Liability for Business Rates is based upon the rateable value of the property. Rateable Values are set by the Valuation Office Agency (VOA) and appear in the Business Rates Valuation List.
- 2.2. Rateable Values are updated at revaluations – the most recent being 2017 when they were based on the rental market on 1 April 2015. The next revaluation is planned for 1 April 2023 with a valuation date of 1 April 2021.
- 2.3. The revaluations ensure that rateable values reflect changes in economic factors, market conditions or changes in the general level of rents.
- 2.4. Between revaluations rateable values can only be changed to reflect ‘material changes of circumstances’ including, for example, physical changes to the property or locality.
- 2.5. Since the start of the pandemic the VOA have received many checks arguing that interventions concerning the use of property (such as requirements to close businesses or maintain social distancing to comply with health and safety legislation) are a material change of circumstances. If successful, there would be a major impact on the level of rateable values across a wide range of properties.
- 2.6. The Government did not believe that the challenges to rateable values and the removal of properties from the rating list was the right mechanism to help businesses that needed support in the pandemic. On 25 March 2021 the Government announced that they would introduce primary legislation with retrospective effect to clarify that Coronavirus and the Government’s response to it are not an appropriate use of the material change of circumstances provision.
- 2.7. The Government introduced the Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Bill to give effect to their position and it received Royal assent on 15 December 2021.
- 2.8. On 25 March 2021 the Government announced a new Covid 19 Additional Relief Fund (CARF) of £1.5 billion. The fund is intended to be available to support businesses affected by the pandemic that are ineligible for the existing support linked to business rates, i.e., Small Business Rates Relief, Expand Retail Discount and Nursery Discount.

2.9. On 15 December 2021 the Government issued guidance to local authorities (Appendix 1) detailing how the scheme should operate and how much each authority has been allocated. Ribble Valley Borough Council's allocation totals £1,239,191.

### 3. ISSUES

3.1. The guidance states that billing authorities are responsible for designing a discretionary relief scheme in their area, however they must not award relief to ratepayers who have received Expanded Retail Discount or Nursery Discount, are liable for unoccupied properties (except where they are temporarily closed due to Government advice on Covid 19) and should direct support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to the impact.

3.2. The relief will be granted using powers contained in Section 47(8A) of the Local Government Finance Act 1988 which prevents awards to certain precepting authorities and prevents awards being made more than 6 months after the financial year that they relate to i.e., awards cannot now be made in respect of 2020/21.

3.3. It is for local authorities to determine how much relief shall be awarded to each eligible business subject to subsidy control rules detailed in the guidance.

3.4. The funding is limited to the allocation referred to at 2.9 and detailed in Appendix 1.

3.5. This committee agreed to open an application window for eligible businesses to apply for CARF which closed on 28 February 2022.

3.6. We received 33 applications, 5 of which have been rejected as the ratepayer was not eligible as they already received full Small Business Rates Relief or the Expanded Retail Discount.

3.7. The remaining 28 applicants occupy properties with a total Rateable Value of £679,805 and have each declared that their business has been impacted by the Covid 19 Pandemic. A list of the applicants can be found at Appendix 2.

### 4. SUGGESTED APPROACH

4.1. Awarding each of the applicants relief at an initial rate of 50% of the net rates payable for 2021/22 will result in a total of £161,353.21 CARF being granted.

4.2. A second application window could be opened after the start of the financial year with the view to bringing a further report to this committee on 24 June 2022 to determine how to allocate the balance of funding.

### 5. RECOMMENDED THAT COMMITTEE

5.1. Agree to award CARF at the initial rate of 50% of the net rates payable for 2021/22 to the eligible applicants detailed in Appendix 2.

5.2. Agree to open another application round after the start of the new financial year.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF8-22/ME/AC  
16 March 2022



Department for Levelling Up,  
Housing & Communities

# COVID-19 Additional Relief Fund (CARF): Local Authority Guidance



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Department for Levelling Up, Housing and Communities  
Fry Building  
2 Marsham Street  
London  
SW1P 4DF  
Telephone: 030 3444 0000

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December 2021

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# About this guidance

1. This guidance is intended to support local authorities in administering the COVID-19 Additional Relief Fund (CARF). This guidance applies to England only.
2. This guidance sets out the scope of CARF and the criteria which local authorities should have regard to when determining awards from the fund. The guidance does not replace existing legislation.
3. Enquiries on this measure should be addressed to: [ndr@communities.gov.uk](mailto:ndr@communities.gov.uk)

## Introduction

4. COVID-19 has presented a significant and unprecedented challenge for businesses. Since the start of the pandemic the Government's response to support businesses has been of a similarly unprecedented scale. The Government has provided over £400 billion of direct support to the economy during this financial year and last, which has helped to safeguard jobs, businesses and public services in every region and nation of the UK through the pandemic. The Government's support has included making £16 billion available to provide business rates relief for retail, hospitality and leisure properties, given the direct impact of COVID-19 and the Government's interventions on businesses in these sectors.
5. On 25 March the Government announced a new COVID-19 Additional Relief Fund (CARF) of £1.5 billion. The fund will be available to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates.
6. The £1.5 billion will be allocated to local authorities based upon the estimated rateable value in each local authority rating list which falls within the scope of the fund, weighted for the Gross Value Added (GVA) impacts of COVID-19 per sector. An explanation of the allocation methodology, categories and definitions is at Annex A to F. Individual local authority allocations are published alongside this guidance.
7. This document provides guidance to authorities about the operation and delivery of the policy.

# The COVID-19 Additional Relief Fund (CARF)

## How will the relief be provided?

8. The Government is not changing the legislation relating to the business rates reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities where relief is granted using discretionary relief powers under section 47 of the Local Government Finance Act 1988. It will be for individual billing authorities to adopt a local scheme and determine in each individual case whether, having regard to this guidance and their own local scheme, to grant relief under section 47. The relief is available to reduce chargeable amounts in respect of 2021/22.
9. Central government will fully reimburse local authorities for discretionary relief awards which comply with this guidance up to the maximum level of the allocations. Because billing authorities have completed their NNDR1s for 2021/22 already, payments to major precepting authorities will be unaffected by the award of the relief. Therefore, within the year billing authorities only will be provided with “on account” section 31 payments covering the full amount of relief awarded to ensure that their cashflow is not affected.
10. After the end of the year, billing authorities will also be asked to provide outturn data on the actual total cost of providing the relief via the NNDR3 forms for 2021/22. The loss of income resulting from the relief for each billing authority and major precepting authority will be reconciled against the on-account payments made over the course of the year and any difference will be paid or recovered.
11. The Department for Levelling Up, Housing and Communities will undertake a regular DELTA collection exercise. This will be used to monitor implementation progress. Authorities should therefore ensure they put in place arrangements to support this data collection process. Billing authorities should ensure that they are able to monitor and report the take-up of the scheme at Parliamentary constituency level and local authority level, and by the Special Category code of the hereditaments.

## Which properties will benefit from relief?

12. Billing authorities will be responsible for designing the discretionary relief schemes that are to operate in their areas. However, in developing and implementing their schemes local authorities must, if they are funding the relief from the section 31 grant:
  - a. not award relief to ratepayers who for the same period of the relief either are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS),
  - b. not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief), and
  - c. direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.
  
13. In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves, certain precepting authorities (e.g. a parish or county council) or a functional body, within the meaning of the Greater London Authority Act 1999.

## How much relief will be available?

14. It will be for local authorities to determine the level of relief for individual hereditaments.
  
15. The relief should be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where billing authorities have provided relief using their wider discretionary relief powers introduced by the Localism Act 2011 which are not funded by section 31 grants. As required in the NNDR3 guidance notes, the former categories of discretionary relief prior to the Localism Act should be applied first in the sequence of discretionary reliefs and, therefore, before any relief provided under the COVID-19 Additional Relief Fund (CARF). Billing authorities may wish to use their discretionary powers to offer further discounts outside this scheme. However, where an authority applies a locally funded relief, this must be applied after CARF.

## Recalculation of relief

16. Depending upon how local authorities choose to award CARF, the amount of relief awarded may need to be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.
17. Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills (other than to comply with any international agreement). Such a revocation or variation can only take effect at the end of a financial year but, within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible or reduces the value of the award, the relevant bill can be amended in the year to reflect the loss of the relief.
18. Therefore, when making an award for CARF, local authorities should ensure in the conditions of the award that the relief are subject to the property's continuing eligibility.

## Subsidy Control

### *Trade and Co-operation Agreement*

19. Providing discretionary relief to ratepayers is likely to amount to a subsidy. Any relief provided by Local Authorities under the CARF Scheme will need to comply with the UK's domestic and international subsidy control obligations (see the [BEIS guidance for public authorities](#) which explains the subsidies chapter of the UK-EU Trade and Cooperation Agreement (TCA), World Trade Organisation rules on subsidies, and other international subsidy control commitments).

### *Small Amounts of Financial Assistance Allowance*

20. To the extent that a Local Authority is seeking to provide relief that falls within the Small Amounts of Financial Assistance Allowance, Article 364 of the TCA allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to 325,000 Special Drawing Rights (£343,000 as at 9 December 2021) in a three-year period (consisting of the current financial year and the two previous financial years). To administer a subsidy under the Small Amounts of Financial Assistance Allowance it is necessary for the Local Authority to establish that the award of subsidy will not result in the economic actor having received more than £343,000 of subsidy under the Small Amounts of Financial Assistance Allowance.

### *The COVID-19 Additional Relief Fund Allowance*

21. Where the Small Amounts of Financial Assistance Allowance has been reached, additional relief may be awarded in compliance with the principles set out in Article 366 of the TCA and in compliance with Article 364.3 of the TCA. For the purposes of this scheme, the COVID-19 Additional Relief Fund Allowance, permits an economic actor to receive additional relief of up to a further £1,900,000 for COVID-19 related losses.
22. This may be combined with the Small Amounts of Financial Assistance Allowance to permit an economic actor to receive up to £2,243,000 from the CARF Scheme (or less if they have already used some of their Small Amounts of Financial Assistance limit or claimed other COVID-19 related subsidies). It should be noted that Extended Retail Discount granted in either 2020/21 or 2021/22 does not count towards these allowances, but BEIS business grants (throughout the 3 years) and any other subsidies claimed under the Small Amounts of Financial Assistance limit (such as the Retail Relief in 2019/20), or under the EU State aid de minimis limit, in the last three years, should be counted.

### *COVID-19 Additional Relief Fund Further Allowance*

23. If an economic actor has reached the £2,243,000 limit set out above, then it may still be able to receive up to a further £10 million as a COVID-19 Additional Relief Fund Further Allowance under the CARF Scheme, if it satisfies the following conditions:
- a. the relief relates to uncovered fixed costs (i.e. costs not covered by profits or insurance etc) during the period of COVID-19 (commencing 1 March 2020). An economic actor may benefit from relief up to 70% of their uncovered costs (although this 70% limit does not apply to small businesses with fewer than 50 employees and less than £9 million turnover where the limit is instead 90%), and
  - b. the enterprise has shown a decline in turnover during the eligible period of at least 30% compared to the same period in 2019.
24. Therefore, local authorities will wish to ask ratepayers, on a self-assessment basis, to inform the authority if they are in breach of the above allowances. Where authorities are delivering CARF via applications then this declaration can be requested as part of the application process – sample paragraphs for which are below. As part of awarding the relief, local authorities should ask businesses to keep necessary documentation to evidence this.

## Transparency

25. Local Authorities must also ensure the transparency obligations under Article 369 of the TCA are complied with. The transparency database can be found at <https://manageuksubsidies.beis.gov.uk/>
26. If the relief is awarded under the Small Amounts of Financial Assistance Allowance, LAs must ask the recipient whether, when cumulated with any de minimis EU State Aid or Small Amounts of Financial Assistance under the TCA that the business has received in the last three years, the relief will mean that the recipient has received more than 325,000 Special Drawing Rights (approximately £343,000 as at 9 December). If it has, then the relief must be declared on the BEIS transparency database within six months of it being awarded.
27. If the relief is awarded under the COVID-19 Additional Relief Fund Allowance, Local Authorities must ask the recipient whether, when cumulated with any other support received under the allowances, the recipient has received more than £500,000. If it has, then the relief must be declared on the BEIS transparency database within six months of it being made. Awards made under the COVID-19 Additional Relief Fund Further Allowance, which by their nature will be in excess of £500,000, must also be declared on the BEIS transparency database within six months of it being made.
28. For access to and any further questions on the database, please contact the BEIS subsidy control team at [subsidycontrol@beis.gov.uk](mailto:subsidycontrol@beis.gov.uk).
29. Where Local Authorities have further questions about subsidy control or any of the above allowance and obligations, they should seek advice from their legal department in the first instance.

## Sample paragraph to include in CARF applications.

The CARF scheme is subject to the subsidies chapter within the UK-EU Trade and Cooperation Agreement (TCA). However, for CARF there is an exemption for subsidies under the value of approximately £2,243,000 per economic actor (broadly speaking, for example, a holding company and its subsidiaries). This allowance comprises 325,000 Special Drawing Rights (at current exchange rates about £343,000) for Small Amounts of Financial Assistance and a further £1,900,000 for COVID-19 related subsidy.

Therefore, to be awarded CARF you must not have claimed over the period 2019/20 to 2021/22 more than £2,243,000 from schemes which fell within the Small Amounts of Financial Assistance or COVID-19 related allowances. COVID-19 business grants you have received from local government and the

2019/20 Retail Relief should count towards this limit, but you should not count any Extended Retail Discount you have received since 1 April 2020. Further details of subsidy control can be found at:

<https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance>

In your application for CARF you must indicate:

if you have not to date received any subsidy which fell within the Small Amounts of Financial Assistance or COVID-19 related allowances, confirm this in your application, or

if you have received other such subsidies, then you should provide the name and total value of those subsidies.

You must not apply for CARF using this form if you have already exceeded the £2,243,000 allowance. However, we will still consider applications for support under the CARF scheme if you have reached this limit provided you can evidence that you:

Intend to use the support to fund uncovered fixed costs (costs not covered by profits for insurance etc) during the period of COVID-19. Economic actors may claim for up to 70% of their uncovered costs (although this 70% limit does not apply to small businesses with less than 50 employees and less than £9 million turnover where the limit is instead 90%), and

have shown a decline in turnover of at least 30% within the April 2020 to March 2021 period, compared to the same 2019 to 2020 period.

You may claim up to a further £10 million of additional allowance (on top of the £2,243,000) if you meet the above tests and you have not claimed any other support from the additional allowance up to an aggregate £10 million limit (such as from the COVID-19 business grants).

The Government and [*name of local authority*] will not tolerate any business falsifying their records or providing false evidence to gain this discount, including claiming support above these thresholds. A ratepayer who falsely applies for any relief, or provides false information or makes false representation in order to gain relief may be guilty of fraud under the Fraud Act 2006.

#### New Burdens

30. The Government recognises that the implementation of this policy will place an additional burden on local authorities. In accordance with the New Burdens doctrine the Government will conduct an assessment of the expected reasonable additional costs associated with the implementation of the policy, working closely with local government in doing so.

## Annexes A-F: CARF Allocation methodology, categories and definitions

### Annex A: COVID-19 Additional Relief Fund Allocation methodology

#### Introduction

1. This document sets out the methodology used to calculate each English local authority's allocation of the £1.5bn COVID-19 Additional Relief Fund. Allocations will be paid to the authorities responsible for billing business ratepayers, known as billing authorities, which includes Shire Districts, Unitary Authorities, Metropolitan Districts and London Boroughs.

#### Proxy for impact of COVID-19

2. The allocation methodology uses the change in Gross Value Added (GVA) as a proxy for the economic impacts of COVID-19 on each business sector. The GVA data used is available here:

<https://www.ons.gov.uk/economy/grossdomesticproductgdp/datasets/monthlygrossdomesticproductbygrossvalueadded>

3. The calculation uses the change in GVA compared to Feb-20 for the period April 2020 to March 2021. This data is split by business sector according to the first level Standard Industrial Classification (SIC), apart from in two cases:
  - a. Category H (Transport and Storage) has been split into two separate categories, given the large variance in Covid-19 impact between the transport and storage sectors. Details of this split are provided in Annex B.
  - b. Category X is used where a property type doesn't fit into a specific business sector (e.g. Offices) but the most common uses are likely fall into SIC categories J, K, L, M or N.
4. The allocation method uses the average of the twelve datapoints. Each month compared to Feb-20 is weighted equally. This data is for the United Kingdom.

SIC Code	Definition	Average GVA Reduction
A	Agriculture, Forestry and Fishing	-13%
B	Mining and Quarrying	-8%

C	Manufacturing	-9%
D	Energy	-1%
E	Water and Waste Management	0%
F	Construction	-14%
G	Wholesale and Retail	-8%
I	Hospitality	-55%
J	Information and Communication	-6%
K	Financial Services	-2%
L	Real Estate Activities	-2%
M	Professional Services	-7%
N	Administrative Services	-21%
O	Public administration	1%
P	Education	-20%
Q	Health	-10%
R	Arts, Entertainment and Recreation	-34%
S	Other Services	-32%
X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services	-6%
Y	Transport	-32%
Z	Storage and Distribution	-1%

Table 1: Average GVA reduction by SIC category

### Property stock and COVID-19 impact

- For each local authority's allocation, we use information on the property stock in that area. We use the Valuation Office Agency (VOA) Ratings List as at October 2021.
- The VOA data contains information about the rateable value (RV), location and type of property for all properties liable for business rates. The type of property is determined by its Special Category Code, or SCat code.
- To account for the differing severity of Covid-19 impacts on sectors, we weight the RV of each hereditament by GVA impact. In order to do this, we have worked with the VOA to develop a mapping from SCat codes to SIC codes. This is shown in Annex C.

### Calculation of allocation

- An authority's allocation is calculated by summing RV in each SIC category and weighting it by GVA change. We then sum across each sector to get an authority's total GVA-weighted RV. Each authority's share of the total GVA-weighted RV in England is applied to the £1.5bn funds available to calculate their allocation. This can alternatively be represented as:

$$(1) \quad RV_{i,j}^w = GVA_i * RV_{i,j}$$

Calculate GVA-weighted RV change for sector  $i$  and authority  $j$ .

$$(2) \quad RV_j^w = \sum_{i=1}^n RV_{i,j}^w$$

Calculate sum of GVA-weighted RV for all sectors  $i = 1$  to  $n$ , where  $n$  is the number of sectors.

$$(3) \quad RV_{Eng}^w = \sum_{j=1}^m RV_j^w$$

Calculate sum of GVA-weighted RV for all authorities  $j = 1$  to  $m$ , where  $m$  is the number of authorities.

$$(4) \quad Allocation_j = \frac{RV_j^w}{RV_{Eng}^w} * 1,500,000,000$$

Calculate authority  $j$ 's share of the total GVA-weighted RV and multiply by the total funds available.

9. Where sectors have seen a positive change to their GVA over the relevant period, the sector RV has been given a zero weighting, as opposed to a negative weighting, in order to avoid a detrimental impact on properties within other sectors within that authority. This applies to SIC code O (Public Administration).
10. In accordance with the guidance that local authorities should not award relief to properties that have already been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS), the following property types have been given a zero weighting in the allocation: retail, hospitality, leisure, nurseries, and airports. For the purposes of this allocation, retail, hospitality, leisure and nursery properties are defined in Annex D, and airports are defined in Annex E.
11. In order to ensure consistency with the Central Ratings List and the fact that these industries have been relatively insulated from the adverse impacts of COVID-19, the following sectors have been deemed out of scope of the relief and given a zero weighting: networks supplying utilities and associated properties. These are defined at Annex F.
12. Allocations are rounded to the nearest pound.

## Annex B: Split of the Transport and Storage SIC1 Category

<b>Category</b>	<b>SIC2 Components</b>	<b>Description</b>
Transport	49.1-2	Rail transport
	49.3-5	Land transport
	50	Water transport
	51	Air transport
Storage and Distribution	52	Warehousing/transport support activities
	53	Postal and Courier Activities

This split, and subsequent GVA weighting, uses data from:

<https://www.ons.gov.uk/economy/economicoutputandproductivity/output/datasets/indexofservices>

## Annex C: Mapping of SIC to Special Category Code

SCat code	Special category description	SIC code	SIC definition
	<b>RETAIL SECTOR</b>		
	<b>Retail - Financial &amp; Professional Services Sub-sector</b>		
021	Banks/Insurance/Building Society Offices and Other A2 Uses	K	Financial Services
	<b>Retail - Shops Sub-sector</b>		
008	Airport Let Outs	G	Wholesale and Retail
024	Betting Offices	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
086	Departmental and Walk Round Stores (Large)	G	Wholesale and Retail
097	Factory Shops	G	Wholesale and Retail
098	Farm Shops	G	Wholesale and Retail
106	Convenience Stores	G	Wholesale and Retail
139	Hypermarkets/Superstores (over 2500m <sup>2</sup> )	G	Wholesale and Retail
152	Large Food Stores (750 - 2500m <sup>2</sup> )	G	Wholesale and Retail
154	Large Shops (750 - 1850m <sup>2</sup> )	G	Wholesale and Retail
155	Large Shops (Over 1850m <sup>2</sup> )	G	Wholesale and Retail
210	Pharmacies	G	Wholesale and Retail
235	Retail Warehouses and Foodstores	G	Wholesale and Retail
243	Sales Kiosks	G	Wholesale and Retail
249	Shops	G	Wholesale and Retail
251	Showrooms	G	Wholesale and Retail
417	Hairdressing/Beauty Salons	S	Other Services
425	Pharmacies Within/Adjacent to Surgery/Health Centre	Q	Health
429	Post Offices	G	Wholesale and Retail
442	Takeaway Food Outlet (Predominantly Off Premises)	I	Hospitality
504	Kiosks Within/Part of Specialist Property	G	Wholesale and Retail
507	Salons/Clinics Within/Part of Specialist Property	S	Other Services

508	Shops Within/Part of Specialist Property	G	Wholesale and Retail
710	Residual Malls	G	Wholesale and Retail
738	Builders Merchant	G	Wholesale and Retail
011	Amusement Arcades	R	Arts, Entertainment and Recreation
165	Markets (Other Than Livestock)	G	Wholesale and Retail
	<b>OTHER SECTOR</b>		
	<b>Assembly And Leisure Sub-sector</b>		
004	Agricultural Showgrounds (National Scheme)	R	Arts, Entertainment and Recreation
012	Amusement Parks	R	Arts, Entertainment and Recreation
014	Arenas	R	Arts, Entertainment and Recreation
022	Beach Huts	I	Hospitality
025	Bingo Halls (National Scheme)	R	Arts, Entertainment and Recreation
026	Bird Sanctuaries	R	Arts, Entertainment and Recreation
028	Bowling Alleys	R	Arts, Entertainment and Recreation
029	Bowling Centres (Indoor)	R	Arts, Entertainment and Recreation
030	Bowling Greens (Outdoor)	R	Arts, Entertainment and Recreation
047	Caravan Parks (Leisure) (National Scheme)	I	Hospitality
048	Caravan Sites and Pitches (National Scheme)	I	Hospitality
049	Casinos and Gambling Clubs	R	Arts, Entertainment and Recreation
054	Chalet Parks (National Scheme)	I	Hospitality
056	Cinemas (National Scheme)	R	Arts, Entertainment and Recreation
060	Clubhouses	R	Arts, Entertainment and Recreation
061	Clubs and Institutions	R	Arts, Entertainment and Recreation
070	Concert Halls (National Scheme)	R	Arts, Entertainment and Recreation
074	Conference and Exhibition Centres	R	Arts, Entertainment and Recreation
075	Conference Centres in Country Houses	N	Administrative Services
081	Cricket Centres	R	Arts, Entertainment and Recreation

082	Cricket Grounds (County)	R	Arts, Entertainment and Recreation
083	Cricket Grounds/Pitches (Non-County)	R	Arts, Entertainment and Recreation
084	Dance Schools and Centres	R	Arts, Entertainment and Recreation
091	Drive-In Restaurants	I	Hospitality
092	Drive-Thru Restaurants	I	Hospitality
104	Food Courts	I	Hospitality
107	Football Grounds	R	Arts, Entertainment and Recreation
108	Football Pitches	R	Arts, Entertainment and Recreation
109	Football Stadia	R	Arts, Entertainment and Recreation
116	Go Kart Rinks	R	Arts, Entertainment and Recreation
117	Golf Courses	R	Arts, Entertainment and Recreation
118	Golf Driving Ranges	R	Arts, Entertainment and Recreation
121	Greyhound Racetracks	R	Arts, Entertainment and Recreation
125	Health Farms	R	Arts, Entertainment and Recreation
128	Heritage Railways	R	Arts, Entertainment and Recreation
132	Horse Racecourses	R	Arts, Entertainment and Recreation
140	Ice Rinks	R	Arts, Entertainment and Recreation
145	Lakes With Water Sport Facilities	R	Arts, Entertainment and Recreation
164	Marinas (National Scheme)	R	Arts, Entertainment and Recreation
188	Model Villages	R	Arts, Entertainment and Recreation
191	Motor Racetracks	R	Arts, Entertainment and Recreation
195	Museums and Art Galleries (Contractors)	R	Arts, Entertainment and Recreation
196	Museums and Art Galleries (Non-Contractors)	R	Arts, Entertainment and Recreation
199	Night Clubs and Discotheques	R	Arts, Entertainment and Recreation
208	Pavilions	R	Arts, Entertainment and Recreation
213	Pleasure Piers	R	Arts, Entertainment and Recreation

214	Point to Point and Eventing Courses	R	Arts, Entertainment and Recreation
216	Polo Grounds	R	Arts, Entertainment and Recreation
225	Public Halls	R	Arts, Entertainment and Recreation
226	Public Houses/Pub Restaurants (National Scheme)	I	Hospitality
227	Public Houses/Pub Restaurants (Inc. Lodge) (National Scheme)	I	Hospitality
229	Racing Stables (National Scheme)	R	Arts, Entertainment and Recreation
234	Restaurants	I	Hospitality
236	Riding Schools and Livery Stables (National Scheme)	R	Arts, Entertainment and Recreation
237	Rifle and Weapons Ranges	R	Arts, Entertainment and Recreation
238	Roadside Restaurants (National Scheme)	I	Hospitality
239	Roller Skating Rinks	R	Arts, Entertainment and Recreation
240	Royal Palaces	R	Arts, Entertainment and Recreation
241	Rugby League Grounds	R	Arts, Entertainment and Recreation
242	Rugby Union Grounds	R	Arts, Entertainment and Recreation
252	Ski Centres	R	Arts, Entertainment and Recreation
253	Snooker Halls/Clubs	R	Arts, Entertainment and Recreation
254	Speedway Racetracks	R	Arts, Entertainment and Recreation
256	Sporting Rights	R	Arts, Entertainment and Recreation
257	Sports and Leisure Centres (LA) (Dry Only) (National Scheme)	R	Arts, Entertainment and Recreation
258	Sports and Leisure Centres (LA) (Wet and Dry) (National Scheme)	R	Arts, Entertainment and Recreation
259	Sports and Leisure Centres (Private)(Dry Only)	R	Arts, Entertainment and Recreation
260	Sports and Leisure Centres (Private)(Wet and Dry)	R	Arts, Entertainment and Recreation
261	Sports Grounds	R	Arts, Entertainment and Recreation
262	Sports Stadia	R	Arts, Entertainment and Recreation

263	Squash Courts	R	Arts, Entertainment and Recreation
264	Stables and Loose Boxes	R	Arts, Entertainment and Recreation
265	Stately Homes and Historic Houses (National Scheme)	R	Arts, Entertainment and Recreation
272	Swimming Pools (Local Authority)	R	Arts, Entertainment and Recreation
273	Swimming Pools (Private)	R	Arts, Entertainment and Recreation
277	Tennis Centres	R	Arts, Entertainment and Recreation
278	Tennis Courts/Clubs	R	Arts, Entertainment and Recreation
279	Theatres (National Scheme)	R	Arts, Entertainment and Recreation
280	Theme Parks	R	Arts, Entertainment and Recreation
283	Totalisators On Horse Racecourses	R	Arts, Entertainment and Recreation
284	Tourist Attractions	R	Arts, Entertainment and Recreation
293	Village Halls Scout Huts Cadet Huts etc	R	Arts, Entertainment and Recreation
296	War Games Courses/Misc Ag. Use	R	Arts, Entertainment and Recreation
303	Bars (valued on floorspace)	I	Hospitality
304	Zoos and Safari Parks	R	Arts, Entertainment and Recreation
403	Aquaria	R	Arts, Entertainment and Recreation
405	Boathouses	R	Arts, Entertainment and Recreation
409	Cafes	I	Hospitality
410	Changing Rooms	R	Arts, Entertainment and Recreation
416	Gymnasia/Fitness Suites	R	Arts, Entertainment and Recreation
421	Miniature Railways	R	Arts, Entertainment and Recreation
426	Pitch and Putt/Putting Greens	R	Arts, Entertainment and Recreation
431	Religious Retreats/Study Centres (Residential)	R	Arts, Entertainment and Recreation
500	Cafes/Restaurants Within/Part of Specialist Property	I	Hospitality
503	Gymnasia/Fitness Suites Within/Part of Specialist Property	R	Arts, Entertainment and Recreation

509	Sports and Leisure Centres Within/Part of Specialist Property	R	Arts, Entertainment and Recreation
715	Football Training Grounds	R	Arts, Entertainment and Recreation
739	Soccer Centres	R	Arts, Entertainment and Recreation
993	Leisure Miscellaneous	R	Arts, Entertainment and Recreation
	<b>Education Sub-sector</b>		
065	Colleges of Further Education (National Scheme)	P	Education
085	Day Nurseries/Play Schools	P	Education
159	Local Authority Schools (National Scheme)	P	Education
206	Oxbridge Colleges	P	Education
223	Public and Independent Schools (National Scheme)	P	Education
288	Universities (Excluding Oxbridge) (National Scheme)	P	Education
440	University Occupation Within Hospitals	P	Education
505	Nurseries/Creches Within/Part of Specialist Property	P	Education
995	Educational Miscellaneous	P	Education
	<b>Health Sub-sector</b>		
134	Hospitals and Clinics NHS (National Scheme)	Q	Health
135	Hospitals and Clinics (Private) (National Scheme)	Q	Health
436	Surgeries Clinics Health Centres (Contractors Valuation)	Q	Health
437	Surgeries Clinics Health Centres (Rental Valuation)	Q	Health
	<b>Hotels, Guest &amp; Boarding, Self Catering etc Sub-sector</b>		
062	Coaching Inns	I	Hospitality
077	Country House Hotels	I	Hospitality
099	Field Study Activity and Adventure Centres	R	Arts, Entertainment and Recreation
122	Guest and Boarding Houses	I	Hospitality
130	Holiday Centres	I	Hospitality
131	Holiday Homes (Self Catering)	I	Hospitality
136	Hostels	I	Hospitality
137	Hotels (3 Star and Under)	I	Hospitality
138	Hotels (4 Star and Above) and Chain Op. 3 Star (National Scheme)	I	Hospitality
160	Lodges (National Scheme)	I	Hospitality

281	Timeshare Complexes (National Scheme)	I	Hospitality
722	Serviced Apartments	I	Hospitality
	<b>Non Residential Institutions Sub-sector</b>		
067	Community Day Centres	Q	Health
156	Libraries	O	Public administration
	<b>Other - Offices Sub-sector</b>		
057	Civic and Public Buildings (Local Authority Occupations)	O	Public administration
411	Coastguard Stations	O	Public administration
415	Courts (Rental Valuation)	O	Public administration
414	Courts (Contractors Valuation)	O	Public administration
215	Police Stations	O	Public administration
418	Information/Visitor Centres	N	Administrative Services
506	Offices Within/Part of Specialist Property	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
	<b>Other - Other Sub-sector</b>		
001	AA/RAC Service Centres and Boxes	Y	Transport
003	Advertising Right	J	Information and Communication
010	Ambulance Stations	O	Public administration
013	Animal Boarding	I	Hospitality
015	Army Hereditaments	O	Public administration
039	Car Parks (NCP and Multi-Storey)	Y	Transport
040	Car Parks (Surfaced Open)	Y	Transport
041	Car Parks (Unsurfaced Open)	Y	Transport
043	Car Spaces	Y	Transport
053	Cemeteries (National Scheme)	S	Other Services
058	Civic Amenity Sites	E	Water and Waste Management
076	Contractors Huts and Compounds	F	Construction
080	Crematoria (With and Without Cemeteries) (National Scheme)	S	Other Services
100	Film and TV Studios	J	Information and Communication
101	Fire Stations	O	Public administration
102	Fish Farms	A	Agriculture, Forestry and Fishing
111	Funeral Parlours/Chapels Of Rest	S	Other Services
112	Game Farms	R	Arts, Entertainment and Recreation
123	Gypsy Camp Sites (Short Stay)	I	Hospitality
124	Hatcheries/Poultry Farms	A	Agriculture, Forestry and Fishing
141	Interactive Telephone Kiosks	J	Information and Communication

		X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
143	Kennels and Catteries		
144	Laboratories	M	Professional Services
146	Land Used For Advertising	J	Information and Communication
147	Land Used For Car Boot Sales	G	Wholesale and Retail
150	Landfill Sites	E	Water and Waste Management
189	Moorings (Floating Hereditaments)	I	Hospitality
190	Mortuaries	O	Public administration
197	Navy Hereditaments	O	Public administration
202	Observatories	M	Professional Services
224	Public Conveniences (National Scheme)	O	Public administration
228	Public Telephone Kiosks (National Scheme)	J	Information and Communication
230	RAF Hereditaments	O	Public administration
232	Recording Studios	J	Information and Communication
269	Stud Farms	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
270	Studios	R	Arts, Entertainment and Recreation
285	Training Centre (Non Residential)	Q	Health
292	Veterinary Clinics / Animal Clinics	M	Professional Services
294	Vineyards/Wineries	C	Manufacturing
298	Waste Recycling Plants	E	Water and Waste Management
302	Windmills	C	Manufacturing
420	Lifeboat Stations	O	Public administration
424	Pet Grooming Parlours	M	Professional Services
428	Police Training Colleges	P	Education
438	Telescope Sites	O	Public administration
439	University - Ancillary Land or Buildings	P	Education
501	Car Parking Within/Part of Specialist Property	Y	Transport
513	Miscellaneous Within/Part of Specialist Property	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
725	Park and Ride Car Parks	Y	Transport
992	Commercial Miscellaneous	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services

998	Crown Miscellaneous	O	Public administration
		X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
999	Miscellaneous		
	<b>Other - Retail Sub-sector</b>		
018	ATMs	K	Financial Services
019	Auction Rooms	G	Wholesale and Retail
038	Car Auction Buildings/Sites	G	Wholesale and Retail
042	Car Showrooms	G	Wholesale and Retail
044	Car Supermarkets	G	Wholesale and Retail
045	Car Washes (Stand Alone)	G	Wholesale and Retail
046	Car/Caravan Sales/Display/Hiring Sites	G	Wholesale and Retail
114	Garden Centres	G	Wholesale and Retail
757	Plant Nurseries	G	Wholesale and Retail
133	Hospital Let Outs	G	Wholesale and Retail
193	Motorway Service Area Let Outs	G	Wholesale and Retail
194	Motorway and Major Road Service Areas	G	Wholesale and Retail
209	Petrol Filling Stations (National Scheme)	G	Wholesale and Retail
211	Photographic Booths	G	Wholesale and Retail
250	Showhouses (National Scheme)	G	Wholesale and Retail
266	Station Let Outs	G	Wholesale and Retail
419	Land Used for Display	G	Wholesale and Retail
427	Pitches for Stalls Sales or Promotions	G	Wholesale and Retail
432	Sales Offices	L	Real Estate Activities
	<b>Residential Institutions Sub-sector</b>		
201	Nursing Homes (Inc. Old Peoples Homes)	Q	Health
220	Prison Service Hereditaments	O	Public administration
286	Training Centre (Residential)	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
	<b>Storage &amp; Distribution Sub-sector</b>		
119	Grain Silos	Z	Storage and Distribution
120	Granaries and Intervention Stores	Z	Storage and Distribution
157	Liquid Bulk Storage (Incl Petrol and Oil) (National Scheme)	Z	Storage and Distribution
404	Archives	O	Public administration
412	Cold Stores (Contractors Valuation)	Z	Storage and Distribution

413	Cold Stores (Rental Valuation)	Z	Storage and Distribution
	<b>Transport Sub-sector</b>		
005	Air Ports (Minor) (National Scheme)	Y	Transport
006	Air Strips (National Scheme)	Y	Transport
036	Bus Stations	Y	Transport
059	Civil Airports	Y	Transport
089	Docks and Harbours (Non-Statutory)	Y	Transport
126	Heliports	Y	Transport
161	Lorry Parks	Y	Transport
231	Railways and Tramways (Non Leisure)	Y	Transport
282	Tolls (Ferries Roads and Bridges)	Y	Transport
287	Truck Stops	G	Wholesale and Retail
712	Rail Freight Depots	Y	Transport
714	Rail Maintenance Depots	Y	Transport
737	Ferry Terminal	Y	Transport
	<b>Utilities Sub-sector</b>		
066	Communication Stations (National Scheme)	J	Information and Communication
088	District Heating Undertakings and Networks	D	Energy
090	Domestic Fuel Installations	O	Public administration
094	Electricity Undertakings (Non-Statutory)	D	Energy
115	Gas Processing Plants	D	Energy
149	Landfill Gas Generator Sites	D	Energy
219	Power Generators	D	Energy
246	Sewage Works (National Scheme)	E	Water and Waste Management
275	Telecommunications Cable Networks (National Scheme)	J	Information and Communication
276	Telecommunications Switching Centres	J	Information and Communication
300	Water Undertakings (Non-Statutory)	E	Water and Waste Management
726	Telecommunications Large Broadcast Sites	J	Information and Communication
729	Renewable Generators – Mixed Technologies	D	Energy
733	Battery Storage	D	Energy
741	Independent Gas Transporter	D	Energy
742	Independent Distribution Network Operator	D	Energy
743	Renewable Power Generator - Photovoltaic	D	Energy

744	Renewable Power Generator - Wind	D	Energy
745	Renewable Power Generator - Other	D	Energy
746	Renewable Power Generator - Hydro	D	Energy
747	Fossil Fuel Power Station	D	Energy
748	Nuclear Power Station	D	Energy
	<b>OFFICE SECTOR</b>		
	<b>Offices Sub-sector</b>		
203	Offices (Inc Computer Centres)	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
204	Offices (Headquarters/Institutional)	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
	<b>INDUSTRY SECTOR</b>		
	<b>General Industrial Sub-sector</b>		
105	Food Processing Centres	C	Manufacturing
110	Foundries	C	Manufacturing
289	Vehicle Repair Workshops and Garages	G	Wholesale and Retail
408	Business Units	X	J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services
512	Workshops Within/Part of Specialist Property	C	Manufacturing
096	Factories Workshops and Warehouses (Incl Bakeries and Dairies)	C	Manufacturing
153	Large Industrials (Over 20 000m <sup>2</sup> )	C	Manufacturing
192	Motor Vehicle Works	C	Manufacturing
198	Newspaper Printing Works (National Scheme)	C	Manufacturing
207	Paper Mills	C	Manufacturing
	<b>Industry - Storage &amp; Distribution Sub-sector</b>		
034	Bullion/Money Stores (National Scheme)	Z	Storage and Distribution
129	High Tech Warehouses	Z	Storage and Distribution
148	Land Used For Storage	Z	Storage and Distribution
151	Large Distribution Warehouses	Z	Storage and Distribution
217	Post Office Sorting Centres	Z	Storage and Distribution
267	Storage Depots	Z	Storage and Distribution
268	Stores	Z	Storage and Distribution

301	Wholesale Warehouses	G	Wholesale and Retail
510	Stores Within/Part of Specialist Property	Z	Storage and Distribution
511	Warehouses Within/Part of Specialist Property	Z	Storage and Distribution
721	Self Storage Facility	Z	Storage and Distribution
	<b>Industry Other Sub-sector</b>		
068	Computer Centres (Non-Purpose Built)	N	Administrative Services
069	Computer Centres (Purpose Built)	N	Administrative Services
007	Aircraft Works With Airfields	C	Manufacturing
009	Aluminium Smelting Works	C	Manufacturing
016	Artificial Fibre Works	C	Manufacturing
017	Asphalt Plants	C	Manufacturing
020	Baling Plant	C	Manufacturing
023	Beet Sugar Factories	C	Manufacturing
027	Boat Yards	C	Manufacturing
031	Breweries (National Scheme)	C	Manufacturing
032	Brickworks (Traditional) Clay Tile/Pipe Works	C	Manufacturing
033	Bulk Cement Storage Depots	C	Manufacturing
037	Cable Head End Buildings	J	Information and Communication
050	Cattle Breeding Centres	A	Agriculture, Forestry and Fishing
051	Cement Tile Works	C	Manufacturing
052	Cement Works	C	Manufacturing
055	Chemical Works	C	Manufacturing
063	Coking and Carbonising Plants	C	Manufacturing
071	Concrete Batching Plants	C	Manufacturing
072	Concrete Block Works	C	Manufacturing
073	Concrete Product Works	C	Manufacturing
079	Creameries	C	Manufacturing
087	Distilleries	C	Manufacturing
093	Effluent Minewater Treatment Plant and Premises	E	Water and Waste Management
095	Exhaust and Tyre Centres	G	Wholesale and Retail
103	Flour Mills (National Scheme)	C	Manufacturing
113	Garages (Transport and Commercial)	Y	Transport
127	Hereditals Used For Primary Treatment/Processing Of Minerals	B	Mining and Quarrying
142	Iron and/or Steel Works	C	Manufacturing
158	Livestock Markets (National Scheme)	C	Manufacturing
162	Maltings - Non Trad	C	Manufacturing
163	Maltings - Trad	C	Manufacturing
166	Mechanised Handling Depots	Z	Storage and Distribution

167	Mineral Producing Hereditament - Blockstone	B	Mining and Quarrying
168	Mineral Producing Hereditament - Brine	B	Mining and Quarrying
169	Mineral Producing Hereditament - Chalk	B	Mining and Quarrying
170	Mineral Producing Hereditament - China Clay	B	Mining and Quarrying
171	Mineral Producing Hereditament - Clay	B	Mining and Quarrying
172	Mineral Producing Hereditament - Coal	B	Mining and Quarrying
173	Mineral Producing Hereditament - Fluorspar	B	Mining and Quarrying
174	Mineral Producing Hereditament - Gas	B	Mining and Quarrying
175	Mineral Producing Hereditament - Hardrock	B	Mining and Quarrying
176	Mineral Producing Hereditament - Inert	E	Water and Waste Management
177	Mineral Producing Hereditament - Oil	B	Mining and Quarrying
178	Mineral Producing Hereditament - Other Mineral Category	B	Mining and Quarrying
179	Mineral Producing Hereditament - Putrescible	E	Water and Waste Management
180	Mineral Producing Hereditament - Sand and Gravel	B	Mining and Quarrying
181	Mineral Producing Hereditament - Shale Burnt	B	Mining and Quarrying
182	Mineral Producing Hereditament - Shale Unburnt	B	Mining and Quarrying
183	Mineral Producing Hereditament - Slate	B	Mining and Quarrying
184	Mineral Producing Hereditament With Batching Plant	B	Mining and Quarrying
186	Mineral Producing Hereditament With Tunnel Kiln	B	Mining and Quarrying
187	MOD Hereditaments	O	Public administration
200	Nuclear Establishments	E	Water and Waste Management
205	Oil Refineries	C	Manufacturing
212	Pipelines	Y	Transport
218	Potteries	C	Manufacturing
221	Properties Involving Extraction Of Materials For Profit	B	Mining and Quarrying
222	Provender Mills (National Scheme)	C	Manufacturing
233	Refuse Destructor Plants/Disposal Sites	E	Water and Waste Management

244	Scrap Metal/Breakers Yard	E	Water and Waste Management
245	Sea Dredged Aggregate Processing Plants and Depots	B	Mining and Quarrying
247	Ship Building Yards	C	Manufacturing
248	Ship Repair Yards	C	Manufacturing
255	Spoil Heap Workings	B	Mining and Quarrying
274	Tanneries	C	Manufacturing
290	Vehicle Testing Centres (With Test Tracks)	C	Manufacturing
291	Vehicle Testing Centres (Without Test Tracks)	O	Public administration
295	Wafer Fabrications (National Scheme)	C	Manufacturing
297	Waste Incinerator Plants	E	Water and Waste Management
299	Waste Transfer Stations	E	Water and Waste Management
400	Abattoirs and Slaughter Houses (Contractors Valuation)	C	Manufacturing
401	Abattoirs and Slaughter Houses (Rental Valuation)	C	Manufacturing
402	Agricultural Research Centres	M	Professional Services
406	Bus Garages (Contractors Valuation)	Y	Transport
407	Bus Garages (Rental Valuation)	Y	Transport
422	Pack Houses	A	Agriculture, Forestry and Fishing
423	Peat Fields	B	Mining and Quarrying
430	Pumping Mines	B	Mining and Quarrying
433	Statutory Docks and Harbours (Formula)	Y	Transport
434	Statutory Docks and Harbours (Non-Formula Prescribed)	Y	Transport
435	Statutory Docks and Harbours (Other)	Y	Transport
441	Weighbridges	Y	Transport
502	Garages Within/Part of Specialist Property	Y	Transport
994	Industrial Miscellaneous	C	Manufacturing
997	Minerals Miscellaneous	B	Mining and Quarrying

## Annex D: Definition of Retail, Hospitality and Leisure properties

<b>SCat Code</b>	<b>Special category description</b>
4	Agricultural Showgrounds (National Scheme)
8	Airport Let Outs
11	Amusement Arcades
12	Amusement Parks
14	Arenas
19	Auction Rooms
22	Beach Huts
24	Betting Offices
25	Bingo Halls (National Scheme)
26	Bird Sanctuaries
28	Bowling Alleys
29	Bowling Centres (Indoor)
30	Bowling Greens (Outdoor)
38	Car Auction Buildings/Sites
42	Car Showrooms
44	Car Supermarkets
45	Car Washes (Stand Alone)
46	Car/Caravan Sales/Display/Hiring Sites
47	Caravan Parks (Leisure) (National Scheme)
48	Caravan Sites and Pitches (National Scheme)
49	Casinos and Gambling Clubs
54	Chalet Parks (National Scheme)
56	Cinemas (National Scheme)
60	Clubhouses
61	Clubs and Institutions
62	Coaching Inns
70	Concert Halls (National Scheme)
74	Conference and Exhibition Centres
75	Conference Centres in Country Houses
77	Country House Hotels
81	Cricket Centres
82	Cricket Grounds (County)
83	Cricket Grounds/Pitches (Non-County)
84	Dance Schools and Centres
85	Day Nurseries/Play Schools
86	Departmental and Walk Round Stores (Large)
91	Drive-In Restaurants
92	Drive-Thru Restaurants
97	Factory Shops
98	Farm Shops
99	Field Study Activity and Adventure Centres

104	Food Courts
106	Convenience Stores
107	Football Grounds
108	Football Pitches
109	Football Stadia
114	Garden Centres
116	Go Kart Rinks
117	Golf Courses
118	Golf Driving Ranges
121	Greyhound Racetracks
122	Guest and Boarding Houses
125	Health Farms
128	Heritage Railways
130	Holiday Centres
131	Holiday Homes (Self Catering)
132	Horse Racecourses
136	Hostels
137	Hotels (3 Star and Under)
138	Hotels (4 Star and Above) and Chain Op. 3 Star (National Scheme)
139	Hypermarkets/Superstores (over 2500m2)
140	Ice Rinks
145	Lakes With Water Sport Facilities
152	Large Food Stores (750 - 2500m2)
154	Large Shops (750 - 1850m2)
155	Large Shops (Over 1850m2)
160	Lodges (National Scheme)
164	Marinas (National Scheme)
165	Markets (Other Than Livestock)
188	Model Villages
191	Motor Racetracks
195	Museums and Art Galleries (Contractors)
196	Museums and Art Galleries (Non-Contractors)
199	Night Clubs and Discotheques
208	Pavilions
209	Petrol Filling Stations (National Scheme)
210	Pharmacies
211	Photographic Booths
213	Pleasure Piers
214	Point to Point and Eventing Courses
216	Polo Grounds
225	Public Halls
226	Public Houses/Pub Restaurants (National Scheme)
227	Public Houses/Pub Restaurants (Inc. Lodge) (National Scheme)
229	Racing Stables (National Scheme)
234	Restaurants
235	Retail Warehouses and Foodstores

236	Riding Schools and Livery Stables (National Scheme)
237	Rifle and Weapons Ranges
238	Roadside Restaurants (National Scheme)
239	Roller Skating Rinks
240	Royal Palaces
241	Rugby League Grounds
242	Rugby Union Grounds
243	Sales Kiosks
249	Shops
250	Showhouses (National Scheme)
251	Showrooms
252	Ski Centres
253	Snooker Halls/Clubs
254	Speedway Racetracks
256	Sporting Rights
257	Sports and Leisure Centres (LA) (Dry Only) (National Scheme)
258	Sports and Leisure Centres (LA) (Wet and Dry) (National Scheme)
259	Sports and Leisure Centres (Private)(Dry Only)
260	Sports and Leisure Centres (Private)(Wet and Dry)
261	Sports Grounds
262	Sports Stadia
263	Squash Courts
264	Stables and Loose Boxes
265	Stately Homes and Historic Houses (National Scheme)
266	Station Let Outs
272	Swimming Pools (Local Authority)
273	Swimming Pools (Private)
277	Tennis Centres
278	Tennis Courts/Clubs
279	Theatres (National Scheme)
280	Theme Parks
281	Timeshare Complexes (National Scheme)
283	Totalisators On Horse Racecourses
284	Tourist Attractions
293	Village Halls Scout Huts Cadet Huts etc
296	War Games Courses/Misc Ag. Use
303	Bars (valued on floorspace)
304	Zoos and Safari Parks
403	Aquaria
405	Boathouses
409	Cafes
410	Changing Rooms
416	Gymnasia/Fitness Suites
417	Hairdressing/Beauty Salons
421	Miniature Railways
425	Pharmacies Within/Adjacent to Surgery/Health Centre

426	Pitch and Putt/Putting Greens
431	Religious Retreats/Study Centres (Residential)
432	Sales Offices
442	Takeaway Food Outlet (Predominantly Off Premises)
500	Cafes/Restaurants Within/Part of Specialist Property
503	Gymnasia/Fitness Suites Within/Part of Specialist Property
504	Kiosks Within/Part of Specialist Property
505	Nurseries/Creches Within/Part of Specialist Property
507	Salons/Clinics Within/Part of Specialist Property
508	Shops Within/Part of Specialist Property
509	Sports and Leisure Centres Within/Part of Specialist Property
710	Residual Malls
722	Serviced Apartments
738	Builders Merchant
739	Soccer Centres
757	Plant Nurseries
993	Leisure Miscellaneous

## Annex E: Definition of airports

<b>SCat code</b>	<b>Special category description</b>
005	Air Ports (Minor) (National Scheme)
059	Civil Airports

## Annex F: Definition of network supplying utilities and associated properties

<b>SCat code</b>	<b>Special category description</b>
094	Electricity Undertakings (Non-Statutory)
115	Gas Processing Plants
212	Pipelines
275	Telecommunications Cable Networks (National Scheme)
276	Telecommunications Switching Centres
300	Water Undertakings (Non-Statutory)
726	Telecommunications Large Broadcast Sites
729	Renewable Generators – Mixed Technologies
741	Independent Gas Transporter
742	Independent Distribution Network Operator
743	Renewable Power Generator - Photovoltaic
744	Renewable Power Generator - Wind
745	Renewable Power Generator - Other
746	Renewable Power Generator - Hydro
747	Fossil Fuel Power Station
748	Nuclear Power Station

Name of Business	Address	Nature of Business	RV	Rates Payable	50%
DCC Concepts Ltd	Unit 7 Deanfield Way Clitheroe	Model Railway retail, manufacture and distribution	13,500	£6,736.50	£3,368.25
Ribble Valley Shelving Ltd	Unit 1 Shay Lane Industrial Estate Shay Lane, Longridge	Suppliers of Pallet Racking and Shelving systems	92,000	£47,104.00	£23,552.00
Mark Clegg & Co Ltd	Mark Clegg And Company Limited Higher College Farm Lower Road, Longridge	Food Wholesaler supplying other wholesale, cafe's, hospitals and schools wit chilled and ambient food products	31,500	£15,718.50	£7,859.25
Oakhill College (Whalley) Ltd	Oakhill College Wiswell Lane, Whalley	Independent School & Nursery. Leisure & Gym facility	128,000	£65,536.00	£32,768.00
OBAS UK LTD	Unit 1 Chapel Hill Trading Estate Chapel Hill, Longridge	Supply of Building, Plumbing and Personalised Clothing	16,750	£8,358.25	£4,179.13
Thwaites Brewery	Thwaites Brewery Myerscough Road, Mellor	Brewery & Hospitality company operating 23 managed properties and owning c200 tenanted pubs	137,000	£70,144.00	£35,072.00
Bowland Pennine MRT (Smelt Mill)	1-4 Smelt Mill Cottages Trough Road, Dunsop bridge	A self catering residential and day visit facility operated by the local Mountain Rescue Team	4,050	£414.72	£207.36
CAR PARK ADJ PENDLETON VILLAGE HALL	Pendleton Village Hall Main Street, Pendleton	Private car park solely for use of public house and village hall	1,500	£748.50	£374.25
Whittle Eastern Europe Logistics Ltd	Suite 1 The Printworks Hey Road, Barrow	Freight Forwarding	8,700	£4,341.30	£2,170.65
Whittle Eastern Europe Logistics Ltd	Suite 1 The Printworks Hey Road, Barrow	Freight Forwarding	3,850	£1,921.15	£960.58
Whittle Eastern Europe Logistics Ltd	Suite 1 The Printworks Hey Road, Barrow	Freight Forwarding	3,850	£1,921.15	£960.58
Whittle Eastern Europe Logistics Ltd	Suite 1 The Printworks Hey Road, Barrow	Freight Forwarding	8,800	£4,391.20	£2,195.60
Whittle Eastern Europe Logistics Ltd	Suite 1 The Printworks Hey Road, Barrow	Freight Forwarding	9,000	£4,491.00	£2,245.50
Longridge Teaching Centre Limited	Input Training Centre 11 Berry Lane Longridge	Teaching Further and Higher Education courses in Engineering and Computing.	5,400	£2,694.60	£1,347.30
Shinn Thon (UK) Limited	Unit Oa Time Technology Park Blackburn Road, Simonstone	Wholesale of radio, television goods & electrical household appliances	29,000	£14,471.00	£7,235.50

Name of Business	Address	Nature of Business	RV	Rates Payable	50%
Powerclean UK Limited	Unit 1 Deanfield Court Deanfield, Clitheroe	High pressure water jetting, Grit blasting - commercial, industrial & domestic	19,250	£9,605.75	£4,802.88
P&S Nelson Ltd	Bays 9 10 Pendle Trading Estate Clitheroe Road, Chatburn	Passenger Transport & Road Haulage	5,100	£1,927.39	£963.70
D. Byrne & Co. Fine Wines Ltd.	Victoria Brewery Shawbridge Street, Clitheroe	Fine wine and spirit retail and wholesale	20,250	£6,954.90	£3,477.45
P&S Nelson Ltd	Bay 3 Pendle Trading Estate Clitheroe Road, Chatburn	Passenger Transport & Haulage	4,950	£2,470.05	£1,235.03
MM Physiotherapy	Unit 7 Mitton Road Business Park Mitton Road, Whalley	Healthcare/ rehabilitation/ physiotherapy services	4,550	£2,270.45	£1,135.23
University of Central Lancashire	The Observatory Alston Lane, Longridge	University	3,150	£322.56	£161.28
Lancashire County Federation of Young Farmers Clubs	Ribblesdale Centre Lincoln Way, Clitheroe	Rural Youth Organisation (Registered Charity)	7,800	£798.72	£399.36
The North west Police Benevolent Fund	St Michaels Lodge Northcote Road Langho	We are a charity whose offer is to provide support to serving or retired police officers and staff from the 6 constituent forces of the North West Region. These services can be treatment of physical, emotional or phycological need. St Michaels has 24 bedrooms to provide residential stays, or treatment can be as an outpatient.	18,000	£1,843.20	£921.60
Woven Art Company	Unit 16, Deanfield Drive Clitheroe	Fabric Print and Manufacturer	34,500	£17,215.50	£8,607.75
Automotive Tools & Supplies Ltd	Automotive Tools Hambledon View, Read	Supply of tools, garage equipment and engineering services - mainly to the automotive sector.	13,000	£2,162.33	£1,081.17
Primesight Ltd	77 Garage Gisburn Road, Gisburn	outdoor advertising	900	£449.10	£224.55
RV Pure Clean Limited	Unit 45 Twin Brook Business Park Twin Brook Road, Clitheroe	Commercial Laundry Services and Linen Rental to the Hospitality Sector	22,750	£11,352.25	£5,676.13
FX Motorsport ltd	Unit 7 Barrow Brook Trade Park Lodge Close, Barrow	Design, supply and fit of graphics to vehicles and shop signage	32,705	£16,342.25	£8,171.13
			679,805	£322,706.32	£161,353.21

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

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meeting date: 29 MARCH 2022  
title: REVIEW OF REVENUES DISCRETIONARY DISCOUNT/RELIEF POLICY  
submitted by: DIRECTOR OF RESOURCES  
principal author: MARK EDMONDSON

### 1 PURPOSE

1.1 To agree an updated Revenues Discretionary Discount/Relief policy.

### 2 BACKGROUND

2.1 Local Authorities have the power to grant discretionary Council Tax and Business Rates discounts/reliefs.

2.2 The Covid-19 pandemic has made significant changes to this area, and it is therefore necessary to review our current policy.

### 3 ISSUES

3.1 The Government have used this power as a way of providing Council Tax and Business Rates discounts/relief to those individuals and businesses most affected by the pandemic.

3.2 This includes the additional support provided to recipients of Local Council Tax Support in 2020/21, the Business Rates Expanded Retail and Nursery Discounts, the Covid-19 Additional Relief Fund for Business Rates, and the extension of the Support Small Business and Transitional Relief schemes during 2022/23.

3.3 A revised Revenues Discretionary Discount/Relief Policy is attached at Appendix 1.

### 4 RISK ASSESSMENT

4.1 The adoption of the attached policy will have the following implications:

- Resources – the cost of granting discretionary council tax discounts normally falls on council taxpayers. The cost of granting the additional Local Council Tax Support in 2020/21 was funded by the Government. The cost of granting discretionary business rates discounts/reliefs normally falls on both council taxpayers and the Government depending upon the rate of business rates retention. The additional discounts/reliefs created by the Government are a result of the Covid-19 pandemic have been funded in full by the Government.
- Technical, Environmental and Legal – Government guidance states that local authorities should have policies in place to cover these areas.
- Political – none
- Reputation – the Government's response to help individuals and businesses impacted by the Covid-19 pandemic has focused significantly on local authorities. It has been essential that we grant any discounts/relief in a timely manner to ensure that individuals and businesses are not impacted more than necessary.
- Equality and Diversity – none.

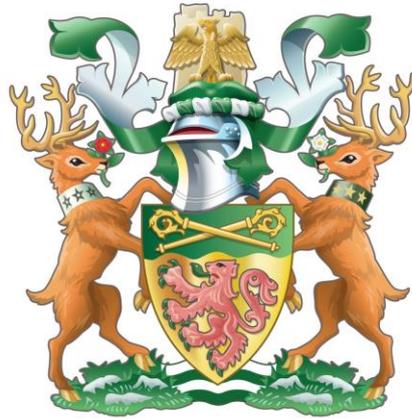
5 RECOMMENDATION

- 5.1 That Committee agree the changes to the Revenues Discretionary Discount/Relief Policy for 2022/23.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF17-22/AC  
21 March 2022



Ribble Valley  
Borough Council

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[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

## **Revenues Discretionary Discount/Relief Policy**

**Ribble Valley Borough Council**

**2022/2023**

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## **1 Council Tax**

- 1.1 The Council is aware of its duties and powers in accordance with section 13A of the Local Government Finance Act 1992 as amended by section 76 of the Local Government Act 2003 in respect of Council Tax and Section 47 of the Local Government Finance Act 1988 as amended by Clause 69 of the Localism Act 2011. This Policy sets out how the Council will use its powers and the criteria that must be satisfied.
- 1.2 Section 13A of the Local Government Finance Act 1992 as amended empowers a billing authority to reduce the amount of Council Tax due as it thinks fit.

### **Criteria**

#### **Council Tax (Section 13A(1)(c))**

- 1.3 Each case will be considered on 'its merits' however all of the following criteria should be met:
- Requests for reductions in Council tax liability will be required in writing from the customer, their advocate/appointee or a recognised third party acting on their behalf.
  - There must be evidence of hardship or personal circumstance that justifies a reduction in Council Tax Liability.
  - The Council must be satisfied that the customer has taken reasonable steps to resolve their situation prior to application.
  - The Council's finances allow for a reduction to be made.
  - The customer does not have access to other assets that could be realised and used to pay Council tax.
  - The customer is not entitled to Council Tax Support.
  - All other eligible discounts/reliefs have been awarded to the customer.

## **2 Additional Local Council Tax Support (LCTS) due to Exceptional Hardship (Section 13A(1)(a))**

- 2.1 Each case will be considered on 'its merits' however, all of the following criteria should be met:
- Requests for additional LCTS will be required in writing from the customer, their advocate/appointee or a recognised third party acting on their behalf.
  - There must be evidence that failure to grant additional LCTS will result in exceptional hardship occurring.
  - The Council's finances allow for the additional LCTS to be granted.
  - The additional LCTS is limited to the reduction in LCTS applied to their case i.e. 12% (8.5% for 2013/14)
  - All other eligible discounts/reliefs have been awarded to the customer.

### **3 Business Rates**

- 3.1 As part of its role in the administration of National Non Domestic Rates (NNDR) (more commonly referred to as Business Rates) Ribble Valley Borough Council has several areas where it can exercise its discretion to provide reductions to the amounts of business rates that are due to be paid.
- 3.2 Since April 2016, the Council has participated in the Lancashire Business Rate Pool. This means that at present under the pooling arrangements:
- Mandatory Relief is financed 50% by Central Government, 40% by the Council, 9% by Lancashire County Council and 1% by the Lancashire Combined Fire Authority.
  - Discretionary Relief is financed 50% by Central Government, 40% by the Council, 9% by Lancashire County Council and 1% by the Lancashire Combined Fire Authority
- 3.3 This policy outlines the areas of local discretion and the Council's approach to the various awards. This approach has regard to the impact
- of granting Discretionary Rate Relief on the Council's wider financial position and Council Tax payers;
  - on the organisations and businesses that currently receive or may apply for relief in the future;
  - for Ribble Valley residents if relief is awarded and the regeneration benefits to the borough.
- 3.4 The principal consideration when making an award is that any relief granted is in the best interests of the residents and taxpayers of Ribble Valley and produces a local benefit.
- 3.5 In addition, the Council also operates a number of schemes which are funded fully by the government summarised at 4.3 below.

### **4 Discretionary Rate Relief Scheme**

- 4.1 The Local Government Finance Act 1988 requires the Council to maintain a Discretionary Rate Relief Scheme to award Business Rates Relief of up to 100% to certain organisations who operate within specified criteria.
- 4.2 This includes:
- Charitable bodies (who receive 80% relief) The Council has further discretion to "top up" this relief to 100% of the rates due.
  - Registered community amateur sports clubs (CASC's) (who receive mandatory 80% relief). The Council has further discretion to "top up" this relief to 100% of the rates due.
  - Non-profit making organisations. The Council has further discretion to grant "standard" discretionary rate relief of between 0 to 100% of the business rates due.
  - Hardship Relief. Section 49 of the Local Government Finance Act allows the Council to exercise its discretion to provide either partial or full relief from Non-Domestic Rates in cases of hardship where it would be reasonable to do so having due regard to the interests of council taxpayers in general.

- Part Occupation Relief. Section 44(a) of the Local Government Finance Act 1988 allows the Council to exercise its discretion to grant relief on business premises that are partly occupied, as long as this situation is for a short time

4.3 There are also five schemes administered by the Council, where any relief granted is wholly funded by central government subject to specific criteria. The Council will be using its discretionary powers under section 47 of the Local Government Finance Act 1988 as amended to grant relief. Central government will fully reimburse the Council using a grant under Section 31 of the Local Government Act 2003.

- The Supporting Small Business Relief scheme for ratepayers who are losing some or all of their small business rate relief as a result of a large rateable value increase following the 2017 revaluation. The scheme is available for 5 years from 1 April 2017. The relief is fully funded fully via Section 31 Grant.
- Relief for Local Newspapers. The Council has discretion to award a discount of £1,500 office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per hereditament. The relief is fully funded via Section 31 Grant. This relief will cease at 31st March 2025, unless extended further by legislation.
- 50% Relief for businesses in the Retail, Hospitality and Leisure sectors for 2022/23.
- Covid Addition Relief Fund, this provide a one-off relief against 2021/22 liability for rates for businesses which have been unable to receive support from previous Government Rate Relief schemes
- 2022/23 Transitional Relief, this protects some businesses from the impact of rate increases as a result of the introduction of the 2017 rating list.

## 5 Charitable Bodies

5.1 A Mandatory Rate Relief of 80% is granted to charities in the following circumstances. Where the:

- ratepayer of a property is a charity or the trustees of a charity; and
- property is wholly or mainly used for charitable purposes (including charity shops, where the goods sold are mainly donated and the proceeds are used for the purpose of the charity).

5.2 The Council does not have discretion regarding awarding Mandatory Rate Relief, however the Council must be satisfied that the statutory criteria has been met. For this purpose the Council will use guidance provided in both the Local Government Finance Act 1988, and by reference to other enactments and case law.

5.3 Registration under the Charities Act 1993 is conclusive evidence of charitable status and the Council will refer to the Charity Register for evidence of this. Absence from the register does not mean an organisation has not been established for charitable purposes as certain organisations are exempt from registration under the Charities Act 1993.

5.4 In cases where a charity is in receipt of mandatory rate relief of 80%, the Council has discretion to grant up to 20% additional rate relief. This is known as Discretionary Rate Relief top up.

5.5 The Council will consider applications for a Discretionary Rate Relief top up from charities based on their own merits, on a case-by-case basis. However the principal consideration is

that the relief is in the best interests of the residents and taxpayers of Ribble Valley and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will be awarded to only the following type of registered charities:

- Scouts, guides, cadets and other clubs/associations for young people
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents associations
- Organisations providing support in the form of advice, training for employment, counselling
- Organisations that provide services that address the consequences of ill health and disability
- Charitable sporting clubs
- Locally based leisure and cultural organisations
- Armed forces veterans' associations
- Locally based charities
- Charity shops (operated by either locally based or national charities)
- Local childcare providers registered as charities.

5.6 Applications for Discretionary Rate Relief can be made by completing a Discretionary Rate Relief application form.

5.7 Applications for Discretionary Rate Relief top up must be supported by, and include:

- The applicant organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead
- Details of how the organisation meets the criteria outlined in these guidelines.

#### Objectives

5.8 In determining the application, the following matters will be taken into consideration:

- How the charity supports and links into the Council's Corporate Objectives:
- The purpose of the charity and the specific activity carried out within the building for which the relief is requested:
- Whether the charity operates at a local or national level and where appropriate, the local and national funding streams and financial position of the charity

5.9 If an organisation in receipt of Discretionary Rate Relief top up ceases to meet the eligibility criteria outlined in this policy, it will cease to receive Discretionary Rate Relief. The Council

will give such organisations twelve months written notice prior to the withdrawal of the Discretionary Rate Relief top up

- 5.10 The Council delegates the decision making power for Discretionary Rate Relief awards to the Head of Revenues and Benefits and the Section 151 Officer.
- 5.11 The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the staff from the Business Rates section.
- 5.12 Applicants will be informed in writing of the outcome of their application as soon as possible.
- 5.13 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief may be asked to supply or confirm relevant information for the purpose of the review.
- 5.14 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Council may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

## **6 Registered Community Amateur Sports Clubs (CASC)**

- 6.1 A mandatory rate relief of 80% is granted to registered community amateur sports Clubs (CASC). To qualify as a CASC, a sports club must fulfil all of the following criteria. It must be
  - Open to the whole community
  - Run as an amateur club
  - A non-profit making organisation; and
  - Aiming to provide facilities for, and encourage people to take part in, eligible sport.
- 6.2 In cases where a CASC is in receipt of Mandatory Rate Relief of 80%, the Council has discretion to grant up to 20% additional rate relief as a Discretionary top up
- 6.3 The Council will consider applications for a Discretionary Rate Relief top up from CASCs based on their own merits on a case by case basis. The principal consideration is that any relief is in best interests of the residents and taxpayers of Ribble Valley Borough Council and produces a local benefit as the Council must contribute to the cost of each award.
- 6.4 Applications for a Discretionary top up can be made by completing a Discretionary Rate Relief Application form.
- 6.5 Applications for a Discretionary top up must be supported by, and include:
  - The applicant organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules
  - A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead
  - Details of how the organisation meets the criteria outlined in these guidelines.

- 6.6 In determining the application, the following matters will be taken into consideration:
- How the CASC supports and links into the Council's Corporate objectives
  - A club should have an open access policy. If a club effectively discriminates by only accepting members who have reached a particular standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not fulfil the requirements
  - The extent to which the facilities provided reduce the demand for Council services or produce savings to the council
  - Membership must be open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation, or political belief,
  - If the organisation applying for a Discretionary Rate Relief requires membership or an entry fee, the Council will consider whether:
    - The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community
    - Fee reductions are offered for certain groups such as, for example, under 18s or over 60s
    - Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education, or training; people above working age or people with disabilities
    - Facilities are made available to people other than members
- 6.7 It should be noted that sports clubs which run a bar are unlikely to be awarded relief if their main purpose is the sale of food or drink. However, if the sale of food or drink by the organisation aids the overall operation and development of the organisation in achieving its objectives, this would be permissible as long as the principal objectives of the organisation meet the eligibility criteria detailed at 4.1. If the bar makes a profit, this profit must be reinvested to support the organisation in achieving its principal objectives. Financial information will be required to evidence any profit and its use.
- 6.8 The Council delegates the decision making power for Discretionary Rate Relief awards to the Head of Revenues and Benefits and the Section 151 Officer.
- 6.9 The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the staff from the Business Rates section.
- 6.10 Applicants will be informed in writing of the outcome of their application as soon as possible.
- 6.11 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief may be asked to supply or confirm relevant information for the purpose of the review.
- 6.12 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Council may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

## **7 Non-Profit Making Organisations Including Community Interest Companies (CIC)**

7.1 The Council has the power to grant discretionary rate relief of up to 100% for the rates due to non-profit making organisations. The main objectives of the organisation must be related to:

- Relief of poverty;
- Advancement of religion;
- Advancement of education;
- Social Welfare;
- Science;
- Literature;
- Fine arts;
- Recreation

7.2 An organisation must be able to demonstrate how it

- meets local needs and benefit local people; and
- provides a valuable service to the community; and
- is open to all sections of the community; and operates in such a way that it does not discriminate against any section of the community; and
- is not conducted or established for the primary purpose of accruing profit.

7.3 The Council will consider applications for a Discretionary Rate Relief top up from non-profit making organisations based on their own merits, on a case by case basis. The principal consideration is that any relief is in the best interests of the residents and Council Tax payers of Ribble Valley and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will only be awarded to the following type of non-profit making organisations:

- Scouts, guides, cadets and other clubs/associations for young people
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents associations
- Organisations providing support in the form of advice, training for employment or counselling
- Organisations that provide services that address the consequences of ill health and disability
- Locally based leisure and cultural organisations
- Armed forces veterans associations.

7.4 If the organisation applying for DRR requires membership or an entry fee, the Council will consider whether:

- Membership is open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief.

- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community.
- Fee reductions are offered for certain groups such as, for example, under 18s or over 60s.
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education or training; people above working age; or people with disabilities.
- Facilities are made available to people other than members

7.5 Applicants will be encouraged to submit their applications via our Discretionary Rate Relief Form.

7.6 Applications for DRR must be supported by, and include:

- The organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules.
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead.
- Details of how the organisation meets the criteria outlined in these guidelines.

7.7 If an organisation in receipt of DRR ceases to meet the eligibility criteria outlined in this policy, it will cease to receive DRR. The Council will give such organisations twelve months written notice prior to the withdrawal of DRR.

7.8 The Council delegates the decision making power for Discretionary Rate Relief awards to the Head of Revenues and Benefits and the Section 151 Officer.

7.9 The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the staff from the Business Rates section.

7.10 The granting of relief will be reviewed annually and those in receipt of DRR may be asked to supply or confirm relevant information for the purpose of the review.

7.11 Applicants will be informed in writing of the outcome of their application as soon as possible.

7.12 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief may be asked to supply or confirm relevant information for the purpose of the review.

7.13 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Council may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

## **8 Hardship Relief**

8.1 The Council has the power under Section 49 of the Local Government Finance Act 1988 to reduce or remit the Non-Domestic Rates charged in certain circumstances where the applicant organisation is enduring temporary financial difficulties. This is known as Discretionary 'Hardship' Relief.

- 8.2 The Council may grant Discretionary Hardship Relief if it is satisfied that:
- The ratepayer would sustain financial hardship if the Council did not do so, and,
  - It is reasonable for the Council to grant relief, with regard to the interests of its residents and Council Taxpayers.
- 8.3 Discretionary Hardship Relief is a temporary measure which should not be used to artificially sustain a failing business. Discretionary Hardship Relief will be awarded where the applicant organisation is facing temporary financial difficulties and where the community would be significantly disadvantaged if the business were to close due to these temporary financial constraints.
- 8.4 When deciding to award hardship relief, as well as being confident that the organisation is experiencing hardship, the principal consideration will be that any relief is in the best interests of the taxpayers of Ribble Valley as the Council must bear the cost of any relief granted.
- 8.5 Applicants will be encouraged to submit requests for Discretionary Hardship Relief via our Discretionary Rate Relief claim form.
- 8.6 Applications for Discretionary Hardship Relief be accompanied by full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available for the current financial year, projected figures should be provided instead. It is recommended that applicant organisations submit audited accounts dating back further than two years, if such information is available.
- 8.7 Discretionary Hardship Relief is awarded as a temporary measure in accordance with the applicant organisations circumstances and the anticipated length of the financial difficulties.
- 8.8 The Council delegates the decision making power for Discretionary Rate Relief awards to the Head of Revenues and Benefits and the Section 151 Officer.
- 8.9 The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the staff from the Business Rates section.
- 8.10 Applicants will be informed in writing of the outcome of their application as soon as possible.
- 8.11 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief may be asked to supply or confirm relevant information for the purpose of the review.
- 8.12 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Council may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

## **9 Part Occupation Relief**

- 9.1 Section 44(a) of the Local Government Finance Act 1988 enables the council to grant relief on business premises that are partly occupied, as long as this situation is for a short time
- 9.2 The length of this period is at the council's discretion and will be considered on the basis of each application for his relief.

- 9.3 The situation must be happening at the present time, so retrospective claims cannot be considered.
- 9.4 Applications for Part Occupied Relief can be made via the online Discretionary Rate Relief Form
- 9.5 Applications for Part Occupied Relief top up must be supported by, and include
- A plan of the property clearly marking the areas that are occupied and unoccupied.
  - The reasons why the property is unoccupied
  - A plan will also be required to show it is intended to bring the unoccupied part back into use and within what timescales.
- 9.6 The Council delegates the decision making power for Part Occupied Relief awards to the Head of Revenues and Benefits and the Section 151 Officer.
- 9.7 The initial recommendations to award or refuse a Part Occupied Relief will be made by the staff from the Business Rates section.
- 9.8 Applicants will be informed in writing of the outcome of their application as possible.

## **10 Supporting Small Business Scheme**

- 10.1 Within the Spring Budget on 8 March 2017 the Government announced further support to small businesses affected by the 2017 Revaluation; this is to be known as 'Support to Small Business' relief. This relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their Small Business Rates Relief and are facing large increases in their bills. For businesses that qualify their increase in rates will be limited to no more than £600 per annum.
- 10.2 The Council will make the award automatically without the completion of an application form. The award is for 5 years or until they reach the level of charges they would have reached without the scheme. This scheme has subsequently been extended for an addition year 2022/23.
- 10.3 A change of ratepayer will not affect eligibility for the scheme unless the property becomes vacant or occupied by a charity. Normal European State Aid de-minimis rules apply to the award.
- 8.4. Small Business Support will be awarded under Section 47 of the Local Government Finance Act 1988. The authority will be fully reimbursed for the costs of granting this relief under Section 31.

## **11 Support For Local Newspapers**

- 11.1 From 1 April 2017 the Government has provided funding to local authorities to provide a discount of £1,500 per year to office space occupied by local newspapers. The relief is specifically for local newspapers and is not available to magazines.
- 11.2 To qualify the property must be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters. The amount of relief is limited to a maximum of one discount per newspaper title and per property.
- 11.3 The relief is fully funded by Central Government. This discount will cease at the 31 March 2025 unless extended by legislation.

## 12 2022/23 Retail, Hospitality and Leisure Business Rates Relief Scheme

- 12.1 At the Budget on 27 October the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality, and leisure properties. The 2022/23 Retail, Hospitality and Leisure Business Rates Relief Scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business.
- 12.2 This is a temporary measure and only relates to rate liabilities for 2022/23 unless specifically extended and funded by central government.
- 12.3 We will continue to award reliefs based on the previous Extended Retail, Hospitality and Leisure Relief scheme for 2021/22 based on the government guidance until the 30 September 2022.
- 12.4 The value of discount will be as determined by the government and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied.
- 12.5 Where an authority applies a locally funded relief, for instance a hardship fund, under section 47 this must be applied after the Retail Discount.
- 12.6 The criteria for the relief has been outlined by the government as follows, The relief is subject to the £110,000 cash cap per business, the total amount of government-funded relief available for each property for 2022/23 under this scheme is:
- a. For chargeable days from 1 April 2022 to 31 March 2023, 50% of the chargeable amount.**
- 12.7 Eligibility for the Retail, Hospitality and Leisure Relief Scheme

Hereditaments that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:

- a. they are wholly or mainly being used:
1. as shops, restaurants, cafes, drinking establishments, cinemas or live music venues
  2. for assembly and leisure; or
  3. as hotels, guest & boarding premises or self-catering accommodation
- 1 We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:
- i. Hereditaments that are being used for the sale of goods to visiting members of the public:**
- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
  - Charity shops
  - Opticians
  - Post offices

- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

**ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

**iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:**

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

**iv. Hereditaments which are being used as cinemas**

**v. Hereditaments that are being used as live music venues:**

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience

members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

2. We consider assembly and leisure to mean:

**i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities):**

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

**ii. Hereditaments that are being used for the assembly of visiting members of the public:**

- Public halls
- Clubhouses, clubs and institutions

3. We consider hotels, guest & boarding premises and self-catering accommodation to mean:

**i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:**

- Hotels, guest and boarding houses
- Holiday homes
- Caravan parks and sites

To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

12.8 The list set out above is not intended to be exhaustive. However, it is provided by Government as a guide to the types of uses that it considers for this purpose to be retail. The Council will determine on a case-by-case basis whether particular properties/businesses not listed are broadly similar in nature to those above and, if so, to consider them to be retail. Conversely, properties that were not broadly similar in nature to those listed above will not be considered to be retail.

12.9 The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the discount under their local scheme.

**i. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers, betting shops)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents)
- Post office sorting offices

**ii. Hereditaments that are not reasonably accessible to visiting members of the public**

12.10 Retail discount relief will be awarded under Section 47 of the Local Government Finance Act 1988. The authority will be fully reimbursed for the costs of granting this relief under Section 31.

12.11 Businesses have right to refuse the grant by completing the relevant form.

12.12 Full details of the guidance to determine eligibility can be found [HERE](#)

### **13 Covid Addition Restrictions Fund (CARF)**

13.1 On 25 March the Government announced a new Covid-19 Additional Relief Fund (CARF). The fund will be available to support those sectors which have not received business rates related support for Covid-19 to date. This was confirmed on 15 December 2021.

13.2 CARF is a discretionary award with each authority required to use their discretionary powers under section 47 of the Local Government Finance Act 1988 to distribute the funds. The scheme will apply to the 2021/2022 rating year only and Ribble Valley Council has been allocated **£1,239,191**.

13.3 This policy sets out the criteria under which businesses will qualify to make an application to the COVID19 Additional Relief Fund and the evidence required to support an application. This policy is aligned with the government guidance issued on 15 December 2021

13.4 The Government requires Local Authorities to exercise their local knowledge and discretion in distributing this relief and recognises that economic needs will vary. Although national criteria have been published local authorities will be able to determine which sectors or businesses will receive the relief and the value to be awarded.

#### **Scope and Eligibility**

13.5 It is the responsibility of each individual authority for designing the discretionary relief schemes that are to operate in their areas. However, the guidance specifically states that local schemes:

- a. must not award relief to ratepayers who for the same period of the relief (eg for the period from the 1 April 2021 to the 31 March 2022) either are or would have been

eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS),

- b. must not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become unoccupied temporarily due to the government's advice on COVID-19), and
- c. should direct their support towards ratepayers who have been adversely affected by the pandemic (in a way that prevents success or development; harmfully or unfavourably) and have been unable to adequately adapt to that impact.
- d. the ratepayer has exceeded the subsidy control limits
- e. In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves or to a precepting authority.

### **Eligible Business**

- 13.6 In order to qualify for an award you the applicant must be the registered charge payer of the premises for which the application is made and occupying the property in Ribble Valley Council area during the financial year 2021/22.
- 13.7 The premises must have been occupied in 2021/22 and not have been unoccupied unless required to close under COVID restrictions.

### **Application Process**

- 13.8 Businesses will need to complete an application form in order to be eligible for the relief. The application form will request sufficient information in order for a decision to be made on the relief to be granted which will include the following information requirements:
  - a. The name of the business rate payer
  - b. The business address
  - c. Number of employees
  - d. Evidence to demonstrate that the business has been adversely affected by the pandemic.
- 13.9 Applications will need to confirm on the application they have not exceeded subsidy limits.

### **Amount of the award (Subject to ongoing modelling)**

- 13.10 The CARF relief is a cash limited award which can be applied to business rates accounts for the financial year 2021/2022 only. The total amount received by Ribble Valley Council is £1,239,191 and the total value of the reliefs granted cannot exceed this figure.
- 13.11 As the award will be specifically but not solely targeted at small businesses and subject to the overall funding available the value of the awards will initially be 50%.
- 13.12 The above percentage relief value may be amended dependant on the number of eligible applications received and the remaining funds available.

## **14 Transitional Relief**

- 14.1 The transitional relief scheme was introduced in 2017 to help those ratepayers who were faced with higher bills as a result of the revaluation. The scheme ends on 31 March 2022, as

a result a small number of ratepayers would face a jump to their full rates bill from 1 April 2022.

- 14.2 At the Budget on 27 October 2021 the government therefore announced that it would extend the current transitional relief scheme and the supporting small business scheme for one year to the end of the current revaluation cycle. The scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).
- 14.3 As this is a temporary measure for 2022/23, the government is not changing the legislation around transitional relief. Instead, the government will, in line with the eligibility criteria set out in the guidance, reimburse billing authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, to grant relief.
- 14.4 Awards will be made automatically as part of the annual billing process, and full details of the scheme can be found [HERE](#)

## **15 Subsidy Limits**

- 15.1 The government have confirmed in their guidance that discretionary relief to ratepayers is likely to amount to a subsidy. Any relief provided by Local Authorities will need to comply with the UK's domestic and international subsidy control obligations.
- 15.2 Further guidance has been provided by the government and can accessed [HERE](#)

## **16 Appeals**

- 16.1 There is no statutory right of appeal regarding Discretionary Rate Relief decisions however the council will review decisions if requested to do so by the ratepayer.
- 16.2 Such a request should include the reasons for requesting the review and evidence in support of that request.
- 16.3 Such a request must be made within one calendar month of the date the original decision was issued.
- 16.4 The review will be carried out by officers of the Council who did not make the original decision.

## **17 Interest of Members and Officers**

- 17.1 Members and officers who have an interest in any aspect of an application for relief must not participate in the decision-making process and must declare their interest.

## **18 Policy Review**

- 18.1 This policy will be reviewed on an annual basis and any amendments to the policy will be agreed by the Policy & Finance Committee.
- 18.2 The Council reserves the right to review and revise the policy at any time in response to new Government initiatives.

## **RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE**

DECISION

meeting date: 29 MARCH 2022  
title: VOLUNTARY ORGANISATION GRANT APPLICATIONS 2022/23  
submitted by: DIRECTOR OF RESOURCES  
principal author: VALERIE TAYLOR

### 1. PURPOSE

- 1.1 To approve the allocation of voluntary organisation grants for 2022/23.
- 1.2 To consider amendments to the voluntary organisation grant scheme criteria.

### 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 under the voluntary organisation grant scheme and makes recommendations to this Committee regarding the allocation of funds on an annual basis.
- 2.3 The following members attended the working group held on Wednesday 16 March 2022:
  - Cllr S Atkinson
  - Cllr J Alcock
  - Cllr A Brown
  - Cllr S Fletcher

### 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 (including Community Interest Companies)
  - 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 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 also be supplied and all applicants for grants of over £1,000 are required to provide a copy of the organisation's latest accounts. Capital projects are limited to 50% of the approved costs, up to a maximum of £5,000.

#### 4. 2022/23 GRANTS

4.1 25 applications for grant support were received for the 2022/23 financial year. Five of the applications were from organisations requesting support to provide recreational activities and as such were outside of the scope of this grant scheme and were therefore referred to the recreation grant scheme for consideration by Community Committee.

4.2 A summary of the remaining 20 applications under this grant scheme requesting total grant support of £148,576 is set out in Annex 1.

4.3 The voluntary organisation grant budget for 2022/23 is £115,810.

#### 5. VOLUNTARY ORGANISATION GRANTS WORKING GROUP

5.1 The minutes of the Voluntary Organisation Working Group that met on 16<sup>th</sup> March 2022 are attached at Annex 2.

5.2 After considering the applications the group made the following specific recommendations for this grant scheme going forward:

- a) That it be made clear in the grant criteria that as the scheme is available to support Voluntary Organisations only, that this excludes parish and town councils unless they are acting as accountable body for a Voluntary Organisation.
- b) That the grant criteria be updated to include a condition that no single organisation will be allocated more than one third of the total grant fund available for that financial year.

5.3 The group recommended the allocation of voluntary organisation grants as set out in Annex 2 totalling £93,100.

5.4 The Group recommended that transitional relief be applied for the Citizens Advice Bureau (CAB) grant for 2022/23 given that the difference between the maximum grant available under the new recommendations and the value of their award in the 2021/22 financial year is significant. They agreed 50% of the difference would be awarded as transitional relief for one year only. Thereafter the maximum grant available would be 1/3<sup>rd</sup> of the total grant pot.

5.5 They further recommended to remove the requirement for the CAB to provide quarterly monitoring information.

5.6 Given that the recommended grants to be awarded in total were lower than the budget available and also due to the current economic climate it was recommended that the group meet in September to reconsider the grant allocations if necessary and report to Policy and Finance Committee.

6. RECOMMENDATIONS

- 6.1 Approve the allocation of grants as proposed by the voluntary organisation grants working group as set out in Annex 2, totalling £93,100.
- 6.2 Consider amendments to the grant scheme criteria as set out in 5.2 to this report.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF18-22/VT/AC  
21 MARCH 2022

## VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2022/23

Organisation Name	Brief description/ aims of Organisation	Grant Requested for 2022/23	Purpose of Grant request
Bowland Pennine Mountain Rescue Team (Voluntary Search and Rescue)	Provides search and rescue services in the Forest of Bowland and across other areas of the Ribble Valley. Also delivers flood recovery assistance, vulnerable missing person search and 4x4 vehicle access for the Ambulance service during severe weather conditions.	£5,000	The Organisation's Land Rover is in need of a substantial overhaul. Though a substantial cost, this is still less than buying and converting a new vehicle to a Mountain Rescue specification. The work will extend the expected lifespan for the vehicle by another 10 - 15 years.
Braille IT	Delivers free Braille classes across Lancashire to blind and visually impaired individuals, to their parents/carers and anybody interested in learning Braille. Offer impartial advice and guidance on screen reader software and the latest computing technology for blind and visually impaired users.	£9,500	Funds will be used to cover the costs of; Open Awards Membership and Accreditation fees, liability insurance costs, Perkins Braille repairs and maintenance costs and towards employing a visual assistant.
Cancer Help (Preston) Ltd	Aims to improve the quality of life of cancer patients, their families and their carers by providing a wide range of therapy support services. Services provided include 1-2-1 and group sessions held to help individuals cope with the impact of a cancer diagnosis and bereavement.	£1,000	To help contribute towards the costs of running monthly support sessions. Any funds secured will contribute to the organisation's running costs; lighting, heating, refreshments, cost of presentation materials, use of smart screen tv and towards an element of staffing costs.
Carers Link Lancashire	Provides help, support and training to those who care for people who are ill, disabled or elderly across East Lancashire.	£4,000	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.

## VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2022/23

Organisation Name	Brief description/ aims of Organisation	Grant Requested for 2022/23	Purpose of Grant request
Citizens Advice Ribble Valley (Ltd)	The service is independent and provides free, confidential and impartial advice to everybody. Aims to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities or of the services available to them.	£68,486	To cover the core running costs of the organisation such as staff salaries, rent, insurance, information subscriptions and volunteer expenses.
Clitheroe Castle Bonfire and Fireworks	Plan and stage the Clitheroe Community Bonfire and Fireworks display each year in November with all proceeds going to local charities.	£1,000	To assist with the cost of the annual firework display (approximately £7,300). Any funds secured will be used towards the first aid staffing costs, fireworks display costs and hire of sound system and electrical equipment.
Goosnargh and Longridge Agricultural Show Society Ltd	The promotion and general advancement of the science of agriculture and horticulture in their widest sense. Brings together the towns and villages of the Ribble Valley to "show case the best of what we got and educate people in aspects of modern countryside".	£500	To support the show day activities for schools, young people, young farmers, young W.I, junior craft etc.
Hodder Valley Agricultural and Horticultural Society Ltd	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 and sponsoring of the show.
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.

## VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2022/23

Organisation Name	Brief description/ aims of Organisation	Grant Requested for 2022/23	Purpose of Grant request
Little Green Bus Ltd	The Charity's main activity is the provision of safe, secure and caring door-to-door 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.
Longridge Community Arts	Enriching the Ribble Valley (prioritising Longridge), through programmes and services that educate, inspire and entertain.	£1,250	To purchase mobile recording equipment that will be used for the Organisation's Youth Podcast. The podcast will be created for young people and will cover a wide range of issues that the Youth may wish to discuss.
Longridge Field Day	A longstanding voluntary organisation which arranges an annual fun filled day for the community of Longridge and surrounding villages.	£1,000	To financially assist with the facilitation of the event.
Ribble Valley Crossroads Care	Charity giving respite breaks to Carers in the Ribble Valley since 1988. Provide specialist personal care, overnight care, end of life care and for those with dementia. Provide weekly Dementia group called 'Time for You'.	£20,000	To assist with the high travel costs the charity incurs as its staff have to travel around the Ribble Valley rural area to reach clients. Also pay the carer support workers time between calls which are paid at NMW - due to increase in April 2022.

## VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2022/23

Organisation Name	Brief description/ aims of Organisation	Grant Requested for 2022/23	Purpose of Grant request
Ribchester Field Day Committee (Ltd)	To organise and run an annual field day (3rd Saturday in June) for the enjoyment of the residents of Ribchester and visitors from the surrounding towns and villages.	£3,000	To financially assist with the facilitation of the event - The organisation's income has dropped in recent years due to the cancellation of the Field Day and costs are increasing. They are therefore requesting financial assistance towards their expected expenditure which includes traffic management costs, new bunting costs and repairs / renewals costs to amusement stalls. The organisation would like to make this year's event extra special to mark the Queen's platinum jubilee.
Shop Mobility supported by Modern Mobility	Modern Mobility is a family run business and has been trading for over 26 years. When the business was opened in Clitheroe free equipment for hire (for users of manual wheelchairs, powered wheelchairs and mobility scooters) was offered through the shop mobility scheme to give something back to the community.	£6,000	To contribute to the cost of electrical and manual equipment which 'Shop Mobility' loans to users. The grant will help towards the cost of replacing existing machinery, any servicing and repair costs and towards insurance costs.
St Vincent de Paul Society Clitheroe Conference	Aims to alleviate suffering, poverty and deprivation. The Clitheroe conference meets fortnightly, and members contact or visit on average 50 people per week including the housebound, sick and elderly.	£1,000	All grant funding will be used in the provision and delivery of projects for the needy and disadvantaged, (benefitting residents of the Ribble Valley as set out in application).

## VOLUNTARY ORGANISATION GRANT APPLICATIONS RECEIVED 2022/23

Organisation Name	Brief description/ aims of Organisation	Grant Requested for 2022/23	Purpose of Grant request
The Foundation for Ribble Valley Families	To provide swift, accessible, impactful mental health and emotional wellbeing support for residents of the Ribble Valley.	£8,250	The Organisation require funding to offer a Fusion intervention service to 18 new families (Expected cost of £4,500) and Family Support Sessions to 30 individuals / families (Expected cost of £3,750).
Veterans in Communities	Supports ex-services and ex-emergency services personnel and their families, who have experienced difficulty re-integrating with their community on returning to civilian life.	£1,590	To fund venue hire and cost of refreshments for the benefit of a veterans social coffee morning in Clitheroe over a 12 month period. The charity is based in Rossendale but delivers services such as outreach sessions and recreational activities to a number of areas including the Ribble Valley.
Waddington Parish Council	To ensure the delivery of statutory and non-statutory services for the benefit of its residents.	£1,000	Waddington is being gifted a plot of land that may be suitable for a Community Orchard. The Parish Council are requesting funding to appraise how best to use the site and carry out any remedial work that is required to make the site suitable and safe.
Whalley and District Lions Club CIO	To serve the local community and provide charitable support in crisis situations. The Lions Club assists the local community by (for example) tree planting and litter picking, organising social events, supporting charitable causes such as Macmillan coffee morning and Marie Curie daffodil appeal.	£500	To fund the cost of holding a First Aid / Defibrillator course for 3 hours which 30 people are expected to attend. The Group will consist of Lion Members and other members of the public interested in attending the course.
<b>Total of Grants Requested</b>		<b>£148,576</b>	

**MINUTES OF VOLUNTARY ORGANISATION GRANTS WORKING GROUP MEETING  
HELD ON 16 MARCH 2022 AT 4.30 pm**

Present: Councillor S Atkinson (Chairman)  
Councillor J Alcock (substitute for Councillor S Hore)  
Councillor A Brown  
Councillor S Fletcher (substitute for Councillor M French)  
Director of Resources  
Head of Financial Services  
Senior Accountant (P&F Committee)

Apologies: Councillor S Hore  
Councillor M French

**1. Background**

1.1 The purpose of the working group was to consider the 2022/23 voluntary organisation grant applications and to make recommendations to Policy and Finance Committee.

**2. 2022/23 Applications**

2.1 The Voluntary Organisation Working Group met to consider 20 applications requesting grant support that totalled £148,576 out of an available budget of £115,810 for the 2022/23 financial year.

2.2 Declarations of interest were declared in respect of the Carers Link application from Councillor Alcock and in respect of the Citizens Advice Bureau application from Councillor Fletcher. Both left the meeting when these respective applications were considered.

2.3 After considering the applications the group made a number of specific recommendations for this grant scheme going forward:

- That it be made clear in the grant criteria that as the scheme is available to support Voluntary Organisations only, that this excludes parish or town councils unless they are acting as accountable body for a Voluntary Organisation.
- That the grant criteria be updated to include a condition that no single organisation will be allocated more than one third of the total grant fund available for that financial year.

2.4 The group recommended the allocation of voluntary organisation grants totalling £93,100 as set out below.

2.5 The group recommended that transitional relief be applied for the Citizens Advice Bureau grant for 2022/23 given that the difference between the maximum grant available under the new recommendations and the value of their award in the 2021/22 financial year is significant. They agreed 50% of the difference would be awarded as transitional relief for one year only. Thereafter the maximum grant available would be 1/3<sup>rd</sup> of the total grant pot.

2.6 They further recommended to remove the requirement for the CAB to provide quarterly monitoring information.

2.7 Given that the recommended grants to be awarded were lower than the budget available and also due to the current economic climate it was recommended that the group meet in September to reconsider the grant allocations if necessary and report to Policy and Finance Committee.

**MINUTES OF VOLUNTARY ORGANISATION GRANTS WORKING GROUP MEETING  
HELD ON 16 MARCH 2022 AT 4.30 pm**

**3 Recommended Grant Allocations for 2022/23**

3.1 The group recommended the allocation of Voluntary Organisation grants for 2022/23 on the following basis:

<b>Organisation Name</b>	<b>Recommended Grant for 2022/23 £</b>
Bowland Pennine Mountain Rescue Team	5,000
Braille IT	1,800
Cancer Help (Preston) Ltd	500
Carers Link Lancashire	1,500
Citizens Advice Ribble Valley	45,550
Clitheroe Castle Bonfire and Fireworks	750
Goosnargh and Longridge Agricultural Show Society Ltd	500
Hodder Valley Agricultural and Horticultural Society Ltd	500
Home-Start in East Lancashire Ltd	4,000
Little Green Bus Ltd	10,000
Longridge Community Arts	500
Longridge Field Day	500
Ribble Valley Crossroads Care	17,500
Ribchester Field Day Committee (Ltd)	500
Shop Mobility supported by Modern Mobility	0
St Vincent de Paul Society Clitheroe Conference	1,000
The Foundation for Ribble Valley Families	2,000
Veterans in Communities	500
Waddington Parish Council	0
Whalley and District Lions Club CIO	500
<b>Total</b>	<b>93,100</b>

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

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meeting date: 29 MARCH 2022  
title: TREASURY MANAGEMENT POLICIES AND PRACTICES 2022/23  
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 2022/23.
- 1.2 Recommend to Council the Treasury Management Policies and Practices 2022/23.

### 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 2021 Edition.
- 3.3 Prior to this edition the Treasury Management code was last updated in 2017. CIPFA have released updated guidance with a view that since then, the landscape for public services has changed. The increasing profile of the role of treasury management as a result of the pandemic, and the disciplines and skills required to meet the advances brought forward by increasing complexity of transactions in the public sector, all underline the importance of the Treasury Management code and its guidance. Updates reflect changes in an increasingly complex environment and regulations that increase the need for documenting and retaining knowledge and skills, as well as developing areas such as environmental, social and governance considerations.
- 3.4 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
- 3.5 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*

3.6 Since the treasury management policy statement and treasury management practices were approved in March 2021, there has been a number of updates within the document which 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 2022/23.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF14-22/VT/AC  
18 MARCH 2022

BACKGROUND PAPERS:

CIPFA Treasury Management in the Public Services – Code of Practice and Cross – Sectoral Guidance Notes 2021 Edition.

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# Treasury Management Policies and Practices

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2022/23

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***Key Officer Contacts for the Treasury Management Practices***

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

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## Introduction

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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 ([now the DLUHC](#)) 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 ([20172021](#)) (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

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The CIPFA Treasury Management Code of Practice ([2017/2021](#)) 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](#) [maximise](#) -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

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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 [and investment](#) 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
  - [investment management practices \(IMPs\) for investments that are not for treasury management purposes.](#)

The context of the policy statement, [and](#) TMPs [and](#) IMPs will follow the recommendations contained in Sections [6.7](#) and [7.8](#) of the [TM](#) 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 [and investment](#) 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 [and IMPs](#).
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 [IMPs](#), 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

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This Council defines its treasury management activities as:

*The management of the organisation's [borrowing](#), investments and cash flows, [including](#) its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.*

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

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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 [or investments made](#), and will limit its [treasury management](#) investment activities to the instruments, methods 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.

[The council's credit and counterparty policies will set out its policy and practices relating to environmental, social and governance \(ESG\) investment considerations. This is a developing area, and it is not implied that the council's ESG policy will currently include ESG scoring or other real-time ESG criteria at individual investment level.](#)

#### **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.~~

[The council will not borrow earlier than required to meet cash flow needs unless there is a clear business case for doing so and will only do so for the current capital programme, to fund future debt maturities, or to ensure an adequate level of short-term investments to provide liquidity for the organisation.](#)

#### **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~~ [or revenues](#), in accordance with [its treasury management policy and strategy and in accordance with the amounts provided](#)

~~in its budgetary arrangements as amended in accordance with TMP 6 Reporting requirements 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**

~~†~~The council 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 and other long-term liabilities~~ 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) Operational risk, including ~~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, inadequate or failed internal processes, people and systems or from external events.~~ 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. [The criteria will include measures of effective treasury risk management and not only measures of financial performance \(income or savings\).](#)

## 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~~ [and for accountability, e.g 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 effects 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 [and any other investment indicators required by regulation](#) as detailed in their [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, [and for the purpose of identifying future borrowing needs \(using a liability benchmark where appropriate\)](#). 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, [including the specification of the expertise, knowledge and skills required by each role or member of staff](#).

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, [including a knowledge and skills schedule](#), 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 [TM 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

The definition of treasury management within the council's Treasury Management Policy Statement includes all the investments of the council. This may include investments that are outside the purposes of normal treasury management and that may be managed elsewhere in the council. However, treasury managers should normally have an understanding of such investments and should support their management within the organisation. Public service organisations may have investments for various Purposes:

- Investments for treasury management purposes (or treasury management investments) are those investments that arise from the organisation's cash flows or treasury risk management activity and ultimately represent balances that need to be invested until the cash is required for use in the course of business;
- Investments for commercial purposes (or commercial investments) are taken or held primarily for financial return and are not linked to treasury management activity or directly part of delivering services; and
- Investments for service purposes (or service investments) are taken or held primarily for the provision and for the purposes of delivery public services (including housing, regeneration and local infrastructure), or in support of joint working with others to deliver such services.

### Investment Management Practices (IMPs) for investments that are not part of the 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.~~

The responsible officer will categorise any non-treasury management investments and plans into appropriate portfolios (or individual major investments) reflecting the different purposes, objectives and management arrangements of the investments and covering all the organisation's financial investments, together with any non-financial assets that are held primarily for financial return (such as commercial property).

For each such portfolio a schedule to this IMP sets out the investment objectives, investment criteria, risk management arrangements, decision-making and reporting arrangements, performance measurement and management, and arrangements for training and qualifications.

It is recognised that the risk appetite for these activities may differ from that for treasury management.

We do not currently have any such investments that fall under this category are held primarily for financial return.

Investments held for service purposes, such as property held for the provision of emergency accommodation, are recorded on the council's fixed asset register and are considered as part of the council's approved capital programme.

## 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, [derivative instrument](#), or 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.
- **Short-term borrowing facilities:** [The facility is in place to borrow from other local authorities through approved broker services should any unexpected occurrence result in a temporary reduction to the council's short-term liquidity, however by managing our cash flow effectively such occurrences will be kept to a minimum.](#)

## **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 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 [treasury instruments \(such as ~~an~~-investments\)](#) 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. [The council maintains reliable records and forecasts of the terms and maturities of its borrowings, capital, project and partnership funding to allow it to plan the timing of, and successfully negotiate appropriate terms for, its refinancing, if necessary.](#)

### Debt/other capital financing maturity profiling, policies and practices

The total debt, ~~comprising both PWLB and a bond,~~ held with the Public Works Loans Board 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 2022 £	Year of Final Repayment
250,000	15 years	4.75% Fixed	200	2022/23
250,000	25 years	4.88% Fixed	105,000	2032/33
		<b>Total PWLB</b>	<b>105,200</b>	

### Projected capital investment requirements

In accordance with the Prudential Code for Capital Finance in Local Authorities, the Director of Resources has prepared a ~~four~~<sup>three</sup> year plan for capital expenditure for the Council.

The use of borrowing to support the capital programme results in an average of ~~£327,150~~<sup>£431,200</sup> per year for the period ~~2021/22~~<sup>2022/23</sup> 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.

In light of the uncertainty regarding local government funding beyond 2022/23 and the impending fair funding review, Policy and Finance Committee recommended a three year Capital Programme to Full Council at their meeting in February 2022, and asked that due diligence work be undertaken on all new capital bids to enable further consideration over the summer once the impact of the pending key financial reforms are known.

A summary of the approved capital programme and its financing for the three year programme are provided in the table below.

	2022/23 £	2023/24 £	2024/25 £	TOTAL £
Disabled Facility Grants	-393,000	-393,000	-393,000	<b>-1,179,000</b>
VAT Shelter Earmarked Reserve	-236,430	-50,000	0	<b>-286,430</b>
Capital Earmarked Reserve	-120,370	-310,082	0	<b>-430,452</b>
New Homes bonus Earmarked Reserve	-70,960	-306,637	0	<b>-377,597</b>
External Funding for Mardale Playing Field Changing Rooms	0	0	-30,000	<b>-30,000</b>
ICT Renewals Earmarked Reserve	-24,241	0	-63,400	<b>-87,641</b>
Vehicle Renewals Earmarked Reserve	-37,500	-13,530	0	<b>-51,030</b>
Fleming VAT Earmarked Reserve	-38,272	-5,451	0	<b>-43,723</b>

	2022/23 £	2023/24 £	2024/25 £	TOTAL £
Refuse (Wheeled Bins) Earmarked Reserve	-13,000	-14,000	-15,000	<b>-42,000</b>
Business Rates Growth Earmarked Reserve	-803,737	-4,500	-488,680	<b>-1,296,917</b>
Usable Capital Receipts	-356,250	0	0	<b>-356,250</b>
Transparency Grant (Equipment Earmarked Reserve)	-8,430	0	0	<b>-8,430</b>
Section 106 monies (S106)	-80,900	0	0	<b>-80,900</b>
Borrowing	-1,293,600	0	0	<b>-1,293,600</b>
<b>Total Resources</b>	<b>-3,476,690</b>	<b>-1,097,200</b>	<b>-990,080</b>	<b>-5,563,970</b>
Total of Approved Capital Programme	3,476,690	1,097,200	990,080	5,563,970

### **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 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~~ **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.](#)
- [Cashflow spreadsheets are maintained to support decisions to lend or borrow.](#)
- 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 [independently of officers involved directly in the treasury management function on a](#) monthly [basis](#) 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~~[£10,000,000](#). 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.

### **Treasury Management Risks**

[Risks relating to Treasury Management activities are recorded and reviewed on the council's risk register.](#)

## **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 amount, timing and maturities needed for new borrowing in relation to the organisation's planned borrowing needs \(eg by use of a liability benchmark\) in order to avoid borrowing too much, too little, too long or too short](#)
- 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 need for borrowing \(both the amount and period\): if the investment amount or period is not necessary for treasury management liquidity purposes, the objectives and justification for the investment need to be set out clearly](#)
- 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).
- 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

**[Policy and practices relating to environmental, social and governance \(ESG\) investment considerations](#)**

[While ESG policies are emerging as important considerations for investors this is still a developing area. As such there is not currently an industry standard available against which organisations on the council's approved counter party list can be reliably and comparatively measured.](#)

[It is the council's policy that environmental considerations and green credentials are appraised as part of all bids for capital funding as part of the council's capital programme. This would include, for example, any future bid for funding in respect of investments that are proposed primarily for the provision and delivery of public services \(examples within the public sector being housing and regeneration\).](#)

**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.

### **Markets in Financial Instruments Directive (MiFiD) II**

The Markets in Financial Instruments Directive (MiFiD) regime uses client 'categories' to recognise that investors have different levels of experience, knowledge and expertise. Under the regime, investors will either be retail clients, professional clients or eligible counterparties (ECPs).

The implementation of MiFiD II meant that from January 2018 all local authorities would automatically be classified as retail clients, with the option to 'opt up' to professional client status. Where professional status is required in order to deal in particular financial instruments, UK firms must first ensure that local authority clients meet a number of quantitative tests to demonstrate an appropriate level of experience, knowledge and expertise. As MiFiD II does not cover fixed term deposits, the council does not currently require professional client status.

### **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 [and refer to full council as a 'starred' item.](#)
- Receive an annual report by 30 September of the following year on the treasury management activity for the preceding year [and refer to full council as a 'starred' item.](#)
- ~~Receive other periodic reports on the treasury management function and its performance~~

- [Approve the selection of external service providers and agreeing terms of appointment](#)
- [Receive and review regular monitoring reports and acting on recommendations](#)
- [Receive and review borrowing and investment decisions](#)
- 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~~[two](#) money brokers who act on our behalf.

Tullet Prebon ([ukEurope](#)) Ltd

[BGC Brokers L.P \(formally Sterling International Brokers\)](#)

~~[Martin Brokers \(removed from list of authorised brokers as no longer authorised with the Financial Conduct Authority\)](#)~~

## **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 [before the commencement of each financial year](#).

#### **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](#)
- [Actual 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: *15<sup>th</sup> 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: *28<sup>th</sup> of the month*
- Sundry debtor payments: *30<sup>th</sup> 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](http://www.fca.org.uk).

All transactions will be carried out by CHAPS for making deposits or repaying [short-term loans](#). [Repayments to the Public Works Loans Board for long-term debt is via a twice-yearly direct debit.](#)

#### **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](http://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**

#### **Treasury management officers**

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**

##### **Qualifications**

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

##### **Knowledge and Skills Schedule**

The appropriate level of skills, knowledge, qualifications and experience commensurate with officer responsibilities contained in schedule E of this document is set out in job descriptions and person specifications for each position on the council's establishment.

Officers qualified with the Chartered Institute of Professional Accountancy (CIPFA) are required to continue to develop and maintain knowledge and skills under the institutes Continuing Professional Development (CPD) scheme.

The council's internal Performance Appraisal scheme is a formalised process that requires documentation of any identified training and development needs. These are categorised into a training schedule that is ranked in terms of high, medium and low priority, and that includes a plan for the method of training that is to be provided, along with and a target date for completion.

#### **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~~ [Direct Payment Transaction sheet completed, that separates out](#) principal and interest [elements of the repayment](#) 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.~~

[The council's Borrowing and Debt Strategy is set out within the council's Capital and Treasury Management Strategy. The strategy is reviewed by Policy and Finance Committee in advance of the financial year prior to approval by Full Council.](#)

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 [462163](#), which is available to download from the DMO's website:

<https://www.dmo.gov.uk/media/17304/circular-162-march.pdf>  
<https://www.dmo.gov.uk/media/17764/dmo-operational-circular-163-oct21-clean.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](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:

Designation	Authorised to confirm changes	Authorised to Transact
Chief Executive	YES	YES
Director of Resources	YES	YES
Head of Financial Services	YES	YES
Senior Accountant	NO	YES
Accounting Technician	NO	YES

## **Reconciliation**

A monthly reconciliation is made between transactions in the general ledger and transactions recorded in the investment and loans register and PWLB spreadsheet.

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

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meeting date: 29 MARCH 2022  
title: QUEEN'S PLATINUM JUBILEE  
submitted by: CHIEF EXECUTIVE  
principal author: MARSHAL SCOTT

### 1 PURPOSE

- 1.1 To report progress with the selection of appropriate projects to commemorate the Queen's Platinum Jubilee.

### 2 BACKGROUND

- 2.1 At the last meeting Committee considered various options to celebrate and commemorate the Platinum Jubilee.

2.2 It was agreed to:

- have a Beacon Lighting Ceremony at Clitheroe Castle;
- agree to give grants of £500 to parish councils to help them commemorate the Jubilee;
- set up a Task and Finish Group to consider in more detail further options to commemorate the Jubilee.

### 3 TASK AND FINISH GROUP

- 3.1 The Task and Finish Group has met (minutes attached). They considered a number of projects and now make recommendations to this Committee for the projects to be chosen.

### 4 RECOMMENDATIONS OF THE TASK AND FINISH GROUP

4.1 The following schemes are suggested for approval:-

- The creation of a Ribble Valley Trail including appropriate Way Marking;
- Planting 70 Trees across the Ribble Valley on Council owned land;
- A commemorative stone to be placed in the Centre of the Kingdom (Dunsop Bridge)

### 5 RISK ASSESSMENT

- Resources – the cost of Parish Grants is estimated at £20,000 which has now been included in this committees revised budget. A sum of £10,000 has been included in next year's draft budget. The schemes recommended are estimated to cost in the region of £20,000 so the budget will need to be increased.
- Technical, Environmental and Legal - None
- Political - None

- Reputation – the Council should provide a lead for the Community in commemorating this important event.
- Equality & Diversity – None

**6 RECOMMENDED THAT COMMITTEE / CONCLUSION**

- 6.1 Consider the Task and Finish Group's recommendations.

Marshal Scott  
DIRECTOR OF / CHIEF EXECUTIVE

**Minutes of the Queen's Platinum Jubilee Working Group**

Meeting Date: Thursday, 27 January 2022, started at 10.00 am

Present: Councillor S Atkinson (Chair)

Councillors:

J Clark

S Fletcher

In attendance:

Chief Executive, Director of Economic Development and Planning and the Director of Community Services.

**1. APOLOGIES FOR ABSENCE:**

Cllr R Thompson sent his apologies.

**2. PURCHASE OF LAND**

The Chief Executive reminded members that at the recent Policy & Finance committee, delegation had been given to him in consultation with the working group to progress the purchase of a piece of land for a woodland at an auction due to take place on 31 January 2022.

A legal pack had been obtained that contained limited information. Investigation had taken place into past ownership of the land and its history of sales, which had flagged up some concerns.

After some discussion it was agreed by the working group not to proceed to bid for the land at the auction.

**3. JUBILEE GARDENS**

The Chief Executive informed the working group that informal discussions were on-going about proposed Jubilee Gardens on the triangular piece of land near Sainsburys, Clitheroe. The highway currently belongs to LCC and is a well-used road. The proposal was being pursued by the Clitheroe County Councillor, Sue Hind.

The Director of Economic Development and Planning had made some preliminary inquiries into what would be required to 'close' the road. This would be a lengthy and costly exercise.

The Chief Executive informed members that a formal proposition would have to be made by LCC before any decisions could be made on this proposal. He would keep the working group informed.

**4. JUBILEE TRAIL**

The Chief Executive informed the working group that work on this was progressing with Cllr R Thompson and the Mayor Elect.

#### SUMMARY of ACTIONS

- Not to proceed with bid to purchase piece of land
- Await formal proposition from LCC about highway for Jubilee Gardens
- Note progress being made with Jubilee Trail

#### DATE AND TIME OF THE NEXT MEETING

The aim is to have a further meeting in time to prepare a report for submission to the Policy and Finance Committee on 29 March 2022.

Meeting closed at 10.22am

### Minutes of the Queen's Platinum Jubilee Working Group

Meeting Date: Wednesday 16 March, started at 2.00pm

Present: Councillor S Atkinson (Chair)

Councillors:

J Clark

R Thompson

S Fletcher

In attendance: Chief Executive, Director of Economic Development and Planning and the Director of Community Services.

APOLOGIES FOR ABSENCE:

None received.

The Chief Executive reminded members of the events / actions so far

- Freedom March – 24 May 2022
- Beacon Lighting – 2 June 2022
- Jubilee Trail – Mayor Elect and RT
- £500 grant given to parishes
- We are also aware of several street parties that will be taking place in the Borough

TREE PLANTING

The Director of Economic Development and Planning had circulated a suggestion of planting 70 trees across the Borough on Council-owned land. 81 locations had been identified but still needed a proper assessment carrying out. The plan included 20 native Aspens in Brungerley Park, Clitheroe and 2 in Towneley Gardens, Longridge (these trees have a safe useful life expectancy of approximately 70 years) as well as single/double trees throughout the Borough. In the few areas where the Council does not own sufficient land, it was suggested we work with the Parish Council.

JUBILEE GARDENS

The Chief Executive informed the working group that he had met with officers from LCC, the Clitheroe County Councillor and 2 Borough councillors and reached the conclusion that this was a non-starter on this piece of land. However, he suggested that a large engraved commemorative rock might work instead. Members discussed this option and decided that they liked the idea of the rock but that it should be placed in Dunsop Bridge.

OTHER IDEAS

The Director of Community Services was asked to investigate if cycle routes could be included in the Jubilee walking trails and labelled similarly.

SUMMARY of ACTIONS RECOMMENDED TO POLICY & FINANCE COMMITTEE

- Proceed with tree planting scheme throughout the Borough
- Proceed with commemorative rock in Dunsop Bridge

- Ask the DCS to investigate the cycle trails

The Chief Executive would prepare a report for Policy & Finance committee on 29 March 2022.

Meeting closed at 2.15pm

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

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meeting date: 29 MARCH 2022  
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 2022/23 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

PF16-22/VT/AC  
MARCH 2022

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# Capital and Treasury Management Strategy

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2022/23

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Ribble Valley  
Borough Council

[www.ribblevalley.gov.uk](http://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

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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**

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~~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.

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.

[In the latest bidding rounds, all committees were asked to put forward proposals for any new capital schemes for inclusion in a five-year capital programme for 2022/23 to 2026/27.](#)

In light of the uncertainty regarding local government funding beyond 2022/23 and the impending fair funding review, all new bids, across all committees were set aside until later in the 2022/23 financial year for consideration once there is more certainty around local government funding. As a result, a three-year capital programme for 2022/23 to 2024/25 is now in place.

~~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
- Any External Funding available

## Capital Expenditure

**The Approved ~~Four~~Three Year Capital Programme**

As previously mentioned the overall capital programme has moved to a ~~four~~three year period, ~~pending the outcome of the fair funding review~~, and whilst the coming financial year is fixed, the remaining ~~three~~two 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~~three-year capital programme from ~~2021/22~~2022/23 to 2024/25.

**Approved Capital Programme for 2022/23 to 2024/25**

<b>Committee</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
<b>Community Services Committee</b>	2,280,500	467,300	459,000	<b>3,206,800</b>
<b>Economic Development Committee</b>	51,750	0	0	<b>51,750</b>
<b>Health and Housing Committee</b>	782,540	511,700	443,000	<b>1,737,240</b>
<b>Planning and Development Committee</b>	26,420	0	0	<b>26,420</b>
<b>Policy and Finance Committee</b>	335,480	118,200	88,080	<b>541,760</b>
<b>TOTAL</b>	<b>3,476,690</b>	<b>1,097,200</b>	<b>990,080</b>	<b>5,563,970</b>

**Current and Longer-Term Priority Areas**

Whilst not currently within the approved ~~four~~three-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, Central Government Disabled Facility Grant funding and borrowing are ~~primarily~~ the main sources of financing for the current 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~~ The refurbishment of Mardale Playing Field Changing Rooms is a scheme in the capital programme 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 in respect of other schemes 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 for most schemes in 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~~three-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
- ~~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
- Transparency Grant (Equipment Earmarked Reserve)

New Homes Bonus Earmarked Reserve and Business Rates Growth Earmarked Reserve are currently two of 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

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### 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 is minimised. 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~~2022/23 - 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.

~~The VAT Shelter arrangement will also end in 2022/23, and already we are seeing a substantial fall in resources, with only £6,405 anticipated to be received in 2020/21 and nil in 2021/22 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 ~~and~~ 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 scheme in 2024/25.

Over the life of the current ~~four~~three-year capital programme there is borrowing in respect of two schemes, being residual works on Clitheroe Market Improvements (£78,600) and ~~Installation of a Second Parking Deck at Chester Avenue Car Park the~~ Clitheroe Town Centre Car Parking Scheme (£1,230,000£1,215,000).

**Approved Financing of the Capital Programme for ~~2021/22 – 2024/25~~ 2022/23 – 2024/25**

<b>Method of Financing</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
<b>Earmarked Reserves</b>	-1,352,940	-704,200	-567,080	<b>-2,624,220</b>
<b>External Funding</b>	-473,900	-393,000	-423,000	<b>-1,289,900</b>
<b>Usable Capital Receipts</b>	-356,250	0	0	<b>-356,250</b>
<b>Borrowing</b>	-1,293,600	0	0	<b>-1,293,600</b>
<b>TOTAL</b>	<b>-3,476,690</b>	<b>-1,097,200</b>	<b>-990,080</b>	<b>-5,563,970</b>

## 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~~2022 will be ~~£116k~~105k.

Investments at the end of the ~~2020/21~~ 2021/22 financial year are anticipated to be in the region of ~~£17m~~25m based on current cash flow forecasts. These investments relate to monies placed with institutions on our approved counterparty list and include cash held with the council's banking provider, HSBC.

The estimate is subject to some a great deal of 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. The balance includes approximately £5m of grant funds for distribution, of which £2.9m is in respect of the council tax rebate grant that is forecast to be received just prior to the end of the financial year and £1.2m for the Covid-19 Additional Relief Fund (CARF) that was received in March.

There was no short-term borrowing on the 31 March ~~2020~~2021, and none is forecast for the 31 March ~~2021~~2022. 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~~2020/21 financial year and that anticipated at the end of the ~~2020/21~~2021/22 financial year is summarised below.

	31 March 2021 Actual £	Actual Average Rate %	31 March 2022 Estimate £	Estimated Average Rate %
<b>Borrowing</b>				
Fixed Rate Debt - PWLB	115,590	4.98	105,200	4.99
<b>Total Debt</b>	<b>115,590</b>		<b>105,200</b>	
<b>Investments</b>				
Short Term Investments	-14,500,000	0.05	-20,500,000	0.04
Cash at bank	-3,930,783		-4,221,971	
<b>Total Investments</b>	<b>-18,430,783</b>		<b>-24,721,971</b>	
<b>Net External Debt/(Credit)</b>	<b>-18,315,193</b>		<b>-24,616,771</b>	

## Current Treasury Management Position

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.

The forecasted balance of PWLB debt at 31 March ~~2021~~2022 comprises of the following individual loans:

Original loan Amount £	Term	Interest Rate	Estimated Principal Outstanding at 31 March 2022 £	Year of Final Repayment
250,000	15 years	4.75% Fixed	200	2022/23
250,000	25 years	4.88% Fixed	105,000	2032/33
		<b>Total PWLB</b>	<b>105,200</b>	

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.

<b>Estimated Debt Maturity Analysis as at 31 March <del>2021</del>2022</b>		
Maturity	£	%
Under 12 Months	200	0.19
12 Months and within 24 Months	0	0
24 Months and within 5 Years	0	0
5 Years and within 10 Years	0	0
10 Years and within 20 Years	105,000	99.81
20 Years and above	0	0
<b>Total PWLB and Bond</b>	<b>105,200</b>	<b>100.00</b>

# 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.~~

~~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 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. However, this recent volatility, particularly as a result of Brexit and Covid-19, presents much uncertainty around future interest rates.~~

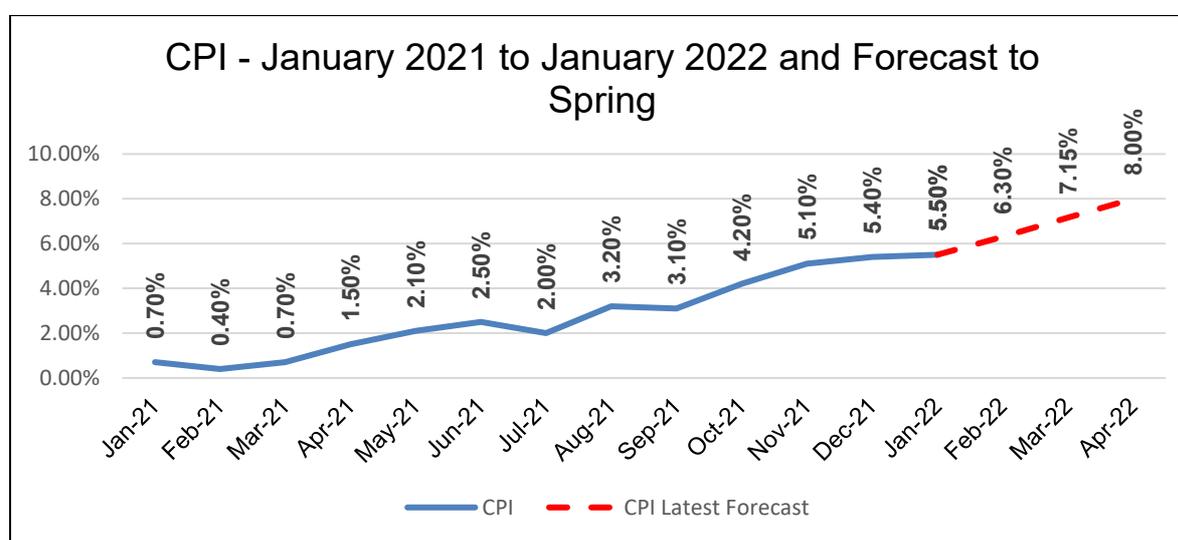
~~The table below shows movements to the bank of England base rate from August 2018 through to March 2022~~

<u>Date of change</u>	<u>Base Rate %</u>
<u>02/08/2018</u>	<u>0.75</u>
<u>11/03/2020</u>	<u>0.25</u>
<u>19/03/2020</u>	<u>0.10</u>

<u>16/12/2021</u>	<u>0.25</u>
<u>03/02/2022</u>	<u>0.50</u>
<u>17/03/2022</u>	<u>0.75</u>

The economy has recently been through a succession of very large shocks. The MPC's decision to reduce the base rate twice in March 2020 was taken to help households and businesses through the economic slowdown caused by the coronavirus pandemic (COVID-19).

The most recent increases to the base rate which have returned the rate back to the pre-pandemic level have been taken in response to rising Interest rates, which as shown in the table below have increased rapidly over recent months:



The March 2022 Monetary Policy Summary and Minutes publication sets out that 'Regarding inflation, the invasion of Ukraine by Russia has led to further large increases in energy and other commodity prices including food prices. It is also likely to exacerbate global supply chain disruptions and has increased the uncertainty around the economic outlook significantly.' 'Inflation is expected to increase further in coming months, to around 8% in 2022 Quarter 2, and perhaps even higher later this year. The projected overshoot of inflation relative to the 2% target to an increasing extent reflects global energy prices, with some further material contribution from tradable goods prices.'

Given the outlook for inflation it is probable that we will see further increases to the base rate during the 2022/23 financial year, although by how much and for how long is unknown.

While these increases may result in higher levels of investment income that the council generates, it will have no immediate impact on the council's borrowing costs as these are all at fixed rates. However, service costs could see substantial increases and as a result the budget allows for a contingency of £140,000 in respect of potential inflation above that already allowed for on service budgets.

## 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 interest rates as they occur, 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 ([PWLB](#)).

~~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, by which time we intend to submit a further return to continue as an eligible body.~~

~~Principal local authorities could previously qualify for a discounted rate of borrowing with the PWLB by submitting an optional certainty return. From November 2020, principal local authorities wishing to retain access to the PWLB borrowing facility have been required to submit a certainty rate return, that includes a high-level description of their capital spending and financing plans for the following three years, as a condition of accessing the PWLB.~~

~~As a result, the Certainty Rate is now the default rate that principal local authorities borrow at from the PWLB. The council has submitted the required information and retains access to the borrowing facility.~~

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.

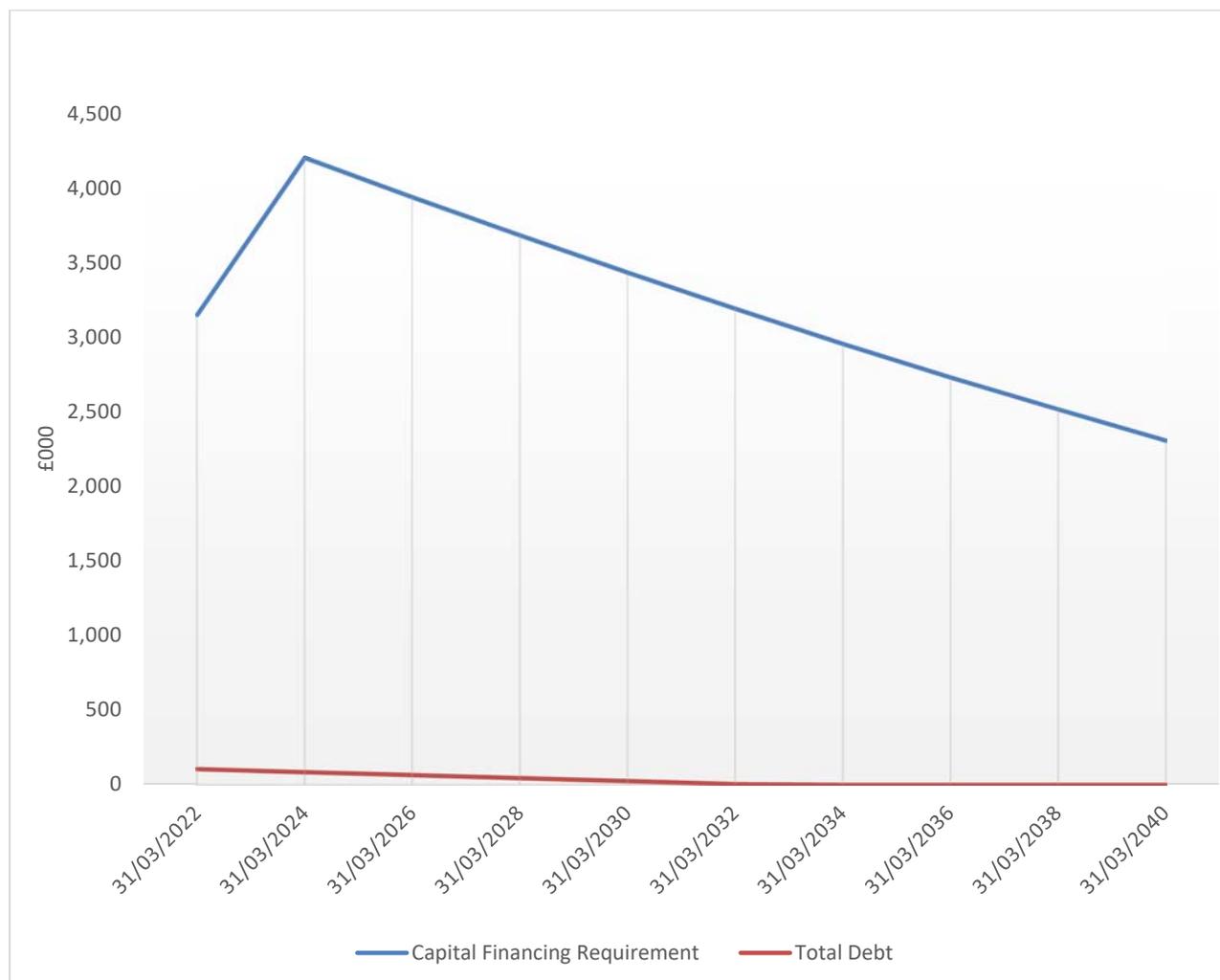
Based on the current medium-term capital financing plans in the approved capital programme, and the existing levels of borrowing, the council's borrowing is

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~~2021/22

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~~2022/23 [as approved by Full Council in March 2022](#) 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~~ £16.9m, subject to other service commitments meaning a fall in available cash to invest [compared to that forecast as at 31 March 2022](#). 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.

## Investment Strategy

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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.

### **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 ([2017/2021](#)) 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 [2019/202021/22](#) is shown alongside the current and future years that are recommended for approval:

## Prudential Code

<b>Capital Expenditure</b>					
<b>Committee</b>	<b>Actual Capital Expenditure for 2020/21</b>	<b>Forecast Capital Expenditure for 2021/22</b>	<b>Forecast Capital Expenditure for 2022/23</b>	<b>Forecast Capital Expenditure for 2023/24</b>	<b>Forecast Capital Expenditure for 2024/25</b>
	£	£	£	£	£
Community Services Committee	331,349	591,360	2,280,500	467,300	459,000
Economic Development Committee	0	50,000	51,750	0	0
Health and Housing Committee	679,007	1,049,100	782,540	511,700	443,000
Planning and Development Committee	61,862	0	26,420	0	0
Policy and Finance Committee	124,022	70,910	335,480	118,200	88,080
<b>Total</b>	<b>1,196,240</b>	<b>1,761,370</b>	<b>3,476,690</b>	<b>1,097,200</b>	<b>990,080</b>

**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 ~~2019/20~~2020/21 financial year, and those forecast for the current and future years.

<b>Financing Costs</b>				
<b>2020/21 Actual £</b>	<b>Forecast for 2021/22 £</b>	<b>Forecast for 2022/23 £</b>	<b>Forecast for 2023/24 £</b>	<b>Forecast for 2024/25 £</b>
77,262	110,751	60,270	114,863	112,210

### 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.

<b>Net Revenue Stream</b>				
<b>2020/21 Actual £</b>	<b>Forecast for 2021/22 £</b>	<b>Forecast for 2022/23 £</b>	<b>Forecast for 2023/24 £</b>	<b>Forecast for 2024/25 £</b>
-9,550,483	-8,081,571	-7,645,942	-8,150,153	-8,321,532

### 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~~2020/21 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.

<b>Financing Costs to Net Revenue Stream</b>				
<b>2020/21 Actual</b>	<b>Forecast for 2021/22</b>	<b>Forecast for 2022/23</b>	<b>Forecast for 2023/24</b>	<b>Forecast for 2024/25</b>
0.8%	1.4%	0.8%	1.4%	1.3%

## 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 [treasury management strategy and](#) 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				
2020/21 Actual £	Forecast for 2021/22 £	Forecast for 2022/23 £	Forecast for 2023/24 £	Forecast for 2024/25 £
3,248,269	3,156,032	4,344,368	4,209,019	4,075,835

### 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					
	2020/21 Actual £	Forecast for 2021/22 £	Forecast for 2022/23 £	Forecast for 2023/24 £	Forecast for 2024/25 £
<b>PWLB Borrowing</b>	115,590	105,197	95,000	85,000	75,000

### 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 council had no difficulty meeting this requirement in 2020/21, nor are any difficulties envisaged for 2021/22 or the next three years. This view takes into account current commitments, existing plans and the Council's [approved budget](#).

### 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 into 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

## Prudential Code

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.

<b>Authorised Limit for External Debt</b>			
	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>
Borrowing	15,968	15,763	15,560
Other Long-Term Liabilities	0	0	0
<b>Total</b>	<b>15,968</b>	<b>15,763</b>	<b>15,560</b>

### 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 ~~mythe~~ 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.

<b>Operational Boundary for External Debt</b>			
	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>
Borrowing	2,794	2,588	2,385
Other Long Term Liabilities	0	0	0
<b>Total</b>	<b>2,794</b>	<b>2,588</b>	<b>2,385</b>

### **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.

<b>MATURITY STRUCTURE OF BORROWING</b>			
	<b>Current Borrowing Profile %</b>	<b>Lower Limit %</b>	<b>Upper Limit %</b>
Under 12 Months	0.19	0.19	0.01
12 Months and within 24 Months			
24 Months and within 5 Years			
5 Years and within 10 Years			
10 Years and within 20 Years	99.81	99.81	6.54
20 Years and above			93.45

### **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

<b>Interest Rate Exposures</b>	<b>Upper Limit £'000</b>
Upper limit on one-year revenue impact of a 1% rise in interest rates	-169

**Credit Risk**

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

<b>Credit Risk</b>	<b>Lower Limit for Credit Rating</b>
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

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- 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:

<b>August:</b> Heads of Service are asked to consider their service area and identify any potential capital schemes.
<b>October to January/November:</b> 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.
<b>January:</b> 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.
<b>February:</b> 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.
<b>March:</b> Full Council approve the final <del>four-year</del> 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 ~~regularly in year~~ quarterly (including revised estimate report) and also the overall position is reported to Policy and Finance Committee on a ~~regular~~ 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

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### **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

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- 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 AND FINANCE COMMITTEE**

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meeting date: TUESDAY, 28 MARCH 2022  
title: REVIEW OF STANDING ORDERS  
submitted by: CHIEF EXECUTIVE  
principal author: HEAD OF LEGAL AND DEMOCRATIC SERVICES

### 1 PURPOSE

1.1 To review the Council's Standing Orders (Part 4 of the Council's Constitution) to ensure clarity.

1.2 Relevance to the Council's ambitions and priorities:

- Council's Ambitions – N/A
- Community Objectives - N/A
- Corporate Priorities – To be a well-managed Council. The Council's standing orders contain the necessary provisions to allow for matters to be discussed and voted upon in an orderly and proper manner
- Other considerations – It is important that the Council's constitution is kept up-to-date, to ensure that all legislative requirements are reflected within them.

### 2 BACKGROUND

2.1 Section 37 of the Local Government Act 2000 provides that every Local Authority is required to prepare and keep up to date a constitution containing amongst other things a copy of its Standing Orders. The Council's constitution is very much a living document. It has been divided into parts and these parts are available on the Council's website.

2.2 The Council's Head of Legal and Democratic Services, in her role as Monitoring Officer, has carried out a review of Standing Orders, which form Part 4 of the Council's Constitution.

### 3 ISSUES

3.1 The Council's Standing Orders are the rules, which govern the conduct and proceedings of the Council's meetings (including those of its committees and sub-committees). This Council approved the last changes to the Council's Standing Orders in 2021.

3.2 An amendment has been made to Standing Order 13.9 which deals with the Content of Amendments to make clear that the effect of an amendment cannot be to negate the motion. This standing order and that dealing with Amendment of an Order by a Proposer and Withdrawal of a Motion by a Proposer have also been replicated in the Section of the Standing Orders which deals with Committees. The proposed

amendments are shown as track changes in the copy of Standing Order enclosed at **Appendix 1**.

3.3 Article 11.3 of the Council's Constitution provides that only the Council will approve changes to the Constitution after consideration of the proposal by the Monitoring Officer. The Council's Head of Legal and Democratic Services, in her role as Monitoring Officer, supports the amendments set out in Appendix 1 to this report.

## 5. RISK ASSESSMENT

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

- Resources – The Council will make any necessary changes and put new documents onto the website. A revised version of Standing Orders will be circulated to Members and Officers
- Technical, Environment and Legal – No implications identified
- Political – No implications identified.
- Reputation – No implications identified.
- Equality & Diversity – No implications identified.

## 6. RECOMMENDED THAT COMMITTEE

6.1 Approve the changes outlined in the report above and shown in **Appendix 1** to this report.

6.2 Refer the proposed changes to the Council with a recommendation for their approval.

MAIR HILL  
HEAD OF LEGAL AND DEMOCRATIC SERVICES

MARSHAL SCOTT  
CHIEF EXECUTIVE

## BACKGROUND PAPERS

For further information please ask for Mair Hill on extension 4418.

REF: MJH/POLICYANDFINANCE/28 March 2022



Ribble Valley  
Borough Council

[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

**Ribble Valley Borough Council  
General Standing Orders**

**May 2022**

## Part 4 of the Constitution 2022

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## Part 4 of the Constitution 2022

### 1. MEETINGS OF THE COUNCIL

#### Annual Meeting

- 1.1 The Council will hold its Annual Meeting at a place, time and date in May, which it will decide at or before its last meeting prior to the Annual Meeting. In the absence of a decision or statutory provision to the contrary, the date will be the second Tuesday in May, or, in an election year, the second Tuesday after the council elections.

#### Ordinary Meetings

- 1.2 Ordinary Meetings will be held at eight-week intervals or such other intervals as the Council shall, at its Annual Meeting, determine and at such place and time as the Council may determine.

#### Extraordinary Meetings

- 1.3 The Mayor may call an Extraordinary Meeting of the Council at any time. If the Mayor refuses to call an Extraordinary Meeting of the Council after receiving a requisition for that purpose signed by five members of the Council, or if, without so refusing, the Mayor does not call an Extraordinary meeting within seven days after receiving the requisition, then any five members of the Council, on that refusal or on the expiration of those seven days, as the case may be, may forthwith call an Extraordinary Meeting of the Council.

(Local Government Act 1972 Schedule 12 para. 3)

#### Notice of Meetings

- 1.4 The Chief Executive shall at least **five clear days** before a meeting:
- 1.4.1 give public notice of the time and place of the meeting by posting it at the offices of the Council and placing it on the Council website or if the meeting is convened on shorter notice, then at the time it is convened;
  - 1.4.2 send to every member of the Council by an appropriate method a summons to attend the meeting, specifying the business proposed to be transacted at the meeting. An appropriate method shall be as defined by Paragraph 4, Schedule 12 of the Local Government Act 1972

*N. B 'Clear Days' has been interpreted as five periods of 24 hours running from midnight to midnight and not including Saturday and Sunday unless the Council Offices are open for the inspection of agenda and reports on those days.*

(Local Government Act 1972 Section 100A, 100B and Schedule 12 para. 4)

### 2. MAYOR AND DEPUTY MAYOR

- 2.1 The Election of the Mayor shall be the first item of business at the Annual Meeting, and shall be followed by the appointment of a Deputy Mayor. In the absence of both the Mayor and Deputy Mayor, those members present will choose one of their number to preside at the meeting, and that person shall have the powers of the Mayor in relation to the conduct of the meeting.

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### 3. APPOINTMENT OF COMMITTEE AND CHAIRMAN

#### Appointment of Chairmen and Vice-Chairmen

- 3.1 The council at its Annual Meeting shall appoint the chairmen and vice-chairmen of all standing committees. If a casual vacancy arises in the office of chairman or vice-chairman of a committee, the council shall appoint a replacement at its next meeting.
- 3.2 In the absence of the chairman of a committee, the vice-chairman shall preside and in the absence of both, the committee from among its members shall appoint a chairman for that particular meeting.

#### Continuance of Committees

- 3.3 The composition and membership of Committees shall be determined at the Annual Meeting of the council and remain in place until the next Annual Meeting. Any alteration to the composition of membership of a committee must be determined by the Council.

### 4. QUORUM

- 4.1 The quorum at a meeting of the Council is twenty members. If the meeting lacks a quorum its business shall be adjourned to a fixed date and time, or to the next Ordinary Meeting.

### 5. ORDER OF BUSINESS

- 5.1 Subject to paragraph 5.2 of this Standing Order, the order of business at every meeting of the Council will be:
- 5.1.1 to choose a person to preside if the Mayor and Deputy Mayor are absent;
  - 5.1.2 to deal with any item required by statute to be done before any other item;
  - 5.1.3 to approve as a correct record and sign the minutes of the last meeting of the Council;
  - 5.1.4 to receive public questions submitted in accordance with Standing Order 6;
  - 5.1.5 Mayor's communications;
  - 5.1.6 to dispose of business (if any) remaining from a previous meeting;
  - 5.1.7 Leader's Report and Question Time;
  - 5.1.8 to receive and consider all other reports, minutes and recommendations of committees in date order of meeting;
  - 5.1.9 to answer questions asked under Standing Order 10;
  - 5.1.10 to consider Motions under Standing Order 9 in the order received; and
  - 5.1.11 other business, if any, specified in the summons.

- 5.2 With the exception of items 5.1.1, 5.1.2, 5.1.3 and 5.1.4, the Mayor may alter the order of business, or by a resolution following a Motion moved, seconded and put to the meeting without debate.

### 6. PUBLIC PARTICIPATION

- 6.1 Public participation in meetings of the Council will be allowed, in accordance with the Council's Protocol for Public Participation at Council and Committee meetings, subject to the following:
- 6.1.1 a question or comment may be refused if they relate to exempt or confidential information within the meaning of the Council's Rules or if in the opinion of the Council's Head of Legal and Democratic Services they contain defamatory material;

## Part 4 of the Constitution 2022

- 6.1.2 only residents of the Ribble Valley may ask questions or make comments.
- 6.1.3 no person shall speak for more than 3 minutes;
- 6.1.4 a maximum of 15 minutes shall be allocated to public participation. Question(s) and/or comment(s) will be dealt with in the order in which they are received. Any questions not dealt with at the meeting shall be given answers in writing. Answers will not be given to any comments made. The public participation session shall form part of the formal proceedings of Council and shall be recorded in the minutes.
- 6.1.5 Members of the public wishing to ask questions or make comments must give notice in writing to the Chief Executive by not later than noon on the Friday before the Council meeting. The notice must specify the question in sufficient detail to enable a reply to be prepared. The Leader or the Chairman of the appropriate committee will give answers and a copy of the answer in writing will be given to the questioner.
- 6.1.6 Questioners shall have the right to ask one supplementary question when they have received the chairman's reply.
- 6.1.7 A question or comment on the same topic shall not be made at two consecutive meetings of the Council.
- 6.1.8 If the Council elects to, a special annual public meeting shall be held to deal solely with matters raised by electors. The venue will be such place as the Council decides. The same rules as set out in paragraph 6.1.5 of this Standing Order will apply to the written submission of questions at any special annual public meeting.
- 6.1.9 appropriate publicity shall be given to the right of the public to participate in meetings of the Council.

### **7. PETITIONS**

- 7.1 Petitions may be presented to the Council in accordance with the Council's Petition Scheme.
- 7.2 The Council's Petition Scheme will not apply to letters of representation in respect of any matter relating to:
  - 7.2.1 a specific planning decision (including a development plan document or the community infrastructure levy),
  - 7.2.2 a specific licensing decision;
  - 7.2.3 an individual or entity, which has a right to a review or appeal, conferred by or under any enactment.

### **8. MOTIONS AND AMENDMENTS WITHOUT NOTICE**

- 8.1 A member may move without notice any of the following Motions and amendments:
  - 8.1.1 to appoint a chairman for that meeting or the remainder of the meeting;
  - 8.1.2 motions relating to the accuracy of the minutes;

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- 8.1.3 to vary the order of the agenda;
- 8.1.4 subject to paragraph 8.1.7 of this Standing Order, move a Motion arising out of consideration of an item on the agenda, provided it is relevant to that item and does not introduce any new subject matter,
- 8.1.5 refer a matter back to a committee; and/or
- 8.1.6 that a body be appointed, or a person appointed to a body;
- 8.1.7 to adopt reports and recommendations of committees and/or officers. A member cannot however move a Motion or amendment, which amends a decision made under powers delegated to a Committee and/or Officer by the Council.
- 8.1.8 to give leave to withdraw a Motion;
- 8.1.9 to extend the time limit for speeches;
- 8.1.10 to make an amendment to a Motion;
- 8.1.11 to move on to the next item on the agenda;
- 8.1.12 to put the question immediately to the vote;
- 8.1.13 to adjourn the debate;
- 8.1.14 to adjourn the meeting;
- 8.1.15 to suspend one or more Standing Orders;
- 8.1.16 to exclude the public from the meeting under Section 100A (4) of the Local Government Act 1972;
- 8.1.17 under Standing Order 13.31 not to hear a member further.
- 8.1.18 under Standing Order 13.32 by the chairman to require a member to leave the meeting; and/or
- 8.1.19 to give any consent required by these Standing Orders.

### 9. NOTICES OF MOTION

- 9.1 A Notice of Motion not listed in Standing Order 8 must be given in writing to the Chief Executive **AT LEAST 7 CLEAR DAYS** (as defined above) before the relevant meeting, and be signed by the member(s) giving the notice. An email to the Chief Executive will be accepted as giving notice.
- 9.2 The Chief Executive shall set out in the summons for the Council meeting all Motions which comply with the requirements of paragraph 9.1 of this Standing Order in the order they have been received, unless the member has either withdrawn it in writing or requested to move it at a later meeting.
- 9.3 Motions must relate to matters where the Council has powers or duties or which affect the borough.
- 9.4 The Council will treat as withdrawn any Motion not moved at the meeting at which it appears upon the summons, unless the Mayor agrees its postponement.
- 9.5 Any Motion which falls within the terms of reference of a committee(s) may:

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- 9.5.1 be referred without discussion to such committee(s);
- 9.5.2 be referred without discussion to such other committee(s) as the Council may decide; or
- 9.5.3 be dealt with at the meeting at which it is moved if the Mayor considers it is appropriate and convenient to do so.
- 9.6 If a Motion is referred in accordance with Standing Order 9.5 the Chief Executive must notify the relevant member:
- 9.6.1 of the meeting(s) of the committee(s) to which it has been referred;
- 9.6.2 that they have the right to attend the meeting(s); and
- 9.6.3 that they may explain the Motion at any such meeting(s).
- 10. QUESTIONS AT COUNCIL MEETINGS**
- 10.1 A member may ask the Mayor or the chairman of any committee any question on any matter which relates to a power or duty of the Council or which affects the borough.
- 10.2 A question must either:
- 10.2.1 be received by the Chief Executive by noon on the Friday before the meeting; or
- 10.2.2 relate to urgent business, have the agreement of the Mayor to the question being put and, where possible, a copy of the question will be given to the Chief Executive before 10.00am on the day of the meeting.
- 10.3 The question shall be put and answered without discussion, but the person to whom the question is addressed may decline to answer. Where the question has been submitted in writing in advance of the meeting, the questioner shall have the right to ask one supplementary question, or to make a relevant comment, when they have received the Chairman's reply.
- 10.4 The answer to a member's question may be given: orally and directly; by reference to published material of the Council provided it is readily available to members; or in writing circulated to all members.
- 10.5 There shall be no question on the same topic at two consecutive meetings of the Council.
- 11. LEADER'S REPORT AND QUESTION TIME**
- 11.1 The Leader of the Council will present a report on the ongoing work of the Council and on any topical issues relating thereto. Notwithstanding the provisions of Standing Order 13.11, the Leader in presenting his report may speak for up to ten minutes.
- 11.2 At the conclusion of the Leader's report, the Leader of the Opposition or in his absence, the Deputy Leader of the Opposition may ask up to three questions of the Leader, provided that notice of these has been received in writing by the Chief Executive by not later than noon on the day before the Council meeting. The questions shall relate to the general work of the Council. There will be no requirement for any answers to be in writing and the leader of the opposition shall be entitled to ask one supplementary question or make one comment in relation to each answer given by the Leader.
- 11.3 When any questions from the Leader of the Opposition or in his absence, the Deputy Leader of the Opposition have been answered by the Leader, Councillors may ask a question of the Leader on matters relating to the general work of the Council, which do not fall within the remit of a committee.
- 11.4 Only residents of the Ribble Valley may ask questions of the Leader.

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- 11.5 Subject to paragraph 11.2 of this Standing Order, Councillors wishing to ask questions must give notice in writing to the Chief Executive by not later than noon on the Friday before the council meeting. The notice must specify the nature of the question in sufficient detail to enable a reply to be prepared. A copy of the Leader's answer in writing will be given to the questioner.
- 11.6 Councillor's shall have the right to ask one supplementary question when they have received the Leader's reply.
- 11.7 There shall be no question on the same topic at two consecutive meetings of the Council.

### **12. MINUTES OF COUNCIL MEETINGS**

- 12.1 The Mayor will move that the minutes be approved as a correct record.
- 12.2 Only the accuracy of the minutes may be discussed and then only by Motion. As soon as any Motion has been disposed of (or if no Motion is moved) the Mayor will sign the minutes subject to any amendment set out in any Motion approved by the Council.
- 12.3 Minutes shall be submitted to and signed at the next meeting of the Council unless that meeting is an Extraordinary Meeting.

### **13. RULES OF DEBATE FOR COUNCIL MEETINGS**

#### **Respect for Mayor**

- 13.1 When the Mayor rises during a debate, any member standing must immediately stop speaking and sit down and the Council must be silent.

#### **Standing when Speaking**

- 13.2 A member, when speaking, must stand and address the Mayor.

#### **Mayor to decide order of speaking**

- 13.3 If two or more members rise or indicate their wish to speak, the Mayor will call on one to speak and the other (or others) must then sit.

#### **Only one Member to Stand**

- 13.4 While a member is speaking, all other members must remain seated and silent UNLESS rising to indicate that they wish to make a point of order or to provide personal explanation.

#### **Motion for reception of Minutes – Procedure**

- 13.5 A Motion for the reception of the minutes of a committee, sub-committee or joint Committee (save for any minute marked with \*\*\*):
- 13.5.1 must be proposed and seconded before it is discussed;
- 13.5.2 must not include any amendment of those minutes; but

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- 13.5.3 may provide for a particular minute to be withdrawn for further consideration by the appropriate committee; and upon being seconded, that particular minute will be withdrawn subject to the agreement of the Council.
- 13.6 When a Motion to receive the minutes of a committee has been seconded, the Mayor will invite questions or comments upon such minutes. Any member may ask a question or make a comment on any minute before the Council, provided that he or she does not speak for more than five minutes in total on the minutes of a particular committee.
- 13.7 Any minute with \*\*\* must be considered by a separate motion following the procedure set out in paragraphs 13.5 and 13.6 above.

### Questions/Comments on Minutes

- 13.8 The chairman of the committee or other member moving the reception of the committee minutes will respond to any questions/comments relating to those minutes. Questions on a particular minute will not be answered until they have all been asked. The chairman or other member moving the reception of the committee minutes may decline to respond unless written notice has been given to the Chief Executive by noon on the Friday before the meeting. Where a question has been submitted in writing in advance of the meeting the questioner shall have the right to ask one supplementary question when they have received the chairman's response.

### Content of Amendment

- 13.9 An amendment must relate to the Motion and either:
- 13.9.1 refer a matter to a committee, or refer back to the appropriate committee a matter recommended to the Council;
  - 13.9.2 leave out words;
  - 13.9.3 add or insert words; or
  - 13.9.4 leave out words and add or insert words.
- as long as the effect of 13.9.2 to 13.9.4 is not to negate the motion.

### Content of Speech

- 13.10 A member's speech must be directed solely to the matter under discussion.

### Length of Speech

- 13.11 A member may not speak for more than five minutes, except by consent of the Council.

### When a member may speak again on a Motion

- 13.12 A member who has spoken on any Motion (and for this purpose each separate minute of a particular committee, sub-committee or joint committee, or any group of minutes being taken together will be regarded as a separate Motion) must not speak again until the debate on the Motion has finished EXCEPT:

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- 13.12.1 to speak once on an amendment moved by another member;
- 13.12.2 if the Motion has been amended since the member last spoke, to move a further amendment;
- 13.12.3 if the member's first speech was on an amendment moved by another member, to speak on the main issue, whether or not that amendment was carried;
- 13.12.4 in exercise of a right of reply given by paragraphs 13.26 or 13.27 of this Standing Order;
- 13.12.5 on a point of order or by way of personal explanation (in accordance with paragraph 13.28 and 13.29 of this Standing Order);
- 13.12.6 to move or speak on a procedural Motion set out in sub-paragraph 13.19.2, 13.19.7 or 13.19.8 of paragraph 13.19 of this Standing Order.

### **Debate on Amendment**

- 13.13 Only one amendment may be moved and discussed at a time. No further amendment may be moved until the first amendment has been disposed of.
- 13.14 The Mayor may permit two or more amendments to be discussed together if this is likely to help the proper conduct of the Council's business BUT each amendment must be voted upon separately.
- 13.15 If an amendment is lost a further, different, amendment may be moved.
- 13.16 The Mayor should read the entire Motion as amended prior to a vote being taken.
- 13.17 If an amendment is carried, the Motion as amended takes the place of the original Motion and becomes the Motion upon which any further amendments may be moved.

### **Seconding of Motions and Amendments**

- 13.18 Any member may second a motion or amendment and reserve his or her speech for a later period of the debate.

### **Motions which may be moved during debate**

- 13.19 When a Motion is being debated, the only other Motions that may be moved (either singly or combined) are:
  - 13.19.1 to amend the Motion;
  - 13.19.2 to adjourn the meeting;
  - 13.19.3 to adjourn the debate;
  - 13.19.4 to move on to the next business;
  - 13.19.5 to put the question immediately to the vote;

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- 13.19.6 not to hear a member further;
- 13.19.7 by the Mayor to require a member to leave the meeting;
- 13.19.8 to exclude the public from the meeting under section 100A (4) of the Local Government Act 1972;
- 13.19.9 to suspend one or more Standing Orders;
- 13.19.10 to extend the time limit for speeches;
- 13.19.11 to give any consent required by these Standing Orders.

### Closure Motions

- 13.20 At the conclusion of a speech of another member, a member may move without comment that:
  - 13.20.1 the debate be adjourned;
  - 13.20.2 the meeting be adjourned;
  - 13.20.3 the Council proceed to the next business; or
  - 13.20.4 the question be put.
- 13.21 If the Motion is seconded the Mayor shall proceed as follows, if in his opinion the question before the meeting has been sufficiently discussed:
  - 13.21.1 in the case of a Motion under 13.20.1, 13.20.2 or 13.20.3, invite the mover of the original Motion to reply and then put the closure Motion to the vote; or
  - 13.21.2 in the case of a Motion under 13.20.4, put the closure Motion to the vote.
- 13.22 If the Motion is carried, the question before the meeting shall (subject to the rights of speech or reply) be put to the vote or be deemed to be disposed of or the meeting or debate shall stand adjourned as the case may be.

### Amendment of Motion by Proposer

- 13.23 The proposer of a Motion may with the consent of the Council:
  - 13.23.1 alter a Motion of which the proposer has given notice; or
  - 13.23.2 with the further consent of the seconder alter a Motion, which the proposer has moved if (in either case) the alteration is one, which could be made as an amendment to the Motion.

### Withdrawal of Motion by Proposer

- 13.24 A Motion or amendment may be withdrawn by the proposer with the consent of the seconder and of the council.
- 13.25 No member may speak on a Motion or amendment after the proposer has asked to withdraw it **UNLESS** permission has been refused.

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### Right of Reply – Proposer of Motion Only

- 13.26 The proposer of a Motion has the right to reply at the close of the debate on the Motion immediately before it is put to the vote.
- 13.27 At the close of a debate on an amendment:
- 13.27.1 the proposer of the original Motion has the right to reply; and
  - 13.27.2 the proposer of the amendment has the right to reply, such right to be exercised immediately before the proposer of the original motion replies.

### Explanation and Points of Order

- 13.28 An explanation shall be confined to a material part of an earlier speech by the member during the meeting and on which a misunderstanding has occurred.
- 13.29 A point of order is a request by a member to the Mayor to rule on an alleged irregularity in the constitution of, or procedure in the meeting.
- 13.30 A member may rise on a personal explanation or a point of order at any time and is entitled immediately to address the Mayor on the matter; but:
- 13.30.1 the member who raises a point of order must specify immediately a Standing Order or statutory provision, and say how it has been broken or infringed;
  - 13.30.2 in either case the member's speech must be confined to the personal explanation or point of order.
  - 13.30.3 the ruling of the Mayor on an explanation or point of order is not open to discussion and is final.

### Disorderly Conduct

- 13.31 If the Mayor considers a member's conduct disorderly and so states to the Council, then the Mayor or any other member may move "not to hear a particular member further" and if seconded, the Motion shall be put to the vote without discussion. Disregarding the ruling of the Mayor, wilfully obstructing proceedings, or behaving improperly, offensively or irregularly shall, for these purposes, be considered disorderly.
- 13.32 If the member's disorderly conduct continues after the Motion has been carried, the Mayor shall:

EITHER

- 13.32.1 move to require the member to leave the meeting in which case the Motion shall be put to the vote without seconding or discussion

OR

- 13.32.2 adjourn the meeting of the council to an appropriate time.

- 13.33 The Mayor may, in the event of general disturbance disruptive of the proceedings, adjourn the meeting for an appropriate length of time. Such action may be taken irrespective of other available powers and without putting the matter to the meeting.

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### Voting

- 13.34 Save for the requirements relating to Budget Decision Meetings, set out in paragraphs 13.38 – 13.39 of the Standing Order, Members shall vote by a show of hands unless before the Mayor begins to take the vote a member requests that a recorded vote is taken, and that request is supported by six other Members (who will show their support by raising their hands).
- 13.35 Where a recorded vote takes place pursuant to paragraph 13.34 of this Standing Order, the minutes must record each Member's vote for, against or abstaining.
- 13.36 In the event that a recorded vote takes place:
- 13.36.1 the Head of Legal and Democratic Services or Chief Executive will call the name of each member;
  - 13.36.2 the member will respond, for or against the Motion or abstaining; and
  - 13.36.3 the Head of Legal and Democratic Services, a Director or Head of Service will record each member's response in the minute.
- 13.37 In the case of an equality of votes the Mayor or the person presiding shall have a second or casting vote.
- (Local Government Act 1972 Schedule 12 para.39.)

### Voting in Budget Decision Meetings

- 13.38 Immediately after any vote is taken at a Budget Decision Meeting (as defined in the Local Authorities (Standing Orders) (England) Regulations 2001/3384 (as amended)), there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.
- 13.39 The votes shall be recorded as set out in paragraph 13.36 of this Standing Order.

### 14. DISTURBANCE BY MEMBERS OF THE PUBLIC

- 14.1 If a member of the public interrupts the proceedings at any meeting the Mayor will issue a warning and if the interruption continues the Mayor shall order the removal of that person from the premises where the meeting is taking place. In case of general disturbance in any part of the premises open to the public, the Mayor shall order that part to be cleared.

### 15. TIME LIMIT ON MEETINGS

- 15.1 All meetings must end at or before 3 hours after the time at which the meeting commenced. The council or a committee will only suspend this Standing Order on rare occasions when circumstances justify doing so. The Motion to suspend this Standing Order must be seconded and then put to the vote without discussion.

### 16. MOTIONS AFFECTING EMPLOYEES

- 16.1 If any question arises on the appointment, promotion, dismissal, salary, superannuation, conditions of service or conduct of any council employee, the Council must not discuss it until it has considered whether to exclude the public under section 100A (4) of the Local Government Act 1972 as amended.

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### **17. MOTIONS NOT TO BE REVIVED**

- 17.1 No member may move a Motion or amendment, which would have the same effect as one, which has been rejected within the previous six months unless notice has been given as required by Standing Order 9 and such notice is signed by at least nine other members.

### **18. VOTING ON APPOINTMENTS**

- 18.1 Where three or more persons are nominated for any position to be filled by the Council but there is no majority of the votes cast in favour of one candidate, then the candidate who received the least votes must be eliminated from the voting and a fresh vote taken and so on until a majority of votes is given in favour of one person. Voting under this Standing Order may be conducted by ballot paper.

### **19. RECORD OF ATTENDANCES**

- 19.1 The names of the members present at a meeting of the council or any of its committees shall be recorded by the Chief Executive in an attendance book provided for that purpose.

### **20. FILMING OR RECORDING MEETINGS**

20. The filming, photographing or audio recordings or use of social media at Council meetings is permitted subject to the provisions set out in the Council's Protocol for filming and recording meetings.

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### 21. MEETINGS OF COMMITTEES

- 21.1 Meetings of Committees will be held at such intervals as the Council shall, at its Annual Meeting, determine and at such place and time as the Council shall determine.

#### Sub-Committees/Working Groups

- 21.2 At the first meeting of each Committee within each municipal year, or as required during the course of the year to give effect to Council business, each Committee shall establish such sub-committees and/or working groups as it deems necessary. The Committee shall determine the terms of reference of the sub-committee/working group and its membership from its own members.
- 21.3 The membership of any Sub-Committee shall be subject to the principles of political balance, but this will not apply to working groups.
- 21.4 Sub-Committees shall have the power to make decisions, but working groups may only consider an issue and then refer the matter back to Committee for a decision to be made.

#### Notice of Committee Meetings

- 21.5 The Chief Executive shall at least **five clear days** before a meeting:
- 21.5.1 give the public notice of the time and place of the meeting by posting it at the offices of the council and placing it on the Council website or if the meeting is convened on shorter notice, then at the time it is convened;
- 21.5.2 send to every member of the Council by an appropriate method a summons to attend the meeting, specifying the business proposed to be transacted at the meeting. An appropriate method shall be as defined by Paragraph 4, Schedule 12 of the Local Government Act 1972N.B Clear days shall have the meaning set out above.

#### Quorum

- 21.6 The quorum at meetings of committees shall be not less than half the members of the committee.
- 21.7 If a meeting lacks a quorum its business shall be adjourned to a fixed date and time or to the next meeting.

#### Order of Business

- 21.8 Subject to paragraph 21.9 of this Standing Order, the order of business at every Committee and Sub-Committee meeting will be:
- 21.8.1 to receive apologies for absence;
- 21.8.2 to approve as a correct record and sign the minutes of the last meeting of the Committee;
- 21.8.3 to receive any declarations of interest;
- 21.8.4 Public participation;

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21.8.5 to receive and consider all reports submitted to the Committee in the order they appear on the agenda; and

21.8.6 other business if any specified on the agenda

21.9 With the exception of items 21.8.1 –21.8.3 and 21.8.5-21.8.6 the order of business may be altered by the chairman.

### **22 PUBLIC PARTICIPATION IN COMMITTEES**

22.1 The provisions of this standing order relate to all committees save for Planning Committee.

22.2 Public participation in committee meetings will be allowed, in accordance with the Council's Protocol for Public Participation at Council and Committee Meetings, save that:

22.2.1 A question or comment may be refused if it relates to exempt or confidential information within the meaning of the Council's rules or if in the opinion of the Head of Legal and Democratic Services they contain defamatory material.

22.2.2 Any person wishing to speak must register with the Council by noon on the day of the meeting.

22.2.3 Contributions are limited to one per person and no person may speak for more than three minutes except in exceptional circumstances.

22.2.4 A maximum of 15 minutes will be allocated for public participation in each Committee.

22.2.5 Contributions will be limited to comments on decision items listed in Part I of the Agenda.

22.2.6 Comments and contributions will be taken in the order in which they are received. Speakers on different agenda items will be dealt with in Agenda item order.

22.2.7 No person may speak on the same topic at two consecutive meetings.

### **Public Participation in Planning Committee**

22.3 Public participation in Planning Committee meetings will be allowed save that:

22.3.1 a question or comment may be refused if it relates to exempt or confidential information within the meaning of the Council's rules or if in the opinion of the Head of Legal and Democratic Services they contain defamatory material;

22.3.2 contributions will be limited to comments on decision items listed in Part I of the Agenda;

22.3.3 a maximum of two speakers will be allowed on each planning application. One will be the applicant or agent, the other an objector. If the parish council is the objector they will have first refusal of the right to speak;

22.3.4 if the parish council do not wish to speak, the Council will accept the first person to register his or her name as the objector;

22.3.5 each speaker may speak for a maximum of three minutes. The applicant/agent will speak first and the objector second;

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- 22.3.6 Officers and members other than the Chairman cannot question the speaker. In exceptional circumstances the Chairman may ask an applicant and/or objector to clarify a matter of fact. If this happens, the applicant and/or objector must confine himself or herself to giving a direct answer to the question; and/or
- 22.3.7 Officers will not be required to answer questions raised, but will do so if a Member of Committee so requests.

### **23 PETITIONS**

- 23.1 Petitions may be presented to a committee in accordance with the Council's Petition Scheme.
- 23.2 The Council's Petition Scheme will not apply to letters of representation in respect of any matter relating to:
- 23.2.1 a specific planning decision (including a development plan document or the community infrastructure levy);
  - 23.2.2 a specific licensing decision;
  - 23.2.3 an individual or entity which has a right to a review or appeal conferred by or under any enactment.

### **24 MOTIONS AND AMENDMENTS WITHOUT NOTICE AT COMMITTEE MEETINGS**

- 24.1 A member may move without notice any of the following Motions and amendments:
- 24.1.1 to appoint a chairman for that meeting or the remainder of the meeting;
  - 24.1.2 motions relating to the accuracy of the minutes;
  - 24.1.3 to vary the order of the agenda;
  - 24.1.4 subject to paragraph 24.1.7 of this Standing Order, move a Motion arising out of consideration of an item on the agenda, provided it is relevant to that item and does not introduce any new subject matter, and/or that a body be appointed, or a person appointed to a body;
  - 24.1.5 to adopt reports and recommendations of officers. A member cannot however move a Motion or amendment, which amends a decision made under powers delegated to a Committee and/or Officer by the Council.
  - 24.1.6 to give leave to withdraw a Motion;
  - 24.1.7 to extend the time limit for speeches;
  - 24.1.8 to make an amendment to a Motion;
  - 24.1.9 to move on to the next item on the agenda;
  - 24.1.10 to put the question immediately to the vote;
  - 24.1.11 to adjourn the debate;
  - 24.1.12 to adjourn the meeting;
  - 24.1.13 to suspend one or more Standing Orders;

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- 24.1.14 to exclude the public from the meeting under Section 100A (4) of the Local Government Act 1972;
- 24.1.15 under Standing Order 26.10 not to hear a member further.
- 24.1.16 under Standing Order 26.11 by the chairman to require a member to leave the meeting; and/or
- 24.1.17 to give any consent required by these Standing Orders.

### **25. NOTICES OF MOTION AT COMMITTEE**

- 25.1 A Notice of Motion not listed in Standing Order 24 must be given in writing to the Chief Executive **AT LEAST 5 CLEAR DAYS** (before the relevant meeting, and be signed by the member(s) giving the notice. (see definition of clear days set out above). An email to the Chief Executive will be accepted as giving notice.
- 25.2 The Chief Executive shall set out in the agenda for the Committee meeting all Motions which comply with the requirements of paragraph 25.1 of this Standing Order in the order they have been received, unless the member has either withdrawn it in writing or requested to move it at a later meeting.
- 25.3 Motions must relate to matters where the Council has powers or duties or which affect the borough.
- 25.4 The Council will treat as withdrawn any Motion not moved at the meeting at which it appears upon the summons, unless Committee agrees its postponement.

### **26 RULES OF DEBATE AT COMMITTEE MEETINGS**

#### **Debate on Amendment**

- 26.1. Only one amendment may be moved and discussed at a time. No further amendment may be moved until the first amendment has been disposed of.
- 26.2 The Chairman may permit two or more amendments to be discussed together if this is likely to help the proper conduct of the Committee's business BUT each amendment must be voted upon separately.
- 26.3 If an amendment is lost a further, different, amendment may be moved.
- 26.4 The Chairman must read the entire Motion as amended prior to a vote being taken.
- 26.5 If an amendment is carried, the Motion as amended takes the place of the original Motion and becomes the Motion upon which any further amendments may be moved.

#### **Seconding Amendments**

- 26.6 Any member may second a motion or amendment and reserve his or her speech for a later period of the debate.

#### **Content of Amendment**

- 26.7 An amendment must relate to the Motion and either:
  - 26.7.1 refer a matter to another Committee or to Council;

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- 26.7.2 leave out words;
  - 26.7.3. add or insert words; or
  - 26.7.4 leave out words and add or insert words.
- as long as the effect of 26.7.2 to 26.7.4 is not to negate the motion.

### **Amendment of Motion by Proposer**

- 26.8 The proposer of a Motion may with the consent of the Council:
  - 26.8.1 alter a Motion of which the proposer has given notice; or
  - 26.8.2 with the further consent of the seconder alter a Motion, which the proposer has moved if (in either case) the alteration is one, which could be made as an amendment to the Motion.

### **Withdrawal of Motion by Proposer**

- 26.9 A Motion or amendment may be withdrawn by the proposer with the consent of the seconder and of the council.
- 26.10 No member may speak on a Motion or amendment after the proposer has asked to withdraw it UNLESS permission has been refused.

### **Explanation of points of order**

- 26.11 An explanation shall be confined to a material part of an earlier speech by the member during the meeting and on which a misunderstanding has occurred.
- 26.12 A point of order is a request by a member to the chairman to rule on an alleged irregularity in the constitution or procedure in the meeting.
- 26.13 A member may rise on a personal explanation or a point of order at any time and is entitled immediately to address the chairman on the matter; but:
  - 26.13.1 the member who raises a point of order must specify immediately a Standing Order or statutory provision, and say how it has been broken or infringed;
  - 26.13.2 in either case the member's speech must be confined to the personal explanation or point of order.
  - 26.13.3 the ruling of the Chairman on an explanation or point of order is not open to discussion and is final.

### **Disorderly conduct**

- 26.14 If the Chairman considers a member's conduct disorderly and so states to the Committee, then the Chairman or any other member may move "not to hear a particular member further" and if seconded, the Motion shall be put to the vote without discussion. Disregarding the ruling of the Chairman, wilfully obstructing proceedings, or behaving improperly, offensively or irregularly shall, for these purposes, be considered disorderly.
- 26.15 If the member's disorderly conduct continues after the Motion has been carried, the Chairman shall

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26.15.1 move to require the member to leave the meeting in which case the Motion shall be put to the vote without seconding or discussion; or

26.15.2 adjourn the meeting of the Committee to an appropriate time.

26.16 The Chairman may, in the event of general disturbance disruptive of the proceedings, adjourn the meeting for an appropriate length of time. Such action may be taken irrespective of other available powers and without putting the matter to Committee.

### **Disturbance by the public**

26.17 If a member of the public interrupts the proceedings at any meeting the Chairman will issue a warning and if the interruption continues the Chairman shall order the removal of that person from the premises where the Committee meeting is taking place. In case of general disturbance in any part of the premises open to the public, the Chairman shall order that part to be cleared.

### **Time limits**

26.18 All meetings must end at or before 3 hours after the time at which the meeting commenced. A committee will only suspend this Standing Order on rare occasions when circumstances justify doing so. The Motion to suspend this Standing Order must be seconded and then put to the vote without discussion.

### **Motions affecting employees**

26.19 If any question arises on the appointment, promotion, dismissal, salary, superannuation, conditions of service or conduct of any council employee, a Committee must not discuss it until it has considered whether to exclude the public under section 100A (4) of the Local Government Act 1972 as amended.

### **Record of attendance**

26.20 The names of the members present at a Committee meeting shall be recorded by the Chief Executive in an attendance book provided for that purpose.

### **Voting on appointments**

26.21 Where three or more persons are nominated for any position to be filled by the Council but there is no majority of the votes cast in favour of one candidate, then the candidate who received the least votes must be eliminated from the voting and a fresh vote taken and so on until a majority of votes is given in favour of one person. Voting under this Standing Order may be conducted by ballot paper.

### **Voting**

26.22 Save for the requirements relating to Budget Decision Meetings, set out in paragraphs 26.25 – 26.26 of this Standing Order, Members shall vote by a show of hands unless before the Chair begins to take the vote a member requests that a recorded vote is taken, and that request is supported by three other Members (who will show their support by raising their hands).

Where a recorded vote takes place pursuant to this Standing Order, the minutes must record each Members vote for, against or abstaining.

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- 26.23 In the event that a recorded vote takes place:
- 26.231 the Head of Legal and Democratic Services, a Director or Head of Service will call the name of each member;
  - 25.23.2 the member will respond, for or against the Motion or abstaining; and
  - 25.23.3 the Head of Legal and Democratic Services, a Director or Head of Service will record each member's response and these will be recorded in the minute.
- 26.24 in the case of an equality of votes the Chairman or the person presiding shall have a second or casting vote.
- (Local Government Act 1972 Schedule 12 para.39.)

### **Voting in Budget Decision Meetings**

- 26.25 Immediately after any vote is taken at a Budget Decision Meeting (as defined in the Local Authorities (Standing Orders) (England) Regulations 2001/3384 (as amended)), there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.
- 26.26 The votes shall be recorded as set out in paragraph 26.23 of this Standing Order.

### **Minutes of Committee Meetings**

- 26.27 The Chairman or Vice Chairman will move that the minutes be approved as a correct record.
- 26.28 Only the accuracy of the minutes may be discussed and then only by Motion. As soon as any Motion has been disposed of (or if no Motion is moved) the Chairman will sign the minutes subject to any amendment set out in any Motion approved by Committee.
- 26.29 Minutes shall be submitted to and signed at the next meeting of Committee.

### **Members entitled to attend all Committees and Sub-Committees**

- 26.30 Members are entitled to attend meetings of committees or sub-committees of which they are not members and may speak with the permission of the committee or sub-committee. A member may not speak for more than five minutes, except by consent of the committee or sub-committee.

### **27. FILMING AND RECORDING MEETINGS**

- 27.1 The filming, photographing or audio recording or use of social media at Council meetings is permitted subject to the Council's protocol on filming or recordings meetings.

### **28. URGENT BUSINESS BETWEEN COMMITTEES (EMERGENCY COMMITTEE)**

- 28.1 Where the terms of reference of the Emergency Committee apply and the matter is so urgent that the decision cannot wait for a scheduled meeting of the Council or one of its committees, the Chief Executive or a deputy appointed by him/her for these purposes will convene a meeting of the Emergency Committee for the purpose of reaching a decision on that matter. The Emergency Committee shall have power to exercise any of the functions of the Council for the purposes of deciding the matter referred to it.

## Part 4 of the Constitution 2022

- 28.2 Membership of the Emergency Committee will be determined each year at the Annual Meeting of the Council in accordance with the provisions relating to political balance and, except where other arrangements are approved by the Annual Meeting, the committee will comprise of the Leader, the Deputy Leader, the Shadow Leader or their authorised representatives and one other councillor.
- 28.3 Members of the Corporate Management Team and, wherever possible, other appropriate officers, should also attend meetings of the Emergency Committee.
- 28.4 The committee clerk will arrange the meeting and produce an agenda. This and any reports prepared for the meeting will be circulated to members of the Emergency Committee.
- 28.5 The agenda will be posted on the Council's website together with any Part I reports.
- 28.6 The decision made by the Emergency Committee will be reported to the next meeting of the most appropriate committee or to full Council, as applicable.

### **29. CALL-IN PROCEDURE FOR DECISIONS MADE BY POLICY COMMITTEES**

- 29.1 All decisions made by committees should be sent to members within two working days of the committee having met.
- 29.2 A decision can be called-in within 5 working days of the decision being published.
- 29.3 If a decision is called-in, the implementation of that decision is suspended until the Council has met unless overridden by the Emergency committee.
- 29.4 Five members are needed to operate the call-in procedure.
- 29.5 The members operating the call-in procedure must give reasons in writing specifying why the decision has been called-in.
- 29.6 The call-in procedure does not apply to decisions on individual planning, licensing or grant applications, or to any matter arising out of the original decision on such an application including the conduct of any appeal. It should normally only apply to decisions, which are considered to be contrary to policy or not in accordance with the budget. The Emergency committee will have power to override the call-in procedure and to rule that the original decision be implemented. This power can only be exercised by a unanimous decision of the four where in their view; it is necessary to protect the interests of the Council that the original decision be implemented without delay. In order for them to decide whether or not to exercise this power, the Chief Executive shall notify them immediately of any decisions that have been called-in.

### **30. INTERESTS OF MEMBERS IN CONTRACTS AND OTHER MATTERS**

- 30.1 Members of the Council are under a duty to base their decision making on a consideration of the public interest, avoid conflict between personal interest and the public interest and resolve any conflict between the two, at once, and in favour of the public.
- 30.2 A Member has a potential conflict of interest where any business of the meeting relates to or is likely to affect the subject matter of:
- 30.2.1 a disclosable pecuniary interest as described in the Members Code of Conduct and section 30(3) of the Localism Act 2011;
  - 30.2.2 other pecuniary interest as described in the Members Code of Conduct; or
  - 30.2.3 private interest as described in the Members Code of Conduct;

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held by a member and, when prompted by the agenda item, at the commencement of that consideration or when the interest becomes apparent, the Member must disclose to the meeting the existence and nature of that interest.

30.3 Where an interest is disclosed arising from a disclosable pecuniary interest; or other interest where that interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest; the Member:

30.3.1 may not participate in any discussion of the matter at the meeting;

30.3.2 may not vote on the matter at the meeting; and

30.3.3 must retire to the public gallery or other area set aside from the meeting.

30.4 Where a Member holds a conflict of interest described at 30.2.2 and/or 30.2.3 above, before retiring he or she may address the meeting as a member of the public in accordance with the public participation rules.

30.5. Where a member is present at a meeting where that member is to be called upon to make a decision in the public interest, and that member considers they have fettered their discretion in some other way, that member may exercise any separate speaking rights as a ward member or member of the public but should not take part in the discussion or vote as a member of the meeting.

### **31. COMPLAINTS ABOUT CONDUCT OF MEMBERS**

31.1 Where a member has a complaint that another member has breached the council's Code of Conduct, s/he shall submit the complaint to the Council's Monitoring Officer.

31.2 No member shall at a meeting of the Council or its committees make any allegation or assertion that the conduct of another member or members is in breach of the Council's Code of Conduct or any other adopted codes of probity and practice relating to the conduct of members and no discussion shall take place regarding such conduct except in the Accounts and Audit Committee on receipt of a report from the Council's Monitoring Officer or within a sub-Committee of the Accounts and Audit Committee when it conducts a local hearing.

### **32. INTEREST OF OFFICERS IN CONTRACTS**

32.1 The Head of Legal and Democratic Services shall record particulars of any notice of pecuniary interest in a contract given by an officer and such record shall be open to inspection by members.

### **33. CHIEF OFFICERS – APPOINTMENTS**

33.1 Where the Council proposes to appoint a chief officer and it is not proposed that the appointment be made exclusively from among their existing officers, they shall draw up a statement specifying the duties of the officer concerned and any qualifications or qualities to be sought in the person to be appointed. Such statement shall be copied to any person expressing interest.

33.2 The Council shall consider the response to advertising the chief officer post and interview either all qualified candidates or those on a shortlist the council shall select. If there is no qualified candidate the chief officer post shall be re-advertised.

33.3 Every appointment of a chief officer shall be made by the Council or by a committee or sub-committee of the council.

33.4 When a vacancy occurs in any existing office of chief officer or deputy chief officer the council shall obtain the views of any committee primarily concerned and decide, in the

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case of an office which the council are not required by statute to fill, whether the office is necessary; and in any case what shall be the terms and conditions of the office; and no steps shall be taken to fill the post until these decisions have been taken.

- 33.5 For the purposes of paragraph 33.4 above, it shall be deemed that a committee have been consulted if there has been consultation with the chairman, vice-chairman if any and one other member (or if there be no vice-chairman, two other members) designated by the chairman of the committee.
- 33.6 The powers of officers shall be those from time to time authorised by the council at the appropriate committee or sub-committee as the case may be.
- 33.7 The Council for the purpose of this Standing Order includes a committee, sub-committee or officer to whom appropriate powers have been delegated.
- 33.8 Canvassing of a member or members shall disqualify an applicant for an appointment with the council.
- 33.9 An applicant for any appointment with the Council aware of any relationship to any member or senior officer of the council shall, when making an application, disclose that relationship and failure to do so shall disqualify.
- 33.10 For the purpose of this Standing Order “senior officer” means any officer under the Council so designated by the Council and persons shall be deemed to be related if they are husband and wife or if either of them or the spouse of either of them is the son or daughter or grandson or granddaughter or brother or sister or nephew or niece of the other, or of the spouse of the other.

### **34. STAFF – APPOINTMENTS AND DISCIPLINARY ACTION**

- 34.1 In this Part –
- “the 1989 Act” means the Local Government and Housing Act 1989;
- “disciplinary action” has the same meaning as in the Local Authorities (Standing Orders) (England) Regulations 2001; and
- “member of staff” means a person appointed to or holding a paid office or employment under the Council.
- 34.2 Subject to paragraphs 34.3 and 34.5, the function of appointment and dismissal of, and taking disciplinary action against, a member of staff of the authority must be discharged, on behalf of the Council by the officer designated under section 4(1) of the 1989 Act (designation and reports of head of paid services) as the head of the authority’s paid service or by an officer nominated by him.
- 34.3 Paragraph 34.2 of this Standing Order shall not apply to the appointment or dismissal of, or disciplinary action against:
- 34.3.1 the officer designated as the head of the authority’s paid service;
- 34.3.2 a statutory chief officer within the meaning of section 2(6) of the 1989 Act (politically restricted posts);
- 34.3.3 a non-statutory chief officer within the meaning of section 2(7) of the 1989 Act;
- 34.3.4 a deputy chief officer within the meaning of section 2(8) of the 1989 Act; or
- 34.3.5 a person appointed in pursuance of section 9 of the 1989 Act (assistants for political groups).

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- 34.4 Where a committee, sub-committee or officer is discharging on behalf of the Council the function of the appointment of an officer designated as the head of the Council's paid service, the Council must approve that appointment before an offer of appointment is made to that person.
- 34.5 Where a Committee, sub-committee or officer is discharging, on behalf of the Council, the function of the dismissal of an officer designated as the head of the Council's paid service, as the Council's chief finance officer, or as the Council's monitoring officer, the Council must approve that dismissal before notice is given to that person.
- 34.6 Nothing in paragraph 34.2 shall prevent a person from serving as a member of any committee or sub-committee established by the Council to consider an appeal by:
- 34.5.1 another person against any decision relating to the appointment of that other person as a member of staff of the Council; or
- 34.5.2 a member of staff of the Council against any decision relating to the dismissal of, or taking disciplinary action against that member of staff.

### 35. SENIOR OFFICERS - DISCIPLINARY ACTION

- 35.1 In the following paragraphs:
- (a) "the 2011 Act" means the Localism Act 2011;
  - (b) "chief finance officer", "disciplinary action", "head of the authority's paid service" and "monitoring officer" have the same meaning as in regulation 2 of the Local Authorities (Standing Orders) (England) Regulations 2001;
  - (c) "independent person" means a person appointed under section 28(7) of the 2011 Act;
  - (d) "local government elector" means a person registered as a local government elector in the register of electors in the authority's area in accordance with the Representation of the People Acts;
  - (e) "the Panel" means a committee appointed by the authority under section 102(4) of the Local Government Act 1972 for the purposes of advising the authority on matters relating to the dismissal of relevant officers of the authority;
  - (f) "relevant meeting" means a meeting of the authority to consider whether or not to approve a proposal to dismiss a relevant officer; and
  - (g) "relevant officer" means the chief finance officer, head of the authority's paid service or monitoring officer, as the case may be.
- 35.2 A relevant officer may not be dismissed by the Council unless the procedure set out in the following paragraphs is complied with.
- 35.3 The Council must invite relevant independent persons to be considered for appointment to the Panel, with a view to appointing at least two such persons to the Panel.
- 35.4 In paragraph 35.3 of this standing order "relevant independent person" means any independent person who has been appointed by the Council or, where there are fewer than two such persons, such independent persons as have been appointed by another authority or authorities as the Council consider appropriate.
- 35.5 Subject to paragraph 35.6 of this standing order, the Council must appoint to the Panel such relevant independent persons who have accepted an invitation issued in accordance with paragraph 35.3 of this standing order in accordance with the following priority order:
- (a) a relevant independent person who has been appointed by the Council and who is a local government elector;

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(b) any other relevant independent person who has been appointed by the Council;

(c) a relevant independent person who has been appointed by another authority or authorities.

- 35.6 The Council is not required to appoint more than two independent persons in accordance with paragraph 35.5 of this standing order but may do so.
- 35.7 The Council must appoint any Panel at least 20 working days before the relevant meeting.
- 35.8 Before the taking of a vote at the relevant meeting on whether or not to approve such a dismissal, the Council must take into account, in particular:
- (a) any advice, views or recommendations of the Panel;
  - (b) the conclusions of any investigation into the proposed dismissal; and
  - (c) any representations from the relevant officer.
- 35.9 Any remuneration, allowances or fees paid by the Council to an independent person appointed to the Panel must not exceed the level of remuneration, allowances or fees payable to that independent person in respect of that person's role as independent person under the 2011 Act.

### **36. MEMBERS' ACCESS TO DOCUMENTS AND PROPERTY**

- 36.1 Members' rights of access to documents in the possession or control of the Council which contain material relating to any business to be transacted at a meeting of the Council are set out in the Council's Rules with regard to access to meetings and related documents of the Council, its committee and sub-committees.
- 36.2 Unless specifically authorised to do so by the Council or a committee, a member of the Council shall not issue any order respecting any works which are being carried out by or on behalf of the Council or claim by virtue of his membership of the Council any right to inspect or to enter upon any lands or premises which the Council has the power or duty to inspect or enter.

### **37. SEALING OF DOCUMENTS**

- 37.1 All documents which require to be sealed with the Common Seal of the council shall be attested by the Mayor or Deputy Mayor and by the Chief Executive, the Director of Resources, or the Head of Legal and Democratic Services.
- 37.2 All documents to which the Common Seal is affixed shall be entered in a register to be kept by the Head of Legal and Democratic Services.

### **38. CONTRACTUAL STANDING ORDER**

- 38.1 The letting of contracts shall be in accordance with the Council's Contract Procedure Rules.

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION
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meeting date: 29 MARCH 2022  
 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 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.

### 3 CURRENT POSITION

3.1 There are seven 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 £120,030.44 in business rates and £1,860.00 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 £120,030.44 in Business Rates and £1,860.00 costs where it has not been possible to collect the amounts due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF9-22/ME/AC  
16 March 2022

## Write offs – NNDR

		Property	Amount £
<b>DISSOLVED</b>			
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	Bright Futures Daycare Ltd	Futures Alternative Learning and Development Centre Ltd, Broomhill Farm House Arena, Smalden Lane, Grindleton, Clitheroe	461.13
2019/20			8,234.91
2020/21			6,742.65
2021/22			*1,561.10
2019/20	Meet and Greet Take a Gander Limited	The Castle, Station Road, Clitheroe	*1,543.06
2014/15	Nutrofoods Ltd	Back Ridge Barn, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe	*2,363.06
2015/16			*7,140.00
2016/17			*3,424.13
2014/15		Side Shippon, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe	*762.63
2015/16			*2,220.00
2016/17			*1,086.35
2014/15		Dog Shippon, Back Ridge Barn, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe	*934.38
2015/16			*2,748.00
2016/17			*1,337.23
2015/16		L'Escargot Farms Limited	Back Shippon, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe
2016/17	*2,213.80		
2017/18	*1,947.30		
2018/19	*2,004.00		
2019/20	*2,048.55		
2020/21	1,694.28		
2016/17	Side Shippon, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe		*1,211.65
2017/18			*1,970.60
2018/19			*2,028.00
2019/20			*2,073.10
2021/22			1,715.19
2016/17	Back Ridge Barn, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe		*3,834.87
2017/18			*7,516.00
2018/19			*7,740.00
2019/20			*7,916.00
2020/21			*6,693.44
2016/17	Dog Shippon, Back Ridge Barn, Back Ridge Farm, Twitter Lane, Bashall Eaves, Clitheroe		*1,493.17
2017/18			*2,436.60
2018/19			*2,508.00
2019/20		*2,564.10	
2020/21		*1,994.09	
2010/11	Hickteam Ltd	Carter Leisure Club, Chatburn Road, Clitheroe	1,244.00
2011/12			2,609.25
2020/21	Ribble Valley Blow Bar Ltd	Unit 4, Deanfield Drive, Link 59 Business Park, Clitheroe	*3,965.50
2021/22			3,991.66
2021/22	Big Home Shop Limited	Unit 7, Time Technology Park, Blackburn Road, Simonstone	3,897.74
<b>TOTAL</b>			<b>121,890.44</b>

\*including £60.00 costs

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 29 MARCH 2022  
title: DRAFT CYCLE OF COMMITTEE MEETINGS 2022/23  
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 2022/23.

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 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 2022/23

2.2 It is subject to final approval at the Annual meeting on 10 May 2022.

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 2020/21. 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 in May 2023 for both Borough and Parish councillors it is proposed to put back the date of the Annual meeting by 2 weeks 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

3.3 All committees and Council are now held back in the Council Chamber as the legislation allowing for remote meeting expired on 7 May 2021. Members will be kept informed of any changes to legislation should this happen.

#### 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 2022/23.
- 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 10 May 2022.

OLWEN HEAP  
DEMOCRATIC SERVICES OFFICER

MARSHAL SCOTT  
CHIEF EXECUTIVE

#### BACKGROUND PAPERS

Meeting Cycle 2020/21

For further information please ask for Olwen Heap, extension 4408

REF: OMH/P&F29032022

**Ribble Valley Borough Council**  
**Meeting Cycle 2022/23**  
**(10 May 2022 – 23 May 2023)**

<b>MEETINGS</b>	<b>Day</b>	<b>TIME</b>	<b>1<sup>ST</sup> CYCLE 2022</b>	<b>2<sup>ND</sup> CYCLE 2022</b>	<b>3<sup>RD</sup> CYCLE 2022</b>	<b>4<sup>TH</sup> CYCLE 2023</b>	<b>5<sup>TH</sup> CYCLE 2023</b>
Community Services	Tues	<b>6.30pm</b>	24 MAY	23 AUG	18 OCT	10 JAN	14 MARCH
Planning and Development	Thurs	<b>6.30pm</b>	19 MAY	21 JULY & 25 AUG	20 OCT	12 JAN	16 MARCH
Personnel	Wed	<b>6.30pm</b>	8 JUNE	31 AUG	26 OCT	18 JAN	22 MARCH
Health & Housing	Thurs	<b>6.30pm</b>	9 JUNE	1 SEPT	27 OCT	19 JAN	23 MARCH
Licensing	Tues	<b>6.30pm</b>	14 JUNE	6 SEPT	1 NOV	31 JAN	28 MARCH
Economic Development	Thurs	<b>6.30pm</b>	16 JUNE	8 SEPT	3 NOV	26 JAN	30 MARCH
Policy & Finance	Tues	<b>6.30pm</b>	21 JUNE	13 SEPT	8 NOV	24 JAN & 14 FEB	4 APRIL
Parish Liaison	Thurs	<b>6.30pm</b>	30 JUNE	15 SEPT	10 NOV	2 FEB	6 APRIL
Planning & Development	Thurs	<b>6.30pm</b>	23 JUNE	22 SEPT	1 DEC	16 FEB	13 APRIL
Accounts & Audit	Wed	<b>6.30pm</b>	29 JUNE	28 SEPT	23 NOV	8 FEB	12 APRIL
Full Council	Tues	<b>6.30pm</b>	12 JULY	11 OCT	13 DEC	7 MARCH	25 APRIL

2022

Offices Closed

Platinum Jubilee in lieu of : 2 and 3 June 2022  
 Spring Bank  
 August Bank : 29 August 2022  
 Christmas : 26 - 30 December 2022

Annual Council : 10 May 2022

2023

Offices Closed

New Year : 2 January 2023  
 Good Friday : 7 April 2023  
 Easter Monday : 10 April 2023  
 May Day : 1 May 2023

Annual Council : 23 May 2023  
 Borough and Parish Elections : 4 May 2023

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## Minutes of the Queen's Platinum Jubilee Working Group

Meeting Date: Wednesday 16 March, started at 2.00pm

Present: Councillor S Atkinson (Chair)

Councillors:

J Clark

R Thompson

S Fletcher

In attendance: Chief Executive, Director of Economic Development and Planning and the Director of Community Services.

APOLOGIES FOR ABSENCE:

None received.

The Chief Executive reminded members of the events / actions so far

- Freedom March – 24 May 2022
- Beacon Lighting – 2 June 2022
- Jubilee Trail – Mayor Elect and RT
- £500 grant given to parishes
- We are also aware of several street parties that will be taking place in the Borough

TREE PLANTING

The Director of Economic Development and Planning had circulated a suggestion of planting 70 trees across the Borough on Council-owned land. 81 locations had been identified but still needed a proper assessment carrying out. The plan included 20 native Aspens in Brungerley Park, Clitheroe and 2 in Towneley Gardens, Longridge (these trees have a safe useful life expectancy of approximately 70 years) as well as single/double trees throughout the Borough. In the few areas where the Council does not own sufficient land, it was suggested we work with the Parish Council.

JUBILEE GARDENS

The Chief Executive informed the working group that he had met with officers from LCC, the Clitheroe County Councillor and 2 Borough councillors and reached the conclusion that this was a non-starter on this piece of land. However, he suggested that a large engraved commemorative rock might work instead. Members discussed this option and decided that they liked the idea of the rock but that it should be placed in Dunsop Bridge.

OTHER IDEAS

The Director of Community Services was asked to investigate if cycle routes could be included in the Jubilee walking trails and labelled similarly.

SUMMARY of ACTIONS RECOMMENDED TO POLICY & FINANCE COMMITTEE

- Proceed with tree planting scheme throughout the Borough
- Proceed with commemorative rock in Dunsop Bridge
- Ask the DCS to investigate the cycle trails

The Chief Executive would prepare a report for Policy & Finance committee on 29 March 2022.

Meeting closed at 2.15pm

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## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

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meeting date: 29 MARCH 2022  
 title: REFERENCE FROM HEALTH AND HOUSING COMMITTEE – PROPOSED REVISED LANDLORD TENANT GRANT POLICY AND INTRODUCTION OF A NEW GRANT FOR FIRST TIME BUYERS  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: LAWSON ODDIE

### 1 PURPOSE

1.1 To consider a request from Health and Housing Committee in respect of a proposed new First Time Buyers capital grant scheme, utilising resources from the existing Landlord/Tenant grant scheme.

### 2 BACKGROUND

2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The budget for 2022/23 was approved by Special Policy and Finance Committee on 22 February 2022 and by Full Council on 8 March 2022.

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 17 MARCH 2022

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 of proposals to introduce an additional grant scheme available for first time buyers towards improvement of the energy efficiency of the property which includes a wide range of improvements and would be determined by the dwelling's Energy Performance Certificate.

3.2 At its meeting, Health and Housing Committee considered the report and resolved that:

‘RESOLVED: That Committee

1. Approve the revised discretionary private sector grant policy for a 12-month trial period;
2. Approve the use of the Central Lancashire LHA rate for a 12-month trial period;
3. Confirm officers trialling a First Time Buyers Grant for a 12-month trial period, this to be referred to Policy & Finance committee, and
4. Delegate a review of the above three changes to officers to report back to a future committee following the 12-month period.

3.3 The grant scheme would be funded by moving resources off the Landlord/Tenant Grant scheme and instead creating a new First Time Buyers capital grant scheme. The proposals in the report were that half of the Landlord/Tenant Grant Scheme should be used to create the new grant scheme. This would mean that for 2022/23, the capital schemes would be:

- Landlord/Tenant Grant Scheme - £118,370 (*previously £236,740*)
- First Time Buyers Grant Scheme - £118,370

4. RECOMMENDED THAT COMMITTEE

- 4.1 Approve the request for a new capital scheme budget of £118,370 in respect of a new First Time Buyers capital grant scheme. This would be enabled by reducing the Landlord/Tenant Grant Scheme by this amount.

HEAD OF FINANCIAL SERVICES  
PF20-22/LO/AC  
22 March 2022

DIRECTOR OF RESOURCES

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

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meeting date: THURSDAY, 17 MARCH 2022  
 title: PROPOSED REVISED LANDLORD TENANT GRANT POLICY AND  
 INTRODUCE A NEW GRANT FOR FIRST TIME BUYERS  
 submitted by: NICOLA HOPKINS – DIRECTOR OF ECONOMIC DEVELOPMENT & PLANNING  
 principal author: RACHAEL STOTT – HOUSING STRATEGY OFFICER

## 1 PURPOSE

1.1 To propose a revised renovation grant policy and to introduce a renovation grant offer to first time buyers.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – To address the housing needs of households in the borough.
- Corporate Priorities – To ensure the council is a well-managed authority providing efficient services based on identified customer needs.
- Other Considerations – None.

## 2 BACKGROUND

2.1 For the past few years financial support has been made available to deliver 2 types of grants **Disabled Facilities Grants** mandatory and discretionary **Landlord Tenant grants**.

Whilst these have been amended and updated numerous times, these 2 grants addressed two key priorities:

- To enable households to remain in their own property for as long as possible through adaptations and equipment whenever possible.
- Support private landlords to deliver affordable rental properties and therefore increase affordable housing options for people in the borough.

2.2 The Landlord Tenant Grant currently includes:

*Renovation grants may be available where substantial works are required to the dwelling to make a dwelling fit to live in. To be eligible, the property:*

- *Must be within Council Tax bands A – D*
- *currently not meeting the fitness standard for a habitable dwelling.*

*The grant assistance available is 50% of the conversion work, up to a maximum of £10,000 per flat, £15,000 per two/three bed roomed property. The property must meet the decent homes standard on completion.*

2.3 For the next financial year there is £236,000 in the budget for Landlord Tenant Grants

## 3 ISSUES

3.1 At the last meeting of this Committee it was confirmed that a review of the Landlord Tenant grant scheme was being undertaken and will be the subject of a future report to this Committee. This report sets out the conclusion of the review.

- 3.2 There has been a significant reduction in landlords registering any interest in the Landlord Tenant grant scheme. This has been the case for the past 3 or 4 years and coupled with covid has meant there is significant underspend on the budget.
- 3.3 One issue identified as a reason for the low take up rate of Landlord Tenant Grants is the current requirement to charge East Lancashire Local Housing Allowance (LHA) rate. This LHA rate is now approximately 40% lower than market rent levels and therefore a significant determining factor in landlords not willing to enter the scheme. Appendix 1 sets out the various rental levels compared to the market rent.
- 3.4 Concerns have also been raised about the availability of housing for first time buyers in the Borough. Over the past few years house prices and cost of renting has increased significantly making accessing the housing market extremely challenging particularly for first time buyers and this is particularly prevalent within a Borough like Ribble Valley.
- 3.5 House prices and demand for property is a national problem and so within the borough where house prices are above average already this has created additional difficulties for first time buyers trying to access the market.

#### 4. OPTIONS

- 4.1 The following options have been considered in respect of the Renovations Grants:
- 4.2 **Landlords:** The grant available could be increased from £15,000 to £20,000 of match funding per two/three bedroomed property.
- 4.3 **LHA Rate:** Allow Landlords to charge the Central Lancashire LHA rate on completion of the works
- 4.4 **First time buyers grant-** To introduce an additional grant available for first time buyers towards improvement of energy efficiency of the property which can include a wide range of improvements and will be determined by the dwellings Energy Performance Certificate. This could be, but not limited to, the boiler, new windows, and all forms of insulation.

4.4.1 This new grant would be for:

- Properties within Council Tax groups A-C.
  - Would be means tested.
  - On completion the EPC rating would have to reach a minimum of a C.
  - The maximum grant available would be £15,000 and will cover half of eligible costs upto £15,000 (ie match funding will be required).
  - Would be registered as a charge on the property to be repaid when the property is sold. If the property is sold after 5 years from receipt of the grant the repayment amount decreases to 50% of the total grant award.
- 4.5 Appendix 2 sets out the proposed Frist Time Buyers Grant policy.
- 4.6 Members should be aware that the proposed first-time buyers grant is likely to raise the following challenges:
- Administering such a grant could be resource intensive as each application will be specific to the dwelling in question and relate to different improvements (ie each application will be individual). At this stage it is unclear what the take up will be to understand the impact on both capacity (staff time administering and reviewing the applications) and the budget (whether the budget is sufficient).
  - First time buyers generally have limited spare cash; however, family members may assist and therefore make it difficult to assess if they are eligible.

- The improvements may require more technical input during the renovation and as technical officer post is currently vacant this may cause issues.

4.7 If Members would like to introduce this new grant it is suggested that it is trialled for a year noting the above challenges and that the 2022/23 grant budget is split equally between Landlord Renovation Grants and First Time Buyer grants

## 5 RISK ASSESSMENT

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

- Resources – Existing budgets including underspend from the past few years will fund the scheme.
- Technical, Environmental and Legal – All grants apart from the mandatory DFG will be registered as a charge.
- Political – Assisting all aspects of the housing need is important. Both households seeking to rent and households seeking to enter into homeownership.
- Reputation – Promote the scheme across the borough to ensure all households are aware of the opportunity.

Equality & Diversity – All household needs will be considered in the renovation.

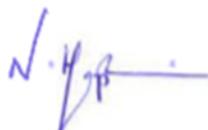
## 6 RECOMMENDED THAT COMMITTEE

6.1 Approve the revised Landlord Renovation grant policy for a 12-month trial period.

6.2 Approve the use of the Central Lancashire LHA rate for a 12-month trial period.

6.3 Confirm whether Members would like Officers to trial a First Time Buyers Grant for a 12-month trial period

6.4 Delegate a review of the above three changes to Officer to report back to a future Committee following the 12-month period.



RACHAEL STOTT  
HOUSING STRATEGY OFFICER

NICOLA HOPKINS  
DIRECTOR OF ECONOMIC  
DEVELOPMENT & PLANNING

For further information please ask for Colin Hirst, extension 4503.

## Appendix 1

Local Housing Allowance rates compared to market rent

Area	2 bed rate	3 bed rate
East Lancs LHA	390	450
Central Lancs LHA	475	550
Market rent	650	800



Ribble Valley  
Borough Council

[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

# **DISCRETIONARY PRIVATE SECTOR GRANT POLICY**

February 2022

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## **1)FIRST TIME BUYER GRANT**

In line with the Council's climate change objectives and to address a housing issue of affordability to access the housing market RVBC have introduced a grant offer to assist young people access the housing market a first-time buyer grant. This grant is made available to first time buyers purchasing a property that needs some energy efficiency improvements. A maximum grant of £15,000 per property will be made available.

An Energy Performance Certificate (EPC) must demonstrate the property as existing is rated between D to H. The eligible works will include bring the property up to EPC rating of A to C.

### **WHAT TYPE OF PROPERTY IS ELIGIBLE?**

- You may qualify if your property is 10 years old and is within the Council Tax Bands A to C and has an energy efficiency rating of D or lower.
- The property is located in the Ribble Valley.

### **WHO CAN APPLY?**

You can apply for a grant if you:

- are a first time buyer; and
- intend to occupy the property in the Ribble Valley as your main residence; and
- you are over 18 years old.

### **WHAT TYPE OF WORK IS COVERED?**

Work covered by the grant can include:

- all items identified on the EPC Certificate;
- any disrepair items that would be identified during a housing health and safety rating system (HHSRS) inspection

Additional work will need to be self-funded.

### **WHO WILL ARRANGE THE WORK?**

We do not arrange for the work to be completed or carry out the work; this is your responsibility. You will need to appoint the builder/contractor and arrange for any building regulations approval where necessary.

You may be eligible to get up to a maximum of £15,000 (the grant will cover half of eligible costs upto £15,000). The size of the grant would depend on the cost of the works required and the cost of the works that are deemed to be eligible. But with eligible works you will be required to provide two full sets of estimates and the grant award will match the lowest most reasonable set of estimates, evidencing value for money.

Approval of the grant award is at the Council's discretion and is subject to availability of funding. A grant approval certificate will be awarded before any payments will be made. Payment of the grant will be to the grant applicant and will follow the Housing Grants Construction and Regeneration 1997 grant guidance and all audit and financial regulations.

On completion of the approved grant works the property will need to be inspected and the EPC rating for the property recalculated to evidence the energy improvements made.

### **FINANCIAL ELIGIBILITY**

We will assess your income, and the total earnings of the household need to be less than £80,000 per annum. We will require:

- 3 months bank statements;
- 3 months wage slips;
- evidence of all savings and any other income source.

The calculation will consider your family circumstances and remains at the Council's discretion. The calculation needs to show that your income and savings mean you are not in a position to fund the cost of the works entirely.

## **CONDITIONS OF THE GRANT**

When you apply for the grant, you must occupy the dwelling as your main and only residence for the next 5 years. If during those first 5 years from the date of which the work is signed off by the Technical Officer, you break this agreement, you will be asked to repay the grant monies, unless there is supporting evidence as to why there were exceptional circumstances that meant you could no longer remain in the property. This would be at the Council's discretion and considered by Health and Housing Committee.

The value of the grant award will be placed as a Land Charge and registered at the Land Registry against the property. This will remain registered with no inflation added until the point at which the property is sold. At that point the Council will be repaid the grant monies. In the event that the property is sold after a period of 5 years the grant repayment will reduce to 50% of the total grant award.

## **2) LANDLORD TENANT GRANT SCHEME**

The Council support private sector landlords to renovate rented property to bring additional affordable rented units on to the market. This increases the supply of affordable rent in the borough and guarantees good quality rental accommodation. The Council match fund private sector landlords' investment in property on the condition that on completion the property is rented out at an affordable rent level.

### **WHAT TYPE OF PROPERTY IS ELIGIBLE?**

Firstly, we ask landlords to register on a waiting list to show interest in the Landlord Tenant Grant Scheme and all types of properties will be considered but at any one time we will look at specific housing need in the area in which the property is located (2 and 3 bed properties are most needed).

Any private landlord can apply for the grant. The grant award is at the Council's discretion and any issue with previous management of stock in the borough may result in not being eligible.

You must own the property, be over 18 and have a repairing responsibility.

### **WHAT TYPE OF WORK IS COVERED?**

Work covered by the grant can include all items that are identified during the HHSRS inspection, which will be undertaken at the start of the application and any items identified on the EPC Certificate,

We do not arrange for the work to be completed or carry out the work; this is your responsibility as Landlord. You will need to appoint a builder/contractor and arrange for any building regulations, planning permission etc where necessary.

You may be eligible to get up to a maximum of £20,000 which is match funded. The size of the grant would depend on the cost of the works required and the cost of the works that are deemed to be eligible for each individual property. The total cost of the works will be agreed and then a 50% contribution will be offered by the Council.

For all the eligible work costs you will be required to provide 2 full sets of estimates and the grant award will match 50% the lowest most reasonable set of estimates. The estimates will be assessed by a technical officer and from that a grant approval certificate issued. From that date works can commence.

If you would like to carry out the works yourself, if you are a limited company, then this is permitted but the eligible works are for materials only and any labour costs cannot be included.

Approval of the grant at the Council's discretion and is subject to availability of funding at any time.

### **FINANCIAL ELIGIBILITY**

There is no means test requirement for the landlord tenant grant as the benefit to the Council is additional affordable rent property which is the priority for the grant initiative.

### **CONDITIONS OF THE GRANT**

When you apply for the grant, it is made clear that the housing management and/or landlords responsibility remain with the owner of the property. The grant is to provide capital investment into the renovation costs to bring the property up to a better standard and on condition of receipt of the grant the following is required for 5 years.

The property must be let at Central Lancs LHA rate for the house type and must be managed and rented out as an affordable rent for 5 years from the completion of the work, all nomination rights for the property are to be at the Council's discretion and the Council will provide, where possible, 3 suitable tenants to occupy the property.

The Landlord must also accept the Council's paper bond and accept the terms of protection scheme and therefore not require a month's rent up front or any bond off the tenant.

The grant will be registered a charge from the grant condition period of 5 years, any breach of the planning conditions and the owner of the property has to repay the grant conditions. The grant is registered as a charge against the property for 5 years from the date of completion.

### **MONITORING**

All grants are monitored and any approvals are reported to the next Health and Housing Committee. Both these grants are discretionary and therefore subject to the allocated budget. Health and Housing Committee will approve the annual budget for both schemes.

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## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

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meeting date: 29 MARCH 2022  
 title: REFERENCE FROM HEALTH AND HOUSING COMMITTEE – AFFORDABLE HOUSING COMMUTED SUMS  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: LAWSON ODDIE

### 1 PURPOSE

1.1 To consider a request from Health and Housing Committee in respect of an equity share option to enable residents of the borough to get a first step on the housing ladder which is similar to schemes provided by Central Government.

### 2 BACKGROUND

2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The budget for 2022/23 was approved by Special Policy and Finance Committee on 22 February 2022 and by Full Council on 8 March 2022.

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 17 MARCH 2022

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 of options that were open to the Council in developing a scheme on equity share and gave principles of a proposed scheme policy within the body of the report.

3.2 At its meeting, Health and Housing Committee considered the report and resolved that:

‘RESOLVED: That Committee

1. Ask officers to explore the equity share option to enable residents of the Borough to get a first step on the housing ladder which is similar to schemes provided by Central Government and agree the principles of the scheme policy as outlined in the report. The policy will be brought back to the next committee for information;
2. Agree to utilising the receipted commuted sums as follows
  - a) Land at Chatburn Old Road, Chatburn – deliver an Equity Share option for first time buyers in Chatburn
  - b) Last at East of Clitheroe Road, Barrow and Peel Park Ave, Clitheroe – deliver an Equity Share option for first time buyers in Barrow
  - c) Land at Church Raikes, Chipping and Buildings and Land at Dog and Partridge, Hesketh Lane, Chipping – on receipt of all the commuted sums from the two schemes: deliver an Equity Share option for first time buyers in Chipping.
3. Refer the above to Policy and Finance committee for 2022/23 budget approval.

3.3 The total scheme value, based on Section 106 monies that were available to fund the scheme, was £2,048,080. It is proposed that a new capital scheme be approved for £2,048,080 in the 2022/23 financial year, funded from Section 106 monies (Commutated Sums).

4. RECOMMENDED THAT COMMITTEE

- 4.1 Approve the request for a new capital scheme budget of £2,048,080 in respect of an equity share option to enable residents of the borough to get a first step on the housing ladder, funded from Section 106 monies (Commuted Sums).

HEAD OF FINANCIAL SERVICES  
PF19-22/LO/AC  
21 March 2022

DIRECTOR OF RESOURCES

DECISION
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**RIBBLE VALLEY BOROUGH COUNCIL**  
**REPORT TO HEALTH & HOUSING COMMITTEE**

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meeting date: 17<sup>th</sup> MARCH 2022  
title: OFF-SITE AFFORDABLE COMMUTED SUMS  
submitted by: DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING  
principal author: RACHAEL STOTT – HOUSING STRATEGY OFFICER

**1 PURPOSE**

- 1.1 To request Committee confirm which option they wish to pursue in respect of the use of receipted commuted sum monies to deliver additional affordable homes, to address housing needs in the borough.
- Community Objectives – To address the housing needs of all households in the borough.
  - Corporate Priorities - To demonstrate that we are a well-run authority
  - Other Considerations – N/A

**2 BACKGROUND**

- 2.1 Historically, as part of some housing developments, a commuted sum for the provision of offsite affordable housing has been secured as opposed to on-site provision. This report seeks Member approval for the usage of these commuted sums. It is important to note that the preference is to secure on site affordable housing. Whilst National Planning Policy does enable off site commuted sums to be secured within a Borough like the Ribble Valley using such commuted sums can be challenging as set out below. Following the expenditure of the historically receipted commuted sums such a mechanism for securing affordable housing will only be chosen in exceptional circumstances.

**National Policy on Collection of Commuted Sum Monies**

- 2.1 In accordance with National Planning Policy Guidance (paragraphs 63-65) in seeking developer contributions, the presumption is that affordable housing will be provided on the application site so that it contributes towards creating a mix of housing. However, where it can be robustly justified, off-site provision or a financial contribution in lieu of on-site provision (of broadly equivalent value) may be accepted as long as the agreed approach contributes to the creation of mixed communities in the local authority area.

**Ribble Valley Policy on Collection of Commuted Sum Monies**

- 2.2 The policy as to when and where RVBC will collect a commuted sum is set out in the Affordable Housing Memorandum of Understanding Policy 2012. Below is the extract that details within the document.

*7.1 Government guidance stresses the importance of integrating different tenures throughout housing schemes in order to promote mixed and well-balanced communities and create more varied patterns of housing types and ownership.*

*Therefore, where affordable housing is required as part of a proposed development, the first assumption is that this will be provided on site. The acceptance of commuted sums in lieu of on-site provision may be considered where the developer can fully satisfy the Council as to the reasons why provision cannot be made on site.*

*In general, the Council will not consider commuted sums for sites outside Clitheroe and Longridge or where the ratio of house price to incomes is more than 7 (see appendix 2) unless there are clearly demonstrated special circumstances.*

7.2 *Where commuted sums are accepted, the amount payable per dwelling will be a sum equal to the difference between the highest value a partner RSL would be willing to purchase at (without grant) and an independent market valuation of the dwelling. Exceptionally, for example, where affordable housing will be delivered in a more suitable location, the provision maybe transferred to another site in the same locality. In such circumstances it must be in addition to any requirement for affordable housing generated by that site itself or by providing the affordable housing in the same locality. In both instances the same level and type of affordable housing should be provided as that required on the qualifying site although tenure will be determined primarily by the site's location. The mechanism for transfer of dwellings and payments of commuted sums will be secured through a Section 106 Agreement.*

7.3 *A commuted sum would be considered where housing needs of a parish had been met. When accepted a consultation exercise would be undertaken to agree the most appropriate use of the sum.*

2.3 Over the past 5 years there has been 7 sites where a commuted sum has been agreed and collected as opposed to on-site delivery of affordable housing.

### 3 UTILISED OFF-SITE AFFORDABLE HOUSING CONTRIBUTIONS

3.1 The first off site affordable housing commuted sum to be collected in recent years came from Barnacre Road, Longridge. This was for the development of a McCarthy Stone retirement apartment scheme. Members approved the use of the commuted sum in 2019 with the purchase of 2 units in Longridge (55 Mersey Street and 10 Chapel Street- both are affordable rent properties managed by Mosscafe St Vincent's (MSV)).

3.2 Subsequently Members approved the use of the following two receipted commuted sums to purchase 61 Peel Street, Clitheroe. This property is temporarily being used to provide temporary accommodation whilst the 2 larger flats at the Joiners are being renovated. Once completed the property will be an affordable rent property managed by MSV.

- £123,840 from Clitheroe Rd Barrow and
- £5226.66 from Peel Park Avenue Clitheroe.

### 4 REMAINING OFF-SITE AFFORDABLE HOUSING COMUTED SUMS

4.1 S106 contributions are monitored as part of a 6-weekly meeting of Council officers. Contributions from sites include affordable housing (on and off-site), public open space, education, off-site leisure etc.

4.2 The following table details the recent receipted off-site affordable housing commuted sums which are yet to be committed:

<b>CURRENT AFFORDABLE HOUSING RECEIPTED MONIES</b>		<b>£</b>
Chatburn Old Road, Chatburn		<b>206,367.00</b>
Clitheroe Road, Barrow		<b>185,760.00</b>
Dilworth Lane, Longridge		<b>1,625,950.00</b>
Peel Park Avenue, Clitheroe		<b>11,773.34</b>
Malt Kiln Brow, Chipping		<b>30,000.00</b>
		<b>2,059,850.34</b>

- 4.3 The following sites have made an off-site affordable housing contribution or are due to. The associated Section 106 Agreement will contain the specific obligation in respect of the use of the commuted sum which are set out below:

**Land at Chatburn Old Road, Chatburn**

- 4.4 "Affordable Housing Contribution" means the sum of £206,367 (calculated as three properties £68,789 per property) and shall be paid to the Council in 3 equal phased payments the first payment to be made on occupation of the third Dwelling on the Site the second payment to be made on the occupation of the sixth Dwelling on the Site and the third payment to be made on the occupation of the ninth Dwelling on the Site such payments are to facilitate the provision of off-site affordable housing such sum is calculated on the basis that 30% of the dwellings on the site would be Affordable Housing and that the difference between the sum of the Open Market Value of the Market Housing Units and what a Registered Provider would offer to purchase the affordable dwellings on the site to be paid to the Council in lieu of Affordable Housing Units on the Land, for the purpose of addressing housing needs in Chatburn or elsewhere within the Council's area of the Borough.
- 4.5 In all cases the spend of the commuted sum the first preference will be to spend the monies in the locality and as near to the locality where the monies were collected. This will always be the preference however where the amount of commuted sum is low then there is a limit as to what can be purchased unless the sum is combined with other contributions.

**Land at East Side of Clitheroe Road, Barrow**

- 4.6 Affordable Housing Contribution' a sum of £185,760 (one hundred and eighty-five thousand seven hundred and sixty pounds) to facilitate the provision of offsite affordable housing for the purpose of addressing housing needs in Barrow or elsewhere within the Council's area of the Borough as set out in the Council's Commuted Sum Policy.

**Land North of Dilworth Lane, Longridge**

- 4.7 "Affordable Housing Contribution" financial contributions (if any) in lieu of On-Site Affordable Housing Units, for the purpose of addressing housing needs in Longridge or elsewhere within the Borough of Ribble Valley, to be calculated pursuant to the provisions of paragraph 2.1.8 of Schedule 1.

**Peel Park Avenue, Clitheroe**

- 4.8 Off-site contribution - £17,000 for off-site affordable housing or related purposes such as acquiring and refurbishing vacant properties in the district.

**Land at Church Raikes, Chipping**

- 4.9 'Affordable Housing Contribution' means a sum of £60,000 and payable to the Council for the purposes of providing off- site affordable housing in the administrative district of the Council.
- 4.10 The first payment of £30,000, prior to occupation of the first dwelling in parcel 3, was received on 3<sup>rd</sup> November 2021.

### **Buildings and Land at Dog and Partridge, Hesketh Lane, Chipping**

- 4.11 Affordable housing contribution means a sum of £105,200 to be paid to the Council in lieu of the Affordable housing units on the property for the purposes of addressing housing need in Chipping or elsewhere in the Council area. Not yet received.
5. **PROPOSED USE OF THE REMAINING AFFORDABLE HOUSING COMMUTED SUMS**

### **Land at Chatburn Old Road, Chatburn**

5.1 There has been no additional provision of affordable housing in the village for well over 10 years in Chatburn. Therefore, delivery of affordable units in the village is a priority. In terms of need, there are 63 households waiting for a property in Chatburn, one bed – 32 households, two bed – 47 households, 3 bed – 40 households and 4 bed – 7 households.

5.2 The following options have been considered for the £206,367 commuted sum:

1. **Purchase of one, 2 or 3 bed family property.** This would be available as an affordable rental unit to someone with a local connection to Chatburn.

There are associated challenges with this option as currently a search of Rightmove showed only 1 property in this price range. Additionally, the Council would need to identify a suitable Registered Provider to manage this property. Enquiries have been made with an RP as to whether there is an appetite to manage additional properties.

2. **Deliver an Equity Share Product** This is where the commuted sum money would be used to purchase an equity share that would be the equivalent of providing a deposit to first time buyers to purchase a property. The equity share would be 20 % of the property and this is registered as a charge on the property; (e.g., £40k deposit towards a property value of £200k this equates to a 20% contribution). The property is then sold with a 20% discount whenever it is resold as this equity share is registered in RVBC name on the land registry. This option could enable upto 5 households in Chatburn to be helped onto the property ladder and create 5 properties in Chatburn that would be discounted in perpetuity. Eligibility for this scheme would include first time buyers with a local connection to Chatburn (the local connection criteria is set out at Appendix A), affordability assessment and property within Council tax bands A-C.

The associated challenges with this option are the additional staff commitment to run the scheme and then going forward monitoring future sales and eligibility of occupation. A similar Homebuy Scheme was delivered in 2006 and assisted 5 households purchase properties. This was a borough wide scheme, and we assisted the purchase of 3 properties in Clitheroe, 1 Longridge and 1 Grindleton. There has been 3 sales and the money was returned. The proposal with this scheme would be for the discount to stay with the property in perpetuity so would remain discounted.

### **Land at East of Clitheroe Road, Barrow and Peel Park Ave Clitheroe**

- 5.3 Members will be aware that there has been significant housing development in Barrow over the past 10 years resulting in high numbers of affordable housing delivery. There is also a proposal for an additional 10 units of discount sale in Barrow through the First Homes pilot scheme.

5.4 The following options have been considered for the £185,760 commuted sum from Clitheroe Road and the remaining £11,733.34 from Peel Park Avenue:

1. **Purchase a property in Barrow.** This could be rented out at an affordable rent to a household with a local connection. A recent search of properties for sale would indicate a 2-bed property could be purchased with the commuted sum money available.
2. **Purchase a four-bed family home in Clitheroe.** There is an identified need for larger accommodation for families across the Borough. There are currently 88 households requiring a 4 bed in Clitheroe and new developments provide a limited number of larger four-bedroom dwellings. Utilising the commuted sum in Clitheroe would enable a larger property to be purchased.
3. **Deliver an equity share product** as set out in the Chatburn options. This scheme would be available to first time buyers with a local connection, a deposit is available to assist with buying the property and the value contributed would be equated to a 20% of the property and then registered as a charge. The scheme would be limited to Council Tax A-C and eligibility would restrict max income and the property being their main residence.

#### **Land North of Dilworth Lane, Longridge**

5.5 The development of Dilworth Lane generated a significant off-site commuted sum, in excess of £1.6 million pounds. Use of this commuted sum requires a more strategic approach. There are various options being explored and this involves other Housing Providers and more detailed assessment of need in Longridge. A separate proposal will be presented to Members once more information is collated.

#### **Land at Church Raike, Chipping and Buildings and Land at Dog and Partridge, Hesketh Lane, Chipping**

5.6 There are 2 sites in Chipping and the total commuted sums for both sites equate to £165,200 (to date only £30,000 has been receipted although the remainder is expected). Options in rural areas are more difficult to deliver, firstly due to the house prices but also the difficulty of securing management of the property.

5.7 The following options have been considered for the £165,200 commuted sums when they are receipted:

1. **Community Land Trust Scheme.** This would involve the Council approaching the Community Land Trust (CLT) in Chipping to establish whether they would be interested in putting together a proposal for use of the commuted sums.
2. **Purchase an additional property in Chipping.** It is important to note that currently there is nothing for sale in the village for under £240,000 and as such the commuted sum amount would not be sufficient to secure a property in Chipping currently.
3. **Deliver an equity share product** as set out in the Chatburn options this scheme would be available to first time buyers with a local connection, a deposit is available to assist with buying the property and the value contributed would be equated to a 20% of the property and then registered as a charge. The scheme would be limited to Council Tax A-C and eligibility would restrict max income and the property being their main residence.

## 6 RISK ASSESSMENT

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

- Resources – To make best use of the commuted sum monies to maximise the affordable housing opportunities deliverable through the fund.
- Technical, Environmental and Legal – The proposals to spend is intended to have a positive impact on the housing options available to individuals. The impact from this improved housing will also reduce fuel poverty and improve the general housing quality.
- Political – Promote the schemes delivered and the benefits of the additional affordable units in the borough.
- Reputation – The greatest risk would be having to return any unspent funding if there not a clear plan for commitment within the specified dates for each contribution.
- Equality & Diversity – There are no specific equality issues the proposal to spend is intended to improve access to good quality affordable housing.

## 7 RECOMMENDED THAT COMMITTEE

7.1 Given the value of the receipted commuted sums and considering options to support first time buyers within the Borough it is recommended that the Council explore the equity share option to enable residents of the Borough to get a first step on the housing ladder, which is similar to schemes provided by Central Government.

7.2 As such Members are asked to confirm whether they agree to utilising the receipted commuted sums as follows:

### ***Land at Chatburn Old Road, Chatburn***

7.2.1 Deliver an Equity Share option for first time buyers in Chatburn

### ***Land at East of Clitheroe Road, Barrow and Peel Park Ave Clitheroe***

7.2.2 Deliver an Equity Share option for first time buyers in Barrow

### ***Land at Church Raik, Chipping and Buildings and Land at Dog and Partridge, Hesketh Lane, Chipping***

7.2.3 On receipt of all the commuted sums from the two schemes: Deliver an Equity Share option for first time buyers in Chipping.



RACHAEL STOTT  
HOUSING STRATEGY OFFICER

NICOLA HOPKINS  
DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING

For further information please ask for Rachael Stott , extension 3235.

## APPENDIX A- LOCAL CONNECTION CRITERIA

**First time buyers who can demonstrate a housing need for the identified house type and who have a local connection as set out by the following definition and in order of priority.**

- a) currently living in the parish of ..... for more than 10 years;
- b) currently living in the parish of ..... and have done so continually for between 5 to 10 years;
- c) currently living in the parish of .... and have done so continually for a minimum of 12 months;
- d) currently permanently employed in the parish of .... for a minimum of 12 months and are employed for a minimum of 18 hours per week paid or unpaid; or
- e) persons who at least one of the adult applicants have next of kin who have lived in the parish of ... continually for a minimum of five years and is moving to provide support or be support by this family member. Next of kin for the purposes of this clause shall be defined as mother, father, brother, sister or adult dependent children
- f) persons who are former residents of more than 5 years of the parish of ... who have moved from the parish because of a lack of affordable housing.

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

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meeting date: 29 MARCH 2022  
title: REVIEW OF FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES  
submitted by: DIRECTOR OF RESOURCES  
principal author: LAWSON ODDIE

1 PURPOSE

1.1 To inform committee that the Financial Regulations and Contract Procedure Rules have been reviewed. On this occasion there are no changes or updates required following the review.

1.2 Relevance to the Council's ambitions and priorities:

- This report contributes to the council's ambition to be a well-managed council providing efficient services based on identified customer needs.

2 BACKGROUND

2.1 The Council's Financial Regulations and Contract Procedure Rules are key components of the Council's Constitution and Corporate Governance arrangements.

2.2 These documents are reviewed on an annual basis and any amendments are reported to committee for approval. It is good practice to keep the financial regulations and contract procedure rules under regular review in order to take account of evolving working practices and changes to law.

3 REVIEW OF FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES

3.1 A full review has been undertaken of both the Financial Regulations and the Contract Procedure Rules.

3.2 Following review, no changes were identified as needed and as such this report is for information only, to advise members that the review has been undertaken.

3.3 The documents are available on the Council's website:

- [Financial Regulations](#)
- [Contract Procedure Rules](#)

4 CONCLUSION

4.1 A full review of the Financial Regulations and the Contract Procedure Rules has been undertaken, and no changes have been required.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF15-22/LO/AC  
18 March 2022

BACKGROUND WORKING PAPERS:

For further information please ask for Lawson Oddie, extension 4541

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## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 29 MARCH 2022  
 title: REVENUE MONITORING 2021/22  
 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 2022 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 taxpayers 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. Please note that underspends are denoted by figures with a minus symbol.

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	
BYELE	District By-Elections	11,420	10,474	11,383	909	G
CEXEC	Chief Executives Department	0	963,708	970,113	6,405	R
CIARA	Storm Ciara Response	0	2,500	2,500	0	G
CINTR	Clitheroe Interchange	7,430	4,452	993	-3,459	A
CIVCF	Civic Functions	53,840	32,931	30,299	-2,632	A
CIVST	Civic Suite	0	23,908	19,091	-4,817	A
CLOFF	Council Offices	0	185,918	184,535	-1,383	G
CLTAX	Council Tax	370,740	65,198	63,029	-2,169	A
COMPR	Computer Services	0	102,473	106,918	4,445	A
CORPM	Corporate Management	366,840	-3,410	-3,323	87	G
COSDM	Cost of Democracy	512,400	254,326	248,490	-5,836	R

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	
CSERV	Corporate services	163,050	9,486	2,093	-7,393	R
DISTC	District Elections	17,060	8,768	-13,259	-22,027	R
ELADM	Election Administration	37,180	-1,270	-1,274	-4	G
ELECT	Register of Electors	88,860	54,031	54,104	73	G
EMERG	Community Safety	69,830	7,159	4,340	-2,819	A
ERNET	Emergency Radio Network	20	-130	18	148	G
ESTAT	Estates	52,360	-21,817	-19,608	2,209	A
FGSUB	Grants & Subscriptions - Policy and Fin	176,620	163,415	143,711	-19,704	R
FMISC	Policy & Finance Miscellaneous	115,210	70,080	50,191	-19,889	R
LANDC	Land Charges	12,550	-57,637	-55,719	1,918	G
LICSE	Licensing	62,440	-71,546	-80,175	-8,629	R
LUNCH	Luncheon Clubs	16,400	12,807	6,950	-5,857	R
NNDRC	National Non-Domestic Rates	56,050	16,046	12,318	-3,728	A
PARIS	Parish Elections	10,300	9,448	10,280	832	G
QPJUB	Queen's Platinum Jubilee	20,000	16,666	15,500	-1,166	G
RESOR	Resources Department	0	1,956,907	1,958,334	1,427	G
SUPDF	Superannuation Deficiency Payments	88,260	75,961	75,645	-316	R
<b>Service cost centre variances</b>		<b>2,308,860</b>	<b>3,890,852</b>	<b>3,797,478</b>	<b>-93,374</b>	
Associated Movements in earmarked reserves	FNBAL/H230: Election Reserve	31,270	-27,420	-27,936	-516	
	FNBAL/H269: Revaluation of Assets Reserve	2,420	0	0	0	
	FNBAL/H325: Vat Shelter Reserve	23,150	0	0	0	
	FNBAL/H328: Repairs and Maintenance Reserve	-5,260	-5,260	-5,255	5	
	FNBAL/H335: Invest to Save Fund	5,430	5,430	5,438	8	

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
	FNBAL/H337: Equipment Reserve	-2,000	-2,000	-2,000	0
	FNBAL/H372: Parish Grants Reserve	-20,000	-16,666	-15,500	1,166
	FNBAL/H376: Business Rates Growth Reserve	-6,680	-6,555	-5,175	1,380
	FNBAL/H377: Two Way Radio Reserve	-20	130	-18	-148
<b>Service cost centre variances after movements in reserves</b>		<b>2,337,170</b>	<b>3,838,511</b>	<b>3,747,032</b>	<b>-91,479</b>
Coronavirus Specific budgets		-132,970	-342,079	-836,914	-494,835
Coronavirus Associated Movements in earmarked reserves		132,970	137,475	131,973	-5,502
<b>Coronavirus cost centre variances after movements in reserve (see Annex 3)</b>		<b>0</b>	<b>-204,604</b>	<b>-704,941</b>	<b>-500,337</b>
<b>Total for this committee after movements in earmarked reserves</b>		<b>2,337,170</b>	<b>3,633,907</b>	<b>3,042,091</b>	<b>-591,816</b>

2.2 After allowing for movements in earmarked reserves on service specific budgets and coronavirus response budgets there is a total net underspend of £591,816:

Category	Underspend £	Underspend after allowing for movements in earmarked reserves £
Service Specific Budgets	-93,374	-91,479
Coronavirus Response Budgets	-494,835	-500,337
<b>TOTAL</b>	<b>-588,209</b>	<b>-591,816</b>

2.3 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)	<b>R</b>
Variance between £2,000 and £4,999 (Amber)	<b>A</b>
Variance less than £2,000 (Green)	<b>G</b>

- 2.4 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.
- 2.5 The main variations for items included in the amber shaded cost centres are shown with budget holders comments at Annex 2.
- 2.6 A narrative concerning variances within the coronavirus cost centres is provided at Annex 3.
- 2.7 In summary the **main** areas of service cost centre variances that are **unlikely** to rectify themselves by the end of the financial year is shown below:

Description	Variance to end February 2022 £
<b>Grant Schemes</b> Lower claims in respect of the Voluntary Organisation (-11k), Concurrent Function (-10k) and Luncheon Club (-6k) grant schemes than allowed for within the budgets for the 2021/22 financial year. At this stage in the financial year the grants schemes will underspend.	-£26,891

### 3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows a total underspend of £588,209 to February 2022 of the financial year 2021/22. After allowing for transfers to/from earmarked reserves there is an underspend of £591,816.
- 3.2 The majority of this variance is attributable to coronavirus response budgets where there is a total underspend of £500,337 for the period after movements in earmarked reserves. Variances in this area will largely resolve by the end of the financial year as accounting entries are completed as part of the year-end closedown process.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF13-22/LO/AC  
18 March 2022

## 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
DISTC/ 8947z	District Elections/ Cabinet Office - Local Election Funding	0	0	-20,806	-20,806	Income received from the Cabinet Office for the additional cost of Covid related Personal Protective Equipment that was acquired for the 2021/22 elections.	The income will be used to meet additional election costs arising from COVID once the election claims are settled.
FMISC/ 5025	Policy & Finance Miscellaneous/ Audit Fees - Grants	19,200	19,200	0	-19,200	The audit of the certification of the housing benefit grant claim to be undertaken by the council's external auditors had not been completed by February 2022.	The variance will resolve in due course.
FGSUB/ 4678	Grants & Subscriptions - Policy and Fin/ Grants to Voluntary, Comm & Soc Ent Orgs	115,810	114,800	103,797	-11,003	Payment of Voluntary Organisation Grants for the 2021/22 financial year is lower than that allowed for within the budget.	It is likely at this stage in the year that the budget will underspend. The next round of applications in respect of the 2022/23 financial year closed 31st January 2022 and applications for support have been submitted to this Committee for consideration elsewhere on the agenda.

## 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
RESOR/ 0100	Resources Department/ Salaries	1,495,930	1,326,900	1,316,815	-10,085	<p>Council staffing budgets at revised estimate assume average vacancy underspends of 2% across the authority on estimated costs. Actual underspends for the period to February are higher than that built into the budget for the Resources department.</p> <p>The variance is mainly due to an underspend within the internal audit section that has been partially offset by low turnover in other areas.</p>	Salary budgets will continue to be monitored and final outturn will be reported to committee following the end of the financial year.
FGSUB/ 4669	Grants & Subscriptions - Policy and Fin/ Concurrent Functions Grant Scheme	33,200	30,434	20,403	-10,031	<p>Concurrent function grants are paid at 25% of eligible net expenditure incurred by Parish and Town councils during the previous financial year.</p> <p>The amount of grant claimed this financial year has been lower than the budget available.</p>	All parish council's are written to and invited to apply for grant support in respect of prior year concurrent function expenditures on an annual basis.

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	13,970	12,807	6,950	-5,857	A grant fund is available to support new or existing groups offering a regular lunch club or meeting. Grants of over £4k were distributed in December to support clubs with expenditures over the Christmas period, but applications during the year for ad-hoc grant support have been lower than the funds available and it is likely at this stage in the financial year that the budget will not be fully expended.	Information about the grant fund and an application form to apply for funding is available on the council's website. Outturn will be reported to committee at a future meeting.
CEXEC/ 0100	Chief Executives Department/ Salaries	784,610	699,490	707,344	7,854	Staffing costs have been above that allowed for in the budget for turnover	Salary budgets will continue to be monitored and final outturn will be reported to committee following the end of the financial year.
RESOR/ 3085	Resources Department/ Consultants	0	0	17,250	17,250	Cost of external consultancy services that have been engaged to undertake audits of the council's key systems/ processes as a result of a staff vacancy within the internal audit section during a prolonged period.	The cost is to be met from underspends within the internal audit section salary budgets.

## 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
LICSE/8437u	Licensing/ Premises Licences	-65,000	-62,634	-67,209	-4,575	Income received for the period to February is higher than the three-year rolling average upon which the estimate is based. Outturn will be used to inform future budget estimates.
COSDM/3301	Cost of Democracy/ Security Phones	4,170	4,170	0	-4,170	The cost of accessing emails remotely has been charged to the coronavirus cost centres during the 2021/22 financial year.
CINTR/2402	Clitheroe Interchange/ Repair & Maintenance - Buildings	4,840	4,034	0	-4,034	Due to the current external environment and a reduction to the number of labour hours available internally, repairs required at the ticket office will not be undertaken in the current financial year and are scheduled to commence in 2022/23.
LICSE/8987Z	Licensing /DLUHC - Pavement Licensing New Burdens	0	0	-3,776	-3,776	New burdens funding has been received from central government to help the council with the cost of implementing pavement licensing during the coronavirus pandemic.
CSERV/3013	Corporate services/ Subscriptions	4,360	4,360	840	-3,520	This budget is available to pay for the cost of external support to undertake the council's perception survey. Due to the ongoing pandemic throughout the 2021/22 financial year, the survey has been put on hold until 2022/23 and is anticipated at this time to be carried out in the Summer

## 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/1013	Chief Executives Department/ Tuition Fees	6,050	5,314	2,477	-2,837	Requirements for training for the period to February are lower than allowed for within the budget.
EMERG/2881	Community Safety /Purchase of Equipment & Materials	5,630	5,161	2,854	-2,307	Requirements for expenditures on community safety equipment, for example replacement of handheld radios and batteries, is lower than the budget available.
CIVST/85201	Civic Suite/ Function Hire (exempt code)	-6,230	-6,094	-8,165	-2,071	Higher than estimated demand for hire of council chambers.
RESOR/1023	Resources Department/ Corporate Training	9,590	8,791	6,735	-2,056	The cost of corporate training for the period to February is lower than the budget. Orders are currently being placed and negotiations are ongoing with providers for various corporate training sessions that are scheduled to take place over the next few months.
CEXEC/0108	Chief Executives Department/ National Insurance Salaries	73,720	64,070	66,155	2,085	Higher than estimated salary costs for the period to February have increased the council's national insurance expenditure above that estimated.
RESOR/0109	Resources Department/ Superannuation Salaries	252,160	220,240	222,660	2,420	Lower turnover than that built into the budget estimates has created an overspend on associated employer superannuation costs within the Resources department.

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
COMPR/2998	Computer Services/ Software Maintenance	43,280	54,040	57,763	3,723	Jadu provides the software for the Council's corporate website. During 2021 Jadu standardized the Support & Maintenance for their products into three tiers (Basic, Standard & Enhanced). Previously the support and maintenance cost were agreed per customer, moving to the tiered system has caused the increase in the council's support & maintenance cost.

Policy and Finance Committee Budget Monitoring – Coronavirus response budget variances

Cost Centre	Description	Net Budget for the Full Year	Net Budget to the end of the period	Income	Expenditure	Net expenditure to the end of the period	Variance
<b><u>Contain Outbreak Management Fund</u></b>							
The council received -£670k of COMF grant funding during the 2020/21 financial year, of which -£373k was unallocated and carried forward into the current financial year. A further -£63k of funding has been received during 2021/22, which brings the total amount of grant income available for the current year to -£436k. £302k of the grant funding has been allocated to direct expenditures and associated support functions for the period to February, leaving residual grant funds of -£134k for the remainder of the year. The largest areas of expenditure are in the areas of Testing (£125k), the Community Hub (£66k), Compliance Measures (£65k) and Economy and Lockdown Enforcement (£33k). This variance will resolve by the end of the financial year when accounting entries are completed during the year-end closedown process.							
<b>Contain Outbreak Management Fund Totals</b>		<b>0</b>	<b>205</b>	<b>-435,983</b>	<b>302,199</b>	<b>-133,784</b>	<b>-133,989</b>
<b><u>Grants for distribution where the council is acting as Principal</u></b>							
Under accounting regulations, the council is required to recognise grant income and associated expenditures where the council has discretion over the grant award criteria. At the time of preparing the revised estimate, the council had been informed of -£1.64m of grant income and it was estimated that £1.58m of this would be expended by the end of the financial year. The -£529k balance of unspent grants to February consists of -£62k for self-isolation payments, -£396k of ARG funding (including restart grants, travel agents and growth schemes), -£25k of Omicron top-up funding, -£7k from the Household Support Fund and a balance of -£40k that is an accountancy adjustment in respect of the previous financial year. Budget variances will reduce to nil as work is undertaken at the end of the financial year to account for the various grant schemes.							
<b>Grants for Distribution (Principal) Totals</b>		<b>-62,160</b>	<b>-212,869</b>	<b>-1,825,570</b>	<b>1,295,710</b>	<b>-529,860</b>	<b>-316,991</b>
<b><u>Coronavirus General Response direct expenditures</u></b>							
Expenditures to February on direct, additional costs that have been incurred on the general coronavirus response. These costs are to be met from un-ringfenced coronavirus funding that is held in earmarked reserves. After movements in reserves the net cost is nil.							
<b>Coronavirus General Response Totals</b>		<b>54,200</b>	<b>49,695</b>	<b>-1,002</b>	<b>55,975</b>	<b>54,973</b>	<b>5,278</b>
<b><u>New Burdens Grant Funding</u></b>							
The council has received various grants to help with the cost of specific new burdens during the coronavirus response. The variance of -£49k within this cost centre consists mainly of -£99k of income from the Practical Support for Self-Isolation fund (that is to be repaid), offset by an accountancy adjustment of £51k to move income from the Tax Income Guarantee Scheme back to the 2020/21 financial year. Both of these variances will resolve by March 2022.							
<b>New Burdens Grant Funding</b>		<b>-125,010</b>	<b>-179,110</b>	<b>-228,458</b>	<b>215</b>	<b>-228,243</b>	<b>-49,133</b>
<b>Grand Total of Coronavirus Specific Cost Centres</b>		<b>-132,970</b>	<b>-342,079</b>	<b>-2,491,014</b>	<b>1,654,100</b>	<b>-836,914</b>	<b>-494,835</b>

## Policy and Finance Committee Budget Monitoring – Coronavirus response budget variances

Cost Centre	Description	Net Budget for the Full Year	Net Budget to the end of the period	Income	Expenditure	Net expenditure to the end of the period	Variance
<b>Associated Movements in Earmarked Reserves</b>							
	<u>Covid-19 Earmarked Reserve</u> Release of funds for the General Response	-54,200	-49,695	1,002	-55,975	-54,973	<b>-5,278</b>
	<u>Covid-19 Earmarked Reserve</u> New burdens funding received during the year and budgeted to be set aside in earmarked reserve	125,010	125,010	125,506	-215	125,291	<b>281</b>
	<u>Grants received for distribution</u> Reserve movements mainly for the balance of self-isolation grant funds not yet paid	62,160	62,160	67,750	-6,095	61,655	<b>-505</b>
<b>Total of Coronavirus Specific Cost Centres after movements in Earmarked Reserves</b>		<b>0</b>	<b>-204,604</b>	<b>-2,296,756</b>	<b>1,591,815</b>	<b>-704,941</b>	<b>-500,337</b>

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

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meeting date: 29 MARCH 2022  
 title: CAPITAL PROGRAMME 2022/23  
 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 2022/23 capital programme.

### 2 BACKGROUND

2.1 All committees were asked to put forward proposals for any new capital schemes for inclusion in a five-year capital programme for 2022/23 to 2026/27. At its meeting on 18 January 2022, members considered schemes that had been put forward for this Committee.

2.2 In light of the uncertainty regarding local government funding beyond 2022/23 and the impending fair funding review, all new bids, across all committees were set aside until later in the 2022/23 financial year for consideration once there is more certainty around local government funding. As a result, a three-year capital programme for 2022/23 to 2024/25 is now in place.

2.3 The Council's overall capital programme for the three-year period 2022/23 to 2024/25 totals £5,563,970 for all committees. The total for this Committee is £541,760 over the three-year life of the programme. £335,480 of this relates to the 2022/23 financial year.

### 3 CAPITAL PROGRAMME 2022/23 – APPROVED SCHEMES

3.1 For this Committee there are six schemes approved in the 2022/23 capital programme, totalling £335,480. These are shown in the table below and detailed information for the schemes is shown in **Annex 1**.

Cost Centre	Scheme	Budget for 2022/23 £
BRKFT	Brookfoot Footbridge, Ribchester – Replacement of Bridge	110,000
ITINF	ICT Infrastructure Refresh	116,600
DHRST	Dewhurst Road, Langho – Resurfacing Works <i>(Budget moved from 2021/22)</i>	62,850
NTWRK	Network Infrastructure <i>(Budget moved from 2021/22)</i>	30,000
COADM	Committee Administration IT System <i>(Budget moved from 2021/22)</i>	7,600
CFUPG	Financial System Upgrade <i>(Budget moved from 2021/22)</i>	8,430
<b>Total – Policy and Finance Committee</b>		<b>335,480</b>

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 2021/22 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 2022/23 capital programme of £335,480 for six schemes.

4.2 Any slippage on the schemes in the 2021/22 capital programme will be reported to this Committee.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF12-22/AC/AC  
14 March 2022

For further background information please ask for Andrew Cook  
BACKGROUND PAPERS – None

**POLICY AND FINANCE COMMITTEE**  
**Schemes Approved for the 2022/23 Capital Programme**

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## Brookfoot Footbridge, Ribchester – Replacement of Bridge

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**Service Area: Estates**

**Submitted by: Adrian Harper**

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### **Brief Description of the Scheme:**

The Council are responsible for the maintenance of Brookfoot Footbridge in Ribchester. The bridge crosses Stydd Brook before it joins the River Ribble and connects Council owned land to a track leading to an adopted highway.

A large part of the land is currently leased to Ribchester Parish Council and is used as allotments. The remaining grassed area is maintained by Ribble Valley Borough Council. The land on both sides of the brook is susceptible to flooding and the bridge itself is at risk of damage when this occurs. The bridge is inspected by Engineering Services on a 3 monthly basis and whilst it is currently considered to be safe, defects have been identified which will need to continue to be monitored.

It is considered that due to the structural type and condition of the bridge, it would only be feasible to replace rather than repair the structure.

### **Revenue Implications:**

None.

### **Timescale for Completion:**

10 Weeks.

### **Any Risks to Completion:**

Any works would require planning permission and the consent of the Environment Agency, as they are responsible for the watercourse that flows below the bridge. Access to the allotments would need to be restricted and if possible, alternative arrangements agreed with the adjacent private landowner, whilst works took place.

### **Capital Cost:**

<b>2022/23</b>
<b>£</b>
110,000

**POLICY AND FINANCE COMMITTEE**  
**Schemes Approved for the 2022/23 Capital Programme**

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## ICT Infrastructure Refresh

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**Service Area: IT Services**

**Submitted by: Lawson Oddie**

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### **Brief Description of the Scheme:**

Current infrastructure would be 5 years old in 2022/23.

The scheme is based on the projected ICT needs in 5 years. However, the actual requirements may be quite different in 5 years when compared to those forecast within this bid due to the speed of change/development in ICT. The scheme would look to equip the Council to meet the actual needs in 2022/23. Possible solutions anticipated are:

1. Replacement of the current infrastructure with a similar solution (based on the 2016/17 capital scheme).
2. Move all server resources into the cloud.
3. Investigate the use of new end user technologies.

### **Revenue Implications:**

There may be increased revenue costs to both hardware and software maintenance, such as licensing changes, but it is not possible to quantify this at this stage. The 2016/17 scheme resulted in additional revenue costs for licenses of just less than £4k per annum.

### **Timescale for Completion:**

Over the 12 months within 2022/23.

### **Any Risks to Completion:**

Loss of data, resource shortage, supplier pull-out.

### **Capital Cost:**

2022/23 £
116,600

**POLICY AND FINANCE COMMITTEE**  
Schemes Approved for the 2022/23 Capital Programme

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## Dewhurst Road, Langho – Resurfacing Works

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**Service Area: Estates**

**Submitted by: Adrian Harper**

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### **Budget moved from 2021/22:**

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 2021/22 approved budget for this scheme was £69,650.

Pre-tender works have been completed in 2021/22. However, at January 2022 there had been less progress than previously planned on specifying the main contract works required and this had been exacerbated by the recent vacancy in the post of Engineering Services Manager.

It was therefore expected that the main contract works would now take place in 2022/23, but there may be some survey design expenditure before 2021/22 year-end to support the main contract works tender specification.

Given the above, in January 2022, this Committee approved that the 2021/22 revised estimate budget be reduced to £6,800 and that the remainder of the scheme budget, £62,850, be transferred to 2022/23.

### **Capital Cost:**

<b>2022/23</b>
£
62,850

POLICY AND FINANCE COMMITTEE  
Schemes Approved for the 2022/23 Capital Programme

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## Network Infrastructure

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**Service Area: IT Services**

**Submitted by: Lawson Oddie**

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**Budget moved from 2021/22:**

This scheme is for the replacement of the current hardware that supports the Council's network infrastructure.

At January 2022, no progress had been made on this scheme due to other pressures on the ICT service, which had been exacerbated by the recent vacancy in the post of ICT Infrastructure Officer and the re-introduction of home working. The ICT Infrastructure Officer's post had subsequently been filled and IT Services expected to engage with suppliers in relation to this scheme in the near future. However, it was not expected that the scheme would be completed in 2021/22.

Therefore, in January 2022 this Committee approved the transfer of the £30,000 scheme budget from 2021/22 to 2022/23.

**Capital Cost:**

2022/23 £
30,000

POLICY AND FINANCE COMMITTEE  
Schemes Approved for the 2022/23 Capital Programme

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# Committee Administration IT System

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**Service Area: Legal and Democratic Services**

**Submitted by: Mair Hill**

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**Budget moved from 2021/22:**

The implementation of the ModGov system software is now complete. The remaining budget of £7,600 on this scheme was set aside to fund any IT hardware purchases required to support the use of the system (possibly some laptops).

The Head of Legal and Democratic Services wants the system software to be used for face-to-face meetings in the Council chamber for a full year before deciding whether any IT hardware is required. So this decision will not be taken in 2021/22.

Therefore, in January 2022 this Committee approved the transfer of the £7,600 remaining scheme budget from 2021/22 to 2022/23.

**Capital Cost:**

2022/23 £
7,600

POLICY AND FINANCE COMMITTEE  
Schemes Approved for the 2022/23 Capital Programme

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## Financial System Upgrade

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**Service Area: Financial Services**

**Submitted by: Lawson Oddie**

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**Budget moved from 2021/22:**

The main financial system upgrade has been completed. The remaining budget of £8,430 is to be used to make further enhancements to the system.

At January 2022, options were continuing to be appraised for further enhancement of the system. There will be some trialling of options to assess workability over the coming months, but some further enhancements, which may incur a cost, could be needed subject to the outcome of these trials. As such officers continue to be in discussions with the software company, but any further spend would be unlikely to be needed until the 2022/23 financial year.

Therefore, in January 2022 this Committee approved the transfer of the £8,430 remaining scheme budget from 2021/22 to 2022/23.

**Capital Cost:**

2022/23 £
8,430

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION
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meeting date: 29 MARCH 2022  
 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 16 March 2022:

	£000	£000	2021/22 %	2020/21 %
Balance Outstanding 1 April 2021		907		
NNDR amounts due	21,698			
Plus costs	3			
Transitional surcharge	7			
Write ons	3			
	<b>21,711</b>			
Less				
- Transitional relief	6			
- Exemptions	-425			
- Charity, Rural, Community Amateur Sports Clubs Relief	-1,317			
- Small Business Rate Relief	-3,842			
- Nursery Discount, Retail Discount, SSB, Flood Relief, Revaluation 2017, Pub, SSB and Other reliefs	-4,022			
- Interest Due	0			
- Write Offs	-100			
	<b>-9,700</b>	12,011		
<b>Total amount to recover</b>		<b>12,918</b>		
Less cash received to 16 March 2022		-12,227	94.7	89.0
<b>Amount Outstanding</b>		<b>691</b>	<b>5.3</b>	<b>11.0</b>

NB The figures included in the table include not only those charges for 2021/22 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 2022 is 97.06% compared with 94.17% at 28 February 2021.

### 3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 16 March 2022:

	£000	£000	2021/22 %	2020/21 %
Balance Outstanding 1 April 2021		1,679		
Council Tax amounts due	55,391			
Plus costs	102			
Transitional relief	2			
Write ons	16			
	<b>55,511</b>			
Less - Exemptions	-792			
- Discounts	-4,907			
- Disabled banding reduction	-70			
- Council Tax Benefit	4			
- Local Council Tax Support plus Hardship	-2,088			
- Write offs	-45			
	<b>-7,898</b>	47,613		
<b>Total amount to recover</b>		<b>49,292</b>		
Less cash received to 16 March 2022		-47,795	97.0	95.8
<b>Amount Outstanding</b>		<b>1,497</b>	<b>3.0</b>	<b>4.2</b>

NB The figures included in the table include not only those charges for 2021/22 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 2022 is 98.24% compared to 96.65% at 28 February 2021.

#### 4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 21 March 2022 is:

	£000	£000
Amount Outstanding 1 April 2021		651
Invoices Raised	2,648	
Plus costs	0	
		<b>2,648</b>
Less credit notes		-203
<b>Total amount to recover</b>		<b>3,096</b>
Less cash received to 21 March 2022		-2,603
<b>Amount outstanding</b>		<b>493</b>

Aged Debtors	000s	%
< 30 days	67	13.59
30 - 59 days	18	3.65
60 - 89 days	0	0.00
90 - 119 days	7	1.42
120 - 149 days	28	5.68
150+ days	373	75.66
	<b>493</b>	<b>100</b>

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 debts, 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 2021/2022*

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 2021– 31 December 2021	Average Performance
5 days	4.78 days	20 days per IRRV

*New claims performance*

Target for year	Actual Performance 1 October 2021 – 31 December 2021	Top grade 4 for all LA's 2007/08
15 days	13.40 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 2021 – 31 December 2021:

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.	76.99
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.	9.15
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.	0.22

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

PF7-22/ME/AC  
7 March 2022

For further information please ask for Mark Edmondson.

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

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meeting date: 29 MARCH 2022  
title: LEVELLING UP WHITE PAPER  
submitted by: CHIEF EXECUTIVE  
principal author: MARSHAL SCOTT

### **1 PURPOSE**

- 1.1 To inform Committee of the main elements of the recently published Levelling Up White Paper.

### **2 INTRODUCTION**

- 2.1 This report provides an overview of the key points in the White Paper.
- 2.2 The White Paper runs to nearly 300 pages. This report pulls out the points that are most obviously relevant to the Council – these are mostly in Mission 9 (Pride in Place), Mission 10 (Housing) and Mission 12 (Local Leadership). These points are summarised below and highlighted in bold in the more detailed section of the report.
- 2.3 One of the positive things about the White Paper is that its ambitions are very wide ranging. The twelve national missions it sets out give plenty of scope for the council to play a key – not only through the powers and services we directly offer but through our ability to influence the wider determinants of economic, social, health and civic items.

### **3 KEY POLICY ANNOUNCEMENTS FOR DISTRICT COUNCILS**

- 3.1 The UK Shared Prosperity Fund will be devolved to local leaders and distributed via an allocation methodology rather than through a competitive bidding process. Most of the fund will be allocated to district councils in two-tier areas including those in Lancashire.
- 3.2 There will be a first wave of County Deals:
- Government intends to agree deals in nine Phase 1 areas by the end of 2022 Cornwall; Derbyshire and Derby; Devon, Plymouth and Torbay; Durham; Hull and East Yorkshire; Leicestershire; Norfolk; Nottinghamshire and Nottingham; and Suffolk.
  - The framework of options for County Deals offers the most powers to a directly elected mayoral model; fewer powers to a single accountable institution model (i.e. county council); and minimal powers to a joint committee model.
  - Involvement of district authorities will be encouraged, but deals will only be agreed with county and unitary local authorities.
- 3.3 Government will not impose top-down restructuring of local government. Reorganisation will not be a requirement for a devolution deal.
- 3.4 A neighbourhood governance review will look at the role and functions of parish councils in England and how to make them quicker and easier to establish.

- 3.5 Powers for local authorities to require landlords to rent out vacant properties to prospective tenants, incentivising filling of vacant units.
- 3.6 Local Planning Authorities will be expected to work with communities to create new local design codes to shape streets as residents wish, widen the accessibility of neighbourhood planning, and increase community say in regeneration.
- 3.7 Government will explore the possibility of transferring control of taxi and private hire vehicle licensing to combined authorities and upper-tier authorities.
- 3.8 Creation of a new independent body in England focused on data, transparency and robust evidence.
- 3.9 Introduction of Levelling Up Directors to provide a key point of contact for local areas, acting as a bridge between local leaders and central government.

#### 4 THE WHITE PAPER'S OVERARCHING AIMS AND MISSIONS

- 4.1 The White Paper contains 12 national missions which frame all its policy announcements and are the basis for measuring the success of delivery:

**Mission 1 - Living Standards:** By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

**Mission 2 - Research and Development (R&D):** By 2030, domestic public investment in Research & Development outside the Greater Southeast will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.

**Mission 3 - Transport Infrastructure:** By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.

**Mission 4 - Digital Connectivity:** By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.

**Mission 5 - Education:** By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.

**Mission 6 - Skills:** By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.

**Mission 7 - Health:** By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.

**Mission 8 - Wellbeing:** By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.

**Mission 9 - Pride in Place:** By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.

**Mission 10 - Housing:** By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.

**Mission 11 - Crime:** By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.

**Mission 12 - Local Leadership:** By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

These missions fit within four overarching aims:

- a) **boost productivity, pay, jobs and living standards** by growing the private sector, especially in those places where they are lagging.
- b) **spread opportunities and improve public services**, especially in those places where they are weakest.
- c) **restore a sense of community, local pride and belonging**, especially in those places where they have been lost; and
- d) **empower local leaders and communities**, especially in those places lacking local agency.

#### 4.2 More detail on the 12 missions

##### **Mission 1 - Living Standards**

- Government will work with a new Levelling Up Advisory Council on options for unlocking capital for SMEs.
- Drive to encourage an "Investment Big Bang" by institutional investors, including asking Local Government Pension Schemes to publish plans for up to 5% of assets to be invested in projects which support local areas.
- Direct funding, including the £1.4bn Global Britain Investment Fund, to support internationally mobile firms seeking to make or expand brown or greenfield investments.
- Focus on existing sector strategies, new technology, transformative investment and investment in Net Zero.
- Seeking to build on the Government's Ten Point Plan for a Green Industrial Revolution (2020).

## **Mission 2 - Research & Development (R&D)**

- The context for this mission is the Government's R&D Roadmap and Innovation Strategy (2020).
- Spending Review 2021 committed to increase R&D spending to £22bn by 2026-27.
- Commitment to invest a minimum of 55% of R&D funding outside the Southeast and to support the growth of R&D hotspots across the UK.
- Office for National Statistics and UK Government Office for Science will collect and publish subnational data on all departments' R&D spending
- BEIS will make levelling up one of the objectives of its R&D investment strategy.
- Departments are encouraged to spend R&D funding on net zero initiatives e.g. Department for Transport (DfT) will use £299m R&D funding for decarbonising transport schemes across the UK and Defra will spend £75m on net zero R&D in the next three years

## **Mission 3 - Transport Infrastructure**

### **Local transport**

- **Government will explore transferring control of taxi and private hire vehicle licensing to combined authorities and upper-tier authorities –**
- In addition to the £96bn Integrated Rail Plan, Government has committed £3bn this Parliament to support and improve bus services across England and introduce new zero-emission buses.
- Significant bus transformation will be funded in Mayoral Combined Authority (MCA) areas. Outside MCA areas, the Government will fund ambitious plans for bus improvement, enhancing services and reducing fares.
- As well as improvements to bus routes, the UK Government will spend over £200m this year and £2bn across the Parliament on improvements for cycling and walking.
- Government will explore devolving more transport powers and responsibilities in England. For areas where the highest-level devolution deals are agreed and with directly elected leaders, Government will accelerate funding to put Local Transport Plans in place before the end of this Parliament.

## **Mission 4 - Digital Connectivity**

- The context for this mission is the National Infrastructure Strategy (2020) which committed £5bn in public funding to roll out gigabit broadband to at least 85% of the country by 2025, aiming to achieve as close to 100% as possible.
- Public investment will target hardest to reach premises that would otherwise not be provided for by the private sector.
- £1bn deal agreed between Government and mobile operators to deliver Shared Rural Network programme. Operators will collectively increase 4G coverage to 95% by 2025.
- Ambition is for the majority of the population to have access to a 5G signal by 2027.
- Wireless Infrastructure Strategy will be published in 2022 to review how far the private sector will go to deliver wireless infrastructure (including 5G) across the UK.
- Local leaders and Government will continue to work to develop Local Digital Skills Partnerships, which are operating in seven regions across England.

### **Mission 5 - Education**

- Continued encouragement for schools to join Multi Academy Trusts.
- New Education Investment Areas (EIAs) to drive school improvement. They will cover a third of authorities in England, where attainment is weakest.
- £300m investment in Family hubs and Start for Life across half of local authorities in England.
- £200m to expand the Supporting Families Programme.

### **Mission 6 - Skills**

- Reform of the funding and accountability for Further Education. This will embed local employers at the heart of an increasingly devolved, outcomes-oriented system, enabling providers to respond effectively to local skills needs as they evolve over time.
- Increasing funding for apprenticeships to £2.7bn by 2024-25.
- Easier for large employers to transfer their Apprenticeship Levy to SMEs to further support apprenticeships in disadvantaged areas
- From April 2022 the Lifetime Skills Guarantee will expand to include a trial enabling any adult with a level 3 qualification or higher who earns below the National Living Wage or who is unemployed to access a further high-value level 3 qualification for free, regardless of their prior qualifications.
- Multiply numeracy programme, offering national and local support for adults to gain or improve their numeracy skills, worth £559m over the Spending Review period and delivered as part of the UK Shared Prosperity Fund.
- £99m investment over the next three years in an In-Work Progression offer. This will extend work coach support to people on low incomes across Great Britain to address any skills or wider barriers to progression

### **Mission 7 - Health and Mission 8 - Wellbeing**

- A White Paper on Health Disparities is expected in 2022. It will focus on reducing the gap between health outcomes with a focus on prevention and demographic disparities. It will promote community-mobilised place-based solutions.
- A National Food Strategy white paper will be published and include pilot programmes building on Holiday Activities and Food programmes spearheaded by many DCN members.
- NHS England to roll out comprehensive social prescribing and green social prescribing (green space access to improve mental wellbeing), increasing link workers by 1000, and with the aim that 900,000 people will have been referred by 2023-24.

### **Mission 9 - Pride in Place**

- Much of this mission centres on the role of Local Planning Authorities (LPAs), provision of greenspace and efforts to harness community engagement. These are all within the purview of districts.
- The '80/20 rule' will be scrapped, with much of the £1.8 billion brownfield funding instead being diverted to transforming brownfield sites in the North and Midlands. Metro Mayors will be allocated £120 million of this funding.
- Local authorities will have powers to require landlords to rent out vacant properties to prospective tenants, incentivising filling of vacant units.

- A new £30m parks fund, in addition to current Levelling Up Parks Fund, will deliver up to £1m for refurbishment to at least 30 local parks in England.
- A neighbourhood governance review will look at the role and functions of parish councils in England and how to make them quicker and easier to establish. It will pilot new models for community partnership and explore the idea of Community Covenants.
- LPAs expected to work with communities to create new local design codes to shape streets as residents wish, widen the accessibility of neighbourhood planning, and increase community say in regeneration.
- Plans for further greening the Green Belt in England, and delivery of nature recovery.
- New Strategy for Community Spaces and Relationships, listening to communities and harnessing their power.
- 20 places identified, starting with Wolverhampton and Sheffield, to undertake ambitious, King's Cross-style regeneration projects.
- Government support to bring together funding available to local leaders to drive regeneration, and partner this with private investment. Homes England will lead this strategic approach in places.
- Dormant Assets Scheme will be expanded to unlock up to a further £880m with a consultation later in 2022. This may include a new Community Wealth Fund proposal.

#### **Mission 10 - Housing**

- As statutory providers of housing and homelessness prevention services, much of this mission is highly relevant to DCN councils.
- New powers for councils to apply a premium of up to 100% to homes left empty for a year, rather than two years.
- The Renters Reform White Paper will be published in the spring.
- The Social Housing Regulation Bill will be brought forward, enabling those who live in poor quality social housing to hold landlords to account.
- Government will deliver previously announced £2bn of investment to tackle root causes of homelessness and rough sleeping over the next three years, building on Rough Sleeping Initiative.
- Continuation of previous policy announcements made in the Planning White Paper, including further support for re-using brownfield land for development; a more positive approach to employment land in national policy to support the provision of jobs; and increased engagement with infrastructure providers in plan making to bolster productivity.
- New Task Force to be launched shortly to look at ways to provide better choice, quality and security of housing for older people.

#### **Mission 11 - Crime**

- Police in England will be given powers to deal with noise complaints. This will remain the statutory duty for district councils but will provide the police effective tools to tackle incidents which constitute crime and anti-social behaviour.
- The Police, Crime, Sentencing and Courts Bill will seek to create a legal duty for public sector partners to work together to prevent and tackle serious violence.

- There will be £50m each year until 2024/25 in the Safer Streets Fund, with two rounds 18 months apart available.
- Local authorities are being encouraged to take greater advantage of unpaid work placements to improve the local area.
- A National Spring Clean will be brought forward which will see Community Payback leveraged in support of cleaning up neighbourhoods.

### **Mission 12 - Local Leadership**

- This mission contains the most significant measures for DCN councils and is the crux of the White Paper from our perspective.
- The Government sets out four principles for further devolution (i) Effective Leadership (ii) Sensible Geography (iii) Flexibility (iv) Appropriate Accountability.
- Local devolution will be offered in shire areas via County Deals. The involvement of district authorities will be encouraged, but deals will only be agreed with county and unitary local authorities. No authority will have a veto over the progress of neighbours who are prepared to move quickly and adopt strong governance models.
- Creation of a new independent body in England focused on data, transparency and robust evidence. The aim is to enhance the Government's understanding of place-based leadership, quality of local service delivery and organisational efficacy.
- The devolution framework is designed to create a flexible and tiered approach. The government has laid out a menu of options that offers the most powers to a directly elected mayoral model; fewer powers to a single accountable institution model (i.e. county council); and minimal powers to a joint committee model.
- **Annex 1 below outlines the menu of powers on offer. The main areas are:**
  - o Strategic delivery of services
  - o Supporting local businesses
  - o Local control of sustainable transport
  - o Investment spending
  - o Adult skills and the labour market
  - o Local control of infrastructure decisions
  - o Keeping the public safe and healthy
  - o Financing local initiatives for residents and business
- Government will not impose top-down restructuring of local government. Reorganisation will remain a locally led avenue available where there is broad local support but will not be a requirement for a devolution deal.
- 9 areas have been invited to start formal negotiations to agree County Deals - Cornwall; Derbyshire and Derby; Devon, Plymouth and Torbay; Durham; Hull and East Yorkshire; Leicestershire; Norfolk; Nottinghamshire and Nottingham; and Suffolk.
- The proposed combined authority models are to be made up of upper-tier local authorities only. District councils can be non-constituent members only. County councils will be expected to work closely with their district councils.
- The UK Shared Prosperity Fund will be devolved to local leaders and distributed via an allocation methodology rather than through a competitive bidding process. Most of the fund will be allocated to and invested by districts in two-tier areas.
- There will be trailblazer deals in metropolitan areas for MCAs in West Midlands and Greater Manchester to act as blueprints for others.

- The integration of LEPs into MCAs, the GLA and County Deals is encouraged. Where a devolution deal does not yet exist, LEPs will continue to play their part, but likely with less funding. Where devolution deals cover part of a LEP, this will be looked at on a case-by-case basis.

#### 4.3 **Other Points**

- Government will appoint Levelling Up Directors. They will provide a key point of contact for local areas, acting as a bridge between local leaders and central government.
- Government will engage with local government and key stakeholders on the simplification of the local growth funding landscape.
- Creation of a new Levelling Up Advisory Council.

## 5 **RISK ASSESSMENT**

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

- Resources – we anticipate being informed of our allocation from the UK Shared Prosperities Fund in the next few weeks.
- Technical, Environmental and Legal – none identified directly from this report.
- Political – none.
- Reputation – none.
- Equality & Diversity – none.

## 5 **CONCLUSION**

5.1 The Levelling Up White Paper sets out how the Government plans to devolve powers and funding to improve economic social health and wellbeing of residents across the County.

Marshal Scott  
DIRECTOR OF / CHIEF EXECUTIVE

## Annex 1 – summary of County Deal Options

**Table 2.3 Devolution Framework**

**Level 3** – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

**Level 2** – A single institution or County Council without a DEM, across a FEA or whole county area

**Level 1** – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
<b>Strategic role in delivering services</b>	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
<b>Supporting local businesses</b>	LEP functions including hosting strategic business voice		✓	✓
<b>Local control of sustainable transport</b>	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
<b>Investment spending</b>	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
<b>Giving adults the skills for the labour market</b>	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
<b>Local control of infrastructure decisions</b>	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
<b>Keeping the public safe and healthy</b>	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align^			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
<b>Financing local initiatives for residents and business</b>	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

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## MINUTES OF BUDGET WORKING GROUP MEETING

HELD 29 NOVEMBER 2021

1.1 Present: S Atkinson (Chair), A Brown, S Fletcher, J Hill, S Hirst, S Hore, D Peat, J Rogerson, Chief Executive, Director of Resources, Director of Economic Development and Planning, Head of Financial Services.

### **2 Apologies**

2.1 Director of Community Services

### **3 Minutes of meeting held on 18 August 2021**

3.1 Members approved the minutes of the last meeting of the Budget Working Group.

### **4 Updated Budget Forecast 2022/23**

4.1 The Director of Resources provided members with an update on the budget forecast. This gave an overview of the position in September as reported to Policy and Finance Committee and outlined some of the changes that had been seen since.

4.2 As at September the forecast showed an estimated budget gap of:

- 2022/23 - £82k
- 2023/24 - £139k
- 2024/25 - £231k

4.3 Issues around indications of increasing inflation, above that allowed for in the budgets forecast, were highlighted, together with the potential need to allow for further inflation for pay and prices.

4.4 The 1.25% increase to National Insurance costs for 2022/23 was mentioned. The increase for this council was estimated at £90k, but the government have said that public sector bodies will be compensated for this extra cost.

4.5 The pay review and a rescoring of refuse collection posts had seen increased pay costs. It had been agreed by Policy and Finance committee that the pay review would be funded from the Business Rates Growth Reserve, but that this would be reviewed once the outcome of the Draft Local Government Finance Settlement was known, after which funding on an ongoing sustainable basis would be identified.

4.6 The Council Tax Base had been updated and had seen an increase above that provided for in the September forecast.

4.7 The report went on to highlight the substantial number of growth items that had been put forward for inclusion in the revenue budget for 2022/23, and onwards. Furthermore, there were also a large number of capital bids, some of which had additional revenue impacts in future years.

4.8 Based on the details outlined, the budget gap for 2022/23 was forecast at £497k, this was before any growth items had been allowed for.

4.9 Members discussed the forecast, and some of the more substantial inflationary increases that had been seen in preparing the budget were highlighted, such as Diesel at 26.8%, Electricity at 38%, Gas at 55% and insurance at 10%.

4.10 Members considered and acknowledged the latest forecast.

**5 Query Regarding Additional Restrictions Grant Scheme**

5.1 A query was raised by the Director of Economic Development and Planning in respect of the new Additional Restrictions Grant Scheme.

5.2 Clarification was sought on instances where grant applicants had used leases with an option to buy, or hire purchase, to procure items. It was agreed that the scheme would not allow such items for grant support.

**6 Any Other Business**

6.1 There were no other items of business.

**7 Date and Time of Next Meeting**

7.1 No further meeting was arranged at this time.

# MINUTES OF BUDGET WORKING GROUP MEETING

## HELD 24 JANUARY 2022

Present: S Atkinson (Chair), A Brown, S Fletcher, S Hirst, S Hore, D Peat, J Rogerson, Chief Executive, Director of Resources, Director of Economic Development and Planning, Director of Community Services, Head of Financial Services.

### **1 Apologies**

1.1 Cllr J Hill

### **2 Minutes of meeting held on 29 November 2022**

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

### **3 Timescale and Work Required for Special Policy and Finance Committee and Budget Council**

3.1 The Chief Executive described a number of conflicting work pressures, notably dealing with Omicron business grants and also the production of the revenue budget.

3.2 There were a number of elements of the revenue budget still to be finalised, notably around the completion of the NNDR1 return and the resulting business rates income for the revised estimate 2021/22 and the original estimate 2022/23.

3.3 Additionally there were multiple new tasks needing to be completed for the new Omicron grants, with heightened checks now being required by the Government before payments can be made. However, good progress was being made.

3.4 The budget process was currently looking to be approximately a month behind and this would impact on the ability to satisfy meeting deadlines for Special Policy and Finance Committee and consequently for Full Council.

3.5 Members discussed the position and it was agreed that steps would be taken to move both the Special Policy and Finance Committee and Full Council. Special Policy and Finance Committee was to be moved to 22 February 2022 and Full Council on the 8 March 2022.

### **4 Earmarked Reserves**

4.1 Members were taken through a report on Earmarked Reserves, which broke down the balance as at 31 March 2021 between

- Those available for Capital purposes
- Those available for Revenue purposes
- Those that could be used for either Capital or Revenue
- Those that were specifically ringfenced or were due for repayment

4.2 The report raised a number of issues that would need to be addressed going forward, whilst answers were not needed at that meeting. Considering these issues would help guide what resources could be used to fund any new bids for a future capital programme, and how much could be used for the various revenue Growth Items.

- Are members happy with the categorisation of our reserves and in particular should any be preserved?
- How much of the available Earmarked Reserves do members want to set aside for future capital expenditure?
- How much of the Earmarked Reserves do members want to set aside for funding the future Revenue Budget?
- Do members want to make available for use the Business Rate Volatility Reserve?
- How much of these reserves do members want to set aside for Capital or Revenue?

4.3 Members discussed the position outlined in the report and it was agreed that there would need to be a future meeting set aside to address how the Earmarked Reserves should be used going forward

4.4 The report tied into the issues that were to be discussed in the following items

## **5 Core Spending Power and Transitional Grants**

5.1 Details of the Provisional Government Grant Settlement were provided in a report, and this discussed the possible transition to any Local Government Fair Funding Review outcome system.

5.2 The report outlined that the council's spending power increase was 0.2% for 2022/23. This compared to an average increase of 6.9%. The reason for this was due to the method of distribution for the one-off services grant, the basis favouring deprived areas.

5.3 A number of scenarios for the transition to any new local government finance system were set out.

5.4 The impact of any review on the council's business rates growth was discussed, particularly around any baseline reset. The scale of any reset would dictate the impact for this council. There was also the added possibility that district shares of 40% may be reduced in future, and the removal of pooling.

## **6 Latest Budget Forecast – 5 Year Review**

6.1 The latest budget forecast, covering five years, was provided to members. This included a suggested possible transition grant as referred to in the previous item. The various assumptions made in the forecast were outlined to members.

6.2 The forecast also highlighted the impact on Earmarked Reserves, showing the need to set aside £4.26m of earmarked reserves for revenue purposes, and still the need to identify savings in future years – most notably in years 4 and 5 (2025/26 and 2026/27).

6.3 Members reflected on the position and agreed that future growth items and capital bids would need to be frozen until more certainty was seen in respect on the council's government funding. It was agreed that with so much uncertainty, the council should not now be committing itself to large amounts of further spending, particularly recurring spending.

6.4 It was suggested that the focus should now be on setting the revenue budget for 2022/23 and that consideration of growth items and new capital bids should be frozen until summer. Members wanted the work of officers in drawing together the growth requests and capital bids to be recognised and for it to be made clear that this was a temporary pause in considering the same.

- 6.5 By using this 'pause position', Budget working Group would then be better able to focus on building a budget for the future, once there was more certainty around the council's funding.

## **7 Revised Capital Programme**

- 7.1 The Head of Financial Services took members through a report on the Revised Capital Programme for 2021/22. This saw a large number of schemes being moved to the 2022/23 financial year, together with associated financing.
- 7.2 The proposed revised capital programme for 2021/22 was for £1,761,370 covering 23 schemes. Schemes totalling £1,736,890 were proposed to be moved to the 2022/23 financial year.
- 7.3 Members agreed with the proposals.

## **8 Summary 5 Year Capital Programme Position**

- 8.1 A high level summary of the five year capital programme including proposed amendments to the existing capital programme and new bids that had been submitted, was provided.
- 8.2 Concerns around the external funding for the Castle Keep Repointing scheme were highlighted and a suggestion made that this could instead be financed from the business Rates Growth Earmarked Reserve if the scheme was needing to be progressed.
- 8.3 Following the earlier discussion under the item on the 'Latest Budget Forecast – 5 Year Review', it was agreed that all new bids would be held over until the summer.

## **9 Any Other Business**

- 9.1 There were no other items of business.

## **10 Date and Time of Next Meeting**

- 10.1 A next meeting was proposed of Wednesday 9 February 2.30pm, subject to availability

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## RIBBLE VALLEY ARG TASK AND FINISH GROUP – 1 FEBRUARY 2022

Cllr S Hore (Chair in place of S Atkinson)	Marshal Scott – Chief Executive
Cllr S Bibby	Jane Pearson – Dir of Resources
Cllr S Fletcher	Nicola Hopkins – Dir of Econ Dev & Planning
Cllr R Thompson	Mark Edmondson – Head of Revs and Bens
	Hassan Ditta – Sen Econ Dev Officer

### APOLOGIES

Apologies were submitted on behalf of Cllrs S Atkinson and D Peat.

### OMICRON ADDITIONAL RESTRICTIONS GRANT SCHEME

The DoR reminded members as reported to P & F that a third top-up of ARG of £146,048 had been received on 11 January 2022.

This scheme was discretionary, and a scheme had to be designed and adopted to distribute the grants. These were specifically for businesses severely impacted due to the Omicron variant. The deadline for grant payments was the end of March, but a number of prepayment checks are necessary on applicants so the closing date would need to be a couple of weeks before this.

She reminded members what the previous grant schemes had included and the numbers of applications received and grants awarded.

She suggested that businesses in the following sectors be supported and businesses where the main part of their trade is to supply to these sectors:

- Hospitality – where the primary activity is in-person on-site food and beverage consumption – including food courts, pubs, restaurants, bars and cafes.
- Leisure – venues or premises open to customers during the winter season, where the primary activity is to provide indoor opportunities and experiences for culture, recreation, entertainment, celebratory events (including weddings) or days and nights out. Including cinemas, museums, wedding venues, professional event venues, night clubs, tourist attractions, soft play centres, clubs and village halls.
- Travel and Tourism – travel agents, tour operators and travel group businesses.
- Accommodation – where the primary activity is to provide lodging for holidays, travel or other purposes including caravan parks, campsites, guest houses, holiday apartments and B&Bs.

Criteria also needed to be considered where applicants would need to meet all the criteria to be eligible. After some discussion it was agreed that the following criteria would apply –

- Businesses that do NOT qualify for OLHG which is for hospitality, leisure and accommodation businesses with a business rates account.
- Businesses that have received previous ARG payments for RVBC
- Businesses must self-declare and provide evidence that the Omicron variant restrictions have made their business suffer significantly eg cancelled bookings/orders of a major drop in income shown on bank statements

- Businesses that have significant business costs such as rent, rates, insurances (not wages) that do not have a business rates account.
- Businesses that are still trading and not in administration, insolvent or in receipt of a striking-off notice
- Businesses that operate full-time and have their main trading address in and operate in the RV area
- Businesses that have not received an ARG from another local authority since November 2020

There would also be some discretion where businesses had changed hands since the first ARG grants.

Members agreed that applications should be sought by invitation email to those businesses who had previously received an ARG grant, but excluding personal care, taxis, takeaways, non-essential retail and medical. This would equate to approximately 90 businesses and it is estimated would result in grant payments if all approved of approximately £180,000.

The DoR now proposed that the grant levels were guided by the OHLG scheme as opposed to the grant levels suggested to P&F committee when it was anticipated the scheme would be open to all sectors –

<b>Rateable value</b>	<b>Grant</b>
£15k or under	£2,667
£15k - £51k	£4,000
Over £51k	£6,000
Businesses without a business rates account would be assessed according to – <ul style="list-style-type: none"> <li>• Size of business</li> <li>• Level of costs</li> <li>• Funding available</li> </ul>	£500 £1,000 £2,667

It was proposed that the applications be administered by officers within the Economic Development, Business Rates and Finance teams.

Having discussed all the issues and the need to keep the scheme as straight forward as possible to enable it to run alongside the other schemes still operating, members agreed to the sectors, criteria, method of application and grant amounts outlined.

It was agreed a further meeting should be held in early March when an update on unallocated funding could be provided and next steps agreed.

Meeting closed at 2.55pm

## RIBBLE VALLEY ARG TASK AND FINISH GROUP – 28 FEBRUARY 2022

Cllr S Atkinson (Chair)	Marshal Scott – Chief Executive
Cllr S Bibby	Nicola Hopkins – Dir of Econ Dev & Planning
Cllr S Fletcher	Hassan Ditta – Sen Econ Dev Officer
Cllr D Peat	

### APOLOGIES

Apologies were submitted on behalf of Cllr R Thompson, Jane Pearson and Mark Edmondson.

### OMICROM ADDITIONAL RESRICTIONS GRANT SCHEME

At the meeting on 1 February it had been agreed a further meeting should be held in early March to update members on unallocated funding and agree next steps.

The Chief Executive reported that there would be approximately £285k left and outlined the options available

- Devise a new scheme to use up the remaining monies;
- Return unspent monies to the Government; or
- Top up the existing schemes – OHL, ARG and the Economic recovery ARG scheme

Members were clear that we should minimise the funding returned to the Government.

There was not enough time to devise a new scheme as any applications would have to be sought, considered and paid out by 31 March 2022.

The most efficient way was to devise a top-up for the existing schemes and perhaps add gyms who were excluded from the OHL scheme. The gyms could be targeted separately based on rateable value, with a turnaround application process of a week. The balance of the monies could then be used to top up the existing recipients for which application forms had been received and checks already done.

The Chief Executive informed members that because we couldn't overspend the allocation, it was unlikely that all the monies would be spent but that this option would minimise the amount left.

Members AGREED with the way forward suggested.

Meeting closed at 4.20pm

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## MINUTES OF LONGRIDGE ASSETS WORKING GROUP – 23 AUGUST 2021 at 3.00pm

### PRESENT

Cllr R Thompson (Chair)	Marshal Scott: Chief Executive
Cllr J Clark	Nicola Hopkins: Dir. of Economic Development and Planning
Cllr J Rogerson	Mair Hill: Head of Legal and Democratic Services
Cllr S Hirst	
Cllr S Fletcher	

### APOLOGIES

Apologies were received from Colin Hirst, Head of Regeneration & Housing and Theresa Sanderson, Principal Communications Officer.

Cllr S Rainford was not in attendance.

### MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 27 July 2021 were approved as a correct record.

### DECLARATIONS OF INTEREST

Declarations of interest were received from Cllr. Rogerson being President of Longridge Band (prospective facility user).

### LSEC UPDATE

Mair Hill reported that she and the CE had met with 2 members of LSEC to discuss the requirements of the lease and how best to provide resilience for the future.

A visit to the Civic Hall had taken place to look at the works that had been completed.

Since then there had been an exchange of emails containing documents and more information.

They had been reminded that the lease requires a RVBC Councillor representative on the Board, and contact had now been made with Cllr Rainford – the Council's nominated person.

The CE had given them the example of Roefield Leisure Centre as a charitable body with a management board to illustrate how LSEC could make themselves accountable and ensure continuity.

LSEC had recently submitted an application for the Civic Hall to be listed as an Asset of Community Value to RVBC. This would be processed in line with appropriate legislation.

A meeting had been advertised on social media for people interested in volunteering to become involved with the running of the Civic Hall. The Chairman would attend as an observer.

### ADVERSE SOCIAL MEDIA

This would be put on the agenda again when Theresa Sanderson could be present at a meeting of this working group

## KING STREET TOILETS

The CE informed the meeting that this had been discussed at management team and the Director of Community Services would instruct a member of his team to formally market the toilets for sale.

## ANY OTHER BUSINESS

None arising.

## NEXT STEPS - ACTIONS:

1. The Chairman would attend the volunteer meeting on Wednesday 25 August 2021 as an observer.
2. Marshal Scott and Mair Hill would meet with Mr McLaughlin again on 17 September 2021 and would report back on progress to the next working group meeting.
3. Colin Hirst to provide an update on the Over 60's club at the next meeting of the working group.
4. Theresa Sanderson to attend the next meeting to discuss social media.

## DATE AND TIME OF NEXT MEETING

To be arranged once meetings have taken place.

The meeting closed at 3.35pm.

**MINUTES OF LONGRIDGE ASSETS WORKING GROUP**  
**3 MARCH 2022 at 4.30pm**

PRESENT

Cllr R Thompson (Chair)	Marshal Scott: Chief Executive
Cllr J Clark	Nicola Hopkins: Dir. of Economic Development and Planning
Cllr J Rogerson	John Heap: Director of Community Services
Cllr S Hirst	Colin Hirst: Head of Regeneration and Housing
Cllr S Fletcher	Mair Hill: Head of Legal and Democratic Services
Cllr S Rainford	

APOLOGIES

None received.

MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 23 August 2021 were approved as a correct record.

Cllr Thompson informed the group that he had attended the volunteer meeting held at the Civic Hall. There were approximately 12 persons present. He had defended RVBC who had come under some criticism.

The CE gave an update on the meeting he and the Head of Legal and Democratic Services had attended with Andy McLaughlin last August. A constructive discussion had taken place and LSEC were putting measures in place to make a going concern of the Civic Hall. The building was in a reasonable state of repair, and they had been reassured.

Since that meeting a full survey of the requirements had been provided and a list of priorities made. A considerable amount of work had been carried out from the extensive list.

The Chairman asked that regular checks be made on progress.

DECLARATIONS OF INTEREST

None.

OVER 60's CLUB

The Head of Legal and Democratic Services reported that the Council were now satisfied that the lease had been properly surrendered by the trustees. The only issue in contention was the effective date, as this affected responsibility for payment of bills during the period whilst the surrender was being verified.

The Director of Economic Development and Planning informed the group that a valuation had been received for both sale and rent of the premises.

The group had reservations about any action being taken at the present time as it was felt this was not an appropriate time to dispose of this asset.

## UPDATE ON ELSEC

The Chief Executive reported that he and the Head of Legal and Democratic Services had recently been called to a meeting with the Directors of ELSEC who had informed them they had terminated the contract of the gym operators and would be operating the gym under a different model.

Since that meeting there had been further developments and all Directors bar one had resigned. The one remaining Director was endeavouring to keep the place going and honour all bookings – including the gym.

A little time was required to acquire new directors to support ELSEC and move forward.

## ANY OTHER BUSINESS

Cllr Clark asked that there be some official publicity so that the people of Longridge understand the situation regarding responsibilities of RVBC/LTC/LSEC in relation to assets in Longridge.

The Chief Executive referred to £1.5m S106 monies for use in Longridge. Options were currently being drawn up for its use.

King Street toilets had now been sold.

## NEXT STEPS - ACTIONS:

1. Another ZOOM working group meeting be arranged for within a couple of weeks for an update on developments with ELSEC and the Civic Hall;
2. No action be taken at the present time regarding the disposal of the Over 60's Club; and
3. The Communications Officer to attend the next meeting to discuss positive publicity.

## DATE AND TIME OF NEXT MEETING

To be arranged.

The meeting closed at 5.18pm.

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

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