



**LONDON BOROUGH OF ENFIELD**

**AGENDA FOR THE COUNCIL MEETING  
TO BE HELD ON THURSDAY, 24TH FEBRUARY,  
2022 AT 7.00 PM**

**THE WORSHIPFUL THE MAYOR  
AND COUNCILLORS OF THE  
LONDON BOROUGH OF ENFIELD**

**Please  
Reply to:** Clare Cade

**E-mail:** democracy@enfield.gov.uk  
**My Ref:**

**Date:** 16 February 2022

Dear Councillor,

You are summoned to attend the meeting of the Council of the London Borough of Enfield to be held at the Civic Centre, Silver Street, Enfield on Thursday, 24th February, 2022 at 7.00 pm for the purpose of transacting the business set out below.

Yours sincerely

*Jeremy Chambers*

Director Law & Governance

- 1. THE MAYOR'S CHAPLAIN TO GIVE A BLESSING**
- 2. MAYORS ANNOUNCEMENTS IN CONNECTION WITH THE ORDINARY BUSINESS OF THE COUNCIL**
- 3. MINUTES OF THE PREVIOUS MEETINGS** (Pages 1 - 10)

The receive and agree the minutes of the meetings held on the 26<sup>th</sup> January 2022.

- 4. APOLOGIES**
- 5. DECLARATION OF INTEREST**
- 6. BUDGET REPORT 2022/23 AND MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2026/27** (Pages 11 - 210)

Council will be asked to approve the budget for 2022/23 and the Medium Term Financial Plan for 2022/23 to 2026/27.

- 7. CAPITAL PROGRAMME 2022/23 TO 2031/32** (Pages 211 - 258)

Council is asked to approve the 2022/23 Capital Programme and to note the 2023/24 to 2031/32 Ten Year Capital Programme as set out in Appendix 3 of the report.

**8. HOUSING REVENUE ACCOUNT (HRA) BUDGET 2022/23, RENT SETTING AND BUSINESS PLAN UPDATE (Pages 259 - 296)**

Council is asked to approve the HRA 30-year business plan, rents and business plan updates.

**9. TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23 (Pages 297 - 378)**

The Council will be asked to approve the Treasury Management Strategy Statement.

**10. RETENDER OF EXTERNAL AUDIT ARRANGEMENTS - OPTING INTO THE NATIONAL PROCUREMENT ARRANGEMENTS (Pages 379 - 392)**

Council will be asked to approve the proposals for appointing the external auditor to the Council for the auditing of the Statement of Accounts and Pension Fund Accounts for the five-year period from 2023/24.

**11. MONITORING OFFICER REPORT (Pages 393 - 396)**

Council is asked to designate Terry Osborne as the Monitoring Officer with effect from 1<sup>st</sup> March 2022 until such time as a permanent appointment is made to the post of Director of Law & Governance and a further report is brought to Council.

**12. QUESTIONS**

Members are asked to note the questions submitted for written response. Responses to the questions will be published the day before the meeting.

**13. COMMITTEE MEMBERSHIPS**

To confirm changes to Committee memberships agreed since the last meeting.

Any changes received once the agenda has been published will be tabled on the Council update sheet at the meeting.

**14. NOMINATIONS TO OUTSIDE BODIES**

To confirm any changes to the nominations on outside bodies agreed since the last meeting.

Any changes notified after the agenda has been published will be reported to Council on the update sheet tabled at the meeting.

**15. MAYOR'S THANK YOU TO RETIRING MEMBERS**

**16. DATE OF NEXT MEETING**

To note the date of the next Council meeting is 25 May 2022.

COUNCIL - 26.1.2022

**MINUTES OF THE MEETING OF THE COUNCIL  
HELD ON WEDNESDAY, 26 JANUARY 2022**

**COUNCILLORS****PRESENT**

Sabri Ozaydin (Mayor), Christine Hamilton (Deputy Mayor), Huseyin Akpinar, Mahmut Aksanoglu, Maria Alexandrou, Daniel Anderson, Kate Anolue, Chinelo Anyanwu, Tolga Aramaz, Dinah Barry, Ian Barnes, Mahym Bedekova, Yasemin Brett, Anne Brown, Alev Cazimoglu, Nesil Caliskan, Mustafa Cetinkaya, Katherine Chibah, Lee David-Sanders, Birsen Demirel, Chris Dey, Guney Dogan, Elif Erbil, Ergin Erbil, Susan Erbil, Peter Fallart (Bush Hill Park), Alessandro Georgiou, Margaret Greer, Charith Gunawardena, Ayten Guzel, Ahmet Hasan, James Hockney, Stephanos Ioannou, Rick Jewell, Saray Karakus, Nneka Keazor, Joanne Laban, Dino Lemonides, Tim Leaver, Derek Levy, Mary Maguire, Andy Milne, Terence Neville OBE JP, Ayfer Orhan, Lindsay Rawlings, Michael Rye OBE, George Savva MBE, Edward Smith, Jim Steven, Claire Stewart, Doug Taylor, Andrew Thorp, Mahtab Uddin, Glynis Vince and Hass Yusuf

**ABSENT**

Guner Aydin, Sinan Boztas, Clare De Silva, Ergun Eren, Achilleas Georgiou, Elaine Hayward, Gina Needs and Ahmet Oykener

**1****APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Hayward, Needs, Oykener, Aydin, Boztaz, De Silva, Eren and Achilleas Georgiou.

**2****DECLARATIONS OF INTEREST**

No declarations of interest were received.

**3****MOTIONS**

Councillor Levy moved the below motion on behalf of Councillor Gunawardena who sent apologies to the meeting:

*Council notes that:*

- *The North London Waste Authority is scheduled to sign a contract with Acciona to expand the Edmonton Incinerator on 18th January 2022.*
- *A letter addressed to the Chair of the NLWA, was sent by legal firm Richard Buxton Solicitors, representing local environmental campaign groups, on 16 December 2021 (ref: YAA1/1/LPF) and was shared with Enfield councillors.*

**COUNCIL - 26.1.2022**

- *Important information, regarding the project and the supplier Acciona, that can negatively impact social, environmental and economic interests of Enfield was included in the letter.*
- *An impact assessment of these key issues raised in the letter has not been published by Enfield Council.*
- *An independent assessment of the expanded incinerator on the wellbeing of Enfield residents and environment has not been undertaken or commissioned by the Council.*
- *Public assurances have not been given that Enfield Council conducted due diligence on the financial exposure and risks associated with the planned construction of the new incinerator in the borough that commits the council to £150-£200m.*

*Council resolves to:*

- *Request the rescheduling of the signing of the contract until Enfield Council is able to complete an independent assessment of the expanded incinerator and its impact on Enfield.*
- *Withdraw support to the signing of the contract between NLWA and Acciona on 18 January 2022, to ensure Enfield Council meets its fiduciary duties to ratepayers.*
- *Request other councils to withdraw their support for the project until Enfield Council completes its assessment*

Following discussion the motion was NOT AGREED.

COUNCIL - 26.1.2022

**MINUTES OF THE MEETING OF THE COUNCIL  
HELD ON WEDNESDAY, 26 JANUARY 2022**

**COUNCILLORS**

**PRESENT** Sabri Ozaydin (Mayor), Christine Hamilton (Deputy Mayor), Huseyin Akpinar, Mahmut Aksanoglu, Maria Alexandrou, Daniel Anderson, Kate Anolue, Chinelo Anyanwu, Tolga Aramaz, Dinah Barry, Ian Barnes, Mahym Bedekova, Yasemin Brett, Anne Brown, Alev Cazimoglu, Nesil Caliskan, Mustafa Cetinkaya, Katherine Chibah, Lee David-Sanders, Birsen Demirel, Chris Dey, Guney Dogan, Elif Erbil, Ergin Erbil, Susan Erbil, Peter Fallart (Bush Hill Park), Alessandro Georgiou, Margaret Greer, Charith Gunawardena, Ayten Guzel, Ahmet Hasan, James Hockney, Stephanos Ioannou, Rick Jewell, Saray Karakus, Nneka Keazor, Joanne Laban, Dino Lemonides, Tim Leaver, Derek Levy, Mary Maguire, Andy Milne, Terence Neville OBE JP, Ayfer Orhan, Lindsay Rawlings, Michael Rye OBE, George Savva MBE, Edward Smith, Jim Steven, Claire Stewart, Doug Taylor, Andrew Thorp, Mahtab Uddin, Glynis Vince and Hass Yusuf

**ABSENT** Guner Aydin, Sinan Boztas, Clare De Silva, Ergun Eren, Achilleas Georgiou, Elaine Hayward, Gina Needs and Ahmet Oykenner

**1  
THE MAYOR'S CHAPLAIN TO GIVE A BLESSING**

Reverend Meatcher performed a blessing for the evening's meeting.

**2  
MAYOR'S ANNOUNCEMENTS IN CONNECTION WITH THE ORDINARY  
BUSINESS OF THE COUNCIL**

The Mayor welcomed everyone to the meeting.

Condolences were given to the friends and family of Christine Chamberlain who sadly passed away.

The Mayor spoke of his upcoming events which he looked forward to as many of last years had been cancelled.

**3  
MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting were AGREED.

**COUNCIL - 26.1.2022**

**4**

**APOLOGIES**

Apologies for absence were received from Councillors Hayward, Fallart, Needs, Oykenner, Aydin, Boztaz, De Silva, Eren and Achilleas Georgiou.

**5**

**DECLARATIONS OF INTEREST**

Councillor Laban declared an interest in item 9 as she serves on the JMC Councillors Thorp and Dey declared interests as they work with the Scouts Association. Councillor Dey also declared an interest in the motion relating to Cladding.

The Director of Law & Governance made the following statement on Council Tax:

*“In accordance with guidance from the department of levelling up housing & communities there is no requirement for members to declare a disclosable pecuniary interest in relation to items on the agenda. The expectation to this being any councillor who is two months or more in arrears on their council tax. I can confirm for the minutes that on the date of the meeting there is no member two or more months in arrears.”*

**6**

**OPPOSITION BUSINESS - THE LABOUR ADMINISTRATION 2018-2022**

Councillor Laban introduced the Opposition Business paper, The Labour Administration 2018-2022. During Councillor Laban’s opening speech, she made the following key points:

- The administration had made local and national media for the wrong reasons during 2018-2022 which in turn gives the borough a bad reputation;
- On more than one occasion the administration had not listened to the views of residents. Residents were given eight options for bin collection proposals and the Council went for the option least favoured by residents.
- The recycling rate in borough is lower than when residents used black sacks and a small recycling box.
- Fly tipping has increased for the last four years and the costs of this have increased significantly.
- Low Traffic Neighbourhoods have been implemented despite residents not wanting these. The question to support their implementation is “questionable”.
- Councillors and residents raised concerns regarding building on the green belt in the draft Local Plan which is still going to consultation. Councillor Laban encouraged residents to vote Conservative in the next election.

Councillor Caliskan responded stating how the administration supported services during the pandemic ensuring communities and vulnerable



**COUNCIL - 26.1.2022**

residents were protected. The changes to the bin collection were implemented as funding for bin collections were scrapped. The opposition were encouraged to share their ideas on how to deliver affordable homes. Councillor Caliskan spoke of the actions of the Prime Minister breaking the Covid laws during the pandemic and how this has affected residents. The administration's goal is to protect frontline services and residents and the Leader of the Council is proud of its achievements.

The administration made the following points in response:

- Efforts have been made to create new homes and create jobs within the borough, and create a borough that people want to live in
- The administration have worked to generate income for Enfield's future.

The majority opposition made the following points in response:

- Councillor Neville stated that during his nine terms as a councillor the current administration is the worst he has experienced due to the lack of accountability and efficiency.
- Concerns were raised that it has been 14 years since the Meridian Water development was agreed and there is still no one living there.
- Pollution has increased due to the implementation of Low Traffic Neighbourhoods and the incinerator.

The minority opposition made the following points in response:

- The prime minister should resign from his position.
- Felt that some councillors are unable to understand they are awarded the status of a councillor by residents.
- As former labour councillors, the Community First group hoped the next election would take into account the behaviour of the administration.
- Concerns were raised that the administration had given themselves higher special responsibility allowances.
- Asked for the administration to build on brown fields sites and listen to residents
- Concerns were raised about the appointment based system at Barrowell Green Recycling Centre.

After the debate, the recommendations were not agreed.

**7**

**COUNCIL TAX AND BUSINESS RATE BASE**

Councillor Mary Maguire introduced the report and highlighted that this is produced and brought to Council annually. A formula is used to show Council Tax income for the Council. Increases to this are expected collection rates improve. There will be a slight increase in income from business rates affected by the pandemic. £6million will go to businesses affected during the pandemic by March 2023.

**COUNCIL - 26.1.2022**

The administration made the following points in response:

- There is currently a cost of living crisis in the country.
- The administration worked hard to support businesses during the pandemic.
- Government hasn't helped families with the potential NI Tax which is looming and youth employment set to rise.

The majority opposition made the following points in response:

- Support for reducing the Council Tax support.
- The budget figures are better than expected over the next three years.
- The Conservative Government "put a floor" under the economy through schemes such as furlough.

The Council agreed to:

- Note, pursuant to this report and in accordance with the Local Authorities (Calculation of the Tax Base) (England) Regulations 2012, the amount calculated by the London Borough of Enfield as its Council Tax Base for 2022/23 shall be 96,369 Band D equivalents.
- Agree the Department for Levelling Up, Housing & Communities (DLUHC) NNDR1 Business Rate base return for 2022/23 as set out in Appendix B, and delegate to the s151 officer the right to adjust any additional changes that have taken place before submission.
- Agree the amendment to the discretionary rate relief scheme as set out in paragraph's 18 and 19. D Delegate to the s151 officer in consultation with the Cabinet Member for Finance & Procurement to agree the details of the CARF relief scheme for businesses for which Government has provided funding of £6.3m for Enfield.

**8**

**COUNCIL TAX SUPPORT SCHEME FOR 2022/23**

Councillor Maguire, introduced the Council Tax Support Scheme for 2022/23. The Scheme will help Enfield's poorest residents with their Council Tax. During the pandemic there were 1,200 claims for Council Tax support. The Council helped residents organise their benefits and pay their bills.

The administration made the following points in response:

- A third of residents are supported by the scheme within the borough.
- A number of groups are already exempt from paying Council Tax.
- To vote against this report would mean that 36,000 people in the borough would not receive support.

The majority opposition made the following points in response:

- Support was given for the Scheme supporting the most vulnerable.
- Council officers were thanked for their work in this area.
- Noted that the Government gave financial support to allow this to happen.

**COUNCIL - 26.1.2022**

- Concerns that the Scheme assumes that 1,600 residents who currently use the scheme will stop.

The minority opposition made the following points in response:

- Concerns were initially raised about the scheme two years ago as it removes support from poor people to help other poor people.
- In 2020, 122 families were affected by the change and lost £17 per week.
- It was raised that the administration had increased their Special Responsibility Allowances during this period.

The Council agreed the Local Council Tax Support Scheme for 2022/23 as summarised in Appendix A to provide financial support for households on low incomes in paying their Council Tax. The 2022/23 scheme is based on the 2021/22 scheme, updated for legislative amendments, income uprating and administrative changes. Other than the minor changes above, the 2022/23 scheme is the same as the 2021/22 scheme, i.e:

- The minimum contribution for working age households not in a protected group will be maintained at 24.5%.
- The maximum earned income for Universal Credit claimants to receive council tax support will be maintained at £1,100 net per month.

**9**

**ADOPTION OF A STATUTORY PAY POLICY STATEMENT 2022**

It was noted that the adoption of the statutory pay policy statement would need to be agreed by the 31<sup>st</sup> March 2022.

Councillor Lemonides stated he would be abstaining from voting on this report as the auditors have not responded to issues from 2019/20.

The Council agrees the amendments to the statutory Pay Policy Statement attached as Appendix 1 of the report.

**10**

**QUARTERLY CAPITAL MONITORING 2021/22 QUARTER 2**

Councillor Maguire introduced the report stating the report is to inform Members on the position (as at the end of Sept 2021) of the Council's 10 Year Capital Programme 2021/22 to 2030/31. An updated version of the report will go to each meeting of the Cabinet.

The administration made the following points in response:

- Concerns were raised as the opposition often vote against investment in the borough.
- The cost of slippage in developments is the same across the country.
- The current government have got the country into £3m of debt and that is not mentioned by the Opposition.

**COUNCIL - 26.1.2022**

- The report clearly sets out where the money goes when it is borrowed.
- The Key Decision process will be used for all projects which meet the requirements.
- Tests for affordability are in place and delivery will create future income.

The majority opposition made the following points in response:

- The proposals will increase Enfield Council's debt.
- Re-paying the debt will come out of frontline services therefore the debt will lead to cuts in services which the borough cannot afford.
- Concerns as Energetik is not expecting to make a profit until 2027, and until then it will be funded by tax payers money.
- The Council's debt will be around £1.2 billion over the next ten years.
- Large sums of money will be used towards the Meridian Water development and the housing gateway.
- The money available to the Council needs to be managed better to enable to show what can reasonably be achieved.
- Covid is not an excuse for slippage which costs the borough money

The Council agreed to:

- Approve the additions to the Capital programme as set out in Table 4 10. The inclusion of the following capital programmes, including updated grant funding, as detailed in Table 3. The programmes listed below, were included as 'Requested Additions' in the Council's 10 Year Capital Programme and have now been granted approval to spend:
  - a. Corporate Condition Programme-KD5371
  - b. IT Investment
  - c. Community safety
  - d. Housing Adaptations and Assistance-KD5365
- Appendix A details the revised 10 Year Capital Programme including all programmes with approval to spend. The total budget is £1,730,629k.
- Appendix B details requested additions, that are subject to further approval.
- Appendix C details the total revised 10 Year Capital Programme. The total budget is £2,691,468k.

## **11**

### **SCRUTINY ANNUAL REPORT**

Councillor Susan Erbil introduced the report and highlighted that this was the first year the standing scrutiny panels were introduced. Despite the pandemic, the panels had worked well. Meetings which were held virtually were still fully functioning.

The administration made the following points in response:

- Cabinet members only attend a scrutiny panel when invited by the Chair in line with the Constitution.

**COUNCIL - 26.1.2022**

- The role of scrutiny has increased with the introduction of the standing scrutiny panels.
- Any concerns about Chairs and Deputy Chairs of Scrutiny panels should be raised through the proper channels in order for them to be investigated properly.

The majority opposition made the following points:

- Supported the report as it lays out clearly what scrutiny has done.
- Would like all members to reflect on the role of scrutiny as a “critical friend”.
- Councillor Erbil was thanked for her work as Chair of the Overview and Scrutiny Committee. It was highlighted how effectively she managed meetings in a fair, non-partisan way.

The minority opposition made the following points:

- Cabinet members have rarely attended the scrutiny panels this year.
- Raised concerns that scrutiny is not currently “enough”.
- Felt the scrutiny in the borough was not impartial as Chairs of Scrutiny Panels consider themselves as an extension of the Executive.
- Felt that scrutiny should be led by independent people who lead on their roles.

The Scrutiny Annual Report for 2020/21 was AGREED.

**12**

**PROPOSED DISPENSATION FROM THE REQUIREMENTS OF SECTION 85 LOCAL GOVERNMENT ACT 1972**

The report was agreed under the guillotine arrangements.

**13**

**ELECTIONS REPORT**

The report was agreed under the guillotine arrangements.

**14**

**QUESTIONS**

This item was noted under the guillotine arrangements.

**15**

**MOTIONS**

Urgent motions in the name of Councillor Erbil and Councillor Uddin were withdrawn.

Following the decision, the urgent motion in the name of Councillor Caliskan was AGREED:

*“On the 25th January 2022, Commissioner Cressida Dick confirmed that the Metropolitan Police have launched an investigation into parties held in No 10*

**COUNCIL - 26.1.2022**

*during the coronavirus pandemic. At a time when we need the public to continue to listen to important Public Health messages in order to help stop the spread of the virus, the public have lost trust and confidence in Prime Minister and the Conservative party. Enfield Council calls on the Prime Minister Boris Johnson to resign.”*

Under the gullotine arrangements the remainder of the motions set out on the agenda were not heard.

**16  
COMMITTEE MEMBERSHIPS**

There were no amendments to the committee memberships.

**17  
NOMINATIONS TO OUTSIDE BODIES**

There were no nominations to outside bodies.

**18  
DATE OF NEXT MEETING**

The next scheduled meeting of Council is the 24 February 2022.

**London Borough of Enfield****Council****Meeting Date: 24 February 2022**

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**Subject: Budget Report 2022/23 and Medium Term Financial Plan 2022/23 to 2026/27****Cabinet Member: Cllr Maguire, Cabinet Member for Finance****Executive Director: Fay Hammond, Executive Director Resources**

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**Key Decision: 5352**

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**Purpose of Report**

1. The purpose of this report is to set the Revenue Budget and Council Tax for the 2022/23 financial year. It also updates the Council's Medium Term Financial Plan (MTFP) in the light of those decisions. In summary, it recommends:
  - i. A net revenue budget of £259.825m for 2022/23, a 0.18% decrease when compared with 2021/22.
  - ii. The net revenue budget contains investment in services of £1.760m and new savings/income proposals of £8.696m.
  - iii. A core Council Tax of £1,271.70 at band D, a 0.00% increase on 2021/22.
  - iv. A further £174.42 at band D to pay for Adult Social Care as allowed by Central Government, a 1.00% increase on 2021/22.
  - v. This results in a charge for Enfield Council of £1,446.12 at Band D, a 1.00% increase; equivalent to an increase of £0.28p per week for a Band D property.
  - vi. Additionally, the Council will levy a Council Tax of £395.59 at Band D on behalf of the Greater London Authority which is an 8.78% increase; equivalent to an increase of £0.61p per week for a Band D property.
  - vii. In total the impact of these proposals will be total Council Tax of £1,841.71 at Band D, a 2.58% increase on the 2021/22 level, equivalent to an increase of £0.89p per week for a Band D property.
2. These proposals are the culmination of the 2022/23 budget planning process and provide information on:
  - i. the financial outlook for the Council and its services
  - ii. the details of the Local Government Finance Settlement
  - iii. the impact of Covid-19 on the Council's overall financial position
  - iv. the outcome of the recent budget engagement

- v. the details of the Council Tax
  - vi. the Council's Medium Term Financial Plan over the next five years including savings proposals and pressures included in the Medium Term Financial Plan
3. As has been the case in recent years, the budget process has sought to protect the most vulnerable in the Borough with the reallocation of resources protecting Children's and Adults Social Care services.
  4. The report also makes recommendations regarding the Schools' Budget.
  5. The Budget has been developed alongside the Ten Year Capital Strategy and Capital programme 2022/23 to 2031/32 and the Ten Year Treasury Management Strategy 2022/23 to 2031/32; these are both separate reports on this agenda.
  6. Finally, the report includes recommendations on the appropriate level for the Council's contingencies, balances and earmarked reserves undertaken in the context of the risks and uncertainties associated with the budget and Medium Term Financial Plan.

### **Proposals**

7. Council is recommended to note:
  - i. The budget is in a balanced position for 2022/23, however, this has required the one off use of reserves of £1.985m.
  - ii. The total costs of Covid-19 in 2022/23 are estimated to be £6.339m; this will be funded from the £10m reserve which has been created to fund ongoing Covid-19 costs. At this stage the sector is not anticipating any further funding from the Government in respect of Covid-19.
  - iii. Government funding assumptions continue to rely on Council Tax as a key source of funding for Adult Social Care through the Precept
  - iv. The wider London Business Rate pool is not going ahead for 2022/23 due to uncertainty over whether participation would be financially beneficial for members. Enfield will however be joining a smaller pool of 8 authorities to pool business rates for 2022/23. This decision was approved by Cabinet on 13<sup>th</sup> October 2021. Members of the pool are: City of London, Barnet, Brent, Enfield, Hackney, Haringey, Tower Hamlets and Waltham Forest. The potential one-off benefits from the Pool will be realisable circa August 2023 and nothing is built into the MTFP at this stage.
8. Council is recommended to:
  - i. With regard to the Revenue Budget for 2022/23 to set the Council Tax Requirement for Enfield at £139.361m in 2022/23; and
  - ii. To set the Council Tax at Band D for Enfield's services for 2022/23 at £1,446.12, being a 0.00% general Council Tax increase and a 1.00% Adult Social Care Precept
9. Council is recommended to agree the Medium Term Financial Plan, including:



- i. The pressures set out in Appendix 1a totalling £22.009m in 2022/23 (excluding the Covid-19 reversals of 13.894m), which include:
    - a. £3.188m for Demographic pressures within Adults and Children's Social Care and SEN Transport to reflect growing demand in these areas. (in 2022/23 Adults gross expenditure budget will be £140.0m, net £87.4m; Children's Services gross expenditure budget will be £57.2m, net £46.4m; SEN Transport net budget will be £11.1m).
    - b. £8.024m of Inflation and pay award funding
  - ii. £3.438m investment in transformation funded by the flexible use of capital receipts.
  - iii. full year effects of reversals of one-off prior year savings and income totalling £0.705m set out in Appendix 2a.
  - iv. the savings of £5.856m and income proposals of £2.840m in 2022/23 set out in Appendix 2b.
  - v. adopt the key principles set out in the Medium Term Financial Plan section below (paragraphs 220 to 225).
  - vi. note the £1.020m for Capital Financing included within the pressures figure to invest in proposals to deliver long term benefits to the Borough. £10.111m is set aside for Capital Financing over the lifetime of the MTFP.
10. Council is recommended to agree the planned flexible use of capital receipts in 2021/22 being £1.501m and approve the planned flexible use of capital receipts in 2022/23, being £3.438m (paragraphs 181 to 182 and Appendix 3).
  11. Council is recommended to agree the Schools Budget for 2022/23 (paragraphs 183 to 205 and Appendix 4).
  12. Council is recommended to agree the changes in Fees and Charges for 2022/23 as set out in paragraph 178 and Appendices 11 to 14 and to delegate authority to Executive Directors and Directors to negotiate discounts and make in year amendments where appropriate.
  13. Council is recommended to delegate authority to the Executive Director of Resources in consultation with the Lead Member for Finance & Procurement in respect of any actions arising from the Government's recent announcement regarding the award of £150 Council Tax rebates and discretionary support (see paragraphs 70 to 73).
  14. Council is recommended to note the gap remaining in the MTFP for 2023/24 of £13.295m; and of £45.600m for the period 2023/24 to 2026/27 and the actions being taken to address this challenging position.
  15. Council is recommended to agree that the New Homes Bonus funding of £0.172m is applied as a one-off contribution to the General Fund in 2022/23.
  16. Council is recommended to note the detailed feedback from the Budget Engagement, which is set out in Appendix 5a of this report.

17. Council is recommended to note the minutes of the Overview and Scrutiny Committee Meeting on 12<sup>th</sup> January 2022 which are set out in Appendix 5b of this report.
18. Council is recommended to note that the delivery of the saving for digitalisation/decentralisation of MEQ & Complaints Team responsibilities will require members to utilise the new digital self-serve MEQ reporting system.
19. Council is recommended with regard to the robustness of the 2022/23 budget and the adequacy of the Council's earmarked reserves and balances to:
  - i. note the risks and uncertainties inherent in the 2022/23 budget and the MTFP (paragraphs 226 to 230) and agree the actions in hand to mitigate them;
  - ii. note the advice of the Executive Director of Resources regarding the recommended levels of contingencies, balances and earmarked reserves (paragraphs 231 to 237 and Appendix 8a) and have regard to the comments of the Director of Finance (paragraphs 257 to 259) when making final decisions on the 2022/23 budget; and
  - iii. agree the recommended levels of central contingency and general balances (paragraphs 231 to 237).

### **Reason for Proposal**

20. To set the Council's Budget Requirement and level of Council Tax for 2022/23 within the timescales set out in legislation. The Council has a statutory duty to approve a balanced budget for 2022/23 along with consideration of the finances over the medium term and the Council's reserves and balances. It is essential that there is a clear understanding of the anticipated income and expenditure flows for the Council, despite the uncertainties, and for savings proposals to ensure full delivery from 1<sup>st</sup> April 2022 wherever possible to maximise their contribution to addressing the financial pressures in 2022/23 and beyond.

### **Relevance to the Council Plan**

21. The primary purpose of the development of the Budget and Medium Term Financial Plan is to direct resources to deliver the objectives set out in the Council's Corporate Plan:
  - a. Good Homes in Well Connected Neighbourhoods
  - b. Safe, Healthy and Confident Communities
  - c. An Economy that Works for Everyone.
22. The development of the Budget 2022/23 and MTFP 2022/23 to 2026/27 is focused on the Corporate Plan and ensuring finite resources are focused on the Council's key objectives. As articulated in the Council's refreshed "Lifetime of Opportunities" Council Plan, "financial resilience and good governance" is an enabler to deliver transformation in the Borough.
23. In summer 2019, the Council set up an independent commission to understand the causes of poverty and inequality in Enfield and to find local solutions. The commission published its final report in January 2020 and

made a series of recommendations which the Council committed to responding to. As part of the Council's response, a commitment was made in the 2020/21 budget to set up a team to support those in financial hardship and to maximise benefit uptake. This new team have dealt with over 2,000 enquiries to date. A continuing commitment implicit in the current budget is the Council Tax Support Scheme which has been increased to reflect anticipated cost of new claimants arising.

24. The budget enables us to deliver on the commitments made in the Fairer Enfield Policy 2021, which followed the Commission report. A robust equality impact assessment has been carried out to ensure that the budget does not have a differential impact between those who share a protected characteristics and those who do not; and budgetary decisions have been made to take all opportunities to advance equality for historically disadvantaged groups and deliver on the Council's equalities objectives.
25. Enfield Council declared a climate emergency in the summer of 2019 and implemented a Climate Action Plan, including a commitment to decarbonise the Council's infrastructure. This budget helps to deliver on that commitment with ongoing investment in programmes and projects which deliver reductions in carbon emissions and improve resilience to climate change. Examples in this budget period include investment in blue and green infrastructure, transport schemes, the decarbonisation of corporate buildings and Council homes, electrification of the Council's fleet, as well as extending the Energetik heat network.
26. The Council's Commercial Strategy contributes to deliver a sustainable budget going forward through development of business cases to bring in additional income as well as service redesign. In the 2022/23 budget additional income of £2.840m has been included as part of the contribution towards closing the budget gap. The approach to fees and charges was set out in the Leader Decision report in January which included a review of service costs, benchmarking and market review.

## Introduction

27. There are a number of components in the Budget 2022/23 and MTFP 2022/23 to 2026/27 report. In order to aid reading, a broad list of the sections, tables and charts within the report is set out below.

### Contents

Purpose of Report.....	1
Proposals.....	2
Reason for Proposal .....	4
Relevance to the Council Plan .....	4
Introduction .....	5
National Context and Local Government Finance Settlement .....	7
Table 1: Departmental Expenditure Limits .....	9
Table 2: Enfield Settlement funding Assessment 2010/11 to 2022/23 .....	12
Local Context and Budget Process 2022/23.....	13
Chart 1: Unemployment .....	14

Financial Summary .....	14
Table 3: Summary Position for 2022/23 .....	14
Table 4: Investment, Pressures and Savings by Service 2022/23.....	15
Summary of Budget Proposals and Impact on Council Tax.....	16
Table 5: Budget Position & Council Tax 2022/23 .....	17
Grant Funding.....	18
Council Tax, Business Rates and Collection Fund .....	20
Table 6a: Property Growth .....	20
Table 6b: Council Tax Support Growth .....	21
Table 6c: Council Tax Support Claimant Numbers.....	21
Table 6d(i): Band D Equivalents.....	21
Table 6d(ii): Impact in Monetary Terms.....	21
Table 6e: Business Rates – Gross Rates Payable Growth .....	22
Table 6f: Assumed Bad Debt Collection Rates .....	23
Table 6g: Business Rate Forecasts.....	23
Chart 2: Adult Social Care Funding.....	25
Table 7: Council Tax Band D Charge 2022/23.....	25
Revenue Budget Proposals .....	26
Table 8: Pressures in the MTFP by Category .....	26
Table 9: Pressures in the MTFP by Department .....	26
Table 10: Other Pressures to be met from Reserves .....	29
Table 11: Savings and Income Proposals (including Full Year Effects) .....	29
Table 12: Full Year Effects of Savings and Income Proposals agreed in prior years .....	29
Table 13: New Savings over MTFP period.....	30
Table 14: New Income Proposals over MTFP period.....	30
Table 15: Change in MTFP Position since January Update Report.....	31
Review of Fees and Charges.....	32
Flexible Use of Capital Receipts.....	32
Dedicated Schools Grant and the Schools Budget .....	33
Budget Engagement .....	35
Table 16: Medium Term Financial Plan 2022/23 to 2026/27 .....	38
Table 17: Sensitivity Indicators.....	40
Contingencies, Reserves and Balances .....	41
Table 18: Summary of Forecast Reserves across the Medium Term.....	42
Chart 3: Forecast Reserves 2022/23 to 2026/27 .....	43
Outlook and Budget Process 2023/24 .....	43
Table 19: Medium Term Financial Plan Budget Gap 2022/23 to 2026/27 .....	44
Alternative Options Considered .....	44

Safeguarding Implications.....	44
Public Health Implications.....	45
Equalities Impact Implications.....	45
Environmental and Climate Change Considerations.....	45
Risks that may arise if the proposed decision and related work is not taken .....	46
Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks .....	46
Financial Implications.....	46
Legal Implications .....	46
Workforce Implications.....	48
Property Implications .....	48
Other Implications .....	48
Options Considered .....	48
Conclusions .....	48

28. The following Appendices can be found at the end of the report

<b>No.</b>	<b>Appendix</b>
1a	Funding Assumptions included in the MTFP 2022/23 to 2026/27
1b	Pressures in the MTFP 2022/23 to 2026/27
1c	Pressures to be funded from Covid-19 Reserve
1d	Movements from January Report
2a	Full Year Effects of Prior Year Savings and Income
2b	New Budget Savings and Income Proposals
2c	Equality Impact Assessments
3	Capital Receipts Flexibility Efficiency Statement
4a	Schools Budget 2022/23 – Summary
4b	Dedicated Schools Grant and Schools Budget - Details
5a	Budget Engagement - Summary of Results
5b	Budget Engagement – Minutes of OSC Budget Meeting
6	Budget Risks
7a	Earmarked Reserves Overview
7b	Estimated Movements in Earmarked Reserves
8a	Statement of Robustness of Budget Estimates
8b	Adequacy of Reserves – Risk Evaluation
9	Specific Grants 2022/23 to 2026/27
10	Revenue Budget – Departmental Control Totals 2022/23
11	Place Department Fees and Charges
12	People Department Fees and Charges
13	Chief Executive's Department Fees and Charges
14	Resources Department Fees and Charges
15	Statutory Calculations and Resolutions 2022/23

### **National Context and Local Government Finance Settlement**

29. The Council continues to operate in an environment of considerable uncertainty and financial challenge. The Council has experienced significant financial pressures due to Covid-19. No further government funding is

anticipated at this point and the £10m Covid-19 Reserve which has been created has an expected call of £6.339m.

30. Spending Review 2021 (SR21) and the Chancellor's Autumn Budget
31. On 27<sup>th</sup> October 2021 the Chancellor of the Exchequer, Rishi Sunak delivered Spending Review 2021 (SR21) and the Autumn Budget. The latter set out the Government's taxation and public expenditure plans for the years ahead, and SR21 confirmed resource and capital budgets for the three years 2022/23 to 2024/25.
32. Fiscal Update December 2021
33. The fiscal position is fairly dynamic at present. The following paragraphs set out the latest position on GDP, inflation and interest rates provided to the Council by its treasury advisers Arlingclose.
34. Despite relatively buoyant activity survey data, official GDP data indicates that growth was weakening into Quarter 4 2021. Other data, however, suggested continued momentum, particularly for November. Retail sales volumes rose 1.4%, Purchasing Managers' Index, PMIs increased, and the labour market continued to strengthen. The end of furlough did not appear to have had a significant impact on unemployment. Wage growth is elevated.
35. The CPI inflation rate rose to 5.1% for November and will rise higher in the near term (actually 5.4% for December). While the transitory factors affecting inflation are expected to unwind over time, policymakers' concern is persistent medium term price pressure. These factors prompted the Monetary Policy Committee (MPC) to raise Bank Rate to 0.25% at the December meeting. Short term interest rate expectations remain elevated.
36. The outlook, however, appears weaker. Household spending faces pressures from a combination of higher prices and tax rises. In the immediate term, the Omicron variant has already affected growth – Quarter 4 and Quarter 1 activity could be weak at best.
37. The MPC will want to build on the strong message it delivered in December by tightening policy despite Omicron uncertainty. The advisers, therefore, expects Bank Rate to rise to 0.50% in Quarter 1 2022, but then remain there. In fact, in February 2022, the Bank Rate increased from 0.25% to 0.5%. Risks to the forecast are initially weighted to the upside, but becoming more balanced overtime. The Arlingclose central forecast remains below the market forward curve.
38. Gilt yields, which impact on Public Works Loan Board (PWLB) rates, will remain broadly flat from current levels. Yields have fallen sharply at the longer end of the yield curve, but expectations of a rise in Bank Rate have maintained short term gilt yields at higher levels. Easing expectations for Bank Rate over time could prompt the yield curve to steepen, as investors build in higher inflation expectations. The risks around the gilt yield forecasts vary. The risk for short and medium term yields is initially on the upside but shifts lower later. The risk for long term yields is weighted to the upside.

39. Budget Headlines
40. Core Spending for Local Government is set to increase by 3% nationally. This includes assumptions about Council Tax increases – the core referendum rate is held at 2% and local authorities will also be able to increase Council Tax by 1% in each of the three years of the settlement period to address Adult Social Care Pressures.
41. The Local Government Departmental Expenditure Limit is set to increase from £9.1bn in 2021/22 to £12.7bn by 2024/25, an increase of £3.6bn over the review period. This is detailed in the table below which will help to explain some of the headlines at this time.

**Table 1: Departmental Expenditure Limits**

	2021/22	2022/23	2023/24	2024/25	Total
	£bn	£bn	£bn	£bn	£bn
Underlying	9.1	9.1	9.1	9.1	
Adult Social Care Reform		0.2	1.4	2.0	3.6
Other Growth		1.5	1.5	1.5	
Supporting Families/cyber resilience		0.0*	0.1	0.1	
		<b>10.8</b>	<b>12.1</b>	<b>12.7</b>	

\* less than £0.1bn

42. By 2024/25 there will be £2.0bn nationally for the Adult Social Care reforms. On a cash basis this will have been an additional £3.6bn of funding across the period.
43. There is then effectively a one year settlement for Local Government with the £1.5bn of other growth front loaded in the settlement with no increases signalled for 2023/24 or 2024/25. There was no information at the time on how the £1.5bn was to be allocated with an expectation that this would not be known until the Local Government Finance Settlement.
44. Public Health grant is set to increase in real terms across the review period and whilst there was no specific announcement on non-core grants, there is an expectation that these will continue as they are already contained within the existing DEL figures.
45. Funding for rough sleeping of £639m was confirmed.
46. £1.8bn was set out for housing supply, including £300m locally led grant funding to unlock smaller brownfield sites and £1.5bn to regenerate underused land.
47. The outcome of the fundamental review of business rates confirmed three yearly revaluations from 2023, a new temporary relief for eligible retail, hospitality and leisure properties for 2022/23, and a new 100% improvement relief. The multiplier will be frozen in 2022/23 with local government being fully compensated through s31 grant.
48. Local Government Finance Settlement

49. The Provisional Local Government Finance Settlement was announced on 16<sup>th</sup> December 2021. It is very much a one off settlement with a new Secretary of State in place and does raise the prospect of fair funding reforms and a business rates reset coming forward as early as 2023/24. The key points impacting on the financial position for the Council are set out in the following paragraphs with the detailed impact on Enfield set out in the grant assumptions paragraphs 88 to 113.
50. Core Spending Power will increase by £3.5bn (6.9% in cash terms) nationally and £496m (6.7%) across London boroughs. This is based on the assumption that Councils will decide to increase core Council Tax by 2% and apply an Adult Social Care precept of 1%.
51. London boroughs will receive £243m (16%) of the £1.5bn new grant funding for 2022/23 set out at Spending Review. This is to be distributed:
  - £637 Social Care Grant
  - £822m 2022/23 Services Grant
  - £72m Revenue Support Grant (RSG)
  - £63m iBCF (Improved Better Care Fund)
  - Reduction of £68m New Homes Bonus
52. The main Council Tax referendum principle will be 2% and the Adult Social Care Precept will be 1% for relevant authorities.
53. Settlement Funding Assessment will increase by £75m (0.5%) nationally, and by £17m for London boroughs. 2022/23 RSG will be increased in line with September CPI inflation. To simplify the funding landscape, Government intends to roll in the Electoral Registration grant worth £1.2m per year and the Financial Transparency of Local Authority Maintained Schools grant, worth £0.8 million per year, as well. The current distribution of each will no longer be used. Government intends to distribute this funding using the 2013/14 shares of Settlement Funding Assessment. Hence RSG increases by 3.1% (not 3% Sept CPI).
54. A new one off "Services Grant" of £822m is proposed at the England level for 2022/23. The distribution will be determined by shares of 2013/14 Settlement Funding Assessment. London boroughs will receive £152m (18.5%). This grant includes funding for local government costs for the increase in employer National Insurance Contributions. The Government proposes that this grant will not be ringfenced, and conditions on reporting requirements will not be attached. It has been prioritised using an available distribution for 2022/23 but Government intends to work closely with local government on how to best to use this funding from 2023/24 onwards. This funding would be excluded from any proposed baseline for transitional support as a result of any proposed system change.
55. The Social Care Grant will increase by £636m (37%) to £2.3bn. London boroughs will receive £378m of this (an increase of 37%).
56. The Improved Better Care Fund will increase by 3% (£36m nationally and £10m in London).
57. Funding for New Home Bonus will decrease from £622m to £555m (11%). London boroughs will receive £87m of this, a decrease of £38m (30%).



58. Business Rates Multiplier Compensation will increase by 58% from £650m to £1bn nationally. London boroughs will receive £182m. The Spending Review confirmed the multiplier would be frozen for 2022/23. Local authorities will be compensated for the shortfall in income for under indexation of the multiplier 2022/23 and 2021/22 and for the switch to CPI from RPI for the purposes of uprating, via the under-indexation section 31 grant. Top-ups and Tariffs will also be adjusted as in previous years, for the freezing of the multiplier.
59. Lower Tier Services Grant of £111m will continue (London boroughs' will receive £25m).
60. Allocations were not published at the time of the provisional settlement for the Public Health Grant, Homelessness Reduction Grant, Rough Sleeping Initiative Fund and the Independent Living Fund.
61. The Government will work with the sector and consult in the coming months on reforms to measuring relative need and resources.
62. £162m to deliver adult social care funding reforms will be allocated in 2022/23 (London boroughs will receive £25m), with a further £600m in both 2023/24 and 2024/25 nationally. Enfield's share is £0.877m.
63. The Adult Social Care funding reforms which will take effect from October 2023 will mean that anyone assessed under the Care Act 2014 as eligible to receive funded and chargeable adult social care services will be eligible to receive a care account. The Care Account will calculate the amount the person contributes towards the cost of their care which will be offset against the Care Cap limit of £86,000. In order to prepare for the introduction of the new Care Account, IT requirements will need to be agreed with OLM who currently provide Enfield's client information system. There will obviously be a cost attached to this as a new development. Although this is Government legislation, there may also be a requirement to deliver an extensive public consultation exercise before this is implemented.
64. It is known that of the people currently receiving support in the community or care homes, around a third are doing so as private self-funders so they will not have contacted Adult Social Care for an assessment of their needs. This equates to around 3,000 additional people per year making contact for assessment, care planning, service provision and review. The vast majority of these new clients will be older people and the impact will therefore fall disproportionately on services who work with that client group. This in turn means a requirement for additional staff to manage these tasks. This will not only be within operational front line services but also in finance and financial assessment functions if the client base increases by up to a third.
65. Finally, the longer term impact will need to be evaluated. Given that the Council will need to pick up full funding costs (with the exception of accommodation costs of £200 per week for people in care homes) once the £86,000 care costs cap has been reached, this will not be known for a period of at least two to three years. Funding made available by Government to cover these future costs will need to be scrutinised carefully to assess whether there is likely to be a pressure sooner rather than later. It is likely, given the Government's position that any growth in demand through demography will have to be managed by councils, that there will be

a pressure over time as the population ages and more people require Adult Social Care support.

66. Work is currently underway to consider the current cohort of clients to assess when they would reach the care cap, typically how long people receive services and the likely additional costs per year once the care cap is reached.
67. Neither the grant nor the spend against it is included in the figures in the tables below. The position is assumed to be net £nil.
68. Despite the modest increases in SFA from 2020/21 to 2022/23 there has been a significant decline in Government support to Enfield since 2010/11 as set out in Table 2 below.

**Table 2: Enfield Settlement funding Assessment 2010/11 to 2022/23**

	2010/11	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m
Settlement Funding Assessment *	191.2	92.6	94.7	95.3	97.4
Annual cash change on previous year	N/A	-6.1	+2.1	+0.6	+2.1
Annual percentage change on previous year	N/A	-6.2%	+2.3%	+0.6%	+2.2%
Cumulative cash reduction since 2010/11	0.0	-98.6	-96.5	-95.9	-93.8
Cumulative percentage reduction since 2010/11	0.0	-51.6%	-50.5%	-50.2%	-49.1%

\* Settlement Funding Assessment is composed of the Government's estimate of locally retained business rates, the business rates top up, and revenue support grant (RSG). These elements vary in presentation over financial years to reflect the change to the 100% pool in 2018/19, and 75% pool in 2019/20, in which years RSG was rolled into the retained rates. Therefore, for comparison, the combined total figures for the settlement funding assessment rather than the component elements, are shown here. Figures include compensation for under-indexing the business rates multiplier (s31 grant)

69. The final Local Government Finance Settlement for 2022/23 was published on 7<sup>th</sup> February. Officers have reviewed the final detail, and there was a marginal improvement leading to a slightly reduced call on reserves to balance the 2022/23 budget.

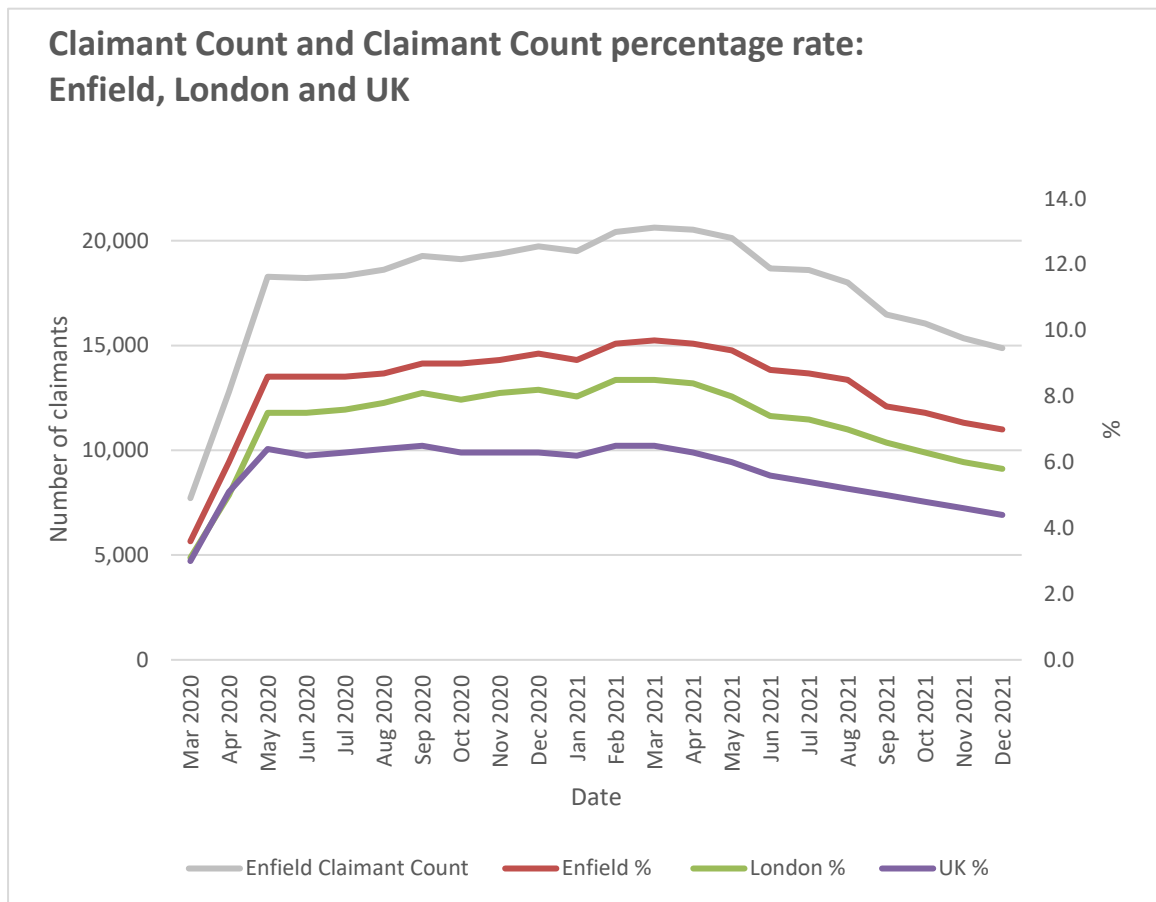
#### Government announcement on Energy Price Cap, Council Tax Rebates & Discretionary Support

70. On 3<sup>rd</sup> February 2022, the Government announced a package of support to help households with rising energy bills in 2022/23.
71. This includes a £200 discount on energy bills this autumn for domestic electricity customers in Great Britain, which will be paid back automatically over the next 5 years. This will spread the price rises over a longer period and reduce the immediate impact.
72. A £150 payment for householders in Council Tax bands A-D (excluding second homes and empty properties), detailed guidance is pending.

73. There will also be £144 million of discretionary funding made available for Local Authorities to support households who need support but are not eligible for the £150 payment.

### **Local Context and Budget Process 2022/23**

74. With the backdrop of ongoing Covid-19 pressures the Council agreed its Medium Term Financial Strategy in July but committed to regular updates of the financial assumptions due to the financial challenge and uncertainty.
75. Consequently there were further reports to Cabinet in October and the Leader Decision Report published in January in which there were reviews of the forecast assumptions and early savings brought forward for approval.
76. The Council was able to respond strongly to the Covid-19 Crisis, in no small part due to the work over recent years in building a more robust and sustainable budget. These actions have ensured that the 2022/23 budget is on a solid financial foundation, albeit, in the uncertain context of pending changes to local government finance through Fair Funding reforms and the Business Rates reset as well as ongoing pressures caused by Covid-19.
77. Enfield continues to be in a challenging position in 2021/22 as a consequence of the demographic make-up of the Borough with lower average wages than the London average and a large proportion of the population receiving benefits payments. As at December 2021 there is higher than average unemployment (both compared with London & National averages) in the Borough with 14,870 or 7.0% of the working age population out of work. The furlough scheme which had provided financial support throughout the pandemic finished at the end of September. This economic situation has had an impact on the Council's Collection Fund position with residents facing difficulties in paying Council Tax and a greater take up in the Council Tax Support scheme which weakens the Council's financial position through reduced tax income.

**Chart 1: Unemployment****Financial Summary**

78. The overall position for the Council is a balanced budget for 2022/23 but with the need to use £1.985m of the Council's Risk Reserve and £45.600m of further savings and efficiencies to identify over the medium term.
79. A narrative of the key issues follows the table with further detail on all elements in the relevant sections of the report.

**Table 3: Summary Position for 2022/23**

Changes in year	£000
<b>Funding:</b>	
Grants (share of £1.5bn)	(8,537)
Tax (Recovery rates, Council Tax Support, Rates growth)	(9,075)
Reversal of Use of reserves in 2021/22	1,927
Use of Reserves 2022/23	(1,985)
<b>Funding</b>	<b>(17,670)</b>
<b>Spending</b>	<b>22,009</b>
<b>Savings (FYE &amp; New)</b>	<b>(7,991)</b>

<b>Covid-19 unwinding</b>	<b>3,652</b>
<b>Remaining Gap for 2022/23 Budget</b>	<b>0</b>

80. The overall budget position for the Council is fairly complex.
81. Government funding of £8.5m alongside improved Council Tax and NNDR revenues which are recovering post pandemic by £9.1m and a minor further call on reserves brings in additional funding of £17.7m.
82. This does not, however, keep pace with the forecast spending pressures for 2022/23 which amount to £22.0m - £8m of inflationary pressures covering the National Insurance Premium for social care reforms, 6% increase in the minimum wage along with provision for pay awards and contractual commitments, especially in Adult social Care; £3.2m of demographic pressures in the demand led services; service pressures of £7.5m predominantly in social care, housing and SEN Transport; £1.0m to finance the Council's Capital Programme; and a £1.8m investment in key services.
83. Adding to the pressure is the unwinding of one off support for Covid-19 in 2021/22. The support for lost Council Tax and Business Rates has been removed in full by Government but these revenues will take two or three years to recover to pre pandemic levels.
84. Funding is short of the spending pressures and an £8.0m savings and income programme is necessary to bridge the gap.
85. The Council has continued to direct its resources to its corporate priorities and the most vulnerable in the Borough. Table 4 sets out investments, pressures and savings by service.

**Table 4: Investment, Pressures and Savings by Service 2022/23**

	Corporate	Chief Exec/ Resources	Adult Social Care	Public Health	Children's and Education	Place	Total
	£m	£m	£m	£m	£m	£m	£m
Demography	0.000	0.000	2.003	0.000	1.185	0.000	3.188
Inflation	5.250	0.000	2.565	0.000	0.000	0.209	8.024
Investment	0.000	0.681	0.424	0.000	0.260	0.395	1.760
Capital Financing	1.020	0.000	0.000	0.000	0.000	0.000	1.020
Pressures	0.908	0.378	1.089	0.000	3.410*	2.232	8.017
Covid-19 Reversals	(11.489)	(1.466)	0.000	0.000	0.000	(0.939)	(13.894)
<b>Sub-total</b>	<b>(4.311)</b>	<b>(0.407)</b>	<b>6.081</b>	<b>0.000</b>	<b>4.855</b>	<b>1.897</b>	<b>8.115</b>
Full Year savings	0.500	(0.760)	(0.100)	0.000	0.000	1.065	0.705
New Savings	0.000	(1.030)	(1.898)	(0.425)	(0.878)	(4.465)	(8.696)

<b>Sub-total</b>	<b>0.500</b>	<b>(1.790)</b>	<b>(1.998)</b>	<b>(0.425)</b>	<b>(0.878)</b>	<b>(3.400)</b>	<b>(7.991)</b>
<b>Net Increase in Resources</b>	<b>(3.811)</b>	<b>(2.197)</b>	<b>4.083</b>	<b>(0.425)</b>	<b>3.977</b>	<b>(1.503)</b>	<b>0.124</b>
Funding – Grants	(8.537)	0.000	0.000	0.000	0.000	0.000	(8.537)
Funding – Covid-19 reversals	17.546	0.000	0.000	0.000	0.000	0.000	17.546
Funding - Collection Fund	(0.700)	0.000	0.000	0.000	0.000	0.000	(0.700)
Funding - Business Rates	(2.123)	0.000	0.000	0.000	0.000	0.000	(2.123)
Funding - Council Tax	(2.560)	0.000	0.000	0.000	0.000	0.000	(2.560)
Funding - CTS Scheme	(3.692)	0.000	0.000	0.000	0.000	0.000	(3.692)
<b>Sub-total</b>	<b>(0.066)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.066)</b>
<b>Gap</b>	<b>(3.877)</b>	<b>(2.197)</b>	<b>4.083</b>	<b>(0.425)</b>	<b>3.977</b>	<b>(1.503)</b>	<b>0.058</b>
Reversal of Use of Reserves from 2021/22	1.927	0.000	0.000	0.000	0.000	0.000	1.927
Use of Reserves for 2022/23	(1.985)	0.000	0.000	0.000	0.000	0.000	(1.985)
<b>Total</b>	<b>(3.935)</b>	<b>(2.197)</b>	<b>4.083</b>	<b>(0.425)</b>	<b>3.977</b>	<b>(1.503)</b>	<b>0.000</b>
<i>* Includes £2.219m of growth for SEN Transport. This area sits within the Place Department in the Council's structure, but the driver for this growth is increased passenger numbers within Education so it is effectively Education growth</i>							

### Summary of Budget Proposals and Impact on Council Tax

86. The Localism Act requires Council approval of the Council Tax Requirement.
87. Table 5 sets out the Council's budget position and Council Tax Requirement after taking into account the proposed changes detailed in this report

**Table 5: Budget Position & Council Tax 2022/23**

	<b>2021/22</b>	<b>2022/23</b>
	£000	£000
<b>Net revenue budget</b>		
Other Services (base budget)	243,852	259,701
	<b>243,852</b>	<b>259,701</b>
<b>Budget Movements:</b>		
Demographic and Cost Pressures	26,057	19,229
Investment in Services	660	1,760
Covid-19 Reversals	0	(13,894)
Capital Financing	2,709	1,020
Full Year Effect of previous budget decisions	(3,374)	705
Proposals for New Savings	(9,623)	(8,696)
<b>Net Budget</b>	<b>260,281</b>	<b>259,825</b>
<b>Less Corporate Funding:</b>		
Settlement Funding Assessment <sup>1</sup>	(95,304)	(97,426)
Use of Reserves to balance budget	(1,927)	(1,985)
Collection Fund Deficit met from Smoothing Reserve	(3,188)	0
Corporate Specific Grants	(13,096)	(21,053)
Covid-19 Funding	(17,546)	0
Collection Fund Net (Surplus)/Deficit	3,888	0
<b>Corporate Funding</b>	<b>(127,173)</b>	<b>(120,464)</b>
<b>Council Tax Requirement</b>	<b>133,108</b>	<b>139,361</b>
Tax Base (Band D equivalents)	92,965	96,369
<b>Council Tax (Band D)</b>	<b>£1,431.81</b>	<b>£1,446.12</b>

<sup>1</sup> includes Revenue Support Grant, Business Rates Income and section 31 grants

<b>Schools Budget</b>	<b>2021/22</b>	<b>2022/23</b>
	£000	£000
Schools Budget	373,187	389,208
Dedicated Schools Grant	(373,187)	(389,208)
<b>London Borough of Enfield Total</b>	<b>0</b>	<b>0</b>

<b>Housing Revenue Account Budget</b>	<b>2021/22</b>	<b>2022/23</b>
	£000	£000
Supervision & Management General & Special	21,746	22,555
Repairs and Maintenance	15,826	15,994
Corporate & Democratic Core	134	138
Cost of Capital & Depreciation	21,708	22,266
Bad Debt Provision	605	610
Self-financing contribution	7,016	7,029
<b>Expenditure Total</b>	<b>67,035</b>	<b>68,292</b>
Rents, Service Charges and Other Income	(67,035)	(68,292)
<b>Income Total</b>	<b>(67,035)</b>	<b>(68,292)</b>

<b>Net Total</b>	<b>0</b>	<b>0</b>
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## **Grant Funding**

### 88. Settlement Funding Assessment

89. There has been an increase in the Settlement Funding Assessment (SFA) for a third successive year after ten years of reduction from 2011/12 onwards. The Revenue Support Grant (RSG) element of the SFA has increased by 3.1% in 2022/23 in line with September CPI inflation. This has added £0.546m, bringing Enfield's RSG to £18.214m of the total 2022/23 SFA of £92.378m. Compensation for under-indexing the business rates multiplier, which is applied to the business rates baseline adjusting for actual retained element, has been increased from £3.693m in 2021/22 to £6.942m in 2022/23. This is given to the Council via a section 31 Grant. For the final settlement uplift was in line with September RPI inflation of 4.9%.

### 90. 2022/23 Services Grant

91. This is a new one off grant for 2022/23 distributed to every local authority using the 2013/14 SFA as an apportionment basis. It is equivalent to a 5.5% increase in SFA. Although this grant has been confirmed one off it is reasonable to assume that some alternative funding of a similar level will be provided in future years, so no reversal out has been made at this stage in the MTFP. The national allocation is approximately £822m of which Enfield will receive £5.113m.

### 92. Social Care Support Grant

93. The Provisional Local Government Finance Settlement in December confirmed a further £636m of Social Care Grant. This is in addition to the previously announced figures from past years; £410m was awarded in 2019/20, £1billion in 2020/21 and £300m in 2021/22. This gives total ongoing funding of £2.35bn awarded nationally. This grant can be used to address Adults or Children's Social Care pressures and Enfield has chosen to allocate the funding 50:50. Enfield's allocation of the grant will be £12.924m for 2022/23 which is an increase of £3.531m from the 2021/22 figure.

94. In addition, £1.3m has been allocated to Adult Social Care in respect of the additional Council Tax raised from increasing the ASC precept by 1.00% in 2022/23.

### 95. Lower Tier Services Grant

96. This non ring-fenced grant was introduced in 2021/22 aimed at reducing variances in core spending power between local authorities. It had been assumed to be one off funding for 2021/22 but has been extended into 2022/23 with Enfield's allocation increasing slightly from £0.625m to £0.658m.

### 97. New Homes Bonus

98. New Homes Bonus (NHB) is awarded on the basis of new properties eligible for Council Tax in the Borough, and is not ring-fenced, so can be used to support the general budget. For 2022/23 Enfield's allocation has reduced from £0.608m to £0.172m. The methodology for calculating the New Homes Bonus changed in 2018/19 resulting in falling levels of funding



in future years. Changes included reducing the number of years that councils would receive funding for eligible increases in the Council Tax base and reviewing the base line threshold for growth, below which NHB is no longer paid. The payment for 2022/23 is based on in year growth in properties plus just one year of legacy payments not two years as in 2021/22, hence the reduction. The future of the NHB grant is very uncertain and the MTFP is currently forecasting this grant to cease after 2022/23.

99. Homelessness Prevention Grant

100. The Homelessness Prevention Grant (HPG) was created in 2021/22, combining the previous Flexible Homelessness Support Grant (FHSG) and Homelessness Reduction Grant (HRG). This funding is aimed at giving local authorities more control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness. Enfield's allocation of HPG in 2022/23 is £8.928m (unchanged from the 2021/22 figure). New Burdens arising from the Domestic Abuse Act have also been wrapped up in this funding now with £0.071m being Enfield's allocation meaning total grant of £8.999m will be received.

101. Rough Sleeping Initiative Fund

102. Grant funding for Rough Sleeping Initiatives has yet to be announced for 2022/23. Enfield's allocation for 2021/22 was £1.4m and a similar level of funding is anticipated in 2022/23.

103. Housing Benefit Administration Grant

104. Enfield's grant allocation for 2022/23 has been announced at £1.558m. The current assumption is for a 10% reduction year on year from the 2022/23 level in the MTFP.

105. Supporting Families Grant

106. This was previously known as Troubled Families Grant and Enfield received £1.112m in 2021/22. Enfield's allocation for 2022/23 was announced on 3<sup>rd</sup> February as £1.665m. This £0.553m increase in grant will allow more families to be supported. £1.218m of the grant will be paid at the beginning of the year with a further £0.447m being paid dependent on the number of successful family outcomes delivered which will be based on quarterly submissions to be made throughout 2022/23.

107. Public Health Grant

108. Enfield's allocation of Public Health grant was £17.531m in 2021/22. The Spending Review announced that inflationary increases would be provided on this grant. A 2.0% inflation assumption had been applied to the 2021/22 grant level to arrive at an estimate of £17.882m in 2022/23, an increase of £0.351m. The confirmed Public Health Grant allocations were finally received on 7<sup>th</sup> February and provide an actual increase of £0.493m on the 2021/22 level to £18.024m; the increase in grant will be matched with an increase in the available budget to be spent on Public Health initiatives. Any unspent balances in year will be rolled forward in the Public Health Reserve.

109. Reversal of one off Covid-19 Grants

110. Covid-19 General Grant

111. The Government made general grant payments across four tranches during 2020/21 to help local authorities manage the cost pressures arising from Covid-19. A fifth tranche of funding was received in 2021/22 with Enfield receiving 10.534m. This grant funding was one off so is reversed out of the MTFP in 2022/23.
112. Sales, Fees and Charges
113. DLUHC provided a compensation scheme for local authority sales, fees and charges which had been impacted by Covid-19. Enfield had budgeted for £0.750m in 2021/22 which covered the first quarter only. No further funding is forthcoming, so this amount is reversed out of the MTFP in 2022/23.

### **Council Tax, Business Rates and Collection Fund**

114. The statutory calculations of the proposed Council Tax for each property band and the formal Council resolutions required under the 1992 Local Government Finance Act will be reported to Council on 24<sup>th</sup> February 2022 for approval.
115. On 26<sup>th</sup> January 2022, the Council agreed a Council Tax Base of 96,369 Band D properties for 2022/23 (92,965 in 2021/22), based on the latest composite collection rate of 96.9% (96.0% in 2021/22).
116. Planning and Regeneration have supported Finance and Revenues with their understanding the base growth. While doing the analysis, it became clear that property growth was running faster than expected, despite regeneration demolishing existing blocks. In 2022/23, the 883 additional expected properties are expected to be added in November, so the Council is only assuming the equivalent of 25% of the number of properties. However, it is worth noting that there are also 680 properties missing from the Valuation Office Agency listing, so the Council is waiting for these to be added. It is worth noting that property growth is not the same as Band D equivalents.

**Table 6a: Property Growth**

Year	2022/23	2023/24	2024/25	2025/26	2026/27
Additional Properties	883	1,169	899	1,096	1,771
Impact in Year	220	1,468	2,502	2,616	2,881

117. Council Tax Support costs are expected to increase in future years but in the immediate future, the expected drop of 1,613 claimants due to improved economic conditions is expected to offset the growth. The analysis completed to date is at a high level, splitting the claimants into three groups: Pension Age, Working Age receiving Universal Credit and those of Working Age who do not. While there are unique circumstances to each claim, using averages and expected claimant numbers, the largest single change is for Working Age claimants moving to Universal Credit from the traditional benefits and the cost appears to be about £220/claimant. At present, this change is expected to take place from 1<sup>st</sup> April 2022 through completion by 31<sup>st</sup> March 2025, in line with Government expectations. Therefore, the timing of the impact will affect funding accordingly. Equally, if the drop of claimants over 2022/23 does not take place, then costs would be potentially up to £1.7m higher.

**Table 6b: Council Tax Support Growth**

Year	2022/23	2023/24	2024/25	2025/26	2026/27
Financial Cost £s	18	1,093	2,313	2,546	3,138
Band D Equivalents	13	756	1,599	1,761	2,191

**Table 6c: Council Tax Support Claimant Numbers**

Category	Number of Claimants est. 31/03/2022
Pension Age	7,995
Working Age – Universal Credit (UC)	13,483
Working Age	14,265
Total	35,743

118. Single Person Discount is under review, as the Council appears to have a higher level of this discount than would be expected from an outer London borough. The Council will be checking up on those receiving these discounts but until this work has taken place, the Council will be prudently not budgeting for any additional Council Tax receipts.
119. Growth has flatlined in collection rates at about 97% and despite original expectations of recovery in 2022/23 to 97.5% and return to traditional collection rates of 98% in 2023/24, this is clearly not happening. After reviewing the situation, the largest consideration appears to be the growth in Council Tax Support claimants as a percentage of the base and who have a lower collection rate.
120. The Council is not currently projecting a Council Tax Surplus. This is because any improved collection in 2021/22 over expectations is offsetting the 3-year spread deficit of £7.867m, of which the Council's annual share is £0.740m, in addition to the brought forward deficit of £3.379m. The 2020/21 deficit will be finally cleared in 2023/24. Besides the resources in the Collection Fund Equalisation Reserve that the Council uses to smooth out variations in the Collection Fund receipt profiles, Government agreed section 31 grants at the end of 2020/21 to cover 75% of the 2020/21 deficit.
121. The Council Tax assumptions in the current Medium Term Financial Plan are shown below in both Band D equivalents and in monetary terms.

**Table 6d(i): Band D Equivalents**

	2022/23	2023/24	2024/25	2025/26	2026/27
Forecast	96,369	97,215	97,416	97,366	97,214

**Table 6d(ii): Impact in Monetary Terms**

	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Forecast	139,361	140,585	140,875	140,803	140,583

122. National Non-Domestic Rates (NNDR) and Business Rates Retention

123. Integral to setting the Council's budget is forecasting the business rate income; of the total business rate income collected the Council retains 30% share of the net rates payable and the remaining share is allocated to the GLA and central Government. Currently, the Council assumes 2% inflation to RSG, Retained NNDR and section 31 Grants.
124. After the weakening of the business rate base in 2020/21 and 2021/22 due to the economic downturn, the base is starting to return to health. The Council expects £4.7 million of rateable value to be added in 2022/23 due to a combination of missing hereditaments off the Valuation Office Agency (VOA) list as the VOA caught up with its backlog and known Meridian Water items. This led to £137.1m gross rate payable.
125. The Council has reviewed growth in future years and prudently decided to assume no net growth except with regard to growth in Meridian Water, as growth has proved to be limited historically. Moreover, it assumes £1.5m of refunds for appeals will be paid out annually, except where better evidence is known. Growth to gross rates payable is shown below and was calculated on a hereditament by hereditament basis. All reliefs are expected to grow in direct correlation to the growth in gross rates payable.

**Table 6e: Business Rates – Gross Rates Payable Growth**

2022/23	2023/24	2024/25	2025/26	2026/27
£	£	£	£	£
2,345,300	0	191,251	311,320	2,714,864

126. In 2022/23, to protect retail and hospitality businesses, the Government created an additional relief for which it provides the Council with a Section 31 Grant, that compensates the Council for the loss in income. This led to overall reliefs of £32.6m.
127. The Council will be releasing the majority of its provision for appeals in 2021/22, as the Government is moving forward with its Material Changes in Circumstances legislation and the amount of appeals has reduced further, as the businesses are starting to exhaust their opportunities for appeals. The updated provision for appeals calculation was completed by an external consultant to ensure that it is sufficiently robust.
128. Collection rates are creeping up gradually and therefore the Council is assuming a 7.5% non-collection rate for 2022/23. The Council's 30% share of retained business rates is expected to be £24.8m with £15.0m of section 31 compensatory grants. After taking into account the monies placed in reserve in 2020/21, the top-up element and Revenue Service Grant (RSG), the Council expects to generate £97.4m.
129. In 2023/24, the overall upward trajectory of collection rates will continue, as the Council is prudently expecting a 5% non-collection rate, still somewhat below the 99% it used to collect. The Council is further increasing collection rates back up to 99% by 2026/27. However, faster collection rates would reduce savings requirements over this period.

130. Moreover, historical debts are likely to require less bad debt provision than is currently estimated, particularly as the bad debt provision put aside for 2020/21 is already almost greater than the debt against which it is providing. It is reasonable to assume that businesses are still retaining cash in lieu of making payments, till the economy returns to normal, for what they may view as sound commercial reasons.

**Table 6f: Assumed Bad Debt Collection Rates**

2022/23	2023/24	2024/25	2025/26	2026/27
7.5%	5%	4%	2%	1%

131. The future direction of travel appears to be growth appearing from 2024/25 onwards as Meridian Water properties are delivered and a growth in collection rate. The latter could generate another £1.5m annually for the Council. However, the creation of a new VOA list and the revisiting of how business rates are calculated or even a replacement tax means there is a great deal of uncertainty.

**Table 6g: Business Rate Forecasts**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Forecast	£000	£000	£000	£000	£000	£000
RSG	(17,668)	(18,214)	(18,214)	(18,214)	(18,214)	(18,214)
Retained NDR	(31,417)	(24,777)	(34,336)	(34,753)	(35,570)	(36,658)
Top-Up	(39,474)	(39,474)	(39,474)	(39,474)	(39,474)	(39,474)
S. 31 Grants*	(6,527)	(14,961)	(6,677)	(7,869)	(9,103)	(10,382)
Total	(95,086)	(97,426)	(98,701)	(100,310)	(102,361)	(104,728)

\*The Section 31 Grant line includes 2% inflationary growth

132. Overall, as can be seen above, business rate growth is expected to be relatively robust and should offset lower than expected Council Tax performance. This is because the Council has been prudent in its assumptions. In practice, collection rates are likely to return to normal significantly faster but optimistic assumptions have caused problems elsewhere and the Council would prefer to be cautious in such matters.

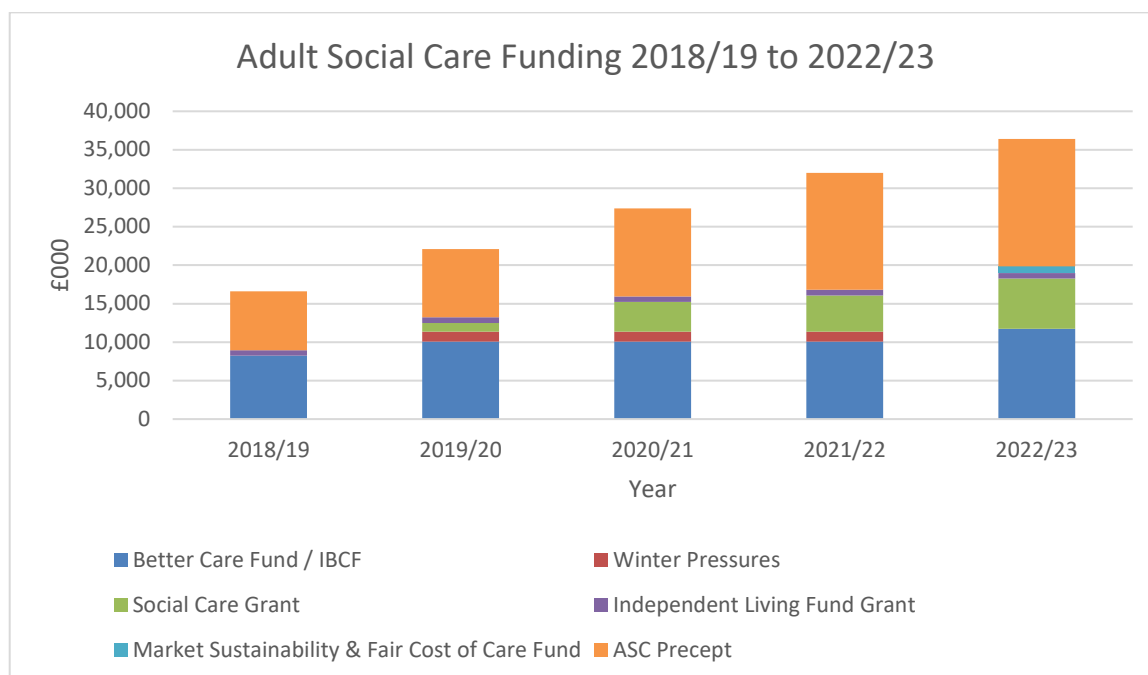
133. Covid-19 Additional Relief Fund (CARF) is an additional discretionary fund aimed at supporting businesses that have been affected by the pandemic (and continue to be) but have been ineligible for previous support linked to business rates. Whilst this funding is provided by Central Government, it is for Councils to decide on their own local scheme on the particular needs of its businesses. This fund has to be supported by the development of a new policy and then distributed to eligible businesses by the end of March 2022 (with awards determined by 28<sup>th</sup> February 2022). The Council was given the guidance for this fund by BEIS in early January.

134. This will lead to the Council retaining the monies as a section 31 Grant for any relief it grants. Overall, beyond protecting the taxbase, it should lead to more resources overall to the authority, this will reduce the overall cost of non-collection of business rates income.

135. Finally, the Council is a member of an 8 Council Business Rate Pool, the financial benefits of this will not be realised until summer 2023. There is the potential for over £2m in one-off monies. Nonetheless, due to its innate uncertainty, the Council will prudently not budget for its impact albeit this could be utilised to replenish the risk reserve following the 2022/23 drawdown.
136. Local Referendums on Council Tax Increases
137. The Localism Act requires councils to hold a referendum for proposed Council Tax increases in excess of a threshold set annually by the Secretary of State for Communities and Local Government. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2022/23, published with the settlement, sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2022/23.
138. For 2022/23, the increase in the relevant basic amount of Council Tax is excessive if the increase in the authority's relevant basic amount of Council Tax for 2022/23 is 2.00% or more above the relevant basic amount of Council Tax for 2021/22. In addition to this, a further amount, known as the Adult Social Care Precept, can be raised for expenditure on Adult Social Care, which should not exceed 1.00% in 2022/23. For 2022/23 Enfield Council has chosen to freeze the general Council Tax and raise a 1.00% ASC precept to support the costs of ASC demand pressures.
139. The Council is required to determine whether its basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992. The London Borough of Enfield element of the Council Tax, in accordance with the regulation, is not excessive as it is within the thresholds set by the Secretary of State.
140. Enfield froze Council Tax for 6 years from 2010/11 to 2015/16, saving taxpayers a potential 15.5% increase. This was partially compensated for between 2012/13 and 2015/16 by a Government grant paid to all councils who froze their Council Tax but has resulted in foregone income of around £14m in the base budget.
141. Adult Social Care Precept
142. The capacity for councils to charge an Adult Social Care (ASC) Precept was introduced in the Spending Review and Autumn Statement 2015. This was designed to help local authorities with responsibility for Adult Social Care to meet the increasing care needs of their population. The additional Council Tax raised from this precept must be used for Adult Social Care. Enfield has made use of this facility since 2016/17. The 2021 Spending Review allowed local authorities to apply a 1.00% ASC precept in 2022/23 to 2024/25 (the period covered by SR21). Enfield are applying the 1.00% ASC Precept for 2022/23. The funding from the ASC precept and the additional grant funding announced by the Government will be used by the Council directly on maintaining and improving provision of Adult Social Care.
143. In December 2016, the Kings Fund noted the impact of this precept where income generation has no relation to population need. Based on income deprivation among older people, the 10 least deprived council areas in 2022/23 will raise almost two-and-a-half times as much from the precept as

the 10 most deprived. A permanent, sustainable funding of Adult Social Care need is imperative.

Chart 2: Adult Social Care Funding



144. Chart 2 above demonstrates that the Adult Social Care Precept charged to Council Tax payers is an increasingly significant part of funding Adult Social Care in Enfield relative to the various Government grants that are received. The Government have announced a fundamental review of funding for social care which will be implemented for 2023/24.

145. The ASC precept generates £1.330m in additional Council Tax, the inflationary and demographic pressures exceed £6m.

146. Greater London Authority (GLA) Precept

147. The GLA Assembly reviewed the Mayor's draft GLA budget on 22<sup>nd</sup> December 2021 with the final draft budget due to be agreed by the London Assembly on 24<sup>th</sup> February 2022. This is after the publication of the budget report to Council and so any changes to the GLA precept will be reported as revised statutory calculations and resolutions for approval by Council. The budget was recommended with an increase in the Band D precept from £363.66 to £395.59. The Band D Council Tax payable by Enfield residents for 2022/23 based on the budget proposals (including GLA precept) is £1,841.71. This is made up as set out in Table 7:

**Table 7: Council Tax Band D Charge 2022/23**

	2021/22	2022/23	Change	Change *
	£	£	£	%
Core Council Tax	1,271.70	1,271.70	0.00	0.00%
Adult Social Care Precept	160.11	174.42	14.31	1.00%
<b>London Borough of Enfield Total</b>	<b>1,431.81</b>	<b>1,446.12</b>	<b>14.31</b>	<b>1.00%</b>
Greater London Authority	363.66	395.59	31.93	8.78%
<b>Total</b>	<b>1,795.47</b>	<b>1,841.71</b>	<b>46.24</b>	<b>2.58%</b>

\*The percentage change shown is calculated in reference to the 2021/22 LBE Total Band D charge of £1,431.81 not the individual elements shown.

148. There are 127,401 chargeable properties in the Borough, however, only around half (65,460) of these pay full Council Tax due to single person discount or eligibility for Council Tax Support. On average (Band D) the impact of the Council Tax changes proposed is an increase of £0.89 per week for those households paying full Council Tax and £0.22p a week for those working age and in receipt of Council Tax Support.

### Revenue Budget Proposals

149. The following paragraphs cover the update to the MTFP relating to the review of pressures and full year effects of savings agreed in previous years plus the new savings and income proposals being put forward for 2022/23 and beyond.

### Pressures

150. The demographic and other pressures the Borough faces are regularly reviewed and updated throughout the lifetime of the Medium Term Financial Plan (MTFP). The Council faces additional service pressures in 2022/23, especially from demographic growth, increased demand on services, changing needs and cost inflation. Services are expected to manage pressures within existing budgets where possible, but for those pressures that are ongoing and considered to be unmanageable, additional funding has been included in the MTFP in order to set a realistic and sustainable budget. The pressures are summarised by category and department in the following two table with narrative in the following paragraphs.

151. Table 8 sets out pressures over the next five years by category and Table 9 by department. For full details of the pressures please refer to Appendix 1a.

**Table 8: Pressures in the MTFP by Category**

Category	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Inflation	8,024	7,645	7,487	7,513	7,513	38,182
Demography	3,188	3,466	3,466	3,466	3,466	17,052
Investment	1,760	70	150	150	150	2,280
Capital Financing	1,020	2,643	3,800	1,648	1,000	10,111
Covid-19 Reversal	(13,894)	911	0	0	0	(12,983)
Pressures	7,509	784	57	(31)	(75)	8,244
NLWA	508	753	753	753	753	3,520
<b>Total</b>	<b>8,115</b>	<b>16,272</b>	<b>15,713</b>	<b>13,499</b>	<b>12,807</b>	<b>66,406</b>

**Table 9: Pressures in the MTFP by Department**

Department	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Corporate	(4,311)	10,203	10,475	8,349	7,701	32,417
Place	1,897	1,068	207	119	75	3,366
Chief Executive	440	50	0	0	0	490
Resources	(847)	0	0	0	0	(847)



Adult Social Care	6,081	3,651	3,651	3,651	3,651	20,685
Children's	2,596	750	750	750	750	5,596
Education	2,259	630	630	630	630	4,779
Public Health	0	0	0	0	0	0
<b>Total</b>	<b>8,115</b>	<b>16,272</b>	<b>15,713</b>	<b>13,499</b>	<b>12,807</b>	<b>66,406</b>

152. Inflation provision of £8.024m has been set aside in 2022/23. This is broken down below.

153. There are still ongoing discussions on the 2021/22 pay award between the employers and unions. An offer of 2.75% for scale point 1 and 1.75% for all other scale points was offered but rejected by the unions. If pay awards are not agreed within the remainder of the 2021/22 financial year then this funding will roll forward into 2022/23. The provision for pay increases is held corporately and will be allocated to service budgets when the full details are known following negotiations. For 2022/23 there is a further £3.187m provision set aside for pay award. There is also a general inflation provision of £0.516m and specific allocations for:

- i. Adult Social Care - £1.565m for contract inflation
- ii. Adult Social Care – impact of the national minimum wage will add £1.413m to Enfield's pay bill and a further estimated £1.000m for external care providers which will increase the costs the Council faces for care provision
- iii. Street Lighting - £0.184m
- iv. IT contract inflation - £0.160m
- v. Water - £0.025m

#### 154. Demography

155. There was a thorough review of the demographic pressures in setting the 2022/23 budget with a detailed assessment of the cost pressures arising over the medium term as well. Children's Social Care, Special Educational Needs Transport and Adult Social Care have received demographic growth of £3.188m for 2022/23 and £17.052m across the five year MTFP period.

#### 156. Investment

157. Investment of £0.684m has been made within Adults and Children's Services in 2022/23. £0.390m of this is to fund additional social workers in response to the ongoing workload pressures in the services, with a further £0.294m investment in Adult Social Care, providing additional resources in Safeguarding and Service Development to implement improvements to the ASC directorate. In addition, £0.250m has been allocated in 2022/23 within the Place directorate to enhance the Bulky Waste collection service and £80k for Street Cleaning. Finally, investment of £0.156m has been made to strengthen the Finance Team, £0.440m in HR and £0.150m in new Security posts to improve protection of the Council's staff and buildings.

#### 158. Capital Financing

159. The Council changed its MRP Policy in 2017/18 and as a result of over provision was able to put resources into an earmarked reserve. During the intervening period the underlying budget was not increased to match the

underlying pressure, and this is now being implemented over the life of the MTFP. The budget is being gradually built up over the period and the reserve being gradually drawn down. Budget and requirement will match from 2025/26 onwards. The reserve movements are set out in Appendix 7b. Within the pressures for the 2022/23 budget setting round, £1.020m has been added to the Capital Financing budget for 2022/23 with £10.111m over the life of the MTFP.

160. Other Pressures

161. The Council has had a programme of Budget Pressure Challenge sessions over the past few years to address historical underlying cost pressures and unrealistic savings and income targets. Much of this was factored into budgets in recent years and has given rise to the more resilient and sustainable finances which has seen the Council through the challenges of Covid-19.

162. The largest items within the other pressures category are in relation to correction of the base budget in Temporary Accommodation (£2.200m); SEN Transport pressures (£1.589m); and funding Children's Services pressures in the base budget (£1.231m).

163. Covid-19 Pressures

164. In the October Update report an initial assessment was made of Covid-19 pressures persisting beyond the current financial year and impacting on 2022/23 and beyond. This was based on the Quarter One Revenue Monitoring and has been reported through to the Finance & Performance Scrutiny Panel on 13<sup>th</sup> September. In 2021/22 there are pressures of £32.6m and these are all covered by a number of separate grant schemes.

165. However, whilst some of these pressures persist there has been clear guidance from Government that no further funding is available. These are currently forecast to be £6.339m and are set out in Appendix 1c.

166. It is anticipated that the pressure in 2022/23 will be predominantly due to a surge in demand for services and the resulting workforce pressures that this creates. The surge results from both an increase in need for support, the ending of temporary arrangements such as the NHS hospital discharge programme and the recovery from the backlog of casework that has built up during periods of lockdown.

167. Alongside additional demand, the pandemic continues to have an impact on the Council's ability to collect income from sales, fees and charges. The 2021/22 Quarter 1 monitor reflected the improvement in income levels compared to 2020/21 but it is likely that this impact will continue to be felt into 2022/23 and beyond.

168. Other Pressures to be met from Reserves

169. There are a number of welfare support activities that are not fully incorporated into the Council's overall budget but funded directly through reserves. For transparency and also due to reduction in Government Grant and the consequential pressure, these are now set out below.

**Table 10: Other Pressures to be met from Reserves**

Category	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Discretionary Housing Payments	1,300	1,040	780	520	260	3,900
Emergency Support Scheme	207	166	124	83	41	621
Council Tax Hardship Payments	450	360	270	180	90	1,350
<b>Total</b>	<b>1,957</b>	<b>1,566</b>	<b>1,174</b>	<b>783</b>	<b>391</b>	<b>5,871</b>

**Savings and Income Proposals**

170. Departments developed proposals to bridge the starting budget gap of £13.685m and the full year effect of savings proposals already in the budget were thoroughly reviewed and updated. Tranche 1 and 2 savings have already been reported to Cabinet for approval on 13<sup>th</sup> October 2021 and in the Leader Decision Report published on 4<sup>th</sup> January 2022. The final schedule of savings and income proposals, including some further new proposals, is detailed in Appendix 2b.

**Table 11: Savings and Income Proposals (including Full Year Effects)**

Department	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Chief Executive	(510)	100	0	0	0	(410)
Adult Social Care	(1,998)	(213)	(477)	0	0	(2,688)
Children's Social Care	(489)	0	0	0	0	(489)
Education	(389)	0	0	0	0	(389)
Public Health	(425)	(375)	0	0	0	(800)
Place	(3,400)	(1,445)	(3,008)	(2,447)	0	(10,300)
Resources	(1,280)	(750)	(600)	(100)	0	(2,730)
Corporate*	500	0	0	0	0	500
<b>Total</b>	<b>(7,991)</b>	<b>(2,683)</b>	<b>(4,085)</b>	<b>(2,547)</b>	<b>0</b>	<b>(17,306)</b>

\*prior year saving reversals as for one year only.

**Full Year Effect savings**

171. The savings proposals in the MTFP includes the Full Year Effects (FYE) of savings agreed in previous years which total £3.105m with a positive figure of £0.705m in 2022/23 due to reversals of one-off savings. Table 12 summarises FYE savings by department:

**Table 12: Full Year Effects of Savings and Income Proposals agreed in prior years**

Department	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Corporate	500	0	0	0	0	500
CEX	0	0	0	0	0	0

People – Adult Social Care	(100)	(213)	(477)	0	0	(790)
Place	1,065	(625)	(1,248)	(97)	0	(905)
Resources	(760)	(450)	(600)	(100)	0	(1,910)
<b>Total</b>	<b>705</b>	<b>(1,288)</b>	<b>(2,325)</b>	<b>(197)</b>	<b>0</b>	<b>(3,105)</b>

172. Tables 13 and 14 summarise the new savings and income proposals over the 5 year MTFP period:

**Table 13: New Savings over MTFP period**

Department	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Chief Executive	(510)	100	0	0	0	(410)
Adult Social Care	(1,798)	0	0	0	0	(1,798)
Children’s Social Care	(489)	0	0	0	0	(489)
Education	(389)	0	0	0	0	(389)
Public Health	(425)	(375)	0	0	0	(800)
Place	(1,815)	(1,520)	(1,320)	(2,350)	0	(7,005)
Resources	(430)	(300)	0	0	0	(730)
Corporate	0	0	0	0	0	0
<b>Total</b>	<b>(5,856)</b>	<b>(2,095)</b>	<b>(1,320)</b>	<b>(2,350)</b>	<b>0</b>	<b>(11,621)</b>

**Table 14: New Income Proposals over MTFP period**

Department	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Chief Executive	0	0	0	0	0	0
Adult Social Care	(100)	0	0	0	0	(100)
Children’s Social Care	0	0	0	0	0	0
Education	0	0	0	0	0	0
Public Health	0	0	0	0	0	0
Place	(2,650)	700	(440)	0	0	(2,390)
Resources	(90)	0	0	0	0	(90)
Corporate	0	0	0	0	0	0
<b>Total</b>	<b>(2,840)</b>	<b>700</b>	<b>(440)</b>	<b>0</b>	<b>0</b>	<b>(2,580)</b>

173. The early savings and income proposals were taken to Cabinet in October 2021 with some further proposals being put forward in the Leader Decision Report in January 2022. The position as at the January report is set out below, together with the final adjustments to funding and spending assumptions plus final savings and income proposals. The full list of all savings and income proposals put forward in the 2022/23 budget setting round was considered by Cabinet on 16<sup>th</sup> February and now comes to Council for approval. A detailed breakdown of the movements between the January reported position and the final budget can be found in Appendix 1d.

**Table 15: Change in MTFP Position since January Update Report**

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
<b>Gap reported in January MTFP Update Leader Decision Report</b>	<b>3,732</b>	<b>9,173</b>	<b>7,173</b>	<b>8,830</b>	<b>12,175</b>	<b>41,083</b>
Changes to Funding assumptions	(1,769)	1,851	2,805	820	966	4,673
Use of Reserves to balance 2022/23 Budget	(1,985)	1,985	0	0	0	0
Changes to existing pressures and addition of further emerging pressures	104	(80)	0	0	0	24
Changes to October Savings figures previously reported	353	750	0	0	0	1,103
Further New Savings for approval at February Cabinet	(435)	0	0	0	0	(435)
<b>Revised Gap</b>	<b>0</b>	<b>13,679</b>	<b>9,978</b>	<b>9,650</b>	<b>13,141</b>	<b>46,448</b>

### **Equalities Impact Assessments**

174. The Council is committed to its responsibilities under the Public Sector Duty of the Equality Act 2010. These duties are set out in the Equalities Impact Assessment section later on in this report (paragraphs 175 to 177 below)

175. For 2022/23 there are 50 individual savings proposals, and these have all been evaluated to determine whether an Equality Impact Assessment (EQIA) is required and there is paperwork in place to support this evaluation.

176. Of the 50 proposals 35 have required a full EQIA.

177. Of the 35 proposals:

- 8 are likely to have an impact on staffing and in these cases Human Resources guidance and principles on managing reorganisations will be used to minimise the impact for staff;
- 10 proposals are considered to have an impact on customers and accessibility requirements. These will be considered and built into the specifications of any new systems and the business case for change;
- 1 proposal is considered to have a combination of impacts on staffing, customers and internal systems. In such cases, Human Resources guidance and principles on managing reorganisations will be used to minimise the impact for staff accessibility requirements. These will be considered and built into the specifications of any new systems and the business case for change, and
- A further 16 proposals will have no planned reduction on services or impact on the Council's employees.

### **Review of Fees and Charges**

178. Fees and Charges were reviewed as part of the January Medium Term Financial Plan update Leader Decision report and have been recommended for approval to Council. They are included in the appendices to this report.

179. Minor changes from the January report have taken place in Adult Social Care where a couple of the charges in the section headed 'Treatment of an Individuals Capital Resources (determined by Department of Health and Social Care)' have been amended in order to recover the full cost of providing these services. Full details can be found in Appendix 12.

180. The savings proposals include a review of Temporary Accommodation costs and rents. As a result of this there is a policy change to charge rents at the prevailing Local Housing Allowance rate for new tenants from 1<sup>st</sup> April 2022. Details are included in the Place Fees & Charges (Appendix 11).

### **Flexible Use of Capital Receipts**

181. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, enabling them to utilise new capital receipts to finance projects that are designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. This arrangement has been extended in subsequent Local Government Finance Settlements most recently in the 2022/23 settlement, with the flexibility under which local authorities can fund transformative revenue costs from capital receipts extended for a further three years.

182. To take advantage of the flexibility local authorities must produce a strategy which discloses the individual projects that will be funded, or part funded, through capital receipts flexibility and this must be approved by full Council or the equivalent. As a minimum, the strategy should list each project that plans to make use of the capital receipts flexibility and provide details, on a project-by-project basis, of the expected savings or service transformation that will result. The strategy should report the impact on the local

authority's Prudential Indicators for the forthcoming year and subsequent years. Enfield is planning to use £1.501m of capital receipts to fund transformation projects in 2021/22 and £3.438m in 2022/23. The strategy is therefore set out in Appendix 3, for approval by Council. The strategy includes details of the proposed schemes for 2021/22 and 2022/23 and a backward look at 2018/19, 2019/20 and 2020/21.

### **Dedicated Schools Grant and the Schools Budget**

183. The Dedicated Schools Grant (DSG) allocation in Enfield is £378.480m for 2022/23, which represents a 1.5% gross increase on the 2021/22 DSG. It should be noted that there has been a reduction in overall pupil numbers which has impacted on the DSG allocation and the increase for the Schools Block element of the grant is 2.8%. Key issues impacting on the DSG are:

- The implementation of a National Funding Formula for Schools
- High Needs Cost pressures relating to pupils with SEN
- Deficit DSG Position
- Schools Forum Budget Setting Process

184. In July 2021 the Government confirmed that they would continue with their proposal to implement a National Funding Formula (NFF) for the Schools and High Needs Blocks. Additional funding was announced in 2019/20 to support this transition with the following increases in school funding over a 3 year period of £2.6bn for 2020/21, £4.6bn for 2021/22 and £7.1bn for 2022/23. Whilst this funding is welcomed, it does not result in any real terms growth due to funding cuts since 2009/10.

185. For 2022/23, as in 2021/22, a 'soft' NFF is in place, whereby local authorities' allocations were based on the NFF, but authorities have some local flexibility regarding the distribution of these funds. There is, however, very limited flexibility to move funds between blocks and other than an allowable 0.5% transfer to the High Needs Block, funding received in the Schools Block must all be delegated to schools.

186. Since 2018/19, in consultation with schools, Enfield has had a phased transition from local rates to NFF unit rates. The NFF rates were applied from 2021/22 for all formula factors and the NFF unit rates, including Enfield's area cost adjustment, were applied for 2022/23 formula allocations. The formula allocations include a 0.5% Minimum Funding Guarantee so all schools should see a minimum funding increase of this level per pupil for pupil led funding. The draft budget and further details of the funding blocks are included in Appendix 4 for approval.

187. There are ongoing risks in the School's Budget for 2022/23 mainly due to the ongoing increase in numbers of children presenting with special educational needs (SEN). This has resulted in a projected accumulated DSG deficit of £13.3m in 2021/22, as at Q3, which will be carried forward to 2022/23 and whilst funding for high needs has increased by £7.5m, the full year effect of current year pressures is likely to leave little funding to address this deficit. The Authority continues to work on various initiatives to develop additional in Borough special education provision which will reduce the number of children being educated in independent out borough provision and reduce costs.

188. Other Schools Funding

189. Pupil Premium Grant

190. The Pupil Premium is allocated in addition to the DSG to enable schools to work with pupils who have been registered for free school meals (FSM) at any point in the last six years (known as 'Ever 6 FSM'). The Government has confirmed that the rates for 2022/23 for all elements of the grant will increase by 3% i.e. £1,385 for primary FSM 'Ever 6' and £985 for secondary FSM 'Ever 6' pupils.

191. Looked After Children (LAC), and children who have been adopted from care, will continue to attract a higher rate of funding than children from low-income families. The rate for 2022/23 has been confirmed at £2,410. This funding is allocated to schools by the Virtual School on a termly basis

192. Children who have parents in the armed forces are supported through the Service Child Premium, which has increased to £320 per pupil in 2022/23.

193. The latest pupil premium allocation for 2021/22 totals £8.7m and this is expected to increase for 2022/23 to reflect a 4.5% increase in pupils eligible for FSM. Allocations for 2022/23 will be based on the October 2021 census data rather than January 2022 to bring this grant in line with the DSG. We expect the funding allocations to be announced by April 2022 and this earlier publication will support schools with their budget planning.

194. Early Years Pupil Premium (EYPP)

195. EYPP was introduced in 2015/16 and allocated to schools, nurseries and child-minders for every 3 and 4-year-old from a low-income family, to enable these children to start school on an equal footing to their peers. This is based on the 3 and 4-year olds taking up their full entitlement of 570 hours. The hourly rate has been increased for 2022/23, increasing the annual allocation from £302 to £342.

196. Sixth Form Funding

197. The Education, Skills and Funding Agency (ESFA) is responsible for the funding of 16-19 provision in academies, general further education colleges, sixth-form colleges and independent provision. The EFA also distributes resources to local authorities for them to pass on to maintained schools.

198. In October 2021 the ESFA announced the outcome of a 3 year spending review for 16-19 education that would make an extra £1.6b available in 2024/25 compared to 2021/22. They also confirmed funding arrangements for 16-19 pupils for the 2022/23 academic year where the funding rates have been increased for inflationary pressures as well as incorporating pay and pension grant funding which will cease in July 2021. For example, a Band 5 programme will now be funded at £4,542 in 2022/23 compared to £4,188 for 2021/22. In addition, the high value course premium has been increased from £400 to £600 and programme cost weightings have been increased in 5 subject areas.

199. School sixth forms will receive their 2022/23 indicative allocations early in the spring term followed by final allocations in March 2022. Similarly, to 2021/22, the ESFA will set a deadline in April to receive business cases where exceptional circumstances have affected their 2022/23 indicative allocation. Considerations will be given to:



- Cases where there has been a major error in the data submitted by the institution via the school census
- Cases where exceptional growth has been experienced based on a minimum threshold of 5% of students or a minimum of 50 students, whichever is lower
- other cases not covered above, reviewed individually

200. Universal Infant Free School Meals

201. Funding for free school meals for infant pupils is expected to continue in 2022/23 based on a rate of £2.34 per day.

202. Primary PE and Sport Premium

203. The continuation of this grant for 2022/23 is expected to be confirmed for schools with pupils in years 1 to 6. The funding rates are expected to continue as a lump sum of £16,000 plus £10 per pupil.

204. Covid-19 Funding for Schools.

205. During 2021/22 various grant funding was provided to schools to support them with their response to the pandemic and recovery programmes for pupils when they returned to school following periods of school lockdown and online learning. The key areas of funding are as follows:

- i. Covid Catch Up Premium – allocated for the 2020/21 academic year at a rate of £80 per pupil (mainstream recep-year11) and £240 per high needs pupil.
- ii. Covid Recovery Premium – allocated for the 2021/22 academic year based on the same factors as pupil premium grant (ever6 FSM and LAC) at a rate of £145 per mainstream pupil and £290 per high needs pupil. This funding has been guaranteed to August 2022 at this stage.
- iii. School Led Tutoring Grant – allocated for pupils eligible for pupil premium to support 75% of tutoring costs. This grant has been guaranteed for to August 2022 at this stage.
- iv. National Testing Programme – reimbursement for schools with secondary aged pupils for costs involved with the national testing programme.

### **Budget Engagement**

206. The Council's 2022/23 Budget Engagement was open from 5<sup>th</sup> January 2020 to 11<sup>th</sup> February 2022 (5 weeks). This year residents' views were collected through a questionnaire available online. An 'easy read' version was also provided to enable, among others, those with learning difficulties to participate.

207. The questions asked in the questionnaire were

- i. To what extent do you agree or disagree that we should consider the following approaches to address our budget shortfall? (options were strongly agree, tend to agree, tend to disagree, strongly disagree and not sure).
  - a. Increasing the income we receive for providing certain services

- b. Reducing costs of certain activities and services
  - c. Improving efficiency e.g. making our processes more efficient so we require less financial resources to deliver services)
  - d. Reducing the number of staff delivering certain services and functions
  - e. Improving how we use information and technology
- ii. Thinking about the proposals as a whole, to what extent do you feel we are taking the right approach? (options were strongly agree, tend to agree, neither agree nor disagree, tend to disagree, strongly disagree and don't know).
  - iii. How much of a positive or negative impact do you feel the various approaches [as set out in paragraph 207 (i)] could have on your household? (options were very positive, fairly positive, neither positive nor negative, fairly negative, very negative and not sure).
  - iv. A question was asked about how respondents felt about raising core Council Tax by 1.99% and Adult Social Care Precept by 1.00% which are the maximum increases permitted by regulations in 2022/23 (options were strongly agree, tend to agree, neither agree nor disagree, tend to disagree, strongly disagree and don't know).
  - v. If you have any other comments you would like to make about the savings proposals or the budget challenge we face, please let us know.
208. A link to the budget engagement was advertised prominently on the Council's website and information was also included in the Council's e-newsletter sent out to around 40,000 residents.
209. In order to help set the financial context and provide information to those responding to the public engagement, information was provided on the Council's financial position (including links to the January Medium Term Financial Plan Update, a budget summary sheet setting out the high level position, a facts and figures summary setting out the Council's gross expenditure and funding in the current year and finally the proposed savings, comprising the early savings which were considered by Cabinet on 13<sup>th</sup> October 2021 and the further savings put forward in the Leader Decision report which was published on 4<sup>th</sup> January 2022.
210. A total of 217 responses were received through the online questionnaire. The vast majority (209) were from individuals, with a further 8 responses received on behalf of organisations or businesses.
211. With regard to the easy read version, a further 36 responses were received, giving a total of 253 responses to the Budget Engagement exercise.
212. Summary of findings from the Budget Engagement
213. The preferred approaches to addressing the budget gap are from 'improving efficiency' (92% agree) and 'improving how we use IT' (79% agree)

214. The least preferred option for addressing the budget gap was through a reduction in staff (35% agree). From the detailed comments received, there was an association of a reduction in staff with a reduction in service.
215. More people agree than disagree (40% and 36% respectively) with the Council's approach, as a whole (with reference to the savings items listed under the various headings detailed above).
216. 54 of the 79 respondents who stated that they disagreed with the Council's approach to addressing the budget gap said they have alternative suggestions. The most frequent response was to remove or reduce cycle lanes and low traffic neighbourhood schemes.
217. On the questions regarding Council Tax, more than half (52%) agree with the proposal to increase core Council Tax by 1.99%, while 42% disagree. A slightly higher proportion of respondents (57%) agree with the proposal to increase the adult social care precept by 1.00%, with 37% stating that they disagree.
218. Analysis and feedback from the budget engagement is included in Appendix 5a of this report. Full feedback, including all comments received and the profile of respondents, is available on request.
219. The draft budget was presented to the Overview and Scrutiny Committee Budget Meeting on 12<sup>th</sup> January 2022. A lengthy and constructive session took place with OSC. The minutes and recommendations of the OSC Budget Meeting are set out in Appendix 5b of this report.

### **Medium Term Financial Plan**

220. The Corporate Plan is linked to the budget through the Medium Term Financial Plan (MTFP) and the annual budget process. The Budget and MTFP 2022/23 to 2026/27 forecasts funding requirements for the Council's General Fund services and provides the mechanism to redirect limited resources to priorities. The Corporate Plan sets out the Council's financial objectives, which aim to "target resources smartly and reinvest income wisely to deliver excellent value for money and reduce inequality" by:
  - i. Continuing to make best use of all available financial resources and balance risks and opportunities;
  - ii. Ensuring effective governance is in place to support the efficient and smart delivery of our services;
  - iii. Maximising the procurement of services and assets to support local businesses and residents wherever possible.
221. In setting the Council's 2022/23 Budget and MTFP, the Council's aim has been to continue to maintain, and where possible, improve services provided with a focus on protecting the most vulnerable in the Borough. It has recognised the need to increase Council Tax to balance the growing pressures being faced by the Council especially the increased demand in Children's and Adults Social Care. The focus continues to be on delivering high quality services more efficiently through reductions in costs. The Council routinely, throughout the year, takes action to cut costs and make efficiency savings wherever possible. Every attempt continues to be made to minimise additional costs, but the ability to influence many of them is limited and the ability to make back office savings is increasingly difficult as

a result of the scale of public spending cuts. Decisions are becoming more difficult and potentially not without significant impact.

222. There has been a renewed focus on pressures and need to invest in services for the five year MTFP. There has been a robust assessment of future pressures and the MTFP allows for contractual commitments on Adult Social Care contracts, Children's demographic pressure and increased demand for SEN transport.
223. All risks related to the delivery of proposals in the MTFP and any future uncertainties will be reviewed on a regular basis, the detailed budget tracker is already being put in place for 2022/23 savings. The MTFP is based upon the principle that savings identified will be implemented to allow benefit realisation as soon as possible.
224. There are risks inherent in the MTFP exemplified in paragraphs 226 to 230 of this report and Appendix 6. A number of key items in the plan cannot be estimated with 100% accuracy. The figures in the plan also assume that significant savings will be made. In this situation, it is essential to maintain sufficient balances, not only to deal with unforeseen events but also to cover the potential risk of not achieving the savings required. In addition, the Council will need to maintain adequate reserves for future commitments.
225. No final decision has been taken on taxation levels for 2023/24 and later years, and there is currently no core Council Tax increase, or any further Adult Social Care Precept included in 2023/24 to 2026/27 for planning purposes. The following table summarises the MTFP position over the coming five years and the current forecast of the budget gaps for the period of the MTFP (2022/23 to 2026/27):

**Table 16: Medium Term Financial Plan 2022/23 to 2026/27**

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	£000	£000	£000	£000	£000
<b>Council Tax Base Provision</b>	133,108	139,361	140,583	140,874	140,802
<b>Movements:</b>					
Inflation/Pay Awards	8,024	7,645	7,487	7,513	7,513
Demography	3,188	3,466	3,466	3,466	3,466
Investment	1,760	70	150	150	150
Capital Financing	1,020	2,643	3,800	1,648	1,000
Covid-19 Reversal	(13,894)	911	0	0	0
Pressures	8,017	1,537	810	722	678
<b>Total Pressures</b>	<b>8,115</b>	<b>16,272</b>	<b>15,713</b>	<b>13,499</b>	<b>12,807</b>
Full Year Effect of Previous years' savings decisions	705	(1,288)	(2,325)	(197)	0

New Savings and Income Proposals	(8,696)	(1,395)	(1,760)	(2,350)	0
Changes to Specific Grants	(8,537)	328	140	126	114
Business Rates (SFA)	(2,123)	(1,000)	(1,500)	(1,500)	0
Council Tax Support Funding £670m nationally (reverse one off funding)	6,262	0	0	0	0
SFC Compensation Scheme extension (reverse one off funding)	750	0	0	0	0
Covid-19 Grant (reverse one off funding)	10,534	0	0	0	0
Collection Fund	(700)	0	0	0	0
Collection Fund Deficit (Covid-19)	0	0	(4,250)	0	0
Collection Fund Deficit Grant	0	0	1,063	0	0
Use of Reserves to address CF deficit	0	0	3,188	0	0
Reversal of 2021/22 Use of Reserves	1,927	0	0	0	0
Use of reserves in the 2022/23 budget	(1,985)	1,985	0	0	0
Gap Still to be Found	0.000	(13,679)	(9,978)	(9,650)	(13,141)
<b>Council Tax Requirement</b>	<b>139,361</b>	<b>140,583</b>	<b>140,874</b>	<b>140,802</b>	<b>140,582</b>
<b>Council Tax Base</b>	<b>96,369</b>	<b>97,215</b>	<b>97,416</b>	<b>97,366</b>	<b>97,214</b>

<b>Band D Charge (£)</b>	<b>1,446.12</b>	<b>1,446.12</b>	<b>1,446.12</b>	<b>1,446.12</b>	<b>1,446.12</b>
<b>% tax change</b>	<b>1.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

226. Budget Risks, Uncertainties and opportunities

227. In the coming years, more than ever, the Council faces huge financial uncertainty, especially in respect of:

- i. Local Government funding changes
- ii. Continuing impact of BREXIT
- iii. Pressures on Children's and Adults' Social Care Services
- iv. Scope to make savings while maintaining services
- v. Temporary Accommodation
- vi. Covid-19

228. The 2022/23 budget includes the best estimate of financial achievement of savings and likely pressures. Where there are potential risks of higher cost pressures as in the areas listed above or slippage in realisation of savings these have been factored into the assessment of budget robustness, balances and reserves to ensure the Council can meet any short-term pressures without an impact on service delivery. Corporate and Service budget risks are detailed in Appendix 6. Many factors affect the Council's future financial position which can be estimated with some degree of confidence for the first year of the plan but become increasingly uncertain for later years. It is therefore essential to test the sensitivity of the plan to changes in the main assumptions. The figures in the following table illustrate the extent to which the plan would be affected by such changes:

**Table 17: Sensitivity Indicators**

Item	Budget Impact
	£000
1% Change in Pay	1,450
1% Increase in Departmental price Inflation across Income and Expenditure	575
1% Increase in Adult Social Care Community Based Costs	650
1% Increase in Adult Social Care Residential Care Costs	315
1% Change in Settlement Funding Assessment based on 2022/23	960
1% increase in Council Tax Support claimants	385
1% reduction in businesses chargeable for business rates	360
1% increase in numbers requiring temporary accommodation	80
1% increase in Children's Social Care External Care Placements & In-house Fostering	165

229. The Government has announced radical changes to Local Government Finance arrangements, such as a reset of Business Rates baselines which will affect the amount of rates income retained locally, and the review of formula funding. Whilst these changes are delayed It is certain that the new arrangements will create winners and losers, and as such represent both opportunity and risk to Enfield and all councils in England. At this stage the

MTFP assumes that funding is constant from 2022/23 to 2026/27 and this will be updated as further information becomes available.

230. Throughout the budget process, officers have kept under review the key risks, uncertainties and opportunities that could have implications for the Council's financial position in 2022/23 and in the medium term. The systematic review, particularly of risks and mitigating actions is a key part of any effective planning system and therefore crucial in the budget setting process. This process was reinforced by the creation in 2018/19 of a Pressures Challenge Board which seeks to find ways to manage in year and ongoing pressures and will continue to operate in 2022/23.

### **Contingencies, Reserves and Balances**

231. The Budget includes a central contingency for unforeseen circumstances; the balance in 2022/23 is £3m in recognition of the current level of national and local financial risks. The Council also holds centrally a number of contingent items relating to spending requirements that are expected to arise at some point in the budget year but about which there is some uncertainty regarding the timing or magnitude of the financial impact. These will be allocated to services during the year.
232. The Council's policy will continue to be one of containing spending within the budgets set for each department, without recourse to the central contingency other than in exceptional circumstances. However, there are significant risks facing the Council in 2022/23 and throughout the period of the MTFP. Appendix 6 provides details of the high-risk areas identified corporately and by departments. In view of the level of risks it is recommended that the central contingency be retained at £3m for 2022/23.
233. There is a Covid reserve of £10m created in 2020/21 to cover unquantified expenditure pressures and losses of sales, fees and charges. £6.339m of this balance is currently projected to be used in 2022/23.
234. The Council's General Fund Balances (excluding schools) stood at £14m as at 31<sup>st</sup> March 2021. The level of balances is examined each year, along with the level of reserves and contingencies, in light of the risks facing the Authority in the medium term. Following consideration of risks outlined in Appendix 6, which have been analysed against reserves in Appendices 8a and 8b, it is recommended that the General Fund balance be maintained at £14m.
235. Earmarked reserves are held to meet the cost of specific one-off projects or specific risks. Any balance on reserves once the projects are completed or the risk has ceased is returned to General Fund balances. A list of the Council's Earmarked Reserves and the purposes for which they are held is set out in Appendix 7a. Planned movements in the reserves' balances over the period of the MTFP are shown in Appendix 7b. These are split between revenue and capital projects which are included in the MTFP and Capital Programme respectively.
236. The current level of available usable General Fund specific reserves is forecast to reduce from £104.225m as at 31<sup>st</sup> March 2022 to £61.540m by 31<sup>st</sup> March 2027 based on the projects currently planned. The use of reserves will be monitored, and projects revised depending on competing priorities for investment to generate revenue savings.

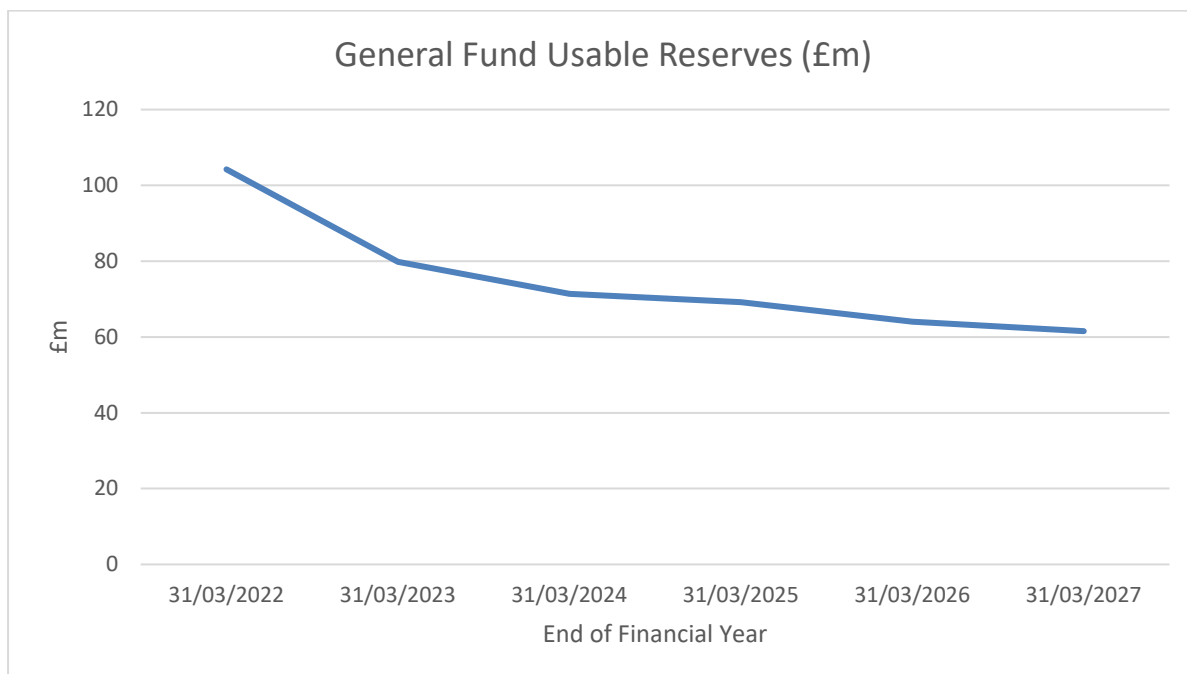
**Table 18: Summary of Forecast Reserves across the Medium Term**

Reserve balances at:	31/03/22	31/03/23	31/03/24	31/03/25	31/03/26	31/03/27
	£m	£m	£m	£m	£m	£m
<b>Risk Reserve</b>	<b>(18.937)</b>	<b>(18.907)</b>	<b>(18.907)</b>	<b>(18.907)</b>	<b>(18.907)</b>	<b>(18.907)</b>
Covid-19 Reserve	(10.000)	(3.661)	(3.661)	(3.661)	(3.661)	(3.661)
Balance Sheet Management	(3.040)	(3.040)	(3.040)	(3.040)	(3.040)	(3.040)
Collection Fund Equalisation Reserve	(18.577)	(8.526)	(7.785)	(7.785)	(7.785)	(7.785)
Housing Benefit Smoothing Reserve	(5.276)	(5.276)	(5.276)	(5.276)	(5.276)	(5.276)
Adult Social Care Smoothing Reserve	(2.297)	(1.297)	(0.647)	0.000	0.000	0.000
NLWA Reserve	(1.349)	(1.349)	(1.349)	(1.349)	(1.349)	(1.349)
<b>Sub-total MTFP Smoothing Reserves</b>	<b>(40.539)</b>	<b>(23.149)</b>	<b>(21.758)</b>	<b>(21.111)</b>	<b>(21.111)</b>	<b>(21.111)</b>
<b>Capital Financing</b>	<b>(23.307)</b>	<b>(20.695)</b>	<b>(16.345)</b>	<b>(16.378)</b>	<b>(11.645)</b>	<b>(9.520)</b>
<b>Service Specific</b>	<b>(11.971)</b>	<b>(9.352)</b>	<b>(7.367)</b>	<b>(6.278)</b>	<b>(6.403)</b>	<b>(6.528)</b>
<b>Property</b>	<b>(1.511)</b>	<b>(0.961)</b>	<b>(0.411)</b>	<b>0.139</b>	<b>0.689</b>	<b>1.239</b>
<b>Grants &amp; Other Contributions</b>	<b>(7.960)</b>	<b>(6.758)</b>	<b>(6.578)</b>	<b>(6.623)</b>	<b>(6.668)</b>	<b>(6.713)</b>
<b>Sub-total GF Usable Reserves</b>	<b>(104.225)</b>	<b>(79.822)</b>	<b>(71.366)</b>	<b>(69.158)</b>	<b>(64.045)</b>	<b>(61.540)</b>
<b>Insurance</b>	<b>(7.022)</b>	<b>(7.022)</b>	<b>(7.022)</b>	<b>(7.022)</b>	<b>(7.022)</b>	<b>(7.022)</b>
<b>General Fund Balance</b>	<b>(13.949)</b>	<b>(13.949)</b>	<b>(13.949)</b>	<b>(13.949)</b>	<b>(13.949)</b>	<b>(13.949)</b>
<b>GF Earmarked Reserves</b>	<b>(125.196)</b>	<b>(100.793)</b>	<b>(92.337)</b>	<b>(90.129)</b>	<b>(85.016)</b>	<b>(82.511)</b>



<b>HRA Earmarked Reserves</b>	(37.153)	(27.968)	(24.265)	(24.251)	(29.712)	(24.409)
<b>Schools</b>	0.242	0.242	0.242	0.242	0.242	0.242
<b>Total</b>	<b>(162.107)</b>	<b>(128.519)</b>	<b>(116.360)</b>	<b>(114.138)</b>	<b>(114.486)</b>	<b>(106.678)</b>

**Chart 3: Forecast Reserves 2022/23 to 2026/27**



237. It is also recommended that any uncommitted departmental resources at year end are added to central reserves, so they can be managed more flexibly to support the achievement of corporate priorities.

### **Outlook and Budget Process 2023/24**

238. The impact of changes to business rates, the funding formula and the future of social care funding cannot yet be determined, leaving great uncertainty over the future of local government finance. The Council's medium term financial planning process recognises this uncertainty, but it is clear that savings in addition to those in this report will be needed between 2023/24 and 2026/27 to balance the budget. For example, as shown in Table 19, the budget gap for 2023/24 to 2026/27 is currently forecast to be £45.6m, assuming the level of core Government funding remains static.

239. This is a challenging target for Enfield in the context of £206.8m of savings already delivered since 2010 and a further £8.696m of new savings and income proposals to be delivered in 2022/23. This is also in the context of a three year settlement from Government that was front loaded. Further, independent benchmarking of Council costs has shown that Enfield are lower quartile in the majority of service areas.

240. Work on future years' savings will commence with immediate effect and there will be work corporately to develop and implement new savings proposals as soon as possible. There will need to be a focus on demand management of social care services as well as driving further commercial

savings including generating greater levels of income and being more efficient in procurement and contract management. The use of capital receipts for transformation projects will support “invest to save” business cases identified not able to be funded from within existing budgets to drive forward 2023/24 and later years’ savings.

**Table 19: Medium Term Financial Plan Budget Gap 2022/23 to 2026/27**

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Budget (Gap)/ Surplus in future years of MTFP	0.000	(13,679)	(9,978)	(9,650)	(13,141)	(46,448)

241. The approach to the 2022/23 budget has built on the work in recent years with continued transparency, enabling enhanced levels of scrutiny and appropriate challenge of budget decisions, and this will continue throughout future budget processes. The capital programme had been extended to include a ten year forecast of expenditure that will enable the long term impact on borrowing to be factored into the extended medium term plan. This will help to ensure that decisions are made in the context of a longer term financial view. Both the Capital Programme and Treasury Management Strategies have been rolled forward one year to maintain the ten year time horizon.
242. For 2023/24 there will undoubtedly be a familiar look to the approach with savings workstreams to include:
- i. demand management strategies in social care to address the significant demographic pressures being experienced.
  - ii. exploitation of commercial opportunities.
  - iii. use of digitalisation and system improvement opportunities to improve customer experience and reduce cost
  - iv. reduced use of agency staff across the Council
  - v. seeking opportunities to partner with others where this makes financial and operational sense
243. Further, an outcome/priority based review of the budget is planned for 2023/24 and more detail of this will follow in the Medium Term Financial Strategy 2023/24 to 2027/28 in the summer.

### **Alternative Options Considered**

244. The Council operates a budget planning and consultation process during which a wide range of options are considered in detail before recommendations are made. Issues raised and discussed have greatly contributed to this report including information from the Budget Engagement exercise set out elsewhere in this report. As part of its planning for both 2022/23 and future years the Council has considered future levels of Council Tax.

### **Safeguarding Implications**

245. The report includes service reductions across all services including Adult Social Care and Children’s Social Care. Officers have worked through these to ensure there is no impact on the Council’s safeguarding duties for

vulnerable adults and children in the Borough. There are inherent risks in demand in these services which may be compounded by the pandemic for which the Council holds a revenue contingency and reserves.

### **Public Health Implications**

246. The Council's core business is to maintain and enhance the wellbeing of the community. The financial climate is severely challenging its ability to do this. The MTFP outlines how the Council aims to meet its financial demands whilst minimising the effect of these pressures on the community. However, it is difficult to envisage how continuous cuts to the Council's budget will not impact upon its ability to support and maintain community wellbeing.

### **Equalities Impact Implications**

247. Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. It is important to consider the needs of the diverse groups with protected characteristics when designing and delivering services or budgets so people can get fairer opportunities and equal access to services.

248. The Council aims to serve the whole borough fairly, tackle inequality and protect vulnerable people. The Council will promote equality of access and opportunity for those in our communities from the protected characteristic groups or those disadvantaged through socio-economic conditions.

249. The Council undertakes Equality Impact Assessment (EqIAs) to help make sure we do not discriminate against service users, residents and staff, and that we promote equality where possible.

250. An Equality Impact Assessment will be completed for individual budget/savings proposals. These assessments will evaluate how the proposal will impact on people of all protected characteristics and will identify alternative action or mitigating action where any adverse impact is identified. This will include consultation and engagement with affected people and organisations as appropriate.

251. The 2022/23 Budget engagement identified the potential impacts on the wider community of the Council's proposals to address the budget shortfall. To achieve this, all voluntary and community sector organisations were asked to share their views and the engagement activities were accessible. To ensure communities from across the borough were able to participate, the Council produced an easy read version of a questionnaire for those with learning difficulties, details of the engagement activities were hosted online enabling the text to be translated, listened to and enlarged, and assistance was offered to those who felt they may otherwise have had issues participating.

252. Participants were able to submit their views about individual savings items, as well as the overall approach taken by the Council. Equalities monitoring questions were asked to enable the data to be cross-referenced with the opinions expressed by participants.

### **Environmental and Climate Change Considerations**

253. The primary purpose of the development of the Budget and Medium Term Financial Plan is to direct resources to deliver the Council's Corporate Plan, which includes an overarching theme relating to climate action.

254. To this end, there will be ongoing investment in programmes and projects which deliver reductions in carbon emissions and improve resilience to climate change. Examples for the Plan period include investment in blue and green infrastructure, transport schemes, the decarbonisation of corporate buildings and Council homes, electrification of the Council's fleet, as well as extending the Energetik heat network.

**Risks that may arise if the proposed decision and related work is not taken**

255. The Council faces an enormous financial challenge and it is essential that the opportunity is taken to progress savings at the earliest possible time. Delaying the decision will impact on the delivery of those savings and also impact on work to further close the financial gap.

**Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

256. Risk and uncertainty are two of the major themes running through the report. The report has sought to continue to identify as many of the financial risks facing the Council at this time and where possible to also quantify them. Identification is naturally one of the key steps in managing risk and this will be supplemented by regular review.

**Financial Implications**

257. The Local Government Act 2003 places a duty on the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves. Statutory guidance in this area is provided by Local Authority Accounting Panel (LAAP) Bulletin 77 (Nov 2008) and is the basis on which the Chief Finance Officer's annual financial risk assessment has been updated in the Council Budget report. A full statement of robustness is provided at Appendix 8a.

258. The 2022/23 budget has been prepared taking into account the following:

- (i) Specific cost pressures set out in paragraphs 150 to 167;
- (ii) The uncertainty around changes in central government funding over the period of the Medium Term Financial Plan – the recent settlement only covered 2022/23;
- (iii) Provision for legislative change and changes to the Council's statutory responsibilities; and
- (iv) The estimated impact of underlying cost pressures, as evidenced by financial monitoring reports in the current year.

259. Taking into account the budget risks and uncertainties, and assuming that the recommendations set out above are agreed, the Council's contingencies and balances are considered prudent.

**Legal Implications**

260. This report sets out the basis upon which recommendations will be made for the adoption of a lawful budget and setting of the Council Tax. The report also outlines the financial outlook for the Council and its services.

261. The setting of the budget is a matter for the Council, having considered recommendations by the Cabinet. The Council's budget-setting process is set out in the Constitution. Before the final recommendations are made to

the Council, an Overview and Scrutiny Committee must have been given an opportunity to scrutinise the proposals and the Cabinet must have taken any comments of the OSC into account when making these proposals.

262. The amount of Council Tax must be sufficient to meet the Council's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget. Members should be mindful of their fiduciary duty to ratepayers when adopting a budget and setting a Council Tax.
263. The Council is required by section 33 of the Local Government Finance Act 1992 ("the Act") to calculate for each financial year the basic amount of its Council Tax. The basic amount of Council Tax must be calculated from the Council Tax base. This base is created by applying a prescribed formula under the Local Authorities (Calculation of Council Tax Base) Regulations 2012
264. The Council is required to submit its Council Tax base to the GLA between 1<sup>st</sup> December and 31<sup>st</sup> January in the financial year preceding the financial year for which the calculation of Council Tax base is made. If the Council does not submit its Council Tax base to the Greater Local Authority ('GLA'), then the GLA is required to determine the calculation for itself, in the manner prescribed in the above Regulations.
265. Members are obliged to consider all relevant considerations and disregard all irrelevant considerations in seeking to ensure that the Council acts lawfully in adopting a budget and setting Council Tax. Members should note that where a service is provided pursuant to a statutory duty, the Council cannot fail to discharge it properly. Where there is discretion as to how to discharge duties, that discretion should be exercised reasonably.
266. The Council is obliged by section 151 of the Local Government Act 1972 to make proper arrangements for the management of its financial affairs. It is consistent with sound financial management and the Council's obligation under section 151 for the Council to adopt and monitor a Medium Term Financial Strategy as this informs the budget process and is viewed as a related function.
267. The Council has carried out appropriate budget consultation. Those representations have been taken into account as part of this process and are reflected in this report.
268. In considering the budget for 2022/23, the Council must have due regard to its ongoing duties under the Equality Act 2010. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to avoid discrimination and other unlawful conduct under the Act, the need to promote equality of opportunity and the need to foster good relations between people who share a protected characteristic and those who do not (the public sector equality duty). The Council should consider how its decisions will contribute towards meeting these duties, against other relevant circumstances such as economic and practical considerations. The relevant departments should undertake detailed impact assessments of major proposals to ensure that any proposals for savings are reasonable and meet Equality Act duties.
269. Finally, Members should have regard to s106 of the Local Government Finance Act 1992 which provides that members who are in arrears on their

Council Tax for two or more months may not vote on matters concerning the level of Council Tax or the administration of it.

### **Workforce Implications**

270. Any proposal that is likely to impact on posts or changes and potential closure of services, will require the Council to conduct a meaningful consultation with trade unions and staff. This will include consideration of alternative proposals put forward as part of the consultation process. The Council's HR policies and procedures for restructures should be followed. Any consideration for staff structural changes should ensure there is a resilient workforce to deliver on-going service requirements. Therefore, consideration of workforce planning should be included in the process.
271. Where redundancies are necessary the appropriate HR policies and procedures should be followed. Redeployment options must be considered.
272. It is important that services engage with HR at the earliest opportunity.
273. The 2021/22 pay award is still subject to agreement and is negotiated at a national level. Staff will have a contractual entitlement to any pay award that is agreed by the relevant recognised bodies as outlined in the Council's Statutory Pay Policy.

### **Property Implications**

274. Given the high-level perspective of this report, there are no specific property implications from within its contents. However, as the budget and MTFP is implemented over time, there is the real possibility of property implications arising on specific projects and other activities. These will be addressed as necessary as they come forward in future reports.

### **Other Implications**

275. None identified.

### **Options Considered**

276. None applicable for this report.

### **Conclusions**

277. The report puts forward a prudent budget in a very challenging and uncertain financial environment.

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Date of report 16 February 2022

### **Appendices**

- Appendix 1a – Funding Assumptions included in the MTFP 2022/23 to 2026/27
- Appendix 1b – Pressures included in the MTFP 2022/23 to 2026/27
- Appendix 1c – Pressures to be funded from Covid-19 Reserve
- Appendix 1d – Movements from January Report
- Appendix 2a – Full Year Effects of Prior Year Savings

- Appendix 2b – New Budget Savings and Income Proposals
- Appendix 2c – Equalities Impact Assessments
- Appendix 3 – Capital Receipts Flexibility Efficiency Statement
- Appendix 4a – Schools Budget 2022/23 - Summary
- Appendix 4b – Dedicated Schools Grant and Schools Budget - Details
- Appendix 5a – Budget Engagement - Summary of Results
- Appendix 5b – Minutes of OSC Budget Meeting
- Appendix 6 – Budget Risks
- Appendix 7a – Earmarked Reserves Overview
- Appendix 7b – Estimated Movements in Earmarked Reserves
- Appendix 8a – Statement of Robustness of Budget Estimates
- Appendix 8b – Adequacy of Reserves - Risk Evaluation
- Appendix 9 – Specific Grants 2022/23 to 2026/27
- Appendix 10 – Draft Budget Departmental Control Totals
- Appendix 11 – Place Department Fees and Charges
- Appendix 12 – People Fees and Charges
- Appendix 13 – Chief Executive’s Fees and Charges
- Appendix 14 – Resources Fees and Charges
- Appendix 15 – Statutory Calculations and Resolutions

### **Background Papers**

The following documents have been relied on in the preparation of this report:

Medium Term Financial Strategy 2022/23 to 2026/27 (Cabinet - July 2021)

Budget 2022/23 & MTFP 2022/23 to 2026/27 Update (Cabinet - October 2021)

Medium Term Financial Plan 2022/22 to 2026/27 (individual decision of the Leader of the Council - Published 4<sup>th</sup> January 2022)

**Funding Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27**

**Appendix 1A**

<b>Funding Item</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
2022/23 Services Grant	(5,113)	0	0	0	0	(5,113)
Specific Government Grants	(3,970)	328	140	126	114	(3,262)
Covid-19 Grant Reversals	17,546					17,546
Business Rates	(1,577)	(1,000)	(1,500)	(1,500)	0	(5,577)
Council Tax Collection Rate	(1,142)	(110)	0	0	0	(1,252)
Assumed growth to taxbase (properties less discounts, exemptions etc.)	(88)	(2,296)	(1,610)	(181)	(421)	(4,596)
Core Council Tax rate increases	0	0	0	0	0	0
ASC Precept Council Tax rate increases	(1,330)	0	0	0	0	(1,330)
Council Tax Support (Covid-19 pressure) smoothing	(3,692)	1,183	1,319	253	641	(296)
Collection Fund	(700)		(3,187)			(3,887)
Use of Reserves 2021/22 Reversal	1,927		3,188			5,115
Planned Use of Reserves in 2022/23	(1,985)	1,985				0
<b>Total</b>	<b>(124)</b>	<b>90</b>	<b>(1,650)</b>	<b>(1,302)</b>	<b>334</b>	<b>(2,652)</b>

Compensation for lost Sales, Fees & Charges	750
Covid General Funding - Tranche 5	10,534
Covid Council Tax Support Grant	6,262
<b>Covid-19 Grant Reversals</b>	<b>17,546</b>



**Spending Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27**

**Appendix 1B**

Ref. No.	Dept	Directorate	Description	Category	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
<b>Pay Awards and Inflation</b>										
General inflation	Corporate	Corporate	General inflation (some specific items - street lighting etc. have been split out)	Inflation	725	3,000	3,000	3,000	3,000	12,725
NI increase to pay for Social Care	Corporate	Corporate	NI increase to pay for Social Care - estimate of additional LBE staffing costs	Inflation	1,413					1,413
Impact of 1.25% NI increase on suppliers	Corporate	Corporate	Impact of 1.25% NI increase on suppliers	Inflation	2,000					2,000
Inflation Review	Corporate	Corporate	Inflation – reviewed including unallocated £2.0m in the base	Inflation	(2,026)					-2,026
Pay Awards	Corporate	Corporate	Pay Awards	Inflation	3,187	2,576	2,602	2,628	2,628	13,621
Customer Experience & Change 1	Corporate	Corporate	Inflation specifically for IT contracts	Inflation	160	320	320	320	320	1,440
Street Lighting Inflation	Place	Place	Street Lighting energy price increase, market proposal is 27.49% increase for 25 months (ending in March 23)	Inflation		184				184
ASC_P1_1920	People ASC	ASC/PH	Customer Pathway Contract Inflation ASC	Inflation	814	814	814	814	814	4,070
ASC_P2_1920	People ASC	ASC/PH	Learning Disabilities Contract Inflation ASC	Inflation	584	584	584	584	584	2,920
ASC_P3_1920	People ASC	ASC/PH	Mental Health Contract Inflation ASC	Inflation	167	167	167	167	167	835
ASC impact of national minimum wage (6% increase)	People ASC	ASC/PH	ASC impact of national minimum wage unable to be fully met by the sector (6% increase)	Inflation	1,000					1,000
<b>Total Pay Awards and Inflation</b>					<b>8,024</b>	<b>7,645</b>	<b>7,487</b>	<b>7,513</b>	<b>7,513</b>	<b>38,182</b>
<b>Demographic Pressures</b>										
ASC Demographic Pressure	People ASC	ASC/PH	Adult Social Care Demographic Pressures	Demography	2,003	2,086	2,086	2,086	2,086	10,347
CSC Demographic Pressure	People C&F	Children's/ Education	Further Children's Social Care Demography	Demography	555	750	750	750	750	3,555
Home To School Transport/SEN Transport	People Education	Children's/ Education	Home To School Transport Pressures (ongoing annual demand pressures impact of £530k) + other current pressures	Demography	630	630	630	630	630	3,150
<b>Total Demographic Pressures</b>					<b>3,188</b>	<b>3,466</b>	<b>3,466</b>	<b>3,466</b>	<b>3,466</b>	<b>17,052</b>
<b>Capital Financing</b>										
Capital Financing	Corporate	Corporate	Net position on Capital Financing estimates	Capital Financing	1,020	2,643	3,800	1,648	1,000	10,111
<b>Total Capital Financing</b>					<b>1,020</b>	<b>2,643</b>	<b>3,800</b>	<b>1,648</b>	<b>1,000</b>	<b>10,111</b>
<b>Investment</b>										
Social Work Apprenticeships - ASC	People ASC	ASC/PH	Social Work Apprenticeships (new)	Investment	130					130
2 x Heads of Service in Safeguarding	People ASC	ASC/PH	2 x Heads of Service in Safeguarding	Investment	154					154
1 x Principal Service Development Officer & 2 x Service Development Officers	People ASC	ASC/PH	1 x Principal Service Development Officer & 2 x Service Development Officers	Investment	140					140
Social Work Apprenticeships - CSC	People C&F	Children's/ Education	Social Work Apprenticeships (new)	Investment	130					130
3 additional apprentices in CSC (to make 6 in total)	People C&F	Children's/ Education	3 additional apprentices in CSC (to make 6 in total)	Investment	130					130
R&M Budget	Place	Place	Repairs and Maintenance budget shortfall (non-capital planned works)	Investment		150	150	150	150	600

**Spending Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27**

**Appendix 1B**

Ref. No.	Dept	Directorate	Description	Category	2022/23	2023/24	2024/25	2025/26	2026/27	Total
					£000	£000	£000	£000	£000	£000
Additional Security Post (Place)	Place	Place	Additional Security Post (Place)	Investment	65					65
Bulky Waste collection service	Place	Place	Bulky Waste collection service	Investment	250					250
Investment in Street Cleaning (one off)	Place	Place	Investment in Street Cleaning (one off)	Investment	80	(80)				0
Investment in Human Resources	CEX	CEX/ Resources	Investment in Human Resources	Investment	440					440
Additional Director of Finance Post	Resources	CEX/ Resources	Additional Director of Finance Post	Investment	156					156
Additional Corporate Security Post (Resources)	Resources	CEX/ Resources	Additional Corporate Security Post (Resources)	Investment	85					85
<b>Total Investment</b>					<b>1,760</b>	<b>70</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>2,280</b>
<b>North London Waste Authority</b>										
NLWA 2022/23 forecast tonnages	Corporate	Corporate	NLWA Forecast tonnages/costs for 2022/23	NLWA	508					508
NLWA Provision for cost of new facility	Corporate	Corporate	Build up NLWA Budget to fund cost of new waste disposal facility	NLWA		753	753	753	753	3,012
<b>Total NLWA</b>					<b>508</b>	<b>753</b>	<b>753</b>	<b>753</b>	<b>753</b>	<b>3,520</b>
<b>Covid-19 Reversals</b>										
Unquantified Covid-19 pressures	Corporate	Corporate	Unquantified Covid-19 pressures	Covid-19 Reversal	(4,404)					(4,404)
Unquantified Covid-19 lost income ongoing	Corporate	Corporate	Unquantified Covid-19 lost income ongoing	Covid-19 Reversal	(2,023)	(674)				(2,697)
Covid-19 Contingency	Corporate	Corporate	Covid-19 Pressures Contingency	Covid-19 Reversal	(4,183)					(4,183)
Concessionary Fares	Corporate	Corporate	Concessionary Travel costs will reduce significantly due to fewer journeys being made as a result of COVID-19 restrictions and changes to lifestyles	Covid-19 Reversal	(1,818)	1,585				(233)
Welfare Support/Hardship	Resources	CEX/ Resources	Welfare Support/Hardship	Covid-19 Reversal	(1,466)					(1,466)
					<b>(13,894)</b>	<b>911</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(12,983)</b>
<b>Pressures</b>										
Insurance Premiums	Corporate	Corporate	The insurance market is hardening particularly for business interruption and professional indemnity policies and an increase in premiums (estimated @ 15%) is anticipated	Pressure						150
Corporate Unachieved Savings	Corporate	Corporate	Tail end spend & Procurement cards unachieved savings written out	Pressure	150					250
Elections funding	CEX	CEX/ Resources	Elections Funding to address true cost of conducting the Borough elections every 4 years	Pressure		50				50
Income & Debt Team	Resources	CEX/ Resources	Pressure in Income & Debt Team to address growth in complexity and level of demand and to support the drive to improve debt collection rates	Pressure	378					378
Joint Service for Disabled Children	People C&F	Children's/ Education	Joint Service for Disabled Children - increased demand and complexity of cases. Care provided in community settings is less costly than in residential placements.	Pressure	500					500
Translation & Interpreting for C&F	People C&F	Education	Translation & Interpreting	Pressure	50					50
Children's Social Care Pressures	People C&F	Education	Children's Social Care Pressures	Pressure	1,231					1,231
Support for Schools - Financial Difficulty work - NEW FOR 2022/23	People	Children's/ Education	Growth estimated at £30k - £50k (taken average value of £40k)	Pressure	40					40
SEN Transport	People	Children's/ Education	SEN Transport Pressure	Pressure	1,589					1,589

**Spending Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27**

**Appendix 1B**

Ref. No.	Dept	Directorate	Description	Category	2022/23	2023/24	2024/25	2025/26	2026/27	Total
					£000	£000	£000	£000	£000	£000
	People ASC	ASC/PH	Base pressures across Learning Disabilities	Pressure	440					440
	People ASC	ASC/PH	Base pressures across Older People/Physical Disabilities	Pressure	649					649
	Place	Place	Morson Road Rent	Pressure		266	89			355
	Place	Place	Local Plan (Plan Making)	Pressure	(300)					(300)
	Place	Place	Culture Pressure	Pressure	(47)	(32)	(32)	(31)		(142)
	Place	Place	Emergency Accommodation - correction of base	Pressure	2,200					2,200
	Place	Place	Car Park Pay & Display	Pressure		500				500
	Place	Place	Claverings - loss of rental income	Pressure	205					205
	Place	Place	Whitewebbs - reinvestment in grassroots	Pressure	100				(75)	25
	Place	Place	Tottenham Park Cemetery	Pressure	74					74
			<b>Total Pressures</b>		<b>7,509</b>	<b>784</b>	<b>57</b>	<b>(31)</b>	<b>(75)</b>	<b>8,244</b>
<b>Overall Pressures in the MTFP 2022/23 - 2026/27</b>					<b>8,115</b>	<b>16,272</b>	<b>15,713</b>	<b>13,499</b>	<b>12,807</b>	<b>66,406</b>

**Medium Term Covid-19 Pressures**

**Appendix 1C**

Description of Pressure	Category	Dept	2022/23	2023/24	2024/25	2025/26	2026/27	Total
			£000	£000	£000	£000	£000	£000
Investment in Legal Service	Covid Pressure	CEX	200	(200)				0
CEX workforce pressures	Covid Pressure	CEX	23	(23)				0
CEX: Communications, project work	Covid Pressure	CEX	60	(60)				0
People: Miscellaneous costs	Covid Pressure	People	15	(15)				0
One off pressures across Learning Disabilities	Covid Pressure	People ASC	400	(400)				0
One off pressures – Older People/Physical Disabilities	Covid Pressure	People ASC	500	(500)				0
ASC workforce pressures	Covid Pressure	People ASC	215	(215)				0
ASC: Additional long term care purchasing costs as a result of cancelation of routine operations, hip, knee etc	Covid Pressure	People ASC	250	(250)				0
ASC: Learning Disability Service – Placement breakdown	Covid Pressure	People ASC	100	(100)				0
ASC: Hospital Discharge	Covid Pressure	People ASC	300	(300)				0
Children’s Social Workers (fixed term posts)	Covid Pressure	People C&F	620	(620)				0
Children’s Social Workers (agency staff)	Covid Pressure	People C&F	401	(401)				0
Children’s short breaks & block bookings	Covid Pressure	People C&F	130	(130)				0
Additional Legal Support for Children & Families	Covid Pressure	People C&F	200	(200)				0
Education workforce pressures	Covid Pressure	People Education	40	(40)				0
Loss of Sales, Fees & Charges (Place)	Covid Pressure	Place	2,730	(2,730)				0
Parks operations, fleet and cleaning of premises	Covid Pressure	Place	140	(140)				0
Resources workforce pressures	Covid Pressure	Resources	845	(845)				0
Loss of Sales, Fees & Charges (Resources)	Covid Pressure	Resources	450	(450)				0
Temporary reduction in Concessionary Travel costs due to impact of Covid pandemic on travel habits	Covid Pressure	Corporate	(1,280)	1,280				0
			<b>6,339</b>	<b>(6,339)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Movement from Reported Position in January MTFP Update

## Appendix 1D

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
<b>Changes to position since January MTFP Report</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Budget Gap Presented in January MTFP Report</b>	<b>3,732</b>	<b>9,173</b>	<b>7,173</b>	<b>8,830</b>	<b>12,175</b>	<b>41,083</b>
<b><u>Funding Changes:</u></b>						
One off Use of Reserves in 2022/23	(1,985)	1,985				0
Grant Changes	(29)	399	402	32	30	834
Business Rates Taxbase - additional income	(77)					(77)
Adult Social Care precept 1% in 2022/23 only	(1,330)					(1,330)
Revised Council Tax Base changes	628	(1,580)	(894)	535	295	(1,016)
Revised Council Tax Collection rate assumptions (96.0% in 21/22; 96.9% in 22/23; 97.0% thereafter)	212	590	719			1,521
Revised assumptions on Council Tax Support Scheme	(1,173)	2,442	2,578	253	641	4,741
<b>Sub-total Funding Changes</b>	<b>(3,754)</b>	<b>3,836</b>	<b>2,805</b>	<b>820</b>	<b>966</b>	<b>4,673</b>
<b><u>Pressures Changes:</u></b>						
Investment in Street Cleaning (one off) (New)	80	(80)				0
Tottenham Park Cemetery (New)	74					74
ASC Demographic Pressure (Reduction)	(50)					(50)
<b>Sub-total Pressures Changes</b>	<b>104</b>	<b>(80)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24</b>
<b><u>Reprofiling of Savings put forward in January:</u></b>						
<b>PLACE 22-23 S15</b> - Increased Temporary Accommodation rents aligned to Local Housing Allowance (LHA) rates for new tenants from 1st April	900	1,100				2,000
<b>PLACE 22-23 S16</b> - Strategy to reduce Temporary Accommodation costs	(637)	(350)				(987)
<b>PLACE 22-23 S20</b> - Service Review: Economic Development	90					90
<b>Sub-total January Savings Reprofiling</b>	<b>353</b>	<b>750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,103</b>

**Movement from Reported Position in January MTFP Update**

**Appendix 1D**

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
<b>Changes to position since January MTFP Report</b>						
<b>Further New Savings put forward in February:</b>						
<b>PEOPLE 22-23 S16</b> - Additional savings on packages and placements from use of Care Cubed tool	(50)					(50)
<b>PEOPLE 22-23 S17</b> - Moving Day Care transport fleet to electric and some users to personal travel budgets at lower cost	(35)					(35)
<b>PLACE 22-23 S21</b> - Housing NRPF - reduced demand for service	(300)					(300)
<b>RESOURCES 22-23 S07</b> - Housing e-billing (reduced print & postage costs)	(25)					(25)
<b>RESOURCES 22-23 S08</b> - Cash collection saving in Exchequer	(25)					(25)
<b>Sub-total New Savings put forward in February</b>	<b>(435)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(435)</b>
<b>Total Changes between January &amp; February</b>	<b>(3,732)</b>	<b>4,506</b>	<b>2,805</b>	<b>820</b>	<b>966</b>	<b>5,365</b>
<b>Revised Budget Gap</b>	<b>0</b>	<b>13,679</b>	<b>9,978</b>	<b>9,650</b>	<b>13,141</b>	<b>46,448</b>

**Full Year Effect (FYE) Savings in the Medium Term Financial Plan 2022/23 - 2026/27**

**Appendix 2A**

Ref	Proposal Summary	Saving Category	Dept	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
CORP 20-21 S01	Utilisation of council tax balances; £2,000k in 2020/21 reducing to £500k in 2021/22 and then £0 in 2022/23	Efficiencies/ Service Reduction	Corporate	500					500
RES 20-21 S02	Update of financial systems	Efficiencies/ Service Reduction	Resources			(250)			(250)
RES 20-21 S04	Payroll Service expansion to schools	Income	Resources			(50)	(50)		(100)
RES 20-21 S05	Staff savings from implementation of a vendor payment portal	Efficiencies/ Service Reduction	Resources			(200)			(200)
RES 20-21 S06	Single view of the customer debt	Efficiencies/ Service Reduction	Resources			(50)			(50)
RES 20-21 S15	Reducing cost of maintaining staff laptops and devices	Efficiencies/ Service Reduction	Resources	(60)					(60)
RES 20-21 S16	Procurement saving resulting from replacing our digital customer platform	Efficiencies/ Service Reduction	Resources	(400)	(400)				(800)
RES 20-21 S17	Application Rationalisation - ongoing reduction of other applications	Efficiencies/ Service Reduction	Resources	(200)					(200)
RES 20-21 S19	Reduction in mobile phone costs and usage	Efficiencies/ Service Reduction	Resources	(50)					(50)
RESOURCES 21-22 S02	Customer Operations	Efficiencies/ Service Reduction	Resources	(50)	(50)	(50)	(50)		(200)
PEOPLE 20-21 S05	Increased income through fees and charges for chargeable Adult Social Care Services	Income	People ASC	(100)	(100)	(100)			(300)
ASC1	Reardon Court – Extra Care	Income	People ASC		(113)	(377)			(490)
PLACE 20-21 S01A	Increase in fee income in the planning service	Income	Place	(20)					(20)
PLACE 20-21 S01D	Building Control Plan Drawing Service	Income	Place	(20)					(20)
PLACE 20-21 S02B	Montagu Industrial Estate Redevelopment	Efficiencies/ Service Reduction	Place		(300)	(900)			(1,200)
PLACE 20-21 S05A	Meridian Water Meanwhile use income	Income	Place	86	0	(81)			5
PLACE 20-21 S05B	Meridian Water Non-Residential Rental Income	Income	Place			(97)	(97)		(194)
PLACE 20-21 S10	Inflation uplift on external clients and receipts income	Income	Place	(180)	(180)	(180)			(540)
PLACE 20-21 S11	Homelessness Service Review	Efficiencies/ Service Reduction	Place	(125)	(125)				(250)
PLACE 20-21 S12	Southgate Cemetery - Mausoleum and Vaulted graves sales	Income	Place	46	(10)	10			46
PLACE 20-21 S17	Reprofiled Holly Hill Bunding Income	Income	Place	600					600
ENV6	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	Income	Place	(6)					(6)
ENV7	Additional Traffic & Transportation receipts from recharges to capital	Income	Place	25					25
ENV12	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	Income	Place	(31)					(31)
HPR7	Market Rentals for Council Properties	Income	Place	(10)	(10)				(20)
PLACE 21-22 S13	Economic Development Team	Efficiencies/ Service Reduction	Place	300					300
PLACE 21-22 S20	Bunding Income (one off in 2021/22)	Income	Place	400					400
				<b>705</b>	<b>(1,288)</b>	<b>(2,325)</b>	<b>(197)</b>	<b>0</b>	<b>(3,105)</b>
Total reversals of one-off savings/income				1,957	0	10	0	0	1,876
Total savings/income				(1,252)	(1,288)	(2,335)	(197)	0	(4,981)
				<b>705</b>	<b>(1,288)</b>	<b>(2,325)</b>	<b>(197)</b>	<b>0</b>	<b>(3,105)</b>

**New Savings & Income Proposals 2022/23 - 2026/27**

**Appendix 2B**

<b>October Savings</b>				<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>
<b>Ref</b>	<b>Description of saving</b>	<b>Category</b>	<b>Dept</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
CEX 22-23 S01	Corporate Strategy service restructure	Efficiency	CEX	(100)					(100)
CEX 22-23 S02	Enfield Strategic Partnership review of reserves	Efficiency	CEX	(100)	100				0
CEX 22-23 S03	Legal team capitalisation	Efficiency	CEX	(50)					(50)
PEOPLE 22-23 S01	Better Care Fund - Substitution	Efficiency	People ASC	(300)					(300)
PEOPLE 22-23 S02	Review of Adult Placement Service, Outreach & Enablement	Efficiency	People ASC	(260)					(260)
PEOPLE 22-23 S03	Strength based Programme - Reduced long term demand	Demand Management	People ASC	(200)					(200)
PEOPLE 22-23 S04	Disabled Facilities Grant - Substitution	Efficiency	People ASC	(200)					(200)
PEOPLE 22-23 S05	Care Purchasing demand, transition and Continuing Health Care	Efficiency	People ASC	(683)					(683)
PEOPLE 22-23 S06	Print costs/Home working	Efficiency	People ASC	(35)					(35)
PEOPLE 22-23 S07	Reduced fuel costs move to electric vehicles	Efficiency	People ASC	(35)					(35)
PEOPLE 22-23 S08	Public Health	Efficiency	People Public Health	(300)					(300)
PEOPLE 22-23 S09	Review of alternative funding streams for Education services	Service Reduction	People C&F	(80)					(80)
PEOPLE 22-23 S10	Service Efficiencies	Service Reduction	People C&F	(300)					(300)
PEOPLE 22-23 S11	Enhanced Pension Costs	Efficiency	People Education	(200)					(200)
PEOPLE 22-23 S12	Care Charges (for Adult Social Care) service redesign	Income	People ASC	(100)					(100)
PLACE 22-23 S01	Corporate Maintenance Facilities Management Operational Efficiency (Security, Cleaning, Staffing)	Efficiency	Place	(100)					(100)
PLACE 22-23 S02	Economic Development - income and grants	Income	Place	(50)					(50)
PLACE 22-23 S03	New Burial Ground	Income	Place			(940)			(940)
PLACE 22-23 S04	Fleet Centralisation	Efficiency	Place	(50)					(50)
PLACE 22-23 S05	Litter Enforcement Contract Income	Income	Place	(100)					(100)
PLACE 22-23 S06	Commercial waste	Income	Place	(100)					(100)
PLACE 22-23 S07	Recycling Improvements	Efficiency	Place	(68)					(68)
PLACE 22-23 S08	Garden Waste Income	Income	Place	(150)					(150)
PLACE 22-23 S09	Parks Operations Efficiencies	Efficiency	Place	(50)					(50)
PLACE 22-23 S10	Review of recharging of Place back office costs	Efficiency	Place	(500)					(500)
PLACE 22-23 S11	Energy Savings generated from the Salix investment on Corporate buildings	Efficiency	Place	(75)					(75)
PLACE 22-23 S12	Streetlighting additional saving	Efficiency	Place	(100)					(100)
PLACE 22-23 S13	Traffic Order Receipts	Income	Place	(100)					(100)
RESOURCES 22-23 S01	Out of hours service: review existing service users, reduce service and reduce costs	Service Reduction	Resources	(30)					(30)
RESOURCES 22-23 S02	Internal enforcement	Efficiency	Resources	(100)	(300)				(400)
RESOURCES 22-23 S03	Exchequer Service Pension recharge	Efficiency	Resources	(50)					(50)
RESOURCES 22-23 S04	Digitalisation/ decentralisation of MEQ & Complaints Team responsibilities	Efficiency	Resources	(150)					(150)
RESOURCES 22-23 S05	Audit Team budget review	Efficiency	Resources	(50)					(50)
				<b>(4,766)</b>	<b>(200)</b>	<b>(940)</b>	<b>0</b>	<b>0</b>	<b>(5,906)</b>

<b>January Savings</b>				<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>
<b>Ref</b>	<b>Description of saving</b>	<b>Category</b>	<b>Dept</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
CEX 22-23 S04	Service Review: Organisational Development	Efficiency	CEX	(260)					(260)
PEOPLE 22-23 S13	Measures to address SEN Transport spend	Efficiency	People Education	(189)					(189)
PEOPLE 22-23 S14	Reduced Unaccompanied Asylum Seeking Children (UASC) activity & increased grant level	Efficiency	People C&F	(109)					(109)
PEOPLE 22-23 S15	Redistribution of the Public Health grant	Efficiency	People Public Health	(125)	(375)				(500)
PLACE 22-23 S14	Housing Advisory Service - New Business Plan	Efficiency	Place		(1,520)	(1,320)	(2,350)	TBC	(5,190)



**New Savings & Income Proposals 2022/23 - 2026/27**

**Appendix 2B**

PLACE 22-23 S15	Increased Temporary Accommodation rents aligned to Local Housing Allowance (LHA) rates for new tenants from 1st April 2022	Income	Place	(200)					(200)
PLACE 22-23 S16	Strategy to reduce Temporary Accommodation costs	Efficiency	Place	(287)					(287)
PLACE 22-23 S17	Traffic Control Measures	Income	Place	(1,750)	500	500			(750)
PLACE 22-23 S18	Cashless Car Parking	Efficiency	Place	(75)					(75)
PLACE 22-23 S19	Extension of Holly Hill land improvement	Income	Place	(200)	200				0
PLACE 22-23 S20	Service Review: Economic Development	Efficiency	Place	(210)					(210)
RESOURCES 22-23 S06	Libraries: Additional Visa verification service income	Income	Resources	(90)					(90)
				<b>(3,495)</b>	<b>(1,195)</b>	<b>(820)</b>	<b>(2,350)</b>	<b>0</b>	<b>(7,860)</b>

**February Savings**

Ref	Description of saving	Category	Dept	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
PEOPLE 22-23 S16	Additional savings on packages and placements from use of Care Cubed tool	Efficiency	People ASC	(50)					(50)
PEOPLE 22-23 S17	Moving Day Care transport fleet to electric and some users to personal travel budgets at lower cost	Efficiency	People ASC	(35)					(35)
PLACE 22-23 S21	Housing NRPf - reduced demand for service	Efficiency	Place	(300)					(300)
RESOURCES 22-23 S07	Housing e-billing (reduced print & postage costs)	Efficiency	Resources	(25)					(25)
RESOURCES 22-23 S08	Cash collection saving in Exchequer	Efficiency	Resources	(25)					(25)
				<b>(435)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(435)</b>
<b>Grand Total - New Savings &amp; Income Proposals 2022/23 - 2026/27</b>				<b>(8,696)</b>	<b>(1,395)</b>	<b>(1,760)</b>	<b>(2,350)</b>	<b>0</b>	<b>(14,201)</b>

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
CEX	Corporate Strategy service restructure	CEX 22-23 S01	(100)	0	0	0	0	N	N	Y	N	N	
CEX	Enfield Strategic Partnership review of reserves	CEX 22-23 S02	(100)	100	0	0	0	Y	N	N	N	N	
CEX	Legal team capitalisation	CEX 22-23 S03	(50)	0	0	0	0	Y	N	N	N	N	
CEX	Service Review: Organisational Development	CEX 22-23 S04	(260)	0	0	0	0	N	N	Y	N	Y	HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
People Adult Social Care	Better Care Fund - Substitution	PEOPLE 22-23 S01	(300)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Review of Adult Placement Service, Outreach & Enablement	PEOPLE 22-23 S02	(260)	0	0	0	0	N	N	Y	N	N	
People Adult Social Care	Strength based Programme - Reduced long term demand	PEOPLE 22-23 S03	(200)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Disabled Facilities Grant - Substitution	PEOPLE 22-23 S04	(200)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Care Purchasing demand, transition and	PEOPLE 22-23 S05	(683)	0	0	0	0	Y	N	N	N	N	

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
	Continuing Health Care												
People Adult Social Care	Print costs/Home working	PEOPLE 22-23 S06	(35)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Reduced fuel costs move to electric vehicles	PEOPLE 22-23 S07	(35)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Care Charges (for Adult Social Care) service redesign	PEOPLE 22-23 S12	(100)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Additional savings on packages and placements from use of Care Cubed tool	PEOPLE 22-23 S16	(50)	0	0	0	0	Y	N	N	N	N	
People Adult Social Care	Moving Day Care transport fleet to electric and some users to personal travel budgets at lower cost	PEOPLE 22-23 S17	(35)	0	0	0	0	Y	N	N	N	N	
People - Public Health	Public Health	PEOPLE 22-23 S08	(300)	0	0	0	0	Y	N	N	N	Y	
People - Public Health	Redistribution of the Public health Grant	PEOPLE 22-23 S15	(125)	(375)	0	0	0	Y	N	N	N	N	

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
People C&F	Review of alternative funding streams for Education services	PEOPLE 22-23 S09	(80)	0	0	0	0	Y	N	N	N	N	
People C&F	Service Efficiencies	PEOPLE 22-23 S10	(300)	0	0	0	0	N	N	Y	N	Y	HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
People C&F	Reduced Unaccompanied Asylum Seeking Children (UASC) activity & increased grant level	PEOPLE 22-23 S14	(109)	0	0	0	0	Y	N	N	N	Y	
People Education	Enhanced Pension Costs	PEOPLE 22-23 S11	(200)	0	0	0	0	Y	N	N	N	N	
People Education	Measures to address SEN Transport spend	PEOPLE 22-23 S13	(189)	0	0	0	0	Y	Y	N	N	Y	
Place	Corporate Maintenance Facilities Management Operational Efficiency (Security, Cleaning, Staffing)	PLACE 22-23 S01	(100)	0	0	0	0	Y	N	N	N	N	
Place	Economic Development -	PLACE 22-23 S02	(50)	0	0	0	0	Y	N	N	N	N	

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
	income and grants												
Place	New Burial Ground	PLACE 22-23 S03	0	0	(940)	0	0	Y	Y	N	N	Y	
Place	Fleet Centralisation	PLACE 22-23 S04	(50)	0	0	0	0	Y	N	N	N	N	
Place	Litter Enforcement Contract Income	PLACE 22-23 S05	(100)	0	0	0	0	Y	N	N	N	N	
Place	Commercial waste	PLACE 22-23 S06	(100)	0	0	0	0	Y	N	N	N	N	
Place	Recycling Improvements	PLACE 22-23 S07	(68)	0	0	0	0	Y	Y	N	N	Y	
Place	Garden Waste Income	PLACE 22-23 S08	(150)	0	0	0	0	Y	N	N	N	N	
Place	Parks Operations Efficiencies	PLACE 22-23 S09	(50)	0	0	0	0	Y	N	N	N	N	
Place	Review of recharging of Place back office costs	PLACE 22-23 S10	(500)	0	0	0	0	Y	N	N	N	N	
Place	Energy Savings generated from the Salix investment on Corporate buildings	PLACE 22-23 S11	(75)	0	0	0	0	Y	N	N	N	Y	
Place	Streetlighting additional saving	PLACE 22-23 S12	(100)	0	0	0	0	Y	N	N	N	Y	

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
Place	Traffic Order Receipts	PLACE 22-23 S13	(100)	0	0	0	0	N	N	N	N	N	
Place	Housing Advisory Service - New Business Plan	PLACE 22-23 S14	0	(1,520)	(1,320)	(2,350)	TBC	N	Y	N	N	Y	
Place	Increased Temporary Accommodation rents aligned to Local Housing Allowance (LHA) rates for new tenants from 1st April	PLACE 22-23 S15	(200)	0	0	0	0	N	Y	N	N	Y	
Place	Strategy to reduce Temporary Accommodation costs	PLACE 22-23 S16	(287)	0	0	0	0	N	Y	N	N	Y	
Place	Traffic Control Measures	PLACE 22-23 S17	(1,750)	500	500	0	0	N	Y	N	N	Y	
Place	Cashless Car Parking	PLACE 22-23 S18	(75)	0	0	0	0	N	Y	Y	N	Y	HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Place	Extension of Holly Hill land improvement	PLACE 22-23 S19	(200)	200	0	0	0	Y	N	N	N	N	
Place	Service Review: Economic Development	PLACE 22-23 S20	(210)	0	0	0	0	N	N	Y	N	Y	HR guidance, "Principles of Managing Reorganisations" will

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
													be used to minimise impact for staff
Place	Housing NRPf - reduced demand for service	PLACE 22-23 S21	(300)	0	0	0	0	Y	N	N	N	N	
Resources	Out of hours service: review existing service users, reduce service and reduce costs	RESOURCE S 22-23S01	(30)	0	0	0	0	Y	Y	N	N	Y	
Resources	Internal enforcement (Business Case March 2021, go live April 22)	RESOURCE S 22-23S02	(100)	(300)	0	0	0	Y	N	Y	N	Y	HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Resources	Exchequer Service Pension recharge	RESOURCE S 22-23S03	(50)	0	0	0	0	Y	N	N	N	N	
Resources	Digitalisation/ decentralisation of MEQ & Complaints Team responsibilities	RESOURCE S 22-23S04	(150)	0	0	0	0	N	N	Y	N	Y	HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Resources	Audit Team budget review	RESOURCE S 22-23S05	(50)	0	0	0	0	Y	N	N	N	N	
Resources	Libraries: Additional Visa verification service income	RESOURCE S 22-23S06	(90)	0	0	0	0	Y	N	N	N	Y	

Department	2022/23 Proposal	Ref. No	2022/23	2023/24	2024/25	2025/26	2026/27	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA required	EQIA Part 2 & Action Plan Completed
Resources	Housing e-billing (reduced print & postage costs)	RESOURCE S 22-23S07	(25)	0	0	0	0	Y	Y	N	Y	Y	
Resources	Cash collection saving in Exchequer	RESOURCE S 22-23S08	(25)	0	0	0	0	Y	N	N	N	N	



## **London Borough of Enfield: Flexible Use of Capital Receipts Strategy**

### **Our approach to Efficiency and the Use of Capital Receipts**

With effect from 2016/17 the Government has provided a general capitalisation directive to all councils. This enables the utilisation of new capital receipts to finance projects that are designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery in a way that reduces costs or demand for services in future years for the Council and any of the public sector delivery partners.

Enfield Council has a proven track record in successfully responding to the financial pressures in local government, demonstrated by managing with significantly reduced resources and delivering savings of £206.8m since 2010, with a further £8.7m of new savings proposed for 2022/23.

The Government has extended the capital receipts flexibility for a further three years from 2022/23 to 2024/25. However, the Council is mindful of over reliance on and sustainability of this one-off funding and is focused on longer term solutions to fund any ongoing pressures and make the budget more robust.

This Strategy reports on how capital receipts were used to fund investment in 2018/19, 2019/20 and 2020/21 as well as how they are planned to be used to fund investment in 2021/22 and 2022/23. In using this flexibility, £3.438m of capital receipts have been earmarked as one-off funding in 2022/23.

### **Impact on the Prudential Indicators**

The Prudential Indicators are set out in the Treasury Management Strategy Report, also on this agenda. These demonstrate that Enfield's capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. The indicators take account of the proposals for the use of capital receipts set out in this strategy. On the basis of the current capital programme, if the capital receipts were to be applied to fund capital expenditure, this would have the estimated impact of reducing the **annual** minimum revenue provision in future years by £0.025m for each £1m of applied capital receipts. This is based on an asset with a forty year asset life discounted on a 3.50% interest rate on an annuity basis in accordance with the Council's MRP Policy.

**Use of Capital Receipts in 2018/19**

The table below shows how we used capital receipts in 2018/19.

<b>2018/19 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>People</b>		
Edge of Care (Children's)	390,000	The Edge of Care transformation project will commission a Family Breakdown prevention team to reduce the short and long-term costs of Looked After Children provision.
<b>Place</b>		
EDGE Transport Contract	182,000	The EDGE Transport Contract is an invest to save initiative relating to the Councils People Transport Service, carried out by EDGE Public Solutions with and on behalf of the Council. This is the third and final year of the project and has been successful in terms of both savings and improvement of customer experience.
<b>Resources</b>		
IT Services and Transformation Team	1,750,000	ICT projects that will deliver transformation and more efficient ways of working that will generate revenue savings and improve performance.
Procurement and Commissioning co-managed service contract	1,890,000	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-managed partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
<b>Total funded from Capital Receipts 2018/19</b>	<b>4,212,000</b>	

**Use of Capital Receipts in 2019/20**

The table below shows how we used capital receipts in 2019/20.

<b>2019/20 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>People</b>		
Edge of Care (Children's)	324,000	The Edge of Care transformation project will commission a Family Breakdown prevention team to reduce the short and long-term costs of Looked After Children provision.
<b>Resources</b>		
Procurement and Commissioning co-managed service contract	1,461,000	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-manage partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
Transformation Team	359,000	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
<b>Place</b>		
EDGE Transport Contract	30,000	The EDGE Transport Contract is an invest to save initiative relating to the Councils People Transport Service, carried out by EDGE Public Solutions with and on behalf of the Council. This is the third and final year of the project and has been successful in terms of both savings and improvement of customer experience.

2019/20 Estimated Cost of Start-Up Initiatives to be funded:	£	Planned Savings and Demand Reductions
Mobilisation costs associated with the implementation of waste service changes	547,000	<p>The changes being implemented will revise the waste and recycling collection system for kerbside properties with a wheeled bin. The changes are:</p> <ul style="list-style-type: none"> <li>• To collect refuse every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for dry recycling)</li> <li>• To collect dry recycling every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for refuse)</li> <li>• To provide a new service of a weekly separate food waste collection</li> <li>• To introduce a £65 per year charge to collect garden waste from households that opt into the scheme (additional bins per property will be charged at £65 per year)</li> <li>• recruitment of 2 additional Recycling Officers</li> <li>• recruitment of 2 additional Enforcement Officers</li> <li>• To invest £500k in Street Cleaning Services.</li> </ul> <p>The total net savings over the 5-year business plan will be £7.5m from Waste Services, where the financial savings from the agreed option was significantly higher when compared to any other proposal or the current collection system, it conforms with the Mayor's Environment Strategy by providing separate food waste collections and has a projected step change in recycling to 49%.</p>
<b>Total funded from Capital Receipts 2019/20</b>	<b>2,721,000</b>	

**Planned Use of Capital Receipts in 2020/21**

The table below shows how we used capital receipts in 2020/21.

<b>2020/21 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>People</b>		
Children's & Families	45,000	Pilot scheme for 1 year to evaluate the use of Virtual Reality to improve Social Worker practice and increase recruitment and retention of Foster Carers.
<b>Chief Executive</b>		
Procurement and Commissioning co-managed service contract	765,000	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-manage partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
<b>Resources</b>		
Digital Services (formerly IT)	452,000	The service is continuing to implement changes to the infrastructure contracts aimed at achieving significant cost reductions and transforming how services are delivered.
Digital Services	60,000	To develop business cases for new projects as part of the Portfolio's pipeline. This is the estimated value for 2020/21 and these costs will continue into 2021/22.
Transformation	324,000	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
Finance & Commercial	50,000	Implementation of the Social Value Portal and associated training programme.

Place		
Mobilisation costs associated with the implementation of waste service changes	103,000	<p>The changes being implemented will revise the waste and recycling collection system for kerbside properties with a wheeled bin. The changes are:</p> <ul style="list-style-type: none"> <li>• To collect refuse every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for dry recycling)</li> <li>• To collect dry recycling every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for refuse)</li> <li>• To provide a new service of a weekly separate food waste collection</li> <li>• To introduce a £65 per year charge to collect garden waste from households that opt</li> <li>• into the scheme (additional bins per property will be charged at £65 per year)</li> <li>• recruitment of 2 additional Recycling Officers</li> <li>• recruitment of 2 additional Enforcement Officers</li> <li>• To invest £500k in Street Cleaning Services.</li> </ul> <p>The total net savings over the 5-year business plan will be £7.5m from Waste Services, where the financial savings from the agreed option was significantly higher when compared to any other proposal or the current collection system, it conforms with the Mayor's Environment Strategy by providing separate food waste collections and has a projected step change in recycling to 49%.</p>
Homelessness	125,000	These costs included the implementation costs of new allocations system, project management of the establishment of Enfield Lets, implementation of the LIFT dashboard and review of Brickfield House.
<b>Total funded from Capital Receipts 2020/21</b>	<b>1,864,000</b>	

**Planned Use of Capital Receipts in 2021/22**

The table below shows how we plan to use capital receipts in 2021/22.

<b>2021/22 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>Chief Executive</b>		
Communications	41,000	50% of an Internal Comms/Transformation Manager post (£41k) to be funded from capital receipts.
Corporate Strategy	25,000	Digital Development Programme (Digital Infrastructure & Inclusion)
<b>People</b>		
NEXUS Project aimed at tackling Youth Violence	133,000	The funding for the Nexus project to address youth violence was £500K over two years (2019/20 and 2020/21) but due to delays in recruitment and Covid restrictions etc, the funding for 2020/21 was not fully spent. £367k was carried forward from earlier years underspends leaving £133k required from Capital Receipts. The reserve will be used by the Secondary Behavioural Support Service and also the Youth Operations service throughout 2021/22 to complete works on the Nexus project as set out in the DAR.
Outreach worker Operation Alliance	15,000	Early Help Offer
SEND and Disability Outreach Worker	41,000	Early Help Offer
New Beginnings Project (previously Break the Cycle)	37,000	Invest to Save bid
<b>Place</b>		
Waste Services	68,000	The flexible use of capital receipts is to fund an invest to save scheme to improve recycling rates in flats.
<b>Resources</b>		
Digital Services	297,000	The service has experienced challenges in recruitment which has meant a greater reliance on temporary staff which cost more than if the service could permanently recruit.. Additional resources have also been required in the security service which reflects the increase risk of cyber threats.
Transformation	844,000	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the

		funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
<b>Total to be funded from Capital Receipts 2021/22</b>	<b>1,501,000</b>	



**Planned Use of Capital Receipts in 2022/23**

The table below shows how we plan to use capital receipts in 2022/23.

<b>2022/23 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>Chief Executive</b>		
Human Resources	50,000	Review and align workforce structures and budgets on SAP HR and SAP Finance
Corporate Strategy	87,000	Digital Development Programme (Digital Infrastructure & Inclusion)
Communications	41,000	50% of an Internal Comms/Transformation Manager post (£41k) to be funded from capital receipts.
Human Resources	93,000	HR Transformation Manager
<b>Resources</b>		
Digital Services	820,000	To develop business cases for new projects as part of the Portfolio's pipeline. Continuation from 2021/22 item with a further £0.820m Use of Capital Receipts anticipated.
Transformation	710,000	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
Income & Debt Team	389,000	Analyse Local contract to bring in upwards of £1.0m a year in growth in Business Rates income (2 officers £89k & contract costs of £300k)
Web Team	114,000	2 additional Form Developer posts & 1 Apprentice post as Content Editor role
<b>People</b>		
NEXUS Project aimed at tackling Youth Violence	475,000	Funding for the continuation of the Nexus project to address youth violence. The funding will be split between Education (£350k) and Children's (£125k)

Adult Social Care	200,000	Smooth and cost effective transition back into Enfield adult service from Residential schools.
Outreach worker Operation Alliance	17,000	Early Help offer
SEND and Disability Outreach Worker	40,000	Early Help offer
Parent Support Advisor	88,000	Early Help offer
Specialist Outreach Project	81,000	Invest to Save bid
New Beginnings Project (previously Break the Cycle)	163,000	Invest to Save bid
<b>Place</b>		
Planning	70,000	Planning Commercial and Customer Manager
<b>Total to be funded from Capital Receipts 2022/23</b>	<b>3,438,000</b>	

Appendix 4A	
SCHOOLS BUDGET 2022/23	£m
<b>INCOME</b>	
Schools Block - 5-16 year olds	285.544
Central Services Schools Block	2.486
Early Years Block	24.958
High Needs Block	65.493
<b>TOTAL DSG</b>	<b>378.480</b>
<b>School Supplementary Grant - Indicative</b>	<b>8.230</b>
<b>High Needs Additional Grant - Indicative</b>	<b>2.498</b>
<b>TOTAL RESOURCES</b>	<b>389.208</b>
<b>EXPENDITURE</b>	
<b>SCHOOLS BLOCK</b>	
Total Funding	285.544
0.5% Transfer to High Needs Block (TBC)	-1.428
<b>Net Funding</b>	<b>284.116</b>
Schools Delegated Formula Funding	284.116
Growth Fund	-
<b>TOTAL SCHOOLS BLOCK EXPENDITURE - DSG</b>	<b>284.116</b>
School Supplementary Grant - Indicative	8.230
<b>TOTAL SCHOOLS BLOCK EXPENDITURE incl GRANT</b>	<b>292.346</b>
<b>CENTRAL SERVICES SCHOOLS BLOCK (CSSB)</b>	
<b>Total Funding</b>	<b>2.486</b>
Statutory Functions	2.019
Historic Commitments	0.467
<b>TOTAL CSSB</b>	<b>2.486</b>
<b>EARLY YEARS BLOCK</b>	
<b>Total Funding</b>	<b>24.958</b>
3 & 4 Year Allocations - PVI & Maintained	15.958
3 & 4 Year Allocations - PVI & Maintained - 30 Hours	4.169
2 Year Old Allocations - PVI & Maintained	3.433
Early Years Central Functions	1.059
Early Years Pupil Premium	0.220
Disability Access Fund	0.118
<b>TOTAL EARLY YEARS BLOCK</b>	<b>24.958</b>
<b>HIGH NEEDS BLOCK</b>	
Gross High Needs Block (pre recoupment)	65.493
<b>Total High Needs Funding</b>	<b>65.493</b>
0.5% transfer from Schools Block (TBC)	1.428
<b>TOTAL HIGH NEEDS BLOCK EXPENDITURE</b>	<b>66.921</b>
High Needs Additional Grant - Indicative	2.498
<b>TOTAL HIGH NEEDS BLOCK</b>	<b>69.418</b>
<b>TOTAL BUDGET</b>	<b>389.208</b>

## **Dedicated Schools Grant and the Schools Budget**

The Dedicated Schools Grant (DSG) is a ring-fenced grant, the majority of which is used to fund Individual Schools Budgets. In July 2021, the Government confirmed that they would continue with their proposal to implement a National Funding Formula (NFF) for the Schools and High Needs Blocks. With effect from 2018/19, a 'soft' NFF has been in place which means the funding provided to local authorities has been calculated using the NFF, but authorities have had some local flexibility regarding the distribution of these funds. Options for the schools' funding formula ranged from continuing with the local funding formula to partly, or fully, implementing the NFF. In consultation with schools, Enfield had a phased move from local rates to NFF unit rates from 2018/19 to 2021/22.

The Government initially provided £1.3bn over 2 years to support the implementation of the school funding reforms and implementation of the NFF. Additional funding was announced in 2019/20 to support this transition with the following increases in school funding over a 3 year period, £2.6bn for 2020/21, £4.6bn for 2021/22 and £7.1bn for 2022/23. Whilst this funding is welcomed, it does not result in any real terms growth due to funding cuts since 2009/10.

In July 2021, the DfE published information on the funding arrangements for 2021/22, together with indicative funding allocations based on October 2020 census data. The DfE confirmed that the full implementation of the NFF for the Schools and High Needs Blocks had been postponed until 2023/24 at the earliest. Therefore, the funding arrangements detailed above will continue for 2022/23.

Under Department for Education regulations, certain specific decisions relating to the distribution of the DSG funding are subject to consultation with the Schools Forum, with the Council making the final decision on the allocation of available resources taking account of any recommendations made by the Schools Forum. The draft 2022/23 School's Budget was presented to Schools Forum on 19th January 2022 for agreement of the School Block formula funding allocations prior to submission of the data to the Education, Skills Funding Agency (ESFA) by their deadline of 21<sup>st</sup> January 2022. The draft budget is detailed in Appendix 4a for approval.

Enfield's initial 2022/23 DSG settlement was announced on 16<sup>th</sup> December 2021 as £378.48m based on the October 2021 Census dataset. This DSG allocation will be adjusted during 2022/23 to reflect the January 2022 census for early years, changes to high needs import/export adjustments and any changes in academy recoupment. Updates will be provided to the Schools Forum as and when revised allocations are received.

There are ongoing, considerable risks in the school's budget for 2021/22, mainly due to the ongoing increase in numbers of children presenting with special educational needs. The projected, cumulative DSG deficit for 2021/22, as at Q3, is £13.3m which will be carried forward to 2022/23. The authority received an additional £7.5m High Needs Block funding as part of our increased

allocation for 22/23 which will help to address ongoing pressures but will not alleviate the pressures if demand continues to increase.

The authority is continuing to work on various initiatives to develop additional in borough special education provision which will reduce the number of children being educated in independent out of borough provision and reduce costs. They are also investing in a range of early interventions in order to identify and support of SEN issues earlier in a child's life with the aim of reducing longer term costs.

Additional information about the individual blocks is detailed below.

## **Schools Block**

### Grant Income

- For 2022/23 most of the funding received is based on a per pupil allocation calculated on the number of pupils recorded on the October 2021 census. Separate per pupil funding rates have been received and for Enfield these are £5,015.25 for primary and £6,690.25 for secondary. This represents an increase of just under 2.5% in both sectors.
- The per pupil funding increases for 2022/23 is the third year of increases after a period of 5 years with little or no increase but funding is still insufficient to address the pay and inflationary pressures faced by schools during this period.
- In addition to the per pupil funding, the authority receives a block allocation to cover growth and premises factors.
- With effect from 2022/23, the ESFA will pay NNDR bills for schools direct to the local authority and this funding will be top-sliced from the authority's DSG allocation

### Funding Allocations

- With effect from 2018/19, new funding regulations required the majority of Schools Block funding to be passported to schools via a funding formula. Funding can only be retained centrally to support the requirements of the Growth Fund.
- With the approval of Schools Forum, 0.5% of the Schools Block allocation can be transferred to the High Needs Block. For 2022/23, as in the previous 4 years, this transfer was agreed by the Forum to support the current arrangements for pupils with exceptional needs (special educational needs). This is the only transfer between funding blocks
- Formula allocations for 2022/23 were based on NFF unit rates (plus Enfield's area cost adjustment).with minor adjustments to the Age Weighted Pupil Units (AWPU) values to ensure that allocations matched funding available. A minimum funding allocation (MFG) of 0.5% was applied to the allocations to ensure a minimum increase of 0.5% for pupil led funding.

### Supplementary Grant

In addition to the basic DSG allocations, the DfE have announced that £1.2b of additional funding is being made available to schools nationally in 22/23 via a Supplementary Grant. Allocations will be calculated by the ESFA and will be based on a per pupil allocation plus a lump sum and an allocation for Ever6 FSM pupils. This funding will continue in 2023/24 but is likely to be absorbed into the general DSG allocation. The indicative allocation for Enfield is £8.23m and per school allocations will be published in the Spring term.

### **Central Services Schools Block**

#### Grant Income

- The Central Services Schools Block (CSSB) was introduced as part of the new funding arrangements in 2018/19 and brings together funding for the
  - retained duties element of the Education Services Grant (ESG)
  - ongoing central statutory functions
  - historic commitments
- Funding for statutory duties is allocated on an NFF per pupil basis. For Enfield, the rate for 2022/23 is £41.10 per pupil, which is a 5.4% increase on 2021/22 rates. Funding for historical commitments is based on historic spend in 2017/18 but this is gradually been phased out and a further 20% funding reduction has been applied for 2022/23 reducing the Enfield allocation from £584k to £467k.

#### Funding Allocations

- For 2022/23 the reduction in funding of £116k for statutory services has been matched by savings that have been identified through a review of these services
- Schools Forum agreed at their meeting in December 2021 to continue to fund the services that had been funded in previous years.

### **Early Years Block**

#### Grant Income

- This is a per pupil allocation initially based on the January 2021 census and then updated for the January 2022 census for 3 & 4-year-old free entitlement, 30 hours provision for working parents and 2-year-old free entitlement.
- The Early Years National Funding Formula (EYNFF) was implemented with effect from 2017/18. For 2022/23, Enfield will receive £5,633 per Full Time Equivalent (FTE) pupil for 3 and 4-year olds, a £0.17 per hour increase compared to 2021/22. We are required to pass 95% funding to providers but can continue to hold back 5% for central early years expenditure.
- The 2022/23 allocation also includes an allocation to reflect the ongoing effect of the 30 hours early years initiative for working parents, which was introduced in September 2017. This allocation will also be revised to reflect the January 2022 census.

- The initial allocation for the 2-year-old free entitlement is also based on January 2021 census data at a rate of £5,728 per pupil (FTE), a £0.21 per hour increase compared to 2021/22. This funding is fully passported to providers
- The overall Early Years Block allocation also includes funding for Early Years Pupil Premium (£220k) and Disability Access Fund (£118k).

#### Funding Allocations

- 5% of funding received for 3 and 4 years olds will be retained centrally to fund central early years services. The balance of funding will be allocated to providers based on an hourly rate, deprivation allocations and an Inclusion Fund to support pupils with special educational needs.
- Funding received for 2-year olds is fully passed to providers.
- Allocations are made from the Early Years Pupil Premium and Disability Access Fund for pupils who meet specific deprivation and disability criteria.

#### **High Needs Block**

##### Grant Income

- The High Needs Block is calculated via a national funding formula based on proxy indicators, historic spend and pupil numbers
- The authority has also received an additional £7.5m in 2022/23 following the release of additional funding from the DfE to target high needs pressures.

##### Funding Allocations

- Funding will be delegated to special schools and mainstream schools for Additional Resource Provisions and pupils with exceptional needs based on expected places and pupils on roll. This will reflect any changes planned for the start of the 22/23 academic year;
- Funding for pupils in external school and college payments has been estimated based on current levels of expenditure and full year effects of starters and leavers. There is a risk that these budgets will overspend during the year if current trends continue and there is no contingency available to address this pressure;
- Funding for commissioned and central services is based on 2021/22 budgets, adjusted for any changes in service provision.

#### **Other Schools' Funding**

##### **Pupil Premium Grant**

The Pupil Premium is allocated in addition to the DSG to enable schools to work with pupils who have been registered for free school meals (FSM) at any point in the last six years (known as 'Ever 6 FSM'). The Government has confirmed that the rates for 2022/23 for all elements of the grant will increase by 3% i.e. £1,385 for primary FSM 'Ever 6' and £985 for secondary FSM 'Ever 6' pupils.

Looked After Children (LAC), and children who have been adopted from care, will continue to attract a higher rate of funding than children from low-income

families. The rate for 2022/23 has been confirmed at £2,410. This funding is allocated to schools by the Virtual School on a termly basis.

Children who have parents in the armed forces are supported through the Service Child Premium, which has increased to £320 per pupil in 2022/23.

The Pupil Premium is a specific grant that the council has to pass on directly to schools, who can then decide how they will use the additional funding to achieve improved outcomes for this group of children. The latest pupil premium allocation for 2021/22 totals £8.7m and this is expected to increase for 2022/23 to reflect a 4.5% increase in pupils eligible for FSM. Allocations for 2022/23 will be based on the October 2021 census data, rather than January 2022, to bring this grant in line with the DSG. We expect the funding allocations to be announced by April 2022 and this earlier publication will support schools with their budget planning.

### **Early Years Pupil Premium (EYPP)**

EYPP was introduced in 2015/16 and allocated to schools, nurseries and child-minders for every 3 and 4-year-old from a low-income family, to enable these children to start school on an equal footing to their peers. This is based on the 3 and 4-year olds taking up their full entitlement of 570 hours. The hourly rate has been increased for 2022/23, increasing the annual allocation from £302 to £342.

### **Sixth Form Funding**

The ESFA is responsible for the funding of 16-19 provision in academies, general further education colleges, sixth-form colleges and independent provision. The ESFA also distributes resources to local authorities for them to pass on to maintained schools.

In October 2021 the ESFA announced the outcome of a 3 year spending review for 16-19 education that would make an extra £1.6b available in 2024/25 compared to 2021/22. They also confirmed funding arrangements for 16-19 pupils for the 2022/23 academic year where the funding rates have been increased for inflationary pressures as well as incorporating pay and pension grant funding which will cease in July 2021. For example, a Band 5 programme will now be funded at £4,542 in 2022/23 compared to £4,188 for 2021/22. In addition, the high value course premium has been increased from £400 to £600 and programme cost weightings have been increased in 5 subject areas.

School sixth forms will receive their 2022/23 indicative allocations early in the spring term followed by final allocations in March 2022. Similarly, to 2021/22, the ESFA will set a deadline in April to receive business cases where exceptional circumstances have affected their 2022/23 indicative allocation. Considerations will be given to:

- Cases where there has been a major error in the data submitted by the institution via the school census
- Cases where exceptional growth has been experienced based on a minimum threshold of 5% of students or a minimum of 50 students, whichever is lower
- other cases not covered above, reviewed individually



**Universal Infant Free School Meals**

We are awaiting confirmation of the details of this grant for 2022/23, but it is expected that funding for free school meals for infant pupils, who are not eligible for free school meals, will continue based on the 2021/22 rate of £2.34 per day.

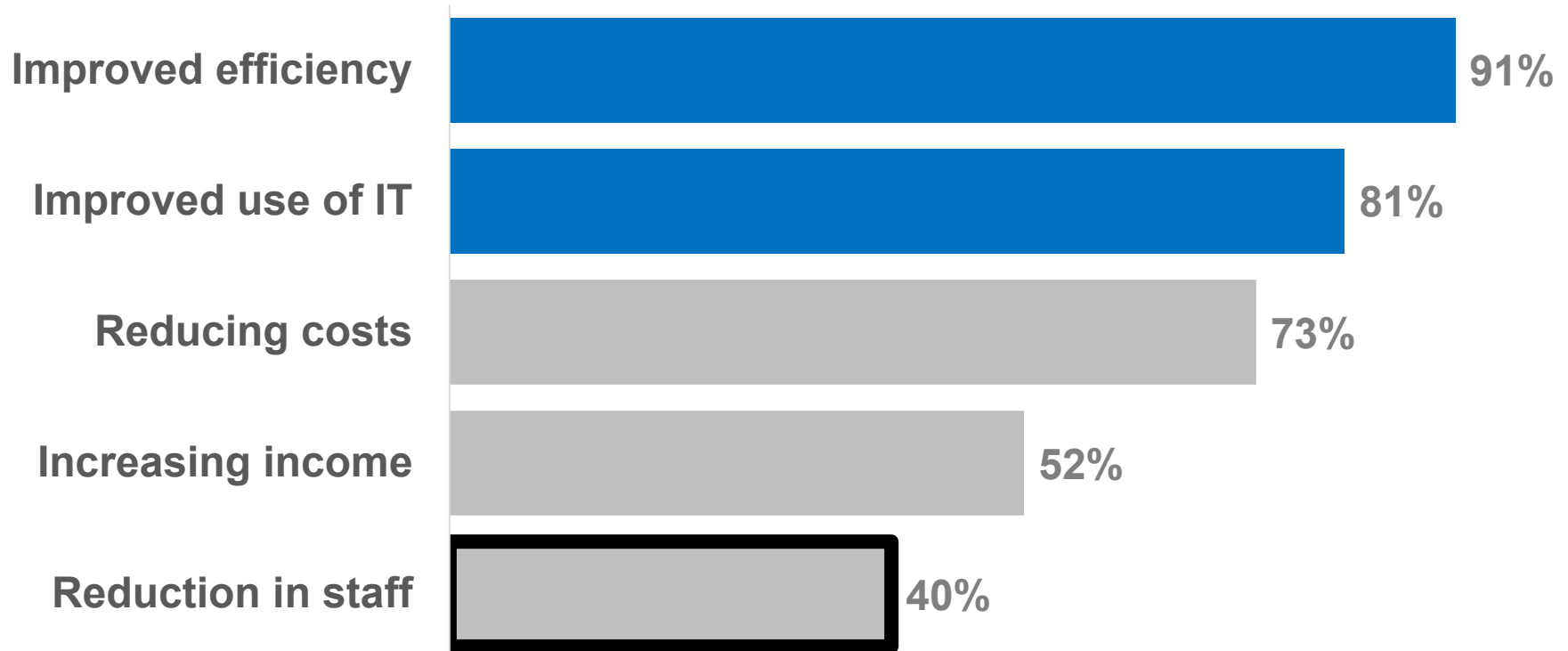
**Primary PE and Sport Premium**

We are awaiting confirmation of the details of this grant for 2022/23, but it is expected that funding will continue in the 2022/23 academic year based on the 2021/22 rates of a lump sum of £16,000 plus £10 per pupil.

# Appendix 5A - Budget Engagement Feedback

- **Methodology:** standard and easy read questionnaires
- **Primary objectives:**
  - Agreement/disagreement on how to address budget shortfalls (in general)
  - Suggestions on how budget shortfalls should be addressed
  - Agreement/disagreement on Council's approach (referencing savings items)
  - What are the negative impact of the proposals
  - How the Council can address the negative impacts
  - Agreement/disagreement on 1% increases in Council Tax and Adult Social Care Precept
- **Fieldwork period:** 23 December 2021 to 11 February 2022
- **Number of responses:** 217 (standard), 36 (easy read), 253 (total)
- **\*Geographical split of responses:** 146 (north/west), 61 (south/east)
- **Median time of completion:** 10.58 mins
- **Note:** data is rounded so some totals may appear to be out by +/-1%

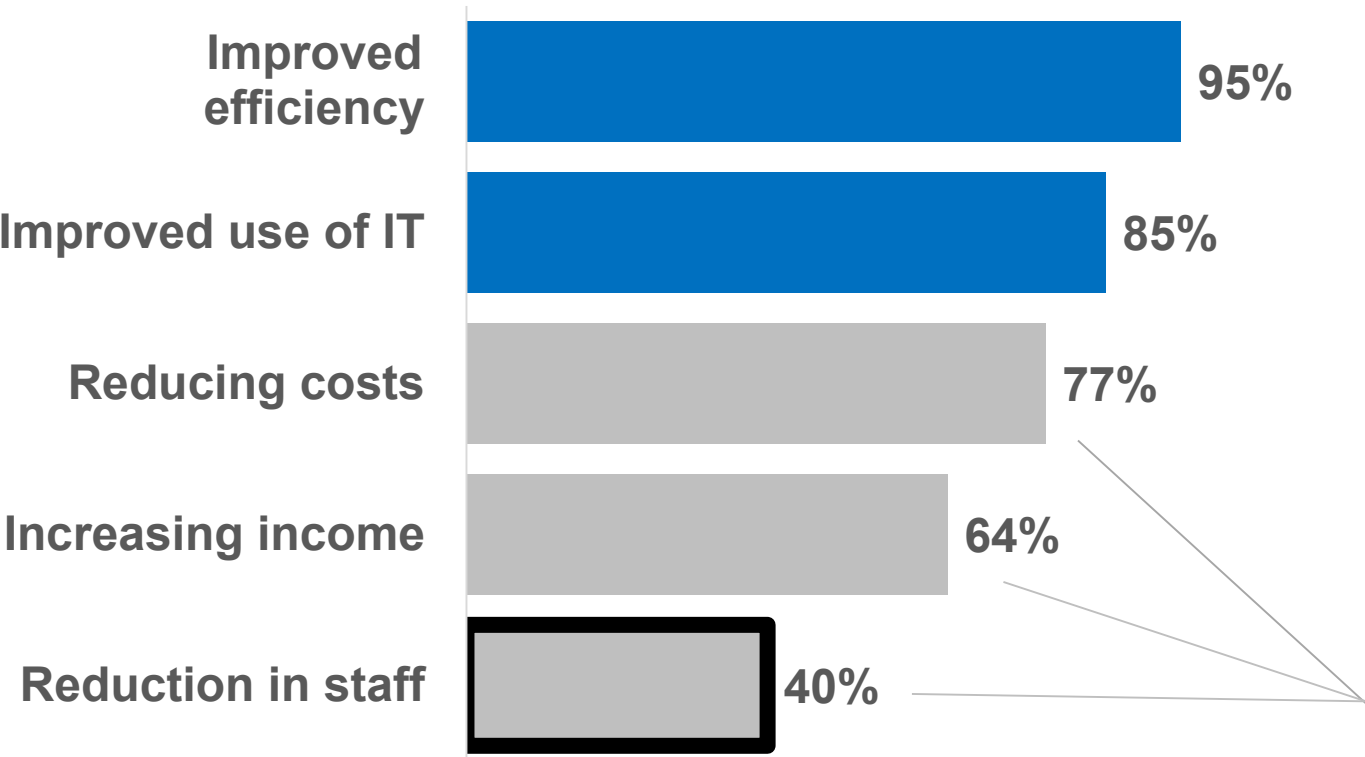
# Preference for addressing budget shortfalls, in general, is for the Council to improve in the use of IT and in terms of efficiency, while reduction in staff is least preferred (*% agree*)



Q4a-e. There are various ways to address budget gaps. In general, to what extent do you agree or disagree with the following approaches to deal with such issues? (those who selected 'agree')

Base: 217. All those who responded to the question

# Almost all want the Council to implement those proposals aimed at improving efficiency and IT, while only two out of five agree with those that will lead to a reduction in staff (% agree)



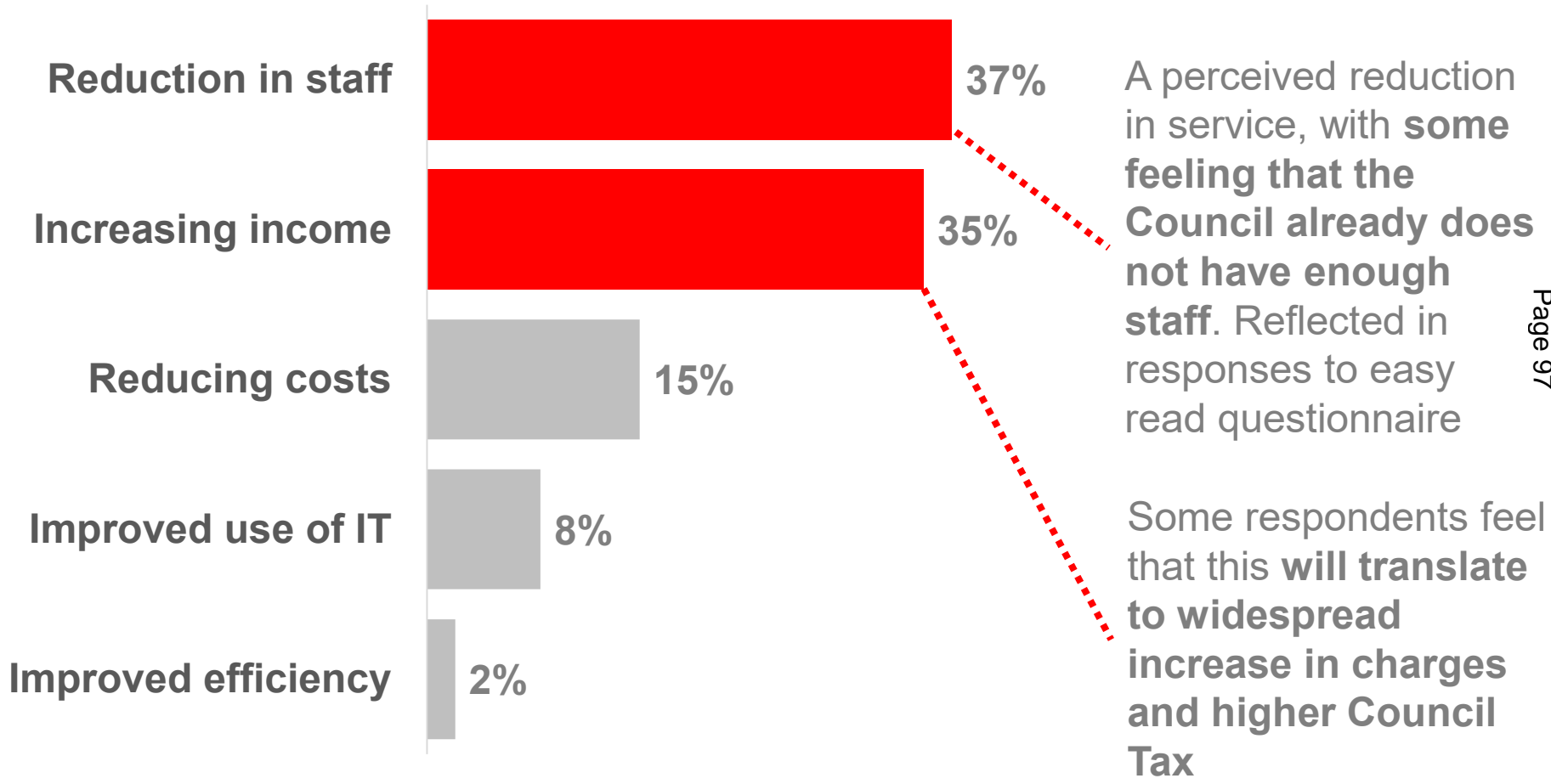
Findings from easy read questionnaire:  
 4 out of 36 agree with increasing income, while only 3 out of 36 agree with reducing staff.

Responses to questions suggest these would have a more significant impact on households.

Q5a-e. With reference to our savings proposals, to what extent do you agree or disagree that we should consider the following to address our budget shortfall? (those who selected 'agree')

Base: 217. All those who responded to the question

# Those proposals perceived as having a negative impact on households are those relating to reducing staff and increasing income (*% negative impact*)



Q7a-e. How much of a positive or negative impact do you feel the following could have on your household?(those who selected 'negative impact')

Base: 217. All those who responded to the question

# Perceived impact of a reduction in staff

Selection of verbatim comments to provide flavour of responses

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*“Reducing staff will mean service impact such as increased litter problems”* **Female, aged 30-39 living in EN2**

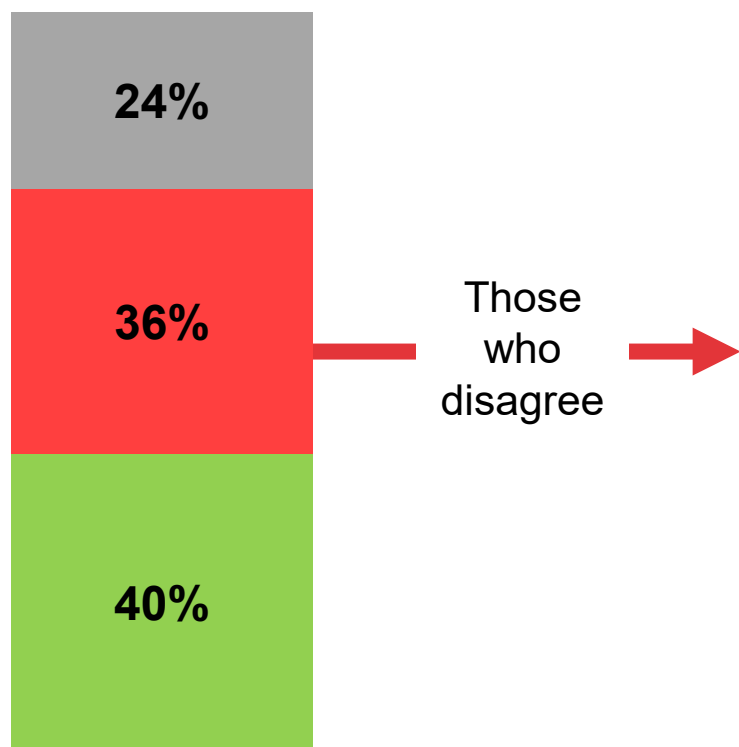
*“Reduction in staff will mean longer response times to queries and service provision”*  
**Female, aged 40-49 living in N18**

*“Less crucial staff putting pressure on those left behind and shouldn't lose staff if it means people are losing their livelihood”* **Female, aged 50-59 living in EN1**

*“Council cannot function properly without the right complement of staff with the right skills.”*  
**Male, aged 60-69 living in N14**

# As many agree as disagree with the Council's approach as a whole. Most popular alternative is to reduce spending on LTNs and cycling infrastructure

■ Agree ■ Disagree ■ Don't know



## Alternative suggestions (49 respondents)

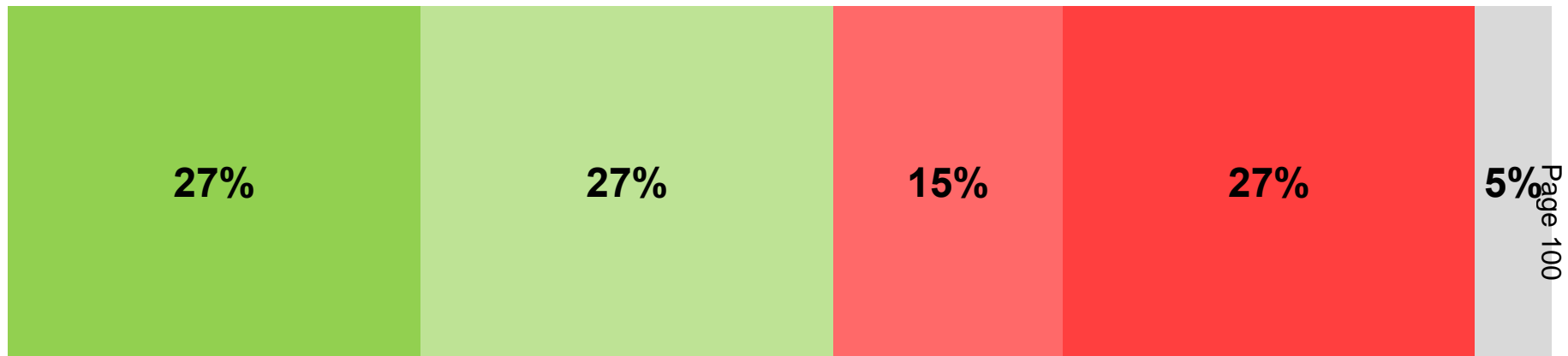
- Stop / reduce spend on LTNs and cycling infrastructure (10)
- Improve efficiency, including rationalisation of Council property (7)
- Increase charges and improve enforcement e.g. fines and CTax (7)
- Reduce pay/expenses for management and councillors (7)
- Listen to residents (5)

Q6. Thinking about the proposed savings as a whole, to what extent do you feel we are taking the right approach? Q6b. Please tell us what alternatives you would want us to consider.

Base: Q6 is 217 (all respondents) and Q6b is 49

# More than five out of 10 agree with a 1% increase in core Council Tax, while around four out of 10 disagree. Over 60s more likely to agree

■ Strongly agree ■ Tend to agree ■ Tend to disagree ■ Strongly disagree ■ Not sure



Page 100

69% of those **\*60 or over** agree, compared to 49% of **\*under 60s**

**Easy read:** slightly more would rather not see an increase (42% said 'yes', 47% 'no')

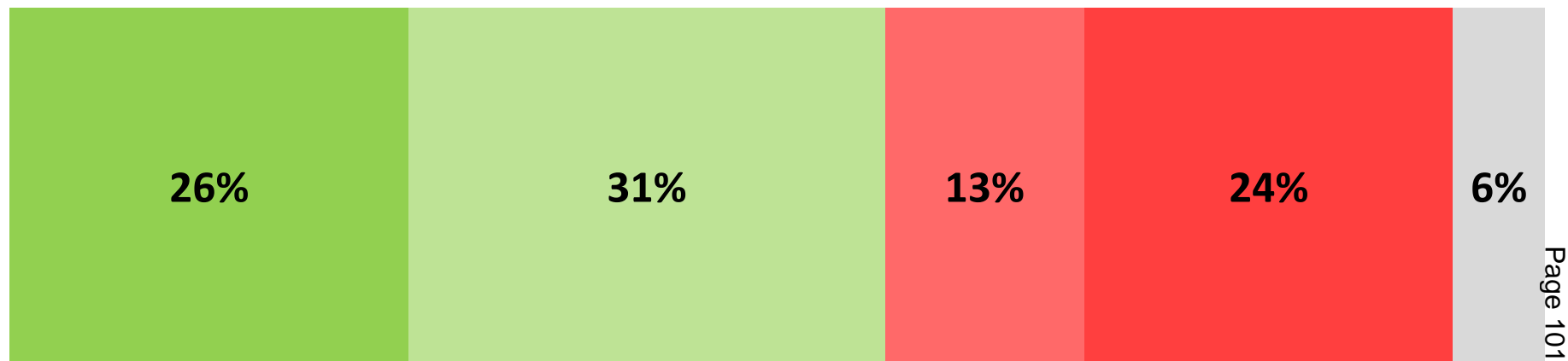
Q18a. To what extent do you agree or disagree with the following.... Increase in core Council Tax by 1.99% (£0.55 per week for a band D property)? NB data is rounded

Base: 188. All those who responded to the question. \*64 respondents, \*\*61 respondents



# Close to six out of 10 respondents agree to an increase in the ASC Precept by 1%. Higher among those 60 or over.

■ Strongly agree 
 ■ Tend to agree 
 ■ Tend to disagree 
 ■ Strongly disagree 
 ■ Not sure



Page 101

70% of those **60 or over\*** agree, compared to 49% of **under 60s\*\***. Identical to scores for 1% increase in core Council Tax

**Easy read:** majority support increase (56% said 'yes', 36% 'no')

80% of those who agree to increase in CTax of 1.99% also agree with increase in the ASC precept

*Q18a. To what extent do you agree or disagree with the following.... Increase in the Adult Social Care Precept by 1% (£0.27 per week for a band D property)?*

Base: 188. All those who responded to the question. \*64 respondents, \*\*61 respondents

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE  
HELD ON WEDNESDAY, 12 JANUARY 2022**

**COUNCILLORS**

**PRESENT** (Chair) Susan Erbil, Margaret Greer, Lee David-Sanders, Birsen Demirel, Mahmut Aksanoglu, James Hockney, Derek Levy and Hass Yusuf

**ABSENT** Elif Erbil

**STATUTORY CO-OPTES:** *1 vacancy (Church of England diocese representative), vacancy (other faiths/denominations representative), Mr Tony Murphy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor representative) - Italics Denotes absence*

**OFFICERS:** Melanie Dawson (Senior Solicitor), Matt Bowmer (Interim Director of Finance), Sarah Cary (Executive Director Place), Ian Davis (Chief Executive), Fay Hammond (Executive Director Resources), Bindi Nagra (People), Dudu Sher-Arami (Director of Public Health), Anne Stoker (Director of Children's Services) and Doug Wilkinson (Director of Environment & Operational Services) Clare Bryant (Secretary)

**Also Attending:** Councillor Nesil Caliskan (Leader of the Council)  
Councillor Mahtab Uddin (Cabinet Member for Children's Services)  
Chris Ferrary (on behalf of Lead Petitioner)  
Mustafa Berk-Ak (Enfield Deputy Young Mayor)

**1****WELCOME & APOLOGIES**

The Chair of the Overview & Scrutiny Committee welcomed members and officers to the Committee.

Apologies for absence were received from Councillor Erbil for whom Councillor Yusuf substituted.

**2****DECLARATIONS OF INTEREST**

No declarations of interest were received.

**3****MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2026/27**

The Chair thanked officers and members for attending to present the item on the Medium Term Financial Plan (MTFP) for 2022/23 to 2026/27.

Councillor Maguire, Cabinet Member for Finance and Procurement, introduced the item highlighting that they will cover the MTFP and the budget for next year (2022/23). Councillor Maguire stated that the overall aim is to balance the Council's budget during a period of uncertainty regarding Government support and funding. She thanked officers for their hard work on this.

Matt Bowmer, Director of Finance, delivered a presentation on the MTFP which covered the below points:

- Key Messages
- Settlement
- Options to close the £3.732m gap
- Budget Engagement
- Next Steps

During his presentation he made the following key points:

- Budget resilience for the longer term is a priority.
- The continued investment in Children's and Adult Social Care will create an overall budget increase in these areas (net of savings) of £7.8m. The focus throughout setting the budget has been ensuring that vulnerable residents are protected.
- Costs relating to Covid are still ongoing. There is no expected further Government support after April 2022.
- Gap of £3.732m before the decision on Council Tax is taken by the full Council meeting.

#### Settlement

- There is potential for earlier implementation of Fair Funding/Business Rates Reset than was previously thought.
- £1.5bn allocated through: SFA £72m, Services Grant £637m and Social Care £822m
- There will be £162m for social care reforms
- There is an expected change in the method of distribution for service grants in future years which will benefit Enfield.

#### Spending

- Pressures arising from the welcomed increase to national insurance and increases to minimum wage.
- The Council's ambitious capital programme needs to be funded which will increase over the next five years.
- There will be investment of £1.7m in services such as bulky waste, social worker apprentices and an Adult Social Care Regulatory Team.

#### Pressures

- There are £7m worth of pressures for the Council. These come from areas such as Homelessness & Emergency Accommodation, reforecast post Covid-19, and SEN Transport

#### Savings & Income

- There is a total of the new savings/income generation proposals of £8.614m in 2022/23 and £14.869m over the five year MTFP period.

- £4.874m of the 2022/23 total will come from Efficiencies, Demand Management or Service Reduction.
- £3.740m of the 2022/23 total is from income generation initiatives.

#### 2022/23 Budget by department

- There will be a continued approach of protecting services supporting the most vulnerable in the Borough.
- Existing pressures in these Demand Led Services plus Housing will be met.
- Net increase of £4.2m for Adult Social Care will be achieved.
- Net increase of £3.6m for Children's and Education will be achieved.

#### Budget Consultation

- The budget consultation started on the 5<sup>th</sup> January 2022 and will run until 11<sup>th</sup> February 2022.
- The feedback from the consultation will be fed into the budget submitted to full Council on 24<sup>th</sup> February 2022, as will the feedback received from this Committee.

#### Next steps

- The consultation on the budget will continue until early February 2022.
- The Local Government Finance Settlement will be received later in January 2022.
- At the Council meeting on the 26<sup>th</sup> January 2022 the Council will make a decision on Council Tax/Business Rates Base.
- The final MTFP Budget will go to Cabinet on 16<sup>th</sup> February 2022, from there it will go to Council on the 24<sup>th</sup> February 2022.

The Committee then asked questions of the Leader, Cabinet Members and Officers. A summary of the questions and answers are set out below:

Q: What grant is most helpful to the Council?

A: All are helpful to the Council, without the funding the Council currently receives the gap would be bigger. The Council has lost 60% of its funding over the last 10 years making it difficult to close the budget gap without sufficient funding.

Q: Can clarity be provided on the £3.8m saving figure?

A: This figure is taking into account all savings. The new savings figure is in Appendix 2 of the report. There will still be a budget gap. Of the saving proposals, almost half come from income. The budget recognises the Council can generate income.

Q: What is the response rate for the budget consultation?

A: During the first week of consultation 70 responses were received.

Q: The Council is looking to double its debt which has to be repaid. How much is currently taken out for the frontline budget, and what about going forward?

A: there is £1bn of borrowing. Currently, £240m is HRA being used to build houses, and supported renter payments. £300m is for Meridian Water which will pay back itself. The rest is for services and roads, etc. The five year plan ensures the Council can afford the borrowing.

Q: What is the year on year, and end, of the MTFP?

A: £10m by the end.

Q: Lenders look at assets prior to lending. What will happen as the Council approaches its asset level?

A: The above was considered when setting the cap on borrowing. The borrowing cap is very important as it considers current and future assets of the Council. Currently borrowing is an investment in the borough which will produce affordable homes and generate jobs and additional skills in the borough. The Government and the Mayor of London support the Council's projects and have made funding available. Scrutiny will continue to robustly monitor the Council's spending and borrowing.

Q: The report provides confidence that the Government will fund Covid expenditure, however, it also states that Covid costs are a concern.

A: For the current year Covid grants will fully support the Council. Past April 2022, there is no further funding.

Q: For the Council tax options, is this an area where consultation feedback will be considered? Concern was raised that as it is an election year there may be pressures to go for the zero-increase option.

A: the report is transparent and clearly sets out the options for Council Tax going forward. A decision will be made that is right for the whole borough and its residents.

Q: The consultation indicates that this will influence the final decision, how will this work?

A: The consultation is a statutory requirement, but the Council would consult on the budget regardless of this. A small number of residents respond to the actual budget consultation, but resident feedback is received throughout the year in other ways, such as public meetings, petitions, letters, etc. A balanced assessment will take place.

Q: How is slippage managed and what reprofiling takes place mid-year & its criteria?

A: Over the last few years there has been slippage within Council projects due to Covid. Projects are always reviewed and monitored which creates assurance. For the 10-year Capital Strategy, any borrowing will be a key decision, and this will only happen once a project is ready, so there is no borrowing in advance of need. Officers and members are keen to ensure projects are delivered in good time. Work has taken place over the last two to four years to ensure all savings are deliverable. Each budget is set once reflecting on the previous year's spend. Capital receipts are used for one off costs that are transformational to the borough.

Q: Pressure was reduced for SEN transport and emergency accommodation demand. How was this done?

A: During the last two years, work has been done to reduce the need for SEN transport by creating travel training and direct payments to carers for transport. The demand is still there. There is an increase in people with health

care plans and this will continue to increase as better assessments take place. Cabinet reviews proposals for savings. For special educational needs it is beneficial for the Council to bring these services in house.

Q: As pressures continue, will the budget eventually say the Council will only be able to provide statutory services?

A: The Council would not want to see this happen. The budget is sustainable and resilient. If Covid had not happened, the Council would be in a better position. There will be difficult times ahead.

Q: What are the risks relating to climate change policies such as home insulation?

A: The aim is for the Council to be carbon neutral by 2030. Reprofiling of capital expenditure will support this. Energetik is leading the way across the country to meet objectives. The Climate Action Plan needs support and funding from the Government. Work is taking place to improve the Council's fleet vehicles. There is a national pilot taking place to retrofit Council homes although this will cost a substantial amount of money.

Q: Are there savings to be made from working from home arrangements which have occurred during the pandemic to close the budget gap?

A: There is no government funding for Covid past this financial year. The Council is required to produce a balanced budget and is very careful when using its reserves and capital receipts. There is no option not to close the budget gap. The challenge with staff working from home is the potential disconnect from frontline and face to face services. The Council aims to ensure there is a healthy and harmonious culture for staff. The build the change programme will seek to see council buildings used more effectively.

Q: Will the Council lose staff and what consultation takes place with the trade unions regarding this?

A: Impact on staff will aim to be minimal. Redundancies have been stabilised and ongoing agency spend is being reduced. It is expected that there will be a net increase in staff, and there are no plans to cut staff to save the budget. The Leader meets with trade unions every two months to ensure they are engaged in the Council's arrangements. The Council supports bringing services in house where possible as it is better for employment standards and services.

Q: Historically there have been Government funding cuts to local government funding. Could the Council Tax Support Scheme mean that the budget gap is an additional £5m?

A: The Council is proud of its Council Tax Support Scheme. During the pandemic the need for this has increased and will hopefully stabilise, although it is unpredictable what the situation will be once the pandemic ends. The MTFP expects some recovery in 2022/23.

Q: Can an update on funding for integrated care system (ICS) be provided?

A: This falls under the NHS reorganisation and does not directly impact the Council budget. Discussions are taking place on equalising the funding of the

ICS which going forward will happen yearly. The fundamental issue is funding for the NHS and Enfield will fight for funding for Enfield's residents. The underfunding of Enfield is not sustainable.

Q: What is the saving for using LED street lighting?

A: Using LED lighting was a significant change for the borough with over 22,000 lamps being changed in the borough.

Q: What other services are likely to be moved in house?

A: Over the last 18 months, many services have been insourced which has provided greater resilience for the Council. Services are continuously being looked at to see whether they can benefit from being brought in house, and the revenue implications associated with this. The Council is proud of the number of services it has brought in house so far. This year debt recovery services will be insourced which will increase savings in fees and gives the Council greater control about how these happen.

Q: How can traffic and transport lose income when Low Traffic Neighbourhoods (LTNs) bring in income?

A: The pandemic caused parking incomes to plummet. The budgets for grant funding & Transport for London funding has been drip fed to the Council over the last year which has an impact.

Q: Why is it expected that sexual health pressures will increase post pandemic?

A: There are three sexual health services in the borough and an online service. The pandemic has changed the way these services are used and operate. Due to lockdowns and people not being able to attend investigation appointments there will be a hidden level of demand from previous years.

Q: Given the number of residents currently in temporary accommodation, where in the budget is there capacity to accommodate refugee families? Will there be a ringfenced budget?

A: Grant funding is received from the Government for initial resettling for refugees. The Council will continue to accommodate refugees from its own budget as this is the right thing to do. The Council is not accommodating more refugees than it can support.

Q: What are the future plans for social worker apprenticeships past 2023?

A: The Council will be investing in increasing the numbers. By the third year of the scheme there will be funding in the budget for these.

Q: Are the cost of funerals and grave digging expected to increase further?

A: These costs are in line with inflation. Enfield's charges are cheaper than the private sector.

Q: Prior to Covid the Council was going to have £1.2m of debt which would then go into a surplus. Since there were changes within the administration there will be a £2m debt. How was this decided?

A: The Leader became the Leader as she wanted to provide decent homes which will benefit Enfield residents. The housing crisis was a key feature in making the decision. The Cabinet share a collective vision to improve life within the borough.

Q: Are there targeted groups to promote equality at every opportunity?

A: Full equalities assessments are undertaken and considered for all savings and investments.

Q: What are the staff investments in Human Resources?

A: The Council currently has recruitment challenges and the investment will reduce these. On a per person ratio for Council staff HR are significantly under resourced.

Q: What is done to ensure Council owned land is used to the best of its ability?

A: The build the change programme is reviewing buildings to be more efficient which in turn will create better services for residents. Council buildings not being used have "meanwhile uses" such as Meridian Water.

The Chair thanked officers and members for their participation in this discussion and informed everyone that the minutes of this meeting will come to the 10<sup>th</sup> February 2022 business meeting and will then feed into the February Council meeting.

#### **4**

#### **CALL IN: MERIDIAN WATER RESIDENTIAL DELIVERY PROGRAMME**

Due to an administrative error it was agreed this item would be heard at the Overview & Scrutiny Committee on 20<sup>th</sup> January 2022.

#### **5**

#### **DATES OF FUTURE MEETINGS**

It was noted that the next meeting of the Overview & Scrutiny Committee would be the call-in meeting on the 20<sup>th</sup> January 2022.



## **Summary of Budget Risks**

This Appendix sets out the main financial risks the Council faces over the period of the Medium Term Financial Plan. Risk assessment and planning will minimise risk. Risks have been categorised as:

- Corporate
- Service Specific

### **CORPORATE RISKS**

These are risks that may affect all or a number of Council services.

- **Impact of Covid-19**

The Covid-19 pandemic created an unprecedented level of pressure on the Council's budget. There have been impacts on costs, lost income, and reducing funding from both Council Tax and Business Rates. Government funding received to support the impact of Covid-19 has helped, but the legacy of the pandemic remains. A £10m reserve was created from the unspent Covid funding but a large proportion of this is anticipated to be used up in 2022/23.

The longer the Covid-19 pandemic continues to impact on the Council's expenditure and income, the greater the potential financial risk. These risks include: the impact of the general economic downturn on income levels; increasing care needs across Adult Social Care; increased costs of Temporary Accommodation as the eviction ban is lifted; increased need in Children in Care; ongoing loss of income. Also the impact of the change in workstyles brought about by the pandemic is still unclear.

- **Current Economic Climate**

Enfield Council faces a general financial risk if businesses fail in the borough, which has been heightened in the current economy due to the Covid-19 pandemic. This would result in a loss of rental income, which would also be incurred by businesses moving out of Council owned commercial premises, and a loss of business rates. The current economic climate risks losses of other forms of income to the Council and increased difficulty in income collection. There is also an ongoing increase in the number of residents reliant on Council services.

- **Brexit**

The Council set up a Brexit Panel which first met in December 2018 and has continued to meet regularly since then. This group was established to advise the council on managing its response to the UK leaving the European Union. Workstreams have been set up to research the likely impact of Brexit on council services and local residents. Any identified risks are recorded in a risk register with recommendations of mitigating actions made by the Panel to Cabinet. As the impact of Brexit is consolidated over the coming year these risks will continue to be monitored via the Panel.

- **Spending Review 2021 and Changes to Local Government Funding**

As was the case in 2021/22, the settlement for 2022/23 is only a one year settlement so there is considerable uncertainty about funding beyond 2022/23. There are major changes pending within local government finance; the Fair Funding Review is aiming to establish new funding baselines for local authorities, whilst the Business Rates retention scheme is also undergoing significant changes, and this is a substantial income stream for the Council. Proposed changes to the distribution formula for government funding will inevitably lead to winners and losers unless the overall funding pot is increased. The longer term future of Social Care funding is also still unknown, the government have put in place short term grants and given councils the ability to raise ASC Precept on council tax, but uncertainty remains over the longer term financing of this area. All of these developments awaited by local government have been delayed in recent years as the Government has been focused on dealing with other issues such as Brexit and the Covid-19 pandemic.
- **Retention of Business Rates**

The future of Business Rates Retention is uncertain. The Government has been consulting on it and delays are being experienced in taking it forward. In general, increased business rates retention for local authorities transfers the risk from lower yields to local government. There are safety net arrangements, but local authorities will still need to bear a share of any shortfalls. Enfield were part of the pilot London pool for business rates in 2018/19 (100% retention) and again in 2019/20 (75% retention). Pooling continued between London Boroughs in 2020/21 although not in a pilot scheme, but for 2021/22 the pooling arrangement was suspended due to conditions making it unviable. The wider London Business Rate pool is not going ahead for 2022/23 either due to uncertainty over whether participation would be financially beneficial for members. Enfield will however be joining a smaller pool of 8 authorities to pool business rates for 2022/23. This decision was approved by Cabinet on 13 October 2021. Members of the pool are: City of London, Barnet, Brent, Enfield, Hackney, Haringey, Tower Hamlets and Waltham Forest. The impact of the Pool will not be known until Summer 2023 and therefore has not been built into the MTFP for 2022/23.
- **Litigation and Legal Actions**

All Councils face potential litigation cases and the size and range of services provided by Enfield make this a risk that should not be ignored. There are no single specific legal items to be reported but it is recommended that the Council includes some assessment for any uninsured litigation when assessing the adequacy of balances.
- **Demographic and Other Changes in the Borough**

One of the main risks to the Council's budget relates to the uncertainties surrounding demographic change. The birth rate has increased and residents are living longer, with greater levels of disability, and have greater expectations of independence, care and achievement. Assumptions have

been made in the budget about the likely increases in demand for services, particularly in respect of social services clients (both adults and children).

- **New Savings included in the 2022/23 Budget**

New savings and additional income totalling £8.696m have been identified for 2022/23. Although the savings have been scrutinised and the proposals have been assessed as viable and realistic, there is still an element of risk involved in their achievement.

The risks in relation to the achievement of the savings have been taken into account in setting the level of contingencies and general balances. Monitoring the achievement of these savings will, as in previous years, form an integral part of the 2022/23 revenue monitoring process. If required, appropriate action will be taken to ensure that they are delivered, if not the first call will be a review of other savings measures to compensate for any shortfall, failing this reserves and balances will be considered until the savings levels are fully implemented.

- **Changes in External Factors such as Interest Rates**

Interest rates are outside the Council's control and therefore represent a continuing area of significant risk. An Interest Rate Equalisation Reserve has been in place for several years to reduce the effect of fluctuations in interest rates and this reserve will be used in a planned way to support the MTFP. Interest rates will continue to be closely monitored and planning assumptions will be updated as required. Although the low interest rate environment especially in short term rates gives a reduced return on investment it also does allow the Council to borrow at historically low rates which has resulted in savings in interest costs over the past three years. The Council is, however, aware of the risk that interest rates may start to rise and is taking advantage of opportunities to fix into longer term low interest loans.

- **Inflation and other Cost Increases**

Staff pay represents a significant proportion of the Council's expenditure. Consequently, variations in pay levels represent a significant risk. The pay award for 2021/22 is still to be agreed with negotiations ongoing between the Unions and the Government. An estimated cost of £1m was included within the MTFP for this in 2021/22. For 2022/23 and the remaining 4 years of the MTFP, further annual amounts of approximately £2.5m (representing a 2% increase in each year). It should also be noted that the Council works in a range of labour markets, and supply and demand in London is pushing up costs in certain sectors. The mandatory living wage introduced from April 2016 has also put pressure on costs to the Council from external suppliers. In addition, in order to make savings, departments have been required to contain inflationary pressures in most areas of the Council's spending. Once again in 2022/23 departments have been largely asked to contain price inflation. This could be a financial risk, and the revenue monitoring process for 2022/23 will be important in the early identification of any potential cost pressures.

- **Increased Costs of Waste Disposal**

The MTFP reflects the changes in the North London Waste Authority (NLWA) levy to cover the estimated cost of the North London Heat and Power Project (NLHPP). This project will build a new Energy Recovery Facility in Edmonton, replacing the existing Energy from Waste plant at the EcoPark that has served North London for around 50 years but is coming to the end of its operational life. The estimated cost of building this new facility will significantly increase the Council's NLWA levy requirement and, as with all major construction projects, comes with significant risks. Whilst the provision over the 5 years of the MTFP aims to meet these increased costs, as with all major projects there is a risk that estimated costs could rise further in the future.

- **Income, including Fees and Charges**

The budget includes a number of assumptions about income levels. Although all income assumptions have been validated using the most up to date information available, there is inevitably an element of risk in the current economic climate that they might not all be achieved.

- **Future Revaluations of the Pension Fund**

The Actuarial Review in 2019 found that the funding level of the pension fund had improved since the last valuation which allowed a drop in the employers' contribution rate in 2020/21 from 24.8% to 20.2%. The 20.2% contribution rate will continue in 2022/23. The Pension Board will continue to closely monitor the position on the fund as this may affect the future contributions required from the Council.

- **VAT Exemption Limit**

As a Section 33 Body, the Council is allowed to recover VAT on expenditure related to its exempt supplies & services, **provided** this VAT amount does not exceed 5% of total annual VAT expenditure. This is known as the 'Partial Exemption Threshold'. Theoretically if the Council breached this threshold it would be unable to recover VAT on any of its expenditure, but in reality there is little risk of this happening.

- **Bellwin Scheme**

The Government's Bellwin Scheme provides emergency financial assistance to local authorities. The scheme may be activated where councils incur expenditure on an emergency or disaster to

- safeguard life or property, or
- to prevent suffering or severe inconvenience, in their area or among its inhabitants.

There is no automatic entitlement to financial assistance: Ministers are empowered by Section 155 of the Local Government and Housing Act 1989 to decide whether or not to activate a scheme after considering the circumstances of each individual case.

- **Welfare Benefits and a Challenging Housing Market**

The Government's welfare reforms that made changes to the benefit system have continued to impact on the Council's budgets as Housing costs paid through Housing Benefit have continued to reduce and are replaced by

Universal Credit (UC) causing challenges with rent collection. The yearly additional funding received for UC burdens continues to be less than the reduction in Housing Benefit Admin Subsidy, so overall funding is reducing. There is also additional work generated dealing with UC with approximately 14,500 households in Enfield now receiving it through natural migration following a relevant change. The rate at which natural migration has occurred has accelerated due to Covid-19 impacts. Managed migration to UC is now due to be completed by March 2025, where all working age claimants would have been transferred from legacy benefits to UC, leaving Housing costs for those in Temporary Accommodation and Supported Accommodation still being paid by Housing Benefit until the Government have a plan to transfer these over to UC.

As a result of more households receiving Universal Credit, it's becoming increasingly difficult to know if rents have increased (as this is reported to the DWP) and if shortfalls in Housing costs are occurring until a housing crisis comes to light or a Discretionary Housing Payment to cover the shortfall is received. Those on UC impacted by the benefit cap are not known to the Council, and the DWP will not share this information. Enfield has one of the highest number of households affected by the benefit cap. Not knowing the details held by DWP to proactively help reduce rent arrears will lead to more homelessness.

### **SERVICE SPECIFIC RISKS**

Finance staff, working with staff in Departments, have assessed the risks associated with individual budgets. The most significant risks within departmental budgets are set out below:

#### **Schools and Children & Families Services**

- **Demand Led Services**

Most areas within the Department's services are statutory, and demand led, this means the service must be provided if the client meets the relevant criteria. Examples include directly supporting children with special education needs and disabilities, purchasing care packages for looked after children and paying Special Guardianship Order allowances. These budgets are at risk from changes as the numbers of children requiring services grow.

The number of safeguarding referrals to children's social care has been rising which has led to more children on child protection plans and increasing numbers of children coming into care. Children's Social Care budgets have been prepared based on known levels of activity, demographic forecasts and historical trends. However, these factors, plus changes in welfare benefits, migration and population changes will continue to pose a risk because they cannot be fully quantified at this stage.

As the Covid-19 pandemic recedes demand may continue which might pose a significant risk to the budget.

The current high level of CPI and the uncertainty around how high the rates might go poses budget risks with regards to procurement cost.

The implementation of the Liberty Protect Safeguards legislation has been delayed until Autumn 2022. The Code of practice is not yet available, and it is unclear whether the Government will provide additional funding to support the implementation.

National reviews of children's social care services and special educational needs as well as regulatory and/or legislative changes may result in additional duties and responsibilities that may also impact adversely on the budget if not fully funded.

Whilst additional resources have been included in the budget reflecting forecast demand, the following areas have experienced pressures this year, that may continue in 2022/23.

- **Looked After Children**

The Covid-19 pandemic and restrictions placed on the public has created increased pressure and tensions within home environments with increased domestic abuse, alcohol/substance misuse and family breakdowns. It is anticipated that this situation will not settle for some time and will likely lead to an increased number of children becoming looked after.

Indeed, there has been an increase in the number of children being received into care over the last few years. Whilst all measures have been taken to control the costs of placements, this is not always possible due to the challenging nature and needs of the individuals which require very high-cost specialist placements.

Increased complexity of children coming into care, including high levels of self-harming, substance abuse and challenging behaviours could result in further cost pressures, coming from the need for specialist residential placements or high-cost support packages to keep children safe at home.

In addition, the Covid-19 pandemic has led to an unprecedented situation whereby a high level of care proceedings have not been able to conclude within the required timescales. The impact of this has been that children have continued to be looked after by the local authority longer than needed. There has been a need for expert assessments to be updated, additional pressures placed on the contact centre for supervised contacts to continue between children, their birth parents and siblings. This has increased caseloads, requiring additional social workers and in turn, interim agency social workers have had to be recruited to support continued service delivery.

- **External Care Purchasing**

There has been an increase in looked after children with complex needs and challenging behaviours. This has led to a considerably higher cost of residential placements, with increased support often requiring 2:1 or 3:1 'round the clock' staffing.

The residential care market is facing an extraordinary set of cost pressures and staffing sufficiency issues. Ever since the pandemic, it has been increasingly difficult to recruit new staff in the residential homes and even harder to retain experienced staff. As such, the providers have had to invest heavily in recruitment and staff wages in order to meet the needs of the children in the residential homes to continue to deliver a high standard of care. This, combined with above high inflation rate and increase in National Living Wage, might result in steep cost increase for local authorities.

The introduction of mandatory national standards, and an Ofsted-led registration and inspection regime for providers of supported accommodation for looked after children and care leavers aged 16 & 17 from Autumn 2023 might begin to impact the prices in 2022-23 and significantly put pressure in 2023-24 and beyond.

- **In-house Fostering**

As there has been an increase in the number of children being received into care over the last few years, the demand for foster placements has increased. This has resulted in more fostering allowances and other costs relating to maintaining a foster placement. The rise in Family and Friends placements causes an extra pressure as each placement is supported with an allowance and other costs relating to setting up such a placement. In addition, Enfield has had to consider enhanced payments for foster carers who are caring for children and young people with significantly high needs. These include complex medical needs, disabled children and children with severe behavioural challenges.

Enfield aims to support in-house foster carers as much as possible as the alternatives are far more costly, i.e. independent fostering agency carers or residential placements. Furthermore, there is an increase in older children needing placements and they usually have more challenging behaviours than younger children do and thus require additional support being provided to the carers such as respite care.

The delay in Special Guardianship cases being concluded in the courts has had an impact on the fostering allowances converting to more cost-effective Special Guardianship allowances. As a result of this, allowances within the service remain high and with the continuing demand for fostering placements, there is no prospect of this changing in the next financial year.

- **Unaccompanied Asylum Seeking Children**

Many children present as unaccompanied asylum-seeking children (UASCs) and the local authority supports them as looked after children using funds from the Home Office to cover the costs. When these young people turn 18, they remain eligible for support as care leavers until their immigration status is finalised and their rights to appeal exhausted. If the Home Office decision on their initial asylum claim is negative (they are not granted asylum and therefore leave to remain), the Home Office funding to the local authority ceases at the point the initial decision is made. This adds significant financial pressures as appeal processes can be lengthy and go beyond the young person's 21st birthday

International restrictions put in place as a result of COVID-19, especially around travelling across countries, had an impact in the number of UASC referrals (either direct requests or from external agencies) received by Enfield. At the end of March 2020, Enfield was supporting a total of 65 UASC. Since then we have seen a significant decrease in Enfield's UASCs population. However, as restrictions are being eased, it is expected an increase on the number of referrals and requests of support of UASCs. This is likely to exceed the pre-pandemic level in due course.

- **Leaving Care**

Changes in Legislation (Children's & Social Work Act 2017) relating to the duties of support that Local Authorities have towards their Care Leaver have resulted in additional budget pressures arising as local authorities are required to support children who were looked after up to their 25th birthday if needs are presented. In consequence, we have seen an increase in the number of Care Leavers over the age of 21 approaching the Leaving Care Service for support during the last year. We believe this is a trend that will continue in place.

Another aspect of this change in legislation has been the right of individual young people to choose 'staying put' with their existing carers after turning 18 years old instead moving into their own independent accommodation. The uptake of "staying put placements" has also been on the rise. While this translates into better support for Care Leavers this is also more expensive to the Local Authority as well as it reduces the number of carers available to support Look After Children.

In general terms, the provision of accommodation support remains the main pressing point for the Leaving Care budget. This is currently being mitigated by the expectation for all Care Leavers who are 18 or over, entitled to public funds and living in a placement provided by the service, to contribute towards their rent via a benefit claim or employment. However, as COVID restrictions have been lifted, the Department of Work and Pensions (DWP) has moved from the more flexible approach that was in place during the pandemic to support young people's applications for benefits. This is resulting in delays in the referral and process of these applications by the DWP as well as a rise in sanctions. The Local Authority remains responsible to cover the young person's income and full rent costs until benefits are awarded or reinstated.

- **Special Guardianship Orders**

The number of Special Guardianship Orders (SGO's) have been growing at a rapid pace over the last 5 years and this trend is expected to continue. SGO's offer children and young people permanency without them becoming looked after. They are cared for by friends or family. This is often within the community that they know which is far preferable to them being looked after by the local authority. The significant increase in SGO's has directly contributed to maintaining the relatively low number of looked after children in Enfield in comparison to statistical neighbours and national numbers.

The Covid-19 pandemic has led to an unprecedented situation whereby a high level of cases in the courts with plans of Special Guardianship have not been



able to conclude within timescales. As a result of this, SG addendums have been requested by the court in some cases which has placed additional financial pressure on the budget.

- **Parenting Capacity Assessments**

Due to the delay in the court arena as a result of Covid-19, it has been necessary to undertake addendums to many PCAs due to the time lapse from undertaking the initial assessment to when the case is finally heard in court. This placed additional pressure on the team and has necessitated some PCAs to be outsourced externally due to capacity issues within the PCA team.

- **Contact Centre**

The additional pressure on the Edmonton Contact Centre due to delays in the court arena with concluding cases has meant contacts have been extended beyond the final agreed contact arrangements. This has created capacity issues and lack of space in the Centre in which to take on additional contacts requested. As a result of this, it has been necessary to outsource some of the contacts pending conclusion of court cases and thus alleviating the pressure from in-house resources.

- **Joint Service for Disabled Children**

The demographic projections predict a significant increase in children with Special Educational Needs and Disabilities (SEND) in the borough. There is an increasing demand for short breaks and family support, both in terms of the number of families, the level of support required, and the expertise of support staff needed to meet the complex needs of children and young people.

During the pandemic the service has been required to respond with additional support to families, given the considerable pressures they have faced. This includes:

- supporting families where children are clinically extremely vulnerable and unable to attend school or group activities due to risk of infection;
- where children and/or parents have been required to self-isolate on numerous occasions;
- where parents have tested positive for Covid and need time to recover;
- where the lack of routine and structure has resulted in the child/young person displaying increased behaviours of concern.

It is anticipated that this demand will increase throughout 2022-23. In addition, the service will need to meet the additional costs of incremental direct payment rate increases. This investment would be required to ensure there is a robust early help offer to disabled children and their families, to prevent family breakdown and the need for costly placements.

- **Staffing**

The Department's salary budgets include a vacancy factor, which recognises the potential cost savings as a result of staff turnover. This can be difficult to achieve in certain areas where it is necessary to maintain higher staffing levels in order to

deliver safe essential services, although some vacancy factors have been removed within some of the social work teams to ease this ongoing pressure. In addition, the area faces significant challenges in recruitment and retention of permanent social workers. The use of agency staff puts further pressure on the budgets. The continuing high number of referrals to the service has resulted in an increased pressure on staffing budgets and additional resources have been allocated to Children's services to address these pressures.

In view of the national challenge with recruitment of social workers locally, Enfield Children and Family Services has had to consider recruitment of overseas qualified social workers, which is being progressed. These social workers will require a higher level of support to settle and adapt to the UK social work legislation and practice model. Whilst these social workers are being supported during their induction period of 4 to 6 weeks, there will be a need for agency social workers to cover. This will add to the current financial pressures, however on balance there is anticipated to be a medium to long-term benefit.

### **Schools Budget - Dedicated Schools Grant (DSG)**

- **School places**

The provision of school places is continually under review. A primary expansion programme, funded from the Council's Capital Programme, was delivered between 2008 and 2020 to create additional provision for an increasing primary population. These cohorts are now moving through to the secondary sector but, due to new academy provision, there has not been the need to expand any maintained secondary schools. The October 2021 census has indicated a reduction in pupil numbers of just under 1000, mostly in the primary sector. Reasons for this reduction are thought to include Brexit and Covid which has seen families moving out of Enfield. We expect to have sufficient school capacity to place all pupils for 2022/23 and future years based on current projections. The risk resulting from this reduction in numbers is that our Dedicated Schools Grant Allocation, based on pupil numbers, is reduced whilst levels of eligibility for other deprivation factors are increasing which puts pressure on formula allocations. There is also additional risk for schools which are no longer full to capacity, as their costs may not reduce in line with their reduction in funding which could result in an increase in schools in deficit.

- **Special Educational Needs (SEN)**

Even though we have seen a reduction in the overall school population, the number of high needs learners continues to increase and short and long-term provision for places is being assessed on an ongoing basis. There is a risk that this may lead to unfunded increased costs to the school's budget, as under current funding arrangements capital and revenue grant funding does not fully cover the costs of the additional places needed for children with Education, Health and Care Plans. There has been a significant increase in the number of pupils with SEN, particularly those on the autistic spectrum and with complex behavioural issues. These pupils are often placed in expensive, specialist independent provision whilst the authority continues to work towards the development of more in house provision. With effect from 2018/19, High Needs DSG funding has been allocated on a formulaic rather than historic basis and for 2022/23 the authority has received a significant increase in high needs funding,

£7.5m. It is hoped that this additional funding will reduce pressure on the overall budget position and support the authority in moving towards a balanced in year budget position.

- **National Fair Funding Formula**

The Government has confirmed that they are implementing a National Funding Formula (NFF) and a 'soft' NFF has been implemented for 2022/23. The intention is still to move to a hard NFF but the date for this has not been confirmed. For 2022/23, the funding provided to local authorities has been calculated using the NFF, but authorities retain some local flexibility regarding the distribution of these funds. Additional funding was provided over a 3 year period to support this transition, including £7.1b nationally for 2022/23. For 2022/23 the DfE have also announced a Supplementary Schools Grant to support schools with cost pressures and Enfield has received an indicative allocation of £8.2m. This funding, as well as an average 2.8% per pupil DSG increase, should ensure that most schools see an increase in their per pupil funding, but this varies significantly between schools. Cost pressures, particularly in terms of pay award/overheads and energy bills, continue to increase which is an issue for all schools but particularly those who will receive less funding under the NFF which could result in an increased number of schools being unable to set a balanced budget.

### **Adult Social Care**

- **Social Care Demand**

Adult social care funding has been under pressure for a number of years and was identified as the top long-term pressure for councils in a Local Government Finance Survey carried out in 2020. There are a number of factors driving these financial pressures, including, increasing demand for care, reductions in overall funding for local government, increases in care costs and the coronavirus outbreak.

The Office for National Statistics (ONS) states, whilst the overall UK adult population grew by 7% between 2009 and 2019, the number aged 85 or over rose by 23% in the same period. Enfield's older Adult population (over 65s) is increasing at the rate of over 2% a year, however for those aged 85 and above, the rate of increase is predicted by the ONS to be over 7.8% over the next four years. The over 85s have some of the most complex and expensive social care packages.

Care purchasing budgets have been prepared based on known levels of activity plus those that might reasonably be foreseen as unavoidable, based on demographic forecasts and historical trends. There remains, however, the possibility that demand will exceed these assumptions. Improved healthcare means that more adults with disabilities are surviving into adulthood and into old age. As older people are living longer this has associated with it longer term health issues. This is driving an increased demand for services and the ability to offer appropriate and sustainable levels of support to an increasing number of people and delivering savings in 2022/23 is not without risk. There has been for some years a sustained growth in the number of adults living with a learning disability. This is forecast to continue, in particular with larger numbers of younger adults with multiple and complex needs.

- **Covid-19**

The impact of Covid-19 will continue into 2022/23 and possibly many more years to come. The main risks will be controlling the spread of infection, supporting vaccination, supporting the workforce, carers and social workers, safe discharge from the NHS to social care settings and responding to individual needs from providers of care such as advice and PPE.

At present the NHS are looking after and paying for approximately 100 clients in the community. When funding from the NHS ceases, they will become the responsibility of the Council. The cost of these clients is not presently known. Each client will be formally assessed in accordance with the Care Act. This could cause a substantial pressure in 2022/23 and beyond.

The longer-term impact of Covid-19 is not yet known. Delays in operations such as knee and hips will lead to increased costs for adult social care in the long term. The impact and costs of long Covid and longer-term Mental Health and increased care in Learning Disabilities is still to be determined.

- **Contractual Price**

The Government increased the National Living Wage for individuals aged 23 and over by 6.6% from £8.91 to £9.50 with effect from 1st April 2022. As the majority of care costs are for labour, this will have a significant impact on providers of social care. Inflation has also become a more significant factor in cost pressures this year. The average rate of inflation (consumer price index over the 12 month period to November 2021) has increased to 4.6%. These services are provided to local people with eligible needs and are delivered by the independent and voluntary sectors. In negotiating contracts with these providers, the Council seeks to strike a fair balance between a meaningful recognition of providers' costs, affordability to local taxpayers and quality of services. The Council also needs to be mindful of those areas of service provision where there is a shortage or risk of insufficient capacity to meet demand. These are factors which can push prices up, so working with the market and with other authorities to increase capacity which achieves value for money remains a priority.

The procurement and commissioning service is also working with providers of services to understand price structures and how the cost of services provided is broken down. Retaining skilled staff, payment for travel time, pension scheme requirements, paying a living wage and investing in new technologies as well as cost of living pressures are all factors which can push prices up. An analysis will be completed for other types of provision in order to achieve best value and deliver our duty around market sustainability as defined within the Care Act 2014. Social Care is a labour intensive service, with direct employee costs often equating to 70-80% of overall service costs, further national increases in the living wage will inevitably result in further price pressures in coming years.

- **Provider Failure**

There is a risk that provider failures may occur. The Council has a duty under the Care Act to be a provider of last resort, however there is a possibility of interruptions to care and support services with additional cost implications should

a business fail. The Council's priority is to work with all registered care providers in the borough, to avoid the risk of business failure and to minimise the disruption and impact for service users of any such failure. The Council will focus its activity on those providers where there is assessed to be greater risk of business failure to ensure a targeted approach and efficient use of resources.

The Adult Social Care service will continue to be a provider of last resort for failed providers and there will be cost implications if this becomes necessary.

- **Pressures on the Local NHS**

Sustained increases in demand upon local NHS services due to demographics and Covid-19, may lead to both additional demand for social care and actions to contain NHS overspends that pose a risk of costs being transferred, directly or indirectly to social care. This will continue to be kept under close review.

- **Fees & Charges paid by service users**

Given the significant income assumptions in the budget, there is a risk that they might not be achieved in full. This is especially the case in the current economic climate with Covid-19, where vulnerable residents may be making difficult choices between funding their basic living requirements and paying charges.

## Public Health

It was announced on 18 August 2020 that PHE (Public Health England) would be abolished, and its functions divided, with the new 'National Institute for Health Protection' taking over the health protection agenda. This new organisation will be an amalgamation of parts of PHE, NHS Test and Trace, and the recently established Joint Biosecurity Centre.

The Government has established a UK Health security agency and the Office for Health and improvement and disparities. Currently there is no additional expectation of Public Health Teams in Local Authorities.

The Public Health Grant in 2021/22 is £17.531m. The exact amount of grant in 2022/23 and the responsibility of services to be provided under the grant is still to be confirmed by the Government.

The Council has NHS contracts with North Middlesex Hospital and Barnet, Enfield and Haringey (BEH) Mental Health Trust, for 0-19s, Substance Misuse and Sexual Health, totalling a sum of £9m. These mainly pay for NHS staff.

The NHS Pay Review Body (NHSPRB) during the first quarter of 2021, recommend a pay increase for NHS clinical staff. Which was actioned. Also, as part of the NHS introduced Agenda for Change (AfC) most NHS staff pay would be harmonised for pay scales and career progression. The period of this was from 1 April 2019 to 31 March 2023. If the grant is not increased to take account of these changes then there could be a pressure of up to £500k. The current contract with NMUH expires on 31st March 2023 and the Council is seeking to arrange to recommission this service with the same provider using a Section 75 agreement. Specifications and costings for this are currently being

worked up and will be taken to cabinet in the early summer of 2022 for consideration.

The longer impact of Covid-19 on Public Health services is unknown; the increase in need for mental wellbeing support and increase in incidences of domestic abuse suggest an increased demand for substance misuse services.

There is a risk of increased demand once the pandemic has passed and as substance misuse services move towards recovery. Providers are seeing patients with increasing complexities of physical and mental health coupled with substance misuse issues. Furthermore, the cost of providing Opiate Substitute Therapy (OST) has also increased for both methadone and buprenorphine, with Providers of substance misuse services reporting a 700% increase in buprenorphine costs. This will have a significant impact on the cost of providing OST locally if we are to maintain choice.

Since the pandemic was declared there has been a reduction in demand for sexual health services due to either NHS staff redeployment or changes in population behaviour as a result of the restrictions, however London has a significantly higher population than other parts of the country of key risk groups for sexually transmitted infections (STIs) and HIV. Local authorities are required by law to provide 'open access' sexual health services for everyone present in their area. In practice this means that people can access services anywhere, providers then bill the local authority of residence. There has been a high and rising demand which was evident before the pandemic for sexual health services which takes up 30% of the public health budget. The clinics at Silverpoint and Enfield Town are designed to reduce the number of out of borough treatments and hence help to control costs. The nature of this risk may lead to additional activity and cost pressures.

## Place Department

- **Temporary Accommodation (TA)**

The primary driver of the TA budget is the number of households in temporary accommodation which peaked in August 2020 at 3,600. There are currently 3,193 households in temporary accommodation and the aim is to reduce this to 2,900 by year end. Moving 300 households out of temporary accommodation in the space of two months is challenging. Measures have been introduced to increase the supply of privately rented accommodation to facilitate this reduction.

There are continuing pressures on our prevention service with high numbers of people being evicted following the lifting of the ban on evictions. Despite this the number of households entering TA remains low, however this is dependent on a continuing supply of suitable privately rented properties.

- **Special Educational Needs (SEN) Transport)**

SEN Transport costs continue to rise driven by a large increase in passenger numbers (1,188 as at the end of December 2021, 1,067 as at the end of December 2021 and 970 as at the end of December 2019), up by about 11% year on year). It is anticipated that these numbers will continue to rise year on

year, with the distinct possibility that next December (2022) numbers will exceed 1,292 per day, if we are to follow trends and data about pupil numbers analysed from 2016 onwards. Additionally, more provision is being requested for children with complex needs. Whilst we are mitigating the costs as best as possible with new initiatives between transport, SEN and the brokerage team, many new provisions are for the more costly options of out of borough transport requirements due to in borough education places being at capacity.

- **Commercial Property Portfolio**

The Council's commercial property portfolio is expected to generate gross rental income in excess of £10.7m in 2022/23. The economic uncertainty, together with current regeneration initiatives and level of disposals continues to impact adversely on income streams. A number of rent reviews and lease renewals will seek to mitigate the downturn. In addition, major income producing regeneration schemes will in the longer term increase rental growth.

The effects of the pandemic will impact on the income stream with potential tenant defaults from businesses not surviving, resulting in an increase in the number of void assets, and those that do survive seeking to defer rent payments over a longer period, by way of repayment plans to help them survive.

- **Empty Property Compulsory Purchase Order (CPO) programme**

The Council is liable to make 'Basic Loss payments'. Basic Loss Payments are statutory entitlements payable to former owners for interest in land, subject to certain criteria being met and up to a maximum amount. There are also other Heads of Claim under the Statutory Compensation Code in addition to Home loss payments which also need to be considered/factored in, on a case by case basis.

- **Security of Council Premises**

Due to the heightened risk of the Council's vacant and open spaces being illegally occupied, there are potential additional costs on security to prevent illegal occupation of Council land.

- **Meridian Water**

In July 2018 Cabinet took the decision to place the Council as the master developer for Meridian Water and for the Council to lead the project on a phase by phase basis. Since then the Council has appointed Vistry to deliver the first 900 homes which start on site later this year, delivered the new Meridian Water Station, won £170m of government funding, submitted a planning application for 2,300 homes and opened the Drumsheds music venue, the Drive in Cinema and most recently the Meridian Water Studios. The Council are committed to negotiating the delivery of, as a minimum, 10,000 homes and thousands of new jobs over the next 20 plus years. Meridian Water is a significant financial undertaking for the Council, there are therefore a number of associated financial risks which are managed within the Meridian Water financial model and monitored on a regular basis.

- **Development Management**  
Economic downturn or uncertainty could impact on income from planning fees, pre-app fees, Planning Performance Agreement fees and Building Control fees; continued difficulties recruiting permanent staff will require continued reliance on agency staff with associated budget pressures and costs associated with appeals, hearings, public inquiries over-and-above what would normally be expected.
- **Section 106/CIL receipts**  
Economic downturn or uncertainty could impact on income from CIL/S106, especially in relation to the collection of administration fees. Changes proposed to the CIL/S106 collection system by the Government through the Planning White Paper could result in financial risks associated with provision of infrastructure being transferred to the Council.

## **Resources Department**

- **Income**  
There are significant income expectations across traded services. There will be a risk that these are not achieved as planned due to events outside the services control. The most significant trading services with income expectations are the Schools Catering, Music and Swimming Service. The on-going pandemic will have an adverse impact on these services. Additional risks to income could also arise from the impact of the pandemic on the council's ability to enforce against its debts and generate income from libraries.
- **Digital Services**  
There are savings expectations from application rationalisation, but these have yet to be concluded and therefore remain a risk for 2022/23. There is a risk that the annual maintenance/licence costs associated with the digital capital investment programme (DCIP) and other programmes continue to be a financial pressure should the efficiencies anticipated to be delivered not be realisable. This will be magnified where there is dual running of applications and annual licence costs not included in the budget. There is also a risk of increased annual costs of new and existing contracts through market factors such as inflation, supply chain delays and competing demand from other organisations.



## **Earmarked Reserves Summary**

This Appendix explains the purpose of the Council's main earmarked reserves. The reserves table also shows planned movements in the balances over the period of the Medium Term Financial Plan. Comments regarding the adequacy of the reserves held are set out below while Appendix 7b summarises forecast use and commitment of the reserves.

<b>MTFP Smoothing and Capital Financing Reserves</b>	
Risk Reserve	Set aside as a contingency sum in order to provide financial funding over the period of the Medium Term Financial Plan for potential pressures.
Covid-19 Reserve	Reserve set up to fund costs relating to the Covid-19 pandemic.
Balance Sheet Management	A contingency amount set aside to cover any issues arising within the Council's balance sheet.
Collection Fund Equalisation Reserve	This reserve was created in 2017/18 primarily in order to smooth business rates receipts during the transition to the new funding regime. Additional business rates growth income received via the London Pilot Pool will be initially held in the reserve and allocated to the general fund in the following year in accordance with budget decisions.
Housing Benefits Smoothing Reserve	This reserve is to mitigate against any adjustments required which might arise from the audit of the Housing Benefit Subsidy claim. The agreed policy is to retain the balance on this reserve at 1% of the HB claim.
Adult Social Care Smoothing Reserve	As a result of Covid 19 some clients that were cared and paid for by the NHS, became the Council's responsibility on 1 April 2021. There are also a number of clients whose residential care placements were delayed due to Covid as well as cancellations of routine operations such as hip and knee replacements therefore clients will require more hours of support with an increase in costs. Service underspends were taken into reserve to meet these higher expected future costs.
North London Waste Authority Reserve	Funding set aside to cover potential future costs of the NLWA contract arising from the building of the new waste treatment facility.
Salix Fund Reserve	This reserve was set up to enable the savings arising from the implementation of Salix projects to be recycled on further energy saving projects in the future.
Minimum Revenue Provision Equalisation Reserve	Following a change in MRP policy in 2017/18 this reserve was created to smooth annual MRP requirements.
Interest Equalisation Reserve	This reserve is intended to address increases in interest rates. The global economic turbulence has had significant effects on the UK economy, of which the reduction in interest rates is one of the most significant. This reserve is designed to provide some cushioning against further fluctuations.
<b>Service Specific Reserves</b>	
Local Election Reserve	Council elections are held every four years. To smooth out the cost, a contribution is made into the reserve each year so that sufficient funding is available every fourth year to fund the local elections.
Sustainable Service Development Programme	Funding set aside for Sustainability projects.

## Appendix 7a

Invest to Save Reserve	Set aside to fund projects and initiatives which will deliver long term cost reduction or increase income for the Council to help balance the budget.
Redundancy and Early Retirement Reserve	This reserve refers to funding set aside to meet the one-off costs associated with service restructuring to achieve efficiency savings.
Crime & Disorder Fund	The reserve was originally set up with contributions from various groups within the Council to support crime and disorder activities not funded by core budget. The balance will be utilised to assist with the launch of the Serious Youth Violence public health approach strategy.
Deposit Bond Guarantee scheme for private landlords	This amount represents a bond deposit scheme for rent. Instead of paying rent deposits to landlords on behalf of homeless clients; the landlords are issued with a bond to guarantee that the deposit will be paid if the tenants breach their tenancy conditions.
New Homes Bonus Projects	Authorities that deliver new homes are awarded a New Homes Bonus. The Council is fully committed to the delivery of more homes in the borough and continues to progress a number of major housing renewal schemes including the Alma and Ladderswood Estates.
Parking Development Fund (PPRA)	This reserve was originally created when surpluses were made from the Parking Places Reserve Account (PPRA). The balance represents sums set aside for expenditure on future parking projects as permitted by legislation.
Building Control Appropriation Account	The balance represents net surpluses or deficits on Building Control non statutory services, where these are treated in accordance with the Building (Local Authority Charges) Regulations 2010. Income generated from fee earning works should cover the costs of delivering the service. Where surpluses or deficits occur, the council needs to consider the use of earmarked reserves to demonstrate 'taking one financial year with another' that the charges levied for carrying out building regulations chargeable service is equal, as far as practical, to the actual costs.
MHCLG Rogue Landlord Grant	Funding was award by MHCLG to support projects which take targeted action against criminal landlords, support good landlords in fulfilling their responsibilities and empower tenants to make good use of their rights. The balance held is earmarked for such projects in future.
Property Projects	This reserve fund was generated from unspent dowry relating to the perpetual upkeep of Mossops Park, including the Mossop Creek and Delta respectively.
Street Lighting PFI Equalisation Reserve	These balances will equalise the funding available for the PFI Street Lighting project over the whole life. Holding an earmarked reserve for this purpose is considered prudent and good practice.
Planning & Regeneration Reserve	This reserve is used for contributions towards and funding for the Council's regeneration agenda.
Welfare Reforms & Hardship Fund	The changes in the benefit regime increase the risk of residents being unable to pay council tax bills and additional costs relating to the new benefit administration and regulations. This reserve will be available to meet these potential pressures. In recognition of the hardship faced by working age households affected by the changes to Council Tax support, the Council established a Hardship Fund in 2013/14. The balance of this fund will be continuously rolled forward for use in future years.

Pooled Budgets Earmarked Reserve	The purpose of this reserve is to document the opening and closing stock in the community equipment service.
Development Transformation Earmarked Reserve	Fund held for staff training and development schemes
NEXUS	The NEXUS Project aims to tackle Youth Violence. £500k was provided in the MTFP in both 2019/20 & 2020/21. This balance represents unspent funding from those original allocations which is being used to continue this important work. Delays in delivering the project's aims were experienced due to the pandemic.
<b>Property Reserves</b>	
Repair & Maintenance of Council buildings	The revenue budget includes an annual contribution to the R & M fund. The fund supports day-to-day repairs, responsive maintenance, and service contracts in respect of Council buildings. With an ageing portfolio of buildings, the risk of expensive repairs and maintenance is increasing.
Repairs Fund for private sector housing leased to Council	This funding is set aside to cover the cost of repairs to PSL properties when the leases come to an end and the properties are handed back to their owners. It is "routine" business, with a low risk, and this reserve acts as a buffer to support the repairs work.
Montagu Dry Lake Maintenance Fund	This funding is set aside to cover future maintenance costs of a flood storage facility (dry lake).
<b>Other Grant Reserves</b>	
Section 106 Receipts	S106 agreements are issued on development proposals and require developers to make contributions to support infrastructure. These are similar to CIL arrangements which are an update on S106.
Grant Reserve	These are a collection of smaller earmarked reserves with very specific grant restrictions which limit their use.
CIL Reserve	The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool for local authorities to use to help them deliver the infrastructure needed to support the new development. In accounting terms, it is a contribution, earmarked similar to grants. CIL is used to help fund the Capital Programme.
Public Health	From April 2013, local authorities took on responsibility from the NHS, for improving the health and well-being of their local population and reducing health inequalities. The Authority was awarded ring-fenced grant in 2013/14 with specific grant conditions including the carry forward of underspends to future years.
EU Exit Grant	Funding was received from Government for costs incurred in making arrangements for BREXIT.
Performance Reward Grant Schemes	This grant is used by Enfield Strategic Partnerships to fund Local Area Agreement approved schemes. This reserve is used to fund costs associated with the Parent engagement panel and facilitate phased reductions in contributions to community and voluntary groups.
Troubled Families Grant	The Council managed to achieve the maximum Payment by Results grant available and the reserve has helped to fund the extension of the programme as the funding from MHCLG in 2020/21 was not enough to cover the cost of the team. The remaining balance on the reserve is planned to be used when the grant funding ends to pay for resources within Early

	Help to continue for another year or until the pressure is potentially managed through the MTFP process.
Proceeds of Crime Act (POCA) Grant	This funding enables proceedings to be brought against those suspected of criminal activity e.g. by confiscation of assets.
Maintenance Deposits	The balance represents payments to the Council from external sources for specific maintenance purposes. These sums are used as and when required for the following: Enfield Island Bridge; Broomfield Lane railway bridge; Innova Park Access Bridge; Fairview Homes soak way on public highway at Albany School; Eastern Electricity shrubbery screening Camlet Way Hadley Wood. Periodic inspections are carried out on the bridges and any repairs required are funded from these provisions.
Southbury Synthetic Pitches Maintenance Fund	Balance held for maintenance of the sports pitches at Southbury leisure Centre – grant conditions apply.
3G Football Pitch Replacement Fund	This is a Football Association Grant and is subject to grant conditions in how it is used.
<b>Insurance Reserves</b>	
Insurance Fund	The internal Insurance Fund provides cover in full for tree root damage claims, burglary and “all risks” on specified equipment. The Fund also meets the cost of all claims within the external policy excesses for general building fire damage (including housing properties), motor, cash and public and employer liability claims. In addition, there is a potential liability with a former insurer of the council which would be a call on this fund.
<b>General Fund Balances</b>	
General Fund Balances	This is a contingency fund set aside for emergencies or to cover any unexpected costs that may arise.
<b>HRA Reserves</b>	
HRA Repairs Fund and Capital Reserve	These funds represent the resources available for major repairs to the Housing stock and works to achieve the Decent Homes Standard.
HRA Insurance Fund	Provision to cover any claims made against the HRA.
HRA Balance	Accumulated balances held made up of the net surplus or deficit positions year on year. Surpluses add to the balance whilst any in year deficits can be funded from prior year surplus balances.
<b>Schools and DSG Reserves</b>	
Schools Balances	The balance represents the accumulated revenue balances held by schools.
Dedicated Schools Grant Reserve	The DSG is a ring-fenced specific grant, provided outside the local government finance settlement. It should be used in support of the schools’ budget for the purposes defined in the School and Early Years Finance (England) Regulations

## MOVEMENT IN EARMARKED RESERVES 2022/23 &amp; FUTURE USE FORECAST

## APPENDIX 7B

RESERVE	Balance at 31 March 2022	Estimated Net Transfers 2022/23	Forecast Balance at 31 March 2023	2023/24 to 2026/27 Programmes		Forecast Reserves as at 31 March 2027
	£'000s	£'000s	£'000s	Revenue £'000s	Capital £'000s	£'000s
<b><u>MTFP Smoothing and Capital Financing Reserves</u></b>						
Risk Reserve	(18,937)	30	(18,907)	0		(18,907)
<b>Risk Reserve Total</b>	<b>(18,937)</b>	<b>30</b>	<b>(18,907)</b>	<b>0</b>	<b>0</b>	<b>(18,907)</b>
Covid-19 Reserve	(10,000)	6,339	(3,661)	0		(3,661)
<b>COVID-19 Reserve Total</b>	<b>(10,000)</b>	<b>6,339</b>	<b>(3,661)</b>	<b>0</b>	<b>0</b>	<b>(3,661)</b>
Balance Sheet Management	(3,040)	0	(3,040)	0		(3,040)
<b>Balance Sheet Management Total</b>	<b>(3,040)</b>	<b>0</b>	<b>(3,040)</b>	<b>0</b>	<b>0</b>	<b>(3,040)</b>
Collection Fund Equalisation Reserve	(18,577)	10,051	(8,526)	741		(7,785)
Housing Benefits Smoothing Reserve	(5,276)	0	(5,276)	0		(5,276)
Adult Social Care Smoothing Reserve	(2,297)	1,000	(1,297)	1,297		0
NLWA Reserve	(1,349)	0	(1,349)	0		(1,349)
<b>Medium Term Financial Planning Smoothing Reserves</b>	<b>(27,499)</b>	<b>11,051</b>	<b>(16,448)</b>	<b>2,038</b>	<b>0</b>	<b>(14,410)</b>
Salix Fund	(942)	300	(642)	642		0
Capital Financing Reserves (Minimum Revenue Provision)	(18,644)	2,612	(16,032)	5,498		(10,534)
Capital Financing Reserves (Interest Rate Equalisation Reserve)	(4,663)	0	(4,663)	5,677		1,014
<b>Capital Financing Reserves</b>	<b>(24,248)</b>	<b>2,912</b>	<b>(21,336)</b>	<b>11,817</b>	<b>0</b>	<b>(9,520)</b>
<b><u>Service Specific Reserves</u></b>						
Local Election Reserve	(375)	(125)	(500)	0		(500)
Sustainable Service Development Programme	(230)	0	(230)	200		(30)
Invest to Save	(1,800)	0	(1,800)	0		(1,800)
Redundancy & Early Retirement Reserve	(3,429)	0	(3,429)	0		(3,429)
Crime & Disorder Fund	(228)	37	(191)	0		(191)
Parking Development Fund (PPRA)	(218)	150	(68)	0		(68)
Property Projects	(134)	0	(134)	0		(134)
Planning & Regeneration Reserve	(350)	100	(250)	250		0
Welfare Benefit Reforms	(3,245)	1,957	(1,288)	1,495		207
Pooled Budgets EM Reserve	(437)	200	(237)	237		(0)
Development Transformation EM Reserve	(17)	0	(17)	0		(17)
NEXUS	(402)	0	(402)	0		(402)
<b>Service Specific Reserves Total</b>	<b>(10,901)</b>	<b>2,319</b>	<b>(8,582)</b>	<b>2,182</b>	<b>0</b>	<b>(6,400)</b>

## MOVEMENT IN EARMARKED RESERVES 2022/23 &amp; FUTURE USE FORECAST

## APPENDIX 7B

RESERVE	Balance at 31 March 2022	Estimated Net Transfers 2022/23	Forecast Balance at 31 March 2023	2023/24 to 2026/27 Programmes		Forecast Reserves as at 31 March 2027
				Revenue	Capital	
<b><u>Property Reserves</u></b>						
Repair & Maintenance of Council buildings	(958)	550	(408)	2,200		1,792
Repairs Fund for private sector housing leased to the Council	(483)	0	(483)	0		(483)
Montagu Dry lake Maintenance Fund	(70)	0	(70)	0		(70)
<b>Property Reserves Total</b>	<b>(1,511)</b>	<b>550</b>	<b>(961)</b>	<b>2,200</b>	<b>0</b>	<b>1,239</b>
<b><u>Other Grant Reserves</u></b>						
S106 Receipts	(227)	0	(227)	0		(227)
Grant Reserve	(2,102)	393	(1,709)	0		(1,709)
CIL Reserve	(4,451)	0	(4,451)	0		(4,451)
Public Health Fund Reserve	(340)	215	(125)	125		0
EU Exit Grant	(72)	0	(72)	0		(72)
Performance Reward Grant Schemes	(200)	100	(100)	100		0
Troubled Families	(520)	512	(8)	0		(8)
Proceeds of Crime Act (POCA) Grant	(26)	26	0	0		0
Maintenance Deposits	(0)	0	(0)	0		(0)
Southbury Synthetic Pitches Maintenance Fund	(156)	(20)	(176)	(80)		(256)
3G Football Pitch Replacement Fund	(100)	(25)	(125)	(100)		(225)
<b>Other Grant Reserves Total</b>	<b>(8,195)</b>	<b>1,202</b>	<b>(6,993)</b>	<b>45</b>	<b>0</b>	<b>(6,948)</b>
<b>General Fund Usable Reserves Sub Total</b>	<b>(104,332)</b>	<b>24,402</b>	<b>(79,929)</b>	<b>18,282</b>	<b>0</b>	<b>(61,647)</b>
<b><u>Insurance Reserves</u></b>						
Insurance Fund	(7,022)	0	(7,022)	0		(7,022)
<b>Insurance Reserves Total</b>	<b>(7,022)</b>	<b>0</b>	<b>(7,022)</b>	<b>0</b>	<b>0</b>	<b>(7,022)</b>
<b><u>General Fund Balances</u></b>						
General Fund Balances	(13,949)	0	(13,949)	0		(13,949)
<b>General Fund Balances Total</b>	<b>(13,949)</b>	<b>0</b>	<b>(13,949)</b>	<b>0</b>	<b>0</b>	<b>(13,949)</b>
<b>Total General Fund Reserves and Balances</b>	<b>(125,303)</b>	<b>24,402</b>	<b>(100,900)</b>	<b>18,282</b>	<b>0</b>	<b>(82,618)</b>

MOVEMENT IN EARMARKED RESERVES 2022/23 & FUTURE USE FORECAST

APPENDIX 7B

RESERVE	Balance at 31 March 2022	Estimated Net Transfers 2022/23	Forecast Balance at 31 March 2023	2023/24 to 2026/27 Programmes		Forecast Reserves as at 31 March 2027
				Revenue	Capital	
<b><u>HRA Repairs Fund</u></b>						
HRA - Repairs Fund	(10,175)	(500)	(10,675)	(1,000)		(11,675)
HRA - Capital Reserve	(16,476)	10,185	(6,291)		5,559	(732)
<b>HRA Repairs Fund Total</b>	<b>(26,651)</b>	<b>9,685</b>	<b>(16,966)</b>	<b>(1,000)</b>	<b>5,559</b>	<b>(12,407)</b>
<b><u>HRA Insurance Fund</u></b>						
HRA - Insurance Fund	(323)	0	(323)	0		(323)
<b>HRA Insurance Fund Total</b>	<b>(323)</b>	<b>0</b>	<b>(323)</b>	<b>0</b>	<b>0</b>	<b>(323)</b>
<b><u>HRA Balance</u></b>						
HRA Balance	(10,178)	(500)	(10,678)	(1,000)		(11,678)
<b>HRA Balance Total</b>	<b>(10,178)</b>	<b>(500)</b>	<b>(10,678)</b>	<b>(1,000)</b>	<b>0</b>	<b>(11,678)</b>
<b>Total HRA Reserves and Balances</b>	<b>(37,153)</b>	<b>9,185</b>	<b>(27,968)</b>	<b>(2,000)</b>	<b>5,559</b>	<b>(24,409)</b>
<b><u>Schools Balances</u></b>						
Schools Balances	242	0	242	0		242
<b>Schools Balances Total</b>	<b>242</b>	<b>0</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>242</b>
<b>Total Schools' Reserves and Balances</b>	<b>242</b>	<b>0</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>242</b>
<b>Grand Total Reserves and Balances</b>	<b>(162,214)</b>	<b>33,587</b>	<b>(128,626)</b>	<b>16,282</b>	<b>5,559</b>	<b>(106,785)</b>

## MOVEMENT IN EARMARKED RESERVES 2022/23 &amp; FUTURE USE FORECAST

## APPENDIX 7B

RESERVE	Balance at 31 March 2022	Estimated Net Transfers 2022/23	Forecast Balance at 31 March 2023	2023/24 to 2026/27 Programmes		Forecast Reserves as at 31 March 2027
				Revenue	Capital	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b><u>MTFP Smoothing and Capital Financing Reserves</u></b>						
Risk Reserve	(18,937)	30	(18,907)	0		(18,907)
<b>Risk Reserve Total</b>	<b>(18,937)</b>	<b>30</b>	<b>(18,907)</b>	<b>0</b>	<b>0</b>	<b>(18,907)</b>
Covid-19 Reserve	(10,000)	6,339	(3,661)	0		(3,661)
<b>COVID-19 Reserve Total</b>	<b>(10,000)</b>	<b>6,339</b>	<b>(3,661)</b>	<b>0</b>	<b>0</b>	<b>(3,661)</b>
Balance Sheet Management	(3,040)	0	(3,040)	0		(3,040)
<b>Balance Sheet Management Total</b>	<b>(3,040)</b>	<b>0</b>	<b>(3,040)</b>	<b>0</b>	<b>0</b>	<b>(3,040)</b>
Collection Fund Equalisation Reserve	(18,577)	10,051	(8,526)	741		(7,785)
Housing Benefits Smoothing Reserve	(5,276)	0	(5,276)	0		(5,276)
Adult Social Care Smoothing Reserve	(2,297)	1,000	(1,297)	1,297		0
NLWA Reserve	(1,349)	0	(1,349)	0		(1,349)
<b>Medium Term Financial Planning Smoothing Reserves</b>	<b>(27,499)</b>	<b>11,051</b>	<b>(16,448)</b>	<b>2,038</b>	<b>0</b>	<b>(14,410)</b>
Salix Fund	(942)	300	(642)	642		0
Capital Financing Reserves (Minimum Revenue Provision)	(18,644)	2,612	(16,032)	5,498		(10,534)
Capital Financing Reserves (Interest Rate Equalisation Reserve)	(4,663)	0	(4,663)	5,677		1,014
<b>Capital Financing Reserves</b>	<b>(24,248)</b>	<b>2,912</b>	<b>(21,336)</b>	<b>11,817</b>	<b>0</b>	<b>(9,520)</b>
<b><u>Service Specific Reserves</u></b>						
Local Election Reserve	(375)	(125)	(500)	0		(500)
Sustainable Service Development Programme	(230)	0	(230)	200		(30)
Invest to Save	(1,800)	0	(1,800)	0		(1,800)
Redundancy & Early Retirement Reserve	(3,429)	0	(3,429)	0		(3,429)
Crime & Disorder Fund	(228)	37	(191)	0		(191)
Parking Development Fund (PPRA)	(218)	150	(68)	0		(68)
Property Projects	(134)	0	(134)	0		(134)
Planning & Regeneration Reserve	(350)	100	(250)	250		0
Welfare Benefit Reforms	(3,245)	1,957	(1,288)	1,495		207
Pooled Budgets EM Reserve	(437)	200	(237)	237		(0)
Development Transformation EM Reserve	(17)	0	(17)	0		(17)
NEXUS	(402)	0	(402)	0		(402)
<b>Service Specific Reserves Total</b>	<b>(10,901)</b>	<b>2,319</b>	<b>(8,582)</b>	<b>2,182</b>	<b>0</b>	<b>(6,400)</b>



## MOVEMENT IN EARMARKED RESERVES 2022/23 &amp; FUTURE USE FORECAST

APPENDIX 7B

RESERVE	Balance at 31 March 2022	Estimated Net Transfers 2022/23	Forecast Balance at 31 March 2023	2023/24 to 2026/27 Programmes		Forecast Reserves as at 31 March 2027
				Revenue	Capital	
<b><u>Property Reserves</u></b>						
Repair & Maintenance of Council buildings	(958)	550	(408)	2,200		1,792
Repairs Fund for private sector housing leased to the Council	(483)	0	(483)	0		(483)
Montagu Dry lake Maintenance Fund	(70)	0	(70)	0		(70)
<b>Property Reserves Total</b>	<b>(1,511)</b>	<b>550</b>	<b>(961)</b>	<b>2,200</b>	<b>0</b>	<b>1,239</b>
<b><u>Other Grant Reserves</u></b>						
S106 Receipts	(227)	0	(227)	0		(227)
Grant Reserve	(2,102)	393	(1,709)	0		(1,709)
CIL Reserve	(4,451)	0	(4,451)	0		(4,451)
Public Health Fund Reserve	(340)	215	(125)	125		0
EU Exit Grant	(72)	0	(72)	0		(72)
Performance Reward Grant Schemes	(200)	100	(100)	100		0
Troubled Families	(520)	512	(8)	0		(8)
Proceeds of Crime Act (POCA) Grant	(26)	26	0	0		0
Maintenance Deposits	(0)	0	(0)	0		(0)
Southbury Synthetic Pitches Maintenance Fund	(156)	(20)	(176)	(80)		(256)
3G Football Pitch Replacement Fund	(100)	(25)	(125)	(100)		(225)
<b>Other Grant Reserves Total</b>	<b>(8,195)</b>	<b>1,202</b>	<b>(6,993)</b>	<b>45</b>	<b>0</b>	<b>(6,948)</b>
<b>General Fund Usable Reserves Sub Total</b>	<b>(104,332)</b>	<b>24,402</b>	<b>(79,929)</b>	<b>18,282</b>	<b>0</b>	<b>(61,647)</b>
<b><u>Insurance Reserves</u></b>						
Insurance Fund	(7,022)	0	(7,022)	0		(7,022)
<b>Insurance Reserves Total</b>	<b>(7,022)</b>	<b>0</b>	<b>(7,022)</b>	<b>0</b>	<b>0</b>	<b>(7,022)</b>
<b><u>General Fund Balances</u></b>						
General Fund Balances	(13,949)	0	(13,949)	0		(13,949)
<b>General Fund Balances Total</b>	<b>(13,949)</b>	<b>0</b>	<b>(13,949)</b>	<b>0</b>	<b>0</b>	<b>(13,949)</b>
<b>Total General Fund Reserves and Balances</b>	<b>(125,303)</b>	<b>24,402</b>	<b>(100,900)</b>	<b>18,282</b>	<b>0</b>	<b>(82,618)</b>

MOVEMENT IN EARMARKED RESERVES 2022/23 & FUTURE USE FORECAST

APPENDIX 7B

RESERVE	Balance at 31 March 2022	Estimated Net Transfers 2022/23	Forecast Balance at 31 March 2023	2023/24 to 2026/27 Programmes		Forecast Reserves as at 31 March 2027
				Revenue	Capital	
<b><u>HRA Repairs Fund</u></b>						
HRA - Repairs Fund	(10,175)	(500)	(10,675)	(1,000)		(11,675)
HRA - Capital Reserve	(16,476)	10,185	(6,291)		5,559	(732)
<b>HRA Repairs Fund Total</b>	<b>(26,651)</b>	<b>9,685</b>	<b>(16,966)</b>	<b>(1,000)</b>	<b>5,559</b>	<b>(12,407)</b>
<b><u>HRA Insurance Fund</u></b>						
HRA - Insurance Fund	(323)	0	(323)	0		(323)
<b>HRA Insurance Fund Total</b>	<b>(323)</b>	<b>0</b>	<b>(323)</b>	<b>0</b>	<b>0</b>	<b>(323)</b>
<b><u>HRA Balance</u></b>						
HRA Balance	(10,178)	(500)	(10,678)	(1,000)		(11,678)
<b>HRA Balance Total</b>	<b>(10,178)</b>	<b>(500)</b>	<b>(10,678)</b>	<b>(1,000)</b>	<b>0</b>	<b>(11,678)</b>
<b>Total HRA Reserves and Balances</b>	<b>(37,153)</b>	<b>9,185</b>	<b>(27,968)</b>	<b>(2,000)</b>	<b>5,559</b>	<b>(24,409)</b>
<b><u>Schools Balances</u></b>						
Schools Balances	242	0	242	0		242
<b>Schools Balances Total</b>	<b>242</b>	<b>0</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>242</b>
<b>Total Schools' Reserves and Balances</b>	<b>242</b>	<b>0</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>242</b>
<b>Grand Total Reserves and Balances</b>	<b>(162,214)</b>	<b>33,587</b>	<b>(128,626)</b>	<b>16,282</b>	<b>5,559</b>	<b>(106,785)</b>

**STATEMENT OF THE SECTION 151 OFFICER UNDER THE  
REQUIREMENTS OF SECTION 25 OF THE LOCAL GOVERNMENT ACT  
2003**

**ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF THE  
RESERVES - FEBRUARY 2022**

## **1 Introduction**

The Local Government Act 2003 places a duty on the Chief Finance Officer (the Council's Section 151 Officer) to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves.

Guidance on balances and reserves is provided by Local Authority Accounting Panel (LAAP) Bulletin 77 (Nov 2008) which is the basis on which the Chief Finance Officer's annual financial risk assessment has been updated in this report. The LAAP emphasises the importance of taking account of the Council's medium-term plans and forecasts of resources, and not to focus solely on short term considerations. The majority of Council services face external demand and cost pressures in future years, and in addition, the Council continues to need to transform in order to meet rising demand with fewer resources and invest in capital projects to ensure the long-term viability of Council assets.

This Appendix focuses on the robustness of estimates and the adequacy of reserves which are central to the Council's risks and uncertainties and need to be considered together.

## **2 Processes**

Budget estimates are made at a point in time and this statement about the robustness of estimates cannot give a guaranteed assurance about the budget, but, instead, gives members reasonable assurances that the budget has been based on the best available information and assumptions.

To meet the requirement on the robustness of estimates a few key processes are in place, including:

- the issuing of clear guidance to all officers involved in the preparation of budgets including the importance of proposed savings and income generation proposals to be realistic and deliverable;
- the use of budget monitoring in 2021/22 to re-align budgets with current demand where possible, and, for 2022/23 to update the Medium-Term Financial Plan (MTFP) and build in known pressures;
- development of savings and income generation proposals by savings workstreams;
- scrutiny and review via weekly meetings of the Executive Management Team (EMT) and by Overview and Scrutiny budget challenge in January 2022 of the proposed savings and their achievability;
- weekly meetings with the Cabinet Member for Finance and Procurement and regular meetings with the Leader to review key issues and provide ongoing direction to the process;

- the Chief Financial Officer providing advice throughout the process on robustness, including reflecting current demand and service standards (unless standards and eligibility are to be changed through a change in policy)

In addition to these arrangements, which are designed to test the budget throughout its various stage of development, reliance is placed on the Service Managers having proper arrangements in place to identify issues, project demand data, and consider value for money and efficiency. These arrangements are managed via Departmental Management Teams, drawing on monthly information in the financial monitor, performance reporting systems and the Council's risk management strategy (which in itself results in the strategic risk register being reported to and challenged by the Audit Committee on a regular basis).

### 3 Robustness of Revenue Estimates

The 2022/23 draft budget includes £5.856m of new service savings and £2.840m of increased income proposals and -£0.705m of prior year savings and income savings (this figure is negative due to reversals of one off savings), totalling £7.991m overall. New service and corporate pressures totalling £22.009m have been reflected in the 2022/23 budget to address demand and cost pressures as detailed in the Revenue Budget Proposals section of the main report. These have been offset by reversal of Covid-19 pressures totalling £13.894m, giving a net pressures figure of £8.115m for 2022/23. The savings identified to balance the 2022/23 budget have been closely scrutinised by both officers and members, and where appropriate Equality Impact Assessments (EQIAs) have been completed by departments. Savings and income generation proposals approved in the budget round will be closely monitored through 2022/23 until they are fully embedded into the Council's budget.

The risks in relation to the achievement of all savings are taken into account in setting the level of contingencies and general balances. The monitoring of the achievement of these savings, as in previous years, will form an integral part of the 2022/23 revenue monitoring process, which culminates in quarterly reporting to Cabinet. During 2021/22 the Pressures Challenge Board continued to focus on areas of key pressures to develop action plans to ensure that pressures were contained. Where no recourse was identified to manage 2021/22 pressures and unachieved savings these were built into the MTFP in 2022/23. Containment of pressures within the additional resources will be monitored alongside new savings and income proposals in 2022/23 to ensure delivery.

In the event that management action fails to ensure delivery of savings, income generation and containment of pressures, a contingency of £3m has been retained in the Corporate Budget. Should a temporary in-year call on general fund balances be required, balances would need to be restored to at least the minimum prudent level in the following year.

The 2022/23 estimates have also includes a detailed assessment of the expected impact of Covid-19 with £6.339m being funded through the specific £10m Covid19 reserve set aside to smooth this impact.

#### The Treatment of Inflation and Interest Rates

Services are required to manage inflation pressures within their budgets through procurement efficiencies. An allowance has been provided for inflation in the MTFP.

Interest rates for temporary borrowing are currently 0.70% for borrowing up to 6 months. These rates are expected to increase in 2022/23 in line with Bank of England changes to baseline interest rates. Most of the Council's debt is long term with fixed interest rates, with 3.5% prudent assumption for any new long-term new borrowing resulting from the draft Capital Programme. The revenue financing costs for the approved Capital Programme are provided for in the draft revenue budget. Interest rate risk is mitigated by a reserve specifically set aside for this purpose.

#### The Availability of other Funds and Insurance to deal with Major Contingencies

Besides the general budget contingency of £3m, there are also General Balances of £14m and an Insurance Reserve of £7m. General Fund Usable Earmarked Reserves at 31<sup>st</sup> March 2022 are estimated to be £125.3m (Appendix 7b). However, of these usable reserves, these in part are committed, and therefore the available reserves are estimated to be circa £63.8m taking account of the reserves set aside for Property and Grants & Contributions £9.7m, Capital Financing £24.2m, and £27.5m for MTFP smoothing.

The minimum level of general fund earmarked reserves assumes that management actions will be taken to address major issues that might arise. The General Balance of £14m should be retained for unforeseen, emergency events, this is 5.4% of the Council's net budget

The Council's insurance arrangements are a balance between external insurance premiums and internal funds to "self-insure" some areas. External premiums are also managed by an excess payable by Enfield Council for claims received. Premiums and self-funds are reactive to external perceptions of the risks faced by the Council which includes both risks that are generic to all organisations and those specific to the authority.

The level of the Insurance Reserve is subject to regular actuarial reviews. At present it is judged to be reasonable, the position being that estimated outstanding liabilities are covered by the balance on the Reserve. The current reserve balance is £7.0m.

During 2020/21 a full review of all the reserves was undertaken and a risk reserve was created which totals £18.9m as at 31 March 2022 further strengthening the reserves position. The MTFP includes a five year forecast of reserves, indicating that the overall level of General Fund reserves will remain resilient at £82.6m through to 2027/28.

#### The Overall Financial Standing of the Authority

In addition to the revenue spend that the Council will incur in 2022/23, it also has a Capital Programme that requires significant levels of borrowing in 2022/23 and future years. This is assessed as affordable based on key projects meeting revenue income stream and capital receipt targets, and for compensating decisions being made on other revenue costs and income to live within the overall affordability envelope set by the revenue budget.

However, the Council has a large capital programme which will put increasing pressure on the revenue budget; which will need to be managed via the MTFP process through ongoing savings and income generation proposals. This risk has been recognised in

the adequacy of reserves assessment and the capital programme and its funding will be kept under review to minimise borrowing requirements.

Similarly, although significant elements of the borrowing costs of the capital associated with Meridian Water and other regeneration schemes are capitalised, and therefore do not affect the revenue budget, any change in the assumptions affecting these projects may require some or all of these borrowing costs to be charged to the revenue budget. Decisions on future additions to the Capital Programme and any associated borrowing requirement must be taken with reference to the latest guidance on capital financing and with regard to proportionality.

The assumed Council Tax collection rate for 2022/23 is 96.9%, this is a small increase from 96.0% in 2021/22 as a result of assumptions around the recovery of collection following the impact of the Covid-19 pandemic on residents' ability to pay. For each 1% not collected, the cost is approximately £1.4m in lost income to the Council (including GLA share). Legislation requires that any Collection Fund deficit be corrected through the Council Tax in the next year.

Council Tax collection levels have been adjusted to take into account the local Council Tax Support scheme agreed at Council in January 2022, which has seen a large increase in uptake due to the pandemic. The 2022/23 collection estimate is projected over the life of the MTFP as achievable and will continue to be closely monitored to ensure collection estimates used are achievable.

The Government sets the business rates multiplier and the Valuation Office Agency determines rateable values and deals with appeals. The Council has made prudent estimates of business rates reliefs and collection levels based on recent experience. In 2022/23 the wider London Business Rates Pool has been suspended as the pandemic has made it unviable for all participants. Enfield is part of a smaller 8 authority pool for 2022/23. Members of the pool are: City of London, Barnet, Brent, Enfield, Hackney, Haringey, Tower Hamlets and Waltham Forest. A "Collection Fund Equalisation Risk Reserve" is held for the purpose of smoothing the impact of significant changes in business rates as a key funding source.

### Enfield Council's Track Record in Budget and Financial Management

The latest revenue monitoring forecasts an adverse departmental variance of £0.465m in 2021/22 (position as at September 2021). Following a strategy to improve the resilience of the budget over the last three years, however, the Council will need to maintain its strict monitoring regime as part of its risk management approach to the budget. The Pressures Challenge Board was introduced in 2018/19 and continues to provide additional rigour to monitor financial management.

The full year effect of previous decisions, demographic growth and legislative change has been identified and will continue to be identified during the budget and MTFP process.

As reported in the budget monitoring report, the number of savings and income generation proposals at risk of delivery has significantly reduced since last year. This has been delivered through a change of approach for proposing savings, and also because the MTFP recognised that a number of historic unrealisable savings and income generating savings needed to be reversed.

Ultimately, financial performance relies on all budget managers actively managing their budgets and complying with financial regulations, including not committing expenditure if there is insufficient budget provision, either within individual managers' cost centres, or in the department or Council more generally. In other words, the first call on any underspend (which must be reported at the earliest opportunity) is and will continue to be the Council's overall financial position, which must be sustained in order to ensure the Council remains a going concern.

#### 4 Risk

The key risks are detailed in Appendix 6 and can be summarised as follows:

- **Impact of Covid-19** on the Council's financial position. This has put an unprecedented level of strain on council services and caused implications across many areas such as demand for services, loss of income from both services and from Council Tax and Business Rates;
- **Demographic Pressures** affecting adult and children social care and temporary accommodation provision and SEN Transport;
- **Inflationary Pressures**, Consumer Prices Index (CPI) rose by 5.4% in the 12 months to December 2021 impacting on Council costs;
- **Impact of Brexit**, potentially impacting on the costs such as supplies or the labour market;
- **Local Government funding changes**, including fair funding review and business rates retention which continue to experience delays in implementation;
- future **legislation** creating extra burdens that are not fully funded, such as national insurance increases and the reform of adult social care;
- Scope to make **savings** while maintaining services;
- **Capital investment programme**. Managing the programme to meet deadlines within agreed allocations, mitigating the impact of construction inflation risks, meeting income and capital receipt targets. See section 5 for details (below).

The budget assumptions and potential changing circumstances will require forecasts for future years to be reviewed early in each financial year leading to more detailed budgets being prepared for the next financial year and the medium term during the autumn of each financial year.

#### 5 Capital Budget 2022/23 - 2031/32

The approved capital programme's revenue implications are incorporated into the MTFP. The Council's policy is to include the revenue cost of its capital programme over the five year MTFP cycle, mainly from three sources, capital receipts, grants and borrowing. Enfield recently developed a Ten year Capital Programme in order to inform sustainable decisions and the longer term Treasury Strategy. The Capital Strategy and Ten Year Capital Programme (2022/23 - 2031/32) (also on this agenda) consider the risks and mitigations specifically for the capital programme. The Capital Finance Board (CFB) was set up to enable the strategic oversight of the prioritisation, affordability and monitoring of the Capital Programme to provide additional rigour.

The capital programme sets out a proposed ten-year indicative programme. The funding and revenue implications of the projects in the ten-year programme have been built into the MTFP and Treasury estimates for 2022/23 onwards. In addition to the projects proposed for approval are Pipeline projects. These are projects where further work is required to develop the projects prior to requesting capital investment. Once a fully developed business case is available, each new project requires a completed project appraisal template to be presented to CFB for approval and recommendation to EMT, prior to Cabinet and Council approval, to add the project to the approved Capital programme.

Quarterly programme updates on the approved programme are presented to Cabinet throughout the year to inform decision making and to show progress against agreed budgets. All the various major capital projects require clear business cases to be completed including a full assessment of affordability and management of risk at each major stage before they are progressed. This includes, for example, Meridian Water, Housing Regeneration Schemes.

## 6 Adequacy of the level of General Balances

Under the 2003 Act, the Secretary of State has reserve powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their Chief Financial Officer.

Determining the appropriate levels of reserves is not a precise science or a formula e.g. a percentage of the Council's budget. It is the Council's "safety net" for unforeseen or other circumstances and must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the Council as these can and will change over time.

Determining the appropriate levels of balances is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budgets, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management.

The table below brings together the risk quantification, the current level of General Fund balances and the value of specific reserves as yet not committed, and which could be available to temporarily meet unplanned costs. The summary indicates that the Council has sufficient funds available to meet one-off expenditure in the short term based on the likely cost if the risks materialised. In the longer term headroom to cover risks begins to diminish. The Council will need to monitor this position and look to increase reserves or reduce risks if possible.

<b>MTFP Risk summary (Excluding Schools &amp; HRA)</b>	<b>Likely £m</b>
Risk Evaluation 2022/23 (appendix 8(b), column 5)	13.442
Estimated General Fund Balance at 31 March 2022	(14.000)
Forecast Reserves uncommitted at 31 March 2022 (Appendix 7(b)) *	(42.878)
2021/22 latest forecast outturn	0.465



<b>MTFP Resources to risks at 31 March 2022</b>	<b>(42.971)</b>
Future risks if not addressed in 2022/23 MTFP	37.372
<b>MTFP Resources Shortfall/ (Surplus) to risks in longer term</b>	<b>(5.599)</b>

*\*Capital Financing and MTFP smoothing reserve balances are excluded from this figure as these are committed outside of the MTFP period*

It should be noted that the consequences of not keeping a minimum prudent level of balances can be serious. Appendix 8b identifies total risks significantly in excess of the balances and reserves shown above and whilst this scenario would never arise, in the event of a major problem or a series of events, the Council might run a serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.

Any drawing from balances to meet non-budgeted expenditure or loss of income has to be made good in the following year's base budget, which would compound the risks in that year and weaken the Council's financial standing should the minimum level be breached.

## **7. External Auditor's Review of the Council's Arrangements for Securing Financial Resilience**

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

BDO, as the Council's External Auditors, are required under Section 20 of the Local Audit and Accountability Act 2014 to satisfy themselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office requires them to report their conclusion relating to proper arrangements, having regard to relevant criteria specified by the National Audit Office.

In the audit of the 2018/19 statement of accounts there were three sub criteria that BDO considered as part of their overall risk assessment:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties.

In their 2018/19 Audit Completion Report BDO concluded that there were no significant unaddressed risks and they were satisfied that in all significant respects the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Similarly, an unqualified Statement of Accounts is expected to be signed off by BDO for 2019/20.

## 8. Conclusions, Statutory Advice and Guidance of the S151 Officer

The continuing reduction in public spending, growing demand for services and the new immediate and long-term financial implications of Covid-19 requires the Council to ensure its financial planning is robust. There are various issues set out above which are having an ongoing effect on the Council's budget. Essentially, costs, if unmanaged, are increasing, whilst funding has been reducing. In addition, Covid-19 brings a heightened level of uncertainty to the budget estimates for 2022/23 and beyond. The Council has therefore made, and will need to continue to make, difficult decisions in future budget rounds to remain within the resources available.

For future budget planning rounds further action will be needed to focus resources on the highest priority services; prevent/reduce demand, to invest in vital infrastructure; to seek alternative funding mechanisms for services and/or assets previously funded by the Council; and to continue to develop commercial revenue streams to offset any loss in government funding.

Taking account of all the above considerations, the Executive Director of Resources is of the view that the 2022/23 budget is robust.

**In light of the risks facing the authority, the Executive Director of Resources recommends that the General Fund balance is maintained at £14m, and that this recommendation is taken into account when determining the level of transfers to and from reserves in the 2021/22 revenue outturn.**

**ADEQUACY OF RESERVES: RISK EVALUATION 2022/23**

Probability	Grade	Range	% Used
High	A	>80%	100.0%
Probable	B	60%-80%	75.0%
Possible	C	30%-60%	40.0%
Low	D	<30%	15.0%

1	Risk Period	Risk Cost	Risk Level	Risk Assessed Impact Profiled					Total Assessed Risk
				2022/23	2023/24	2024/25	2025/26	2026/27	
				5	6	7	8	9	
		£'000		£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund Revenue</b>									
Inflation. Some provision in MTFP already for service inflation in 21/22 and beyond. 1% general inflation across MTFP (£3m p.a.)	One-off	2,000	C	800	0	0	0	0	800
Reduction in Income / Non-Payment	One-off	2,000	B	1,500	0	0	0	0	1,500
Non-Achievement of Service Savings	Total	53,750	D	1,956	1,951	1,391	1,366	1,398	8,063
Non collection of Council Tax	pa	1,250	B	188	188	188	188	188	938
Temporary Accommodation Costs exceed budget provision	pa	10,000	C	800	800	800	800	800	4,000
Business rates underestimate of appeals	One-off	3,750	B	563	563	563	563	563	2,813
VAT Exemption Limit	One-off	4,000	D	600	0	0	0	0	600
Bellwin Scheme	One-off	2,210	D	66	66	66	66	66	332
Demographics	Total	12,050	C	1,620	800	800	800	800	4,820
Litigation costs	One-off	2,000	D	300	0	0	0	0	300
Funding Review	Total	10,000	D	300	300	300	300	300	1,500
Interest Rates	Total	16,000	C	1,000	1,200	1,400	1,400	1,400	6,400
Major Regeneration and Development Schemes	Total	125,000	D	3,750	3,750	3,750	3,750	3,750	18,750
<b>General Fund Total</b>		<b>244,010</b>		<b>13,442</b>	<b>9,618</b>	<b>9,257</b>	<b>9,233</b>	<b>9,264</b>	<b>50,814</b>

**Specific Grants**

**Appendix 9**

Description and Comment	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
<b>Non Ring-Fenced Specific Grants</b>					
<b>New Homes Bonus Grant (NHB)</b> The New Homes Bonus Grant is based on the number of properties newly liable for Council Tax. The Government has reduced the number of years over which this grant is paid, and has also introduced a threshold of 0.4% new homes before any bonus will be paid. The Provisional Settlement for 2022/23 announced Enfield's 2022/23 grant total as £172k. There is considerable uncertainty over the longer term future of this grant, so no further amounts are assumed in the MTFP period.	172.0				
<b>Housing Benefit Administration Grant</b> Notice of the 2022/23 grant allocation has been received. Autumn Budget and Universal Credit announcements will impact on the HB administration subsidy allocations, so to reflect this, a reduction to the grant year on year of around 10% has been estimated over the period of the MTFP.	1,558.0	1,402.0	1,262.0	1,136.0	1,022.0
<b>Lower Tier Services Grant</b> This is a grant targeted at reducing variances in core spending power for local authorities across the country. It is not assumed ongoing at this stage as a full review of local government funding is anticipated in the near future.	670.0				
<b>Social Care Grant</b> This grant is to support provision of social care services. Enfield have allocated this funding to support Adults and Children's Social Care. A further £3.531m was awarded to Enfield in the 2022/23 Provisional Local Government Finance Settlement. Currently assuming grant remains in place at the confirmed 2022/23 level for the entire MTFP period although wider reform to Social Care funding is expected in the coming year or two which may have an impact on these assumptions.	12,906.0	12,906.0	12,906.0	12,906.0	12,906.0
<b>2022/23 Services Grant</b> This is a new one off grant for 2022/23 distributed to local authorities using the 2013/14 SFA as an apportionment basis. It is equivalent to a 5.5% increase in SFA. This grant has been confirmed one off but it is reasonable to assume that some alternative funding of a similar level will be provided in future years, though this is yet to be confirmed.	5,113.0				
<b>Local Council Tax Support Administration</b> Funding subject to confirmation. Estimate for future years rolls forward the 2020/21 grant.	634.0	634.0	634.0	634.0	634.0
<b>Total Non Ring-Fenced Specific Grants</b>	<b>21,053.0</b>	<b>14,942.0</b>	<b>14,802.0</b>	<b>14,676.0</b>	<b>14,562.0</b>
<b>Ring-Fenced Specific Grants</b>					

**Specific Grants**

**Appendix 9**

Description and Comment	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
<p><b>Public Health Grant</b> The grant is ring-fenced for promoting public health within the borough and cannot be used to support general Council expenditure. The associated grant conditions are specific to public health outcomes, with the requirement to submit both quarterly &amp; annual expenditure returns, to DLUHC &amp; Public Health England. The ring-fenced Public Health grant is designed to cover all expenditure incurred in delivering the Public Health function.</p> <p>2022/23 Public Health grant allocations were confirmed on 7th February with Enfield's allocation being £18.024m. It was announced at the Spending Review in October 2021 that inflationary increases would be provided for the Public Health grant over the 3 year period covered by SR21. Increases have been built in for future years at 2.00% per annum.</p>	18,023.6	18,384.1	18,751.8	18,751.8	18,751.8
<p><b>Homelessness Prevention Grant</b> The Homelessness Prevention Grant (HPG) was created in 2021/22, combining the previous Flexible Homelessness Support Grant (FHSG) and Homelessness Reduction Grant (HRG). This funding is aimed at giving local authorities more control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness. Enfield's allocation of HPG in 2022/23 is £8.928m (unchanged from the 2021/22 figure). New Burdens arising from the Domestic Abuse Act have also been wrapped up in this funding now with £0.071m being Enfield's allocation meaning total grant of £8.999m will be received.</p>	8,999.0				
<p><b>Rough Sleeping Initiative Funding</b> Grant funding for Rough Sleeping Initiatives has yet to be announced for 2022/23. It is anticipated that Enfield will receive at least as much as was received in 2021/22, which was £1.4m.</p>	1,400.0				
<p><b>The (Improved) Better Care Fund</b> This grant represents the original improved Better Care Fund and the additional funding announced in the Spring 2017 Budget. The conditions of the additional improved BCF include meeting social care needs, reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready; and ensuring that the local social care provider market is supported. The budgets of the improved BCF must be agreed with the CCG and signed off by the Health and Wellbeing board. Adult Social Care is to be the subject of a green paper, but this has been delayed several times. The Spending Review in the autumn of 2021 announced an additional amount of £341k which has been added for 2022/23 and then assumed flat throughout the MTFP period.</p>	10,423.8	10,423.8	10,423.8	10,423.8	10,423.8
<p><b>Total Ring-Fenced Specific Grants</b></p>	38,846.4	28,807.9	29,175.6	29,175.6	29,175.6
<p><b>Total Specific Grants</b></p>	59,899.4	43,749.9	43,977.6	43,851.6	43,737.6

REVENUE BUDGET - DEPARTMENTAL CONTROL TOTALS 2022/23

APPENDIX 10

	2021/22 Original Controllable Budget	2021/22 Hierarchy Changes	2021/22 Permanent Virements	2021/22 Revised Base	Full Year Effects	New Service Pressures	New Savings	Reserves & Collection Fund	Core Grants & Business Rates	2022/23 Original Controllable Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive	11,482	(2,056)	0	9,426		440	(510)			9,356
People - Adult Social Care	82,992		302	83,295	(100)	6,081	(1,898)			87,378
People - Children & Families	44,347		(11)	44,336		2,596	(489)			46,443
People - Education	4,504		(225)	4,279		40	(200)			4,119
People - Public Health	(4,556)		0	(4,556)		0	(425)			(4,981)
Place	30,477	(750)	335	30,062	1,065	4,116	(4,654)			30,589
Resources	36,563	3,379	(8,703)	31,240	(760)	(847)	(520)			29,113
<b>Total Departmental:</b>	<b>205,810</b>	<b>573</b>	<b>(8,302)</b>	<b>198,081</b>	<b>205</b>	<b>12,426</b>	<b>(8,696)</b>	<b>0</b>	<b>0</b>	<b>202,016</b>
<b>Corporate Items:</b>										
Levies	8,142		10,210	18,352		508				18,860
General Contingency	3,000		0	3,000						3,000
Contingent Items	15,684		(11,696)	3,988	500	(3,813)				675
General Inflation	3,000		7,795	10,795		(2,026)				8,769
Corporate Items	291		500	791						791
Historic Pension	1,389	521	198	2,109						2,109
Other Corporate costs	24	(1,094)	715	(355)						(355)
Treasury Management	6,453		0	6,453						6,453
Minimum Revenue Provision	16,488		0	16,488		1,020				17,508
<b>Corporate Items:</b>	<b>54,471</b>	<b>(573)</b>	<b>7,722</b>	<b>61,620</b>	<b>500</b>	<b>(4,311)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57,809</b>
<b>Budget Requirement</b>	<b>260,281</b>	<b>0</b>	<b>(580)</b>	<b>259,701</b>	<b>705</b>	<b>8,115</b>	<b>(8,696)</b>	<b>0</b>	<b>0</b>	<b>259,825</b>
Collection Fund (Surplus)/Deficit	3,888		0	3,888				(3,888)		0
Business Rates	(95,304)		0	(95,304)					(2,122)	(97,426)
Use of Reserves	(5,115)		0	(5,115)				3,130		(1,985)
Covid-19 Funding	(17,546)		0	(17,546)					17,546	0
Other Core Grants	(13,096)		580	(12,516)					(8,537)	(21,053)
<b>Totals</b>	<b>133,108</b>	<b>0</b>	<b>0</b>	<b>133,108</b>	<b>705</b>	<b>8,115</b>	<b>(8,696)</b>	<b>(758)</b>	<b>6,887</b>	<b>139,361</b>

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			£	£	£	£	£	£
<b>1</b>	<b>STRATEGIC PROPERTY SERVICES</b>							
	Provision of Spatial Information e.g. mapping work, spatial query etc. (External Only)	V				37.17	7.43	44.60
	GIS Technical Advice (External Only)	V				91.83	18.37	110.20
<b>2</b>	<b>STREET NAMING &amp; NUMBERING</b>							
	List of streets, places & footpaths in LBE (- Alphabetical Street Index) on hard copy or CD		57.10	0.00	57.10	59.40	0.00	59.40
	Amendments to the LSPF (annual charge)		63.40	0.00	63.40	65.90	0.00	65.90
	Postage & Packing		Standard Council charges apply			Standard Council charges apply		
	Numbering New Residential & Commercial Units – per unit		133.40	0.00	133.40	138.70	0.00	138.70
	Naming a Street – per street		333.50	0.00	333.50	346.60	0.00	346.60
	Naming a Block – per block		222.40	0.00	222.40	231.10	0.00	231.10
	Penalty for retrospective engagement with Street Naming & Numbering Process		166.80	0.00	166.80	173.40	0.00	173.40
	Provision of historical information for Street Naming & Numbering		29.80	0.00	29.80	31.00	0.00	31.00
<b>3</b>	<b>PROVISION OF PLANNING / BUILDING CONTROL INFORMATION</b>							
	<b>COPYING / SCANNING</b>							
	Scan on Demand Service per planning case file for up to 1 hr work	V	21.00	4.20	25.20	21.92	4.38	26.30
	Top up charge of £10.00 basic per 30 minutes beyond the initial hour if needed	V	Price on Application			Price on Application		
	A4 Sheet (includes VAT at standard rate)	V	6.25	1.25	7.50	6.50	1.30	7.80
	Extra Copy (includes VAT at standard rate)	V	0.75	0.15	0.90	0.83	0.17	1.00
	A3 Sheet	V	6.25	1.25	7.50	6.50	1.30	7.80
	Extra Copy	V	1.17	0.23	1.40	1.25	0.25	1.50
	A3 Plan	V	6.25	1.25	7.50	6.50	1.30	7.80
	Extra Copy	V	1.17	0.23	1.40	1.25	0.25	1.50
	A2 Plan	V	9.25	1.85	11.10	9.67	1.93	11.60
	Extra Copy	V	1.75	0.35	2.10	1.83	0.37	2.20
	A1 Plan	V	10.33	2.07	12.40	10.75	2.15	12.90
	Extra Copy	V	2.75	0.55	3.30	2.92	0.58	3.50
	A0 Plan	V	12.25	2.45	14.70	12.75	2.55	15.30
	Extra Copy	V	3.17	0.63	3.80	3.33	0.67	4.00
	Postage for letters, large letters and packets.	V	Standard Council charges apply			Standard Council charges apply		
<b>4</b>	<b>BUILDING CONTROL SERVICES</b>							
<b>B/C</b>	Viewing Building Control Plans	V	32.00	6.40	38.40	33.33	6.67	40.00
	Application check and comfort/ 6 year letter for non complete works	V	65.75	13.15	78.90	68.42	13.68	82.10
	Building control information including Solicitor's enquiries	V	70.17	14.03	84.20	73.00	14.60	87.60
	Copy of Decision Notice	V	14.00	2.80	16.80	14.67	2.93	17.60
	Copy of Completion Certificate	V	70.17	14.03	84.20	73.00	14.60	87.60
	Demolition Notice		294.00	0.00	294.00	305.50	0.00	305.50
	<b>BUILDING CONTROL FEES</b>							
	<b>Standard Domestic Charges for Estimate of costs less than £200,000</b>							
	Loft conversions < 40m <sup>2</sup>							
	Full plan	V	250.75	50.15	300.90	260.67	52.13	312.80
	Inspection charge	V	376.00	75.20	451.20	390.75	78.15	468.90
	Full Plan & Inspection Charge	V	626.75	125.35	752.10	651.42	130.28	781.70
	Loft conversions 40m <sup>2</sup> - 60m <sup>2</sup>							
	Full plan	V	300.25	60.05	360.30	312.00	62.40	374.40
	Inspection charge	V	450.75	90.15	540.90	468.42	93.68	562.10
	Full Plan & Inspection Charge	V	751.00	150.20	901.20	780.42	156.08	936.50
	Each additional 20m <sup>2</sup> over 60m <sup>2</sup>							
	Full plan	V	28.17	5.63	33.80	29.33	5.87	35.20
	Inspection charge	V	42.00	8.40	50.40	43.75	8.75	52.50

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Full Plan & Inspection Charge	V	70.17	14.03	84.20	73.08	14.62	87.70
	Extension <6m <sup>2</sup>							
	Full plan	V	219.75	43.95	263.70	228.42	45.68	274.10
	Inspection charge	V	329.00	65.80	394.80	341.92	68.38	410.30
	Full Plan & Inspection Charge	V	548.75	109.75	658.50	570.34	114.06	684.40
	Extension 6m <sup>2</sup> - 40m <sup>2</sup>							
	Full plan	V	254.75	50.95	305.70	264.75	52.95	317.70
	Inspection charge	V	381.50	76.30	457.80	396.50	79.30	475.80
	Full Plan & Inspection Charge	V	636.25	127.25	763.50	661.25	132.25	793.50
	Extension 40m <sup>2</sup> - 60m <sup>2</sup>							
	Full plan	V	312.42	62.48	374.90	324.75	64.95	389.70
	Inspection charge	V	468.25	93.65	561.90	486.67	97.33	584.00
	Full Plan & Inspection Charge	V	780.67	156.13	936.80	811.42	162.28	973.70
	Extension 60m <sup>2</sup> - 100m <sup>2</sup>							
	Full plan	V	404.33	80.87	485.20	420.17	84.03	504.20
	Inspection charge	V	606.42	121.28	727.70	630.17	126.03	756.20
	Full Plan & Inspection Charge	V	1,010.75	202.15	1,212.90	1,050.34	210.06	1,260.40
	Each additional 20m <sup>2</sup> over 100m <sup>2</sup>							
	Full plan	V	28.17	5.63	33.80	29.33	5.87	35.20
	Inspection charge	V	42.00	8.40	50.40	43.75	8.75	52.50
	Full Plan & Inspection Charge	V	70.17	14.03	84.20	73.08	14.62	87.70
	Basements as extension above plus							
	Full plan	V	150.50	30.10	180.60	156.42	31.28	187.70
	Inspection charge	V	225.83	45.17	271.00	234.75	46.95	281.70
	Full Plan & Inspection Charge	V	376.33	75.27	451.60	391.17	78.23	469.40
	Attached garage <30m <sup>2</sup>							
	Full plan	V	184.75	36.95	221.70	192.00	38.40	230.40
	Inspection charge	V	277.42	55.48	332.90	288.33	57.67	346.00
	Full Plan & Inspection Charge	V	462.17	92.43	554.60	480.33	96.07	576.40
	Detached garage 30m <sup>2</sup> - 60m <sup>2</sup>							
	Full plan	V	184.75	36.95	221.70	192.00	38.40	230.40
	Inspection charge	V	277.42	55.48	332.90	288.33	57.67	346.00
	Full Plan & Inspection Charge	V	462.17	92.43	554.60	480.33	96.07	576.40
	Through lounge							
	Full plan	V	104.25	20.85	125.10	108.42	21.68	130.10
	Inspection charge	V	155.83	31.17	187.00	162.00	32.40	194.40
	Full Plan & Inspection Charge	V	260.08	52.02	312.10	270.42	54.08	324.50
	Removal of chimney breasts							
	Full plan	V	104.25	20.85	125.10	108.42	21.68	130.10
	Inspection charge	V	155.83	31.17	187.00	162.00	32.40	194.40
	Full Plan & Inspection Charge	V	260.08	52.02	312.10	270.42	54.08	324.50
	Installation of new wc/shower/utility							
	Full plan	V	104.25	20.85	125.10	108.42	21.68	130.10
	Inspection charge	V	155.83	31.17	187.00	162.00	32.40	194.40
	Full Plan & Inspection Charge	V	260.08	52.02	312.10	270.42	54.08	324.50
	Garage conversion							
	Full plan	V	184.75	36.95	221.70	192.00	38.40	230.40
	Inspection charge	V	277.42	55.48	332.90	288.33	57.67	346.00
	Full Plan & Inspection Charge	V	462.17	92.43	554.60	480.33	96.07	576.40
	Replacement windows up to 5 windows							
	Full plan	V	92.83	18.57	111.40	96.50	19.30	115.80
	Inspection charge	V	139.25	27.85	167.10	144.75	28.95	173.70
	Full Plan & Inspection Charge	V	232.08	46.42	278.50	241.25	48.25	289.50
	per extra 10 windows							
	Full plan	V	41.25	8.25	49.50	42.91	8.59	51.50
	Inspection charge	V	58.75	11.75	70.50	61.17	12.23	73.40
	Full Plan & Inspection Charge	V	100.00	20.00	120.00	104.08	20.82	124.90



Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<u>Re-roofing</u>							
	Full plan	✓	127.83	25.57	153.40	132.92	26.58	159.50
	Inspection charge	✓	190.83	38.17	229.00	198.33	39.67	238.00
	Full Plan & Inspection Charge	✓	318.66	63.74	382.40	331.25	66.25	397.50
	<u>New wiring (non competent person)</u>							
	Full plan	✓	127.83	25.57	153.40	132.92	26.58	159.50
	Inspection charge	✓	190.83	38.17	229.00	198.33	39.67	238.00
	Full Plan & Inspection Charge	✓	318.66	63.74	382.40	331.25	66.25	397.50
	<u>Discount for each multiple works above</u>							
	Full plan	✓	37.75	7.55	45.30	39.33	7.87	47.20
	Inspection charge	✓	56.00	11.20	67.20	58.25	11.65	69.90
	Full Plan & Inspection Charge	✓	93.75	18.75	112.50	97.58	19.52	117.10
	<b>NEW BUILD DWELLINGS</b>							
	(<300m² per dwelling)							
	<u>1 new dwelling</u>							
	Full plan	✓	381.50	76.30	457.80	396.42	79.28	475.70
	Inspection charge	✓	572.33	114.47	686.80	594.75	118.95	713.70
	Full Plan & Inspection Charge	✓	953.83	190.77	1,144.60	991.17	198.23	1,189.40
	<u>2-5 dwellings per extra dwelling</u>							
	Full plan	✓	127.83	25.57	153.40	132.91	26.59	159.50
	Inspection charge	✓	174.25	34.85	209.10	181.17	36.23	217.40
	Full Plan & Inspection Charge	✓	302.08	60.42	362.50	314.08	62.82	376.90
	<u>6 -20 new dwellings per extra dwelling</u>							
	Full plan	✓	889.92	177.98	1,067.90	924.75	184.95	1,109.70
	Inspection charge	✓	1,265.33	253.07	1,518.40	1,314.75	262.95	1,577.70
	Full Plan & Inspection Charge	✓	2,155.25	431.05	2,586.30	2,239.50	447.90	2,687.40
	<b>Extra dwelling over 5</b>							
	Full plan	✓	92.83	18.57	111.40	96.50	19.30	115.80
	Inspection charge	✓	139.25	27.85	167.10	144.75	28.95	173.70
	Full Plan & Inspection Charge	✓	232.08	46.42	278.50	241.25	48.25	289.50
	<u>Flat conversion to form 2 flats</u>							
	Full plan	✓	311.75	62.35	374.10	324.00	64.80	388.80
	Inspection charge	✓	468.25	93.65	561.90	486.67	97.33	584.00
	Full Plan & Inspection Charge	✓	780.00	156.00	936.00	810.67	162.13	972.80
	<u>Plus for each additional flat</u>							
	Full plan	✓	92.83	18.57	111.40	96.50	19.30	115.80
	Inspection charge	✓	139.25	27.85	167.10	144.75	28.95	173.70
	Full Plan & Inspection Charge	✓	232.08	46.42	278.50	241.25	48.25	289.50
	<b>Other works -Estimate of cost:</b>							
	<b>&lt;£5000</b>							
	Full plan	✓	107.75	21.55	129.30	112.00	22.40	134.40
	Inspection charge	✓	163.75	32.75	196.50	170.25	34.05	204.30
	<b>£5001 - £10,000</b>							
	Full plan	✓	129.50	25.90	155.40	134.67	26.93	161.60
	Inspection charge	✓	195.25	39.05	234.30	202.92	40.58	243.50
	<b>£10,001 - £20,000</b>							
	Full plan	✓	184.75	36.95	221.70	192.00	38.40	230.40
	Inspection charge	✓	277.42	55.48	332.90	288.33	57.67	346.00
	<b>£20,001 - £30,000</b>							
	Full plan	✓	238.92	47.78	286.70	248.33	49.67	298.00
	Inspection charge	✓	358.83	71.77	430.60	372.92	74.58	447.50
	<b>£30,001 - £40,000</b>							
	Full plan	✓	293.25	58.65	351.90	304.75	60.95	365.70
	Inspection charge	✓	440.25	88.05	528.30	457.50	91.50	549.00
	<b>£40,001 - £50,000</b>							
	Full plan	✓	346.50	69.30	415.80	360.17	72.03	432.20

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			Inspection charge	√	520.75	104.15	624.90	541.17
<b>£50,001 - £60,000</b>								
Full plan	√	391.25	78.25	469.50	406.67	81.33	488.00	
Inspection charge	√	586.33	117.27	703.60	609.25	121.85	731.10	
<b>£60,001 - £70,000</b>								
Full plan	√	434.92	86.98	521.90	451.92	90.38	542.30	
Inspection charge	√	651.92	130.38	782.30	677.42	135.48	812.90	
<b>£70,001 - £80,000</b>								
Full plan	√	477.83	95.57	573.40	496.50	99.30	595.80	
Inspection charge	√	717.50	143.50	861.00	745.50	149.10	894.60	
<b>£80,001 - £90,000</b>								
Full plan	√	520.75	104.15	624.90	541.17	108.23	649.40	
Inspection charge	√	782.33	156.47	938.80	812.92	162.58	975.50	
<b>£90,001 - £100,000</b>								
Full plan	√	564.42	112.88	677.30	586.50	117.30	703.80	
Inspection charge	√	872.42	174.48	1,046.90	906.50	181.30	1,087.80	
<b>£100,001 - £120,000</b>								
Full plan	√	608.25	121.65	729.90	632.00	126.40	758.40	
Inspection charge	√	910.92	182.18	1,093.10	946.50	189.30	1,135.80	
<b>£120,001 - £140,000</b>								
Full plan	√	651.92	130.38	782.30	677.42	135.48	812.90	
Inspection charge	√	976.50	195.30	1,171.80	1,014.67	202.93	1,217.60	
<b>£140,001 - £160,000</b>								
Full plan	√	695.75	139.15	834.90	722.92	144.58	867.50	
Inspection charge	√	1,041.33	208.27	1,249.60	1,082.00	216.40	1,298.40	
<b>£160,001 - £180,000</b>								
Full plan	√	737.75	147.55	885.30	766.67	153.33	920.00	
Inspection charge	√	1,106.00	221.20	1,327.20	1,149.25	229.85	1,379.10	
<b>£180,001 - £200,000</b>								
Full plan	√	782.33	156.47	938.80	812.92	162.58	975.50	
Inspection charge	√	1,172.67	234.53	1,407.20	1,218.50	243.70	1,462.20	
<b>Standard Non Domestic Charges for work less than £200,000</b>								
<b>Non Domestic New Builds &amp; extensions up to 100m²</b>								
Other Residential/Institutional/Assembly/Recreational (<6m²)								
Full plan	√	219.75	43.95	263.70	228.41	45.69	274.10	
Inspection charge	√	329.00	65.80	394.80	341.92	68.38	410.30	
Full Plan & Inspection Charge	√	548.75	109.75	658.50	570.33	114.07	684.40	
Industrial and Storage(<6m²)								
Full plan	√	150.50	30.10	180.60	156.42	31.28	187.70	
Inspection charge	√	225.83	45.17	271.00	234.75	46.95	281.70	
Full Plan & Inspection Charge	√	376.33	75.27	451.60	391.17	78.23	469.40	
Office and Shops(<6m²)								
Full plan	√	219.75	43.95	263.70	228.41	45.69	274.10	
Inspection charge	√	329.00	65.80	394.80	341.92	68.38	410.30	
Full Plan & Inspection Charge	√	548.75	109.75	658.50	570.33	114.07	684.40	
Other Residential/Institutional/Assembly/Recreational (<6-40m²)								
Full plan	√	300.25	60.05	360.30	312.00	62.40	374.40	
Inspection charge	√	450.75	90.15	540.90	468.42	93.68	562.10	
Full Plan & Inspection Charge	√	751.00	150.20	901.20	780.42	156.08	936.50	
Industrial and Storage(<6-40m²)								
Full plan	√	219.75	43.95	263.70	228.41	45.69	274.10	
Inspection charge	√	329.00	65.80	394.80	341.92	68.38	410.30	
Full Plan & Inspection Charge	√	548.75	109.75	658.50	570.33	114.07	684.40	
Office and Shops(<6-40m²)								

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Full plan	✓	254.75	50.95	305.70	264.75	52.95	317.70
	Inspection charge	✓	404.33	80.87	485.20	420.17	84.03	504.20
	Full Plan & Inspection Charge	✓	659.08	131.82	790.90	684.92	136.98	821.90
	<b>Other Residential/Institutional/Assembly/Recreational (&lt;40-100m²)</b>							
	Full plan	✓	508.42	101.68	610.10	528.33	105.67	634.00
	Inspection charge	✓	762.25	152.45	914.70	792.00	158.40	950.40
	Full Plan & Inspection Charge	✓	1,270.67	254.13	1,524.80	1,320.33	264.07	1,584.40
	<b>Industrial and Storage(&lt;40-100m²)</b>							
	Full plan	✓	346.50	69.30	415.80	360.17	72.03	432.20
	Inspection charge	✓	519.83	103.97	623.80	540.25	108.05	648.30
	Full Plan & Inspection Charge	✓	866.33	173.27	1,039.60	900.42	180.08	1,080.50
	<b>Office and Shops(&lt;40-100m²)</b>							
	Full plan	✓	404.33	80.87	485.20	420.16	84.04	504.20
	Inspection charge	✓	606.42	121.28	727.70	630.17	126.03	756.20
	Full Plan & Inspection Charge	✓	1,010.75	202.15	1,212.90	1,050.33	210.07	1,260.40
	<b>Shop Fit out each 100m2 or part</b>							
	Full plan	✓	150.50	30.10	180.60	156.42	31.28	187.70
	Inspection charge	✓	225.83	45.17	271.00	234.75	46.95	281.70
	Full Plan & Inspection Charge	✓	376.33	75.27	451.60	391.17	78.23	469.40
	<b>Shop Front</b>							
	Full plan	✓	115.50	23.10	138.60	120.16	24.04	144.20
	Inspection charge	✓	173.33	34.67	208.00	180.17	36.03	216.20
	Full Plan & Inspection Charge	✓	288.83	57.77	346.60	300.33	60.07	360.40
	<b>Office Partitioning per 50m run</b>							
	Full plan	✓	115.50	23.10	138.60	120.16	24.04	144.20
	Inspection charge	✓	173.33	34.67	208.00	180.17	36.03	216.20
	Full Plan & Inspection Charge	✓	288.83	57.77	346.60	300.33	60.07	360.40
	<b>New Windows up to 10</b>							
	Full plan	✓	115.50	23.10	138.60	120.16	24.04	144.20
	Inspection charge	✓	173.33	34.67	208.00	180.17	36.03	216.20
	Full Plan & Inspection Charge	✓	288.83	57.77	346.60	300.33	60.07	360.40
	<b>Per Extra 10</b>							
	Full plan	✓	40.33	8.07	48.40	42.00	8.40	50.40
	Inspection charge	✓	57.83	11.57	69.40	60.17	12.03	72.20
	Full Plan & Inspection Charge	✓	98.16	19.64	117.80	102.17	20.43	122.60
	<b>Mezzanine Floor per 500m2 or part</b>							
	Full plan	✓	231.92	46.38	278.30	241.00	48.20	289.20
	Inspection charge	✓	346.50	69.30	415.80	360.17	72.03	432.20
	Full Plan & Inspection Charge	✓	578.42	115.68	694.10	601.17	120.23	721.40
	<b>Other Works-Estimate of cost:</b>							
	<b>&lt;£5,000</b>							
	Full plan	✓	107.75	21.55	129.30	112.00	22.40	134.40
	Inspection charge	✓	163.75	32.75	196.50	170.25	34.05	204.30
	<b>£5001-10,000</b>							
	Full plan	✓	129.50	25.90	155.40	134.67	26.93	161.60
	Inspection charge	✓	195.25	39.05	234.30	202.92	40.58	243.50
	<b>£10,001-£20,000</b>							
	Full plan	✓	184.75	36.95	221.70	192.00	38.40	230.40
	Inspection charge	✓	277.42	55.48	332.90	288.33	57.67	346.00
	<b>£20,001-£30,000</b>							
	Full plan	✓	238.92	47.78	286.70	248.33	49.67	298.00
	Inspection charge	✓	358.83	71.77	430.60	372.92	74.58	447.50
	<b>£30,001-£40,000</b>							
	Full plan	✓	293.25	58.65	351.90	304.75	60.95	365.70
	Inspection charge	✓	440.25	88.05	528.30	457.50	91.50	549.00
	<b>£40,001-£50,000</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Full plan	√	346.50	69.30	415.80	360.17	72.03	432.20
	Inspection charge	√	520.75	104.15	624.90	541.17	108.23	649.40
	<b>£50,001-£60,000</b>							
	Full plan	√	391.25	78.25	469.50	406.67	81.33	488.00
	Inspection charge	√	586.33	117.27	703.60	609.25	121.85	731.10
	<b>£60,001-£70,000</b>							
	Full plan	√	434.92	86.98	521.90	451.92	90.38	542.30
	Inspection charge	√	651.92	130.38	782.30	677.42	135.48	812.90
	<b>£70,001-£80,000</b>							
	Full plan	√	476.00	95.20	571.20	494.67	98.93	593.60
	Inspection charge	√	714.92	142.98	857.90	742.92	148.58	891.50
	<b>£80,001-£90,000</b>							
	Full plan	√	520.75	104.15	624.90	541.17	108.23	649.40
	Inspection charge	√	782.33	156.47	938.80	812.92	162.58	975.50
	<b>£90,001-£100,000</b>							
	Full plan	√	564.42	112.88	677.30	586.50	117.30	703.80
	Inspection charge	√	846.25	169.25	1,015.50	879.33	175.87	1,055.20
	<b>£100,001-£120,000</b>							
	Full plan	√	608.25	121.65	729.90	632.00	126.40	758.40
	Inspection charge	√	910.92	182.18	1,093.10	946.50	189.30	1,135.80
	<b>£120,001-£140,000</b>							
	Full plan	√	651.92	130.38	782.30	677.42	135.48	812.90
	Inspection charge	√	976.50	195.30	1,171.80	1,014.67	202.93	1,217.60
	<b>£140,001-£160,000</b>							
	Full plan	√	695.75	139.15	834.90	722.92	144.58	867.50
	Inspection charge	√	1,042.25	208.45	1,250.70	1,082.92	216.58	1,299.50
	<b>£160,001-£180,000</b>							
	Full plan	√	737.75	147.55	885.30	766.67	153.33	920.00
	Inspection charge	√	1,106.00	221.20	1,327.20	1,149.25	229.85	1,379.10
	<b>£180,001-£200,000</b>							
	Full plan	√	782.33	156.47	938.80	812.92	162.58	975.50
	Inspection charge	√	1,172.75	234.55	1,407.30	1,218.50	243.70	1,462.20
<b>5</b>	<b>Planning Application Fees</b>							
	Prior Approval under the General Permitted Development Order (Amendment) 2013							
	An application which involves the making of any material change in the use of any buildings, or other land under Classes J, K and M of the General Permitted Development Order		80.00	0.00	80.00	80.00	0.00	80.00
	<b>Application Type</b>							
	<b>Householder</b>							
	Relating to one dwelling		206.00	0.00	206.00	206.00	0.00	206.00
	Relating to 2 or more dwellings		407.00	0.00	407.00	407.00	0.00	407.00
	Certificate of Lawfulness							
	Section 191 (1) (c) - Establish Use		234.00	0.00	234.00	234.00	0.00	234.00
	Section 191 (1) (a) or (b) - Existing per unit		462.00	0.00	462.00	462.00	0.00	462.00
	Section 191 (1) (a) or (b) - Existing 50 units		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
	Section 191 (1) (a) or (b) - Existing 51 and over units - per unit		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
	Section 192 - Proposed		Half full fee	0.00	Half full fee	Half full fee	0.00	Half full fee
	<b>Outline</b>							
	Site area not exceeding 2.5 ha - per 0.1ha		462.00	0.00	462.00	462.00	0.00	462.00
	Site area of 2.5 ha		11,432.00	0.00	11,432.00	11,432.00	0.00	11,432.00
	Site in excess of 2.5ha - per 0.1ha		Max 150,000	0.00	Max 150,000	Max 150,000	0.00	Max 150,000
	<b>Dwellings</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICES IS VATALE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Per dwelling created - below 50		462.00	0.00	462.00	462.00	0.00	462.00
	50 dwellings		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
	Per dwelling - above 50		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
	Change of use		462.00	0.00	462.00	462.00	0.00	462.00
	<b>Other buildings</b>							
	No additional floor space and Floor space up to 40 sq.m		234.00	0.00	234.00	234.00	0.00	234.00
	Floor space between 40 sq.m. and 75 sq.m.		462.00	0.00	462.00	462.00	0.00	462.00
	Floor space between 75 sq.m. and 3750 sq.m. - for each additional 75 sq.m.		462.00	0.00	462.00	462.00	0.00	462.00
	3750 sq.m. created		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
	Each additional 75 sq.m. (or part thereof) above 3750 sq.m.		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
	<b>Erection, on land used for the purpose of agriculture</b>							
	Works up to 465 sq.m.		96.00	0.00	96.00	96.00	0.00	96.00
	Floor space between 465 sq.m. and 540 sq.m.		462.00	0.00	462.00	462.00	0.00	462.00
	Floor space between 540 sq.m. and 4215 sq.m. - for each additional 75 sq.m.		462.00	0.00	462.00	462.00	0.00	462.00
	4215 sq.m. created		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
	Each additional 75 sq.m. (or part thereof) above 3750 sq.m.		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
	<b>Erection of glasshouses on land used for the purposes of agriculture</b>							
	Works up to 465 sq.m.		96.00	0.00	96.00	96.00	0.00	96.00
	Works creating more than 465 sq.m.		2,580.00	0.00	2,580.00	2,580.00	0.00	2,580.00
	<b>The erection, alteration or replacement of plant or machinery</b>							
	Site area not exceeding 5ha- each 0.1ha or part thereof		462.00	0.00	462.00	462.00	0.00	462.00
	Site area of 5ha		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
	Site area in excess of 5ha - each additional 0.1ha or part thereof		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
	The carrying out of any operations not coming within any of the above categories - for each 0.1 ha of site area		£234 up to a max of £2028	0.00	£234 up to a max of £2028	£234 up to a max of £2028	0.00	£234 up to a max of £2028
	<b>Operations connected with exploratory drilling for oil or natural gas</b>							
	Site area not exceeding 7.5 ha - for each 0.1 ha of site area		508.00	0.00	508.00	508.00	0.00	508.00
	Site area of 7.5 ha		38,070.00	0.00	38,070.00	38,070.00	0.00	38,070.00
	Per 0.1ha in excess of 7.5ha		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
	<b>Winning and working of materials</b>							
	Per 0.1 ha site area to maximum 15 ha		234.00	0.00	234.00	234.00	0.00	234.00
	Site area of 15 ha		34,934.00	0.00	34,934.00	34,934.00	0.00	34,934.00
	Per 0.1 ha site area in excess of 15 ha		£138 up to a max of £78,000	0.00	£138 up to a max of £78,000	£138 up to a max of £78,000	0.00	£138 up to a max of £78,000
	<b>Disposal of refuse or waste materials or for the deposit of material remaining after minerals have been extracted from the land or for the storage of minerals in the open.</b>							
	Per 0.1 ha site area to maximum 15 ha		234.00	0.00	234.00	234.00	0.00	234.00
	Site area of 15 ha		34,934.00	0.00	34,934.00	34,934.00	0.00	34,934.00
	Per 0.1 ha site area in excess of 15 ha		£138 up to a max of £78,000	0.00	£138 up to a max of £78,000	£138 up to a max of £78,000	0.00	£138 up to a max of £78,000
	Construction of car parks, service roads and access for the purpose of a single undertaking		234.00	0.00	234.00	234.00	0.00	234.00
	<b>Extant Planning Permission</b>							
	Householder		68.40	0.00	68.40	68.40	0.00	68.40
	Major development		690.00	0.00	690.00	690.00	0.00	690.00
	All other applications		234.00	0.00	234.00	234.00	0.00	234.00
	<b>Non-Material Amendment</b>							
	Householder		34.00	0.00	34.00	34.00	0.00	34.00
	All other applications		234.00	0.00	234.00	234.00	0.00	234.00
	Minor Material Amendment		234.00	0.00	234.00	234.00	0.00	234.00
	Reserved matters		462.00	0.00	462.00	462.00	0.00	462.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	For non-compliance with conditions, variation or renewal of a temporary permission		234.00	0.00	234.00	234.00	0.00	234.00
	Householder		34.00	0.00	34.00	34.00	0.00	34.00
	All other applications		116.00	0.00	116.00	116.00	0.00	116.00
	Playing Fields		462.00	0.00	462.00	462.00	0.00	462.00
	Telecoms prior approval		462.00	0.00	462.00	462.00	0.00	462.00
	Buildings and roads constructed under PD for agriculture/forestry		96.00	0.00	96.00	96.00	0.00	96.00
	Demolition prior approval		96.00	0.00	96.00	96.00	0.00	96.00
	Advert to premises		132.00	0.00	132.00	132.00	0.00	132.00
	Directional advert		132.00	0.00	132.00	132.00	0.00	132.00
	All other adverts		462.00	0.00	462.00	462.00	0.00	462.00
	Request for written confirmation of compliance with condition(s)		367.50	0.00	367.50	381.90	0.00	381.90
<b>6</b>	<b>Coordinated Development Process &amp; Sustainability Assessment Services-Development Control</b>							
	<b>Permission in Principal</b>		<b>£423 per 0.1 ha</b>		<b>£423 per 0.1 ha</b>	<b>£439.50 per 0.1 ha</b>		<b>£439.50 per 0.1 ha</b>
	<b>Coordinated Plan Drawing and Approval Service</b>							
	<b>N.B. 20% discount on Building Control Application fees included in the fees shown below.</b>							
	Single Storey Extension	V	1,793.83	358.77	2,152.60	1,863.83	372.77	2,236.60
	Two Storey Extension	V	2,187.50	437.50	2,625.00	2,272.92	454.58	2,727.50
	Loft Conversion	V	2,099.25	419.85	2,519.10	2,181.25	436.25	2,617.50
	Combination Loft & Extension	V	3,325.17	665.03	3,990.20	3,454.92	690.98	4,145.90
	Lawful Development Certificate	V	100.75	20.15	120.90	104.75	20.95	125.70
<b>7</b>	<b>CONTAMINATED LAND INFORMATION</b>							
	Contaminated Land Enquiry - Site History - where no records held		52.50	0.00	52.50	54.60	0.00	54.60
	Contaminated Land Enquiry - Site History - where records are held		157.50	0.00	157.50	163.70	0.00	163.70
<b>8</b>	<b>DEVELOPMENT CONTROL SERVICES</b>							
	Provision of Information including Solicitors & Developers Inquires - per hour (1 hour minimum charge)		65.10	0.00	65.10	67.70	0.00	67.70
	Providing written confirmation of compliance with planning permission, including a site visit.	V	306.33	61.27	367.60	318.33	63.67	382.00
	London Local Authorities (Charges for Stopping Up Orders) Regulations 2000		3,102.80	0.00	3,102.80	3,223.90	0.00	3,223.90
<b>9</b>	<b>PUBLIC REGISTER COPIES</b>							
	IPC Authorised Premises Provision of copies – per premise – per officer half hour or part thereof		27.50	0.00	27.50	28.60	0.00	28.60
	Environmental Regulation of Industrial Plant				Price on Application			Price on Application
	Fee for a formal complaint made in respect of high hedges and trees, under part 8 of the Anti-Social Behaviour Act 2003		1,119.30	0.00	1,119.30	1,163.00	0.00	1,163.00
<b>10</b>	<b>Design Panel Fees</b>							
	<b>First Meeting:</b>							
	Design Workshop	V	4,000.00	800.00	4,800.00	4,156.00	831.20	4,987.20
	Design Review	V	4,000.00	800.00	4,800.00	4,156.00	831.20	4,987.20
	Minor Major	V	1,050.00	210.00	1,260.00	1,091.00	218.20	1,309.20
	Desktop Meeting	V	1,750.00	350.00	2,100.00	1,818.33	363.67	2,182.00
	<b>Follow Up Meeting/s</b>							
	Design Workshop	V	3,000.00	600.00	3,600.00	3,117.00	623.40	3,740.40
	Design Review	V	3,000.00	600.00	3,600.00	3,117.00	623.40	3,740.40
	Design Meeting	V	1,750.00	350.00	2,100.00	1,818.33	363.67	2,182.00
	Charge where planning application found to be invalid				20% of application fee			20% of application fee
<b>11</b>	<b>Provision of Strategic Planning and Design Information</b>							
	<b>Photocopying and Printing</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	A4 Sheet	✓	6.25	1.25	7.50	6.50	1.30	7.80
	Extra Copy	✓	0.75	0.15	0.90	0.83	0.17	1.00
	Map on A3 sheet	✓	12.50	2.50	15.00	13.00	2.60	15.60
	Map on A2 sheet	✓	15.00	3.00	18.00	15.58	3.12	18.70
	Map on A1 sheet	✓	20.00	4.00	24.00	20.83	4.17	25.00
	Document >50 pages	✓	10.00	2.00	12.00	10.42	2.08	12.50
	Document >100pages	✓	17.50	3.50	21.00	18.17	3.63	21.80
	Document >200 pages	✓	30.00	6.00	36.00	31.17	6.23	37.40
	Document >300 pages	✓	45.00	9.00	54.00	46.83	9.37	56.20
	Document >400 pages	✓	60.00	12.00	72.00	62.42	12.48	74.90
	Postage for letters, large letters and packets	✓	Standard Council charges apply			Standard Council charges apply		
<b>12</b>	<b>ENVIRONMENTAL PERMITTING (PPC)</b>							
	Statutory fee (set by DEFRA)							
	LAPPC Application Fees:							
	Application for an environmental permit part B - Standard Activities		1,579.00	0.00	1,579.00	1,579.00	0.00	1,579.00
	Additional Fee for operating without a permit		1,137.00	0.00	1,137.00	1,137.00	0.00	1,137.00
	PVRI, SWOB and Dry Cleaners Reduced Fee Activities		148.00	0.00	148.00	148.00	0.00	148.00
	PVRI & II Combined		246.00	0.00	246.00	246.00	0.00	246.00
	VRs and Other Reduced Fee Activities		346.00	0.00	346.00	346.00	0.00	346.00
	Reduced fee activities: Additional fee for operating without a permit		68.00	0.00	68.00	68.00	0.00	68.00
	Mobile screening and crushing plant		346.00	0.00	346.00	346.00	0.00	346.00
	Application fee for mobile crusher 3rd - 7th Permit		346.00	0.00	346.00	346.00	0.00	346.00
	Application fee for mobile crusher 8th Permit and higher		346.00	0.00	346.00	346.00	0.00	346.00
	Where an application for any of the above is for a combined Part B and waste application, add an extra £297 to the above amounts		297.00	0.00	297.00	297.00	0.00	297.00
	LAPPC Annual Subsistence Charge							
	Standard Processes- Low Risk		739.00	0.00	739.00	739.00	0.00	739.00
	Standard Processes- Low Risk - Additional charge where a permit is for a combined Part B & Waste installation		99.00	0.00	99.00	99.00	0.00	99.00
	Standard Processes- Medium Risk		1,111.00	0.00	1,111.00	1,111.00	0.00	1,111.00
	Standard Processes- Medium Risk - Additional charge where a permit is for a combined Part B & Waste installation		149.00	0.00	149.00	149.00	0.00	149.00
	Standard Processes- High Risk		1,672.00	0.00	1,672.00	1,672.00	0.00	1,672.00
	Standard Processes- High Risk - Additional charge where a permit is for a combined Part B & Waste installation		198.00	0.00	198.00	198.00	0.00	198.00
	Annual Subsistence Fee - Reduced Fee Activity - Low Risk		76.00	0.00	76.00	76.00	0.00	76.00
	Annual Subsistence Fee - Reduced Fee Activity - Medium Risk		151.00	0.00	151.00	151.00	0.00	151.00
	Annual Subsistence Fee - Reduced Fee Activity - High Risk		227.00	0.00	227.00	227.00	0.00	227.00
	Annual Subsistence Fee - Reduced Fee Activity PVR I+II -Low Risk		108.00	0.00	108.00	108.00	0.00	108.00
	Annual Subsistence Fee - Reduced Fee Activity PVR I+II -Medium Risk		216.00	0.00	216.00	216.00	0.00	216.00
	Annual Subsistence Fee - Reduced Fee Activity PVR I+II -High Risk		326.00	0.00	326.00	326.00	0.00	326.00
	Annual Subsistence Fee - Vehicle Respraying + other processes in this category - Low Risk		218.00	0.00	218.00	218.00	0.00	218.00
	Annual Subsistence Fee - Vehicle Respraying + other processes in this category - Medium Risk		349.00	0.00	349.00	349.00	0.00	349.00
	Annual Subsistence Fee - Vehicle Respraying + other processes in this category - High Risk		524.00	0.00	524.00	524.00	0.00	524.00
	Annual Subsistence Fee - Mobile Crushing - Low Risk		218.00	0.00	218.00	218.00	0.00	218.00
	Annual Subsistence Fee - Mobile Crushing - Medium Risk		349.00	0.00	349.00	349.00	0.00	349.00
	Annual Subsistence Fee - Mobile Crushing - High Risk		524.00	0.00	524.00	524.00	0.00	524.00
	Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - Low Risk		218.00	0.00	218.00	218.00	0.00	218.00
	Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - Medium Risk		349.00	0.00	349.00	349.00	0.00	349.00
	Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - High Risk		524.00	0.00	524.00	524.00	0.00	524.00
	Annual Subsistence Fee - Mobile Crushing 8th & subsequent permits - Low Risk		218.00	0.00	218.00	218.00	0.00	218.00
	Annual Subsistence Fee - Mobile Crushing 8th & subsequent permits - Medium Risk		349.00	0.00	349.00	349.00	0.00	349.00
	Annual Subsistence Fee - Mobile Crushing 8th & subsequent permits - High Risk		524.00	0.00	524.00	524.00	0.00	524.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Late payment fee		50.00	0.00	50.00	50.00	0.00	50.00
	Where a Part B installation is subject to reporting under E-PRTR Regulation add an extra £99 to the above amounts		99.00	0.00	99.00	99.00	0.00	99.00
	Where subsistence charges are paid in four equal instalments the total amount payable is increased by £36							
	Transfer & Surrender							
	Standard process transfer		162.00	0.00	162.00	162.00	0.00	162.00
	Standard process partial transfer		476.00	0.00	476.00	476.00	0.00	476.00
	New operator at low risk reduced fee activity		75.00	0.00	75.00	75.00	0.00	75.00
	Surrender: all Part B activities							
	Reduced fee activities: transfer							
	Reduced fee activities: partial transfer		45.00	0.00	45.00	45.00	0.00	45.00
	Temporary transfer for mobiles: first transfer		51.00	0.00	51.00	51.00	0.00	51.00
	Temporary transfer for mobiles: repeat following enforcement or warning		51.00	0.00	51.00	51.00	0.00	51.00
	Substantial Change							
	Standard process		1,005.00	0.00	1,005.00	1,005.00	0.00	1,005.00
	Standard process where the substantial change results in a new PPC activity		1,579.00	0.00	1,579.00	1,579.00	0.00	1,579.00
	Reduced fee activities		98.00	0.00	98.00	98.00	0.00	98.00
	LA-IPPC Charges:							
	Application		3,218.00	0.00	3,218.00	3,218.00	0.00	3,218.00
	Additional fee for operating without a permit		1,137.00	0.00	1,137.00	1,137.00	0.00	1,137.00
	Annual subsistence fee: Low risk		1,384.00	0.00	1,384.00	1,384.00	0.00	1,384.00
	Annual subsistence fee: Medium risk		1,541.00	0.00	1,541.00	1,541.00	0.00	1,541.00
	Annual subsistence fee: High risk		2,233.00	0.00	2,233.00	2,233.00	0.00	2,233.00
	Late payment fee		50.00	0.00	50.00	50.00	0.00	50.00
	Substantial variation		1,309.00	0.00	1,309.00	1,309.00	0.00	1,309.00
	Transfer		225.00	0.00	225.00	225.00	0.00	225.00
	Partial transfer		668.00	0.00	668.00	668.00	0.00	668.00
	Surrender		668.00	0.00	668.00	668.00	0.00	668.00
	Where subsistence charges are paid in four equal instalments the total amount payable is increased by £36							
<b>13</b>	<b>CYCLE PARKING CHARGES</b>							
	Station hub cycle parking membership	V	10.00	2.00	12.00	10.00	2.00	12.00
	Residential secure cycle parking membership	V	10.00	2.00	12.00	10.00	2.00	12.00
<b>14</b>	<b>ADOPTED ROAD ENQUIRIES</b>							
	Highway Search Enquiry - Single Property		48.50	0.00	48.50	50.40	0.00	50.40
	Highway Search Enquiry - Site comprising multiple properties		97.00	0.00	97.00	100.80	0.00	100.80
<b>15</b>	<b>TEMPORARY TRAFFIC ORDER</b>							
	S14.1 TTO or S14.2 Notice five days duration or less		2,610.00	0.00	2,610.00	2,720.00	0.00	2,720.00
	Road Closure for Filming (Notice & Order)		900.00	0.00	900.00	935.10	0.00	935.10
	A Special Event Orders - (excluding community street parties)		900.00	0.00	900.00	935.10	0.00	935.10
	Temporary Traffic Orders to support Major Events (over 10,000 people)		4,746.00	0.00	4,746.00	4,931.10	0.00	4,931.10
	Temporary Traffic Orders to support Major Events (5,000 - 10,000 people)					3,825.00	0.00	3,825.00
	Approval by the Highway authority to close a road for a community street party (including provision of road closure barriers by the authority)					50.00	0.00	50.00
	Approval by the Highway authority to close a road for other community event on the highway (including provision of road closure barriers by the authority)				Price on Application			Price on Application
<b>16</b>	<b>TRANSPORTATION PLANNING</b>							
	S115E Licence - single site		900.00	0.00	900.00	935.10	0.00	935.10
	S115E Licence - for each additional site on same licence		105.00	0.00	105.00	109.10	0.00	109.10
<b>17</b>	<b>TRANSPORTATION SERVICES</b>							
	Monitoring outputs of travel plans secured by S106 Obligations - Framework Travel Plan				Flat contribution of <b>£2,625</b> + annual contribution of			Flat contribution of <b>£2,730</b> + annual contribution of <b>£545</b> for the life of the
	Monitoring outputs of travel plans secured by S106 Obligations - Single Phase of Development		5,250.00	0.00	5,250.00	5,454.80	0.00	5,454.80



Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	S247 Stopping-Up Order - Relating to Minor Planning Application		3,915.00	0.00	3,915.00	4,067.70	0.00	4,067.70
	S247 Stopping-Up Order - Relating to Major Planning Application		6,525.00	0.00	6,525.00	6,779.50	0.00	6,779.50
	Public Path Diversion Order - (The Local Authorities (Recovery of Costs for Public Path Orders) Regulations 1993)							Price on Application
	Mobility assessment to support application for disabled parking bay		262.50	0.00	262.50	262.50	0.00	262.50
	Application for temporary directional signage		126.00	0.00	126.00	131.00	0.00	131.00
	Temporary directional signs returnable deposit to cover costs in removing the signs in default		105.00	0.00	105.00	109.10	0.00	109.10
	Requests for Advice and Policy Guidance on Directional Signs		63.00	0.00	63.00	65.50	0.00	65.50
	Checking fee for S38 Agreements (value of works based on current LBE term contract rates) (not subject to VAT)		Flat rate of <b>£3,675</b> for works up to <b>£10,000</b> in value + 11% of the value of works over <b>£10,000</b> + actual cost			Flat rate of <b>£3,820</b> for works up to <b>£10,000</b> in value + 11% of the value of works over <b>£10,000</b> + actual cost to accrue street lighting etc. into PFI		
	Checking & supervision fee for S278 Agreements (value of works based on current LBE term contract rates) (not subject to VAT)		Flat rate of <b>£3,675</b> for works up to <b>£10,000</b> in value + 11% of the value of works over <b>£10,000</b> + actual cost			Flat rate of <b>£3,820</b> for works up to <b>£10,000</b> in value + 11% of the value of works over <b>£10,000</b> + actual cost to accrue street lighting etc. into PFI		
<b>18</b>	<b>Enforcement of Temporary Traffic Orders - Resident &amp; Business bays, waiting and loading:</b>							
	Admin fee		109.90	0.00	109.90	114.20	0.00	114.20
	Cancellation charge		54.50	0.00	54.50	56.70	0.00	56.70
	Enforcement by Civil Enforcement Officer per day		78.60	0.00	78.60	81.70	0.00	81.70
	Cost of an Enforcement notice	V	33.42	6.68	40.10	34.83	6.97	41.80
	Use of removal vehicle (per removal)		200.00	0.00	200.00	200.00	0.00	200.00
	<b>Please note the charges for Enforcement detailed above are separate and in addition to any charges which the applicant may incur in obtaining a Temporary Traffic Order or Street Works permits</b>							
	<b>Lorry parking prices</b>	V						
	<b>Rigid vehicles</b>							
	1 day	V	16.92	3.38	20.30	17.58	3.52	21.10
	2 days	V	33.75	6.75	40.50	35.08	7.02	42.10
	3 days	V	50.75	10.15	60.90	52.83	10.57	63.40
	4 days	V	67.58	13.52	81.10	70.33	14.07	84.40
	5 days	V	84.42	16.88	101.30	87.83	17.57	105.40
	6 days	V	101.25	20.25	121.50	105.17	21.03	126.20
	1 week	V	109.08	21.82	130.90	113.42	22.68	136.10
	1 month	V	436.33	87.27	523.60	453.42	90.68	544.10
	3 months	V	1,308.92	261.78	1,570.70	1,360.00	272.00	1,632.00
	<b>Articulated vehicles</b>							
	1 day	V	20.00	4.00	24.00	20.83	4.17	25.00
	2 days	V	39.58	7.92	47.50	41.17	8.23	49.40
	3 days	V	59.58	11.92	71.50	62.00	12.40	74.40
	4 days	V	79.50	15.90	95.40	82.67	16.53	99.20
	5 days	V	99.17	19.83	119.00	103.08	20.62	123.70
	6 days	V	119.00	23.80	142.80	123.67	24.73	148.40
	1 week	V	128.92	25.78	154.70	134.00	26.80	160.80
	1 month	V	515.58	103.12	618.70	535.67	107.13	642.80
	3 months	V	1,546.67	309.33	1,856.00	1,607.00	321.40	1,928.40
<b>19</b>	<b>FOOTPATH CROSSINGS &amp; PATHS ACROSS VERGES</b>							
	Costs associated with amending Traffic Management Orders to facilitate footway crossovers in Controlled Parking Zones		152.50	0.00	152.50	158.50	0.00	158.50
	Application for Footway Crossovers - The Local Authorities (Transport Charges) Regulation 1998. The application process includes a maximum of three site visits.		205.00	0.00	205.00	213.00	0.00	213.00
	Additional Site visits for approval and estimation of vehicle crossover applications. Up to half hour of officer's time per visit.		40.00	0.00	40.00	41.60	0.00	41.60

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Construction of a crossover <b>per square metre</b> in paving slabs/blocks or asphalt. Excluding existing obstructions e.g. street lighting columns, street furniture, trees or utility apparatus. <b>Note:</b> Where a footway is currently constructed in asphalt / tarmacadam a new footway crossing will only be permitted to be constructed in asphalt / tarmacadam		229.50	0.00	229.50	238.50	0.00	238.50
	Uplift on the cost per square metre for constructing a crossover where restricted working hours apply		26.00	0.00	26.00	27.00	0.00	27.00
	Provision of a footway crossover when constructed as part of a planned footway reconstruction scheme - <b>(20%discount</b> on full price shown above) (per square metre). Note: crossover specification to comply with scheme construction.		183.60	0.00	183.60	190.80	0.00	190.80
	<b>There will be no discount where it is identified that a resident is crossing the footway illegally and contributing to damage of the footway.</b>							
	Renewal of existing White line Entrance Marking on Highway		163.00	0.00	163.00	169.40	0.00	169.40
	New White line Entrance Marking on Highway		163.00	0.00	163.00	169.40	0.00	169.40
	White line Entrance marking application charge (if work not progressed admin fee to be charged)		68.30	0.00	68.30	71.00	0.00	71.00
	Removal and replanting of shrub bed elsewhere in the Borough - per square metre		127.00	0.00	127.00	132.00	0.00	132.00
	Removal and replanting of grass verge elsewhere in the Borough - per square metre		104.00	0.00	104.00	108.10	0.00	108.10
	Application to request a tree removal in accordance with the tree strategy.		355.00	0.00	355.00	368.90	0.00	368.90
	Application for Heavy Duty Footway crossover - The Local Authorities (Transport Charges) Regulation 1998		980.00	0.00	980.00	1,018.30	0.00	1,018.30
	Construction and site supervision of Heavy Duty crossover excluding statutory utility diversions.		Price on Application			Price on Application		
<b>20</b>	<b>PROVISION OF STREET SEATS</b>							
	Per seat (Estimate will be provided on request at actual contractors cost, officer time and actual cost of plaque)		Price on Application			Price on Application		
<b>21</b>	<b>PROVISION OF STREET NAME PLATES</b>							
	Per Street Name Plate		Price on Application			Price on Application		
	Relocation only of existing Street Name Plate for footway crossing application		Price on Application			Price on Application		
<b>22</b>	<b>LICENCE FOR SKIPS</b>							
	Inspection fee for skip placed off highway		75.00	0.00	75.00	78.00	0.00	78.00
	Skip Licence - 14 days		75.00	0.00	75.00	78.00	0.00	78.00
	Continuation Licence - 14 days		75.00	0.00	75.00	78.00	0.00	78.00
	Attend to unlit skip on the highway and make safe					186.00	0.00	186.00
<b>23</b>	<b>LICENCE FOR HOARDING/SCAFFOLDING</b>							
	Deposit before commencement of works (refundable against damage) Per square metre of highway occupied by scaffold/hoarding(minimum deposit of £500)		50.00	0.00	50.00	50.00	0.00	50.00
	<b>Licence:</b>							
	<b>Application Fee</b> all scaffolds/hoardings (Non Refundable)		136.50	0.00	136.50	141.90	0.00	141.90
	<b>Licence Fee for 30 days</b> per square metre of highway occupied by scaffold/hoarding (minimum cost to be £260, max to be £2,600)		25.00	0.00	25.00	26.00	0.00	26.00
	<b>Licence Extension Fee</b> for each 30 day period per square metre of highway occupied by scaffold/hoarding <b>UP TO 180 DAYS (minimum cost to be £260, max to be £2,600) £26.00psqm</b>		25.00	0.00	25.00	26.00	0.00	26.00
	<b>Charge for additional inspections £75.40 per hour (min 1hr)</b>		72.50	0.00	72.50	75.40	0.00	75.40
<b>24</b>	<b>LICENCE FOR THE ISSUE OF A STREET WORKS LICENCE UNDER S50 OF THE NEW ROADS &amp; STREET WORKS ACT 1991</b>							
	Administration fee		280.40	0.00	280.40	292.00	0.00	292.00
	Capitalisation fee in lieu of annual charge		1,292.60	0.00	1,292.60	1,343.00	0.00	1,343.00
	Capitalisation fee in lieu of annual charge for Major Service Licence					2,000.00	0.00	2,000.00
	Inspection Fee		325.50	0.00	325.50	338.00	0.00	338.00
	Weekly Inspection Fee for Major Service Licence					50.00	0.00	50.00
	Refundable Deposit (subject to satisfactory inspection of works at end of guarantee period) - per square metre for reinstatements up to 5 M <sup>2</sup>		210.00	0.00	210.00	220.00	0.00	220.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			over 5M2 - per square metre for reinstatements	168.00	0.00	168.00	180.00	0.00
Collaborative planning & installation of services assistance (multi-services applications only)	1,100.00	0.00	1,100.00	1,140.00	0.00	1,140.00		
Bond payable to cover any penalty payments associated with the works			Price on Application			Price on Application		
<b>25 APPLICATION FOR AUTHORITY TO EXECUTE WORKS ON THE HIGHWAY</b>								
Administration fee	280.40	0.00	280.40	292.00	0.00	292.00		
Inspection Fee 1-7 Excavations				350.00	0.00	350.00		
Inspection Fee 8-14 Excavations				525.00	0.00	525.00		
Refundable Deposit (subject to satisfactory inspection of works at end of guarantee period) - per square metre for reinstatements up to 5 M <sup>2</sup>	210.00	0.00	210.00	500.00	0.00	500.00		
over 5M2 - per square metre for reinstatements	168.00	0.00	168.00	300.00	0.00	300.00		
<b>26 LICENCE FOR CRANES/OVERSAILING</b>								
Application Fee for Cranes/Oversailing (Non refundable)	200.00	0.00	200.00	207.80	0.00	207.80		
Licence for Cranes on the highway - per day	200.00	0.00	200.00	207.80	0.00	207.80		
Licence for Oversail over the highway - per day (minimum 1 day)	11.60	0.00	11.60	12.10	0.00	12.10		
Charge for additional inspections - complaints/enquiries. £75.40 per hour (min. 1 hr)	72.50	0.00	72.50	75.40	0.00	75.40		
Deposit before commencement of works (refundable against damage)	5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00		
<b>27 HIGHWAY RELATED CHARGES</b>								
Any works / repairs to public assets on the highway			Price on Application			Price on Application		
Sponsored Tree Planting (including 3 year after care).	711.00	0.00	711.00	738.70	0.00	738.70		
Sponsored Tree Plaque - price on application			Price on Application			Price on Application		
Bollard removal - charge per bollard (any type)	103.00	0.00	103.00	150.00	0.00	150.00		
Provision of Arborist Services (private works)			Price on Application			Price on Application		
<b>28 CESSPOOL EMPTYING</b>								
<b>Domestic Properties (No VAT)</b>								
Normal time per hour			Price on Application			Price on Application		
Call out (time and ½ rates)			Price on Application			Price on Application		
Sundays, Bank Holidays or after Midnight			Price on Application			Price on Application		
<b>29 Thames Water disposal charge to be added to above rates.</b>								
<b>DOMESTIC COLLECTIONS</b>								
<b>N.B. Domestic Bin Hire/Collection is Non Business - i.e. no VAT to be charged</b>								
<b>Special Bulky Waste Collections</b>								
<b>Bulky waste collection in 12 months:</b>								
1 item	42.20	0.00	42.20			FREE		
2 Items	46.80	0.00	46.80			FREE		
3 Items	51.40	0.00	51.40			FREE		
4 Items	56.00	0.00	56.00			FREE		
5 Items	60.60	0.00	60.60			FREE		
6 Items	65.20	0.00	65.20			FREE		
Premium Service (Fastrack service) bookable £10.50 fee	11.10	0.00	11.10	15.00	0.00	15.00		
Bulky waste collection cancellation charge for between 1-3 days notice	17.90	0.00	17.90			FREE		
Additional charge for non standard sized items	64.10	0.00	64.10			FREE		
<b>Electrical bulky item collections:</b>								
1 item	42.20	0.00	42.20	43.90	0.00	43.90		
2 Items	46.80	0.00	46.80	48.70	0.00	48.70		
3 Items	51.40	0.00	51.40	53.50	0.00	53.50		
4 Items	56.00	0.00	56.00	58.30	0.00	58.30		
5 Items	60.60	0.00	60.60	63.10	0.00	63.10		
6 Items	65.20	0.00	65.20	67.90	0.00	67.90		
Premium Service (Fastrack service) bookable £10.50 fee	11.10	0.00	11.10	Service not offered for Electrical Bulky Waste				
Bulky electrical item collection cancellation charge for between 1-3 days notice	18.20	0.00	18.20	19.00	0.00	19.00		

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b><u>New bin and bin replacements:</u></b>							
	Delivery and provision of 1 domestic 140 or 240 litre wheeled bin		60.60	0.00	60.60	63.00	0.00	63.00
	Delivery of each additional 140 or 240 litre wheeled bin (limited to a maximum of two additions per property)		30.10	0.00	30.10	31.30	0.00	31.30
	Hire of additional 240 litre Green Bin (fortnightly service)		65.00	0.00	65.00	65.00	0.00	65.00
	Hire of additional 140 litre Green Bin (fortnightly service)		65.00	0.00	65.00	65.00	0.00	65.00
	New bin and bin replacement cancellation charge for between 1-3 days notice		18.20	0.00	18.20	19.00	0.00	19.00
	Garden Waste - annual subscription		65.00	0.00	65.00	65.00	0.00	65.00
<b>30</b>	<b>PARKS AND OUTDOOR FACILITIES</b>							
	<b>Charges marked ** do not include VAT, which will be added in certain circumstances in accordance with VAT Regulations</b>							
	<b>Public Liability Insurance is not included in these charges.</b>							
	<b><u>IN COMMEMORATION</u></b>							
	To supply and plant tree with 3 year after care. Tree species from contractors planting list. Plaque size 6"x 4" limited to 60 characters (additional charge over 60 characters)	√	700.17	140.03	840.20	723.00	144.60	867.60
	Memorial Bench	√	1,522.50	304.50	1,827.00	1,572.00	314.40	1,886.40
	Plaque for Bench		290.90	0.00	290.90	302.30	0.00	302.30
	<b><u>Tennis Courts</u></b>							
	Per hour peak mid-week	√	4.00	0.80	4.80	4.17	0.83	5.00
	No charge off-peak		No Charge			No Charge		
	Per hour weekend & bank holidays	√	4.00	0.80	4.80	4.25	0.85	5.10
	Per hour floodlights (as required)	√	2.25	0.45	2.70	2.42	0.48	2.90
	<b><u>CRICKET **</u></b>							
	<u>Season bookings can be made for 10 or 20 matches</u>							
	Grade 1 - Saturdays (10 Matches)		730.80	0.00	730.80	759.40	0.00	759.40
	Grade 1 - Sundays (10 Matches)		794.90	0.00	794.90	826.00	0.00	826.00
	Grade 2 - Saturdays or Sundays (10 Matches)		624.80	0.00	624.80	649.20	0.00	649.20
	<b><u>Casual matches, per day</u></b>							
	Grade 1	√	94.17	18.83	113.00	98.33	19.67	118.00
	Grade 2	√	79.17	15.83	95.00	82.50	16.50	99.00
	<b><u>BASEBALL – Enfield Playing Fields</u></b>							
	Grade 1 (Inc. changing rooms & showers) Sat or Sun per session	√	74.42	14.88	89.30	77.42	15.48	92.90
	<b><u>FISHING (15 June - 15 March)</u></b>							
	<b>Grovelands Park &amp; Trent Country Park</b>							
	Licensed adult, per day	√	7.92	1.58	9.50	8.33	1.67	10.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Licensed junior, per day	√	FREE			FREE		
	Season Ticket - adult	√	58.92	11.78	70.70	60.92	12.18	73.10
	Season Ticket - junior	√	FREE			FREE		
	<b><u>FOOTBALL / GAELIC FOOTBALL / RUGBY **</u></b>							
	<u>Season bookings can be made for 16 or 32 games</u>							
	<b><u>SENIOR</u></b>							
	Manned site - Saturday (16 Games)		830.00	0.00	830.00	863.00	0.00	863.00
	Manned site - Sunday (16 Games)		978.00	0.00	978.00	1,017.00	0.00	1,017.00
	Grade 1 - Saturdays (16 games)		777.00	0.00	777.00	808.00	0.00	808.00
	Grade 1 - Sundays (16 games)		922.00	0.00	922.00	958.00	0.00	958.00
	Grade 2 - Saturdays (16 games)		534.00	0.00	534.00	555.00	0.00	555.00
	Grade 2 - Sundays (16 games)		578.00	0.00	578.00	601.00	0.00	601.00
	<b><u>Casual matches, per match</u></b>							
	Grade 1 Saturday	√	94.17	18.83	113.00	98.33	19.67	118.00
	Grade 1 Sunday	√	101.67	20.33	122.00	105.83	21.17	127.00
	Grade 2 Saturday	√	65.83	13.17	79.00	69.17	13.83	83.00
	Grade 2 Sunday	√	72.50	14.50	87.00	75.83	15.17	91.00
	<b><u>JUNIOR</u></b>							
	Grade 2 - Saturdays or Sundays (16 games)		315.00	0.00	315.00	328.00	0.00	328.00
	<b><u>Casual matches, per match</u></b>							
	Grade 2	√	36.67	7.33	44.00	38.33	7.67	46.00
	<b><u>Mini-Soccer (7v7)</u></b>							
	Every Saturday or Sunday (32 Matches)		389.00	0.00	389.00	405.00	0.00	405.00
	Casual, per match	√	17.50	3.50	21.00	18.33	3.67	22.00
	<b><u>5-a-side Football, per pitch, casual</u></b>							
	Casual, per match	√	17.50	3.50	21.00	18.33	3.67	22.00
	<b><u>Every Saturday or Sunday (32 Matches)</u></b>		389.00	0.00	389.00	405.00	0.00	405.00
	<b><u>9-a-side Football, per pitch</u></b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Grade 2 - Saturdays / Sundays (16 games)		434.00	0.00	434.00	451.00	0.00	451.00
	Grade 2 Saturday /Sunday, casual	✓	50.83	10.17	61.00	53.33	10.67	64.00
	Post Football litter clearance	✓	62.50	12.50	75.00	65.00	13.00	78.00
	<b>NETBALL**</b>							
	Adult Teams per court, per hour (incl changing rooms & showers)	✓	15.83	3.17	19.00	16.50	3.30	19.80
	Junior Teams per court, per hour (incl changing rooms & showers)	✓	10.25	2.05	12.30	10.75	2.15	12.90
	<b>ATHLETIC TRACK-QEII</b>							
	Per hour (Mon- Friday)	✓	32.50	6.50	39.00	34.17	6.83	41.00
	<b>HIRE OF PITCHES FOR SCHOOLS</b>							
	(the charges are normally VATable but the supply to LBE maintained schools is outside the scope of VAT)							
	<b>FOOTBALL</b>							
	Junior Pitch	✓	24.17	4.83	29.00	25.83	5.17	31.00
	Senior Pitch	✓	46.67	9.33	56.00	49.17	9.83	59.00
	<b>NETBALL</b>	✓	10.83	2.17	13.00	11.67	2.33	14.00
	<b>RUGBY</b>							
	Senior Pitch	✓	46.67	9.33	56.00	49.17	9.83	59.00
	<b>Athletics</b>							
	Per hour (Mon- Friday)	✓	28.33	5.67	34.00	30.00	6.00	36.00
31	<b>CEMETERY CHARGES</b>							
	The service is non-business for VAT where marked * i.e. no VAT to be charged.							
	<b>DIGGING FEES (including interment fee and soil box on request)</b>							
	Depth:							
	5'0" (Aged 2 years and under - fee waived for residents only)		1,769.30	0.00	1,769.30	1,838.40	0.00	1,838.40
	7'0" (Minimum depth applies to all new graves)		1,890.00	0.00	1,890.00	1,963.80	0.00	1,963.80
	9'0"		2,026.50	0.00	2,026.50	2,105.60	0.00	2,105.60
	10'6"		2,147.30	0.00	2,147.30	2,231.10	0.00	2,231.10
	12'0"		2,310.00	0.00	2,310.00	2,400.10	0.00	2,400.10
	14'0"		2,430.80	0.00	2,430.80	2,525.70	0.00	2,525.70
	Caskets or coffins in excess of 6'10" x 2'6" x 1'10"		325.50	0.00	325.50	338.20	0.00	338.20
	<b>SCATTERING OF CREMATED REMAINS ON GRAVES</b>		126.00	0.00	126.00	131.00	0.00	131.00
	<b>BURIAL OF CREMATED REMAINS IN GRAVES</b>		315.00	0.00	315.00	327.30	0.00	327.30
	<b>BURIAL OF CREMATED REMAINS IN COFFIN</b>		168.00	0.00	168.00	174.60	0.00	174.60
	<b>CHAPEL (per half hour)</b>		141.80	0.00	141.80	147.40	0.00	147.40
	<b>Additional fee in excess of 1½ timeslot per half hour</b>		210.00	0.00	210.00	218.20	0.00	218.20
	<b>Rose Petal service</b>		30.50	0.00	30.50	31.70	0.00	31.70
	<b>GREEN BURIALS</b>							
			As for Grave digging			As for Grave digging		

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	TREE PLANTING ASSOCIATED WITH GREEN BURIALS		At cost			At cost		
	<b>PRIVATE GRAVES</b> (Exclusive Right of Burial 100 years) (Charge includes £55.70 for Grave Deed)							
	Reservation fee for Traditional graves [subject to location and availability].		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	Buyback of Unused Traditional Graves		50% of current market value			50% of current market value		
	Baby Graves (inc wooden surround 3' x 1'8")		414.80	0.00	414.80	431.00	0.00	431.00
	Traditional Grave (inc wooden surround except for pre-purchases) 6' 6" x 2' 6"		4,000.00	0.00	4,000.00	4,156.00	0.00	4,156.00
	Traditional Grave (inc wooden surround except for pre-purchases) 6' 6" x 2' 6" Premium or Front Row		5,770.00	0.00	5,770.00	5,995.10	0.00	5,995.10
	Lawn Grave (inc wooden surround except for pre-purchases)		2,800.00	0.00	2,800.00	2,909.20	0.00	2,909.20
	Traditional Grave Outer Circle (inc wooden surround except for pre-purchases) 9' x 4'		9,000.00	0.00	9,000.00	9,351.00	0.00	9,351.00
	Traditional Grave Inner Circle (inc wooden surround except for [pre-purchases) 9' x 4'		7,600.00	0.00	7,600.00	7,896.40	0.00	7,896.40
	Traditional Grave (inc wooden surround except for pre-purchases) 7'x 3' Premium or Front Row		7,600.00	0.00	7,600.00	7,896.40	0.00	7,896.40
	Non-Residents (Traditional Premium or Front Row Graves 7' x 3' and 6'6")		3,400.00	0.00	3,400.00	3,532.60	0.00	3,532.60
	<b>Non Residents may purchase graves where the Exclusive Right of Burial will be DOUBLED unless specified otherwise.</b> To qualify for the residency rate, proof of residency of the proposed registered owner must be provided at time of booking otherwise non resident fees will be charged Current Council tax bill or electoral roll. The Exclusive Right of Burial is non transferable except upon death or from one resident to another resident.							
	<b>Extension of Exclusive Right of Burial Graves 10 years</b>		561.80	0.00	561.80	583.80	0.00	583.80
	<b>Extension of Exclusive Right of Burial Graves 25 years</b>		1,113.00	0.00	1,113.00	1,156.50	0.00	1,156.50
	<b>MAINTENANCE on traditional graves</b>							
	Tidying p.a. 6'6" x 2'6"	✓	227.67	45.53	273.20	236.67	47.33	284.00
	Tidying p.a. 9'0" x 4'0"	✓	319.42	63.88	383.30	331.92	66.38	398.30
	Planting twice 6'6" x 2'6"	✓	323.83	64.77	388.60	336.50	67.30	403.80
	Planting twice 9'0" x 4'0"	✓	428.83	85.77	514.60	445.67	89.13	534.80
	Purchase of full wooden surround -Traditional	✓	135.75	27.15	162.90	141.17	28.23	169.40
	Purchase of mini kerb wooden surround - Lawn	✓	56.92	11.38	68.30	75.00	15.00	90.00
	Supply and install foot kerb (Strayfield Rd-Lawn grave)	✓	61.33	12.27	73.60	63.83	12.77	76.60
	<b>MEMORIAL RIGHTS (10 years)</b>							
	Lawn Grave		141.80	0.00	141.80	147.40	0.00	147.40
	Traditional		210.00	0.00	210.00	218.20	0.00	218.20
	Garden of Rest, Kerbed Memorial Plot, Garden of Remembrance plot or other plot for cremated remains		52.50	0.00	52.50	54.60	0.00	54.60
	<b>MEMORIAL permit fees [Includes Replacement Memorials]</b>							
	Up to 3'0" with headstone only		241.50	0.00	241.50	251.00	0.00	251.00
	Mini kerbs 1'6" x 2' 6"		99.80	0.00	99.80	103.70	0.00	103.70
	Kerbs only(Traditional)		241.50	0.00	241.50	251.00	0.00	251.00
	Up to 3'0" with headstone and kerb		351.80	0.00	351.80	365.60	0.00	365.60
	Up to maximum of 4' with headstone and kerb for 6'6" x 2'6" grave		483.00	0.00	483.00	501.90	0.00	501.90
	Up to maximum of 5' with headstone and kerb up to 9' x 4' grave		525.00	0.00	525.00	545.50	0.00	545.50
	Up to 9'0"		929.30	0.00	929.30	965.60	0.00	965.60
	Inscription fee		105.00	0.00	105.00	109.10	0.00	109.10
	Vase/Lawn plaque		105.00	0.00	105.00	109.10	0.00	109.10
	Headstone and kerb for baby grave		1/2 above rates			1/2 above rates		
	Clean/renovation		48.30	0.00	48.30	50.20	0.00	50.20

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			<b>MEMORIAL REPAIRS</b>					
	Re-Fix	√	75.17	15.03	90.20	78.25	15.65	93.90
	Lawn headstone full repair including new base	√	217.92	43.58	261.50	226.50	45.30	271.80
	<b>EXHUMATION</b>		Price on application			Price on application		
	Pricing is specific to individual grave.		Special charge			Special charge		
	<b>COPY OF GRAVE DEED</b>		53.60	0.00	53.60	55.70	0.00	55.70
	<b>REGISTRATION OF TRANSFER OF RIGHTS:</b>							
	Assignment or Probate		89.30	0.00	89.30	92.80	0.00	92.80
	Statutory Declaration		110.30	0.00	110.30	114.70	0.00	114.70
	<b>SEARCH FEE PER ENTRY</b>	√	20.25	4.05	24.30	21.17	4.23	25.40
	Grave inspection including photo or map	√	22.17	4.43	26.60	23.17	4.63	27.80
	<b>GARDEN OF REMEMBRANCE</b>							
	Exclusive Right of Burial site fee [50 years] (DOUBLE for non residents)		312.90	0.00	312.90	325.20	0.00	325.20
	Scattering of cremated remains:		123.90	0.00	123.90	128.80	0.00	128.80
	Burial of cremated remains:		315.00	0.00	315.00	311.70	0.00	311.70
	Plaque with plinth	√	323.83	64.77	388.60	336.50	67.30	403.80
	Memorial bench with plaque including maintenance (10 years lease)	√	1,522.50	304.50	1,827.00	1,581.92	316.38	1,898.30
	Extension of lease 10 years		237.30	0.00	237.30	246.60	0.00	246.60
	Plaque Only		290.90	0.00	290.90	302.30	0.00	302.30
	Refurbished bench		918.80	0.00	918.80	954.70	0.00	954.70
	<b>MEMORIAL TREE</b>							
	10 year lease (Double for non residents)		237.30	0.00	237.30	246.60	0.00	246.60
	Tree planting with 3 year care		619.50	0.00	619.50	643.70	0.00	643.70
	Scattering of cremated remains		123.90	0.00	123.90	128.80	0.00	128.80
	Plaque with concrete plinth	√	323.83	64.77	388.60	323.83	64.77	388.60
	<b>Kerbside memorial plot</b>							
	Exclusive Right of Burial site fee [50 years] (DOUBLE for non residents)		312.90	0.00	312.90	325.20	0.00	325.20
	Kerbside Memorial including plaque, inscription & vase	√	399.92	79.98	479.90	415.67	83.13	498.80
	<b>GARDENS OF REST:</b>							
	Exclusive Right of Burial site fee [50 years] (DOUBLE for non residents)		750.00	0.00	750.00	779.30	0.00	779.30
	Memorials		150.00	0.00	150.00	155.90	0.00	155.90
	Inscription fee		100.00	0.00	100.00	103.90	0.00	103.90
	Interment fees		300.00	0.00	300.00	311.70	0.00	311.70
	Reservation Fee		230.00	0.00	230.00	239.00	0.00	239.00
	Extension of Lease - 5 years		185.00	0.00	185.00	192.30	0.00	192.30
	<b>SHARED/COMMON GRAVES</b>							
	<b>Adult</b>							
	Contribution towards headstone	√	81.42	16.28	97.70	84.67	16.93	101.60
	Interment fee		624.80	0.00	624.80	649.20	0.00	649.20
	<b>Baby</b>							
	Maximum coffin size 18" x 9"		No charge			No charge		
	Remove / replace headstone		116.40	0.00	116.40	121.00	0.00	121.00
	Remove / replace monument		323.20	0.00	323.20	335.90	0.00	335.90
	<b>Boards</b>	√	83.50	16.70	100.20	86.83	17.37	104.20
	<b>Concrete chamber for shallow graves</b>	√	359.17	71.83	431.00	373.25	74.65	447.90
	<b>MAUSOLEUM</b>							
	Mausoleum Chamber (one burial)		8,295.00	0.00	8,295.00	8,295.00	0.00	8,295.00
	25% discount on 2nd Mausoleum Chamber when purchasing two plots		6,221.30	0.00	6,221.30	6,221.30	0.00	6,221.30



Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Ashes Niche					975.00	0.00	975.00
	Ashes Niche Interment Fee					215.00	0.00	215.00
	<b>Burial Vaults</b>							
	<b>Edmonton</b>							
	Granite Vaulted Burial Chamber					8,872.50	0.00	8,872.50
	<b>Southgate</b>							
	Royal (arch)					8,295.00	0.00	8,295.00
	Granite Vaulted Burial Chamber					8,750.00	0.00	8,850.00
	The 900					8,872.50	0.00	8,872.50
	Royal 900					9,130.00	0.00	9,130.00
	Royal 900 (double)					16,616.60	0.00	16,616.60
	Heritage Cross					9,250.00	0.00	9,250.00
	Heritage Cross (double)					16,835.00	0.00	16,835.00
	Book Memorial					8,580.00	0.00	8,580.00
	Book Memorial (double)					15,615.60	0.00	15,615.60
	<b>MISCELLANEOUS</b>							
	Non residents additional purchase fee		1,995.00	0.00	1,995.00	1,995.00	0.00	1,995.00
	Keepsake Niche		1,039.50	0.00	1,039.50	1,080.10	0.00	1,080.10
	Interment fee - Burial		819.00	0.00	819.00	851.00	0.00	851.00
	Interment fee - Cremated Remains		315.00	0.00	315.00	327.30	0.00	327.30
	Inscription fee per line	V	53.42	10.68	64.10	55.67	11.13	66.80
	Posy holder (Bronze) 12.5cm high	V	161.00	32.20	193.20	167.33	33.47	200.80
	Vase (Bronze) 16cm x 8cm x 9cm with plastic insert	V	185.67	37.13	222.80	193.00	38.60	231.60
	Motifs up to 200mm high	V	52.50	10.50	63.00	54.67	10.93	65.60
	Custom motif	V	Price on application			Price on application		
	Remove and refit charge	V	73.50	14.70	88.20	76.42	15.28	91.70
	Remove and refit charge (Large tablet)	V	145.33	29.07	174.40	151.00	30.20	181.20
	Oval ceramic plaque 5cm x 7cm (colour)	V	86.75	17.35	104.10	90.17	18.03	108.20
	Oval ceramic plaque 5cm x 7cm (black and white)	V	63.00	12.60	75.60	65.50	13.10	78.60
	Oval ceramic plaque 7cm x 9cm (colour)	V	112.17	22.43	134.60	116.67	23.33	140.00
	Oval ceramic plaque 7cm x 9cm (black and white)	V	81.42	16.28	97.70	84.67	16.93	101.60
	Decorative Memorial Cross	V	195.25	39.05	234.30	202.92	40.58	243.50
	Decorative Candle Box	V	120.83	24.17	145.00	125.67	25.13	150.80
	Funeral and burial services outside of standard specified times		Price on application			Price on application		
	Assisted grave visits (for relatives who are unable to attend)-Photo provided		Price on application			Price on application		
	Assisted grave visits (for relatives who are unable to attend)-Photo (emailed) provided and Flower laid on grave for 2 important dates (premium)		Price on application			Price on application		
	Assisted grave visits (for relatives who are unable to attend)-Photo (emailed) provided (premium plus) A arrangement of flowers laid on grave for 2 important dates per year plus clearing of grave side.		Price on application			Price on application		
	Referral and multiple discount Commission		Price on application			Price on application		
	Burial Chamber/Mausoleum clean	V	113.83	22.77	136.60	118.33	23.67	142.00
<b>32</b>	<b>EVENTS</b>							
	<b>Commercial Events/National Charities (Inc. Funfair and Circus's)</b>							
	Administration Fee (Non refundable) Per application per venue		146.00	0.00	146.00	152.00	0.00	152.00
	Booking Fee (non refundable) Per application per venue							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Small		58.00	0.00	58.00	61.00	0.00	61.00
	Medium		231.00	0.00	231.00	241.00	0.00	241.00
	Large		578.00	0.00	578.00	601.00	0.00	601.00
	<b><u>Funfairs &amp; Circus's</u></b>							
	Per Operating Day		647.00	0.00	647.00	673.00	0.00	673.00
	Non Operating Day		170.00	0.00	170.00	177.00	0.00	177.00
	Children's holiday long-term hire (12 days or more) - per operating day		291.00	0.00	291.00	303.00	0.00	303.00
	Children's holiday long-term hire (12 days or more) - per non-operating day		146.00	0.00	146.00	152.00	0.00	152.00
	<b><u>Commercial Events/National charities</u></b>							
	<b><u>Small 50- 200 attendance</u></b>							
	Per Operating Day		301.00	0.00	301.00	313.00	0.00	313.00
	Per Non Operating Day		151.00	0.00	151.00	157.00	0.00	157.00
	<b><u>Medium Between 201-999 attendance</u></b>							
	Per Operating Day		751.00	0.00	751.00	781.00	0.00	781.00
	Per Non Operating Day		375.00	0.00	375.00	390.00	0.00	390.00
	<b><u>Large 1000-4999 attendance</u></b>							
	Per Operating Day		Price on application			Price on application		
	Per Non Operating Day		Price on application			Price on application		
	<b><u>Major Events - Over 5000 people</u></b>							
	Per Operating Day		Price on application			Price on application		
	Per Non Operating Day		Price on application			Price on application		
	<b><u>Community/Charities/Schools/Sporting/Internal departments</u></b>							
	Administration Fee for events over 201 attendance (Non refundable)		139.00	0.00	139.00	145.00	0.00	145.00
	75% Discount on Operating and Non Operating day (only applies for small and medium events)							
	Ticketed Events - 10% of Gate Receipts for Community and Local Charities and internal departments or £1000 minimum fee (whichever is greater)							
	Ticketed Events - minimum of 12% of Gate Receipts for National Charities or £1200 minimum fee (whichever is greater)							
	<b><u>Environmental Impact Fee (Commercial Events/National Charity only)</u></b>							
	<b>Large Events (Over 1000 people-£1,186.00 or £0.22 per person whichever is greater)</b>		1,186.00	0.00	1,186.00	1,233.00	0.00	1,233.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Medium Event (between 200-999)		240.00	0.00	240.00	250.00	0.00	250.00
	Small (between 50-200)		62.00	0.00	62.00	64.50	0.00	64.50
	<b>Bonds</b>							
	Funfair and Circus's		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
	Medium Events Over 501 -1000 attending		500.00	0.00	500.00	500.00	0.00	500.00
	Large Events 1001 – 5000 attending		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	Major Events 5001-10,000+attending		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
	Major Events 10,000-14999		7,500.00	0.00	7,500.00	7,500.00	0.00	7,500.00
	Major Events 15,000+ attending		10,000.00	0.00	10,000.00	10,000.00	0.00	10,000.00
	Activities - Private commercial Enfield based organisation (exercise/running classes) per day per park (annual fee)		184.00	0.00	184.00	192.00	0.00	192.00
	Activities - Charitable/Community (exercise/running classes) per day per park (annual fee)		118.00	0.00	118.00	123.00	0.00	123.00
	Activities - Private commercial National Organisation (exercise/running classes) per day per park (annual fee)		604.00	0.00	604.00	628.00	0.00	628.00
	Exemptions - Memorial /remembrance services				FREE			FREE
	Post event parks staff clear up (per hour)	Y	37.50	7.50	45.00	47.00	9.40	56.40
	Administration Fee - Street Events		146.00	0.00	146.00	152.00	0.00	152.00
	Consultations for Street Events		315.00	0.00	315.00	328.00	0.00	328.00
	Street Markets		Price on application			Price on application		
	Commercial Marketing		Price on application			Price on application		
	Street Funfair rides		Price on application			Price on application		
	Bond (Streets)		Price on application			Price on application		
33	<b>ALLOTMENTS</b>							
	<b>These charges require 1 year notice to allotment plot holders, therefore the proposed charges in this schedule relate to 2022/23.</b>							
	<b>Residents:</b>							
	Grade A, 25 sq. metres (per pole)		15.60	0.00	15.60	16.30	0.00	16.30
	Grade B, 25 sq. metres (per pole)		11.60	0.00	11.60	12.10	0.00	12.10
	Concessionary rate - age concession/low Inc./unemployed (Enfield Residents only from 1 April 2021)							
	Water charge per pole		3.00	0.00	3.00	3.20	0.00	3.20
	Shed rentals		24.20	0.00	24.20	25.20	0.00	25.20
	Key deposits		16.00	0.00	16.00	16.70	0.00	16.70

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Plot deposit		37.00	0.00	37.00	38.50	0.00	38.50
	<b><u>Non-Enfield Residents</u></b>							
	Grade A, 25 sq. metres (per pole)		22.20	0.00	22.20	23.10	0.00	23.10
	Grade B, 25 sq. metres (per pole)		16.70	0.00	16.70	17.40	0.00	17.40
	Water charge per pole		3.20	0.00	3.20	3.40	0.00	3.40
	Shed rentals		33.00	0.00	33.00	34.30	0.00	34.30
	Key deposits		16.00	0.00	16.00	16.70	0.00	16.70
	Plot deposit		37.00	0.00	37.00	38.50	0.00	38.50
	Beehive Licence		10.50	0.00	10.50	11.00	0.00	11.00
<b>34</b>	<b>COMMUNITY HALLS</b>							
	<b>Community Halls Hire:</b>							
	Commercial rates per hour		30.10	0.00	30.10	31.30	0.00	31.30
	Concessionary rate per hour ( for voluntary organisations or those deemed to be providing services of organisational benefit)		17.40	0.00	17.40	18.10	0.00	18.10
	<b>(A further concessionary rate will be offered to recognised Tenants and Residents Associations who will be offered space once a month at no charge for meetings) maximum period of 4 hrs</b>							
	Daily rate 11am-11pm (for those paying full rate )		302.40	0.00	302.40	314.20	0.00	314.20
	Daily rate 11am-11pm (for those paying concessionary rate )		184.80	0.00	184.80	192.10	0.00	192.10
<b>35</b>	<b>FOOD CERTIFICATES</b>							
	Health Certificate - Food Stuffs for Export		100.50	0.00	100.50	104.50	0.00	104.50
	Additional Charge per certificate if physical examination is required		231.00	0.00	231.00	240.10	0.00	240.10
	Export Health Certificate or Attestation					240.00	0.00	240.00
	Export Health Certificate or Attestation - if additional work is needed it is charged at £80 per hour					£240.00 + £80.00 an hour		£240.00 + £80.00 an hour
<b>36</b>	<b>REQUEST FOR FOOD HYGIENE REVISIT</b>							
	Request for a revisit under the National Food Hygiene Rating System		321.90	0.00	321.90	334.50	0.00	334.50
<b>37</b>	<b>FOOD HYGIENE COURSES AND BASIC HEALTH AND SAFETY COURSES – HELD AT CIVIC CENTRE</b>							
	<b>(i) BASIC HEALTH &amp; SAFETY COURSES</b>							
	(include. materials & exam registration)							
	Total Fee per person		80.90	0.00	80.90	84.10	0.00	84.10
	<b>(ii) FOOD HYGIENE COURSES</b>							
	(include materials & exam registration)							
	Total Fee per person		80.90	0.00	80.90	84.10	0.00	84.10
	(i) Replacement Certificates		39.20	0.00	39.20	40.80	0.00	40.80
	(ii) Examination Certificates		30.10	0.00	30.10	31.30	0.00	31.30
<b>38</b>	<b>FOOD HYGIENE COURSES AND BASIC HEALTH AND SAFETY TRAINING - OFF SITE</b>							
	<b>(i) BASIC HEALTH &amp; SAFETY COURSES</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	(include. materials & exam registration)							
	Per Course (No VAT applicable)		866.40	0.00	866.40	900.20	0.00	900.20
	Exam Registration charged by CIEH							
	<b>(ii) FOOD HYGIENE COURSES</b>							
	(include materials & exam registration)							
	Per Course (No VAT applicable) up to 10 persons and £20 per person thereafter		866.40	0.00	866.40	900.20	0.00	900.20
	Exam Registration charged by CIEH							
	Food Hygiene Training Level 3 (3 days course)		367.50	0.00	367.50	381.90	0.00	381.90
	Safer Food Better Business Training (half day)		52.50	0.00	52.50	54.60	0.00	54.60
	Safer Food Better Business Pack		10.50	0.00	10.50	15.00	0.00	15.00
	Pre-inspection business visit and report		327.60	0.00	327.60	340.40	0.00	340.40
<b>39</b>	<b>ENVIRONMENTAL CRIME UNIT</b>							
	Daily storage fee in pound for vehicles and goods and includes trailers and caravans or parts thereof (other than an abandoned vehicle or untaxed vehicle)		47.20	0.00	47.20	49.10	0.00	49.10
	Removal and release fee to pound for vehicles and includes trailers and caravans or parts thereof (other than an abandoned vehicle or untaxed vehicle)		235.80	0.00	235.80	245.00	0.00	245.00
	<b>Abandoned vehicle disposal fee</b>		70.00	0.00	70.00	70.00	0.00	70.00
	<b>Abandoned vehicle removal fee</b>		200.00	0.00	200.00	200.00	0.00	200.00
	<b>Abandoned vehicle daily storage fee</b>		40.00	0.00	40.00	40.00	0.00	40.00
	<b>DVLA untaxed vehicle release fee within 24 hours</b>		100.00	0.00	100.00	100.00	0.00	100.00
	<b>DVLA untaxed vehicle release fee over 24 hours</b>		200.00	0.00	200.00	200.00	0.00	200.00
	<b>Storage of DVLA untaxed vehicle—for each period of 24 hours or part thereof</b>		21.00	0.00	21.00	21.00	0.00	21.00
	<b>Disposal of vehicle</b>		50.00	0.00	50.00	50.00	0.00	50.00
	<b>Surety fee Payable if unable to provide current tax disc at time of vehicle collection. This fee is refundable if the tax disc is produced within 14 days.</b>		160.00	0.00	160.00	160.00	0.00	160.00
	<b>Bond payable if unable to prove vehicle has current road tax and or produce MOT certificate at time of collection of an abandoned vehicle. This fee is refundable if the tax and or Mot is produced before or at time collection</b>		120.00	0.00	120.00	120.00	0.00	120.00
	Fee for investigation of suspected abandoned vehicle on private land	V	166.67	33.33	200.00	173.17	34.63	207.80
<b>40</b>	<b>LICENCES</b>							
	<b>A. ANIMAL BOARDING ESTABLISHMENT</b>							
	Animal Commercial Boarding - New/Variation/Renewal Application		700.40	0.00	700.40	727.80	0.00	727.80
	Animal Commercial Boarding - Re-Inspection		404.30	0.00	404.30	420.10	0.00	420.10
	<b>Animal Day Care Boarding New/Variation/Renewal Application</b>							
	1- 6 animals		608.00	0.00	608.00	631.80	0.00	631.80
	7 - 10 animals		651.00	0.00	651.00	676.40	0.00	676.40
	11 + animals		700.30	0.00	700.30	727.70	0.00	727.70
	<b>Animal Day Care Boarding Re-Inspection</b>							
	1- 6 animals		311.90	0.00	311.90	324.10	0.00	324.10
	7 - 10 animals		354.90	0.00	354.90	368.80	0.00	368.80
	11 + animals		404.30	0.00	404.30	420.10	0.00	420.10
	<b>Animal Home Boarding New/Variation/Renewal Application</b>							
	1- 6 animals		608.00	0.00	608.00	631.80	0.00	631.80
	7 - 10 animals		651.00	0.00	651.00	676.40	0.00	676.40
	11 + animals		700.30	0.00	700.30	727.70	0.00	727.70
	<b>Animal Home Boarding Re-Inspection</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	1- 6 animals		311.90	0.00	311.90	324.10	0.00	324.10
	7 - 10 animals		354.90	0.00	354.90	368.80	0.00	368.80
	11 + animals		404.30	0.00	404.30	420.10	0.00	420.10
	<b>B. BREEDING OF DOGS</b>		354.90	0.00	354.90	368.80	0.00	368.80
	Dog Breeding - New Application		952.40	0.00	952.40	989.60	0.00	989.60
	Dog Breeding - Variation/Renewal Application		716.10	0.00	716.10	744.10	0.00	744.10
	Dog Breeding - Re-Inspection (new licence)		641.60	0.00	641.60	666.70	0.00	666.70
	Dog Breeding - Re-Inspection (existing licence)		404.30	0.00	404.30	420.10	0.00	420.10
	<b>C. DANGEROUS WILD ANIMALS</b>		507.20	0.00	507.20	527.00	0.00	527.00
	New Application for Dangerous Wild Animals		611.10	0.00	611.10	635.00	0.00	635.00
	Renewal Application for Dangerous Wild Animals		579.60	0.00	579.60	602.30	0.00	602.30
	<b>D. PERFORMING ANIMALS</b>							
	Performing Animals - New/Variation/Renewal		835.80	0.00	835.80	868.40	0.00	868.40
	Performing Animals - Re-Inspection		538.70	0.00	538.70	559.80	0.00	559.80
	Pet Shop - New/Variation/Renewal		785.40	0.00	785.40	816.10	0.00	816.10
	Pet Shop - Re-Inspection		404.30	0.00	404.30	420.10	0.00	420.10
	<b>F. STREET TRADING</b>							
	Vans/Stalls		213.20	0.00	213.20	221.60	0.00	221.60
	Forecourt of shops and cafes/restaurants in designated areas		1,028.00	0.00	1,028.00	1,068.10	0.00	1,068.10
	<b>G. OCCASIONAL SALES</b>							
	Initial Application		479.90	0.00	479.90	498.70	0.00	498.70
	Subsequent Applications		207.90	0.00	207.90	216.10	0.00	216.10
	<b>H. RIDING ESTABLISHMENTS</b>							
	<b>Riding Establishments - New/Variation/Renewal</b>							
	Under 15 horses		1,186.50	0.00	1,186.50	1,232.80	0.00	1,232.80
	15 - 29 horses		1,563.50	0.00	1,563.50	1,624.50	0.00	1,624.50
	30 + horses		1,864.80	0.00	1,864.80	1,937.60	0.00	1,937.60
	<b>Riding Establishments - Re-Inspection</b>							
	Under 15 horses		551.00	0.00	551.00	572.50	0.00	572.50
	15 - 29 horses		740.00	0.00	740.00	768.90	0.00	768.90
	30 + horses		891.00	0.00	891.00	925.80	0.00	925.80
	<b>I. SEX SHOPS</b>							
	New application for sex establishment venue		2,470.70	0.00	2,470.70	2,567.10	0.00	2,567.10
	Renewal application for sex establishment venue		1,597.10	0.00	1,597.10	1,659.40	0.00	1,659.40
	<b>J. TABLES &amp; CHAIRS</b>							
	Up to 3 sq. m		367.50	0.00	367.50	381.90	0.00	381.90
	Between 3 and 10 sq. m		556.50	0.00	556.50	578.30	0.00	578.30
	Between 10 and 15 sq. m		1,084.70	0.00	1,084.70	1,127.10	0.00	1,127.10
	Between 15 and (maximum) 25 sq. m		2,141.00	0.00	2,141.00	2,224.50	0.00	2,224.50
	<b>K. Zoos - FULL</b>							
	Notification of intention to apply for a zoo licence		111.30	0.00	111.30	80.00	0.00	80.00
	New application for a zoo licence (4 year licence)		3,069.20	0.00	3,069.20	5,589.00	0.00	5,589.00
	Renewal of licence (6 year licence)		2,328.90	0.00	2,328.90	7,155.00	0.00	7,155.00
	Transfer of licence		552.30	0.00	552.30	570.00	0.00	570.00
	Variation of a zoo licence		537.60	0.00	537.60	Price on Application		
	<b>Zoos - Specialised exemptions e.g. Smallholdings</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Notification of intention to apply for a zoo licence					80.00	0.00	80.00
	New application for a zoo licence (4 year licence)					3,301.00	0.00	3,301.00
	Renewal of licence (6 year licence)					4,867.00	0.00	4,867.00
	Transfer of licence					570.00	0.00	570.00
	Variation of a zoo licence					Price on Application		
	<b>L. Pleasure Boats</b>							
	Application for a boat hire licence		263.60	0.00	263.60	273.90	0.00	273.90
	Variation of a boat hire licence		132.30	0.00	132.30	137.50	0.00	137.50
	<b>M. Hypnotism</b>							
	Application for consent to conduct an exhibition, demonstration or performance of hypnotism		132.30	0.00	132.30	137.50	0.00	137.50
	<b>TEMPORARY STREET TRADING LICENCE</b>							
	Single event for a 'Seasonal' or 'Farmers' Market of up to 20 stalls for a maximum of 4 days' duration within a designated street trading area (3 Types)							
	1. Market which requires the closure of a non-classified road		494.60	0.00	494.60	513.90	0.00	513.90
	2. Market on the footway only		371.70	0.00	371.70	386.20	0.00	386.20
	3. Any other market / event, a licence fee will be set to recover the Council's costs		Price on application			Price on application		
	<b>Note: a licence will only be granted for an area where the Council is satisfied that highway safety and free pedestrian passage requirements are not compromised. Where the Council concludes that a Market cannot be held without compromising these requirements, a refusal fee will be applied as indicated for the relevant category of temporary licence</b>							
	<b>PAVEMENT LICENCE (COVID MEASURE DUE TO EXPIRE 30/9/22)</b>		100.00	0.00	100.00	100.00	0.00	100.00
	<b>MANDATORY HMO LICENCES</b>							
	Licence application fee for 5 lettable rooms		1,155.00	0.00	1,155.00	1,200.10	0.00	1,200.10
	Licence application fee for more than 5 lettable rooms if £1,100 plus £125 per room thereafter		£1155+£132.00 per room	0.00	£1155+£132.00 per room	£1201+£137.00 per room	0.00	£1201+£137.00 per room
	Copy of HMO Register		129.40	0.00	129.40	134.50	0.00	134.50
	<b>ADDITIONAL (HMO) LICENCES</b>		900.00	0.00	900.00	900.00	0.00	900.00
	<b>SELECTIVE LICENCES</b>		600.00	0.00	600.00	600.00	0.00	600.00
<b>41</b>	<b>APPROVALS</b>							
	<b>CIVIL MARRIAGE VENUES - Inspection Fee:</b>							
	New application for civil marriage venue		1,061.80	0.00	1,061.80	1,103.30	0.00	1,103.30
	Renewal application for civil marriage venue		1,034.10	0.00	1,034.10	1,074.50	0.00	1,074.50
	Notification of Changes (e.g. naming new person as licence holder) & issue of amended certificate		41.00	0.00	41.00	42.60	0.00	42.60
<b>42</b>	<b>LICENSING ACT 2003 - FEES AND EXEMPTIONS (statutory fee VAT Exempt)</b>							
	<b>FEES PAYABLE:</b>							
	1.1 The fee for an application for the grant or variation of a premises licence is based on the rateable value of the property and the band specified for that rateable value, is as follows:		GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE	GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE
	<b>RATEABLE VALUES</b>							
	No rateable value to £4,300		100.00	0.00	100.00	100.00	0.00	100.00
	£4,300 to £33,000		190.00	0.00	190.00	190.00	0.00	190.00
	£33,001 to £87,000		315.00	0.00	315.00	315.00	0.00	315.00
	£87,001 to £125,000		450.00	0.00	450.00	450.00	0.00	450.00
	£125,001 and above		635.00	0.00	635.00	635.00	0.00	635.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICES IS VATALE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE	GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE
	1.2 In addition, premises in Bands D and E, where an application relates exclusively or primarily for the supply of alcohol for consumption on a premises located in a city or town centre, must pay a further fee, as follows:							
	<b>RATEABLE VALUES</b>							
	£87,001 to £125,000		450.00	0.00	450.00	450.00	0.00	450.00
	£125,001 and above		1,270.00	0.00	1,270.00	1,270.00	0.00	1,270.00
	1.3 In addition, where 5,000 or more persons are admitted at the same time to a premises when the existing licence authorises licensable activities to take place, the application must be accompanied by a fee corresponding to the range of number of persons within which falls the maximum number of persons allowed as follows:							
	<b>MAXIMUM NUMBER OF PERSONS</b>							
	5,000 to 9,999		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	10,000 to 14,999		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	15,000 to 19,999		4,000.00	0.00	4,000.00	4,000.00	0.00	4,000.00
	20,000 to 29,999		8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00
	30,000 to 39,999		16,000.00	0.00	16,000.00	16,000.00	0.00	16,000.00
	40,000 to 49,999		24,000.00	0.00	24,000.00	24,000.00	0.00	24,000.00
	50,000 to 59,999		32,000.00	0.00	32,000.00	32,000.00	0.00	32,000.00
	60,000 to 69,999		40,000.00	0.00	40,000.00	40,000.00	0.00	40,000.00
	70,000 to 79,999		48,000.00	0.00	48,000.00	48,000.00	0.00	48,000.00
	80,000 to 89,999		56,000.00	0.00	56,000.00	56,000.00	0.00	56,000.00
	90,000 and over		64,000.00	0.00	64,000.00	64,000.00	0.00	64,000.00
	1.4 The annual fee payable for a premises licence, is based on the rateable value of the property and the band specified for that rateable value, as follows:							
	<b>RATEABLE VALUES</b>							
	No rateable value to £4,300		70.00	0.00	70.00	70.00	0.00	70.00
	£4,300 to £33,000		180.00	0.00	180.00	180.00	0.00	180.00
	£33,001 to £87,000		295.00	0.00	295.00	295.00	0.00	295.00
	£87,001 to £125,000		320.00	0.00	320.00	320.00	0.00	320.00
	£125,001 and above		350.00	0.00	350.00	350.00	0.00	350.00
	1.5 In addition, premises in Bands D and E, where an application relates exclusively or primarily for the supply of alcohol for consumption on a premises located in a city or town centre, must pay a further fee, as follows:							
	<b>RATEABLE VALUES</b>							
	£87,001 to £125,000		640.00	0.00	640.00	640.00	0.00	640.00
	£125,001 and above		1,050.00	0.00	1,050.00	1,050.00	0.00	1,050.00
	1.6 In addition, where 5,000 or more persons are admitted at the same time to a premises when the existing licence authorises licensable activities to take place, the application must be accompanied by a fee corresponding to the range of number of persons within which falls the maximum number of persons allowed as follows:							
	<b>MAXIMUM NUMBER OF PERSONS</b>							
	5,000 to 9,999		500.00	0.00	500.00	500.00	0.00	500.00
	10,000 to 14,999		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	15,000 to 19,999		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	20,000 to 29,999		4,000.00	0.00	4,000.00	4,000.00	0.00	4,000.00
	30,000 to 39,999		8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00
	40,000 to 49,999		12,000.00	0.00	12,000.00	12,000.00	0.00	12,000.00
	50,000 to 59,999		16,000.00	0.00	16,000.00	16,000.00	0.00	16,000.00
	60,000 to 69,999		20,000.00	0.00	20,000.00	20,000.00	0.00	20,000.00
	70,000 to 79,999		24,000.00	0.00	24,000.00	24,000.00	0.00	24,000.00
	80,000 to 89,999		28,000.00	0.00	28,000.00	28,000.00	0.00	28,000.00
	90,000 and over		32,000.00	0.00	32,000.00	32,000.00	0.00	32,000.00



Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS RATEABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b>FEES PAYABLE:</b>							
	2.1 The fee for an application for the grant or variation of a club premises certificate is based on the rateable value of the property and the band specified for that rateable value, is as follows:		GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE	GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE
	<b>RATEABLE VALUES</b>							
	No rateable value to £4,300		100.00	0.00	100.00	100.00	0.00	100.00
	£4,300 to £33,000		190.00	0.00	190.00	190.00	0.00	190.00
	£33,001 to £87,000		315.00	0.00	315.00	315.00	0.00	315.00
	£87,001 to £125,000		450.00	0.00	450.00	450.00	0.00	450.00
	£125,001 and above		635.00	0.00	635.00	635.00	0.00	635.00
	2.2 The annual fee payable for club premises certificate is based on the rateable value of the property and the band specified for that rateable value, is as follows:		ANNUAL FEE PAYABLE	VAT	ANNUAL FEE PAYABLE	ANNUAL FEE PAYABLE	VAT	ANNUAL FEE PAYABLE
	<b>RATEABLE VALUES</b>							
	No rateable value to £4,300		70.00	0.00	70.00	70.00	0.00	70.00
	£4,300 to £33,000		180.00	0.00	180.00	180.00	0.00	180.00
	£33,001 to £87,000		295.00	0.00	295.00	295.00	0.00	295.00
	£87,001 to £125,000		320.00	0.00	320.00	320.00	0.00	320.00
	£125,001 and above		350.00	0.00	350.00	350.00	0.00	350.00
	<b>OTHER FEES PAYABLE IN RESPECT OF APPLICATIONS MADE OR NOTICES GIVEN, ARE AS FOLLOWS</b>		FEE PAYABLE	VAT	FEE PAYABLE	FEE PAYABLE	VAT	FEE PAYABLE
	<b>APPLICATION OR NOTICE</b>							
	Notification of theft, loss, etc. of premises licence or summary		10.50	0.00	10.50	10.50	0.00	10.50
	Application for provisional statement where premises being built, etc.		315.00	0.00	315.00	315.00	0.00	315.00
	Notification of change of name or address of premises licence holder or designated premises supervisor		10.50	0.00	10.50	10.50	0.00	10.50
	Application to vary premises licence to specify individual as designated premises supervisor		23.00	0.00	23.00	23.00	0.00	23.00
	Application for transfer of premises licence		23.00	0.00	23.00	23.00	0.00	23.00
	Application for a minor variation to a premises licence		89.00	0.00	89.00	89.00	0.00	89.00
	Notice of interim authority following death etc. of the premises licence holder		23.00	0.00	23.00	23.00	0.00	23.00
	Notification of theft, loss, etc. of club premises certificate or summary		10.50	0.00	10.50	10.50	0.00	10.50
	Notification of change of name or alteration of rules of club		10.50	0.00	10.50	10.50	0.00	10.50
	Notification of change of relevant registered address of the club		10.50	0.00	10.50	10.50	0.00	10.50
	Application for temporary event notice		21.00	0.00	21.00	21.00	0.00	21.00
	Notification of theft, loss, etc. of temporary event notice		10.50	0.00	10.50	10.50	0.00	10.50
	Application for grant of a personal licence		37.00	0.00	37.00	37.00	0.00	37.00
	Notification of theft, loss, etc. of personal licence		10.50	0.00	10.50	10.50	0.00	10.50
	Notification of change of name or address of personal licence holder		10.50	0.00	10.50	10.50	0.00	10.50
	Notification of right of freeholder to be notified of licensing matters		21.00	0.00	21.00	21.00	0.00	21.00
43	<b>SPECIAL TREATMENT LICENCE FEES &amp; EXEMPTIONS ANNUAL LICENCES</b>							
	<b>GROUP A</b>							
	<b>Establishments that offer invasive and high risk procedures such as lasers, electrolysis, tattooing, body piercing, body message.</b>							
	<b>The treatments are:</b>							
	Anthroposophical Medicine							
	Polarity Therapy							
	Aromatherapy							
	Qi Gong							
	Body Massage							
	Remedial/Sports Massage							
	Bowen Technique							
	Rolfing							
	Champissage/Indian Head Massage							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Shiatsu							
	Endermologie							
	Fairbane/Tangent Method							
	Stone Therapy							
	Gyratory Massage							
	Thai Massage							
	Manual Lymphatic Drainage							
	Therapeutic/Holistic Massage							
	Marma Therapy							
	Metamorphic Technique							
	Physiotherapy							
	Tui-Na							
	Acupressure							
	Botox							
	Lasers/Intense Pulse Light							
	Collagen Implants							
	Moxibustion (if not accompanied by acupuncture it will be Group B)							
	Osteopathy							
	Sclerotherapy							
	Acupuncture							
	Micropigmentation							
	Beading							
	Bio Skin Jetting							
	Namripad Allergy Elimination Technique							
	Body Piercing							
	Electrolysis							
	Tattoo Removal							
	Korean Hand Therapy							
	Tattooing							
	<b>NEW LICENCES</b>		818.00	0.00	818.00	850.00	0.00	850.00
	<b>RENEWALS</b>		654.20	0.00	654.20	679.80	0.00	679.80
	<b>VARIATIONS</b>		405.30	0.00	405.30	421.20	0.00	421.20
	<b>TRANSFER</b>		305.60	0.00	305.60	317.60	0.00	317.60
	<b>OCCASIONAL LICENCE</b>		407.40	0.00	407.40	423.30	0.00	423.30
	<b>GROUP B</b>							
	Establishments that offer medium risk and non invasive treatments such as UV tanning, facials and others. The treatments are:							
	Ayurvedic Medicine							
	Reiki							
	Sauna							
	Chiropody/Podiatry							
	Spa							
	Steam Room/Bath							
	Foot Detox							
	Hydrotherapy							
	Thalassotherapy							
	Thermo Auricular Therapy/Hopi Ear candles							
	Infra Red							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Micro Currant Therapy/Non-Surgical Face lifts							
	Colour Therapy							
	Detox Box							
	Facials							
	Faradism							
	Reflexology							
	Floatation Tank							
	Galvanism							
	Ultra Sonic							
	High Frequency							
	Ultra Violet Tanning							
	Trichology							
	<b>NEW LICENCES</b>		600.60	0.00	600.60	624.10	0.00	624.10
	<b>RENEWALS</b>		475.70	0.00	475.70	494.30	0.00	494.30
	<b>VARIATIONS</b>		272.00	0.00	272.00	282.70	0.00	282.70
	<b>TRANSFER</b>		171.20	0.00	171.20	177.90	0.00	177.90
	<b>OCCASIONAL LICENCE</b>		301.40	0.00	301.40	313.20	0.00	313.20
	<b>GROUP C</b>							
	Establishments that offer manicures, pedicures, nail extensions and/or ear piercing only. The treatments are:							
	Nail Extensions							
	Pedicure							
	Manicure							
	Ear Piercing							
	<b>NEW LICENCES</b>		409.50	0.00	409.50	456.00	0.00	456.00
	<b>RENEWALS</b>		409.50	0.00	409.50	362.00	0.00	362.00
	<b>VARIATIONS</b>		242.60	0.00	242.60	252.10	0.00	252.10
	<b>TRANSFER</b>		171.20	0.00	171.20	177.90	0.00	177.90
	<b>OCCASIONAL LICENCE</b>		254.10	0.00	254.10	264.10	0.00	264.10
	<b>AMENDMENT</b>		36.80	0.00	36.80	38.30	0.00	38.30
	<b>REPLACEMENT COPY OF LICENCE</b>		36.80	0.00	36.80	38.30	0.00	38.30
<b>44</b>	<b>SCRAP METAL DEALERS</b>							
	Now covered by Scrap Metal Dealers Act 2013							
	Site Licence:							
	New		401.10	0.00	401.10	488.00	0.00	488.00
	Variation		308.70	0.00	308.70	488.00	0.00	488.00
	Renewal		308.70	0.00	308.70	488.00	0.00	488.00
	<b>Collector's Licence:</b>							
	New		236.30	0.00	236.30	235.00	0.00	235.00
	Variation		127.10	0.00	127.10	235.00	0.00	235.00
	Renewal		127.10	0.00	127.10	235.00	0.00	235.00
<b>45</b>	<b>WEIGHTS AND MEASURES FEES</b>							
	<b>Fees for the purpose of Section II(5) of the Weights and Measures Act 1985 &amp; EEC Measuring Instrument (Fees) (as amended)</b>							
	All weights and measuring equipment (£60.00 per hour or part thereof)		69.30	0.00	69.30	72.10	0.00	72.10
	second officer if required (£36 per hour or part thereof)		41.60	0.00	41.60	43.30	0.00	43.30
	specialist equipment required			Price on application			Price on application	
	<b>Calibration and certification fees for the purpose of section 74 of the Weights and Measures Act 1985</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	All weights and measuring equipment (£60.00 per hour or part thereof)		69.30	0.00	69.30	72.10	0.00	72.10
	second officer if required (£36 per hour or part thereof)		41.60	0.00	41.60	43.30	0.00	43.30
	specialist equipment required		Price on application			Price on application		
46	<b>GREATER LONDON (GENERAL POWERS ACT) 1984</b>							
	Registration to hold sales by competitive bidding		363.30	0.00	363.30	377.50	0.00	377.50
	Exemption from registration		121.80	0.00	121.80	126.60	0.00	126.60
47	<b>LICENSING OF STORES AND REGISTRATION OF PREMISES FOR THE KEEPING OF EXPLOSIVES</b>							
	<b>STATUTORY FEES</b>							
	<b>New licence to store explosives UNDER 250kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, no minimum separation distance or a 0 metres separation is prescribed</b>							
	1 YEAR		109.00	0.00	109.00	109.00	0.00	109.00
	2 YEARS		141.00	0.00	141.00	141.00	0.00	141.00
	3 YEARS		173.00	0.00	173.00	173.00	0.00	173.00
	4 YEARS		206.00	0.00	206.00	206.00	0.00	206.00
	5 YEARS		238.00	0.00	238.00	238.00	0.00	238.00
	<b>Renewal of licence to store explosives UNDER 250kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, no minimum separation distance or a 0 metres separation is prescribed</b>							
	1 YEAR		54.00	0.00	54.00	54.00	0.00	54.00
	2 YEARS		86.00	0.00	86.00	86.00	0.00	86.00
	3 YEARS		120.00	0.00	120.00	120.00	0.00	120.00
	4 YEARS		152.00	0.00	152.00	152.00	0.00	152.00
	5 YEARS		185.00	0.00	185.00	185.00	0.00	185.00
	<b>New licence to store explosives OVER 250kg BUT LESS than 2,000kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed</b>							
	1 YEAR		185.00	0.00	185.00	185.00	0.00	185.00
	2 YEARS		243.00	0.00	243.00	243.00	0.00	243.00
	3 YEARS		304.00	0.00	304.00	304.00	0.00	304.00
	4 YEARS		374.00	0.00	374.00	374.00	0.00	374.00
	5 YEARS		423.00	0.00	423.00	423.00	0.00	423.00
	<b>Renewal of licence to store explosives OVER 250kg BUT LESS than 2,000kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed</b>							
	1 YEAR		86.00	0.00	86.00	86.00	0.00	86.00
	2 YEARS		147.00	0.00	147.00	147.00	0.00	147.00
	3 YEARS		206.00	0.00	206.00	206.00	0.00	206.00
	4 YEARS		266.00	0.00	266.00	266.00	0.00	266.00
	5 YEARS		326.00	0.00	326.00	326.00	0.00	326.00
	Any kind of variation		Reasonable cost of the work done by the licensing authority			Reasonable cost of the work done by the licensing authority		
	Transfer of licence or registration		36.00	0.00	36.00	36.00	0.00	36.00
	Replacement licence document		36.00	0.00	36.00	36.00	0.00	36.00
	All year Fireworks supply licence		500.00	0.00	500.00	500.00	0.00	500.00
48	<b>GAMBLING ACT 2005</b>							
	<b>FEES AND EXEMPTIONS (VAT exempt)</b>							
	<b>NB Fee capped by Government</b>							
	<b>New Applications</b>							
	Bingo		3,500.00	0.00	3,500.00	3,500.00	0.00	3,500.00
	Betting Shop		3,000.00	0.00	3,000.00	3,000.00	0.00	3,000.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Adult Gaming Centre		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	Track		2,500.00	0.00	2,500.00	2,500.00	0.00	2,500.00
	Family Entertainment Centre		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	<b>New Applications - where provisional statement already issued</b>							
	Bingo		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Betting Shop		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Adult Gaming Centre		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Track		950.00	0.00	950.00	950.00	0.00	950.00
	Family Entertainment Centre		950.00	0.00	950.00	950.00	0.00	950.00
	<b>Provisional Statement Applications</b>							
	Bingo		3,500.00	0.00	3,500.00	3,500.00	0.00	3,500.00
	Betting Shop		3,000.00	0.00	3,000.00	3,000.00	0.00	3,000.00
	Adult Gaming Centre		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	Track		2,500.00	0.00	2,500.00	2,500.00	0.00	2,500.00
	Family Entertainment Centre		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	<b>Transfer Applications</b>							
	Bingo		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Betting Shop		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Adult Gaming Centre		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Track		950.00	0.00	950.00	950.00	0.00	950.00
	Family Entertainment Centre		950.00	0.00	950.00	950.00	0.00	950.00
	<b>Reinstatement Applications</b>							
	Bingo		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Betting Shop		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Adult Gaming Centre		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
	Track		950.00	0.00	950.00	950.00	0.00	950.00
	Family Entertainment Centre		950.00	0.00	950.00	950.00	0.00	950.00
	<b>Variation Applications</b>							
	Bingo		1,750.00	0.00	1,750.00	1,750.00	0.00	1,750.00
	Betting Shop		1,500.00	0.00	1,500.00	1,500.00	0.00	1,500.00
	Adult Gaming Centre		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	Track		1,250.00	0.00	1,250.00	1,250.00	0.00	1,250.00
	Family Entertainment Centre		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	<b>Annual Fees</b>							
	Bingo		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	Betting Shop		600.00	0.00	600.00	600.00	0.00	600.00
	Adult Gaming Centre		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	Track		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
	Family Entertainment Centre		750.00	0.00	750.00	750.00	0.00	750.00
	Notification of Change of Circumstances		50.00	0.00	50.00	50.00	0.00	50.00
	Request for copy of Premises Licence		25.00	0.00	25.00	25.00	0.00	25.00
	<b>GAMBLING ACT 2005 - FEES AND EXEMPTIONS (STATUTORY FEE VAT exempt)</b>							
	<b>Alcohol Licensed Premises Gaming Machine Permit Fees</b>							
	New		150.00	0.00	150.00	150.00	0.00	150.00
	New Existing S34 Permit holder (more than 2 machines)		100.00	0.00	100.00	100.00	0.00	100.00
	Variation of information on permit e.g. number of machines		100.00	0.00	100.00	100.00	0.00	100.00
	Notification of 2 machines or less (new & existing)		50.00	0.00	50.00	50.00	0.00	50.00
	Transfer - If transfer of Premises Licence to sell alcohol granted		25.00	0.00	25.00	25.00	0.00	25.00

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Name change i.e. new married name etc.		25.00	0.00	25.00	25.00	0.00	25.00
	Replacement permit		15.00	0.00	15.00	15.00	0.00	15.00
	Annual fee (payable by premises with three or more machines)		50.00	0.00	50.00	50.00	0.00	50.00
	<b>Club Gaming &amp; Club Gaming Machine Permit Fees</b>							
	New		200.00	0.00	200.00	200.00	0.00	200.00
	New Existing Part II or Part III Gaming Act 1968 registrations		100.00	0.00	100.00	100.00	0.00	100.00
	New (fast track) holder of Club Premises Certificate under Licensing Act 2003		100.00	0.00	100.00	100.00	0.00	100.00
	Renewal		100.00	0.00	100.00	100.00	0.00	100.00
	Variation		100.00	0.00	100.00	100.00	0.00	100.00
	Replacement permit		15.00	0.00	15.00	15.00	0.00	15.00
	Annual fee		50.00	0.00	50.00	50.00	0.00	50.00
	<b>Unlicensed Family Entertainment Centre Gaming Machine Permit Fees</b>							
	New		300.00	0.00	300.00	300.00	0.00	300.00
	New Existing Part II and Part III Gaming Act 1968 registrations		100.00	0.00	100.00	100.00	0.00	100.00
	Renewal		300.00	0.00	300.00	300.00	0.00	300.00
	Change of Name		25.00	0.00	25.00	25.00	0.00	25.00
	Replacement permit		15.00	0.00	15.00	15.00	0.00	15.00
	<b>Prize Gaming Permit Fees</b>							
	New		300.00	0.00	300.00	300.00	0.00	300.00
	New Existing Section 16 Lotteries & Amusement Act 1976 Permit holder		100.00	0.00	100.00	100.00	0.00	100.00
	Renewal (every 10 years)		300.00	0.00	300.00	300.00	0.00	300.00
	Change of name		25.00	0.00	25.00	25.00	0.00	25.00
	Replacement permit		15.00	0.00	15.00	15.00	0.00	15.00
	Temporary Use Notice		250.00	0.00	250.00	250.00	0.00	250.00
	<b>Small Society Lotteries</b>							
	New		40.00	0.00	40.00	40.00	0.00	40.00
	Annual fee		20.00	0.00	20.00	20.00	0.00	20.00
	<b>General Licensing Admin Fees (non Licensing Act or Gambling Act)</b>							
	Replacement licence					39.00	0.00	39.00
	Change of name and address of licence holder					39.00	0.00	39.00
49	<b>SAFETY CERTIFICATES FOR SPORTS GROUNDS</b>							
	<b>Sports Grounds:</b>							
	Application for a sport ground safety certificate		2,438.60	0.00	2,438.60	2,533.80	0.00	2,533.80
	Application to change a safety certificate for a sports ground		1,826.40	0.00	1,826.40	1,897.70	0.00	1,897.70
	<b>Regulated Stands at sports grounds:</b>							
	Application to certify a regulated stand at a sports ground		1,826.40	0.00	1,826.40	1,897.70	0.00	1,897.70
	Application to change a safety certificate for a regulated stand at a sports ground		1,214.10	0.00	1,214.10	1,261.50	0.00	1,261.50
50	<b>STRAY DOGS SERVICE</b>							
	<b>Reclaim of a stray dog:</b>							
	Kennelling fee (per day)		12.00	0.00	12.00	12.00	0.00	12.00
	Seizure fee		130.00	0.00	130.00	130.00	0.00	130.00
	Veterinary fees(Depends on any treatment that is needed)				Price on application			Price on application
	Microchipping							
51	<b>Charges for Notices served under the Housing Act 2004</b>							
	Hazard Awareness Notice (if a subsequent notice is not required)							
	Hazard Awareness Notice (if a subsequent notice is required)		205.70	0.00	205.70	213.80	0.00	213.80
	Improvement Notice		411.30	0.00	411.30	427.40	0.00	427.40
	Prohibition Order		411.30	0.00	411.30	427.40	0.00	427.40

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Emergency Prohibition Order		411.30	0.00	411.30	427.40	0.00	427.40
	Emergency Remedial Action		411.30	0.00	411.30	427.40	0.00	427.40
	Demolition Order		411.30	0.00	411.30	427.40	0.00	427.40
	Review of a suspended Improvement Notice		235.80	0.00	235.80	245.00	0.00	245.00
	Review of a suspended Prohibition Order		235.80	0.00	235.80	245.00	0.00	245.00
	Charge for any subsequent notice served at the same time for the same property		176.90	0.00	176.90	183.80	0.00	183.80
<b>52</b>	<b>Community Spaces</b>							
	<b>Angel Community Centre</b>							
	<b><u>Conference Room (meeting space for up to 16 people)</u></b>							
	Monday - Friday - hourly rate		12.40	0.00	12.40	12.90	0.00	12.90
	Saturday - Sunday - hourly rate		18.30	0.00	18.30	19.10	0.00	19.10
	<b><u>Small Hall (meeting space for up to 40 people)</u></b>							
	Monday - Friday - hourly rate		18.30	0.00	18.30	19.10	0.00	19.10
	Saturday - Sunday - hourly rate		27.60	0.00	27.60	28.70	0.00	28.70
	<b><u>Large Hall (meeting space for up to 150 people)</u></b>							
	Monday - Friday - hourly rate		34.50	0.00	34.50	35.90	0.00	35.90
	Saturday - Sunday - hourly rate		37.20	0.00	37.20	38.70	0.00	38.70
	<b><u>Large Hall (social functions for up to 140 people)</u></b>							
	Monday - Friday - hourly rate		41.00	0.00	41.00	42.60	0.00	42.60
	Saturday - Sunday - hourly rate		72.20	0.00	72.20	75.10	0.00	75.10
	<b><u>Kitchen Hire (hourly rate)</u></b>							
	Kitchen Hire (all facilities such as fridge, cookers, ovens, hot cabinet)		10.90	0.00	10.90	11.40	0.00	11.40
	Part Kitchen Hire (for serving of pre-prepared food/drink only)		22.60	0.00	22.60	23.50	0.00	23.50
	<b><u>Corkage Fee (one off charge)</u></b>		52.50	0.00	52.50	54.60	0.00	54.60
	<b><u>Discount Weekend Packages</u></b>							
	Social Full Day 12 hours ( Large Hall + Kitchen)		851.10	0.00	851.10	884.30	0.00	884.30
	Social Half Day 7 hours ( Large Hall + Kitchen)		501.00	0.00	501.00	520.60	0.00	520.60
	<b>Youth Centres</b>							
	<b>Alan Pullinger Youth Centre</b>							
	Room/Facility hire				Price On Application			Price On Application
	Whole Centre hire				Price On Application			Price On Application
	<b>Bell Lane Youth Centre</b>							
	Room/Facility hire				Price On Application			Price On Application
	Whole Centre hire				Price On Application			Price On Application
	<b>Craig Park Youth Centre</b>							
	Room/Facility hire				Price On Application			Price On Application
	Whole Centre hire				Price On Application			Price On Application
	<b>Croyland Youth Centre</b>							
	Room/Facility hire				Price On Application			Price On Application
	Whole Centre hire				Price On Application			Price On Application
	<b>Ponders End Youth Centre</b>							
	Room/Facility hire				Price On Application			Price On Application
	Whole Centre hire				Price On Application			Price On Application
	<b><u>Green Towers -VENUE</u></b>							
	Conference Room 1 - Monday & Friday		34.00	0.00	34.00	35.40	0.00	35.40
	Conference Room 1 - Saturday & Sunday		45.00	0.00	45.00	46.80	0.00	46.80
	Breakout Room 1 - Monday & Friday		28.00	0.00	28.00	29.10	0.00	29.10
	Breakout Room 1 - Saturday & Sunday		34.00	0.00	34.00	35.40	0.00	35.40

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Small Meeting Room 2 - Monday & Friday		17.00	0.00	17.00	17.70	0.00	17.70
	Small Meeting Room 2 - Saturday & Sunday		24.00	0.00	24.00	25.00	0.00	25.00
	Large Hall - Conference/Meeting		55.00	0.00	55.00	57.20	0.00	57.20
	Large Hall - Private Event		87.00	0.00	87.00	90.40	0.00	90.40
	<b>Salisbury House -VENUE</b>							
	Ground Floor Salisbury Room		32.00	0.00	32.00	33.30	0.00	33.30
	Edinburgh Room		24.00	0.00	24.00	25.00	0.00	25.00
	The Tudor Room		34.00	0.00	34.00	35.40	0.00	35.40
	Salisbury Room & Tea Room - £57 per hour (Minimum Hire 4 Hours)		60.00	0.00	60.00	62.40	0.00	62.40
	Salisbury Room, Tea Room & The Garden - £100 per hour (Minimum Hire 4 Hours)		105.00	0.00	105.00	109.10	0.00	109.10
<b>53</b>	<b>LEISURE-SPORTS</b>							
	<b>Sports &amp; Development</b>							
	<b>Term time activities</b>							
	Badminton - Beginners (block of 14 weeks , £6.65 per session)		89.60	0.00	89.60	93.10	0.00	93.10
	Badminton - Improvers (block of 14 weeks, £6.65 per session)		89.60	0.00	89.60	93.10	0.00	93.10
	Gymnastics - Beginners (block of 14 weeks, £8.75 per session) plus £2.50 one off costs for badge & certificate.		117.60	0.00	117.60	122.50	0.00	122.50
	Gymnastics - Improvers (block of 14 weeks, £8.75 per session) plus £2.50 one off costs for badge & certificate.		117.60	0.00	117.60	122.50	0.00	122.50
	Gymnastics & Trampoline (block of 14 weeks, £8.75 per session )plus £2.50 one off costs for badge & certificate.)		117.60	0.00	117.60	122.50	0.00	122.50
	Badminton - Adults (block of 15 weeks, £7.30 per session) a.m.		105.00	0.00	105.00	109.50	0.00	109.50
	Boxing - Adults (block of 14 weeks, £6.25 per session) p.m.		84.00	0.00	84.00	87.50	0.00	87.50
	Pilates - Adults (block of 15 weeks , £7.30 per session)		105.00	0.00	105.00	109.50	0.00	109.50
	Tai Chi - Adults (block of 13 weeks, £6.70 per session)		84.50	0.00	84.50	87.10	0.00	87.10
	Yoga - Adults (Women only) (block of 15 sessions, £7.30 per session) Grange Park		105.00	0.00	105.00	109.50	0.00	109.50
	Yoga - Adults (block of 15 weeks, £7.30 per session) David Lloyd		105.00	0.00	105.00	109.50	0.00	109.50
	Nordic Walking - adults (block of 15 weeks session, £5.20 per session)		75.00	0.00	75.00	78.00	0.00	78.00
	Keep Fit Mature Moves - 50+ (block of 15 weeks, £5.70 per session)		82.50	0.00	82.50	85.50	0.00	85.50
	Swimming - 50+ (block of 15 weeks, £6.20 per session)		90.00	0.00	90.00	93.00	0.00	93.00
	Tennis - Adults (block of 15 weeks, £5.80 per session)		82.50	0.00	82.50	87.00	0.00	87.00
	Bowls - Adults (block of 11 weeks, £6.20 per session)		66.00	0.00	66.00	68.20	0.00	68.20
	Tai Chi in the Park		5.00	0.00	5.00	5.20	0.00	5.20
	Normally block bookings of 10 or more are VAT exempt (subject to HMRC conditions being met)							
	<b>Holiday Activities</b>							
	Junior horse riding (per 3/4 hr)		23.50	0.00	23.50	24.50	0.00	24.50
	Tots horse riding (per 1/4 hr)		13.50	0.00	13.50	14.10	0.00	14.10
	Horse riding - half day (3 hrs)		31.50	0.00	31.50	32.80	0.00	32.80
	Multisport		9.00	0.00	9.00	9.40	0.00	9.40
	Boxing at Edmonton Leisure Centre		7.00	0.00	7.00	7.30	0.00	7.30
	Kung Fu		8.50	0.00	8.50	8.90	0.00	8.90
	Judo		9.00	0.00	9.00	9.40	0.00	9.40
	Judo - 2 day course		17.00	0.00	17.00	17.70	0.00	17.70
	Basketball		9.00	0.00	9.00	9.40	0.00	9.40
	Yoga for Children		7.00	0.00	7.00	7.30	0.00	7.30



Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICES VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Boxing - 2 day course		18.00	0.00	18.00	18.80	0.00	18.80
	Athletics - Junior (per 3 x 45 minute sessions course)		9.00	0.00	9.00	9.40	0.00	9.40
	Tots Trampoline (3 day course, 2 hours each day)		50.50	0.00	50.50	52.50	0.00	52.50
	Junior Trampoline (3 day course, 2 hours each day)		50.50	0.00	50.50	52.50	0.00	52.50
	Preschool Gym (per 2 days course 1 hour each session)		15.00	0.00	15.00	15.60	0.00	15.60
	Gymnastics (per 2 days course 1hr 30 minutes each session)		19.00	0.00	19.00	19.80	0.00	19.80
	Gymnastics and Trampoline (single 1 hour session)		9.00	0.00	9.00	9.40	0.00	9.40
	Street dance Junior (per hr)		7.50	0.00	7.50	7.80	0.00	7.80
	Tennis - Junior (per 3 day course 1hr each)		22.10	0.00	22.10	23.00	0.00	23.00
	Tennis - Junior Plus (per 3 day course 1hr)		22.10	0.00	22.10	23.00	0.00	23.00
	Golf - Junior (2 day course 1.5hr each)		34.70	0.00	34.70	36.10	0.00	36.10
	Golf - Junior Plus (2 days course @ 1.5hr each day)		34.70	0.00	34.70	36.10	0.00	36.10
	Swimming - Adults (3 week course @ 1hr per session)		16.00	0.00	16.00	16.70	0.00	16.70
	Tennis - Adults (4 week course @ 1hr per session)		19.50	0.00	19.50	20.30	0.00	20.30
	Normally admission to sports and leisure activities/centres are standard VAT rated. Holiday activities for childcare purposes can be exempt from VAT							
<b>54</b>	<b>LEISURE -CULTURE</b>							
	<b>DUGDALE-VENUE</b>							
	Dugdale Venue Hire Rates & Charges							
	(These prices are relevant to the dates of hire, not the date of the booking.)							
	Ground Floor							
	Ground -Studio Theatre( Weekdays) per hour		95.00	0.00	95.00	98.80	0.00	98.80
	Ground -Studio Theatre( Weekends) per hour		121.00	0.00	121.00	125.80	0.00	125.80
	<b>1st Floor</b>							
	Executive Suite per hour		45.00	0.00	45.00	46.80	0.00	46.80
	Conference Room 1 per hour		42.00	0.00	42.00	43.70	0.00	43.70
	Conference Room 2 per hour		36.00	0.00	36.00	37.50	0.00	37.50
	Conference Room 3 per hour		36.00	0.00	36.00	37.50	0.00	37.50
	Conference Room 4 per hour		32.00	0.00	32.00	33.30	0.00	33.30
	<b>MILLFIELD THEATRE</b>							
	<b>Theatre Hire Rates:</b>							
	Mon/Tues/Wed/Thur/Friday( Performance of up to 3 hours including a 20 minute interval)		1,365.00	0.00	1,365.00	1,418.30	0.00	1,418.30
	Mon/Tues/Wed/Thur/Friday-Hourly rate after the 3 hours		300.00	0.00	300.00	311.70	0.00	311.70
	Sat/ Sun/Bank Holiday ( Performance of up to 3 hours including a 20 minute interval)		1,575.00	0.00	1,575.00	1,636.50	0.00	1,636.50
	Sat/ Sun/Bank Holiday-Hourly rate after the 3 hours		352.00	0.00	352.00	365.80	0.00	365.80
	Use of theatre prior to the performance per hour		116.00	0.00	116.00	120.60	0.00	120.60
	<b>MILLFIELD HOUSE</b>							
	<b>Venue Hire Rates &amp; Charges:</b>							
	Ground- per hour:							
	Strand		38.00	0.00	38.00	39.50	0.00	39.50
	Ambassadors		32.00	0.00	32.00	33.30	0.00	33.30
	<b>1st Floor- per hour</b>							
	Huxley		38.00	0.00	38.00	39.50	0.00	39.50
	Bridport		32.00	0.00	32.00	33.30	0.00	33.30
	Aylward		28.00	0.00	28.00	29.10	0.00	29.10
	2nd Floor- Sawyer per hour		32.00	0.00	32.00	33.30	0.00	33.30
	<b>Forty Hall -VENUE</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b>Conference/Meeting/Training</b>							
	<b>Ground - per hour</b>							
	Long Gallery & Inner Courtyard		45.00	0.00	45.00	47.00	0.00	47.00
	Garden Room-for storage only		15.00	0.00	15.00	15.00	0.00	15.00
	Great Hall		40.00	0.00	40.00	42.00	0.00	42.00
	Parlour		40.00	0.00	40.00	42.00	0.00	42.00
	<b>Second Floor - per hour</b>							
	Vicary Room		30.00	0.00	30.00	32.00	0.00	32.00
	Walters Room		30.00	0.00	30.00	32.00	0.00	32.00
	<b>Private Hire (Baby Showers, Christening, Parties etc.)</b>							
	Long Gallery & Inner Courtyard Monday- Thursday (Hire up to 8 hours)		1,500.00	0.00	1,500.00	1,550.00	0.00	1,550.00
	Long Gallery & Inner Courtyard Friday - Sunday (Hire up to 8 hours)		1,800.00	0.00	1,800.00	1,860.00	0.00	1,860.00
	Long Gallery & Inner Courtyard Monday- Thursday (Hire up to 4 hours)		875.00	0.00	875.00	900.00	0.00	900.00
	Long Gallery & Inner Courtyard Friday - Sunday (Hire up to 4 hours)		1,025.00	0.00	1,025.00	1,060.00	0.00	1,060.00
	Great Hall & Parlour Monday- Wednesday (Hire up to 8 hours)		1,000.00	0.00	1,000.00	1,050.00	0.00	1,050.00
	Great Hall & Parlour Monday- Wednesday (Hire up to 4 hours)		575.00	0.00	575.00	600.00	0.00	600.00
	Great Hall Monday- Thursday (Hire up to 8 hours)		675.00	0.00	675.00	700.00	0.00	700.00
	Great Hall Monday- Thursday (Hire up to 4 hours)		450.00	0.00	450.00	475.00	0.00	475.00
	Great Hall Friday - Sunday (Hire up to 8 hours)		875.00	0.00	875.00	900.00	0.00	900.00
	Great Hall Friday - Sunday (Hire up to 4 hours)		650.00	0.00	650.00	675.00	0.00	675.00
	<b>Celebration of Life/Wakes</b>							
	Long Gallery & Inner Courtyard Monday- Thursday (Hire up to 3 hours)		420.00	0.00	420.00	435.00	0.00	435.00
	Long Gallery & Inner Courtyard Friday - Sunday (Hire up to 3 hours)		520.00	0.00	520.00	535.00	0.00	535.00
	Great Hall & Parlour Monday- Wednesday (Hire up to 3 hours)		320.00	0.00	320.00	330.00	0.00	330.00
	Great Hall Monday- Wednesday (Hire up to 3 hours)		200.00	0.00	200.00	205.00	0.00	205.00
	Great Hall Friday - Sunday (Hire up to 3 hours)		270.00	0.00	270.00	280.00	0.00	280.00
	<b>Weddings</b>							
	Ceremony & Reception Long Gallery, Inner Courtyard, Great Hall Mon - Thurs (12 hours)		2,400.00	0.00	2,400.00	2,500.00	0.00	2,500.00
	Ceremony & Reception Long Gallery, Inner Courtyard, Great Hall Fri - Sun (12 hours)		2,900.00	0.00	2,900.00	3,000.00	0.00	3,000.00
	Reception Only Long Gallery & Inner Courtyard Mon - Thurs (12 hours)		2,000.00	0.00	2,000.00	2,060.00	0.00	2,060.00
	Reception Only Long Gallery & Inner Courtyard Fri - Sun (12 hours)		2,500.00	0.00	2,500.00	2,600.00	0.00	2,600.00
	Ceremony Only Long Gallery & Inner Courtyard Mon - Thurs (3 hours)		1,250.00	0.00	1,250.00	1,300.00	0.00	1,300.00
	Ceremony Only Long Gallery & Inner Courtyard Fri - Sun (3 hours)		1,450.00	0.00	1,450.00	1,500.00	0.00	1,500.00
	Ceremony Only Great Hall & Parlour Mon - Wed (3 hours)		950.00	0.00	950.00	980.00	0.00	980.00
	Ceremony Only Great Hall Thurs-Sunday (3 hours)		650.00	0.00	650.00	620.00	0.00	620.00
	Outer Courtyard 6:00pm – 12:00am (Exclusive Use)		185.00	0.00	185.00	190.00	0.00	190.00
	Outer Courtyard 12:00pm – 6:00pm (Shared use)		165.00	0.00	165.00	170.00	0.00	170.00
	Photo Shoot Great Hall & Grand Staircase (2 hours)		270.00	0.00	270.00	280.00	0.00	280.00
	Extra hour before or after booked time		150.00	0.00	150.00	155.00	0.00	155.00
	<b>Wedding Ceremony &amp; Reception in the Grounds of Forty Hall</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATALE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Front Lawn, Walled Garden or Pleasure Grounds and Long Gallery, Inner Courtyard & Great Hall Mon - Thurs (12 hours)					3,500.00	0.00	3,500.00
	Front Lawn, Walled Garden or Pleasure Grounds and Long Gallery, Inner Courtyard & Great Hall Fri - Sun (12 hours)					4,000.00	0.00	4,000.00
	<b>Wedding Ceremonies in the Grounds of Forty Hall</b>							
	Front Lawn, Walled Garden or Pleasure Grounds and Long Gallery and Inner Courtyard Mon - Thurs (3 hours)					2,350.00	0.00	2,350.00
	Front Lawn, Walled Garden or Pleasure Grounds and Long Gallery and Inner Courtyard Fri - Sun (3 hours)					2,550.00	0.00	2,550.00
	<b>Wedding Ceremony &amp; Reception in the Grounds of Forty Hall (no inside space)</b>							
	Front Lawn, Walled Garden or Pleasure Grounds Mon - Thurs (12 hours)					1,750.00	0.00	1,750.00
	Front Lawn, Walled Garden or Pleasure Grounds Fri - Sun (12 hours)					2,000.00	0.00	2,000.00
	<b>Wedding Ceremonies in the Grounds of Forty Hall (no inside space)</b>							
	Front Lawn or Walled Garden or Pleasure Grounds Mon - Thurs (3 hours)					1,300.00	0.00	1,300.00
	Front Lawn or Walled Garden or Pleasure Grounds Fri - Sun (3 hours)					1,500.00	0.00	1,500.00
	<b>Wedding Reception in the Grounds of Forty Hall (no inside space)</b>							
	Pleasure Grounds Mon - Thurs (12 hours)					1,900.00	0.00	1,900.00
	Pleasure Grounds Fri - Sun (12 hours)					2,500.00	0.00	2,500.00
	<b>Wedding Proposals</b>							
	Front Lawn or Walled Garden Mon - Thurs (2 hours)					250.00	0.00	250.00
	Front Lawn or Walled Garden Fri - Sun (2 hours)					300.00	0.00	300.00
	Great Hall Mon - Thurs (2 hours)					150.00	0.00	150.00
	Great Hall Fri - Sun (2 hours)					200.00	0.00	200.00
55	<b>DESIGN &amp; PRINT SERVICE</b>							
	<b>Highly Creative Design ( per hour)</b>	✓						
	A minimum charge of £24 is charged (based on 30 mins of work)	✓	50.40	10.10	60.50	52.42	10.48	62.90
	<b>Print, Photocopying &amp; Finishing (per hour)</b>							
	A minimum charge of £13.00 is charged (based on 15 mins of work)	✓	54.60	11.00	65.60	56.67	11.33	68.00
	<b>PRINT SERVICES PRICE LIST OF HIGH VOLUME PHOTOCOPING</b>							
	VAT charged is dependant on the nature of print requests e.g. books, leaflets, magazines, newsletters are zero rated							
	<b>100 to 200 images</b>							
	Single sided on 80gsm white paper		13.70	0.00	13.70	14.20	0.00	14.20
	Double sided on 80gsm white paper		13.70	0.00	13.70	14.20	0.00	14.20
	Single sided on 80gsm tinted paper		13.70	0.00	13.70	14.20	0.00	14.20
	Double sided on 80gsm tinted paper		13.70	0.00	13.70	14.20	0.00	14.20
	<b>300 to 400 images</b>							
	Single sided on 80gsm white paper		13.80	0.00	13.80	14.30	0.00	14.30
	Double sided on 80gsm white paper		13.80	0.00	13.80	14.30	0.00	14.30
	Single sided on 80gsm tinted paper		15.50	0.00	15.50	16.10	0.00	16.10
	Double sided on 80gsm tinted paper		13.80	0.00	13.80	14.30	0.00	14.30

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b>500 images</b>							
	Single sided on 80gsm white paper		19.90	0.00	19.90	20.70	0.00	20.70
	Double sided on 80gsm white paper		22.10	0.00	22.10	23.00	0.00	23.00
	Single sided on 80gsm tinted paper		24.30	0.00	24.30	25.20	0.00	25.20
	Double sided on 80gsm tinted paper		26.50	0.00	26.50	27.50	0.00	27.50
	<b>600 images</b>							
	Single sided on 80gsm white paper		34.30	0.00	34.30	35.60	0.00	35.60
	Double sided on 80gsm white paper		33.10	0.00	33.10	34.40	0.00	34.40
	Single sided on 80gsm tinted paper		36.50	0.00	36.50	37.90	0.00	37.90
	Double sided on 80gsm tinted paper		34.30	0.00	34.30	35.60	0.00	35.60
	<b>700 images</b>							
	Single sided on 80gsm white paper		35.30	0.00	35.30	36.70	0.00	36.70
	Double sided on 80gsm white paper		34.30	0.00	34.30	35.60	0.00	35.60
	Single sided on 80gsm tinted paper		37.50	0.00	37.50	39.00	0.00	39.00
	Double sided on 80gsm tinted paper		35.30	0.00	35.30	36.70	0.00	36.70
	<b>800 images</b>							
	Single sided on 80gsm white paper		36.50	0.00	36.50	37.90	0.00	37.90
	Double sided on 80gsm white paper		35.30	0.00	35.30	36.70	0.00	36.70
	Single sided on 80gsm tinted paper		38.70	0.00	38.70	40.20	0.00	40.20
	Double sided on 80gsm tinted paper		36.50	0.00	36.50	37.90	0.00	37.90
	<b>900 images</b>							
	Single sided on 80gsm white paper		37.50	0.00	37.50	39.00	0.00	39.00
	Double sided on 80gsm white paper		36.50	0.00	36.50	37.90	0.00	37.90
	Single sided on 80gsm tinted paper		39.70	0.00	39.70	41.20	0.00	41.20
	Double sided on 80gsm tinted paper		37.50	0.00	37.50	39.00	0.00	39.00
	<b>1000 images</b>							
	Single sided on 80gsm white paper		38.70	0.00	38.70	40.20	0.00	40.20
	Double sided on 80gsm white paper		37.50	0.00	37.50	39.00	0.00	39.00
	Single sided on 80gsm tinted paper		40.90	0.00	40.90	42.50	0.00	42.50
	Double sided on 80gsm tinted paper		38.70	0.00	38.70	40.20	0.00	40.20
	<b>1100 images</b>							
	Single sided on 80gsm white paper		43.10	0.00	43.10	44.80	0.00	44.80
	Double sided on 80gsm white paper		40.90	0.00	40.90	42.50	0.00	42.50
	Single sided on 80gsm tinted paper		47.50	0.00	47.50	49.40	0.00	49.40
	Double sided on 80gsm tinted paper		43.10	0.00	43.10	44.80	0.00	44.80
	<b>1200 images</b>							
	Single sided on 80gsm white paper		44.10	0.00	44.10	45.80	0.00	45.80
	Double sided on 80gsm white paper		41.90	0.00	41.90	43.50	0.00	43.50
	Single sided on 80gsm tinted paper		48.60	0.00	48.60	50.50	0.00	50.50
	Double sided on 80gsm tinted paper		44.10	0.00	44.10	45.80	0.00	45.80

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b>1300 images</b>							
	Single sided on 80gsm white paper		56.30	0.00	56.30	58.50	0.00	58.50
	Double sided on 80gsm white paper		54.10	0.00	54.10	56.20	0.00	56.20
	Single sided on 80gsm tinted paper		60.70	0.00	60.70	63.10	0.00	63.10
	Double sided on 80gsm tinted paper		56.30	0.00	56.30	58.50	0.00	58.50
	<b>1400 images</b>							
	Single sided on 80gsm white paper		57.40	0.00	57.40	59.60	0.00	59.60
	Double sided on 80gsm white paper		55.20	0.00	55.20	57.40	0.00	57.40
	Single sided on 80gsm tinted paper		61.80	0.00	61.80	64.20	0.00	64.20
	Double sided on 80gsm tinted paper		57.40	0.00	57.40	59.60	0.00	59.60
	<b>1500 images</b>							
	Single sided on 80gsm white paper		58.50	0.00	58.50	60.80	0.00	60.80
	Double sided on 80gsm white paper		56.30	0.00	56.30	58.50	0.00	58.50
	Single sided on 80gsm tinted paper		62.90	0.00	62.90	65.40	0.00	65.40
	Double sided on 80gsm tinted paper		58.50	0.00	58.50	60.80	0.00	60.80
	<b>1600 images</b>							
	Single sided on 80gsm white paper		64.00	0.00	64.00	66.50	0.00	66.50
	Double sided on 80gsm white paper		60.70	0.00	60.70	63.10	0.00	63.10
	Single sided on 80gsm tinted paper		69.60	0.00	69.60	72.30	0.00	72.30
	Double sided on 80gsm tinted paper		64.00	0.00	64.00	66.50	0.00	66.50
	<b>1700 images</b>							
	Single sided on 80gsm white paper		65.10	0.00	65.10	67.60	0.00	67.60
	Double sided on 80gsm white paper		61.80	0.00	61.80	64.20	0.00	64.20
	Single sided on 80gsm tinted paper		70.60	0.00	70.60	73.40	0.00	73.40
	Double sided on 80gsm tinted paper		65.10	0.00	65.10	67.60	0.00	67.60
	<b>1800 images</b>							
	Single sided on 80gsm white paper		66.20	0.00	66.20	68.80	0.00	68.80
	Double sided on 80gsm white paper		62.90	0.00	62.90	65.40	0.00	65.40
	Single sided on 80gsm tinted paper		71.80	0.00	71.80	74.60	0.00	74.60
	Double sided on 80gsm tinted paper		66.20	0.00	66.20	68.80	0.00	68.80
	<b>1900 images</b>							
	Single sided on 80gsm white paper		67.40	0.00	67.40	70.00	0.00	70.00
	Double sided on 80gsm white paper		66.20	0.00	66.20	68.80	0.00	68.80
	Single sided on 80gsm tinted paper		72.80	0.00	72.80	75.60	0.00	75.60
	Double sided on 80gsm tinted paper		67.40	0.00	67.40	70.00	0.00	70.00
	<b>2000 images</b>							
	Single sided on 80gsm white paper		68.40	0.00	68.40	71.10	0.00	71.10
	Double sided on 80gsm white paper		69.60	0.00	69.60	72.30	0.00	72.30
	Single sided on 80gsm tinted paper		78.40	0.00	78.40	81.50	0.00	81.50
	Double sided on 80gsm tinted paper		72.80	0.00	72.80	75.60	0.00	75.60

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b>2500 images</b>							
	Single sided on 80gsm white paper		87.20	0.00	87.20	90.60	0.00	90.60
	Double sided on 80gsm white paper		80.60	0.00	80.60	83.70	0.00	83.70
	Single sided on 80gsm tinted paper		97.10	0.00	97.10	100.90	0.00	100.90
	Double sided on 80gsm tinted paper		98.20	0.00	98.20	102.00	0.00	102.00
	<b>3000 images</b>							
	Single sided on 80gsm white paper		92.70	0.00	92.70	96.30	0.00	96.30
	Double sided on 80gsm white paper		86.00	0.00	86.00	89.40	0.00	89.40
	Single sided on 80gsm tinted paper		114.70	0.00	114.70	119.20	0.00	119.20
	Double sided on 80gsm tinted paper		103.70	0.00	103.70	107.70	0.00	107.70
	<b>3500 images</b>							
	Single sided on 80gsm white paper		98.20	0.00	98.20	102.00	0.00	102.00
	Double sided on 80gsm white paper		90.50	0.00	90.50	94.00	0.00	94.00
	Single sided on 80gsm tinted paper		119.10	0.00	119.10	123.70	0.00	123.70
	Double sided on 80gsm tinted paper		109.20	0.00	109.20	113.50	0.00	113.50
	<b>4000 images</b>							
	Single sided on 80gsm white paper		108.10	0.00	108.10	112.30	0.00	112.30
	Double sided on 80gsm white paper		96.00	0.00	96.00	99.70	0.00	99.70
	Single sided on 80gsm tinted paper		123.50	0.00	123.50	128.30	0.00	128.30
	Double sided on 80gsm tinted paper		114.70	0.00	114.70	119.20	0.00	119.20
	<b>4500 images</b>							
	Single sided on 80gsm white paper		121.30	0.00	121.30	126.00	0.00	126.00
	Double sided on 80gsm white paper		121.30	0.00	121.30	126.00	0.00	126.00
	Single sided on 80gsm tinted paper		152.20	0.00	152.20	158.10	0.00	158.10
	Double sided on 80gsm tinted paper		121.30	0.00	121.30	126.00	0.00	126.00
	<b>Over 5000 images</b>							
					Price on application			Price on application
56	<b>PRE-APPLICATION CHARGING SCHEME-PLANNING</b>							
	<b>Category A:Large Major Applications 25-150 units,+2000 sq.m of floor space (includes change of use)EIA Development Significant Infrastructure Proposal (Proposals raising significant heritage issues which will be assessed/ charged on an individual basis)</b>							
	<b>Category A:Large Major Applications</b> (Assessment, site visit, meeting and written advice, includes SuDs consultation)	√			Price on Application			Price on Application
	<b>Category A;</b> Follow up meeting	√			Price on Application			Price on Application
	<b>Category B :Major developments 10-24 residential units 1000-2000 sq. metres of floor space(includes change of use) Development involving 0.5 hectares</b>							
	<b>Category B :Major developments</b> (Assessment, site visit, meeting and written advice, includes SuDs consultation)	√			Price on Application			Price on Application
	<b>Category B:</b> Follow up meeting	√			Price on Application			Price on Application
	<b>Category C: Minor Development 4-9 residential units Flat Conversions/HMO's (4-9 units) 400-999 sq. metres of non-residential floor space(includes change of use)</b>							
	<b>Category C:Minor Development</b> Assessment, site visit, meeting and written advice)	√			Price on Application			Price on Application

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b>Category C:Minor Development</b> Assessment, site visit, meeting and written advice) Development within a Conservation Area	√		Price on Application			Price on Application	
	<b>Category C:Minor Development</b> Assessment, site visit, meeting and written advice) Development involving a listed building or affecting the setting of a listed building	√		Price on Application			Price on Application	
	<b>Category C:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category D:Minor Development 1-3 Residential units Flat Conversions/HMO's (1-3 units)Up to 399 sq. metres of non-residential floor space( includes change of use) Telecommunications(Code svstem operators)</b>							
	<b>Category D:</b> (Site specific assessment, meeting and written advice)	√		Price on Application			Price on Application	
	<b>Category D:</b> (Site specific assessment, meeting and written advice)Development within a Conservation Area	√		Price on Application			Price on Application	
	<b>Category D:</b> (Site specific assessment, meeting and written advice)Development involving a listed building or affecting the setting of a listed building	√		Price on Application			Price on Application	
	<b>Category D:</b> (Site specific assessment, meeting . <b>No</b> written advice)	√		Price on Application			Price on Application	
	<b>Category D:</b> (Site specific assessment, meeting . <b>No</b> written advice) Development within a Conservation Area	√		Price on Application			Price on Application	
	<b>Category D:</b> (Site specific assessment, meeting and <b>No</b> written advice)Development involving a listed building or affecting the setting of a listed building	√		Price on Application			Price on Application	
	<b>Category D:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category E: Householder Development Residential Extensions Outbuildings P.D Enquiries</b>							
	<b>Category E:</b> Site specific assessment, site visit, meeting and <b>No</b> written advice	√		Price on Application			Price on Application	
	<b>Category E:</b> Site specific assessment, site visit, meeting and <b>No</b> written advice <b>If within Conservation Area</b>	√		Price on Application			Price on Application	
	<b>Category E:</b> Site specific assessment, site visit, meeting and written advice	√		Price on Application			Price on Application	
	<b>Category E:</b> Site specific assessment, site visit, meeting and written advice <b>If within Conservation Area</b>	√		Price on Application			Price on Application	
	<b>Category E:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category F: Enforcement</b> Discussions on cases involving enforcement actions Assessment, meeting and written advice	√		Price on Application			Price on Application	
	<b>Category F:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category G: Listed Buildings</b> (Assessment, site visit, meeting and written advice)	√		Price on Application			Price on Application	
	<b>Category G:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category H: Conservation Area</b> (Assessment, site visit, meeting and written advice on schemes located in Conservation area )	√		Price on Application			Price on Application	
	<b>Category H:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category I: Alterations to Shop Fronts/Advertisements</b> (Assessment, site visit, meeting and written advice)	√		Price on Application			Price on Application	
	<b>Category I:</b> Follow up meeting	√		Price on Application			Price on Application	
	<b>Category J: Concept Discussions Strategic /Major Development</b> (Meeting/Basic guidance against policy)	√		Price on Application			Price on Application	
	<b>Category J: Concept Discussions Land with potential for 1-5 units</b> (Meeting/Basic guidance against policy)	√		Price on Application			Price on Application	
	<b>Additional Specialist Advice (per hour)</b>	√		Price on Application			Price on Application	
	Schemes of significant magnitude that require a series of development team meetings or a Planning Performance Agreement							
57	<b>Local Land Charges Residential LLC1</b>			Price on Application			Price on Application	

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Residential Each additional parcel			Price on Application			Price on Application	
	Residential CON 29(R)	✓		Price on Application			Price on Application	
	Residential Each additional parcel	✓		Price on Application			Price on Application	
	Residential LLC1 + CON 29(R)	✓		Price on Application			Price on Application	
	Residential Each additional parcel	✓		Price on Application			Price on Application	
	Commercial / offices / land / industrial LLC1			Price on Application			Price on Application	
	Commercial / offices / land / industrial Each additional parcel			Price on Application			Price on Application	
	Commercial / offices / land / industrial CON 29(R)	✓		Price on Application			Price on Application	
	Commercial / offices / land / industrial Each additional parcel	✓		Price on Application			Price on Application	
	Commercial / offices / land / industrial LLC1 + CON 29(R)	✓		Price on Application			Price on Application	
	Con 29 (O) Enquiries (4 -21) except for Q.8 & Q.18 – No Charge (each)	✓		Price on Application			Price on Application	
	Enquiry 22	✓		Price on Application			Price on Application	
	Applications for the Common Land and Village Green register (As detailed in the Commons Registration (England Regulations 2014)			Price on Application			Price on Application	
	Copy documents from CON29 relating information (Each - including copy of search)	✓		Price on Application			Price on Application	
	Copy documents relating to register only			Price on Application			Price on Application	
	Registration of a charge in Part 11 of the Register			Price on Application			Price on Application	
	Filing a Lands Tribunal Light Obstruction Notice			Price on Application			Price on Application	
	Filing a variation or cancellation of a Light Obstruction Notice			Price on Application			Price on Application	
	Inspection of documents relating to Light Obstruction Notices (for each parcel of land)			Price on Application			Price on Application	
58	PEST CONTROL (Public Realm)							
	PEST CONTROL (DOMESTIC)							
	Survey charge (non refundable)	✓		Price on Application			Price on Application	
	Rats (For 3 visits)	✓		Price on Application			Price on Application	
	Mice (For 3 visits)	✓		Price on Application			Price on Application	
	Mice (Per Additional Visit)	✓		Price on Application			Price on Application	
	Rats (Per Additional Visit)	✓		Price on Application			Price on Application	
	Cockroaches (For 3 visits)	✓		Price on Application			Price on Application	
	Cockroaches (Per Additional Visit)	✓		Price on Application			Price on Application	
	Fleas	✓		Price on Application			Price on Application	
	Squirrels (per 3 visits) - internal only where appropriate	✓		Price on Application			Price on Application	
	Pharaohs Ant Treatment (Per complete treatment)	✓		Price on Application			Price on Application	
	Cancelled/missed appointment visit (where customer/occupant/owner fails to keep specifically arranged appointment or cancelled with less than one working days notice)	✓		Price on Application			Price on Application	
	Bed Bug (ID & pre-visit only)	✓		Price on Application			Price on Application	
	Bed Bug (per treatment for bedsit or single room, comprises the previsit and a single treatment)	✓		Price on Application			Price on Application	
	Bed bug (per treatment for 2 rooms, comprises the previsit and a single treatment)	✓		Price on Application			Price on Application	
	Bed bug (per treatment for 3 rooms, comprises the previsit and a single treatment)	✓		Price on Application			Price on Application	
	Bed bug (per treatment for 4 rooms, comprises the previsit and a single treatment)	✓		Price on Application			Price on Application	
	Bed bug (per treatment for 5 rooms, comprises the previsit and a single treatment)	✓		Price on Application			Price on Application	
	Moths (Maximum of 3 visits)	✓		Price on Application			Price on Application	
	Household Beetles (Maximum 2 visits inclusive of survey 1 spray and ULV treatment)	✓		Price on Application			Price on Application	
	Proofing Treatments etc.			Price on Application			Price on Application	
	Wasps (per treatment)	✓		Price on Application			Price on Application	
	Wasps (per extra nest)	✓		Price on Application			Price on Application	
	Garden Ants	✓		Price on Application			Price on Application	
	Cancelled/missed appointment visit (where customer/occupant/owner fails to keep specifically arranged appointment or cancelled with less than one working days notice)	✓		Price on Application			Price on Application	
	PEST CONTROL (COMMERCIAL)							
	Rats (Per treatment maximum 3 visits)	✓		Price on Application			Price on Application	



Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Mice (Per treatment maximum 3 visits)	√		Price on Application			Price on Application	
	Cockroach (Per treatment maximum 3 visits)	√		Price on Application			Price on Application	
	Fleas (Per treatment maximum 1 visit)	√		Price on Application			Price on Application	
	Wasps (Per treatment maximum 1 visit)	√		Price on Application			Price on Application	
	Bed bugs (Per treatment maximum 2 visits including pre-visit)	√		Price on Application			Price on Application	
	Bed bug (ID and pre-visit only)	√		Price on Application			Price on Application	
	Bed bug (Per treatment maximum 1 visit. Only if Bed bug ID and pre-visit previously done)	√		Price on Application			Price on Application	
	On-site ID/other/advice/extra visits (Per visit)	√		Price on Application			Price on Application	
	Cancelled/missed appointment visit (where customer/occupant/owner fails to keep specifically arranged appointment or cancelled with less than one working days notice)	√		Price on Application			Price on Application	
	<b>PEST CONTROL (LARGE OR COMPLEX COMMERCIAL AND CONTRACT WORK)</b>							
	Additional charges will be added for actual costs of materials, equipment etc.	√		Price on Application			Price on Application	
	Rats	√		Price on Application			Price on Application	
	Basic charge per hour (minimum 1 hour)	√		Price on Application			Price on Application	
	Mice	√		Price on Application			Price on Application	
	Basic charge per hour (minimum 1 hour)	√		Price on Application			Price on Application	
	Insects	√		Price on Application			Price on Application	
	Basic charge per hour (minimum 1 hour)	√		Price on Application			Price on Application	
	Pigeons, Feral Cats and Squirrels and other treatments and pests	√		Price on Application			Price on Application	
	Basic charge per hour (minimum 1 hour)	√		Price on Application			Price on Application	
	Pharaohs Ant Treatment	√		Price on Application			Price on Application	
	Basic charge per hour (minimum 1 hour)	√		Price on Application			Price on Application	
59	<b>FLEET SERVICES (Public Realm)</b>							
	<b>Car Service Maintenance Repair &amp; grounds equipment self propelled</b>							
	<b>This includes Car derived vans. I.E Vauxhall Corsa Van</b>							
	<b>All Services are undertaken based on Autodata times</b>							
	<b>The labour rate per vehicle category will be able to be adjusted in the event of the Councils Fleet department tendering for a contract containing more than a single vehicle. Or a prospective customer wishes to offer a number of vehicles to the Fleet department to undertake Service Maintenance Repair work on.</b>			Price on Application			Price on Application	
	<b>Underutilised services within Public Realm - ability to offer discounts if required</b>			Price on Application			Price on Application	
	Labour Rate per Hour	√		Price on Application			Price on Application	
	Premium guaranteed workshop slot AM or PM. Work under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	√		Price on Application			Price on Application	
	Parts	√		Price on Application			Price on Application	
	Consumable items	√		Price on Application			Price on Application	
	Environmental charge (disposal of oils when changed)	√		Price on Application			Price on Application	
	Any work of specialist nature outsourced to 3rd party	√		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	√		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	√		Price on Application			Price on Application	
	MOT test class 4			Price on Application			Price on Application	
	MOT retest			Price on Application			Price on Application	
	Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
	<b>LCV up to 3.5t Service Maintenance Repair</b>							
	<b>All Services are undertaken based on Autodata times</b>							
	Labour Rate per hour	√		Price on Application			Price on Application	
	Premium guaranteed workshop slot AM or PM. Work under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	√		Price on Application			Price on Application	
	Parts	√		Price on Application			Price on Application	

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICES IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Consumable items	✓		Price on Application			Price on Application	
	Environmental charge (disposal of oils when changed)	✓		Price on Application			Price on Application	
	Any work of specialist nature outsourced to 3rd party	✓		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	✓		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	✓		Price on Application			Price on Application	
	MOT test class 7			Price on Application			Price on Application	
	MOT retest			Price on Application			Price on Application	
	LOLER testing tail lifts	✓		Price on Application			Price on Application	
	Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
	<b>Section 19 &amp; 22 mini bus Service Maintenance Repair and vehicles up to 7.5t</b>							
	<b>All Services where possible are undertaken based on autodata times</b>							
	Labour Rate	✓		Price on Application			Price on Application	
	Premium guaranteed workshop slot AM or PM. Work under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	✓		Price on Application			Price on Application	
	Parts	✓		Price on Application			Price on Application	
	Consumable items	✓		Price on Application			Price on Application	
	Environmental charge (disposal of oils when changed)	✓		Price on Application			Price on Application	
	Any work of specialist nature outsourced to 3rd party	✓		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	✓		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	✓		Price on Application			Price on Application	
	DVSA safety inspection including interior fitting up to 22 seats	✓		Price on Application			Price on Application	
	DVSA standard brake test with print out	✓		Price on Application			Price on Application	
	DVSA standard Headlamp test	✓		Price on Application			Price on Application	
	MOT test class 5 - 5a			Price on Application			Price on Application	
	MOT retest			Price on Application			Price on Application	
	LOLER testing tail lifts	✓		Price on Application			Price on Application	
	Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
	<b>LGV / RCV and vehicles above 7.5t</b>							
	All Services where possible based on industry standard times							
	Labour Rate			Price on Application			Price on Application	
	Premium guaranteed workshop slot AM or PM. Work under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	✓		Price on Application			Price on Application	
	Parts	✓		Price on Application			Price on Application	
	Consumable items			Price on Application			Price on Application	
	Environmental charge (disposal of oils when changed)			Price on Application			Price on Application	
	Any work of specialist nature outsourced to 3rd party	✓		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	✓		Price on Application			Price on Application	
	Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	✓		Price on Application			Price on Application	
	HGV DVSA safety inspection	✓		Price on Application			Price on Application	
	RCV DVSA Safety inspection	✓		Price on Application			Price on Application	
	DVSA standard brake test with print out + DVSA h/lamp test	✓		Price on Application			Price on Application	
	DVSA standard Headlamp test only	✓		Price on Application			Price on Application	
	HGV rigid MOT test (in house)	✓		Price on Application			Price on Application	
	MOT retest (In house)	✓		Price on Application			Price on Application	
	LOLER testing tail lifts	✓		Price on Application			Price on Application	
	Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
<b>60</b>	<b>COMMERCIAL WASTE SERVICES</b>							
	<b>(Outside the scope of VAT wef 9.2.2011)</b>							

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	<b><u>Fees include disposal costs:</u></b>							
	240 Litre Bin Hire/Collection			Price on Application			Price on Application	
	360 Litre Bin Hire/Collection			Price on Application			Price on Application	
	660 Litre Bin Hire/Collection			Price on Application			Price on Application	
	940 Litre Bin Hire/Collection			Price on Application			Price on Application	
	1100 Litre Bin Hire/Collection			Price on Application			Price on Application	
	Overweight bins			Price on Application			Price on Application	
	<b><u>Minimum contract 12 months (Supply &amp; Collection)</u></b>							
	4 rolls of trade sacks - including initial contract set up			Price on Application			Price on Application	
	8 rolls of trade sacks - including initial contract set up			Price on Application			Price on Application	
	Each additional roll of 13 Trade Sacks			Price on Application			Price on Application	
	Annual Duty of Care admiration charge (payable in lieu of the sack purchase fee when customers are renewing their annual contract but do not require any additional sacks as they already have a sufficient supply)			Price on Application			Price on Application	
	Abortive fee			Price on Application			Price on Application	
	Special collection - 60 minutes			Price on Application			Price on Application	
	Special bulk collection			Price on application			Price on application	
	<b><u>OFFER for new customers for first 12 months only:</u></b>							
	Between 2 and 3 bins on site			15% discount on the above charge			15% discount on the above charge	
	4 bins and above			25% discount on the above charge			25% discount on the above charge	
	<b><u>Combined service offer - waste and recycling collection</u></b>							
	660L refuse and 360L paper and cardboard			Price on Application			Price on Application	
	360L refuse and 660L paper and cardboard			Price on Application			Price on Application	
	660L refuse and 660L paper and cardboard			Price on Application			Price on Application	
	940L refuse and 660L paper and cardboard			Price on Application			Price on Application	
	1100L refuse and 660L paper and cardboard			Price on Application			Price on Application	
	1100L refuse and 1100L paper and cardboard			Price on Application			Price on Application	
	<b><u>Schools, Charities &amp; Domestic extra collection (Fees exclude disposal costs)</u></b>							
	Roll of 13 Sacks			Price on Application			Price on Application	
	240Litre Bin Hire/Collection			Price on Application			Price on Application	

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	360 Litre Bin Hire/Collection			Price on Application			Price on Application	
	660 Litre Bin Hire/Collection			Price on Application			Price on Application	
	940 Litre Bin Hire/Collection			Price on Application			Price on Application	
	1100 Litre Bin Hire/Collection			Price on Application			Price on Application	
	1280 Litre Bin Hire/Collection (for contaminated recycling collected as residual)			Price on Application			Price on Application	
	<b>Places of Worship - Hire Charge Only</b>							
	240Litre Bin Hire/Collection			Price on Application			Price on Application	
	360 Litre Bin Hire/Collection			Price on Application			Price on Application	
	660 Litre Bin Hire/Collection			Price on Application			Price on Application	
	940 Litre Bin Hire/Collection			Price on Application			Price on Application	
	1100 Litre Bin Hire/Collection			Price on Application			Price on Application	
	HOUSING - Hire Charge Only - Plastic bins (up to and including 360 litre bins)			Price on Application			Price on Application	
	HOUSING - Hire Charge Only - Metal bins			Price on Application			Price on Application	
	Enfield Council Housing - <b>Additional Collection Charge</b>			Price on Application			Price on Application	
	Schools Recycling Bin hire (per bin per week)			Price on Application			Price on Application	
	Schools Recycling Bin Hire Only (per bin per week)			Price on Application			Price on Application	
	Sales Commission			Price on application			Price on application	
	Discount for multiple business contracts			Price on application			Price on application	
	Sales incentives to assist and retain business discounts between 0-20% (Where Appropriate)			Price on application			Price on application	
	<b>COMMERCIAL RECYCLING SERVICES</b>							
	<b>Option 1. Paper &amp; Cardboard Only</b>							
	i. Paper Cardboard Mix - Use 240 litre Wheeled Bins			Price on Application			Price on Application	
	ii. Paper Cardboard Mix - Use 360 litre Bins			Price on Application			Price on Application	
	iii. Paper Cardboard Mix - Use 660 litre Bins			Price on Application			Price on Application	
	iv. Paper Cardboard Mix - Use 1100 litre Bins			Price on Application			Price on Application	
	Mixed Recycling - 360 internal customer only			Price on Application			Price on Application	
	Mixed Recycling - 1280 internal customer only			Price on Application			Price on Application	
<b>61</b>	<b>SCHEDULE 2 CLINICAL WASTE COLLECTION (Public Realm)</b>							
	Roll of 13 Clinical Waste Sacks	√		Price on Application			Price on Application	

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VARIABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Sharps bins - 2.5 litres	K	Price on Application			Price on Application		
	Sharps bin 22 litres	K	Price on Application			Price on Application		
62	<b>PARKS AND OUTDOOR FACILITIES (Public Realm)</b>							
	<b>Tennis Courts</b>							
	No charge off-peak							
	<b>CRICKET **</b>							
	Season bookings can be made for 10 or 20 matches							
	Discretionary discount of up to 10% for 1st season for new leagues. 5% discretionary discount for future league seasons.							
	<b>FOOTBALL / GAELIC FOOTBALL / RUGBY **</b>							
	Season bookings can be made for 16 or 32 games							
	<b>9-a-side Football, per pitch</b>							
	Discretionary discount of up to 10% for 1st season for new leagues. 5% discretionary discount for future league seasons.							
	<b>NETBALL**</b>							
	Discretionary discount of up to 10% for 1st season for new leagues. 5% discretionary discount for future league seasons.							
	<b>Third Generation facility</b>							
	Quarter Pitch (per hour) - FDP Partner		Price on Application			Price on Application		
	Half Pitch (per hour) - FDP Partner		Price on Application			Price on Application		
	Whole Pitch (per hour) - FDP Partner		Price on Application			Price on Application		
	Quarter Pitch (per hour) - Charter Standard Club		Price on Application			Price on Application		
	Half Pitch (per hour) - Charter Standard Club		Price on Application			Price on Application		
	Whole Pitch (per hour) - Charter Standard Club		Price on Application			Price on Application		
	Quarter Pitch (per hour) - Non-Charter Standard Club		Price on Application			Price on Application		
	Half Pitch (per hour) - Non-Charter Standard Club		Price on Application			Price on Application		
	Whole Pitch (per hour) - Non-Charter Standard Club		Price on Application			Price on Application		
	Commercial Hire (per hour)		Price on Application			Price on Application		
	Community Hire (per hour) FDP Partner		Price on Application			Price on Application		
	Weekday - off peak (per hour)		Price on Application			Price on Application		
	Weekend Match - Quarter Pitch (per hour)		Price on Application			Price on Application		
	Weekend Match - Half Pitch (per <u>two</u> hours) - Charter Standard Club		Price on Application			Price on Application		

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Weekend Match - Whole Pitch (per <u>two</u> hours) - Charter Standard Club			Price on Application			Price on Application	
	Weekend Match - Half Pitch (per <u>two</u> hours) - Non Charter Standard Club			Price on Application			Price on Application	
	Weekend Match - Whole Pitch (per <u>two</u> hours) - Non Charter Standard Club			Price on Application			Price on Application	
	Negotiable first year reduction up to 15% on block bookings (part 2)							
	New pitch creation one-off fee, waived on three year bookings	Y		Price on Application			Price on Application	
	Discretionary discount of up to 10% for block booking for FDP Partners							
	Discretionary discount 50% of weekend bookings for Junior games only after 5pm			<b>New</b>			Price on Application	
<b>63</b>	<b>CEMETERY CHARGES (Public Realm)</b> <b>The service is non-business for VAT where marked * i.e. no VAT to be charged.</b>							
	Funeral and burial services outside of standard specified times			Price On Application			Price On Application	
	Referral and multiple discount Commission			Price On Application			Price On Application	
<b>64</b>	<b>EVENTS (Public Realm)</b>							
	<b>Funfairs</b>							
	More than 2 operating days			Price On Application			Price On Application	
	<b>Circus's</b>							
	More than 2 operating days			Price On Application			Price On Application	
	<b>Commercial Events/National charities(Non Ticketed Public Events)</b>							
	<b>Please note: The Council retains the ability to waive event fees for not for profit and charity organisations.</b>							
	More than 1 operating day			Price On Application			Price On Application	
	<b>Medium Between 201-999 attendance</b>							
	More than 1 operating day			Price On Application			Price On Application	
	<b>Large Over 1000 attendance</b>							
	More than 1 operating day			Price On Application			Price On Application	
	<b>Ticketed Events 15% of Gate Receipts</b>							
	Ticketed Commercial Events			Price On Application			Price On Application	
	Waste removal and clearance			Price On Application			Price On Application	
	Traffic Management services			Price On Application			Price On Application	
	New Business referral commission			Price On Application			Price On Application	
	<b>Bonds</b>							
	Weddings up to 100 people			Price on Application			Price on Application	
	Weddings 100 - 200 people			Price on Application			Price on Application	

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VATABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Weddings 200 - 500 people			Price on Application			Price on Application	
	Group Barbeque			Price on Application			Price on Application	
	<b>Weddings</b>							
	Wedding Blessings			Price on Application			Price on Application	
	Wedding Receptions			Price on Application			Price on Application	
	Wedding Blessing & Reception			Price on Application			Price on Application	
<b>65</b>	<b>PEOPLE TRANSPORT: ANCILLIARY SERVICES</b>							
	Hire of Bus and Driver (per hour)	v		Price on Application			Price on Application	
	Hire of Bus, Driver and Passenger Assistant (per hour)	v		Price on Application			Price on Application	
	Additional Coach hire			Price on Application			Price on Application	
<b>66</b>	<b>Discount options</b>							
	Provision to offer discount to adapt to the market (Where required and appropriate)							
	New Service Provision charging (up to 12 month trial)- Framework for fees and charges required							
	Premium or Fast-Track Services							
	Online Discount (Provision to provide online discount where appropriate)							
	Negotiable first year reduction up to 15% on block bookings (part 2)							
<b>67</b>	<b>HEALTH &amp; SAFETY</b>							
	Schools SLA (subject to schools buying in to the service) (Normally academies are charged VAT)							
	Freezywater St Georges			Price on Application			Price on Application	
	Forty Hill			Price on Application			Price on Application	
	Latymer All Saints			Price on Application			Price on Application	
	Meridian Angel Primary Academy	v		Price on Application			Price on Application	
	Our Lady of Lourdes			Price on Application			Price on Application	
	St Andrews Enfield			Price on Application			Price on Application	
	St Andrews Southgate			Price on Application			Price on Application	
	St Edmunds			Price on Application			Price on Application	
	St Georges			Price on Application			Price on Application	
	St James			Price on Application			Price on Application	
	St John & St James			Price on Application			Price on Application	
	St Johns			Price on Application			Price on Application	
	St Mary's			Price on Application			Price on Application	
	St Matthews			Price on Application			Price on Application	
	St Michael @ Bowes			Price on Application			Price on Application	
	St Michael's			Price on Application			Price on Application	
	St Monica's			Price on Application			Price on Application	
	St Paul's			Price on Application			Price on Application	
	Bishop Stopford			Price on Application			Price on Application	
	Broomfield			Price on Application			Price on Application	
	Enfield Grammar Academy	v		Price on Application			Price on Application	
	Kingsmead Academy	v		Price on Application			Price on Application	
	The Latymer			Price on Application			Price on Application	
	St Ignatius			Price on Application			Price on Application	
	Edmonton County Academy	v		Price on Application			Price on Application	

Section Reference	Description of Proposed Charges, Allowance & Disregards	SERVICE IS VAILABLE	2021/22 Place Proposed Fees & Charges			2022/23 Place Proposed Fees & Charges		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Enfield Learning Trust Academy	Y		Price on Application			Price on Application	
	Ivy Learning Trust	Y		Price on Application			Price on Application	
	Southgate Academy	Y		Price on Application			Price on Application	
	Lee Valley High-academy	Y		Price on Application			Price on Application	
	Cuckoo Hall	Y		Price on Application			Price on Application	
	Attigo	Y		Price on Application			Price on Application	
	Children First (Multi academy trust)	Y		Price on Application			Price on Application	
	Ilford County High	Y		Price on Application			Price on Application	
	St. Annes			Price on Application			Price on Application	
<b>68</b>	<b>Emergency Accommodation</b>							
	<b>New entrants into Emergency Accommodation within Enfield</b>							
	Shared accommodation		178.85	0.00	178.85	178.85	0.00	178.85
	1 Bedroom accommodation		201.00	0.00	201.00	246.20	0.00	246.20
	2 Bedroom accommodation		247.90	0.00	247.90	299.20	0.00	299.20
	3 Bedroom accommodation		310.00	0.00	310.00	368.20	0.00	368.20
	4+ Bedroom accommodation		375.00	0.00	375.00	437.30	0.00	437.30
	<b>Existing tenants in Emergency Accommodation within Enfield</b>							
	Shared accommodation		178.85	0.00	178.85	178.85	0.00	178.85
	1 Bedroom accommodation		201.00	0.00	201.00	201.00	0.00	201.00
	2 Bedroom accommodation		247.90	0.00	247.90	247.90	0.00	247.90
	3 Bedroom accommodation		310.00	0.00	310.00	310.00	0.00	310.00
	4+ Bedroom accommodation		375.00	0.00	375.00	375.00	0.00	375.00
	<b>New Entrants placed Out of Borough</b>							
	If new entrants have to be placed outside of Enfield the prevailing Local Housing Allowance (LHA) rate for that area will be applied.							
	<b>Existing Tenants placed Out of Borough</b>							
	90% of the 2011 LHA rates for the prevailing area plus a management fee is applied.							



Description of Proposed Charges, Allowance & Disregards	Service is Vatable	LONDON BOROUGH OF ENFIELD ASC DEPARTMENT			LONDON BOROUGH OF ENFIELD ASC DEPARTMENT		
		FEES & CHARGES 2021/22			PROPOSED FEES & CHARGES 2022/23		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
		£	£	£	£	£	
<b>IWE Residential/Nursing/Continuing Care – suggested rates included</b>							
Bridgewood House:							
Residential EMI		879.90	0.00	879.90	901.90	0.00	901.90
Nursing EMI (excluding FNC)		915.60	0.00	915.60	938.49	0.00	938.49
Block CHC beds		1,260.00	0.00	1,260.00	1,291.50	0.00	1,291.50
Private or Voluntary sector home		Maximum is full cost as determined by the home			Maximum is full cost as determined by the home		
Charges for residents placed by other Local Authorities in Enfield Homes are made at the full cost of the service.							
<b>Community Based Services – suggested rates included</b>							
<b>Day Services will be charged at the of provision</b>							
Physically disabled		At full cost of provision			At full cost of provision		
Mental Health		At full cost of provision			At full cost of provision		
Learning Disabilities		At full cost of provision			At full cost of provision		
Older People		At full cost of provision			At full cost of provision		
Meal contribution		4.30	0.00	4.30	4.41	0.00	4.41
- Snacks at Centre		At full cost of provision			At full cost of provision		
Day care attendance for less than 4 hours will be charged at half the full day rate. Where clients attend a “drop in” service there is no charge as this service is usually for a brief period, e.g. 30 mins to 1 hour.							
<b>Transport</b>							
Per journey		5.80	0.00	5.80	5.95	0.00	5.95
<b>Homecare</b>							
Maximum (including Additional Support)		At full cost of provision			At full cost of provision		
<b>Brokerage of support plans</b>							
For self financing clients		275.00	0.00	275.00	302.50	0.00	302.50
<b>Supported Housing</b>							
		Charges may apply			At full cost of provision		
<b>Respite</b>							
contribution is assessed in line with the Care Act 2014 and the Care and Support Regulations 2014- non residential charging rules							
<b>Daily Rates (Age &amp; Relationship Status)</b>							
18-24 <b>TBA dependent on benefit uplift</b> - Single		9.30	0.00	9.30	Rates as published on gov.uk website	0.00	0.00
From 25 and under pension age <b>TBA dependent on benefit uplift</b> - Single		11.45	0.00	11.45		0.00	0.00
Pension age <b>TBA dependent on benefit uplift</b> - Single		18.00	0.00	18.00		0.00	0.00
From 18 and under pension age <b>TBA dependent on benefit uplift</b> - In a couple		7.90	0.00	7.90		0.00	0.00
Pension age <b>TBA dependent on benefit uplift</b> - In a couple		12.90	0.00	12.90		0.00	0.00
<b>Weekly Rates (Age &amp; Relationship Status)</b>							
18-24 <b>TBA dependent on benefit uplift</b> - Single		65.10	0.00	65.10	Rates as published on gov.uk website	0.00	0.00
From 25 and under pension age <b>TBA dependent on benefit uplift</b> - Single		80.15	0.00	80.15		0.00	0.00

Description of Proposed Charges, Allowance & Disregards	Service is Vatable	LONDON BOROUGH OF ENFIELD ASC DEPARTMENT			LONDON BOROUGH OF ENFIELD ASC DEPARTMENT		
		FEES & CHARGES 2021/22			PROPOSED FEES & CHARGES 2022/23		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Pension age <b>TBA dependent on benefit uplift</b> - Single		126.00	0.00	126.00		0.00	0.00
From 18 and under pension age <b>TBA dependent on benefit uplift</b> - In a couple		55.30	0.00	55.30		0.00	0.00
Pension age <b>TBA dependent on benefit uplift</b> - In a couple		90.30	0.00	90.30		0.00	0.00
<b>Direct Payments</b>		Assessed as a weekly contribution in accordance with Care Act 2014 guidelines as part of a Personal Budget.			Assessed as a weekly contribution in accordance with Care Act 2014 guidelines as part of a Personal Budget.		
<b>Adult Placements</b>		Assessed as a weekly contribution in accordance with Care Act 2014 guidelines. The maximum charge for placements in the private or voluntary sector is the full cost as determined by the placement.			Assessed as a weekly contribution in accordance with Care Act 2014 guidelines. The maximum charge for placements in the private or voluntary sector is the full cost as determined by the placement.		
<b>Enablement</b>		Enablement may be provided for up to 6 weeks. There is no charge for this service.			Enablement may be provided for up to 6 weeks. There is no charge for this service.		
<b>Safe &amp; Connected</b>							
<b>Weekly charge per client</b>							
Monitoring Service only		4.80	0.00	4.80	4.95	0.00	4.95
Monitoring & Response service		6.80	0.00	6.80	7.00	0.00	7.00
Monitoring & Response & Keep in Touch and extra peripherals service		9.00	0.00	9.00	9.25	0.00	9.25
<b>Equipment &amp; Adaptations Under £1000</b>		Nil					
For equipment/adaptations in excess of £1000, there may be a charge subject to financial assessment. For works carried out through the Disabled Facilities Grant process there may also be a charge subject to financial assessment, unless the disabled person for whom work is being completed is a child for whom child benefit is being claimed.							
<b>Emergency Card Scheme</b>							
Weekly charge		1.60	0.00	1.60	1.65	0.00	1.65
Set up costs		11.00	0.00	11.00	11.20	0.00	11.20
Note: Safe & Connected fees also apply							
<b>Blue Badge</b>							
Administration charge (valid for up to 3 years)		10.00	0.00	10.00	10.00	0.00	10.00
<b>Treatment of an Individuals Capital Resources (determined by Department of Health and Social Care)</b>							
(I) Capital Resources Retained		As published on Gov.uk. Social care charging for local authorities: 2020 to 2021			As published on Gov.uk. Social care charging for local authorities: 2022 to 2023		
(ii) Income Assumed for every £250 in excess of (I) above		As above			As above		

Description of Proposed Charges, Allowance & Disregards	Service is Vatable	LONDON BOROUGH OF ENFIELD ASC DEPARTMENT			LONDON BOROUGH OF ENFIELD ASC DEPARTMENT		
		FEES & CHARGES 2021/22			PROPOSED FEES & CHARGES 2022/23		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
(iii) Maximum charge applies where Capital Resources exceed		As above			As above		
Interest Charge for late payment		Bank of England base rate plus 1%			Bank of England base rate plus 1%		
Legal charge for setting up agreement				215.00	520.83	104.17	625.00
Property Valuation Fee				320.00			326.00
Land Registry Fee		Cost as detailed on gov.uk					
Set up Administration costs				350.00			357.00
Annual Administration fee				107.00			109.00
Termination fee				53.00	254.17	50.83	305.00
Interest charges on Deferred Payment Loans		In line with the current gilt rate, published by the Office for Budget Responsibility (OBR).			In line with the current gilt rate, published by the Office for Budget Responsibility (OBR).		
<b>Disability Related Expenditure Allowances</b>							
(I) DRE applicable under a full assessment		CPIX (2%) (rounded to nearest £0.05)					
(ii) Optional minimum flat rate (Individuals are able to request a full assessment if required)		Now subject to Policy Guidance			Now subject to Policy Guidance		
Minimum cost of the service for charging is set at £2.70 per week.				2.65			2.70

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Statutory or Non Stat	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT FEES & CHARGES 2021/22			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT PROPOSED FEES & CHARGES 2022/23		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			£	£	£	£	£	£
<b>REGISTRARS</b>								
<b>Certificates:</b>								
<i>Birth and Death Registrations-Certificates issued on the day</i>	Y		11.00	0.00	11.00	11.00	0.00	11.00
<i>Certificate issued after Registration</i>	Y		11.00	0.00	11.00	11.00	0.00	11.00
<i>Short Certificate requested after registration (Birth only)</i>	Y		11.00	0.00	11.00	11.00	0.00	11.00
<i>Priority Service Fee (Same day service)</i>	Y		35.00	0.00	35.00	35.00	0.00	35.00
Recorded Delivery Service (Up to two certificates)	N	v	3.30	0.70	4.00	3.40	0.70	4.10
Add £1 for each additional certificate	N	v	1.00	0.20	1.20	1.10	0.20	1.30
<b>Marriages &amp; Civil Partnerships</b>								
<i>Notice fee per person</i>	Y		35.00	0.00	35.00	35.00	0.00	35.00
<i>Notice fee with referral to the Home Office per person</i>	Y		47.00	0.00	47.00	47.00	0.00	47.00
<i>Conversion of a civil partnership into marriage at the Register Office</i>	Y		45.00	0.00	45.00	45.00	0.00	45.00
<i>Completing the declaration</i>	Y		27.00	0.00	27.00	27.00	0.00	27.00
<i>Signing the declaration in a religious building</i>	Y		91.00	0.00	91.00	91.00	0.00	91.00
Amending Notice of marriage	N	v	29.10	5.90	35.00	30.20	6.00	36.20
Ceremony late fee Friday Saturday in Admiral Suite and outside venues	N	v	83.30	16.70	100.00	86.50	17.30	103.80
Ceremony late fee Mon - Thurs Admiral suite	N	v	41.60	8.40	50.00	43.20	8.60	51.80
<b>Consideration fee to accept or reject divorce or civil partnership dissolution documents obtained outside the UK, Channel Islands or Isle of Man.</b>								
<i>If considered by the Registrar</i>	Y		50.00	0.00	50.00	50.00	0.00	50.00
<i>If request has to be referred to GRO</i>	Y		75.00	0.00	75.00	75.00	0.00	75.00
<b>Correction to a Certificate</b>								
<i>Fee for name changes to a birth certificate</i> <i>(Applies for changes to child's forenames within 12 months of first registration)</i>	Y		40.00	0.00	40.00	40.00	0.00	40.00
<i>Fee for consideration of a correction to a birth, death, marriage or civil partnership certificate.</i>								
<i>If considered by the Registrar</i>	Y		75.00	0.00	75.00	75.00	0.00	75.00
<i>If request has to be referred to GRO</i>	Y		90.00	0.00	90.00	90.00	0.00	90.00
PD1 form signatures	N		44.00	0.00	44.00	45.70	0.00	45.70
<b>Historical Searches</b>								
<i>Per Visit</i>	Y		18.00	0.00	18.00	18.00	0.00	18.00
<b>Booking Fees</b>								
Fee for provisional ceremony bookings-deposit	N		60.00	0.00	60.00	100.00	0.00	100.00
<i>Admin fee for notice of marriage/Civil Partnership bookings weekday and Saturdays</i>	Y		35.00	0.00	35.00	35.00	0.00	35.00
Wedding co-ordination appointments	N	v	50.00	10.00	60.00	60.00	12.00	72.00
<b>Consideration fee to accept or reject divorce or civil partnership dissolution documents obtained outside the UK, Channel Islands or Isle of Man.</b>								
<i>If considered by the Registrar</i>	Y		50.00	0.00	50.00	50.00	0.00	50.00
<i>If request has to be referred to GRO</i>	Y		75.00	0.00	75.00	75.00	0.00	75.00
<b>Ceremony fees (Marriages and Civil Partnerships):</b>								
Ceremony in the Admiral's Suite on a Monday to Thursday before 5pm	N		195.00	0.00	195.00	202.60	0.00	202.60
Ceremony in the Admiral's Suite on a Friday before 5pm	N		330.00	0.00	330.00	342.90	0.00	342.90
Ceremony in the Admiral's Suite on a Saturday before 5pm	N		385.00	0.00	385.00	390.00	0.00	390.00
Ceremony in the Admiral's Suite on a Sunday before 5pm	N		590.00	0.00	590.00	590.00	0.00	590.00
Ceremony in the Admiral's Suite on Monday to Thursday 5pm - 8pm	N		440.00	0.00	440.00	457.20	0.00	457.20
Ceremony in the Admiral's Suite on a Friday and Saturday 5pm - 8pm	N		550.00	0.00	550.00	571.50	0.00	571.50
Ceremony in the Mayors Parlour on a Saturday *	N		440.00	0.00	440.00	457.20	0.00	457.20
Ceremony in the Council Chamber on a Saturday *	N		660.00	0.00	660.00	685.70	0.00	685.70
Ceremony fee at an approved venue Monday to Thursday before 5pm	N		550.00	0.00	550.00	560.00	0.00	560.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Statutory or Non Stat	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT FEES & CHARGES 2021/22			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT PROPOSED FEES & CHARGES 2022/23		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			Ceremony fee at an approved venue Friday, Saturday, Sunday before 5pm	N		590.00	0.00	590.00
Ceremony fee at an approved venue Monday to Sunday 5pm - 8pm	N		770.00	0.00	770.00	800.00	0.00	800.00
Ceremony fee at an approved venue Christmas Eve/New Years Eve 5pm - 8pm	N		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
Ceremony fee on a bank holiday before 5pm	N		880.00	0.00	880.00	880.00	0.00	880.00
Garden Ceremonies at approved venues before 5pm	N		700.00	0.00	700.00	700.00	0.00	700.00
<b>Ceremony fees (Renewal of vows, Baby naming, Citizenship ceremonies):</b>								
Ceremony in the Admiral's Suite on a Monday to Thursday before 5pm	N	v	162.5	32.50	195.00	168.80	33.80	202.60
Ceremony in the Admiral's Suite on a Friday before 5pm	N	v	275.00	55.00	330.00	285.70	57.10	342.80
Ceremony in the Admiral's Suite on a Saturday before 5pm	N	v	320.80	64.20	385.00	325.00	65.00	390.00
Ceremony in the Admiral's Suite on a Sunday before 5pm	N	v	491.60	98.40	590.00	491.60	98.40	590.00
Ceremony in the Admiral's Suite on Monday to Thursday 5pm - 8pm	N	v	366.70	73.30	440.00	381.00	76.20	457.20
Ceremony in the Admiral's Suite on a Friday and Saturday 5pm - 8pm	N	v	458.30	91.70	550.00	476.20	95.20	571.40
Ceremony in the Mayors Parlour on a Saturday *	N	v	366.70	73.30	440.00	381.00	76.20	457.20
Ceremony in the Council Chamber on a Saturday *	N	v	550.00	110.00	660.00	571.50	114.30	685.80
Ceremony fee at an approved venue Monday to Thursday before 5pm	N	v	458.30	91.70	550.00	476.20	95.20	571.40
Ceremony fee at an approved venue Friday, Saturday, Sunday before 5pm	N	v	491.60	98.40	590.00	510.80	102.20	613.00
Ceremony fee at an approved venue Monday to Sunday 5pm - 8pm	N	v	641.60	128.40	770.00	666.60	133.30	799.90
Ceremony fee on a bank holiday	N	v	733.30	146.70	880.00	733.30	146.70	880.00
Ceremony fee at an approved venue Christmas Eve/New Years Eve 5pm - 8pm	N	v	833.30	166.70	1,000.00	833.30	166.70	1,000.00
Garden Ceremonies at approved venues before 5pm	N	v	583.30	116.70	700.00	583.30	116.70	700.00
Private Citizenship Ceremony Monday to Friday	N	v	112.50	22.50	135.00	116.90	23.40	140.30
Private Citizenship Ceremony Saturday	N	v	137.50	27.50	165.00	133.30	26.70	160.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Statutory or non-statutory	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT FEES & CHARGES 2021/22			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT PROPOSED FEES & CHARGES 2022/23		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
			£	£	£	£	£	£
<b>LIBRARIES</b>								
<b>Overdue Charges</b>								
Books, CDs, Talking Books:								
Full charges (per day)	N		0.25	0.00	0.25	0.30	0.00	0.30
<b>DVDs (Price Code B/D) :</b>								
Price Code B ( per day)	N		0.60	0.00	0.60	0.65	0.00	0.65
Price Code D ( per day)	N		0.30	0.00	0.30	0.35	0.00	0.35
<b>Concessionary Charge:</b>								
60+/Disabled/Unemployed	N		0.10	0.00	0.10	0.15	0.00	0.15
Age 0-17/Housebound					Free of charge			Free of charge
A £10 administration fee is added to all account Adult and Concessionary where accounts are referred to a third party to recover unreturned items or money owed.								
The amount customers can owe before their accounts are blocked is reducing from £20 to £10. This is an LLC wide decision.								
<b>DVDs and music recordings: loan charges</b>								
DVD Price code B-1 week loan								
Full Charge	N		2.70	0.00	2.70	2.80	0.00	2.80
Concessionary charge: Age 0-17/60+/Disabled	N		2.10	0.00	2.10	2.20	0.00	2.20
DVD Price code D-1 week loan								
Full Charge	N		1.60	0.00	1.60	1.65	0.00	1.65
Concessionary charge: Age 0-17/60+/Disabled	N		1.10	0.00	1.10	1.15	0.00	1.15
Compact Discs-2 weeks loan								
Full Charge	N		0.60	0.00	0.60	0.65	0.00	0.65
Concessionary charge: Age 0-17/60+/Disabled	N		0.40	0.00	0.40	0.45	0.00	0.45
Housebound and Registered Blind					Free of charge			Free of charge
<b>Spoken word: loan charges</b>								
Full Charges								
CD /Cassette sets - 3 weeks loan					Free of charge			Free of charge
Concessionary charge								
CD /Cassette sets: Age 0-17 / 60+ / Unemployed /Disabled/Low Income/Housebound					Free of charge			Free of charge
Cassette sets-3 weeks loan								
Full Charge					Free of charge			Free of charge
Concessionary charge								
Age 0-17 / 60+ / Unemployed /Disabled/Low Income/Housebound					Free of charge			Free of charge
Disabled/Low income/Housebound								
<b>Languages Courses: Loan charges</b>								
Full Charges								
9 weeks loan	N		2.10	0.00	2.10	2.20	0.00	2.20
3 weeks loan	N		1.10	0.00	1.10	1.15	0.00	1.15
Concessionary Charge (Age 0-17 / 60+ / Unemployed /Low Income)								
9 weeks loan	N		1.10	0.00	1.10	1.15	0.00	1.15
3 weeks loan	N		0.60	0.00	0.60	0.65	0.00	0.65
English Language Courses:					Free of charge			Free of charge
IT Facilities								

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Statutory or non statutory	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT FEES & CHARGES 2021/22			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT PROPOSED FEES & CHARGES 2022/23		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
PC use								
First Hour			Free of charge			Free of charge		
Then for 15 mins	N	v	0.25	0.05	0.30	0.29	0.06	0.35
Introductory Sessions:								
Full Charges	N	v	4.58	0.92	5.50	4.70	0.90	5.60
Concessionary Charge								
Age 0-17 / 60+ / Unemployed /Low Income/Housebound/Students/Disabled	N	v	2.29	0.46	2.75	2.33	0.47	2.80
Supported Sessions for Enfield Residents			Free of charge			Free of charge		
Printouts:								
A4 Black and white	N	v	0.16	0.04	0.20	0.21	0.04	0.25
A4 Colour	N	v	0.33	0.07	0.40	0.42	0.08	0.50
Reservations:								
Full charge: Books( if copy available in Enfield)	N		0.90	0.00	0.90	1.00	0.00	1.00
Concessionary Charge: books								
Unemployed/Low income/Disabled/60+	N		0.45	0.00	0.45	0.50	0.00	0.50
Age 0-17			Free of charge			Free of charge		
Full charge: Books( if copy needs to be purchased )	N		1.60	0.00	1.60	1.65	0.00	1.65
Concessionary Charge: Age 0-17/Low income/Disabled/60+	N		1.10	0.00	1.10	1.15	0.00	1.15
On-line Reservations:								
Full charge	N		0.60	0.00	0.60	0.65	0.00	0.65
Concessionary Charge: Age 0-17/Low income/Disabled/60+			Free of charge			Free of charge		
Audio Visual /Spoken word reservations:								
Full charge:	N		0.90	0.00	0.90	0.95	0.00	0.95
Concessionary Charge: Unemployed/Low Income/Disabled/60+	N		0.45	0.00	0.45	0.50	0.00	0.50
Concessionary Charge: Age 0-17			Free of charge			Free of charge		
Replacement Charges:								
Membership cards	N		2.70	0.00	2.70	2.80	0.00	2.80
Lost items			Full replacement cost			Full replacement cost		
Library Market place notice boards:								
Per week	N		2.10	0.00	2.10	2.15	0.00	2.15
Photocopies								
Black & White A4	N	v	0.16	0.04	0.20	0.21	0.04	0.25
Black & White A3	N	v	0.33	0.07	0.40	0.40	0.10	0.50
Colour A4	N	v	0.50	0.10	0.60	0.54	0.11	0.65
Colour A3	N	v	1.00	0.20	1.20	1.08	0.22	1.30
Laminating:								
A4	N	v				0.83	0.17	1.00
A3	N	v				1.25	0.25	1.50
Faxes								
Outgoing faxes-UK - 1st page	N	v	1.00	0.20	1.20	1.08	0.22	1.30
Outgoing faxes-UK per page- subsequent page	N	v	0.50	0.10	0.60	0.54	0.11	0.65
Outgoing faxes-Overseas -1st page	N	v	1.46	0.29	1.75	1.50	0.30	1.80
Outgoing faxes-Overseas per page-subsequent page	N	v	1.00	0.20	1.20	1.08	0.22	1.30
Incoming faxes-UK-1st page	N	v	0.50	0.10	0.60	0.54	0.11	0.65

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Statutory or non statutory	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT FEES & CHARGES 2021/22			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT PROPOSED FEES & CHARGES 2022/23		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Incoming faxes-UK per page-subsequent page	N	√	0.21	0.04	0.25	0.25	0.05	0.30
<b>Community Room hire charges:</b>								
<b>Edmonton Green:</b>								
Room 1	N		15.00	0.00	15.00	15.50	0.00	15.50
Room1 concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
Room 2	N		23.10	0.00	23.10	24.00	0.00	24.00
Room 2 Concessionary	N		5.30	0.00	5.30	5.50	0.00	5.50
Office 1	N		16.80	0.00	16.80	17.50	0.00	17.50
Office 1 concessionary	N		16.80	0.00	16.80	17.50	0.00	17.50
Office 2	N		16.80	0.00	16.80	17.50	0.00	17.50
Office 2 concessionary	N		16.80	0.00	16.80	17.50	0.00	17.50
Office 3	N		16.80	0.00	16.80	17.50	0.00	17.50
Office 3 concessionary	N		16.80	0.00	16.80	17.50	0.00	17.50
Office /month introductory price	N		787.50	0.00	787.50	818.20	0.00	818.20
Office /month introductory price concessionary	N		787.50	0.00	787.50	818.20	0.00	818.20
<b>Enfield Town:</b>								
Room	N		15.00	0.00	15.00	15.50	0.00	15.50
Room concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
<b>Palmers Green:</b>								
Room	N		15.00	0.00	15.00	15.50	0.00	15.50
Room concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
<b>Ordnance Unity Centre</b>								
Room	N		15.00	0.00	15.00	15.50	0.00	15.50
Room concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
<b>Oakwood</b>								
Room+ kitchenette	N		15.00	0.00	15.00	15.50	0.00	15.50
Room+ kitchenette concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
<b>Enfield Highway</b>								
Room	N		15.00	0.00	15.00	15.50	0.00	15.50
Room concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
<b>Southgate</b>								
Room	N		15.00	0.00	15.00	15.50	0.00	15.50
Room concessionary	N		4.00	0.00	4.00	4.20	0.00	4.20
<b>Local Studies</b>								
<b>Photocopies &amp; Printouts</b>								
Black & White A4	N	√	0.16	0.04	0.20	0.21	0.04	0.25
Black & White A3	N	√	0.25	0.05	0.30	0.29	0.06	0.35
Colour A3	N	√	1.00	0.20	1.20	1.08	0.22	1.30
Colour A4	N	√	0.50	0.10	0.60	0.54	0.11	0.65
Premium Photographic paper A4	N	√	1.16	0.24	1.40	1.20	0.30	1.50
By post (admin fee)	N	√	1.00	0.20	1.20	1.08	0.22	1.30
<b>Scanning</b>								
By Email (per image)	N	√	1.00	0.20	1.20	1.08	0.22	1.30



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			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
CD/Memory Disk (per image)	N	√	1.00	0.20	1.20	1.08	0.22	1.30
<b>Photography</b>								
Own equipment (per day)	N		2.25	0.00	2.25	2.30	0.00	2.30
By staff (per image)	N		1.20	0.00	1.20	1.30	0.00	1.25
<b>Research Service</b>								
First Hour			Free of charge			Free of charge		
2nd-3rd hour (per hour to a maximum of 2 hours)	N		16.70	0.00	16.70	17.40	0.00	17.40
<b>Reproduction Charges</b>								
Community website/exhibition (per image)	N	√	4.66	0.94	5.60	4.80	1.00	5.80
Commercial website /exhibition (per image)	N	√	37.08	7.42	44.50	38.50	7.70	46.20
Commercial publication (per image)	N	√	37.08	7.42	44.50	38.50	7.70	46.20
<b>Museums</b>								
Schools Sessions	N		3.80	0.00	3.80	3.90	0.00	3.90
<b>CONCESSIONARY TRAVEL</b>								
<b>Blue Badge</b>	N		10.00	0.00	10.00	10.00	0.00	10.00
Disabled Persons' Freedom Pass scheme or the Taxi Card Scheme.	N		Free of charge			Free of charge		
<b>CATERING</b>								
<b>Primary Schools</b>								
Pupil meal	N			Price on Application			Price on Application	
Adult meal (Duty meal paid by school)	N	√		Price on Application			Price on Application	
Adult meal	N	√		Price on Application			Price on Application	
After school club meal	N			As per individual arrangement			As per individual arrangement	
Breakfast Club	N			As per individual arrangement			As per individual arrangement	
<b>Special Schools</b>								
Pupil meal	N			Price on Application			Price on Application	
Adult meal (Duty meal paid by school)	N	√		Price on Application			Price on Application	
Adult meal	N	√		Price on Application			Price on Application	
<b>Secondary schools</b>								
Pupil meal	N			Price on Application			Price on Application	
Adult meal (Duty meal paid by school)	N	√		Price on Application			Price on Application	
Adult meal	N	√		Price on Application			Price on Application	
<b>MUSIC SERVICES</b>								
<b>Partnership Festivals:</b>								
Cost of taking part (per school)	N		60.00	0.00	60.00	62.00	0.00	62.00
<b>Tuition (All Schools &amp; Academies):</b>								
Cost per hour	N		38.00	0.00	38.00	39.00	0.00	39.00
<b>School based ensembles:</b>								
Cost per week(All schools & Academies):								
30 mins rehearsal	N		40.00	0.00	40.00	40.00	0.00	40.00
45 mins rehearsal	N		51.00	0.00	51.00	51.00	0.00	51.00
60 mins rehearsal	N		61.00	0.00	61.00	61.00	0.00	61.00

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			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>School-based CPD</b>								
<i>Cost per session (All schools &amp; Academies):</i>								
Twilight	N		175.00	0.00	175.00	175.00	0.00	175.00
Half day	N		310.00	0.00	310.00	310.00	0.00	310.00
Full day	N		525.00	0.00	525.00	525.00	0.00	525.00
<b>CHARGES TO PARENTS</b>								
<b>Tuition fees for 10 lessons:</b>								
10 x small group lessons	N		69.00	0.00	69.00	70.00	0.00	70.00
10 x 20 minutes individual lessons	N		120.00	0.00	120.00	122.00	0.00	122.00
10 x 30 minutes individual lessons	N		180.00	0.00	180.00	182.00	0.00	182.00
Additional termly fee for lessons taking place out of school hours	N		15.00	0.00	15.00	15.00	0.00	15.00
<b>Out of school music groups, charged to parents per term</b>								
Mini Music Makers (30 mins)	N		36.00	0.00	36.00	36.00	0.00	36.00
All junior groups (1 hr)	N		54.00	0.00	54.00	54.00	0.00	54.00
Concert Band/Orchestra (1.5 hrs)	N		72.00	0.00	72.00	72.00	0.00	72.00
Enfield Youth Wind Band (2 hrs)	N		87.00	0.00	87.00	87.00	0.00	87.00
Enfield Youth Symphony Orchestra (2.5 hrs)	N		93.00	0.00	93.00	93.00	0.00	93.00
<b>Instrument Hire (All Schools &amp; Academies and Parents):</b>								
Cost per term	N		38.00	0.00	38.00	39.00	0.00	39.00
<b>DEPUTYSHIP FEES:</b>								
<i>Remuneration of public authority deputies</i>								
The following fixed rates of remuneration will apply where the court appoints a holder of an office in a public authority to act as deputy. These rates should be applied regardless of who carries out the function within the public authority								
<b>Category 1</b>								
Work up to and including the date upon which the court makes an order appointing a deputy for property and affairs. <i>An amount not exceeding £745</i>	N		An amount not exceeding £745			An amount not exceeding £745		
<b>Category II</b>								
Annual management fee where the court appoints a local authority deputy for property and affairs, payable on the anniversary of the court order. Management costs are assumed to cover any incidental costs incurred in management of P's affairs with the exception of those mentioned under paragraph 20 below								
<i>20. Public Authorities are allowed to use P's funds to pay for specialist services that P would have normally be expected to pay if he had retained capacity such as conveyancing, obtaining expert valuations and obtaining investment advice</i>								
a) For the first year: <i>An amount not exceeding £775</i>	N		An amount not exceeding £775			An amount not exceeding £775		
b) For the second and subsequent years: <i>An amount not exceeding £650</i>	N		An amount not exceeding £650			An amount not exceeding £650		
c) Where the net assets of P are below £16,000, the local authority deputy for property and affairs may take an annual management fee not exceeding 3.5% of P's net assets on the anniversary of the court order appointing the local authority as deputy	N		An Annual management fee not exceeding 3.5% of net assets			An Annual management fee not exceeding 3.5% of net assets		
d) Where the court appoints a local authority deputy for health and welfare, the local authority may take an annual management fee not exceeding 2.5% of P's net assets on the anniversary of the court order appointing the local authority as deputy for health and welfare up to a maximum of £555	N		An Annual management fee not exceeding 2.5% of net assets up to maximum of £555			An Annual management fee not exceeding 2.5% of net assets up to maximum of £555		

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Statutory or not statutory	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT FEES & CHARGES 2021/22			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT PROPOSED FEES & CHARGES 2022/23		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Category III</b>								
Annual property management fee to include work involved in preparing property for sale, instructing agents, conveyancers, etc or the ongoing maintenance of property including management and letting of a rental property or properties where 'P' is a tenant <i>An amount not exceeding £300</i>	N		An amount not exceeding £300			An amount not exceeding £300		
<b>Category IV</b>								
Preparation and lodgement of a report or account to the Public Guardian <i>An amount not exceeding £216</i>	N		An amount not exceeding £216			An amount not exceeding £216		
<b>Category V</b>								
Preparation of a Basic HMRC income tax return (bank or NS&I interest and taxable benefits) on behalf of P <i>An amount not exceeding £70</i>	N		An amount not exceeding £70			An amount not exceeding £70		
Preparation of a Complex HMRC income tax return (bank or NS&I interest, taxable benefits, small investment portfolio) on behalf of P <i>An amount not exceeding £140</i>	N		An amount not exceeding £140			An amount not exceeding £140		
<b>Travel Rates</b>								
Public authority and other third sector deputies are allowed the fixed rate of £40 per hour for travel costs	N		£40 per hour			£40 per hour		
<b>APPOINTEESHIP FEES: Charge per annum</b>	N		An amount not exceeding £650			An amount not exceeding £650		
<b>Winding down fee</b>	N		An amount not exceeding £250			An amount not exceeding £250		
<b>COUNCIL TAX COURT COSTS:</b>								
<b>Council Tax:</b>								
Summons	N		75.00	0.00	75.00	75.00	0.00	75.00
Liability Order	N		27.00	0.00	27.00	27.00	0.00	27.00
Magistrates Court costs	N		0.50	0.00	0.50	0.50	0.00	0.50
<b>Business Rates:</b>								
Summons	N		150.00	0.00	150.00	150.00	0.00	150.00
Liability Order	N		50.00	0.00	50.00	50.00	0.00	50.00
Magistrates Court costs	N		0.50	0.00	0.50	0.50	0.00	0.50
<b>Discount options:</b>								
Provision to offer discount to adapt to the market (Where required and appropriate)	N							
Online Discount (Provision to provide online discount where appropriate)	N							

## STATUTORY CALCULATIONS AND RESOLUTIONS

The calculation of the Council's Council Tax Requirement is governed by the Local Government Finance Act 1992 (the Act) as amended by the Localism Act 2011.

Subject to Members agreeing the budget in this report, the following formal resolutions will need to be considered by Council:

- 1) it be noted that at its meeting on 26<sup>th</sup> January 2022, Council agreed the number of 96,369 as its Council Tax base for 2022/23, in accordance with the Local Authorities (Calculation of Tax base) Regulations.
- 2) the following amounts be now calculated by the Council for the year 2022/23 in accordance with Section 31 to 36 of the Act as amended:
  - (a) **£1,222,990,000** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act (**gross revenue expenditure**),
  - (b) **£1,083,629,000** being the aggregate of the amounts, which the Council estimates for items set out in section 31A(3) of the Act (**revenue income including government grants**),
  - (c) **£139,361,000** being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above (**net revenue expenditure**), calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.
  - (d) **£1,446.12** being the amount at (c) above, all divided by the Council Tax base of **96,369** (1 above) calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of Council Tax for the year 2022/23.

(e)

Valuation Band	Proportion in relation to Band D	Enfield £
A	6/9	£964.08
B	7/9	£1,124.76
C	8/9	£1,285.44
D	9/9	£1,446.12
E	11/9	£1,767.48
F	13/9	£2,088.84
G	15/9	£2,410.20
H	18/9	£2,892.24

### STATUTORY CALCULATIONS AND RESOLUTIONS

being the amounts given by multiplying the amount at (d) above by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;

- f) it will be noted that, for the year 2022/23, the Greater London Authority (GLA) has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

<b>Valuation Band</b>	<b>Proportion in relation to Band D</b>	<b>GLA £</b>
A	6/9	£263.73
B	7/9	£307.68
C	8/9	£351.64
D	9/9	£395.59
E	11/9	£483.50
F	13/9	£571.41
G	15/9	£659.32
H	18/9	£791.18

- g) having calculated the aggregate amount in each case of the amounts at 2(e) and (f) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, sets the following amounts as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings shown below:

<b>Valuation Band</b>	<b>Proportion in relation to Band D</b>	<b>Total £</b>
A	6/9	£1,227.81
B	7/9	£1,432.44
C	8/9	£1,637.08
D	9/9	£1,841.71
E	11/9	£2,250.98
F	13/9	£2,660.25
G	15/9	£3,069.52
H	18/9	£3,683.42

**STATUTORY CALCULATIONS AND RESOLUTIONS**

- 3) The Referendums Relating to Council Tax Increases (Principles) (England) Report 2022/23 sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2022/23.

The Council hereby determines that its relevant basic amount of council tax for the financial year 2022/23 for the London Borough of Enfield element of the Council Tax, is not excessive.

**London Borough of Enfield****Council****Meeting Date 24<sup>th</sup> Feb 2022**

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**Subject:** Ten Year Capital Programme 2022/23 to 2031/32**Cabinet Member:** Councillor Maguire**Executive Director:** Fay Hammond, Executive Director - Resources**Key Decision:** KD5353

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**Purpose of Report**

1. The purpose of the report is to set out the Ten Year Capital Programme 2022/23 to 2031/32. The Council's capital programme underlies the Council Plan to deliver a lifetime of opportunities – to build good homes in well-connected neighbourhoods, create healthy streets, parks and community spaces, and to support an economy that works for everyone.
2. This is based on the Capital Strategy approved by Council on the 22<sup>nd</sup> September 2021 (KD 5327). The strategy is an overarching document setting out the framework for the development, management and monitoring of the Council's capital programme and demonstrates the Council's investment in capital projects supports the delivery of its corporate objectives.
3. The proposed Ten year Capital Programme and approved Capital Strategy align with the Treasury Management Strategy 2022/23 (KD 5355) and Medium Term Financial Plan(MTFP) 2022/23 to 2026/27 (KD 5352), appearing elsewhere on the agenda, to ensure the impact on the Council's borrowing position and MTFP are understood.

**Proposals**

4. Following the approval and recommendation by Cabinet on the 16<sup>th</sup> February, Council is requested to
5. Approve the 2022/23 Capital Programme and to note the 2023/24 to 2031/32 Ten Year Capital Programme as set out in Appendix 3.

**Reason for Proposals**

6. The Capital Programme establishes the budget framework and financial approvals for a wide variety of Council projects directed by the Corporate plan. The projects improve residents' lives by building homes and schools, improving streets and infrastructure, and creating modern workspaces for local businesses.
7. Over the coming ten years the proposed investment includes £852m for Meridian Water with construction work now underway on one site and

construction to taking place across multiple sites from 2022/23; £1,100m for the Housing Revenue Account including delivering 3,500 new homes and investment in existing Council homes; £103m for Education and Schools which includes increasing our Special Educational Needs provision across the borough and £154m in respect of housing and renewable energy schemes through Council companies resulting in ongoing reduction in temporary accommodation costs to the Council's revenue budget and extended the heat network supporting the climate change strategy. Details and expected outcomes of these investments are provided from paragraph 84

8. Additionally, it sets the 2022/23 to 2031/32 Capital Programme based on the 2022/23 Capital Strategy approved by Council on the 22<sup>nd</sup> September 2021, which required the capital programme to remain affordable by keeping within the self-imposed borrowing cap of £2bn.
9. As at 31 March 2021 the underlying need to borrow, as measured by the Capital Financing Requirement (CFR) was forecast to reach £1.985bn by the end of 2030/31.
10. This has been refreshed as part of the 2022/23 Treasury Management Strategy and the forecast position for the end of 2031/32 is £1,799m. The primary reason for the reduction is explained in paragraph 53.
11. Council approved the use of five priorities in the Capital Strategy to ensure the capital programme remains within the debt cap whilst also considering the Council's key strategic objectives. The programme is prioritised based on the following:
  - Priority 1 – Fully grant funded
  - Priority 2 – Statutory /Health and Safety
  - Priority 3 - Medium term Financial Savings
  - Priority 4 - Match funding
  - Priority 5 – Other priorities aligned to the Council's strategic priorities
12. Longer term financial planning has become more important as the Council's capital programme becomes larger and more complex. Reporting on a rolling ten year basis facilitates the Council's understanding of the impact of the capital investment being made on the level of borrowing and revenue budgets reported as part of the 2022/23 to 2026/27 MTFP.

#### **Relevance to the Council Plan**

13. The aim of the Ten Year Capital Programme is to set out the Council's investment plans in the context of the approved Capital Strategy which in turn is informed by the Council's strategic objectives as detailed in the Enfield Council Plan which, identifies the following 3 key priorities:
  - i. Good Homes in well connected neighbourhoods
  - ii. Safe healthy and confident communities
  - iii. An Economy that works for everyone
14. The Council Plan also includes 4 cross cutting themes:
  - i. A modern Council
  - ii. Climate Action
  - iii. Fairer Enfield
  - iv. Early Help



These will inform the Council's work including capital investment across the Borough.

15. Following an overview of how the Capital Programme is governed and monitored, the report provides details of the capital programme and how each departmental programme contributes to the delivery of the Council's Corporate plan objectives.

### **Background**

16. This report is seeking approval for the 2022/23 Capital Programme and for Cabinet to note years 2023/24 to 2031/32 of the Ten-Year Capital Programme.
17. This is the third year of the Council moving to monitoring its Capital investment on a ten-year cycle which improves strategic planning through greater transparency and alignment with the Council's Treasury Management Strategy and MTFP.
18. The Capital programme is set within the context of the Council's 2022/23 approved Capital Strategy, which links the investment plans to the Council's strategic objectives as detailed in the Enfield Council Plan.
19. The overall programme remains very ambitious, particularly delivery in the next 2 financial years as programmes to increase housebuilding and to deliver Meridian Water accelerate. This however, is against a challenging economic environment. The combined impact of Brexit and Covid 19 has placed unprecedented strains on supply chains and labour resulting in significant increases in construction costs. Market intelligence indicates construction costs will rise further in 2022, therefore the Council will continue to manage its development programmes using third party advisors to refresh cost estimates whilst monitoring progress against cost and quality criteria.
20. The 2022/23 programme will remain under close review and adjusted as appropriate as part of the quarterly monitoring cycles
21. The Capital Strategy has been approved in advance of the Capital programme to ensure the Capital Programme, MTFP and Treasury Management Strategy are harmonised and approved at the same time.
22. Mitigations, which include a focus on contract management and design reviews, are detailed in the risk section of the report.

### **Main Considerations for the Council**

23. This section of the report details the Capital programme over the next ten years, sources of financing and how the proposed capital investment will support the delivery of the Council's three key priorities detailed in the 2020-22 Council plan.
24. Additional information on the capital schemes has been collected using the new Development Investment Financial Framework (DIFF) template which provides greater depth on key financial and non-financial considerations as well as a focus on strategic risks, mitigations and links to corporate objectives referenced in the approved Capital Strategy.
25. Under this framework each programme has been presented to the Capital Finance Board(CFB), which is responsible for reviewing the Capital

Programme on behalf of the Council's Executive Management Team and recommending those programmes that should be included in the proposed new programme.

26. Although the focus of the Board has been affordability and viability of the programmes and their alignment to delivering the Council's corporate objectives, the DIFF framework has enabled a deeper analysis of the programme and this is summarised in paragraph 36 onwards
27. This has drawn out a number of financial and non-financial considerations which have been used to analyse schemes as follow:
28. The overall programme compared to last year's approved 10 year programme has decreased by £92.2m, £12.9m increase in General Fund and £105.1m decrease in HRA. This is due mainly to a reduction in the HRA budget requirement for Joyce & Snells in the first 10 years offset by the addition of a further year to the programme, plus any new projects, added to the programme.
29. Appendix 2 sets out the proposed additions to the capital programme which are a combination of budgets for new projects, addition of missing years for some rolling programmes and amendments to budgets for existing approved projects, where the project scope has changed.
30. Table 1 and 1a below show the proposed programme analysed by Department and Capital Programme Priority

**Table 1: Ten Year Capital Programme Summary – by Department**

Proposed 10-Year Capital Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28-2031/32	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Resources	15,592	2,504	2,414	794	294	9,500	31,098
People	31,851	9,710	9,610	8,360	8,360	41,800	109,691
Place	70,577	65,705	40,096	38,177	22,041	112,940	349,537
Joyce & Snells	0	0	0	0	0	41,298	41,298
Meridian Water	147,701	202,996	114,078	105,789	45,715	235,801	852,079
Companies	57,851	59,448	36,961	0	0	0	154,259
<b>Total General Fund</b>	<b>323,571</b>	<b>340,363</b>	<b>203,159</b>	<b>153,120</b>	<b>76,410</b>	<b>441,339</b>	<b>1,537,963</b>
Council Housing (HRA)	132,923	217,515	95,989	129,250	97,770	447,445	1,120,892
<b>Total Capital Programme</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

**Table 1a: Ten Year Capital Programme Summary – by Priority**

Proposed 10-Year Capital Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28-2031/32	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Fully Grant funded	43,768	18,601	18,101	15,351	15,351	76,755	<b>187,927</b>
Statutory/ Health & Safety	55,934	58,346	15,712	14,939	14,939	69,944	<b>229,815</b>

MTFP Cost Avoidance/ Income Generation/ MTFP Saving	23,450	42,512	12,966	13,924	5,392	24,654	<b>122,900</b>
Match Funding	500	500	500	500	0	0	<b>2,000</b>
Other priorities aligned with Corporate objectives	332,842	437,918	251,868	237,656	138,499	717,431	<b>2,116,214</b>
<b>Total Capital Programme by Priority</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

### Capital Programme Funding

31. The Capital programme is funded from several sources, each identified below. The reductions in Government funding mean the Council cannot rely solely upon these funding streams to meet the Council's Capital investment requirements. The Council has agreed to undertake commercial projects, using wholly owned Council companies or through Joint Venture arrangements, to acquire assets for housing and regeneration that can fund the necessary borrowing, either by selling acquired assets at a profit or using annual income flows to meet capital financing such as interest and provision for borrowing repayment.
32. The Capital programme is funded from:
- i. Grants and External contributions
  - ii. S106 and Community Infrastructure Levy (CIL)
  - iii. Capital Receipts
  - iv. Revenue Contributions
  - v. Earmarked Resources
  - vi. Borrowing
33. Table 2 below provides an overview of how the ten-year programme will be funded with further details provided in subsequent paragraphs.

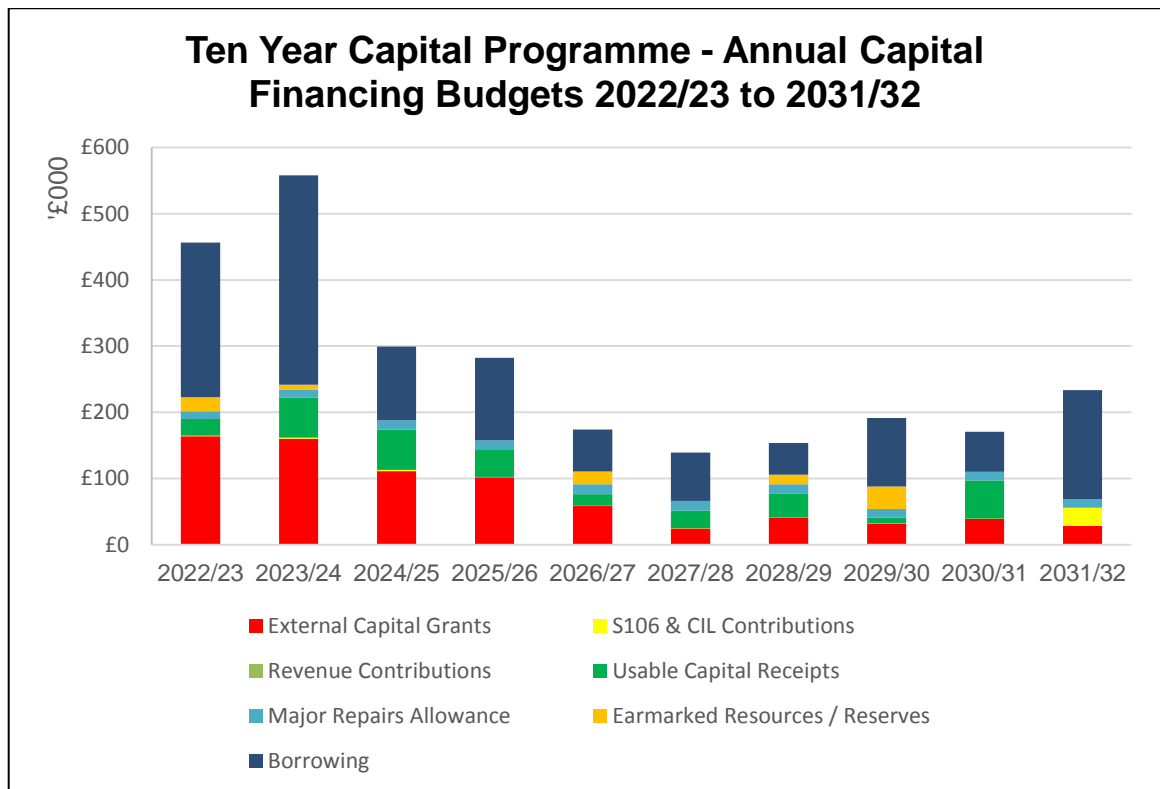
**Table 2 Ten Year Capital Programme Funding Summary**

Proposed 10-Year Funding	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28-2031/32	TOTAL
	£000	£000	£000	£000	£000	£000	£000
External Grants	146,555	150,698	90,251	89,001	23,796	76,255	<b>576,555</b>
S106 & CIL	1,055	2,200	1,700	200	200	1,000	<b>6,355</b>
Revenue Contributions	80	80	80	80	80	400	<b>800</b>
Capital Receipts	3,600	3,929	70	1,151	40	0	<b>8,789</b>
Borrowing	172,281	183,456	111,059	62,689	52,295	363,684	<b>945,464</b>
<b>Total General Fund</b>	<b>323,571</b>	<b>340,363</b>	<b>203,159</b>	<b>153,120</b>	<b>76,410</b>	<b>441,339</b>	<b>1,537,963</b>
External Grants	17,347	9,139	21,140	13,122	34,927	89,335	<b>185,010</b>

S106 & CIL	0	0	0	0	0	27,508	<b>27,508</b>
Capital Receipts	21,206	56,591	60,704	39,589	17,363	128,826	<b>324,279</b>
Major Repairs Allowance (MRA)	11,744	12,062	14,145	14,539	14,964	68,195	<b>135,648</b>
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	<b>96,447</b>
Borrowing	61,200	132,800	0	62,000	11,000	85,000	<b>352,000</b>
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>
<b>Total Capital Programme</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

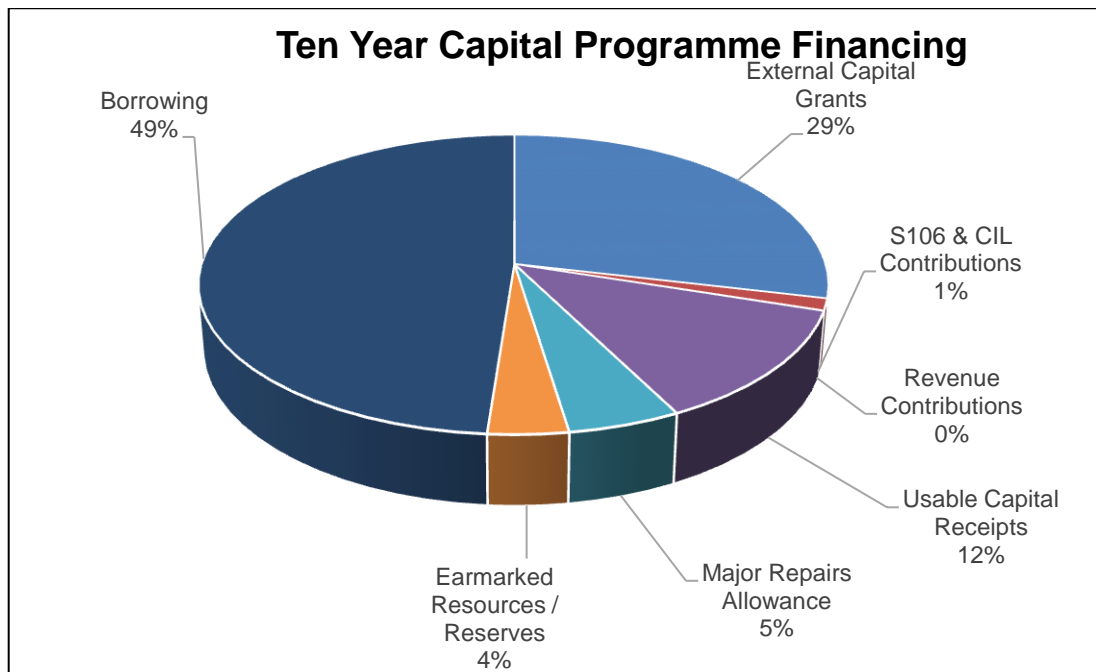
34. Capital financing is further summarised in the Chart 1 below, which illustrates the ten-year capital programme funding by financial years from 2022/23 to 2031/32 and includes General Fund and HRA capital projects.

**Chart 1- Annual capital financing for the ten-year capital programme**



35. Chart two shows Capital financing over the ten-year period that consists of 49% borrowing; 29% capital grants and 12% useable capital receipts. 97% (£324,279k) of Capital receipts relate to the HRA and the remaining 3% relates to the General Fund (Sloeman's Farm - sale of soil from site £1,589k; and Montagu Industrial Estate - £7,200k).

**Chart 2- ten-year capital financing**



### Development Infrastructure Financial Framework Metrics

36. The Development and Investment Financial Framework (DIFF), is the new framework which was developed to strengthen the approval of new capital projects and provide more detailed information across the overall programme. It includes an expanded appraisal template which supports a standardised and systematic approach to capital project data collection, appraisal and approval. The revised appraisal template was used in the development of the proposed programme and formed the basis of programme review and approval by CFB. Where CFB have accepted project proposals, they have been added to the programme, with new requested additions summarised in Appendix 2C
37. The primary aim of the DIFF is to:
- Enable a more holistic and strategic approach to capital programme decision making
  - Enhance the level of scrutiny applied to capital project appraisals
  - Improve the consistency and uniformity of financial data upon which capital projects are assessed
38. The DIFF appraisal template takes into consideration:
- How the project meets the Councils strategic objectives, including sustainability outcomes
  - Capital financing and cost of debt as relevant
  - Impact on Revenue (income and expenditure)
  - Risk identification and management
  - Project cashflows where relevant
39. The Framework will also enable a deeper analysis of the overall programme and this will be reflected in future Capital programme reports. Some initial additional programme analytics are summarised in Appendix 5.
40. As per Table 1 in Appendix 5, the ten-year capital programme has 160 live projects across 50 programmes in the General Fund and HRA, ranging

from £5k to £457,224k per project over the ten-year period. These range from annual programmes to programmes that will be delivered over multiple years. The value of the top ten programmes is £2,107,420k and is shown in Table 2 Appendix 5. The values shown are for the years 2022/23 to 2031/32 and exclude historical costs as well as forecast costs beyond 2031/32.

41. The Joyce & Snells HRA programme will be delivered over sixteen years and the figures detailed are for the next 10 years only, which is also the case for the quoted Meridian Water figures, which is also a multi-phase project. The Council's proposed top ten areas of investment over the next ten years cover 5 HRA programmes, the Companies and Highways and Street scene.
42. Chart 1 in Appendix 5 shows the split of projects across the 3 corporate objectives, which is as follows, with a number of projects contributing towards the delivery of all 3 objectives
  - i. Safe and healthy communities -10%
  - ii. Good homes in well connected neighbourhoods – 60%
  - iii. An economy that works for everyone – 30%
43. The DIFF Appraisal template calculates a number of useful financial viability metrics that support decision making. However, bearing in mind a large proportion of the Council's capital investment is for statutory, legislative or health and safety reasons, positive financial metrics are not always the key driver and such programmes cannot be evaluated against these metrics
44. Nonetheless the viability metrics give a useful indication of how the capital programme is performing. The metrics used are explained below:
  - i. NPV – Net Present Value – Defined the difference between the present value of cashflows over a period of time. NPV is the result of calculations used to find today's value of a future stream of payments. A positive NPV means that the project is positive and attractive.
  - ii. IRR- The internal rate of return- is used in financial analysis to estimate the profitability of potential investments. IRR is a discount rate that makes the net present value (NPV) of all cash flows equal to zero in a discounted cash flow analysis. The higher the IRR the more desirable the project is. Ideally it should be greater than the interest rate assumed for borrowing, which is currently 3.5%
  - iii. ROI- Return on investment (ROI)- is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments. ROI tries to directly measure the amount of return on a particular investment, relative to the investment's cost.
  - iv. Payback Period- The payback period refers to the amount of time it takes to recover the cost of an investment. Shorter paybacks mean more attractive investments, while longer payback periods are less desirable.
45. Table 3 in Appendix 5 shows an overarching summary of programmes within the ten-year capital programme with respect to Profit/Loss arising

from cashflows; Net Present Value (NPV); the Internal Rate of Return (IRR); Return on Capital (ROI) and the Payback Period. These metrics are considered in the context positive values and negative values.

### **Borrowing position and Minimum Revenue Provision (MRP)**

46. Where the Authority finances capital expenditure by debt, it must set aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as the Minimum Revenue Provision (MRP). The Local Government Act 2003 requires the Authority to have regard to the former Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.
47. The Council's MRP Policy is approved annually by Full Council and is set out in full in Appendix E of the Treasury Management Strategy Statement and is summarised by application in Table 3.
48. The broad aim of the Department for Levelling Up, Housing and Communities (DLUHC) guidance is to ensure capital expenditure is financed over a period that is reasonably commensurate with that, over which the capital expenditure provides benefits.
49. The DLUHC guidance requires local authorities to approve an Annual MRP Statement each year. The Council's MRP policy is set within Appendix E of the Treasury Management Strategy.
50. The approved 2022/23 Capital Strategy includes an estimate of the borrowing requirement over the next ten years. This has been refreshed based on the revised capital programme and a very high level estimate of the borrowing position after a further five years (total fifteen years). This provides an estimated position, at the conclusion of the Council's main regeneration programmes.
51. The following table summarises the Council's application of its MRP policy:

**Table 3a: Application of the Council's MRP Policy**

<b>Capital Expenditure Activity</b>	<b>MRP Application</b>
General Fund (Excluding Companies; Meridian Water; Joyce & Snells)	<p>MRP is charged annually to the Comprehensive Income and Expenditure Account.</p> <p>MRP for the General Fund is calculated in the following ways:</p> <ul style="list-style-type: none"> <li>• Historical supported borrowings – MRP is calculated on a 2% straight-line basis. The value of historical unfinanced capital expenditure (i.e. historic capital expenditure that has been funded by borrowing supported by Revenue Grant from Government) as at 01 April 2022 is £138.82m.</li> <li>• Unsupported borrowings (i.e.</li> </ul>

	capital expenditure that has been funded by borrowing) - MRP is calculated on annuity basis using 3.50% as the discount rate over the life of the asset.
Meridian Water	No MRP is charged as the project is still under construction.  It is anticipated that capital receipts generated from the sale of land will be used to repay associated debt.  For completed aspects of the programme that have become operational and where capital receipts have not repaid debt, MRP is charged on an annuity basis at 3.50%, over the life of the asset.
LBE Companies	No MRP is charged. Loan repayments will be treated as the equivalent MRP charge.
Joyce & Snells (General Fund element)	MRP will be charged when the asset becomes operational. MRP will be calculated on an annuity basis using 3.50% as the discount rate over 50 years.  Construction works forecast to commence in 2029/30 and complete in 2032/33. The first MRP charge will be in 2033/34.
PFI	MRP is charged equivalent to the annual capital repayments of the PFI liability.
HRA	No MRP is charged presently

52. Table 3b provides the Council's projections for MRP including PFI charges and the repayment of Company Loans. Over the ten-year capital programme period a total MRP charge of £193,712k will be charged to the revenue account for the repayment of debt used to finance the Capital Programme. This charge includes historical capital expenditure that was financed by borrowing, which the Council continues to pay off in line with its approved MRP Policy, as well as unsupported borrowings taken in recent times. However, the charge excludes the PFI repayments and company loan repayments. Taking into consideration the repayment of the Council's PFI liability, as well as accounting for capital loans that have been advanced to the Council's subsidiaries (subsidiaries are responsible for repaying the Council, the Council in this context is recognising the loan receipts and extinguishing the debt via capital accounting regulations), total MRP charge over the ten-year period equates to £262,186k.





General Fund CFR	1,034.1	1,150.5	1,246.5	1,301.3	1,312.8	1,303.8	1,358.6
HRA CFR	273.6	334.8	467.6	467.6	529.6	540.6	608.2
<b>Total Loans CFR</b>	<b>1,307.7</b>	<b>1,485.3</b>	<b>1,714.1</b>	<b>1,768.8</b>	<b>1,842.4</b>	<b>1,844.4</b>	<b>1,966.8</b>
PFI Liability	30.3	26.3	22.1	17.7	13.8	10.7	0.0
<b>Total CFR</b>	<b>1,338.0</b>	<b>1,511.7</b>	<b>1,736.2</b>	<b>1,786.5</b>	<b>1,856.2</b>	<b>1,855.1</b>	<b>1,966.8</b>
Less Internal Borrowing	(297.5)	(182.8)	(179.3)	(175.1)	(173.2)	(171.0)	(171.9)
<b>External Borrowing</b>	<b>1,040.4</b>	<b>1,328.9</b>	<b>1,557.0</b>	<b>1,611.4</b>	<b>1,683.1</b>	<b>1,684.1</b>	<b>1,794.9</b>

54. Table 4b details the cost of servicing the Council's debt over the ten-year capital programme horizon and the cost of repaying borrowings used to finance the capital programme (MRP). Over the ten-year period, total interest for the General Fund and HRA will be £307,170k, and £176,287 respectively. Meridian Water; Companies and Joyce & Snells (GF) will be recharged their share of the interest cost. MRP charges of £193,712 (excluding PFI and Company loans) will be charged to the revenue account for the repayment of debt.

**Table 4b: Debt Charges and MRP Projection**

Debt Interest & MRP Charges	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28-2031/32	Total
	£m	£m	£m	£m	£m	£m	£m
Meridian Water	9,220	10,580	10,017	10,858	10,681	56,325	107,681
Companies	4,144	5,550	8,075	8,723	8,607	40,021	75,120
Joyce & Snells (GF)	0	0	0	0	0	2,998	2,998
Other General Fund	7,031	9,669	11,634	11,718	12,873	68,445	121,370
<b>Total General Fund Interest</b>	<b>20,396</b>	<b>25,799</b>	<b>29,726</b>	<b>31,300</b>	<b>32,161</b>	<b>167,789</b>	<b>307,170</b>
MRP	19,578	22,680	19,346	21,492	20,973	89,644	193,712
<b>Total General Fund Interest &amp; MRP</b>	<b>39,974</b>	<b>48,478</b>	<b>49,072</b>	<b>52,791</b>	<b>53,134</b>	<b>257,433</b>	<b>500,882</b>
HRA Interest	12,093	14,669	16,054	17,186	17,994	98,291	176,287
<b>Total Interest &amp; MRP</b>	<b>52,067</b>	<b>63,147</b>	<b>65,126</b>	<b>69,978</b>	<b>71,128</b>	<b>355,724</b>	<b>677,169</b>

55. Table 4c shows the Prudential Indicator Ratio of Financing Costs to Net Revenue. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue. The annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general Government grants.

**Table 4c – Prudential Indicator**

Prudential indicator: Ratio of Financing Costs to Net Revenue	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28-2031/32
General Fund (GF)	£'000	£'000	£'000	£'000	£'000	£'000

Total GF Financing Costs (MRP & Interest)	26,609	32,349	30,980	33,210	33,846	158,089
Net Revenue Budget	260,281	260,459	273,610	286,614	300,368	1,557,384
Proportion of Net Revenue Stream	10.2%	12.4%	11.3%	11.6%	11.3%	10.2%
<b>Housing Revenue Account (HRA)</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Total HRA Financing Costs (Interest)	12,072	14,622	16,054	17,164	17,990	98,261
Net HRA Revenue Budget	63,141	66,171	68,400	71,355	75,413	429,489
Proportion of Net Revenue Stream	19.1%	22.1%	23.5%	24.1%	23.9%	22.9%

### New Prudential Code

56. CIPFA's revised Prudential Code (Dec 2021) has been published following consultation. The revised version of the code replaces wording which previously guided UK local authorities away from borrowing 'in advance of need' and creates three new categories of investments. The new code does not introduce any new restrictions on Councils borrowing for their core aims, such as for housing and regeneration projects, or for treasury management purposes. However, the Prudential Code now restricts local authorities to undertake borrowing that has the main aim of producing commercial income.
57. The new code states that authorities "must not borrow to invest primarily for financial return". CIPFA's "legitimate examples of prudent borrowing" are as follows:
- financing capital expenditure primarily related to the delivery of a local authority's functions
  - temporary management of cash flow within the context of a balanced budget
  - securing affordability by removing exposure to future interest rate rises
  - refinancing current borrowing, including adjusting levels of internal borrowing, to manage risk, reduce costs or reflect changing cash flow circumstances
  - other treasury management activity that seeks to prudently manage treasury risks without borrowing primarily to invest for financial return.
58. The code revisions aim to provide a further safeguard, while also closing off the option of using borrowing from the private market to fund commercial investments aimed at making a return.
59. The Council's ten-year Capital Programme, and the projects that are to be financed by borrowing, complies with the revised Prudential Code. The

projects delivered through the Capital Programme in this report deliver the Council's functions, regenerate the Borough, and maintain and enhance its estate portfolio.

60. As mentioned in paragraph 35, 49% of the ten-year capital programme is financed by borrowing. The Council's borrowing strategy for the capital programme is for the primary purpose of delivering the Council's services; maintaining its assets; and undertaking regeneration projects to improve the Borough. The Council also borrows on behalf of its commercial subsidiaries: Housing Gateway Limited (HGL) and Energetik Limited. Borrowing for commercial subsidiaries is primarily for the purpose of service delivery.
61. HGL was established in April 2014 to acquire and manage properties in the private rented sector, to be used by the Council to discharge its statutory homelessness duties.
62. Energetik was established in August 2015 to provide low carbon energy from waste to Enfield residents, through developing, owning and operating a series of community energy networks across Enfield. The company is funded through a combination of Council loans and external grants, with £94m approved to date, of which £77,000k is funded through Council borrowing and £17,000k external grants.

#### **External Sources – Grants and Contributions**

63. The Council has already been notified of some of the grant allocations that can be expected to be received in 2022/23. It is anticipated additional capital grant allocations will be announced in-year, including the outcome of submitted bids. Any further grant allocations that become available during 2022/23, will be included in the relevant quarterly capital monitoring report to Cabinet. It is possible some funding is earmarked for spending on specific Government priorities, rather than local priorities.
64. Capital grants, whilst also not repayable tend to be quite specific in how they can be used and are received for specific projects. The provider, i.e. the Government, external agencies or private company, will normally have a specific output or outcome that must be achieved, through the capital works the Council undertakes. Examples of capital grants include a number of infrastructure projects to unlock housing such as Building Council Homes for Londoners and the Housing Infrastructure Fund. These have specific outcomes that organisations like the GLA and DLUHC would like to achieve.
65. Other projects, such as the Montagu Industrial Estate and the Meridian Four project, are expected to attract contributions from external partners to spread the risk and rewards of development. Surpluses generated are permitted under Regulations on proviso they are re-invested to support Council priorities and mitigate the risk of increasing construction costs identified in the risks section.
66. Capital Grants and contributions for the ten-year capital programme have been agreed with Project Managers based on their knowledge of their individual programmes and secured sources of external funding. Underlying assumptions are listed below:

- i. 2022/23 Grants – underlying grant awards have been sought where available. A number of grants will be confirmed in 2022/23. Grants have been included based on best estimate. Table 5b identifies those grants where confirmation has been received
  - ii. Grants for 2023/24 and future years are based on current estimates and are subject to change.
  - iii. Section 106 funding- £1,025k has been awarded by the Strategic Planning Board (SPB) for 2022/23. Future Years are based on estimated award.
  - iv. Community Infrastructure Levy Funding (CIL)- £30k; £2,200k and £1,300k has been approved by the SPB for 2022/23; 2023/24 and 2024/25 financial years respectively. All other amounts are estimated and subject to future approval by SPB.
67. Where actual capital grant and contributions are less than those expected, the ten year capital programme will be reduced and revised at the earliest opportunity and reported within the respective period capital monitoring report.
68. Table 5a sets out external grants and contributions funding for the programme and Table 5b provides further information on the status of each grant.

**Table 5a – External grants and contributions**

<b>External Grants &amp; contributions</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28-2031/32</b>	<b>Total</b>	<b>Funding Sources</b>
<b>PEOPLE</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b><u>Adult Social Care</u></b>								
Mental Health and Wellbeing Centre	0	1,250	1,250	0	0	0	<b>2,500</b>	Better Care Fund (BCF)
<b><u>Total Adult Social Care</u></b>	<b>0</b>	<b>1,250</b>	<b>1,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	
<b><u>Education</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Strategic Schools Places Programme	8,030	3,000	3,000	3,000	3,000	15,000	<b>35,030</b>	Education and Skills Funding Agency (ESFA)
Schools Maintenance	12,093	5,000	5,000	5,000	5,000	25,000	<b>57,093</b>	Education and Skills Funding Agency (ESFA)
Schools' Future Programme	11,198	0	0	0	0	0	<b>11,198</b>	Education and Skills Funding Agency (ESFA)
<b><u>Total Education</u></b>	<b>31,321</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>40,000</b>	<b>103,321</b>	
<b>Total PEOPLE</b>	<b>31,321</b>	<b>9,250</b>	<b>9,250</b>	<b>8,000</b>	<b>8,000</b>	<b>40,000</b>	<b>105,821</b>	
<b>PLACE</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b><u>Property &amp; Economy</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Energy Decarbonisation (RE:FIT)	207	0	0	0	0	0	<b>207</b>	SALIX
<b><u>Total Property &amp; Economy</u></b>	<b>207</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>207</b>	
<b><u>Environment &amp; Operations</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Flood Alleviation	125	125	125	125	125	500	<b>1,125</b>	Funding from multiple External Agencies

Healthy Streets	7,639	4,450	4,450	4,450	4,450	22,250	<b>47,689</b>	Transport for London
Traffic & Transportation	700	700	700	700	700	3,500	<b>7,000</b>	Transport for London
<b>Total Environment &amp; Operations</b>	<b>8,464</b>	<b>5,275</b>	<b>5,275</b>	<b>5,275</b>	<b>5,275</b>	<b>26,250</b>	<b>55,814</b>	
<b>Housing &amp; Regeneration</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Housing Adaptations & Assistance (DFG)	2,001	2,001	2,001	2,001	2,001	10,005	<b>20,010</b>	Better Care Fund (BCF)
<b>Total Housing &amp; Regeneration</b>	<b>2,001</b>	<b>2,001</b>	<b>2,001</b>	<b>2,001</b>	<b>2,001</b>	<b>10,005</b>	<b>20,010</b>	
<b>MERIDIAN WATER</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Meridian Water	104,362	134,172	73,725	73,725	8,520	0	<b>394,503</b>	Housing Infrastructure Fund (GLA)
<b>Total MERIDIAN WATER</b>	<b>104,362</b>	<b>134,172</b>	<b>73,725</b>	<b>73,725</b>	<b>8,520</b>	<b>0</b>	<b>394,503</b>	
<b>Total PLACE exc. HRA</b>	<b>115,034</b>	<b>141,448</b>	<b>81,001</b>	<b>81,001</b>	<b>15,796</b>	<b>36,255</b>	<b>470,534</b>	
<b>Total GENERAL FUND exc Companies</b>	<b>146,355</b>	<b>150,698</b>	<b>90,251</b>	<b>89,001</b>	<b>23,796</b>	<b>76,255</b>	<b>576,355</b>	
Companies	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Energetik	200	0	0	0	0	0	<b>200</b>	
<b>Total Companies</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>	
<b>Total GENERAL FUND inc Companies</b>	<b>146,555</b>	<b>150,698</b>	<b>90,251</b>	<b>89,001</b>	<b>23,796</b>	<b>76,255</b>	<b>576,555</b>	
<b>Housing Revenue Account:</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Development Programme	11,074	5,943	18,256	4,500	28,531	35,825	<b>104,129</b>	Greater London Authority - Building Council Homes for Londoners
Development Programme - Joyce & Snells	2,884	3,196	2,884	8,622	6,396	53,510	<b>77,492</b>	Greater London Authority - Building Council Homes for Londoners

Estate Regeneration: Alma Towers	2,260	0	0	0	0	0	2,260	Greater London Authority - Building Council Homes for Londoners
Stock-Condition-Led Works	1,129	0	0	0	0	0	1,129	
<b>Total HRA</b>	<b>17,347</b>	<b>9,139</b>	<b>21,140</b>	<b>13,122</b>	<b>34,927</b>	<b>89,335</b>	<b>185,010</b>	
<b>Total PLACE inc. HRA</b>	<b>132,381</b>	<b>150,587</b>	<b>102,140</b>	<b>94,122</b>	<b>50,723</b>	<b>125,590</b>	<b>655,544</b>	
<b>Total Capital Grants &amp; Contributions</b>	<b>163,902</b>	<b>159,837</b>	<b>111,390</b>	<b>102,122</b>	<b>58,723</b>	<b>165,590</b>	<b>761,565</b>	



**Table 5b - Grant status information**

Programme	Funding Sources	2022/23 Grants Confirmed	2022/23 Grants Expected	Total
		£000	£000	£000
Strategic Schools Places Programme	Education and Skills Funding Agency (ESFA)	790	7,240	<b>8,030</b>
Schools Maintenance	Education and Skills Funding Agency (ESFA)	TBC	12,093	<b>12,093</b>
Schools' Future Programme	Education and Skills Funding Agency (ESFA)	TBC	11,198	<b>11,198</b>
Flood Alleviation	Funding from multiple External Agencies	TBC	125	<b>125</b>
Healthy Streets	Transport for London	5,716	1,923	<b>7,639</b>
Traffic & Transportation	Transport for London	TBC	700	<b>700</b>
Housing Adaptations & Assistance (DFG)	Better Care Fund (BCF)	TBC	2,001	<b>2,001</b>

Meridian Water	Housing Infrastructure Fund & S106	104,362	0	<b>104,362</b>
Energy Decarbonisation (RE:FIT)	SALIX	207	207	<b>207</b>
Energetik	Greater London Authority-North London District Energy Network	200	200	<b>200</b>
Development Programme	Greater London Authority	11,074	0	<b>11,074</b>
Development Programme - Joyce & Snells	Greater London Authority	2,884	0	<b>2,884</b>
Estate Regeneration: Alma Towers	Greater London Authority	2,260	0	<b>2,260</b>
Stock-Condition-Led Works	Greater London Authority	1,129	0	<b>1,129</b>
<b>Total Grants &amp; Contributions</b>		<b>128,622</b>	<b>35,280</b>	<b>163,902</b>

### Section 106

69. A section 106 (s106) is a legal agreement between the Council and a developer under Section 106 of the 1990 Town and Country Planning Act, or a unilateral undertaking by the developer, to ensure certain extra works related to a development are undertaken. The Council can enter into a Section 106 Agreement, otherwise known as a 'planning obligation', with a developer where it is necessary to provide contributions to offset negative impacts caused by construction and development. Examples of such contributions range from the provision of affordable homes and new open space to funding of school places or employment training schemes. The developer will either implement these or make payments to the Council for them to be carried out. S106 agreements generally contain several of these elements and the responsibility of managing the expenditure is split across the relevant departments. S106 agreements are usually very specific about what and where the monies can be spent, with required conditions attached.
70. The available S106 receipts to fund the 2022/23 programme is approximately £1,025k. These have been approved for use by the Strategic Planning Board (SPB). The receipts are allocated during the financial year and will substitute borrowing as appropriate. Departments are required to put bids to the SPB to request for S106 funding. This is further discussed below.
71. Table 6a details the value of S106 financing that is funding the capital programme. Only 2022/23 has been confirmed. Future years are estimated and subject to approval by the SPB. In total, £30,333k of S106 funding is financing the ten-year capital programme.

**Table 6a – S106 Funding**

S106 Funding	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Libraries	25	0	0	0	0	0	25
Healthy Streets	1,000	0	400	200	200	1,000	2,800

<b>Total GENERAL FUND exc Companies</b>	<b>1,025</b>	<b>0</b>	<b>400</b>	<b>200</b>	<b>200</b>	<b>1,000</b>	<b>2,825</b>
<b>Total Companies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total GENERAL FUND inc Companies</b>	<b>1,025</b>	<b>0</b>	<b>400</b>	<b>200</b>	<b>200</b>	<b>1,000</b>	<b>2,825</b>
Development Programme - Joyce & Snells	0	0	0	0	0	27,508	27,508
<b>Total HRA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,508</b>	<b>27,508</b>
<b>Total S106 Funding</b>	<b>1,025</b>	<b>0</b>	<b>400</b>	<b>200</b>	<b>200</b>	<b>28,508</b>	<b>30,333</b>

### Community Infrastructure Levy (CIL)

72. The Community Infrastructure Levy (CIL) is a charge on development to help fund infrastructure such as transport schemes and schools which the Council, local community and neighbourhoods require to help accommodate new growth from development. The available CIL receipts to fund the 2022/23 programme is approximately £30k. The receipts are allocated during the financial year and will substitute borrowing as appropriate. Departments are required to put bids to the Strategic Planning Board (SPB) to request for CIL funding.
73. Table 6b details the value of CIL financing that is funding the capital programme over the ten-year capital programme horizon, which amounts to £3,530k. All CIL funding shown has been approved by the SPB.

**Table 6b: CIL Funding**

CIL Funding	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Libraries	30	0	0	0	0	0	30
Healthy Streets	0	2,200	1,300	0	0	0	3,500
<b>Total GENERAL FUND exc Companies</b>	<b>30</b>	<b>2,200</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,530</b>
<b>Total Companies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total GENERAL FUND inc Companies</b>	<b>30</b>	<b>2,200</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,530</b>
<b>Total HRA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total CIL Funding</b>	<b>30</b>	<b>2,200</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,530</b>

### S106 and CIL Balances at Period 8

74. Table 6c summaries the current S.106 and Community Infrastructure Levy (CIL) receipts as at period 8 (November) 2021/22. S106 and CIL balances are administered by the Council's Planning department and accounted for by Corporate Finance. The balances are held in an earmarked reserve.

**TABLE 6c: Section 106 and CIL income as at 30<sup>th</sup> November 2021**

Section 106 and CIL income as at 30 <sup>th</sup> November 2021	S106 Balance as at P8	CIL Balance as at p8
	£000	£000
Opening Balance 2021/22	5,573	5,961

In-Year Receipts 2021/22	1,312	328
Allocated – Revenue	-	-
Allocated – Capital	(48)	(1,839)
<b>Total Balance</b>	<b>6,836</b>	<b>4,450</b>

### **Allocation of S106 and CIL Funding**

75. £4,555k has been approved by the Strategic Planning Board to fund a number of programmes in the current 10 year( CIL £3,530k, S106 £1,025k,). The agreed governance framework for allocating additional amounts during the year is summarised below:
- i. Project Managers work with Officers from the Planning and Infrastructure Teams and compile a project bid to determine if a project is eligible to be funded from S106/CIL financing.
  - ii. Successful bids are presented to the Strategic Planning Board (SPB) for approval.
  - iii. Once the project bid has been approved by SPB, Officer's from the Capital Finance Team are notified of the SPB's approval. Project Managers will need to complete the Development and Investment Financial Framework (DIFF) appraisal template and present to CFB
  - iv. Once CFB has approved the project this is incorporated into the respective capital monitoring report that is reported to Cabinet/Council for approval.

### **Infrastructure Funding Statement**

76. The Council is required to publish an Infrastructure Funding Statement (IFS) setting out how s106 and CIL contributions are to be allocated.
77. The allocations assumed for 2022/23 accord with the principles of the Council IFS, which has been constructed with due regard to the National Planning Policy Framework 2021, Community Infrastructure Levy Regulations 2010 and the revised Local Plan.

### **Asset Disposals**

78. When a capital asset is no longer needed, it may be sold so that the proceeds; known as capital receipts, can be spent on new assets or to repay borrowing. Council are permitted to spend capital receipts on revenue service transformation projects on proviso these can be shown to generate long term cost savings. This flexibility was originally to end 31 March 2022 but has been extended by three years to 31 March 2025.
79. The ten-year capital programme has £333,067k of useable capital receipts financing the programme. This equates to 12% of total financing. £324,279k (97%) of Capital receipts relate to the HRA and the remaining £8,789k (3%) relates to the General Fund (Sloeman's Farm- sale of soil from site £1,589k; and Montagu Industrial Estate - £7,200k).

### **Local authority capital finance framework: planned improvements**

80. In July 2021, Ministry of Housing Communities and Local Government published a policy paper on the current framework for Capital investment in Local authorities. The current framework is based on the Prudential code,

for which they have overall responsibility. The paper sets out the department's plan for strengthening the current system, whilst maintaining Council local decision making. One of the objectives is to ensure the risks associated with Local authorities' commercial investments are adequately managed .

81. The document proposes a 'lines of control model'
  - i. First line of control – is the scrutiny of local authority activity. This happens through the required reporting to government bodies
  - ii. Second line of control - deals with the system of control within individual local authorities
  - iii. Third line of control is the Prudential framework
82. The document does not provide timescales for progressing the work within the policy document, stating only 'we will engage with the sector and key stakeholders on our individual proposals as we take them forward'
83. Any further updates or changes will be captured as part of the Quarterly monitoring report

### **Capital Programme Outcomes**

84. The proposed Capital Programme underpinned by the Capital strategy contributes to achievement of the Council's three strategic objectives as detailed in the Enfield Council Plan. The main departmental outcomes are summarised below.
85. As the Capital Programme grows the Council is focussing on maximising income from external sources as well as entering formal arrangements with external commercial organisations to limit the need to take on additional borrowing.
86. A key cross cutting theme framing the Council key strategic objectives is to make the Council carbon neutral by 2030 which is being supported by the Energy Decarbonisation, included below.

### **Outcomes by Department**

87. **Place (Excluding HRA - £1,243bn over ten years)**
88. This section provides an overview of forecast outcomes for the main programmes in the department, focussing in 2022/23
89. Meridian Water (£852,000k). The programme has entered the delivery stage with development agreements signed, construction work now underway on one site and construction to taking place across multiple sites from 2022/23. Below is a summary of the key outputs by phase :
  - Streets, parks and other infrastructure works funded by the Government's HIF grant. Start on site 2022 and complete by 2024.
  - Meridian One: 950+ residential units (approximately ½ affordable) and approximately 2,235m<sup>2</sup> non- residential including public realm and open spaces. Practical completions expected March 2023 to September 2027.
  - Meridian Two: 250+ residential units all affordable and approximately 3,000m<sup>2</sup> commercial space; Council to retain commercial space and

Metropolitan Thames Valley Housing to acquire residential units.  
Practical completion expected December 2025.

- Meridian Three: circa 50 residential units and circa 500 Purpose Built Student Accommodation units going to market in 2023, completing approximately 3 years with outline planning permission expiring in 10 years. Costs include Legal and professional advisory fees to bring forward for development or land disposal
  - Meridian Four: Some 840 residential units, comprising 580 for open market and 260 affordable rented, commercial and community ground floor uses, associated open spaces and infrastructure expected to be completed between 2025/26 to 2026/27. Construction commencing 2022/23 once HIF supported works have been completed
  - Meridian Five: 175 residential units to be delivered by external partner. Strategy work to determine best value will commence in 2022/23. Outline planning permission expiry in 10 years therefore decision for development or land disposal expected 2023/24.
90. Build the Change (£32,800k) The programme will provide modernised office space across three locations with accessible facilities, collaborative working areas to facilitate new ways of working and storage facilities including bicycles to promote the Council's decarbonisation policies. Resident and customer access improved in the children and family hub.
91. Highways and Street scene (£93,300k). The programme will, in 2022/23, enable over 10km (6.25miles) of roads to be resurfaced, over 7km (4.4 miles) of pavements to be renewed and an additional 18,000 individual smaller defective areas on the highway network to be repaired as part of Enfield's overall highway maintenance programme. Approximately 1,000 new street trees will be planted, some of which will replace previously removed dead and decaying trees giving a net gain of over 700 established street trees. The funding also includes several smaller bridge maintenance schemes. Funding is also allocated to continue the programme of constructing sustainable drainage schemes, including rain gardens and wetlands, which also attracts considerable external funding to complete these projects.
92. Healthy Streets (£56,700k) – The £9,900k budget profiled in 2022/23 is analysed as follows
- i. £5,700k is approved funding from Department from Transport (Dft), NH, CIL and S106, with a condition of funding that works are delivered by March 2023.
  - ii. £3,400k of forecast Transport for London (Tfl) funding. This is based on grants funding historically made available for the healthy streets programme, carrying a 'actual spend/claim after' condition. The actual allocation will not be known until the outcome of the Tfl settlement with the Dft, which has not been agreed at the time of writing.
  - iii. £800k for the 10 School street project which is funded through borrowing , with the financing costs being met from income from traffic orders.
93. Corporate Condition Programme: (£36,000k)

94. The purpose of the CCP is to fund the planned replacement or substantial repair of major building components including, but not limited to, heating boilers, lifts, building structure and flat roofs necessary to ensure the operational continuity of Council services.
95. Montagu Industrial estate: (£50,500k) – The strategic asset management plan adopted in 2019 sets how the Council will use its property to support out local economy. The ten year capital programme includes one substantial project which will see growth in business and local jobs and support the budget through increased income through a joint venture with Henry Boot, the Council is investing to redevelop the Montagu Industrial Estate in Edmonton. This will see modern industrial facilities for a range of businesses, resulting in hundreds of new jobs for one of the most deprived wards in the Borough. The CPO process will continue during 2022/23.
96. Housing Revenue Account (£1,100m over 10 years). The HRA capital programme is dealt with, as part of the HRA rent setting report, which is a separate agenda item. In summary it plans to deliver c3,500 homes alongside building safety and decency improvements to a substantial number of existing social homes.
97. **People - £109,006k over ten years**
98. Education services – (£103,300k) within the People Department forecast to spend an estimated £39,000k over the next three years to deliver a programme of school's capital maintenance projects, including the increase of Special Educational Needs (SEND) school places
99. Projects to provide additional SEND school places are being progressed across a number of schools and include
  - i. Fern House rebuild and expansion of special school which is under construction and due for completion and occupation in January 2023.
  - ii. Winchmore - Sixth Form and Autistic Unit which is in final stages of design and early stages of procurement with planned completion for summer 2023.
  - iii. Oaktree ITS - Extension and remodelling of the existing school which is early stages of design with planned phased completion in summer 2023 and summer 2024.
100. Through the Schools Capital Programme, the People department will continue to carry out the Council's Corporate Landlord responsibility in maintaining school buildings and implement strategies to improve the school estate. In the short to medium term the focus will continue to be providing places for vulnerable children requiring specialist care in the Special Education Needs Sector.
101. The Schools' capital programme is entirely funded from Central Government Grants and Section 106 Developer contributions
102. **Resources: £31,090k over ten years**
103. Digital Services (£30.9m)The Council's investments in Digital Services (DS) are to enable the Council's to deliver its objectives underpinned by the guiding principles detailed in the Corporate plan. The investment in DS will enable smarter working , improved efficiencies and Digital Inclusion,

communication with Enfield's residents and support budget savings through increasing cost effectiveness

**104. Companies: £154,200k over ten years**

105. Housing Gateway Limited (HGL) (£92,900k) The Council's Housing Company, HGL, will purchase and renovate one hundred properties, twelve of which will be used for rough sleepers. The company will also deliver a programme of major works at Brickfield House and Greenway House as well as start a programme of minor decarbonisation works across suitable properties within its portfolio, subject to the successful outcome of a bid for external grant funding.

106. Energetik (£61,300k) The company will complete the Phase 1 build of the Meridian Water Heat Network, specifically the energy centre and pipe network from the energy centre to Meridian One. Extensions of the Meridian Water Heat Network to Fore Street/Upton & Rainham and Edmonton Green will also be completed in 2022/23 as well as the retrofit of heating systems to 10 private homes to connect them to the Ponders End Heat Network.

**Safeguarding Implications**

107. The capital programme will not adversely affect safeguarding of children or adults in the Borough and the schemes will be formulated to ensure the Authority discharges its statutory safeguarding obligations.

108. Suppliers are expected to take all reasonable steps to ensure human trafficking and modern slavery are not taking place in any of their supply chains or operations; including compliance with the Modern Slavery Act 2015, wherever it applies. Suppliers are also expected to have a whistleblowing policy which enables staff to raise suspicions of unlawful and unethical practices, including modern slavery and exploitation.

**Public Health Implications**

109. The Capital programme seeks to improve the health and well-being of the public in Enfield. Improving the housing and environment in which our residents live is a key means to address wider determinants of health and narrow health inequalities.

110. The Capital programmes focus on climate change helps to mitigate this major threat to public health. Council activities that promote forms of active travel and sustainable heating will help to lower local greenhouse gas emissions and air pollution. These will lead to improvements in health of residents and the environment in the long run.

**Equalities Impact of the Proposal**

111. The Capital Programme supports the delivery of high quality Council services that promote equality and value diversity. An equality impact assessment has been completed and is available as appendix 6. This assessment identified that the capital programme includes schemes directed specifically at older and younger age groups, and schemes aimed to specifically address the needs of people affected by disability. No negative disproportionate impact was found on any protected characteristic.



112. The DIFF process ensures the continual review of the capital programme against stated Council priorities by allowing adjustment to schemes and against the backdrop of a continually changing demographic, legislative and socio-economic environment, which means that equality considerations will continue to be made.

### **Environmental and Climate Change Considerations**

113. These are included in the body of the report as relevant

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

114. The table below sets out key risks together with mitigations which can be implemented

<b>Risk</b>	<b>Mitigation</b>
1. Increased construction Costs and continuing constraints in supply of materials and labour	<p>Monitoring of costs and reporting of variations through budget monitoring framework, adjusting estimates and spend profiles to ensure financing and borrowing estimates are refreshed.</p> <p>Contract management to pre-empt and mitigate cost increases through continued engagement with suppliers and scrutiny of progress updates utilising QS, independent market intelligence and alternative construction technologies (e.g. Modern Methods of Construction)</p> <p>Review of procurement strategies to ensure pool of suppliers is kept as broad as possible supplemented by secondary advice to corroborate or influence cost estimates.</p>
2. Grant availability and risk of withdrawal if key conditions/deadlines not met.	<p>Reporting of variations which will impact on grant and deployment of counter measures to ensure utilisation of grant maximised together with engagement of grant providers to re-negotiate delivery horizons where possible</p>
3. Delays in schemes and impact on grant awards and income targets	<p>Securing external funding sources to spread construction risk in return for sharing of income e.g. Meridian Four external investment for private rented residential units.</p> <p>Tactical engagement and cultivation of key relationships in Government and Agencies to raise profile of increasing costs hence need for continued grant support to contribute to stated local objectives and wider Government priorities.</p>

4. Macro economic factors including Impact of Brexit and Covid-19	Continue monitoring of key indicators (inflation, interest rates, supply chain intelligence, legislation) supplemented with external advice to ensure MTFP updated to reflect significant changes.
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### Financial Implications

115. The Section 151 Officer is required to keep under review the financial position of the Authority. The Capital Programme supports the discharge of this duty, the revenue implications of the Capital Programme proposed have been incorporated into the Medium-Term Financial Plan.

### Legal Implications

116. Local authorities are required by regulation to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003. The Chartered Institute of Public Finance and Accounting (CIPFA) *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) underpins the system of capital finance. Local authorities determine their own programmes for Capital investment in non-current assets that are central to the delivery of quality local public services. The Prudential Code has been developed as a professional code of practice to support local authorities in taking decisions, such as those relating to capital strategies and programmes contained in this report. The Prudential Code was last updated in 2021. This new Prudential Code contains a new objective for proportionate service and commercial investments.

117. Further developments for capital strategies have been made following their introduction in 2017, such as setting the strategy in the context of the organisation's corporate objectives.

118. The Prudential Code requires authorities to look at capital expenditure plans, investments and debt in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long-run financing implications and potential risks to the authority. To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used, and the factors that must be taken into account. The Prudential Code does not include suggested indicative limits or ratios. These will be for the local authority to set itself, subject only to any controls under Section 4 of the Local Government Act 2003 (England and Wales). Indicators should be set in line with a capital strategy and asset management plan that is sustainable over the longer term. Where statutorily ringfenced resources such as the Housing Revenue Account (HRA), the indicators should be set separately for these areas.

119. The local authority shall ensure that all of its capital expenditure, investments and borrowing decisions are prudent and sustainable. In doing so it will take into account its arrangements for the repayment of debt and consideration of risk, and the impact and potential impact on the authority's overall fiscal sustainability.

120. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use

of and accounting for public monies. This report assists in the discharge of those duties

### **Workforce Implications**

121. Where staff resource is required to support the Council's Capital Programme, this will be required for specified time periods in line with programme requirements and timescales. Restructure reports will be required to create any new posts or new team structures identified as being required to deliver the Capital Programme. Restructure reports will require HR implications advising on Council policy and statutory obligations in relation to staffing, in addition to the finance cost estimates included. Any changes to the programme will seek additional HR & Finance implications

### **Property Implications**

122. Given the high-level perspective of this report, there are no specific property implications from within its contents. However, as the 10-year capital budget is implemented over time, it is certain that property implications will arise on specific projects and other activities. These will be addressed as necessary as they come forward in future reports.

### **Options Considered**

123. The Ten year capital programme and overarching capital strategy have been developed using the DIFF Financial Framework which guarantees fair and consistent consideration of all options available for the deployment of limited resources in the achievement of stated objectives.

124. A complete and robust consideration of all options has therefore been embedded in the development and refresh of the capital programme with input from a multi-disciplinary Capital Finance Board.

### **Conclusions**

125. The proposed capital programme is submitted for approval as set out in the recommendations at the start of this report.

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Date of report: 4<sup>th</sup> Feb 2022

### **Appendices**

Further detailed analysis of the ten-year capital programme is included in the Appendices to this report:

Appendix 1A - Existing Capital programme by Corporate objective

Appendix 1B - Existing Capital programme by Directorate

Appendix 1C - Existing Capital programme by Department

Appendix 1D - Financing existing Capital programme

Appendix 2A - Requested Additions Corporate objective

Appendix 2B - Requested Additions by Directorate  
Appendix 2C - Requested Additions by Department  
Appendix 2D - Requested Additions Financing  
Appendix 3A - Proposed Capital Programme by Corporate Objective  
Appendix 3B - Proposed Capital Programme by Directorate  
Appendix 3C - Proposed Capital Programme by Department  
Appendix 3D - Proposed Capital Programme Financing  
Appendix 4 - Departmental Financing tables  
Appendix 5 – DIFF metrics  
Appendix 6 – Equalities Impact Assessment

### **Background Papers**

**The following documents have been relied on in the preparation of this report:**

Report to Council 22<sup>nd</sup> Sep 2021 :  
Capital Strategy (KD 5327)

Report to Cabinet 16<sup>th</sup> Feb 2022 :  
Treasury Management Strategy 2022/23 (KD 5355)  
Medium Term Financial Plan(MTFP) 2022/23 to 2026/27 (KD 5352)

## APPENDICES

Appendix 1 – Existing Programme

## Appendix 1a - Existing Capital Programme by Corporate Objective

10-Year Capital Programme (Existing Programme) £'000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Good homes in well connected neighbourhoods	250,027	339,325	126,541	132,997	34,074	572,317	1,455,281
An economy that works for everyone	54,064	41,815	14,529	8,346	40	0	118,795
Safe, healthy and confident communities	3,860	1,750	1,750	500	0	0	7,860
<b>TOTAL</b>	<b>307,952</b>	<b>382,890</b>	<b>142,820</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,581,936</b>
External Grants	92,679	60,500	22,390	13,122	(28,894)	89,335	249,131
S106 & CIL	55	0	0	0	0	27,508	27,563
Capital Receipts	24,806	60,519	60,774	40,740	17,403	128,826	333,067
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	157,242	242,886	45,512	73,442	11,125	209,872	740,078
<b>TOTAL</b>	<b>307,952</b>	<b>382,890</b>	<b>142,820</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,581,936</b>

## Appendix 1b- Existing Capital Programme by Directorate

10-Year Capital Programme (Existing Programme) £'000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	3,074	0	0	0	0	0	3,074
People	23,321	1,250	1,250	0	0	0	25,821
Place	33,557	42,315	16,054	9,471	165	125	101,688
Joyce & Snells (GF)	0	0	0	0	0	41,298	41,298
Meridian Water	67,957	93,313	14,527	3,122	(63,821)	83,449	198,546
Companies	47,119	28,498	15,000	0	0	0	90,617
<b>Total General Fund</b>	<b>175,029</b>	<b>165,375</b>	<b>46,831</b>	<b>12,593</b>	<b>(63,656)</b>	<b>124,872</b>	<b>461,043</b>
Asset-Led Works	9,848	226	166	0	0	0	10,240
Demand-Led Works	2,350	2,350	0	0	0	0	4,700
Development Programme	72,110	158,518	79,694	113,948	82,598	379,251	886,120
Estate Regeneration	6,239	1,051	982	763	633	0	9,668
Fire-Led Works	25,573	26,157	213	0	0	0	51,943
Stock-Condition-Led Works	16,803	29,213	14,933	14,539	14,539	68,194	158,222
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>
<b>TOTAL</b>	<b>307,952</b>	<b>382,890</b>	<b>142,820</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,581,936</b>

## Appendix 1c- Existing Capital Programme by Department

10-Year Capital Programme (Existing Schemes) £'000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
<b>RESOURCES</b>							
Community Hubs	125	0	0	0	0	0	125
IT Investment	2,878	0	0	0	0	0	2,878
Libraries	71	0	0	0	0	0	71
<b>Total RESOURCES</b>	<b>3,074</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,074</b>
<b>PEOPLE</b>							
Mental Health and Wellbeing Centre	0	1,250	1,250	0	0	0	2,500
Strategic Schools Places Programme	5,030	0	0	0	0	0	5,030
Schools Maintenance	7,093	0	0	0	0	0	7,093
Schools' Future Programme	11,198	0	0	0	0	0	11,198
<b>Total PEOPLE</b>	<b>23,321</b>	<b>1,250</b>	<b>1,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,821</b>
<b>PLACE</b>							
Flood Alleviation	160	0	0	0	0	0	160
Highways & Street Scene	700	0	0	0	0	0	700
Healthy Streets	2,000	500	500	500	0	0	3,500
Meridian Water	67,957	93,313	14,527	3,122	(63,821)	83,449	198,546
Corporate Condition Programme	2,018	0	0	0	0	0	2,018
Corporate Property Investment Programme	3,429	0	0	0	0	0	3,429
Build the Change	13,828	4,995	7,033	7,015	0	0	32,872
Edmonton Cemetery	800	0	0	0	0	0	800
Electric Quarter	893	0	0	0	0	0	893
Montagu Industrial Estate	6,500	36,491	7,427	180	0	0	50,598
Sloemans Farm Burial	165	329	70	1,151	40	0	1,754
Town Centre Regeneration	1,957	0	1,025	625	125	125	3,857
Housing Adaptations & Assistance (DFG)	900	0	0	0	0	0	900
Joyce and Snells	0	0	0	0	0	41,298	41,298
Energy Decarbonisation (RE:FIT)	207	0	0	0	0	0	207
<b>Total PLACE exc. HRA</b>	<b>101,514</b>	<b>135,628</b>	<b>30,581</b>	<b>12,593</b>	<b>(63,656)</b>	<b>124,872</b>	<b>341,532</b>
<b>COMPANIES</b>							
Energetik	21,200	25,123	15,000	0	0	0	61,323
Housing Gateway Ltd	25,919	3,375	0	0	0	0	29,294
<b>Total COMPANIES</b>	<b>47,119</b>	<b>28,498</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90,617</b>
<b>Total GENERAL FUND inc. COMPANIES</b>	<b>175,029</b>	<b>165,375</b>	<b>46,831</b>	<b>12,593</b>	<b>(63,656)</b>	<b>124,872</b>	<b>461,043</b>
<b>Housing Revenue Account:</b>							
Asset-Led Works	9,848	226	166	0	0	0	10,240
Demand-Led Works	2,350	2,350	0	0	0	0	4,700
Development Programme	72,110	158,518	79,694	113,948	82,598	379,251	886,120
Estate Regeneration	6,239	1,051	982	763	633	0	9,668
Fire-Led Works	25,573	26,157	213	0	0	0	51,943
Stock-Condition-Led Works	16,803	29,213	14,933	14,539	14,539	68,194	158,222
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>
<b>Total PLACE inc. HRA</b>	<b>234,437</b>	<b>353,142</b>	<b>126,570</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,462,424</b>
<b>TOTAL APPROVED PROGRAMME</b>	<b>307,952</b>	<b>382,890</b>	<b>142,820</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,581,936</b>

## Appendix 1d- Financing Existing Capital Programme by Directorate

10-Year Capital Programme (Existing Programme)	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	3,074	0	0	0	0	0	3,074
People	23,321	1,250	1,250	0	0	0	25,821
Place	33,557	42,315	16,054	9,471	165	125	101,688
Joyce & Snells	0	0	0	0	0	41,298	41,298
Meridian Water	67,957	93,313	14,527	3,122	(63,821)	83,449	198,546
Companies	47,119	28,498	15,000	0	0	0	90,617
<b>Total General Fund</b>	<b>175,029</b>	<b>165,375</b>	<b>46,831</b>	<b>12,593</b>	<b>(63,656)</b>	<b>124,872</b>	<b>461,043</b>
Place – HRA	132,923	217,515	95,989	129,250	97,770	447,445	1,120,892
<b>TOTAL</b>	<b>307,952</b>	<b>382,890</b>	<b>142,820</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,581,936</b>
External Grants	92,679	60,500	22,390	13,122	(28,894)	89,335	249,131
S106 & CIL	55	0	0	0	0	27,508	27,563
Capital Receipts	24,806	60,519	60,774	40,740	17,403	128,826	333,067
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	157,242	242,886	45,512	73,442	11,125	209,872	740,078
<b>TOTAL</b>	<b>307,952</b>	<b>382,890</b>	<b>142,820</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,581,936</b>

**Appendix 2 Requested Additions****Appendix 2a – Requested Additions by Corporate Objective**

10-Year Capital Programme (Requested Additions)	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Good homes in well-connected neighbourhoods	103,459	150,446	130,424	115,763	116,692	185,513	802,297
An economy that works for everyone	33,712	13,484	13,573	13,641	11,840	67,744	153,994
Safe, healthy and confident communities	11,372	11,058	12,331	11,123	11,535	63,210	120,629
<b>TOTAL</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>
External Grants	71,223	99,337	89,001	89,001	87,617	76,255	512,433
S106 & CIL	1,000	2,200	1,700	200	200	1,000	6,300
Revenue Contributions	80	80	80	80	80	400	800
Borrowing	76,240	73,370	65,547	51,247	52,170	238,812	557,386
<b>TOTAL</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>

**Appendix 2b – Requested Additions by Directorate**

10-Year Capital Programme (Requested Additions) £'000s	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	12,518	2,504	2,414	794	294	9,500	28,024
People	8,530	8,460	8,360	8,360	8,360	41,800	83,870
Place	37,020	23,390	24,041	28,707	21,876	112,815	247,849
Meridian Water	79,744	109,683	99,551	102,667	109,537	152,352	653,534
Companies	10,732	30,950	21,961	0	0	0	63,643
<b>Total General Fund</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>
<b>Total HRA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>

## Appendix 2c – Requested Additions by Department

10-Year Capital Programme (Requested Additions) £'000s	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
<b>RESOURCES</b>							
IT Investment	12,518	2,504	2,414	794	294	9,500	28,024
<b>Total RESOURCES</b>	<b>12,518</b>	<b>2,504</b>	<b>2,414</b>	<b>794</b>	<b>294</b>	<b>9,500</b>	<b>28,024</b>
<b>PEOPLE</b>							
Community Safety	150	150	150	150	150	750	1,500
Extensions to Foster Carers' Homes	380	310	210	210	210	1,050	2,370
Strategic Schools Places Programme	3,000	3,000	3,000	3,000	3,000	15,000	30,000
Schools Maintenance	5,000	5,000	5,000	5,000	5,000	25,000	50,000
<b>Total PEOPLE</b>	<b>8,530</b>	<b>8,460</b>	<b>8,360</b>	<b>8,360</b>	<b>8,360</b>	<b>41,800</b>	<b>83,870</b>
<b>PLACE</b>							
Alley Gating	80	80	80	80	80	400	800
Flood Alleviation	250	250	250	250	250	1,000	2,250
Highways & Street Scene	8,011	8,017	9,390	8,432	8,844	50,005	92,699
Workshops for External Commercialisation	250	250	0	0	0	0	500
Growth of Trade Waste Service	500	250	250	0	0	0	1,000
Vehicle Replacement Programme	4,595	1,913	1,862	7,746	1,806	6,411	24,332
Healthy Streets	7,939	6,650	6,150	4,650	4,650	23,250	53,289
Traffic & Transportation	700	700	700	700	700	3,500	7,000
Tottenham Park Cemetery	506	2	2	1,502	0	0	2,012
Dugdale Coffee Shop	1,579	0	0	0	0	0	1,579
Land Investment	7,500	0	0	0	0	0	7,500
Meridian Water	79,744	109,683	99,551	102,667	109,537	152,352	653,534
Corporate Condition Programme	2,809	2,978	3,156	3,346	3,546	18,244	34,078
Vacant Property Review	300	300	200	0	0	0	800
Housing Adaptations & Assistance (DFG)	2,001	2,001	2,001	2,001	2,001	10,005	20,010
<b>Total PLACE exc. HRA</b>	<b>116,763</b>	<b>133,074</b>	<b>123,592</b>	<b>131,374</b>	<b>131,413</b>	<b>265,167</b>	<b>901,382</b>
<b>COMPANIES</b>							
Housing Gateway Ltd	10,732	30,950	21,961	0	0	0	63,643
<b>Total COMPANIES</b>	<b>10,732</b>	<b>30,950</b>	<b>21,961</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,643</b>
<b>Total GENERAL FUND inc. COMPANIES</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>
<b>Housing Revenue Account:</b>							
<b>Total HRA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PLACE inc. HRA</b>	<b>117,284</b>	<b>133,074</b>	<b>123,592</b>	<b>131,374</b>	<b>131,413</b>	<b>265,167</b>	<b>901,903</b>
<b>TOTAL APPROVED PROGRAMME</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>

## Appendix 2d – Requested Additions Financing

Financing of Requested Additions £'000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
External Grants	71,223	99,337	89,001	89,001	87,617	76,255	512,433
S106/CIL	1,000	2,200	1,700	200	200	1,000	6,300
Revenue Contributions	80	80	80	80	80	400	800
Borrowing	76,240	73,370	65,547	51,247	52,170	238,812	557,386
<b>Total General Fund</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>
<b>Total HRA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Capital Programme</b>	<b>148,543</b>	<b>174,988</b>	<b>156,328</b>	<b>140,527</b>	<b>140,067</b>	<b>316,467</b>	<b>1,076,919</b>



**Appendix 3 - Proposed Capital Programme****Appendix 3a – Proposed Capital Programme by Corporate Objective**

Proposed 10-Year Capital Programme £'000s	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Good homes in well-connected neighbourhoods	353,486	489,771	256,965	248,760	150,766	757,830	2,257,578
An economy that works for everyone	87,776	55,299	28,102	21,987	11,880	67,744	272,788
Safe, healthy and confident communities	15,232	12,808	14,081	11,623	11,535	63,210	128,489
<b>TOTAL</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>
External Grants	163,902	159,837	111,390	102,122	58,723	165,590	761,565
S106/CIL	1,055	2,200	1,700	200	200	28,508	33,863
Revenue Contributions	80	80	80	80	80	400	800
Capital Receipts	24,806	60,519	60,774	40,740	17,403	128,826	333,067
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	233,481	316,256	111,059	124,689	63,295	448,684	1,297,464
<b>TOTAL</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

**Appendix 3b – Proposed Capital Programme by Directorate**

Proposed 10-Year Capital Programme £'000s	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	15,592	2,504	2,414	794	294	9,500	31,098
People	31,851	9,710	9,610	8,360	8,360	41,800	109,691
Place	70,577	65,705	40,096	38,177	22,041	112,940	349,537
Place - Joyce & Snells	0	0	0	0	0	41,298	41,298
Place - Meridian Water	147,701	202,996	114,078	105,789	45,715	235,801	852,079
Companies	57,851	59,448	36,961	0	0	0	154,259
<b>Total General Fund</b>	<b>323,571</b>	<b>340,363</b>	<b>203,159</b>	<b>153,120</b>	<b>76,410</b>	<b>441,339</b>	<b>1,537,963</b>
Asset-Led Works	9,848	226	166	0	0	0	10,240
Demand-Led Works	2,350	2,350	0	0	0	0	4,700
Development Programme	72,110	158,518	79,694	113,948	82,598	379,251	886,120
Estate Regeneration	6,239	1,051	982	763	633	0	9,668
Fire-Led Works	25,573	26,157	213	0	0	0	51,943
Stock-Condition-Led Works	16,803	29,213	14,933	14,539	14,539	68,194	158,222
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>
<b>TOTAL</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

**Appendix 3c – Proposed Capital Programme by Department**

Proposed 10-Year Capital Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
<b>RESOURCES</b>							
Community Hubs	125	0	0	0	0	0	125
IT Investment	15,396	2,504	2,414	794	294	9,500	30,902
Libraries	71	0	0	0	0	0	71
<b>Total RESOURCES</b>	<b>15,592</b>	<b>2,504</b>	<b>2,414</b>	<b>794</b>	<b>294</b>	<b>9,500</b>	<b>31,098</b>
<b>PEOPLE</b>							
Mental Health and Wellbeing Centre	0	1,250	1,250	0	0	0	2,500
Community Safety	150	150	150	150	150	750	1,500
Extensions to Foster Carers' Homes	380	310	210	210	210	1,050	2,370
Strategic Schools Places Programme	8,030	3,000	3,000	3,000	3,000	15,000	35,030
Schools Maintenance	12,093	5,000	5,000	5,000	5,000	25,000	57,093
Schools' Future Programme	11,198	0	0	0	0	0	11,198
<b>Total PEOPLE</b>	<b>31,851</b>	<b>9,710</b>	<b>9,610</b>	<b>8,360</b>	<b>8,360</b>	<b>41,800</b>	<b>109,691</b>
<b>PLACE</b>							
Alley Gating	80	80	80	80	80	400	800
Flood Alleviation	410	250	250	250	250	1,000	2,410
Highways & Street Scene	8,711	8,017	9,390	8,432	8,844	50,005	93,399
Workshops for External Commercialisation	250	250	0	0	0	0	500
Growth of Trade Waste Service	500	250	250	0	0	0	1,000
Vehicle Replacement Programme	4,595	1,913	1,862	7,746	1,806	6,411	24,332
Healthy Streets	9,939	7,150	6,650	5,150	4,650	23,250	56,789
Traffic & Transportation	700	700	700	700	700	3,500	7,000
Meridian Water	147,701	202,996	114,078	105,789	45,715	235,801	852,079
Corporate Condition Programme	4,827	2,978	3,156	3,346	3,546	18,244	36,096
Build the Change	13,828	4,995	7,033	7,015	0	0	32,872
Corporate Property Investment Programme	3,429	0	0	0	0	0	3,429
Dugdale Coffee Shop	1,579	0	0	0	0	0	1,579
Edmonton Cemetery	800	0	0	0	0	0	800
Electric Quarter	893	0	0	0	0	0	893
Land Investment	7,500	0	0	0	0	0	7,500
Montagu Industrial Estate	6,500	36,491	7,427	180	0	0	50,598
Sloemans Farm Burial	165	329	70	1,151	40	0	1,754

Tottenham Park Cemetery	506	2	2	1,502	0	0	2,012
Town Centre Regeneration	1,957	0	1,025	625	125	125	3,857
Vacant Property Review	300	300	200	0	0	0	800
Housing Adaptations & Assistance (DFG)	2,901	2,001	2,001	2,001	2,001	10,005	20,910
Joyce and Snells	0	0	0	0	0	41,298	41,298
Energy Decarbonisation (RE:FIT)	207	0	0	0	0	0	207
<b>Total PLACE exc. HRA</b>	<b>218,278</b>	<b>268,701</b>	<b>154,173</b>	<b>143,966</b>	<b>67,757</b>	<b>390,039</b>	<b>1,242,914</b>
<b>COMPANIES</b>							
Energetik	21,200	25,123	15,000	0	0	0	61,323
Housing Gateway Ltd	36,651	34,325	21,961	0	0	0	92,936
<b>Total COMPANIES</b>	<b>57,851</b>	<b>59,448</b>	<b>36,961</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>154,259</b>
<b>Total GENERAL FUND inc. COMPANIES</b>	<b>323,571</b>	<b>340,363</b>	<b>203,159</b>	<b>153,120</b>	<b>76,410</b>	<b>441,339</b>	<b>1,537,963</b>
<b>Housing Revenue Account:</b>							
Asset-Led Works	9,848	226	166	0	0	0	10,240
Demand-Led Works	2,350	2,350	0	0	0	0	4,700
Development Programme	72,110	158,518	79,694	113,948	82,598	379,251	886,120
Estate Regeneration	6,239	1,051	982	763	633	0	9,668
Fire-Led Works	25,573	26,157	213	0	0	0	51,943
Stock-Condition-Led Works	16,803	29,213	14,933	14,539	14,539	68,194	158,222
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>
<b>Total PLACE inc. HRA</b>	<b>351,201</b>	<b>486,216</b>	<b>250,162</b>	<b>273,216</b>	<b>165,527</b>	<b>837,484</b>	<b>2,363,806</b>
<b>TOTAL APPROVED PROGRAMME</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

### Appendix 3d – Financing Proposed Capital Programme

Proposed 10-Year Capital Programme £'000s	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
External Grants	146,555	150,698	90,251	89,001	23,796	76,255	576,555
S106/CIL	1,055	2,200	1,700	200	200	1,000	6,355
Revenue Contributions	80	80	80	80	80	400	800
Capital Receipts	3,600	3,929	70	1,151	40	0	8,789
Borrowing	172,281	183,456	111,059	62,689	52,295	363,684	945,464
<b>Total General Fund</b>	<b>323,571</b>	<b>340,363</b>	<b>203,159</b>	<b>153,120</b>	<b>76,410</b>	<b>441,339</b>	<b>1,537,963</b>
External Grants	17,347	9,139	21,140	13,122	34,927	89,335	185,010
S106/CIL	0	0	0	0	0	27,508	27,508
Capital Receipts	21,206	56,591	60,704	39,589	17,363	128,826	324,279
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	61,200	132,800	0	62,000	11,000	85,000	352,000
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>
<b>Total Capital Programme</b>	<b>456,494</b>	<b>557,877</b>	<b>299,148</b>	<b>282,370</b>	<b>174,181</b>	<b>888,785</b>	<b>2,658,855</b>

**Appendix 4 – Directorate Financing Tables****Appendix 4a – Financing for Place Directorate**

10-Year Capital Programme (Approved Programme) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Place	234,437	353,142	126,570	141,843	34,114	572,317	1,462,424
<b>Financing:</b>							
External Grants	69,158	59,250	21,140	13,122	(28,894)	89,335	223,110
S106/CIL	0	0	0	0	0	27,508	27,508
Revenue Contributions	0	0	0	0	0	0	0
Capital Receipts	24,806	60,519	60,774	40,740	17,403	128,826	333,067
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	107,303	214,388	30,512	73,442	11,125	209,872	646,642
<b>Total</b>	<b>234,437</b>	<b>353,142</b>	<b>126,570</b>	<b>141,843</b>	<b>34,114</b>	<b>572,317</b>	<b>1,462,424</b>

10-Year Capital Programme (Requested Additions) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Place	116,763	133,074	123,592	131,374	131,413	265,167	901,382
<b>Financing:</b>							
External Grants	63,223	91,337	81,001	81,001	79,617	36,255	432,433
S106/CIL	1,000	2,200	1,700	200	200	1,000	6,300
Revenue Contributions	80	80	80	80	80	400	800
Borrowing	52,461	39,456	40,811	50,093	51,516	227,512	461,849
<b>Total</b>	<b>116,763</b>	<b>133,074</b>	<b>123,592</b>	<b>131,374</b>	<b>131,413</b>	<b>265,167</b>	<b>901,382</b>

Total 10-Year Capital Programme £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Place	351,201	486,216	250,162	273,216	165,527	837,484	2,363,806
<b>Financing:</b>							
External Grants	132,381	150,587	102,140	94,122	50,723	125,590	655,544
S106/CIL	1,000	2,200	1,700	200	200	28,508	33,808
Revenue Contributions	80	80	80	80	80	400	800
Capital Receipts	24,806	60,519	60,774	40,740	17,403	128,826	333,067
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	159,764	253,844	71,323	123,535	62,641	437,384	1,108,491
<b>Total</b>	<b>351,201</b>	<b>486,216</b>	<b>250,162</b>	<b>273,216</b>	<b>165,527</b>	<b>837,484</b>	<b>2,363,806</b>

## Appendix 4b – Financing for Resources Directorate

10-Year Capital Programme (Approved Programme) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	3,074	0	0	0	0	0	3,074
<b>Financing:</b>							
S106/CIL	55	0	0	0	0	0	55
Borrowing	3,019	0	0	0	0	0	3,019
<b>Total</b>	<b>3,074</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,074</b>

10-Year Capital Programme (Requested Additions) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	12,518	2,504	2,414	794	294	9,500	28,024
<b>Financing:</b>							
Borrowing	12,518	2,504	2,414	794	294	9,500	28,024
<b>Total</b>	<b>12,518</b>	<b>2,504</b>	<b>2,414</b>	<b>794</b>	<b>294</b>	<b>9,500</b>	<b>28,024</b>

Total 10-Year Capital Programme £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Resources	15,592	2,504	2,414	794	294	9,500	31,098
<b>Financing:</b>							
S106/CIL	55	0	0	0	0	0	55
Borrowing	15,537	2,504	2,414	794	294	9,500	31,043
<b>Total</b>	<b>15,592</b>	<b>2,504</b>	<b>2,414</b>	<b>794</b>	<b>294</b>	<b>9,500</b>	<b>31,098</b>

## Appendix 4c – Financing for People Directorate

10-Year Capital Programme (Approved Programme) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
People	23,321	1,250	1,250	0	0	0	25,821
<b>Financing:</b>							
External Grants	23,321	1,250	1,250	0	0	0	25,821
<b>Total</b>	<b>23,321</b>	<b>1,250</b>	<b>1,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,821</b>

10-Year Capital Programme (Requested Additions) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
People	8,530	8,460	8,360	8,360	8,360	41,800	83,870
<b>Financing:</b>							
External Grants	8,000	8,000	8,000	8,000	8,000	40,000	80,000
Revenue Contributions	0	0	0	0	0	0	0
Borrowing	530	460	360	360	360	1,800	3,870
<b>Total</b>	<b>8,530</b>	<b>8,460</b>	<b>8,360</b>	<b>8,360</b>	<b>8,360</b>	<b>41,800</b>	<b>83,870</b>

Total 10-Year Capital Programme £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
People	31,851	9,710	9,610	8,360	8,360	41,800	109,691
<b>Financing:</b>							
External Grants	31,321	9,250	9,250	8,000	8,000	40,000	105,821
Borrowing	530	460	360	360	360	1,800	3,870
<b>Total</b>	<b>31,851</b>	<b>9,710</b>	<b>9,610</b>	<b>8,360</b>	<b>8,360</b>	<b>41,800</b>	<b>109,691</b>

## Appendix 4d – Financing for Companies

10-Year Capital Programme (Approved Programme) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Companies	47,119	28,498	15,000	0	0	0	90,617
<b>Financing:</b>							
External Grants	200	0	0	0	0	0	200
Borrowing	46,919	28,498	15,000	0	0	0	90,417
<b>Total</b>	<b>47,119</b>	<b>28,498</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90,617</b>

10-Year Capital Programme (Requested Additions) £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Companies	10,732	30,950	21,961	0	0	0	63,643
<b>Financing:</b>							
Borrowing	10,732	30,950	21,961	0	0	0	63,643
<b>Total</b>	<b>10,732</b>	<b>30,950</b>	<b>21,961</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,643</b>

Total 10-Year Capital Programme £000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
Companies	57,851	59,448	36,961	0	0	0	154,259
<b>Financing:</b>							
External Grants	200	0	0	0	0	0	200
Borrowing	57,651	59,448	36,961	0	0	0	154,059
<b>Total</b>	<b>57,851</b>	<b>59,448</b>	<b>36,961</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>154,259</b>

## Appendix 5 – DIFF Metrics

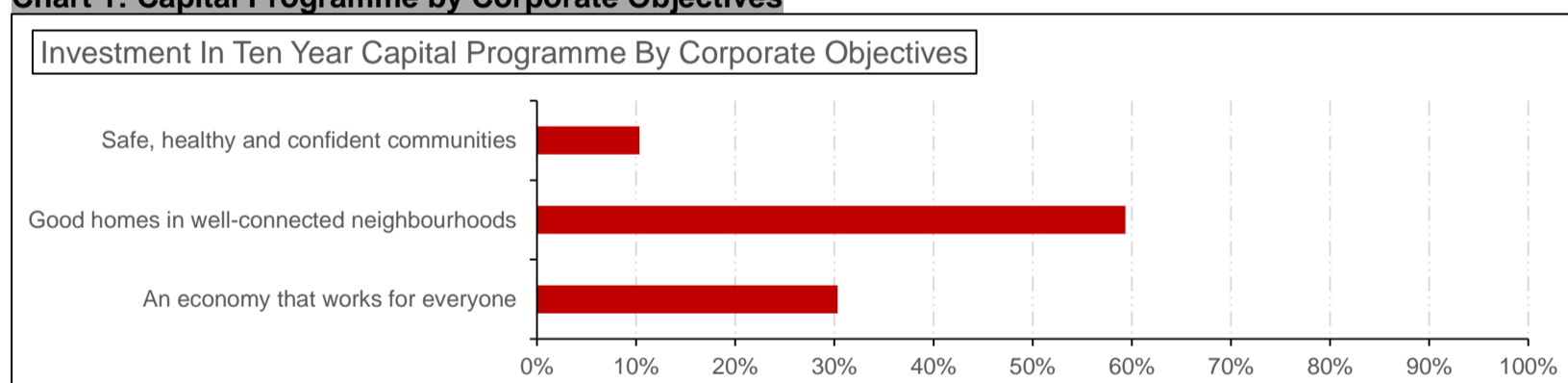
**Table 1: Number of Capital Projects - Classified by Value**

Value	GF	HRA	Total
£0-£0.5m	36	10	46
£0.5m-1m	18	11	29
£1m - £2m	8	7	15
£2m-£5m	16	10	26
£5m-£10m	3	9	12
£10m-£25m	6	3	9
£25m-£50m	8	1	9
£50m-£100m	7	1	8
£100m+	3	3	6
<b>Total</b>	<b>105</b>	<b>55</b>	<b>160</b>

**Table 2: Top 10 Programmes By Value**

<b>Top 10 Programmes By Value Included within the Ten Year Capital Programme 2021/22 to 2031/32 (Approved &amp; Requested Additions) (£000)</b>		
1	Meridian Water	479,460
2	Development Programme- Joyce and Snells (HRA)	457,224
3	Meridian Four	322,772
4	Development Programme - GLA (HRA)	305,779
5	Investment Programme (HRA) - Decent Homes	116,206
6	Investment Programme (HRA)	108,899
7	Highways & Street Scene	93,399
8	Housing Gateway Ltd	92,936
9	Development Programme (HRA)	69,422
10	Energetik	61,323

**Chart 1: Capital Programme by Corporate Objectives**



**Table 3: Financial Metrics**

Programmes With:	Profit/(Loss)	NPV	IRR	ROI	Payback
Positive	24	15	6	18	26
Negative	13	19	9	2	0
Zero / Not Available	13	16	35	30	24
<b>Total</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>

## Appendix 6 – Equalities Impact Assessment

### SECTION 1 – Equality Analysis Details

<b>Title of service activity / policy/ strategy/ budget change/ decision that you are assessing</b>	Ten Year Capital Programme 2022/23 to 2031/32
<b>Lead officer(s) name(s) and contact details</b>	<b>Matt Bowmer</b>
<b>Team/ Department</b>	<b>Resources</b>
<b>Executive Director</b>	<b>Fay Hammond</b>
<b>Cabinet Member</b>	<b>Councillor Maguire</b>
<b>Date of EqIA completion</b>	<b>4<sup>th</sup> Feb 2022</b>

### SECTION 2 – Summary of Proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision

**Please summarise briefly:**

What is the proposed decision or change?  
 What are the reasons for the decision or change?  
 What outcomes are you hoping to achieve from this change?  
 Who will be impacted by the project or change - staff, service users, or the wider community?

Approve the 2022/23 Capital Programme and to note the 2023/24 to 2031/32 Ten Year Capital Programme.

The Capital Programme establishes the budget framework and financial approvals for a wide variety of Council projects directed by the Corporate plan. The projects improve residents' lives by building homes and schools, improving streets and infrastructure, and creating modern workspaces for local businesses.

The programme is prioritised based on the following:

- Priority 1 – Fully grant funded
- Priority 2 – Statutory /Health and Safety
- Priority 3 - Medium term Financial Savings
- Priority 4 - Match funding
- Priority 5 – Other priorities aligned to the Council's strategic priorities

Longer term financial planning has become more important as the Council's capital programme becomes larger and more complex. Reporting on a rolling ten year basis facilitates the Council's understanding of the impact of the capital investment being made on the level of borrowing and revenue budgets reported as part of the 2022/23 to 2026/27 MTFP.

### SECTION 3 – Equality Analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact. According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.



“Differential impact” means that people of a particular protected characteristic (e.g. people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and, where possible, provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

<p><b>Age</b></p> <p>This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.</p>
<p>Will the proposed change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people of a specific age or age group (e.g. older or younger people)?</p> <p>Please provide evidence to explain why this group may be particularly affected.</p>
<p><u>Older People</u> Currently ~42,000 people aged 65 and over living in Enfield, making up around 13% of the total population. These figures are set to increase by 23% to 52,500 people aged 65 and older by 2025.</p> <p><u>Families, Children and Young People</u> Enfield has relatively high proportions of children and young people under the age of twenty – higher than both London and England averages. According to official Department for Work and Pensions statistics (2019/20) 18% of children under 16 in Enfield live in low-income families.</p> <p>The Capital programme includes schemes directed at the older and younger age groups. These are specifically aimed at addressing the unique requirements of these categories.</p> <p>These are assessed, with all other schemes, through the Development and Investment Financial Framework which ensures balanced consideration of resource requests in accordance with the Council's stated priorities.</p>
<p><b>Mitigating actions to be taken</b></p> <p>All requests for expenditure on capital schemes are assessed by the Capital Finance Board (CFB) which is comprised of a multi disciplinary team. Requests are made through the Development &amp; Investment Financial Framework (DIFF), a standardised form which ensures balanced consideration and assessment of schemes against the Council's stated priorities.</p> <p>This is required due to limited financial resources and competing request to expend these resources..</p> <p>The DIFF process, which was developed in conjunction with external advisors, provides financial and non-financial information and metrics in a standardised format so CFB can consider requests and changes to schemes dispassionately.</p> <p>To ensure rounded consideration the DIFF framework permits free format explanation of how schemes support equalities and diversity in the Borough.</p>
<p><b>Disability</b></p> <p>A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.</p> <p>This could include: Physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.</p>
<p>Will the proposed change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people with disabilities?</p> <p>Please provide evidence to explain why this group may be particularly affected.</p>
<p>The Capital programme includes schemes to support mentally and physically impaired persons and these are provided using external grant support and in collaboration with external partners including the NHS and local charities and support groups.</p>
<p><b>Mitigating actions to be taken</b></p> <p>The DIFF process ensures the continual review of the capital programme against stated Council priorities by allowing adjustment to schemes and against the backdrop of a continually changing demographic, legislative and socio-economic environment.</p>
<p><b>Gender Reassignment</b></p> <p>This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.</p>
<p>Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on transgender people?</p> <p>Please provide evidence to explain why this group may be particularly affected.</p>
<p>GIRES estimates ~650,000 people in the UK (or 1% of population) experience some degree of gender non-conformity. Assuming this is reflected in Enfield's population this would equate to some 3,350 individuals with some degree of gender non-conformity.</p>
<p><b>Mitigating actions to be taken</b></p> <p>No differential impact identified on groups with regard to gender reassignment. This assumption can be refreshed through the DIFF process.</p>
<p><b>Marriage and Civil Partnership</b></p> <p>Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide</p>

range of legal matters.
Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people in a marriage or civil partnership?
Please provide evidence to explain why this group may be particularly affected
No data on co-habiting partners available.
<b>Mitigating actions to be taken</b>
No differential impact identified on groups with regard to co-habitation arrangements. This assumption can be refreshed through the DIFF process.
<b>Pregnancy and maternity</b>
Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.
Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on pregnancy and maternity?
Please provide evidence to explain why this group may be particularly affected
No data on pregnancy/maternity.
<b>Mitigating actions to be taken</b>
No differential impact identified on groups with regard to pregnancy & maternity. This assumption can be refreshed through the DIFF process.

<b>Race</b>														
This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.														
Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people of a certain race?														
Please provide evidence to explain why this group may be particularly affected														
<p><u>Employment data 2019</u></p> <ul style="list-style-type: none"> <li>• 4% of White people were unemployed, compared with 7% from all other ethnic groups combined</li> <li>• Black, Bangladeshi, Pakistani had highest unemployment rate at 8%</li> <li>• White Other ethnic group had lowest unemployment rate at 3%</li> </ul> <p><u>Ethnicity 2019</u></p> <p>It is estimated that residents from White British backgrounds make up 35.3% of Enfield's inhabitants with other White groups (including White Irish) combined at 26.4%. Mixed Ethnic Groups account for 5.5%, Asian Groups for 11% and Black groups for 17.9% of Enfield's population.<sup>1</sup> 39% of the borough's population were born overseas.<sup>2</sup> National and borough wide data has been used as a proxy indicator given current gaps in the data we have for tenants and those on our housing waiting list.</p> <p>Whilst ethnic diversity is one of our biggest assets, ethnic minorities experience inequality in housing, education, employment, health and criminal justice in Enfield, as is the case across the UK. This needs to be addressed.</p> <p>Figure 3: 2019 Enfield Ethnicity estimates</p> <div style="text-align: center;"> <p><b>2019 Enfield Ethnicity estimates</b></p> <table border="1"> <caption>2019 Enfield Ethnicity estimates</caption> <thead> <tr> <th>Ethnic Group</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>White British</td> <td>35.3%</td> </tr> <tr> <td>White other</td> <td>26.4%</td> </tr> <tr> <td>Black Group</td> <td>17.9%</td> </tr> <tr> <td>Asian Group</td> <td>11.0%</td> </tr> <tr> <td>Mixed Group</td> <td>5.5%</td> </tr> <tr> <td>Other Ethnic Group</td> <td>4.0%</td> </tr> </tbody> </table> </div>	Ethnic Group	Percentage	White British	35.3%	White other	26.4%	Black Group	17.9%	Asian Group	11.0%	Mixed Group	5.5%	Other Ethnic Group	4.0%
Ethnic Group	Percentage													
White British	35.3%													
White other	26.4%													
Black Group	17.9%													
Asian Group	11.0%													
Mixed Group	5.5%													
Other Ethnic Group	4.0%													
<b>Mitigating actions to be taken</b>														
No differential impact based on race identified. This assumption can be refreshed through the DIFF process.														

<b>Religion and belief</b>
Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people who follow a religion or belief, including lack of belief?
Please provide evidence to explain why this group may be particularly affected.
The composition of the schemes in the capital programme do not require adjustment to accommodate religion or belief.
<b>Mitigating actions to be taken</b>
We have not identified any differential impact based on religion and belief. This assumption can be refreshed through the DIFF process.

<b>Sex</b>
Sex refers to whether you are a female or male.
Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on females or males?
Please provide evidence to explain why this group may be particularly affected.
The composition of the schemes in the capital programme do not require adjustment to accommodate gender.
<b>Mitigating actions to be taken</b>
We have not identified any differential impact based on religion and belief. This assumption can be refreshed through the DIFF process.

<b>Sexual Orientation</b>
This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.
Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people with a particular sexual orientation?
Please provide evidence to explain why this group may be particularly affected.
The 2019 Office of National Statistics (ONS) Annual Population Survey estimated 92.1% of UK population identified as heterosexual while 2.9% identified as lesbian, gay or bisexual.
The composition of the schemes in the capital programme do not require adjustment to accommodate gender.
<b>Mitigating actions to be taken</b>
No differential impact identified based on sexual orientation. This assumption can be refreshed through the DIFF process.

<b>Socio-economic deprivation</b>
This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.
Will this change to service/policy/budget have a <b>differential impact [positive or negative]</b> on people who are socio-economically disadvantaged?
Please provide evidence to explain why this group may be particularly affected.
Enfield is the 9th most deprived London borough and has the 11th highest rate of child poverty in the country. <sup>3</sup> Enfield's median household income is £35,300, which is the 9 <sup>th</sup> lowest of the 33 London boroughs and lower than the London average. Within the borough, there are clear differences in household income between the western and eastern parts. Median incomes in the most affluent neighbourhoods are twice those of the least affluent.
<b>Mitigating actions to be taken.</b>
The Housing programme ensures stock for social housing is kept up to lettable standards and families on low incomes are provided with high quality, safe and habitable accommodation. This is supplemented by the new build programme supported by GLA grant which will increase housing supply and choices for low income families.
This supported by a spectrum of General Fund schemes targeting the infrastructure and open spaces in the Borough as well as leisure and transports schemes.
The DIFF process will, as with all other characteristics, that new schemes are resourced and implemented in accordance with stated priorities.



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*Until this report is published, even if it is ultimately to be considered in Part 1, it should not be circulated beyond the Cabinet (excepting officers writing and reviewing the paper through this process) or sent externally, and its contents should be treated as confidential.*

**London Borough of Enfield  
Council**

**Meeting Date: 24<sup>th</sup> February 2022**

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**Subject: Housing Revenue Account (HRA)  
Budget 2022/23, Rent Setting and Business Plan Update**

**Cabinet Member: Councillor Needs, Cabinet Member for Social Housing  
Councillor Mary Maguire, Cabinet Member for Finance &  
Property**

**Executive Director: Sarah Cary, Executive Director Place  
Fay Hammond, Executive Director Resources**

**Key Decision: KD5354**

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**Purpose of Report**

1. This report sets out the proposed HRA 30-Year Business Plan, the detailed HRA Revenue Budget for 2022/23, the ten-year Capital Programme and Right to Buy (RTB) One for One Receipts programme. In this context the annual rent increase for Council tenants and service charges for tenants and leaseholders is proposed.

**Proposals**

2. Following the approval and recommendation by Cabinet on the 16<sup>th</sup> February, Council is requested to :
3. Approve the HRA 30-Year Business Plan shown in Appendix 1
4. Approve the detailed HRA Revenue Budget for 2022/23 as shown in paragraph 77.
5. Approve the 10-year HRA Capital Programme of £1,121m and borrowing requirements to deliver 3,500 council led homes.
6. Approve a rent increase of 4.1% (CPI + 1%) in line with Government guidelines noting the social and affordable rent levels for circa 10,484 HRA properties in 2022/23.
7. Approve the level of service charges for 2022/23 for those tenants and leaseholders receiving eligible services.
8. Approve the charges for garages and parking bay rents as set out in paragraph 64.

9. Approve the charges for community hall hire, including a deposit system, and delegate authority to the Director of Housing and Regeneration in consultation with the Cabinet Member of Social Housing to review and implement a new policy with a view to a more flexible charging system in appropriate circumstances.
10. Approve entering into the GLA grant agreement as part of the Affordable Housing Programme 21/26 and acceptance of the successful GLA grant bid of £166.5m and for starts from 2023 to 2028.
11. Note the heating charges for 2022/23 for those properties on communal heating systems (both electric and gas), including a mid-year review to understand the impact of the energy contract renewal which will apply from September.
12. Approve the establishment of 4 posts in the 2022/23 revenue budget to support the Building Safety requirements of our high-rise blocks. To note the Housing Team will be progressing with resident engagement on the introduction of a new service charge in 2023/24 in relation to these costs.
13. Approve that Enfield, as one of the ten Constituent Authorities of the LHC (London Housing Consortium) Joint Committee, withdraws from the LHC Joint Committee, resulting in its potential disbandment in December 2022 at the earliest. This means that the LHC will no longer be an outside body subject to council nominations.

### **Reason for Proposals**

14. This report is presented to Council on annual basis for the following reasons:
  - To ensure that a balanced 30-Year HRA Business Plan is approved by Council.
  - To ensure that the HRA Budget is set by the Council and that this budget does not put the HRA into deficit.
  - To set the affordable and social rent and service charge levels for HRA properties, in line with the Governments Social Housing Rent Policy. This decision must be taken early enough for the tenants to be advised of the change at least 4 weeks prior to the date of that change.

### **Relevance to the Council Plan**

15. Develop affordable homes, ensure we set fair rents, improve existing housing stock to create a lifetime of opportunities in Enfield, providing Good Homes in well-connected Neighbourhoods, and Sustaining Strong and Healthy Communities.

### **Background**

16. In October 2019 the Government announced a change to the Social Housing Rent Standard Policy that from April 2020 for a 5-year period, local authorities could increase rents by CPI+1% which has been incorporated into the Business



Plan. This follows a period of reductions to rents which have affected capacity in the Business Plan to fund services and investment in homes.

17. Below are the key changes for Housing since the 2021/22 Rent Setting report which have had implications on the Business Plan:

- The impact of Covid-19 on the HRA revenue and capital budgets
- Updated Right to Buy (RTB) legislation
- Revised 10-year capital programme to secure ongoing delivery of new homes and investment in existing homes
- An update on the Sheltered Housing de-designation strategy
- The enhancement of the ground's maintenance service and improvements on our estates to match requirements arising from changed lifestyles
- Energy market update and assistance for residents

### Main Considerations for the Council

18. HRA 30-year Business Plan – the overarching assumptions in the HRA Business Plan are as follows:

Item	Assumption	Information
Inflation on supplies and services	3.1% Consumer Prices Index (CPI) increase for 2022/23, 3% until 2024/25, then 2%	Based on September CPI of 3.1%
Salaries	2% Pay Award	In consultation period
Rent – Existing council housing tenants	CPI (3.1%) plus 1% assumed from 2022/23 for 4 years, then CPI only	CPI is the rate at September which was 3.1%
Rents – Council new build affordable homes	CPI (3.1%) plus 1% assumed from 2022/23 for 4 years, then CPI only	London Affordable Rents (BCHL, Better Council Houses for Londoners) Social Rents (AHP, Affordable Houses Programme))
Repairs & Maintenance cost increases	3.1% Consumer Prices Index (CPI) increase for 2022/23, 3% until 2024/25, then 2%	
Investment Capital Programme	Annual amounts based on the updated estimated cost of replacing components, kitchens, roofs, windows, bathrooms etc. in the year that they fall due for replacement.	Budget reflects a programme approach
Fire Safety Works	Based on estimated costs of fire safety works but excluding any new requirements arising from legislation	All costs budgeted for included in the capital programme. Still awaiting Government guidance on the new Building Safety Standards
Capital Programme – Estate Renewal and Development	Costs of current Programme included in the Business Plan based on the latest capital monitoring information.	3,500 new homes built into the plan over the next 14 years
RTB Sales	60 for 2022/23	Actual RTB sales at period

	then 20 per annum from 2023/24 onwards	8 in 2021/22 show 51 sales
Operation of the Governments RTB One for One Replacement scheme	The Council will operate the scheme in accordance with Government guidelines. The RTB receipts are currently match funded by the HRA on a 40:60 basis.	Retention agreement entered into to allow a further 5 years to spend the receipts
Interest rate on borrowing	5.5% on existing debt 3.48% on self-financing debt 2.5% on new debt in 2022/23 then, 3.5% on new debt ongoing	Reflects actual debt costs and Treasury Management Strategy
Interest rate on balances	0.02%	Estimated 7-Day London Inter Bank Bid (LIBID) rate
Repayment of Debt	The loan principal will be paid back in full when it falls due. Interest is charged annually over the life of the loan.	HRA debt is expected to increase by £386m over the next 10 years

### Proposed Rent Charges for HRA Properties 2022/23

19. Enfield follows the Government's Social Housing Rent Standard which sets out how councils should increase rents each year. From April 2020 the rent settlement for the next 5 years is CPI + 1%, CPI being based on September's rate.
20. September's CPI is 3.1%. In following the rent standard in 2022/23 rents will increase by 4.1%, this is an increase of 1.1% to the assumptions in the Business Plan of CPI of 2%.
21. The table below shows examples of the rents for 2022/23 for different HRA property types and sizes across the borough. It should be noted that these will vary for each tenant. The new rents will be operative from 4<sup>th</sup> April 2021 (the first Monday in the month) and apply to circa 10,100 properties on social rents.

Property Type	Average Rent 2021/22	Average Rent 2022/23	£ Increase	% Increase
Bedsit	84.19	87.64	3.45	4.1%
1 Bed Flat	89.24	92.90	3.66	4.1%
1 Bed House	100.99	105.13	4.14	4.1%
2 Bed Flat	98.59	102.63	4.04	4.1%
2 Bed House	112.33	116.94	4.61	4.1%
3 Bed Flat	109.16	113.64	4.48	4.1%
3 Bed House	123.07	128.12	5.05	4.1%
4 Bed Flat	115.82	120.57	4.75	4.1%
4 Bed House	129.17	134.47	5.30	4.1%
5 Bed House	141	146.78	5.78	4.1%
6 Bed House	163.21	169.90	6.69	4.1%
<b>Average Rent</b>	<b>103.09</b>	<b>107.32</b>	<b>4.23</b>	<b>4.1%</b>

22. Within the formula rent calculation there is the ability to charge up to 5% more on the base rent levels for specific reasons, for example, a new build council house, these rents exclude service charges. This flexibility hasn't been applied to the current HRA stock but given the 2021-26 Affordable Housing Programme is based on Social Rent levels (as opposed to London Affordable Rent LAR) this will be reconsidered.
23. In October 2016, Cabinet agreed Affordable Rent levels to apply to all New Homes built or acquired by the Council. The Rent Setting Policy agreed that 'When the Council builds or acquires new or additional properties then consideration will be given to letting these at the higher affordable rent level inclusive of service charges. Affordable rents are based on Local Housing Allowance (LHA) rates and median income in Enfield.
24. Rents for re-provision in regeneration projects will be charged at re-based social rent levels, plus the 5% tolerance recognising the wider financial benefits of living in a home with a higher thermal comfort rate.
25. As part of the GLA grant conditions all future development schemes will be charged the 'London Affordable Rent' or 'Social Rents' instead of 'Enfield Affordable Rent'. Tenants currently on Enfield Affordable rents will remain and increased as part of the Social Rent Policy.
26. The Enfield Affordable Rents, which applies to circa 175 properties, are inclusive of service charges and have been increased in line with the Social Housing Rent Standard which is 4.1% (CPI +1%) as follows:

<b>Enfield Affordable Rent</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Increase per week</b>
	<b>£</b>	<b>£</b>	<b>£</b>
1 bed	163.47	170.17	6.70
2 bed	198.2	206.33	8.13
3 bed	215.57	224.41	8.84
4 bed	230.89	240.36	9.47

27. In 2016 the Mayor of London introduced the London Affordable Rent on all new schemes funded with Greater London Authority (GLA) grants. These affordable rents will only be applicable on properties delivered through the BCHL GLA programme which have received grant. It should be noted that these rents are weekly and exclude service charges.
28. The following table shows the published rents for 2022/23 and this rent applies to circa 109 properties:

<b>London Affordable Rents</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Increase per week</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Bedsit and one	161.71	168.34	6.63

bedroom			
Two bedrooms	171.2	178.22	7.02
Three bedrooms	180.72	188.13	7.41
Four bedrooms	190.23	198.03	7.80
Five bedrooms	199.73	207.92	8.19
Six or more bedrooms	209.24	217.82	8.58

29. The below table shows the increase in Council owned properties over the next 10 years, based on Council Housing's development programme.

Current stock numbers	10,484
RTB sales	-240
GLA grant funded & RTB programme	1,924
<b>Expected stock numbers</b>	<b>12,168</b>

### Proposed Tenants Service Charges 2022/23

30. Councils are entitled to recover the costs of these services from tenants. Whist service charges are not governed by the same factors as rent, authorities are required to comply with expectations to help keep charges affordable for tenants with reference to the agreed rent indexation level.
31. Service charges to tenants have been set for 2022/23 in accordance with Council policy to recover the costs from all tenants receiving the services. Where new or extended services are introduced, an additional charge may need to be made, in this instance the Council should consult with tenants.
32. It is recommended that the following service charges are made to those tenants in receipt of the services below:

Service	Current 2021/22	Proposed 2022/23	Overall change	Enhanced service change	Reason for change
	£ per week	£ per week	£ per week	£ per week	
Concierge	10.72	10.97	0.25	n/a	Contract inflation
CCTV	From 0.16 to 2.04	From 0.17 to 2.12	From 0.01 to 0.08	n/a	Costs of providing service
Grounds Maintenance	1.96	2.28	0.32	0.30	Inflation and enhanced service
Caretaking Service	From 2.28 to 6.07	From 2.37 to 6.32	From 0.09 to 0.25	Average 13p	Inflation and enhanced service
Sheltered Caretaking	From 1.61 to 3.52	From 1.64 to 3.59	From 0.03 to 0.07	n/a	Costs of providing service
Sheltered Housing Mgt Fee (new tenants only)	From 23.62 to 29.65	From 23.86 to 29.95	From 0.24 to 0.30	n/a	Costs of providing service
Sheltered Cleaning – Level 1 *	0.9	0.92	0.02	n/a	Costs of providing service
Sheltered Cleaning – Level 2	2.08	2.13	0.05	n/a	Costs of providing service

*					
Sheltered Cleaning – Level 3 *	2.96	3.03	0.07	n/a	Costs of providing service
Landlord Communal Service Charge	From 0.29 to 3.29	From 0.30 to 3.39	From 0.01 to 0.10	Average 10p	Inflation and enhanced service
Communal Electricity (Average)	15.28	16.04	0.76	n/a	Energy price increases

\* Sheltered Cleaning has three different charges based on a combination of the number of weekly cleaning hours and the number of properties within a block.

33. The table above shows the increases to the service charges from April 2022. There have been enhancements to several services based on residents' requests and the cost per week of these enhancements are shown separately in the table above, with details of enhanced services in the report below.

### Grounds Maintenance

34. In 2021/22 it was agreed to provide additional investment to improve the environmental conditions of estates following lifestyle changes as a result of the pandemic. Feedback from residents and members was that the standard of estate services could be improved and having a clean, safe and well-maintained environment in which to live is important to tenants. It is recognised that the appearance of an estate or group of homes enhances well-being and provides a positive environment in which to live. The Council therefore aims to make its homes and surrounding areas as attractive and well maintained as possible, provide greater opportunities for safe play and enjoyment and enhanced recycling facilities.
35. Following internal review, a number of improvements in this service have been implemented which include:
- a. Grass will be cut every 10 working days during the cutting season (March - Oct)
  - b. Leaves will be cleared once a year at the end of leaf fall
  - c. Shrub beds will be maintained twice a year
  - d. Weed-spray contract for controlling weeds growing on all hard surfaces on our land.
  - e. Treatment of invasive species such as Japanese knotweed
  - f. Maintenance work on trees according to priority, contractors will deal with trees that are a health-and-safety hazard first. There is an inspection regime for communal areas every 3 years.
  - g. Delivery of ground maintenance estate improvement programmes, such as creating and supporting resident led greening projects such as Grow Your Own schemes and Allotments.
36. The grounds maintenance enhanced service will cost an additional £314,000 per annum which will increase the grounds maintenance service charge by 30p per week. These changes are reflected in the service charge from April 2022 and will be consulted with residents in the normal way.

### **Estate Improvements**

37. In addition, following residents requests the following additional services will be provided from April 2022:
38. A window cleaning programme – there are 623 low rise blocks and 52 tower blocks which will receive a ‘reach and wash’ arrangement for low rise blocks and abseiling for tower blocks. The window cleaning programme will cost an additional £155,750 per annum, which will increase the Landlord Communal Service Charge service charge by an average of 10p per week.
39. Deep Cleaning Programme. This will be an annual programme of pressure washing, deep cleaning of bin chambers and gulley’s. It is proposed that these tasks are delivered in house by a small team of 3 staff. The deep cleaning programme will cost an additional £168,750 per annum, which will increase the Caretakers service charge by an average of 13p per week.
40. Consultation with tenants and leaseholders on these improvements is taking place in the normal way and will be reflected in the service charges from 2022/23.

### **Sheltered Housing**

41. The progress of the Older Persons service modernisation programme has been adversely affected by the pandemic due to the inability to consult with residents. The savings and additional income will be achieved during the year 2022/23
42. There will be consultation with residents and community groups on a new offer for older people. The new offer will include a mix of ‘independent living’ schemes with onsite wardens and communal facilities for those with higher support needs, and a remote telecare service available to residents regardless of tenure which enables residents to remain in their home. Service charges will reflect the level of support each tenant opts to receive.
43. In the meantime, all new tenancies granted after 1 April 2019 to all existing sheltered housing schemes attract a full enhanced housing management fee.

### **Building Safety Team**

44. From January 2022 the service will be engaging with residents for the proposed implementation of a Building Safety Management service charge. As part of the further Building Safety requirements, its essential that Enfield build a team to manage updates on regulations to ensure we are meeting the expected standards. Its proposed to create 4 new posts in the 2022/23 revenue budget to support a number of high-rise blocks in these safety measures. The estimated cost will be £192k.

45. Following resident engagement and consultation implement a service charge from 2023/24 will be proposed. This will be based on the cost of providing the Building safety service and would only be applicable to tenants and leaseholders receiving this service.

### **Heating Charges**

46. The Council has in the region of 1,800 properties in 68 blocks of flats serviced by communal heating systems, this includes a mix of electric and gas.

### **Electricity Charges**

47. The electricity charges are made up of two elements, the non-commodity standing charge and the non-commodity charges of delivering electricity, balancing the grid, all network costs including maintenance and development and Government taxes and levies.
48. The UK is currently in one of the most unpredictable and unprecedented times in history where both Covid-19 and Brexit causing volatility in equity, commodity and energy markets. Energy wholesale market prices reached records highs, with gas and electricity prices increasing on average by 60-100%. Since September, market prices across summer and winter have been rising across gas and electricity. This has resulted in a proportionate rise in the forecasted price movement across the varying baskets. With the start of 2022 looking to be equally volatile as the end of 2021, the market has seen a decrease in market prices, although they are still higher than average.
49. LASER (energy procurement consultants) is continuing to actively hedge future energy volumes to ensure we mitigate the risk as much as possible. The current Housing energy contract was secured prior to these significant increases, with current prices secured until September 2022. As the energy contract is secured until September there will be a part year increase in the electricity charges. This has been calculated as an average over the year and will see a 5% increase in charges from April 2022.
50. With the market being so volatile, there will be a mid-year review following the contract renewal in September 2022. At this point we will consult with residents to ensure they are up to date with the latest market data. The charge for 2022/23 is secured at 5%, however we want to keep tenants informed for potential rises from 2023/24.
51. It should be noted that whilst prices are increasing, Enfield Council have in the past made significant savings on energy through consortium purchasing via LASER (part of Kent County Council) who are experts in energy procurement. They purchase energy for many public bodies enabling Enfield to benefit not only from their expertise but also from cost and price reductions gained through bulk buying. This continues to be the case even in a market with this level of uncertainty.

### **Gas Charges**

52. Similarly, gas forecasts are rising by 10 to 20%, as the largest portion of the delivered cost is made up for the commodity element. This is the main 'negotiable' cost of energy and is dependent on the wholesale market price of gas at the point energy is purchased
53. The current contract is secured until September 2022, with great uncertainty in the market for the following contract period. Due to the volatile market the proposed increase from April 2022 will be 8%.

### **Other Charges**

54. The gas standing charge and fuel oil will increase by 8%.

### **Assistance for Residents**

55. The cost of living has gone up and the service is aware many people are finding it difficult to make ends meet, with food and household bills rising and money not going as far as it used to.
56. A combination of the coronavirus pandemic, inflation, and national insurance tax increases has raised the cost of living and put severe pressure on household budgets.
57. The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help residents paying their bills including Council Tax, claiming benefits, debt management and access help with food, fuel and other essentials, if required. In addition, the Rent Income Team will be able to offer advice and help arrange payments plans where necessary.

### **Garages**

58. The garages which are let to Council tenants, leaseholders and private tenants are standard lock-up. A non-Council tenant premium is charged on all lets to private tenants, and any Council tenant or leaseholder who rents more than 2 garages.
59. The garage charges have increased by an average of 3.1% in 2022/23, the charges are as follows:

	<b>2021/22 Weekly rent per week</b>	<b>2022/23 Proposed Weekly rent per week</b>	<b>Change</b>
	<b>£</b>	<b>£</b>	<b>%</b>
Standard lock-up Garages	13.50	13.90	3.0%
Private Garage Rental	26.50	27.30	3.0%
Private Garage Rental Concessionary	21.00	21.60	2.9%
Garage Storage	26.50	27.30	3.0%
Garage Storage Concessionary	21.00	21.60	2.9%



Parking Bay	8.40	8.70	3.6%
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### Community Halls

60. The HRA Community Halls have increased by an average of 3.1%, the charges are as follows:

Community Hall Hourly Rate	2021/22 Charges	2022/23 Proposed Charges	Change
	£	£	%
Private Hire	32.50	33.50	3.07%
Charitable	19.50	20.10	3.10%
Council Housing resident	24.00	24.70	2.93%
Enfield resident rate	26.50	27.30	3.02%

61. A review of the Community Halls policy is in progress with a potential change in the charges to a more flexible approach.
62. Currently the Community Halls do not have a deposit system in place for ad hoc hirers. Due to the halls being left in a poor condition, with additional costs incurred due to cleaning requests/damage/or officer time for late locking, it is proposed to introduce a deposit charge to all ad hoc hirers of £100. The following steps will be introduced:
- Payment will be made by card and refunded to the card.
  - Any confirmed damage or untidiness will result in the deposit being lost and that money being used to cover the costs associated
  - Deposit refund process introduced so that hirers are refunded within 5 working days if the hall is handed back on time, in the appropriate condition
  - Hire agreement amended to include section on when deposit will be deducted/lost
  - Appeal process for lost deposits to be included in hire agreement
  - This process will be managed by the Housing Management team

### Leaseholder Service Charges

63. The administration and management charge is a flat rate of £4.17 per week, added to the cost of services to cover the preparation of estimates and actual costs, billing consultation on repairs and improvement works and estate management.
64. At the end of each financial year, the actual cost is determined, and an appropriate adjustment made to the charge.
65. The cost of administration and management for 2022/23 is estimated at £1.108m and it is therefore recommended that the charge is set at £217.09 per leasehold unit to cover this cost.

66. The charges below will vary for our 4,911 leaseholders depending on the services they receive. Adjustments will be made mid-year to reflect actual charges.

	Charge per week 2021/22	Proposed charge per week 2022/23	Change per week	Change per week
	£	£	£	%
Administration & Management Charge	4.06	4.17	0.11	2.7%
Caretaking Service	From 2.28 to 6.07	From 2.37 to 6.32	From 0.09 to 0.25	Average 4.0%
Communal Electricity	From 0.29 to 3.54	From 0.35 to 4.25	From 0.06 to 0.71	Average 20%
Concierge	10.72	10.97	0.25	2.3%
CCTV	From 0.16 to 2.04	From 0.17 to 2.10	From 0.01 to 0.06	Average 2.9%
Grounds Maintenance	1.96	2.28	0.32	16.3%
Paladin Bins	0.58	0.6	0.02	3.5%
<i>INSURANCE</i>			0.00	
1 Bed	4.21	4.59	0.38	9%
2 Bed	4.96	5.41	0.45	9%
3 Bed	5.98	6.52	0.54	9%
4 beds	6.5	7.09	0.59	9%
Flat Repairs (Annual Charge)	0.02	0.02	0.00	0.0%
Ground Rent (Annual Charge)	0.19	0.19	0.00	0.0%
Estate Charge (Annual Charge)	0.25	0.25	0.00	0.0%

### Insurance

67. It is anticipated there will be an increase of 9% in property Insurance due to higher costs for building materials and inflation.

### Under Occupation Project

68. This three year project started in 2020/21 to ensure best use of Council stock by moving tenants that are under-occupying Council Homes into suitably sized accommodation thereby freeing up larger accommodation. There was an increase in the incentive and flexible bespoke packages including support that meet the needs of tenants.
69. The charges remain at the 2021/22 approved levels, with an additional incentive for four bedroom or larger properties.
70. The incentives offered are as follows:

£1,250 for giving up 1 x room

£2,000 for giving up 2 x rooms

£2,500 for giving up 3 x rooms

£3,000 for giving up a four bedroom or larger property

### 2022/23 Revenue Budget

71. The table below sets out the base budget for 2022/23 compared to 2021/22 figures.

Category	2021/22 Budget	2022/23 Proposed Budget	Reason for differences
	£'000	£'000	
Bad Debts	605	610	Inflation
Corporate & Democratic Core	134	138	Inflation
Cost of Capital	10,641	10,983	Increase in interest payments due to an increase in level of debt to support capital programme
Depreciation	11,067	11,283	Increase in depreciation to reflect current market
Interest on Balances	-380	-186	The amount of interest receivable is decreasing - reduced interest rates
Rent Rates and other Charges	676	592	Decrease in council tax on regeneration void properties charges due properties demolished
Rents Dwellings	-58,871	-60,495	Rent increase and stock movements - reduced stock from RTB's, increased stock from new builds/acquisitions
Rents Shops-Commercial	-2,343	-2,262	Removal of aerial on block – reduced income
Repairs and Maintenance	15,826	15,994	Contract inflation
Supervision & Management General & Special	21,746	22,255	2% estimated salary pay award, increase in energy costs
Leaseholder Service Charges	-5,016	-5,075	Inflation
Self-Financing Contribution	7,016	7,029	Balance the Housing Revenue Account
Non-Dwelling Rents	-1,102	-866	Reduction in garage income - reflects actual lettings
<b>Grand Total</b>	<b>0</b>	<b>0</b>	

### Efficiency Savings

72. For the Business plan to remain sustainable, efficiency savings are required. A 5% efficiency saving in Management and Maintenance has been built in to the HRA Business plan until 2024/25. This will generate additional revenue of circa £1m per annum. The efficiencies will be partly achieved by:
- The introduction of a new IT system (Civica CX), this is expected to make long term savings in staff costs including in Enfield Repairs Direct (ERD) which is currently incurring additional costs involved manual data entry
  - Insourcing the repairs service, with annual savings ongoing
  - Income generation from delivering repairs to a wider range of internal customers
  - Housing management service restructure – completed in 2021/22 with full year savings realised for 2022/23
  - Increased income from Community Halls hire
73. The service continues work on a delivery plan to meet efficiency targets to deliver future savings. These efficiencies will assist in ensuring the Business Plan remains sustainable.

### Capital Finance and Prudential Code

74. The Prudential Code for Capital Finance requires the authority to have regard to affordability, prudence and sustainability when considering its capital investment plans and to set and keep under review a range of prudential indicators. In December 2017 the prudential code changed, and it is recognised that indicators of affordability are best determined in the light of local constraints around precepts and ring-fenced and statutory funds such as the HRA and Police Fund. Authorities are encouraged to use local indicators that reflect how capital finance is permitted to be financed locally. For example, for those authorities with an HRA, the ratio of financing costs to net revenue budget should be calculated within the HRA ring-fence and an impact on rents calculated.
75. The General Fund Budget report for 2022/23 along with the Treasury Management report elsewhere on the agenda sets out the background to the prudential code and shows the indicators for the HRA and the General Fund.
76. The financial framework continues to ensure the Business plan remains financially viable and within affordable limits. This framework enables us to assess future investments decisions. The metrics are Interest Cover Ratio (ICR) and Loan to Value (LTV).

### Capital Programme

77. The table below sets out the overall capital expenditure planned for the next 10 years. These budgets are aligned with the 10-year Capital Strategy report. The programme is broken down into three areas detailed below:

Capital Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 to 2031/32	TOTAL
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	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investment Programme	54,574	57,946	15,312	14,539	14,539	68,194	225,104
Estate Regeneration Programme	6,239	1,051	982	763	633	0	9,668
Development Programme	72,110	158,518	79,694	113,948	82,598	379,251	886,120
<b>Total HRA</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>

78. The 10-year capital programme totalling £1,121bn will be funded as follows:

Financing	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Grants & Contributions	17,347	9,139	21,140	13,122	34,927	116,844	212,518
Capital Receipts	21,206	56,591	60,704	39,589	17,363	128,826	324,279
Major Allowance Repairs	11,744	12,062	14,145	14,539	14,964	68,195	135,648
Earmarked Reserves	21,427	6,923	0	0	19,517	48,581	96,447
Borrowing	61,200	132,800	0	62,000	11,000	85,000	352,000
<b>Total</b>	<b>132,923</b>	<b>217,515</b>	<b>95,989</b>	<b>129,250</b>	<b>97,770</b>	<b>447,445</b>	<b>1,120,892</b>

### Investment in Stock

79. Work continues on the Asset and Sustainability strategy. Once finalised the affordability will be ascertained against the business plan and the new strategy will come forward to Cabinet for approval with a revised 10-year investment programme, aligned to the new strategy
80. A significant amount of re-profiling was identified in 2021/22, mainly due to the knock-on effects of delays in year for 2020/21 linked to Covid-19. There have been additional delays linked to extraordinary inflationary increases in building costs and labour shortages associated with global market forces during 2021 and ongoing, leading to lengthy negotiations taking place with suppliers.
81. In line with the Better Council Homes programme, the asset management strategy drives investment in the Council's housing stock; reducing carbon, achieving the Decent Homes Standard and maintaining this and addressing building safety risks are Council priorities.
82. A revised programme has been included within the updated 10-year capital programme to reflect the impact of these changes. This programme will deliver the following:
- Maintain and increase adherence to decent homes standards
  - A risk-based programme of building safety works across high rise and specialised housing units
  - A reduction in lift outages, which cause inconvenience to residents

- Prevention of water leaks and penetration, which can lead to mould growth, affecting resident's health and wellbeing
- Improved building performance, reducing energy consumption and fuel bills

83. The 10-year capital programme is as follows:

Investment Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 to 2031/32	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Asset-Led Works	4,497	108	0	0	0	0	4,605
Asset-Led Works: Cambridge Road West	4,632	118	0	0	0	0	4,750
Asset-Led Works: Upper Edmonton	719	0	0	0	0	0	719
<b>Total Asset-Led Works</b>	<b>9,848</b>	<b>226</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,074</b>
Demand-Led Works	1,050	850	0	0	0	0	1,900
Demand-Led Works: Aids & Adaptations	1,300	1,500	0	0	0	0	2,800
<b>Total Demand-Led Works</b>	<b>2,350</b>	<b>2,350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,700</b>
<b>Fire-Led Works</b>	<b>26,273</b>	<b>30,357</b>	<b>379</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57,009</b>
<b>Stock-Condition-Led Works</b>	<b>16,103</b>	<b>25,013</b>	<b>14,933</b>	<b>14,539</b>	<b>14,539</b>	<b>68,194</b>	<b>153,321</b>
<b>Total HRA</b>	<b>54,574</b>	<b>57,946</b>	<b>15,312</b>	<b>14,539</b>	<b>14,539</b>	<b>68,194</b>	<b>225,104</b>

### Stock Condition Led Works

84. This budget will fund decent homes improvement works, delivered through various contracts across the borough. These include boiler upgrades, kitchen, bathroom and electric replacements, roofing renewals, window replacements and external wall insulation applications.
85. These works will improve building insulation and reduce heat loss, which will create savings in energy costs to residents.
86. The Council also working on an application for Social Housing Decarbonisation Funding (SHDF) in a bid led by Barking & Dagenham Council for EnergieSprong. Deep retrofitting to net zero carbon. If successful, this will receive match funding to the value of circa £2million.

### Asset Led Projects

87. This aspect of the programme is based upon the delivery of decency and safety driven improvement works to schemes where blocks in close proximity have been grouped together and procured. These schemes are all live and include; Hertford Road, Upper Edmonton and Cambridge Road West. Upper Edmonton is due to be completed by early summer 2022. Hertford Road and Cambridge Road West are currently in the mobilisation stage and are expected to complete before the end of the financial year 2022/23.

88. These decency works will delivery:
- Roof renewals
  - Door replacements, which also improve the fire safety of our buildings
  - Communal area works to blocks
  - Communal electric works
  - Replacement windows

### **Demand-Led Works**

89. This budget funds the Council's adaptation works to housing properties and includes budget for conversion works to Dover House Surgery, which is being converted to residential, structural repairs and a cycle storage scheme. These schemes are demand led so there is a small risk that reduced demand will result impact the spend profile in any given year.

### **Fire-Led Projects**

90. The building safety improvement projects include:
- replacement flat entrance and communal area fire doors
  - fire suppression system (sprinklers) installations
  - fire/smoke alarm upgrades
  - compartmentation works
  - communal Class O (fire resistant) redecorations
  - infrastructure replacement works such as soil stacks and electrical submains
  - conversion of individual gas boilers to district heating at Walbrook House
  - cladding remediation works
91. Projects currently live include Bliss House and Purcell House and Brittany House, which are planned to complete in the 2022/23 financial year. Channel Islands, which is planned for completion summer 2023 and Walbrook House, which is expected to be completed early in 2025. Procurement is currently underway for five additional projects, which are planned to commence in 2022 including:
- FRA package 1. Gainsborough; Bonington, Constable & Brookbank
  - FRA packages 2/3. Scott & Bridport / Jackson & Swinson
  - FRA package 4 Exeter and Kettering Road
  - FRA package 5. Shropshire & Cheshire Hereford & Leicester
  - Constable and Bridport cladding remediation works

### **Social Value**

92. The contracts awarded will deliver the following social value outcomes:
- Apprenticeships
  - School placement/ work experience placements, with targeted recruitment of BME and disabled school leavers
  - DIY skills workshops for residents
  - Greening and sustainability projects
  - A commitment to employ Enfield residents

- A reduction in carbon generated from the Council
- 100% recyclable waste target
- Resident energy awareness programmes to address energy consumption and fuel poverty.

93. All Social Value outcomes will be captured via the Social Value Portal, using the Council Housing social value model and will account for 10% of the tender evaluation score.

### Development Programme

94. During 2021/22 the new homes programme experienced the same challenges outlined on the investment programme section.

95. The mid-year business plan review was completed based on the latest market data and the plan was updated and approved in December Cabinet (KD5342). This approved an updated plan including the latest programme of pipeline schemes which will deliver the Council Housing new homes programme over the next 14 years.

96. The main changes to the underlying assumptions included in the mid-year update are summarised below:

Hurdle Criteria	Current Approved	Revised Approved
Build cost per unit	£300k new build £450k estate regeneration	£400k new build £450k estate regeneration
Net Present Value (NPV) – cashflows include inflation assume discount rate of 3.5%	–£50k per unit	–£60k per unit
Internal rate of return (IRR)*	3.5%	3.5%
Repayment period	40 years	50 years

97. The increased build cost per unit is the most significant change to the programme. The previous programme included an average build cost of £300k per affordable unit but this has increased to £400k per unit based on current market conditions. This is a short-term measure and will continue to be reviewed annually based on market conditions with the aim of driving this downwards.

98. Efficiencies in design will continue to be driven as over the full term of the HRA Business Plan, direct development cannot be sustained at that rate and therefore the development team will be expected to deliver schemes under those thresholds through initiatives such as the MMC (Modern Methods of Construction) buyer's club.



99. The Council is in receipt of GLA grant under different programmes. Homes funded through the GLA's Building Council Homes for Londoners programme will be completed by March 2024.
100. The next tranche of the programme, for which the Council has secured an allocation of roughly £167m for the GLA's Affordable Housing Programme 21-26, includes delivery of approximately 2,000 homes through the regeneration of Joyce & Snell's estates from March 2023, the delivery of 120 homes from March 2024 through use of modern methods of construction (MMC) secured through a buyer's club with Barking, Waltham Forest, Newham and Haringey.
101. Following the Cabinet decision in September 2020 we have been working up the proposals for Joyce and Snells with a view to producing a viable offer to residents that will ensure that they benefit from the regeneration of the area. A ballot was undertaken in 2021 which saw an 85% turnout of which 78.5% voted yes for change. The HRA business plan has been updated based on the financial modelling agreed at Cabinet. The masterplan is being developed and will be submitted this year. This continues to be an evolving process with a range of considerations including viability, commercial strategy and resident engagement all feeding into it.
102. Overall, in this period, the programme will deliver over 1,800 affordable and social rent homes and around 1,200 homes for shared ownership and sale (a projected gross income of over £500m). The post 2026 GLA funding round will target the funding to deliver the 3,500 homes programme.
103. The table below details the schemes on site and the future programme budgets:

<b>Development Programme</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28 to 2031/32</b>	<b>TOTAL</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Development Programme: future schemes	32,994	70,725	26,550	59,501	35,313	110,343	335,426
Development Programme: Bury Street	9,636	438	0	0	0	0	10,074
Development Programme: Electric Quarter	1,291	0	0	0	0	0	1,291
Development Programme - Joyce & Snells	6,756	38,410	43,144	52,721	47,285	268,908	457,224
Development Programme: Reardon Court	10,069	18,231	0	0	0	0	28,300
Development Programme: Upton & Raynham	11,254	30,714	10,000	1,726	0	0	53,695
Development Programme: Gatward/Newstead & Maldon	110	0	0	0	0	0	110
<b>Total Development Programme</b>	<b>72,110</b>	<b>158,518</b>	<b>79,694</b>	<b>113,948</b>	<b>82,598</b>	<b>379,251</b>	<b>886,120</b>

104. New build development units will be charged at London Affordable Rent levels as part of Building Council Homes for Londoners (BCHL) GLA funding programme and social rents will be charged as part of the new 2021-26 Affordable Homes (AHP) GLA funding Programme. The social rents will be based on the 1999 valuation of the property and will be calculated on a formula rent basis.

### Estate Regeneration

105. This programme, which includes the Alma Estate, New Avenue and Ladderswood schemes, is investing in large scale phased regeneration for delivery of in-demand affordable housing as well as unlocking new homes for low cost home ownership for Enfield residents.

106. The three partnership regeneration schemes are in delivery and work continues to ensure the best possible scheme outcomes are delivered. Progress has been made across all three sites, including the successful approval for additional homes on Alma and New Avenue

107. Over the next year these schemes will deliver 706 starts on site and build a new community centre on the Alma Estate.

Estate Regeneration Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 to 2031/32	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Estate Regeneration: Alma Towers	5,679	736	648	653	633	0	8,348
Estate Regeneration: Ladderswood	250	110	110	110	0	0	580
Estate Regeneration: New Avenue	311	205	224	0	0	0	740
<b>Total Estate Regeneration</b>	<b>6,239</b>	<b>1,051</b>	<b>982</b>	<b>763</b>	<b>633</b>	<b>0</b>	<b>9,668</b>

### RTB One for One Replacement Receipts and Expenditure

108. The Government has published new legislation on the use of RTB receipts and the following changes have been made with effective from 1<sup>st</sup> April 2021:

- a. For new and existing receipts, the timeframe local authorities to spend Right to Buy receipts has been extended from 3 to 5 years
- b. Increase on the cap on the percentage cost of a new home that local authorities can fund from Right to Buy receipts from 30% to 40%
- c. Introduced a cap on the use of Right to Buy receipts on acquisitions to help drive new supply.
- d. Allow receipts to be used for shared ownership and First Homes

109. In the next 5 years receipts will be used to fund development and regeneration schemes.

110. Below is the proposed programme, this could be subject to change as there may be delays or unavoidable changes within the development schemes.

111. In order to continue to spend Right to Buy receipts approval is required for the proposed 5-year programme outlined below:

<b>RTB receipts allocation - 40%</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
New Avenue	4	4	4	0	0	12
Exeter Road phases 1-3	5,816	5,981	1,599	1,453	0	14,849
GLA Programme	18,676	19,581	3,948	0	1,328	43,533
<b>Total</b>	<b>24,496</b>	<b>25,566</b>	<b>5,551</b>	<b>1,453</b>	<b>1,328</b>	<b>58,395</b>

### HRA Balances

112. The estimated position on balances is set out below:

	<b>Balance at 31/03/2021</b>	<b>Movement in 2021/22</b>	<b>Estimated balance as at 31/03/22</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
HRA General Balances	9.94	0.24	10.18
Repairs Fund	10.06	0.11	10.18
Major Repairs Reserve	6.061	-0.12	5.94
Capital Reserve	4.98	11.50	16.48
Insurance Reserve	0.32	0.00	0.32
<b>Total Earmarked reserves</b>	<b>31.37</b>	<b>11.72</b>	<b>43.10</b>

### London Housing Consortium

113. The Council has been a Constituent Authority of LHC – formerly the London Housing Consortium – since September 2016 and has nominated Elected Members to serve on the LHC Joint Committee.

114. The rationale for joining the LHC Joint Committee was to work collaboratively with other London Councils to improve the procurement of housing and construction products and services. The London Housing Consortium was set up for that purpose in 1966. Up until recently LHC was one of the few providers of these services. In addition, the Council benefitted annually from a share of LHC's surpluses.

115. Much has changed in recent years. The Council no longer relies on LHC for procurement solutions, preferring instead to use its own procurement capability; main contractor services; alternative procurement consortia sometimes including LHC.

116. As an organisation, LHC itself has expanded its operations widely throughout Great Britain servicing around 300 public sector organisations. LHC surpluses

are now shared widely across the country resulting in a reduced annual return for the Council.

117. As a Constituent Member of LHC the council receives an annual community benefit fund from LHC surpluses (conditional on attendances by Elected Members at LHC meetings) of £10,000. It is envisaged that in a new LHC corporate entity such funds would continue to be available for former LHC Constituent Authorities.
118. The expansion of LHC's services has also added risk to the LHC Joint Committee, particularly relating to staffing and employer liability, arising from:
  - a. The widespread geographic nature of LHC operations
  - b. The widespread geographic location of LHC staff and offices
  - c. The rapid growth of the LHC workforce
119. Members of the LHC Joint Committee recognised that the dynamic nature of LHC as a commercial enterprise is also at odds with the democratic and regulatory processes that are required by local authorities. It is felt that LHC would benefit from having more autonomy around:
  - a. Governance and organisational design
  - b. Job design and reward
  - c. Future provision of pension
  - d. Financial modelling and risk management.
120. Consequently, the members of the LHC Joint Committee asked for a review of LHC governance arrangements which concluded that the LHC Joint Committee be disbanded, and a new corporate entity established by LHC. Enfield supports this process

### **Safeguarding Implications**

121. There are no safe-guarding implications

### **Public Health Implications**

122. Good quality housing plays an essential role in improving public health and wellbeing.
123. Managing council rental income and mitigating welfare reform is an important part of avoiding debt issues and contributes to the general well-being of residents

### **Equalities Impact of the Proposal**

124. The HRA 30-Year Business Plan supports the delivery of high quality services that promote equality and values diversity. Please see Appendix 2 which provides Equality Impact assessment.

### **Environmental and Climate Change Considerations**

125. There are no Environmental and Climate Change considerations

**Risks that may arise if the proposed decision and related work is not taken**

126. The Grenfell fire in 2017 and the Government led Building Safety programme has placed a significant burden on the HRA and additional funding has had to be identified and bought forward to finance reactive cladding works and large scale door replacement programmes, following the release of advice notes and changes to Approved Documents.
127. The Council is considering its building safety programme in preparedness for the forthcoming regulatory framework to ensure the risk of non-compliance at implementation, is mitigated.
128. The full financial requirements and implications associated with the new primary legislation are still to be fully understood as the findings of the 2019 consultation and scope have not been confirmed.
129. A final bill is expected shortly. As such financial requirements in this area, will need to be kept under review.
130. There is always a risk that at any point during the 30-year Business Plan the Government proposes a plan of action it intends to take which could influence the HRA balance. It is imperative that, at the point where there is reliable knowledge that a change is likely to occur, a full review must be taken to allow mitigation against all potential risks.

**Financial Implications**

131. The Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of estimates and the adequacy of proposed financial reserves. The 2022/23 HRA estimates have been prepared considering the following:
- The estimated impact of inflationary pressures. Allowance has been made for cost increases over and above the general rate of inflation where these are known;
  - The estimated impact of increasing demands on resources where these are unavoidable;
  - The estimated impact of underlying costs pressures, evidence by financial monitoring reports in the current year;
  - An assessment of key risks and uncertainties; and
  - The impact of borrowing requirements on the 30 year business plan.
132. It should be noted the HRA Business Plan remains affordable and sustainable, with a robust budget and prudent balances.

**Legal Implications**

133. Local authorities have the ability to set their own rents under section 24 of the Housing Act 1985. The charge must be reasonable for the tenancy or

occupation of their premises. Section 24 also requires local authorities to periodically review rents and make such changes as circumstances may require. The section confers a broad discretion as to rents and charges made to tenants.

134. Under Section 76 of the Local Government and Housing Act 1989, the Council is required to prepare proposals in January and February each year relating to the income of the authority from rents and other charges, expenditure in respect of repair, maintenance, supervision and management of HRA property and other prescribed matters. The proposals should be based on the best assumptions and estimates available and should be designed to secure that the housing revenue account for the coming year does not show a debit balance.
135. The Council is a local housing authority within the meaning of the Housing Act 1985 and is specifically empowered to provide housing accommodation, either by erecting houses, or converting buildings into houses on land acquired by it for the purposes of Part 2 of the Housing Act, or by acquiring houses.
136. Right to buy receipts are capital receipts within the meaning of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and those Regulations generally require the Council to pay the amounts received to the Secretary of State on a quarterly basis. However, pursuant to section 11(6) of the Local Government Act 2003, the Council may enter into an agreement with the Secretary of State to retain the whole or part of a capital receipt. An agreement was entered into by the Council in 2012 which specifies circumstances in which the Council is not required to pay specified capital receipts to the Secretary of State.
137. Pursuant to Part III, Schedule 6 of the Housing Act 1985, repairing obligations are placed on the Council as Landlord in respect of properties held on leases after having been sold under the Right to Buy scheme. The Council's standard form of residential Lease with leaseholders further sets out these obligations.
138. Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred in accordance with the Landlord and Tenant Act 1985.
139. The Council's Lease entered into with Leaseholders require the Leaseholder to obtain consent for any alterations they wish to make to their home. The Landlord and Tenant Act 1927 is the statutory framework governing such requests which are not to be unreasonably withheld.
140. Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred in accordance with the Landlord and Tenant Act 1985.
141. The Council is required to act in accordance with the public sector equality duty under the Equality Act 2010 and have due regard to the duty when carrying out its functions, which includes making decisions in the current context. The Council also has a duty to show they have consciously addressed their mind to

carrying out an Equality Impact Assessment (which includes any decision to increase or introduce charges to tenants).

### **Workforce Implications**

142. Additional resources to deliver capital programme and comprehensive developments may be a requirement however a restructure of the services is being undertaken to ensure the team's capacity to deliver projects.

### **Property Implications**

143. The majority of the proposals in this report relate to HRA properties, and the implications for these are to be found throughout the report.
144. There are some property implications that relate to corporate properties. These are the halls and youth centres that are managed under the banner of "Community Spaces" in tandem with the HRA community halls. For consistency, the hire charges for the corporate properties will be increased in line with the HRA properties. The charging arrangements for both corporate and HRA halls will be harmonised as part of the review of the charging policy that is identified in this report's proposals.

### **Other Implications**

145. There are no other implications

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Date of report:

### **Appendices**

- Appendix 1 30-year Revenue Budget  
Appendix 2 Equality Impact Assessment

## Appendix 1

<b>HRA Revenue Budget 30 years</b>	<b>22-23</b>	<b>23-24</b>	<b>24-25</b>	<b>25-26</b>	<b>26-27</b>	<b>27-28</b>	<b>28-29</b>	<b>29-30</b>	<b>20-31</b>	<b>31-32</b>	<b>32-52</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Dwelling Rents</b>	57.7	61.2	66.9	70.7	74.5	78.5	81.2	85.6	87.2	89.7	2,254.0
<b>Service Charges Tenants</b>	3.4	3.5	3.7	3.8	3.9	4.1	4.2	4.4	4.5	4.6	115.0
<b>Service Charges Leaseholders</b>	5.0	5.1	5.3	5.4	5.5	5.6	5.7	5.9	6.0	6.1	151.0
<b>Voids</b>	-0.6	-0.6	-0.7	-0.7	-0.8	-0.8	-0.8	-0.9	-0.9	-0.9	-23.3
<b>Non Dwelling Rents</b>	3.3	3.5	3.6	3.7	3.7	3.8	3.9	4.0	4.0	4.1	102.0
<b>RTB Administration Income</b>	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0
<b>Total Income</b>	<b>69.0</b>	<b>72.9</b>	<b>78.9</b>	<b>82.8</b>	<b>86.9</b>	<b>91.2</b>	<b>94.3</b>	<b>99.0</b>	<b>100.8</b>	<b>103.6</b>	<b>2,599.6</b>
<b>Responsive Repairs</b>	15.5	16.1	16.8	17.8	18.3	18.9	19.4	20.0	20.4	20.9	523.6
<b>Supervision And Management</b>	15.5	16.0	16.7	17.7	18.2	18.8	19.3	19.9	20.3	20.2	508.8
<b>Special Services</b>	7.0	7.3	7.5	7.6	7.8	7.9	8.1	8.2	8.4	8.6	212.6
<b>Rents Rates Taxes &amp; Other Charges</b>	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	11.8
<b>Bad Debt</b>	0.6	0.6	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.9	22.4
<b>Depreciation of Fixed Assets Total</b>	11.3	11.7	12.5	13.0	13.6	14.2	14.7	15.5	15.7	16.1	408.2
<b>Expenditure</b>	<b>50.5</b>	<b>52.3</b>	<b>54.7</b>	<b>57.5</b>	<b>59.4</b>	<b>61.2</b>	<b>62.9</b>	<b>65.1</b>	<b>66.3</b>	<b>67.3</b>	<b>1,687.6</b>
<b>Net (Cost) Of Services</b>	<b>18.5</b>	<b>20.6</b>	<b>24.2</b>	<b>25.3</b>	<b>27.5</b>	<b>30.0</b>	<b>31.3</b>	<b>33.9</b>	<b>34.5</b>	<b>36.3</b>	<b>912.0</b>
<b>Loan Interest</b>	11.0	15.6	15.6	17.8	18.2	19.2	19.2	19.1	19.1	19.1	361.3
<b>Interest Income</b>	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	-10.8
<b>Notional Cash Interest</b>	0.0	-0.2	-0.1	-0.2	-0.2	-0.2	-0.3	0.0	0.0	0.0	-54.9
<b>Capital Account Adjustments</b>	<b>10.8</b>	<b>15.2</b>	<b>15.3</b>	<b>17.3</b>	<b>17.7</b>	<b>18.8</b>	<b>18.7</b>	<b>18.8</b>	<b>18.8</b>	<b>18.8</b>	<b>295.7</b>
<b>Net Operating Income / (Expenditure)</b>	<b>7.7</b>	<b>5.4</b>	<b>8.9</b>	<b>7.9</b>	<b>9.8</b>	<b>11.2</b>	<b>12.6</b>	<b>15.1</b>	<b>15.7</b>	<b>17.5</b>	<b>616.3</b>



## Appendix 2

**SECTION 1 – Equality Analysis Details**

<b>Title of service activity / policy/ strategy/ budget change/ decision that you are assessing</b>	<b>HRA Budget 2022/23, Rent Setting and Business Plan Update</b>
<b>Lead officer(s) name(s) and contact details</b>	<b>Joanne Drew/Matt Bowmer</b>
<b>Team/ Department</b>	<b>Council Housing</b>
<b>Executive Director</b>	<b>Sarah Cary/Fay Hammond</b>
<b>Cabinet Member</b>	<b>Councillor Needs/Councillor Maguire</b>
<b>Date of EqIA completion</b>	<b>2/2/2022</b>

**SECTION 2 – Summary of Proposal**

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision

**Please summarise briefly:**

What is the proposed decision or change?

What are the reasons for the decision or change?

What outcomes are you hoping to achieve from this change?

Who will be impacted by the project or change - staff, service users, or the wider community?

Any local housing authority that owns 200 or more social dwellings are required to account for them within their Housing Revenue Account (HRA). How social housing rents are set is determined by government.

Social housing rent increases in Enfield for 2022/23 are recommended to be 4.1% - this is due to an unprecedented rise in the Consumer Prices Index (CPI). CPI in the context of rent increase is the Consumer Price Index rate published by the Office for National Statistics for September of the preceding financial year ie September 2021 for rent setting in 2022.

This increase follows four years of rent reduction in social housing rents; from 2016/17 the government imposed a 1% rent reduction in social housing. This meant that tenants starting with a rent of £120 per week in 2015/16 ended up with a rent of £115.27 in 2019/20 a reduction of £4.73 per week - this is in contrast to private sector rents which increased on average by 18.2% between 2014-2021, an average of £200 per month.

In 2020/21 the Government set out a five-year rent framework which provided for rents to increase by CPI + 1%. In September 2021 CPI was 3.1%; the rent increase for 2022/23 is therefore - 3.1% +1% = 4.1%.

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The previous four-year 1% reduction had a negative impact on the Enfield HRA Business Plan with reduced income of c. £300m over the 30-year plan, this could have been invested into our stock or new build programme.

According to the Department for Business, Energy and Industrial Strategy's (BEIS), generally material prices were 10.2% higher in May 2021 than in May 2020. However, key construction materials such as fabricated steel and plyboard have increased by 38.1% and 29.8% respectively.

### SECTION 3 – Equality Analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.

“Differential impact” means that people of a particular protected characteristic (eg people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and, where possible, provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

**Age**

This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g. older or younger people)?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will negatively impact all local residents, regardless of their age.

As at 1 October 2021 there are 2756 council tenants claiming Universal Credit with the housing cost and 4737 council tenants in receipt of Housing Benefit; this means that for 7,493 – 73% - of tenants their full housing cost is met as long as they do not under occupy their home

**Older People**

There are currently approximately 42,000 people aged 65 and over living in Enfield, making up around 13% of the total population. These figures are set to increase by 23% to 52,500 people aged 65 and older by 2025.

Older residents are more likely to under occupy their home; those claiming Housing Benefit, living in a social rented sector tenancy, aged between 16 and pension age will be affected by a reduction in the amount of housing benefit paid to them and the rent increase.

**Families, Children and Young People**

Around 9% of council tenants are under 35 years of age.

Enfield has relatively high proportions of children and young people under the age of twenty – higher than both London and England averages. According to official Department for Work and Pensions statistics (2019/20) 18% of children under 16 in Enfield live in low-income families.

Larger families may be affected by the benefit cap – the cap on the amount of benefit that working aged people can claim – in Greater London the current caps are:

	Monthly amount	Weekly amount
Families w children & couples -	£1916.67	£442.31

**Mitigating actions to be taken**

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The council proactively supports tenants who are under occupying their home to move to a smaller, more affordable home; this includes access to pan-London and

National mobility schemes. Grants are available for residents who choose to move to a smaller home as well as help with removal costs.

Work is ongoing to support residents with the increasing cost of living. The council has developed resources and training for housing officers to help signpost residents to employment and skills support initiatives. A Route Map resource has been developed - a page on the Enfield Council Website which provided some information around employment support. This currently sits within Tenant Information section of the Council Website. [www.enfield.gov.uk/jobsandtraining](http://www.enfield.gov.uk/jobsandtraining) .

An article was also designed for Housing News, the publication sent to all council tenants and leaseholders, publicising some key organisations and the route map itself, and encouraging residents to speak to Housing Officers for further advice.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

### **Disability**

A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.

This could include:

Physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they have a disability or a disabled member of their household.

10% of Enfield council tenants have a declared disability.

Estimates suggest that nearly 25% of the working age population have a disability. The impact of rent increase on tenants with a disability or who have a disabled member of their household reflect both negative impacts of the welfare benefit system, and access to employment opportunities for disabled people.

### **Mitigating actions to be taken**

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

Housing staff working with tenants have received training on welfare benefits and are able to identify and signpost people who may not be in receipt of all benefits available to them.

The work developed to assist residents with the increased cost of living includes career support initiatives available specifically to people with special educational needs, disabilities or mental health challenges.

- IAPT NHS - a free NHS, psychological therapy service -offers a range of support, including talking therapies, cognitive behavioural therapy and support and advice around employment and mental health.
- There are a range of other national and local services in Enfield who can support tenants with mental health challenges.
- London Working or the Work and Health Program, who can provide support for individuals with significant barriers to help them into work and training

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

### **Gender Reassignment**

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people?

Please provide evidence to explain why this group may be particularly affected.

We do not have robust local data with regard to gender reassignment, however GIRES estimates that around 650,000 people in the UK, 1% of the population, are estimated to experience some degree of gender non-conformity. If GIRES' estimates are correct and the distribution among Enfield's population were typical of their national research, this would equate to around 3,350 individuals with some degree of gender non-conformity.

It is estimated that the rent increase will have a negative impact on all residents who regardless of whether they have undergone or are undergoing gender reassignment.

### **Mitigating actions to be taken**

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council

Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team can offer advice and help arrange payments plans where necessary.

### **Marriage and Civil Partnership**

Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership?

Please provide evidence to explain why this group may be particularly affected

We don't record the relationship of cohabiting couples who are council tenants.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they are married or in a and civil partnership.

### **Mitigating actions to be taken**

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

### **Pregnancy and maternity**

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected

We don't record data on whether or not tenants are pregnant, although 63% of tenants are female.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they are pregnant.

### **Mitigating actions to be taken**

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent

reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

### Race

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected

It is estimated that the rent increase will have a negative impact on all residents who regardless of their ethnicity or national origins.

Employment opportunities are likely to be lower for people in certain race groups:

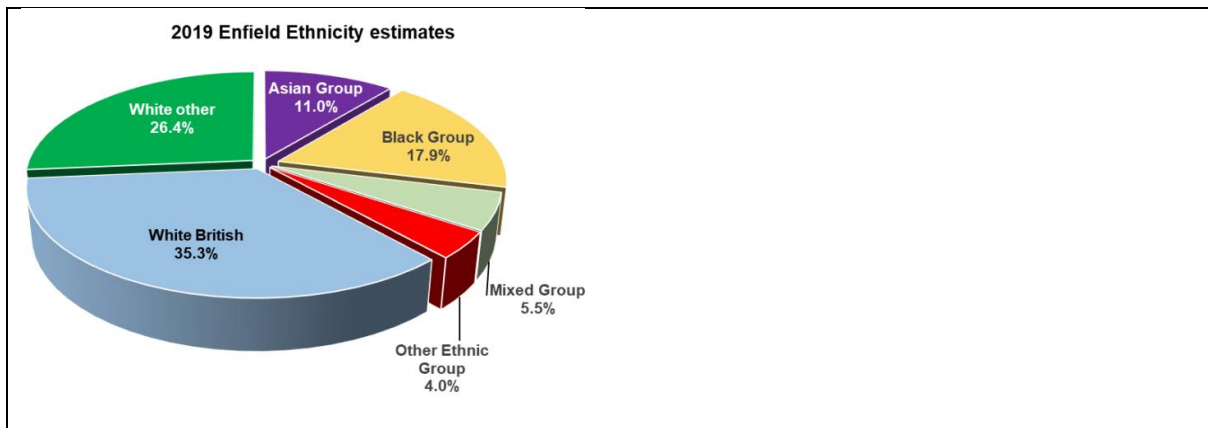
- 4% of White people were unemployed in 2019, compared with 7% of people from all other ethnic groups combined
- Black, and Bangladeshi and Pakistani people had the highest unemployment rate out of all ethnic groups (8%)
- the White Other ethnic group had the lowest unemployment rate out of all ethnic groups (3%)

It is estimated that residents from White British backgrounds make up 35.3% of Enfield's inhabitants with other White groups (including White Irish) combined at 26.4%. Mixed Ethnic Groups account for 5.5%, Asian Groups for 11% and Black groups for 17.9% of Enfield's population.<sup>1</sup> 39% of the borough's population were born overseas.<sup>2</sup> National and borough wide data has been used as a proxy indicator given current gaps in the data we have for tenants and those on our housing waiting list.

Whilst ethnic diversity is one of our biggest assets, ethnic minorities experience inequality in housing, education, employment, health and criminal justice in Enfield, as is the case across the UK. This needs to be addressed.

Figure 3: 2019 Enfield Ethnicity estimates

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### Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payment plans where necessary.

### Religion and belief

Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

We do not have robust data on the religion of existing tenants of Council homes or on those on our housing register which can be used to consider potential differential impact of the strategy on people of different religions – 53% of residents don't specify a religion.

Where it is specified the two largest groups represented among tenants are Christians – 28% - and Muslim – 12%.

It is estimated that the rent increase will have a negative impact on all residents regardless of their religion or beliefs.

### Mitigating actions to be taken



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**Sex**

Sex refers to whether you are a female or male.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will have a negative impact on all residents regardless of their sex.

63% of Enfield's tenants are female.

Females are more likely to be single parents – 94% of single parents on Enfield's Housing Register are mothers. Females are more likely to be on lower incomes and lower paid work than men. Statistics show that in 2019 females earned on average 17.3% less than their male counterparts.

Females are more likely to be on lower incomes and lower paid work than men. Statistics show that in 2019 females earned on average 17.3% less than their male counterparts. This put females at greater risk of becoming homeless.

Households requiring a home of 4 bedrooms are more likely to be headed up by a females (mothers) rather than males.

The rent increase will impact all residents regardless of whether they are females or males. However, employment opportunities and income averages are lower for females and therefore they may be at greater risk of struggling to pay the proposed rent increase.

**Mitigating actions to be taken**

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The Route Map resource which provides some information around employment support, includes specific training and support available to women which includes:

- Smart Works, a UK charity that provides high quality interview clothes and interview training to unemployed women in need.
- Enfield Women's Centre who can offer advice, information and training to women who would like to build their skills and embark on a career. They run a range of courses throughout the year.

### **Sexual Orientation**

This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation?

Please provide evidence to explain why this group may be particularly affected.

There is very little reliable data on sexual orientation, however the ONS 2019 Annual Population Survey predicted that 92.1% of the UK population identified as heterosexual while 2.9% identified as lesbian, gay or bisexual.

It is estimated that the rent increase will have a negative impact on all residents regardless of their sexual orientation.

### **Mitigating actions to be taken**

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

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**Socio-economic deprivation**

This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged?

Please provide evidence to explain why this group may be particularly affected.

Enfield is the 9th most deprived London borough and has the 11th highest rate of child poverty in the country.<sup>3</sup> Enfield's median household income is £35,300, which is the 9<sup>th</sup> lowest of the 33 London boroughs and lower than the London average. Within the borough, there are clear differences in household income between the western and eastern parts. Median incomes in the most affluent neighbourhoods are twice those of the least affluent.

The increases vary from £3.45-£6.69 per week for social rents and £6.63-£8.58 per week in LAR, however for 73% of tenants their full housing cost is met by either UC or housing benefit. Additionally, from December 2021 changes in the Universal Credit taper mean residents who qualify for the work allowance will keep more of their benefits

**Changes to Universal Credit 2021**

From December 2021 changes in the Universal Credit taper mean residents who qualify for the work allowance will keep more of their benefits.

Currently residents lose 63p for every £1 they earn of their Universal Credit benefits, from December they will reduce by 55p for every £1 earned.

Someone earning the National Living Wage, which is increasing to £9.50 an hour on 1 April 2022, would earn £190 for doing 20 hours of work. Under the old rules, they would see their Universal Credit reduced by £119.70; from December 2021 the benefit would be reduced by £104.50.

**Private Renting Comparison**

Residents living in the private rented sector (PRS) are not afforded the same protection as those living in social housing

- Private rental prices paid by tenants in the UK rose by 1.3% in the 12 months to August 2021, London private rental prices decreased by 0.4% in the 12 months to August 2021. (ONS – Index of Private Housing Rental Prices)
- When London is excluded from England, privately rented properties increased by 2.1% in the 12 months to August 2021. (Office for National Statistics – Index of Private Housing Rental Prices.
- Current costs of private renting in Enfield vary from £215 pw for a bedsit to £327 pw for a two-bedroom property.  
Housing Benefit rates (and the housing costs component of Universal Credit) have been frozen since April this year, this means the rents are no longer linked to market rents.

- The rent increase will negatively impact residents who are socioeconomically deprived. This is due to the pre-existing disadvantage that these residents face in employment, housing, education, etc which may lead them to struggle to pay their rent.

#### **Mitigating actions to be taken.**

Work is ongoing to support residents with the increasing cost of living. The council has developed resources and training for housing officers to help signpost residents to employment and skills support initiatives. A Route Map resource has been developed - a page on the Enfield Council Website which provided some information around employment support. This currently sits within Tenant Information section of the Council Website. [www.enfield.gov.uk/jobsandtraining](http://www.enfield.gov.uk/jobsandtraining) .

An article was also designed for Housing News, the publication sent to all council tenants and leaseholders, publicising some key organisations and the route map itself, and encouraging residents to speak to Housing Officers for further advice.

Housing staff working with tenants have received training on welfare benefits and are able to identify and signpost people who may not be in receipt of all benefits available to them.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

## **SECTION 4 – Monitoring and Review**

How do you intend to monitor and review the effects of this proposal?

Who will be responsible for assessing the effects of this proposal?

Metrics concerning social housing delivered by Enfield Council are monitored on a quarterly basis using internal databases. Monitoring information contains demographic data to ensure that the services are not precluding any protected characteristic. This information will be used to monitor and respond to any emerging trends so that our provision is fit for purpose.

**London Borough of Enfield****Council****Meeting Date: 24th February 2022**

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**Subject: Treasury Management Strategy Statement for 2022/23****Cabinet Member: Cllr Maguire****Executive Director: Fay Hammond****Key Decision: 5355**

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**Purpose of Report**

1. This report sets out the Council's proposed Treasury Management Strategy Statement (TMSS) for the period 2022/23 to 2031/32, and Annual Investment Strategy (AIS) for the year ended 31 March 2023, together with supporting information.
2. The CIPFA Code of Practice for Treasury Management in Public Services (the "TM Code") requires the Council to determine its Treasury Management Policy and Strategy for 2022/23 and the following 3 years.
3. The Local Government Act 2003 also requires Local Authorities to adopt Prudential Indicators and Minimum Revenue Provision Statements.
4. The TMSS and AIS form part of the Council's overall budget setting and financial framework and will be finalised and updated as work on the Council's 2022/23 budget is progressed in January and February 2022.
5. The Annual Treasury Management Strategy Statement sets out the Council's strategy for ensuring that:
  - its capital investment plans are prudent, affordable and sustainable;
  - the financing of the Council's capital programme and ensuring that cash flow is properly planned;
  - cash balances are appropriately invested to generate optimum returns having regard to security and liquidity of capital.
6. The Council's cashflow management, use of banks, investments and borrowing is governed by the Treasury Management Strategy (TM Strategy)
7. The Investment strategy will continue to give priority to security and liquidity of investment capital over return. It will also be prudent and transparent.
8. The strategy assumes significant growth of external borrowing to support the Council's ambitious 10 Year Capital Programme. The figures in this report

reflect the Ten Year Capital programme being presented to Cabinet on 16th February for recommendation on to Council 24th February for approval.

### **Proposal**

9. Council is recommended to:
  - i) Agree the Treasury Management Strategy Statement for 2022/23 and to note the Ten Year Treasury Strategy forecast;
  - ii) Note the Economic context & Interest rate forecast (Appendices A and B);
  - iii) Agree the Prudential Indicators set out in Appendix D;
  - iv) Agree the Minimum Revenue Provision Statement (Appendix E); and
  - v) Agree Counterparty List and Limits set out in Appendix F.
10. Note the General Purposes Committee will:
  - vi) Receive and review the Treasury Management Practices annually; and
  - vii) Receive and review quarterly Treasury Management monitoring reports.

### **Reason for Proposal**

11. The Treasury Management Strategy fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the Treasury Management Code and the MHCLG Guidance.
12. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's Treasury Management Strategy and to mitigate these risks.
13. For 2022/23, the TMSS is in the same format as 2021/22 whereby it maintains the 10 year capital programme horizon extension which is beyond the required minimum. This reflects the Council's priority to ensure that revenue budgets are sustainable in the longer term. Due diligence has been carried out on the ten year capital programme projects; it should be recognised that these are provisional estimates, undertaken to inform and support the development of a robust, affordable and sustainable Treasury Strategy.

### **Relevance to the Council's Corporate Plan**

14. Good homes in well-connected neighbourhoods.
15. Build our Economy to create a thriving place.
16. Sustain Strong and healthy Communities.

## Background

17. The Council is required to receive and approve, as a minimum, three main reports each year. which incorporate a variety of policies, estimates and actuals:
  - i. A treasury management strategy statement (this report) – it covers:
    - the capital spending plans (including prudential indicators);
    - the treasury management strategy (how the investments and borrowings are to be organised, the parameters on how investments are to be managed) including treasury indicators; and
    - an investment strategy report (detailing the Council’s service investments and commercial investments).
  - ii. A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.
  - iii. A treasury outturn report – This provides details of annual actual prudential and treasury indicators and annual actual treasury operations compared to the annual estimates within the strategy.
18. The Council uses Arlingclose Limited as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and officers will ensure that undue reliance is not placed upon the external service providers.
19. The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training will be arranged as required. The training needs of treasury management officers are also periodically reviewed.

## The Strategy for 2021/22 and the Current Borrowing & Investment Position and Performance

20. The Strategy for 2021/22 was approved by the full Council in March 2021 and set the following objectives: -
  - i. The minimum Fitch credit ratings for the Council’s investment policy:
    - Short Term: ‘F1’
    - Long Term: ‘A-’
  - ii. Investments stood at £32.5m as at 31st December 2021 with £7.5m placed in a Call account with HSBC and the remaining £25m invested in CCLA money markets fund (MMF).
  - iii. Average investments outstanding for the period (31 December 2021) was £40m with average return of 0.02%.
21. The Council’s original borrowing forecast for 2021/22 was initially £1,328m but has been revised down to £1,040m due to the capital programme slippage. As

at 31st December 2021, borrowing stood at £938.6m, including £25m of PWLB new borrowing raised during the period.

22. The below table 1 show the position of the Council outstanding borrowing and investments for this financial year to 31 December 2021.

<b>Instrument</b>	<b>Month End Balance</b>	<b>Interest Received / (Paid)</b>	<b>Average Rate of Interest</b>
	<b>£m</b>	<b>£m</b>	<b>%</b>
Cash Deposits	32.5	0.008	0.02
Loans to Enfield Companies	143.0	2.99	2.25
Borrowings	938.6	(18.99)	2.79

23. As at 31st December 2021 the Council has £938.6m of borrowing in total. This is split between £930.1m in Long Term Loans (99%) and £8.5m (1%) held as Short Term Loans.
24. The Council did not borrow more than or in advance of its needs purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
25. The Council's primary objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

### **Treasury Management Strategy 2022/23**

26. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
27. The Council will also achieve optimum return on its investments commensurate with proper levels of security and liquidity. The borrowing of monies purely to lend on and make a return is unlawful and the Council will not engage in such activity.
28. The Treasury Management Strategy Statement covers the three main areas:
- i. Capital spending plans
    - the capital expenditure and Capital Finance Requirement (CFR);



- the Prudential Indicators (PI); and
  - the Minimum Revenue Provision (MRP) policy.
- ii. Treasury management considerations:
- economic and interest rates forecasts;
  - the current treasury position;
  - treasury indicators which limit the treasury risk and activities of the Council;
  - the borrowing strategy;
  - maturing structure of borrowing;
  - policy on borrowing in advance of need; and
  - debt rescheduling.
- iii. Managing cash balances:
- the current cash position and cash flow forecast;
  - prospects for investment returns
  - creditworthiness policy;
  - service/policy investments

### **Developing the Strategy for 2022/23**

29. The Council, in conjunction with its treasury management advisor, Arlingclose, will use Fitch, Moodys and Standard and Poor's ratings to derive its credit criteria. The Council's treasury adviser alerted officers to changes in ratings of all agencies.
30. It is worth mentioning that all the Council's Money Market Funds are Low Volatility Net Asset Value (LVNAV) funds, which used to be called Constant Net Asset Value. Under the European reforms the Constant Net Asset Value (CNAV) Funds are preserved for government funds only, and a new type of fund was introduced, named Low Volatility NAV (LVNAV) fund. LVNAV is intended to replicate some of the utility of CNAV funds, with greater sensitivity to market pricing, and extra controls built into the fund structure.
31. The money market funds (MMFs) the Council invested in have never exhibited any meaningful price volatility. Officers have been assured by the MMF managers and the Council's treasury advisor that stable price/NAV will still be maintained to avoid price volatility going forward.
32. The Annual Investment Strategy (AIS) at Section 4 provides more detail on how the Council's surplus cash investments are to be managed in 2022/23.

### **Capital Programme and Prudential Borrowing**

33. The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans. In considering the affordability of its capital plans, the Council is required to consider all of the resources currently available to it estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the following two years.

34. Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the long-term stability of the debt portfolio. With short term interest rates currently lower than long term rates, it is likely to be more cost effective in the short term to either use internal resources, or to borrow through short term loans instead. However, this approach will need to be managed proactively to prevent exposure to re-financing risk, the risk of interest rates moving in the future that will result in refinancing short-term loans or internal borrowing more expensive than the present time.
35. The above strategy will allow the Council reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal/short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long term fixed rates in 202/23 with a view to keeping future interest costs low, even if this causes additional cost in the short term.
36. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.

**Table 2: Balance Sheet Summary and Forecast .**

	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 to 31.3.32 Forecast £m
General Fund CFR	1,034.1	1,150.5	1,246.5	1,301.3	1,312.8	1,303.8	1,358.6
HRA CFR	273.6	334.8	467.6	467.6	529.6	540.6	608.2
<b>Total / Borrowing CFR</b>	<b>1,307.7</b>	<b>1,485.3</b>	<b>1,714.1</b>	<b>1,768.8</b>	<b>1,842.4</b>	<b>1,844.4</b>	<b>1,966.8</b>
<b>PFI Liability</b>	30.3	26.3	22.1	17.7	13.8	10.7	0.0
<b>Total Debt CFR</b>	<b>1,338.0</b>	<b>1,511.7</b>	<b>1,736.2</b>	<b>1,786.5</b>	<b>1,856.2</b>	<b>1,855.1</b>	<b>1,966.8</b>
Less: Internal borrowing	(297.5)	(182.8)	(179.3)	(175.1)	(173.2)	(171.0)	(171.9)
<b>External borrowing</b>	<b>1,040.4</b>	<b>1,328.9</b>	<b>1,557.0</b>	<b>1,611.4</b>	<b>1,683.1</b>	<b>1,684.1</b>	<b>1,794.9</b>
<b>Breakdown of external borrowing:</b>							
Existing Borrowing Profile	930.1	906.3	883.5	859.8	836.4	813.3	678.4
New Borrowing to be raised	<b>110.3</b>	<b>422.6</b>	<b>673.5</b>	<b>751.6</b>	<b>846.7</b>	<b>870.9</b>	<b>1,116.5</b>

37. It can be seen from the above table 2; the Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash from the Council's reserves, balances and cash flow has been used as a temporary measure, this tactic is termed **internal borrowing**. This strategy is prudent as investment returns are low and investments counterparty risk is still an issue that needs to be considered.
38. On 31st March 2021, the Council had total borrowing of £930m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR).
39. The need to borrow up to £1,116.5m in total from 2022/23 to 2031/32 is shown in the Table 2 above. For the financial year 2021/22, the Council is still able to borrow some £110.3m to refinance matured loans and finance its capital programme. If the Council is to borrow, the affordability of the capital programme has been included in assessing the cost of borrowing along with the loss of investment income from the use of capital resources held in cash.
40. The table below summarises the Council's capital expenditure plans, both in terms of those agreed previously, and those forming part of the current budget cycle. The table sets out the Council's current capital financing expectations.

**Table 3: Capital Expenditure & Financing**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/27- 2030/31	Total 10 Yr. Capital Programme
	£m	£m	£m	£m	£m	£m	£m	£m
Meridian Water	45.6	147.7	203.0	114.1	105.8	45.7	235.8	852.1
Companies	35.5	57.9	59.4	37.0	0.0	0.0	0.0	154.3
Joyce & Snells (GF)	0.0	0.0	0.0	0.0	0.0	0.0	41.3	41.3
Other General Fund	55.0	117.9	77.9	52.1	47.3	30.7	164.2	490.2
HRA	84.9	132.9	217.5	96.0	129.2	97.8	447.4	1,120.9
<b>Total</b>	<b>221.0</b>	<b>456.4</b>	<b>557.9</b>	<b>299.1</b>	<b>282.4</b>	<b>174.2</b>	<b>888.8</b>	<b>2,658.8</b>
<b>Financed by:</b>								
External Grants & Contributions	(55.5)	(163.7)	(159.8)	(111.4)	(102.1)	(58.7)	(165.6)	(761.3)
S106 & CIL	(0.4)	(1.1)	(2.2)	(1.7)	(0.2)	(0.2)	(28.5)	(33.9)
Revenue Contributions	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.8)
Capital Receipts	(13.4)	(24.8)	(60.2)	(60.7)	(39.6)	(17.4)	(128.8)	(331.5)
Earmarked Reserves	(21.7)	(21.4)	(6.9)	0.0	0.0	(19.5)	(48.6)	(96.4)
Major Repairs Allowance (MRA)	(11.2)	(11.7)	(12.1)	(14.1)	(14.5)	(15.0)	(68.2)	(135.6)
<b>Prudential Borrowing</b>	<b>118.3</b>	<b>233.6</b>	<b>316.6</b>	<b>111.1</b>	<b>125.8</b>	<b>63.3</b>	<b>448.7</b>	<b>1,299.2</b>

41. The Council has an increasing CFR due to the requirements of the Council's Capital Programme and will therefore be required to borrow up to £1,299.2m

over the 10-Year period forecast (2022/23 to 2031/32) to finance the £2,658.8m capital programme.

42. The current long term borrowing rate from the Public Works Loan Board is 2.38% (maturity loans) for 25 years and 2.33% (Annuity loans) for 25 years. Were the Council to temporarily borrow the necessary resources from other local authority for 3 years or 5 years, it would save the equivalent of 1.15% or 1% respectively (for maturity loan type) of the amount borrowed. The affordability of the capital programme has been calculated based upon the assumption that internal borrowing would occur initially, follow by PWLB borrowing and Short Term Borrowing based on the current low interest rate environment.

### **Prudential Indicators for Treasury Management**

43. The Council is required by regulation to give due regard to the requirements of the CIPFA Prudential Code for Capital Finance in Local Authorities. The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. Further, the Code requires that Treasury Management decisions are taken in accordance with good professional practice. To demonstrate that local authorities have fulfilled these objectives, the Prudential Code of Practice and CIPFA Treasury Management Code of Practice set out the indicators that must be used, and the factors that must be taken into account.
44. Within the prudential indicators there are several key indicators to ensure that the Council operates its activities within well-defined limits. For example, the operational borrowing boundary set by the Council, determines the external debt levels which are not normally expected to be exceeded, whereas the authorised or affordable borrowing limit represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs Council to approve any increase.
45. The Council has adopted the Treasury Management Code of Practice as part of its Financial Standing Orders. Prudential Indicators are set each year and approved by Council. Prudential Indicators for Treasury Management relate to:
- i. Limits for external debt;
  - ii. Interest rate exposures;
  - iii. Maturity structure of borrowings; and
  - iv. Investment for periods of longer than one year.
46. The Prudential Code requires that these indicators are monitored and if appropriate revised to reflect changes to forecast positions. Capital and borrowing indicators for 2021/22 has been revised to reflect the year end forecast position and the 2022/23 to 2024/25 forecasts. The Treasury Prudential Indicators are shown at Appendix D for approval.
47. The Council is legally obliged to set an **affordable borrowing limit** (also termed the authorised limit for external debt) each year. The limit set for 2021/22 is £1,370m and for 2022/23 is set at £1,655m.

### **Treasury Management Practices (TMPs)**

48. The Council has reviewed and revised its Treasury Management Practices (TMPs) Principles and Schedules to be in line with the Treasury Management (TM) Code 2017 and the MHCLG's Investment Guidance 2018, officers are currently awaiting the publication of the Guidance of the latest TM code 2021 and the TMPs will be revise again to be in line with the latest code and the guidance. The TMPs will also be reviewed on an annual basis by General Purposes Committee as part of its audit and assurance remit.

### **Minimum Revenue Provision (MRP)**

49. When the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008.
50. While no MRP is required to be charged in respect of assets held within the Housing Revenue Account, the Council may provide for a voluntary MRP charge so that all schemes undertaken are viable (i.e., repay all their debt over an appropriate period) and so that the HRA maintains borrowing capacity for future years.
51. Capital expenditure financed from borrowing incurred during one financial year will not be subject to an MRP charge until the asset moves into operation, except where the Section 151 officer deems it appropriate to charge it an earlier date.
52. The MRP policy can be seen in Appendix E of Annex 1 of this report and this policy will take effect from 2022/23. Government Guidance requires that an annual statement on the Council's policy for its MRP should be submitted to Council for approval before the start of the financial year to which the provision will relate. Based on the Council's latest estimate of its Capital Financing Requirement (CFR) on 31st March 2022, the MRP for 2022/23 is estimated to be £24.6m.
53. There have been a number of changes to the MRP rules in recent years. In November 2017 the predecessor to the Department for Levelling Up, Housing and Communities (DLUHC) began a consultation on changes to the MRP guidance, which was effective from the 2018/19 financial year. These changes included:
- a) The definition of prudent MRP provision was updated – it should “cover the gap between the Capital Financing Requirement (CFR) and grant income/capital receipts”.
  - b) Any planned overpayments in MRP must be recorded clearly as a separate section in the MRP Statement. These can then be used to offset charges future years.

- c) The guidance is explicit that MRP cannot be a negative charge and can only be zero if there is the CFR is nil or negative, or if the charge is fully reduced by reversing previous overpayments.
  - d) A change in MRP policy cannot create an overpayment; the new policy must be applied to the outstanding CFR going forward only.
  - e) The guidance on asset lives has been updated, making a maximum asset life used in an MRP calculation is 50 years. This applies to any calculation method using asset lives.
54. In 2021, a new consultation was announced, with two major changes suggested:
- a) That completed non-HRA assets may no longer be excluded from the MRP calculation
  - b) That capital receipts may no longer be used in lieu of MRP
55. The consultation closes in February 2022, with changes likely to take effect in the 2022/23 financial year. The current DLUHC consultation intends to ban the practice of applying capital receipts in year, and taking the associated savings in MRP all in one year, it has not made clear what methods of recognising the reduction in MRP are prudent, however, it can be assumed that fully funding an asset means that an individual asset no longer requires MRP in later years.
56. The s151 Officer commissioned a review of the Council MRP policy based on both the current and future guidance to ensure the Council adheres to DLUHC's guidance and the policy is prudent in this current economic climate. The outcome of this review is outlined below.

### **Impact of suggested changes to MRP Guidance**

57. There are two significant changes proposed to the MRP guidance by DLUHC:
- a) Capital receipts may not be used in place of the revenue charge. The intent is to prevent authorities avoiding, in whole or part, a prudent charge to revenue. It is not the intention to prevent authorities using capital receipts to reduce their overall debt position, which may have the effect of reducing the MRP made with respect to the remaining debt balance.
  - b) Prudent MRP must be determined with respect to the authority's total capital financing requirement. The intent is to stop the intentional exclusion of debt from the MRP determination because it relates to an investment asset or capital loan. Authorities should still be able to charge MRP over the period in which their capital expenditure provides benefits and begin charging MRP in the year following capital expenditure, in accordance with proper accounting practices set out in the Government's statutory guidance on Minimum Revenue Provision.
58. The council's current MRP approach, will not be adversely impacted by point 2 (59b). However, there is a concern around two major projects of the council,

Meridian Water and its wholly owned companies. and the impact of the proposed wording in point 1 (59a).

59. Currently the council's MRP policy states:
- g) Assets acquired with the intention of onward sale which will not be used in the delivery of services will not generally attract MRP as in these events the capital receipts generated by the loan and sale will be set aside to repay debt.
  - h) Loans made to third parties to enable them to incur capital expenditure are repaid by the borrower and so MRP provision does not need to be made by the Council from Council Tax. In the case of loans for investment assets, a prudent amount will be set aside for MRP in accordance with Government Guidance based on asset life.
60. This Policy is currently compliant with the guidance but will not be compliant with the proposed wording were revised regulations put in place in line with the Consultation. This policy allows the Council to fund or part fund projects using capital receipts generated by the same project, and to use the capital receipts associated with the repayment of loans advanced by the council in lieu of MRP.
61. Currently, Enfield finances all loans made to its subsidiaries, through the capital receipts generated by the companies repaying debt during the year. This is legitimate, is in line with the current guidance, and fully finances the associated CFR. However, under the current wording of the consultation, using capital receipts in this way will be prohibited.
62. However, unlike Meridian Water, the loans will generate capital receipts which fully cover the CFR. Although the Council may not reduce the MRP charge by applying capital receipts, it can apply the capital receipts to the associated CFR, reducing the MRP charge gradually over time. The impact of this approach will lead to a significant increase in MRP in the short term with the consequence of the associated CFR being extinguished in 2064, rather than 2072.

## **National Context**

### **Revised CIPFA's Prudential Code**

63. The final version of CIPFA's Prudential Code has been published after a consultation taking the best part of this calendar year.
64. The new version of the Code replaces wording which previously guided UK local authorities away from borrowing 'in advance of need'. The new restatement creates three new categories of investments. New restrictions on borrowing are focused on just one of these categories – investments that are made 'primarily for financial return', including commercial property.
65. The new Code does not introduce any new restrictions on councils borrowing for purposes core to their core aims, such as for housing and regeneration

projects, or for treasury management purposes. What it does do is state that it is not prudent for authorities to undertake borrowing that has the main aim of producing commercial income.

66. The new Code states that authorities “must not borrow to invest primarily for financial return”. It also says that it is not prudent for them to make any investment or spending decision that could increase the need for borrowing, unless related to the functions of the authority and where financial returns are “either related to the financial viability of the project in question or otherwise incidental to the primary purpose”.
67. There were concerns over the wording included in the consultation document that could force authorities into a ‘fire sale’ of their existing commercial investments. A spoke person from CIPFA said that the text only required authorities to review their options for exiting existing commercial investments before undertaking new borrowing.
68. The wording was aimed at ensuring councils considered the value for money of undertaking new borrowing versus realising the value of their existing commercial assets. However, responding to the confusion, CIPFA has clarified the wording to “Authorities with existing commercial investments (including property) are not required by this code to sell these investments”. Such authorities may carry out prudent active management and re-balancing of their portfolios.”
69. Authorities which have an expected need to borrow should review options for exiting their financial investments for commercial purposes and summarise the review in their annual treasury management or investment strategies.
70. The options should include using the sale proceeds to repay debt or reduce new borrowing requirements. The reviews should evaluate whether to meet planned borrowing needs by taking new borrowing or by repaying investments, based on a financial appraisal which takes account of financial implications and risk reduction benefits.
71. Authorities with commercial land and property may also invest in maximising its value, including repair, renewal and updating of the properties.
72. The tightened code will sit alongside measures taken by central Government to reduce the risks taken by some local authorities in their investment activity.
73. Stated below are CIPFA’s “legitimate examples of prudent borrowing”:
  - financing capital expenditure primarily related to the delivery of a local authority’s functions
  - temporary management of cash flow within the context of a balanced budget
  - securing affordability by removing exposure to future interest rate rises



- refinancing current borrowing, including adjusting levels of internal borrowing, to manage risk, reduce costs or reflect changing cash flow circumstances
- other treasury management activity that seeks to prudently manage treasury risks without borrowing primarily to invest for financial return.

74. The code revisions aim to provide a further safeguard, while also closing off the option of using borrowing from the private market to fund commercial investments aimed at making a return.

### **The three new categories of local authority investment**

75. The term 'investments' in the Code covers all financial investments of the authority, together with other assets held primarily for financial return such as commercial property.

76. Local authority investments (including commercial property) may be categorised in accordance with the primary purpose of the investment, requiring chief finance officers to make a judgement as to the primary purpose of investments.

77. The term 'investments' in the Code covers all financial investments of the authority, together with other assets held primarily for financial return such as commercial property.

78. Local authority investments (including commercial property) may be categorised in accordance with the primary purpose of the investment, requiring chief finance officers to make a judgement as to the primary purpose of investments.

79. For the purposes of the Code, all investments and investment income must be attributed to the following purposes (these definitions are in the Revised Treasury Management Code):

### **Treasury management**

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

81. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

### **Service delivery**

82. Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure.

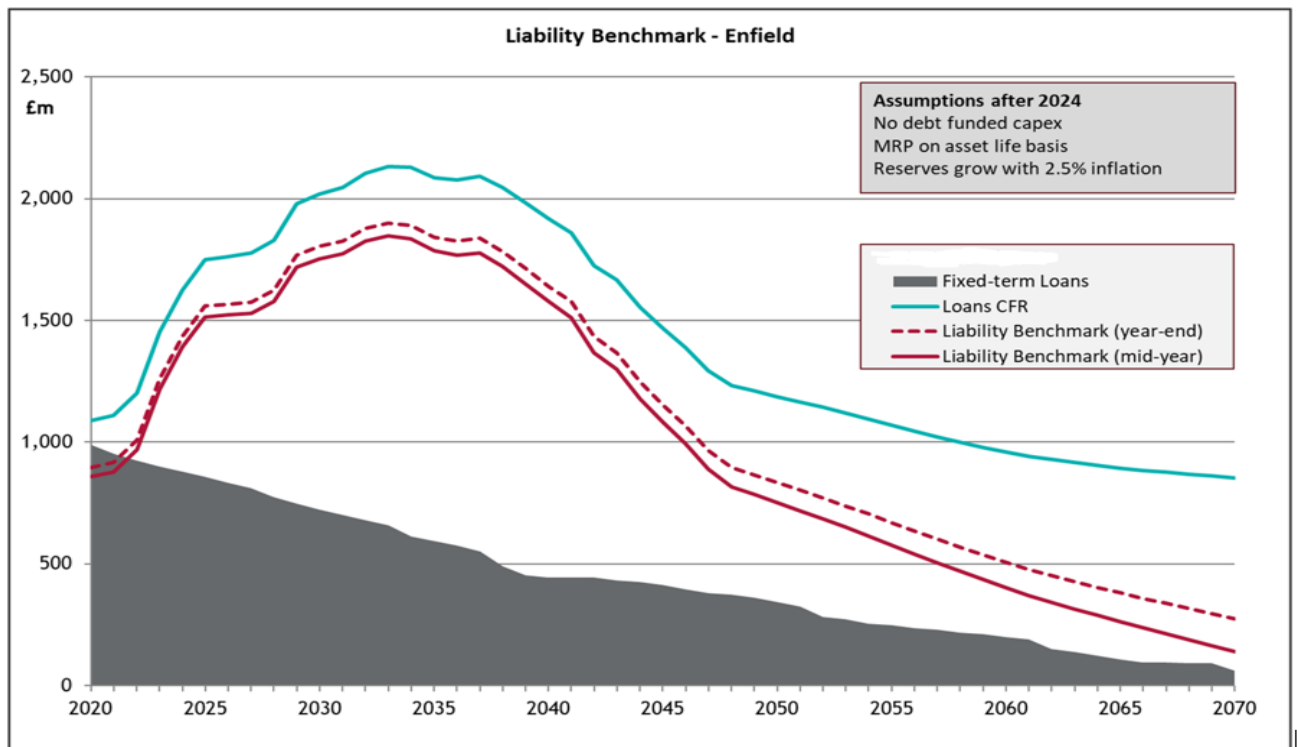
83. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial

viability of the project in question or otherwise incidental to the primary purpose”.

**Commercial return**

- 84. Investments held primarily for financial return with no treasury management or direct service provision purpose.
- 85. Risks on such investments should be proportionate to council's financial capacity – i.e., that ‘plausible losses’ could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.
- 86. During the consultation period officers assessed Enfield’s position against the new proposed Prudential and Treasury Indicators. There are three new indicators which are not mandatory yet, but we are introducing these into this year 2022/23 TMSS:
  - i. **Liability benchmark** – CIPFA recommends that the liability benchmark is produced for at least 10 years and should ideally cover the debt profile of a local authority, it is a new indicator to measure borrowing levels and the profile of its debt overtime.
    - a. The Chart below illustrates the Council’s treasury position as per the approved 2021/22 Treasury Management Strategy Statement. The indicator demonstrated that the Enfield Council’s debt profile does not exceed the liability benchmarks.

Chart 1: Liability Benchmark



- b. This indicator is based on the Council's future cash flows and its minimum revenue payment (MRP) forecast for repayment of debt in the future.
  - c. If debt exceeds the liability benchmark the authority has a cash surplus and is holding on deposit.
  - d. It is a measure of the Council's existing (and committed) loans portfolio compared with its forecast loan needs.
  - e. This benchmark should enable the authority to understand and manage its exposure to treasury risks.
  - f. Using the benchmark maturity profile or net loans benchmark enables the authority to minimise its treasury risks by matching its maturity profile to the liability benchmark.
  - g. The liability benchmark is not a single measure but requires graphical presentation of the net loans requirement and compares this with the Capital Financing Requirement and actual debt.
  - h. This is to promote good practice and understanding of local authority's debt management in relation to capital investment.
- ii. **External Debt to Net Revenue Stream ratio** as a new prudential indicator to assess proportionality. To ensure that the amount of debt incurred is proportionate to a local authority's total service expenditure on a taxation basis and helps a local authority to understand the relationship of debt to an authority's resources used to support services and demonstrate a local authority's financial sustainability.
- iii. **Net income from Commercial and Service Investments to Net Revenue Stream** – This ratio considers the Council's exposure to risk from commercial and service investment income. To allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions in commercial and service investments compared to the net resources it expends to support services on a taxation basis. The below table indicates the estimated Council's positions based on 2022/23 Draft Treasury Management Strategy Statement.

**Table 4: External Debt and Net Income Prudential Indicators**

<b>New prudential indicator</b>	<b>Actual 2020/21</b>	<b>Estimate 2021/22</b>	<b>Forecast 2022/23</b>
External debt to net revenue stream ratio	4.4:1	4.1:1	5.2:1
Income from commercial and service investments to net revenue stream	8.0%	9.1%	9.8%

87. From the above table, it is evident that the level of the Council's capital activity is growing, and the income being generated from such activities has been estimated to increase by 1.1% over the year to 31 March 2022; that is from 8% to 9.1%.

### **Borrowing Timing and Interest Rate Analysis**

88. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer term stability of the debt portfolio. With short term interest rates currently much lower than long term rates, it is likely to be more cost effective in the short term to either use internal resources, or to borrow short term loans instead.
89. However, given the size of the Council's Capital Programme, and the need to diversify the Council's debt portfolio, long term borrowing will also be required during 2022/23, the strategy is to fulfil the Council's borrowing requirement with a mixture of long and short term borrowing.
90. By taking short term borrowing, the Council is able to reduce net borrowing costs. The benefits of short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring longer term borrowing into future years when long term borrowing rates are forecast to rise modestly.
91. The Council's Treasury Advisers Arlingclose assist the Council with this "cost of carry" and breakeven analysis. Its output may determine to what extent the Council borrows additional sums at long term fixed rates in 2022/23 with a view to keeping future interest costs low, even if this causes additional cost in the short term. The strategy is to have no more than 30% of temporary/short-term loans in the borrowing portfolio.
92. **Municipal Bonds Agency (MBA):** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from this Agency will therefore be the subject of a separate report to full Council.
93. If the Council intends future borrowing through the MBA, it will first ensure that it has thoroughly scrutinised the legal terms and conditions of the arrangement and is satisfied with them.

### **LIBOR – London Inter-Bank Offered Rate**

94. On 5th March 2021 the FCA announced the cessation of the LIBOR benchmark from the start of 2022. This deadline has now passed and as a result some LIBOR benchmarks have been discontinued, although others will continue to be set by the Bank of England as a theoretical "synthetic" rate. The publication of most LIBOR settings ended 1 January 2022.

95. LIBOR has primarily been replaced by the SONIA benchmark as the new widespread reference rate. The Council do not have direct contractual exposure to LIBOR, but there could be indirect to loans, PFI and other contracts that incorporate it in some capacity, and it is widely used as an investment benchmark.
96. The Council use it and LIBID for interest calculations, sharing or benchmarking. We currently checking financial contracts (loans, investments, PFI, leases), treasury strategy documents, SLAs etc. for references to LIBOR.
97. Contractual changes to reflect the cessation of LIBOR will need to be agreed by all parties, replacing LIBOR with a new appropriate reference rate, which should be the market-recognised Fallback Rate calculated by Bloomberg. Until these changes are agreed, the contractual reference rate may temporarily revert to synthetic LIBOR rates.

### **Safeguarding Implications**

98. No safeguarding implications arising from this report.

### **Public Health Implications**

99. The Council's Treasury Management indirectly contributes to the delivery of Public Health priorities in the Borough.

### **Equalities Impact of the Proposal**

100. The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole Borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

### **Environmental and Climate Change Considerations**

101. There are no environmental and climate change considerations arising from this report.

### **Risks that may arise if the proposed decision and related work is not taken**

102. There is inevitably a degree of risk inherent in all treasury activity.
103. The Investment Strategy identifies the risk associated with different classes of investment instruments and sets the parameters within which treasury activities can be undertaken and controls and processes appropriate for that risk.
104. Treasury operations are undertaken by nominated officers within the parameters prescribed by the Treasury Management Policy Statement as approved by the Council.

105. The Council is ultimately responsible for risk management in relation to its treasury activities. However, in determining the risk and appropriate controls to put in place the Council has obtained independent advice from Arlingclose who specialise in Local Authority treasury issues.

**Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

106. Not approving the report recommendations and not adhering to the overriding legal requirements could impact on meeting the ongoing objectives of the Council's treasury activities.

**Financial Implications**

107. This report provides Treasury Management budget for 2022/23 and forecasts for 2023/24 to 2031/32 financial years. Also included is the 10 year capital expenditure for prudent and sustainability check.
108. Under this 10 year Treasury Management Strategy, the Council has committed some £154m of investments in HGL and Energetik and a commitment of over £852m for Meridian Water project for the same period.
109. The Council held outstanding investments of £32.5m as at 31st December 2021. This portfolio has receivable interest of £8k to date.
110. The impact of the TMSS is reflected in the five year MTFP report as follows: £9.5m growth in revenue budgets from 2021/22 to 2026/27. The table below demonstrates the impact on revenue and how the financing reserves act to protect the General Fund budget.
111. Detailed breakdowns of the interest budgets including the Housing Revenue Account charges can be reviewed in the Treasury Management Strategy Statement in Table 5

**Table 5: Financing Costs**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Interest Charged to General Fund	3,635	7,031	9,669	11,634	11,718	12,873	13,224	13,834	13,171	13,636	14,579
MRP	17,198	19,578	22,680	19,346	21,492	20,973	20,306	17,562	17,051	16,093	18,632
<b>Total Financing Cost Charged to General Fund</b>	<b>20,832</b>	<b>26,609</b>	<b>32,349</b>	<b>30,980</b>	<b>33,210</b>	<b>33,846</b>	<b>33,530</b>	<b>31,396</b>	<b>30,222</b>	<b>29,729</b>	<b>33,211</b>
<b>Budget</b>	<b>22,565</b>	<b>26,495</b>	<b>29,288</b>	<b>33,238</b>	<b>35,036</b>	<b>36,036</b>	<b>37,036</b>	<b>38,036</b>	<b>39,036</b>	<b>40,036</b>	<b>41,036</b>
<b>Variance</b>	<b>(1,733)</b>	<b>114</b>	<b>3,061</b>	<b>(2,258)</b>	<b>(1,826)</b>	<b>(2,190)</b>	<b>(3,506)</b>	<b>(6,640)</b>	<b>(8,814)</b>	<b>(10,307)</b>	<b>(7,825)</b>
<b>Reserves</b>	<b>25,150</b>	<b>25,037</b>	<b>21,976</b>	<b>24,234</b>	<b>26,061</b>	<b>28,250</b>	<b>31,756</b>	<b>38,396</b>	<b>47,210</b>	<b>57,517</b>	<b>65,342</b>

**Legal Implications**

112. The Council will be in breach of the CIPFA TM code if it does not approve the strategy before the start of the year.

113. The Local Government Act 2003 ('the 2003 Act') provides a framework for the capital finance of local authorities. It provides a power to borrow and imposes a duty on local authorities to determine an affordable borrowing limit. It provides a power to invest. Fundamental to the operation of the scheme is an understanding that authorities will have regard to proper accounting practices recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) in carrying out capital finance functions.
114. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 ('the 2003 Regulations') require the Council to have regard to the CIPFA publication "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes" ("the Treasury Management Code") in carrying out capital finance functions under the 2003 Act. If after having regard to the Treasury Management Code the Council wished not to follow it, there would need to be some good reason for such deviation.
115. It is a key principle of the Treasury Management Code that an authority should put in place "comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities". Treasury management activities cover the management of the Council's investments and cash flows, its banking, money market and capital market transactions, the effective control of risks associated with those activities and the pursuit of optimum performance consistent with those risks. It is consistent with the key principles expressed in the Treasury Management Code for the Council to adopt the strategies and policies proposed in the report.
116. The report proposes that the Treasury Management Strategy will incorporate prudential indicators. The 2003 Regulations also requires the Council to have regard to the CIPFA publication "Prudential Code for Capital Finance in Local Authorities" ("the Prudential Code") when carrying out its duty under the Act to determine an affordable borrowing limit.
117. The Prudential Code specifies a minimum level of prudential indicators required to ensure affordability, sustainability and prudence. The report properly brings forward these matters for determination by the Council. If after having regard to the Prudential Code the Council wished not to follow it, there would need to be some good reason for such deviation.
118. The Local Government Act 2000 and regulations made under the Act provide that adoption of a plan or strategy for control of a local authority's borrowing, investments or capital expenditure, or for determining the authority's minimum revenue provision, is a matter that should not be the sole responsibility of the authority's executive and, accordingly, it is appropriate for the Cabinet to agree these matters and for them to then be considered by Council.
119. The report sets out the recommendations of the Executive Director of Resources in relation to the Council's minimum revenue provision, treasury management strategy and its annual investment strategy. The Executive Director of Resources has responsibility for overseeing the proper administration of the Council's financial affairs, as required by section 151 of

the Local Government Act 1972 and is the appropriate officer to advise in relation to these matters.

120. Due to financial impacts of the Covid-19 pandemic, the Government made regulations in November 2020 permitting local authorities to balance their budgets over three years (2021-2024) rather than one. The 'collection fund' is the account in which a local authority places its council tax and business rates income. The regulations apply only to budget shortfalls accumulated in 2020-2021. Where authorities have such a deficit, the regulations state that they must spread it across the three years in question. The Government has published guidance and a 'deficity spreading tool' to assist local authorities to calculate whether they are eligible for these provisions.
121. When considering its approach to the treasury management matters set out in the report, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty).

#### **Workforce Implications**

122. The employer's contribution is a significant element of the Council's budget and consequently any improvement in investment performance and having a significant reduction in cost of borrowing will allow the Council to meet this obligation more easily and could also make resources available for other corporate priorities.
123. This report helps in addressing value for money through benchmarking the Council's performance against other Local Authority and London boroughs.

#### **Property Implications**

124. None

#### **Other Implications**

125. None

#### **Options Considered**

126. The CIPFA TM code require that the Council establishes arrangements for monitoring its investments and borrowing activities hence the performance and activities of the Council's treasury operations is being reported to this Committee on a regular basis.

#### **Conclusions**

127. The Treasury Strategy is largely unchanged from previous year, however, the ten year borrowing strategy has been revised to reflect the updated 10 Year Capital Programme and HRA Business Plan.



128. The Council notes in its 10 year plan that its capital programme would entail borrowing sums of approximately £1,299 million taking the overall borrowing portfolio to just under £2 billion. The Council's programme over the next 5 years is £1,770m, of which £850.5m is being funded through borrowing.
129. The borrowing CFR estimate for 2022/23 is £1,485m which is £177m in excess of 2021/22 estimated closing position of £1,308m. The MRP charge for 2022/23 is estimated to be £24.6m based on estimated closing Gross CFR of 2021/22 of £1,338m. Although the borrowing CFR is £1,308m, with MRP chargeable to GF as £19.6m. See Appendix E of Annex 1 for more details.
130. The Total Borrowing for 2021/22 is estimated to be £1,040m which is a revised value down by £288m from original forecast of £1,328m approved for 2020/21 Annual TMSS. The total borrowing forecast for 2022/23 is £1,329m. Indicating a borrowing need of some £399m more than the closing position of £930m for 2021/22 financial year. For more details, see section 3.3 of Annex 1.
131. The Council loans to its companies is forecast to be £155.4m as at 31st March 2022 and to be £212m by end 2022/23 financial year. The TMSS has been updated with provision of working capital and injection of equities into the companies as agreed by Council in November 2020. For more details, see section 5.15 of the attached Annex 1.
132. Treasury management (TM) and the prudential indicators (PI) are set out in Appendix D of Annex 1 to enable all treasury management activities to be carried out in accordance with the approved limits. Although the 10 Year Capital Programme has moved on one year, the gross borrowing limits/ceiling remains under £2bn, this is a self-imposed cap.
133. For 2021/22, the Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing for the year, set at £1,370 million.
134. Loans from the PWLB cannot be used to finance expenditure relating to commercial investments for yield generation. Failure to comply with the revised terms would result in suspension of access to the PWLB; repayment of loans (with penalties).
135. The Council will continue to seek other funding opportunities such as borrowing from the marketplace. To borrow efficiently, the Council may need to have a credit rating in order to raise finance in the bond markets.
136. CIPFA launched a consultation on its Prudential Code and TM code for the best part of 2021 and the revised codes have now been published sometime last month. The two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.
137. The new prudential code takes immediate effect (presumably meaning from the 20th December 2021 publication date), except that authorities may defer introducing the revised reporting requirements (e.g. strategy reports) until the 2023/24 financial year if they wish. It particularly highlights that the

requirement that local authorities must not borrow to invest primarily for financial return applies with immediate effect.

138. Possible changes around classifying pooled funds as commercial investments, a stronger focus on Environmental, Social and Governance (ESG) and the mandatory treasury management committee have mostly been averted.
139. We await the publication of the TM Guidance Notes for Local Authorities for final details of the TM prudential indicators, including the liability benchmark.

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Date of report 2<sup>nd</sup> December 2021

### **Appendices**

Annex 1 – Treasury Management Strategy Statement For 2022/23

### **Background Papers**

The following documents have been relied on in the preparation of this report:

- i) TM Strategy Statement 2021/22 (Approved by Council March 2021)
- ii) Section 3 Local Government Act 2003
- iii) Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- iv) MHCLG Guidance on Minimum Revenue Provision (fourth edition) February 2018
- v) MHCLG Capital Finance Guidance on Local Government Investments Feb 2018
- vi) CIPFA Prudential Code for Capital Finance in Local Authorities, 2017



# **Treasury Management Strategy Statement**

Minimum Revenue Provision Policy Statement  
and  
Annual Investment Strategy

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London Borough of Enfield  
2022/23

## Treasury Management Strategy - 2022/23

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### Contents:

<b>Section</b>	
<b>1.</b>	<b>Introduction</b>
<b>2.</b>	<b>Economic Outlook</b>
<b>3.</b>	<b>Borrowing Strategy</b>
<b>4.</b>	<b>Investment Strategy</b>
<b>5.</b>	<b>Treasury Management Indicators</b>
<b>6.</b>	<b>Related Matters</b>
<b>7.</b>	<b>Financial Implications</b>
<b>8.</b>	<b>Other Options Considered</b>

### Appendices:

<b>Appendix A.</b>	<b>Economic Context</b>
<b>Appendix B.</b>	<b>Interest Rate Forecast as at December 2021</b>
<b>Appendix C.</b>	<b>Existing Investment &amp; Debt Portfolio Position</b>
<b>Appendix D.</b>	<b>Prudential Indicators</b>
<b>Appendix E.</b>	<b>Minimum Revenue Provision</b>
<b>Appendix F.</b>	<b>Approved Investment Counterparties and Limits</b>

## Treasury Management Strategy Statement 2022/23

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### 1. Introduction

- 1.1. Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. Borrowing arises from spending on the Council's Capital Programme; this report should be considered alongside the Ten Year Capital Programme. The Council has borrowed and/or invested substantial sums of money and is therefore exposed to potential financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 1.2. Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 1.3. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.4. The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short term loans or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.5. CIPFA defines treasury management as:  
*"The management of the local Council's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*
- 1.6. Investments held for service purposes or for cashflow purposes are considered in a different report, the Investment Strategy (**Section 4**).

## 2. Economic Outlook

- 2.1. **Appendix A** sets out the economic national context within which this Strategy has been constructed. The post COVID global economy has entered a higher inflationary phase, driven by a combination of resurgent demand and supply bottlenecks in goods and energy markets. Geopolitics are also playing a role, driving energy prices upwards which are being passed onto consumers. Tighter labour markets due to reduced participation rates have prompted concerns about wage-driven inflation, leading central banks to tighten policy to ensure inflation expectations remain anchored.
- 2.2. The Bank of England (BoE) increased Bank Rate to 0.50% in February 2022 while maintaining its Quantitative Easing programme at £895 billion. However, The Committee also voted unanimously for the Bank of England to begin to reduce the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, by ceasing to reinvest maturing assets and by a programme of corporate bond sales to be completed no earlier than towards the end of 2023 that should unwind fully the stock of corporate bond purchases.
- 2.3. The MPC will raise Bank rate further to dampen aggregate demand and reduce the risk of sustained higher inflation. Arlingclose therefore expects Bank Rate to rise to 0.75% in March and 1.0% in May. Despite this expectation, risks to the forecast remain weighted to the upside for 2022, becoming more balanced over time. The Arlingclose central forecast remains below the market forward curve.
- 2.4. Gilt yields will remain broadly flat from current levels, which have risen sharply since mid-December 2021. Significant volatility is, however, likely which should offer tactical opportunities for borrowing and investment.
- 2.5. The risks around the gilt yield forecasts are broadly balanced. While gilt yields may face downward pressure as Bank Rate expectations ease from current levels, the runoff of the Bank's corporate bond portfolio, and later the gilt portfolio, as it reverses QE, could impact some upward pressure on yields.
- 2.6. A forecast of future interest rates provided by the Council's Treasury Management advisers Arlingclose is set out in **Appendix B**. For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.50%, and that new long-term loans will be initially borrowed at an average rate of 2.5% during financial years 2021/22 to 2022/23; and 3.5% from 2023/24 onwards.
- 2.7. **Credit outlook:** Since the start of 2021, relatively benign credit conditions have led to credit default swap (CDS) prices for the larger UK banks to remain low and had steadily edged down throughout the year up until mid-November when the emergence of Omicron has caused them to rise modestly. However, the generally

improved economic outlook during 2021 helped bank profitability and reduced the level of impairments many had made as provisions for bad loans. However, the relatively recent removal of coronavirus-related business support measures by the government means the full impact on bank balance sheets may not be known for some time.

- 2.8. The improved economic picture during 2021 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several financial institutions, revising them from negative to stable and even making a handful of rating upgrades.

### **3. Balance Sheet Summary and Forecast**

- 3.1. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

- 3.2. The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans. In considering the affordability of its capital plans, the Council is required to consider all of the resources currently available to it/estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the following two years

- 3.3. On 31st December 2021, the Council held £938.6m of borrowing and £32.5m of treasury investments. Forecast changes in these sums are shown in the balance sheet analysis in Table 1 below.

**Table 1: Balance Sheet Analysis**

	31.3.22 Estimate £m	31.3.23 Forecast £m	31.3.24 Forecast £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 to 31.3.32 Forecast £m
General Fund CFR	1,034.1	1,150.5	1,246.5	1,301.3	1,312.8	1,303.8	1,358.6
HRA CFR	273.6	334.8	467.6	467.6	529.6	540.6	608.2
<b>Total / Borrowing CFR</b>	<b>1,307.7</b>	<b>1,485.3</b>	<b>1,714.1</b>	<b>1,768.8</b>	<b>1,842.4</b>	<b>1,844.4</b>	<b>1,966.8</b>
<b>PFI Liability</b>	30.3	26.3	22.1	17.7	13.8	10.7	0.0
<b>Total Debt CFR</b>	<b>1,338.0</b>	<b>1,511.7</b>	<b>1,736.2</b>	<b>1,786.5</b>	<b>1,856.2</b>	<b>1,855.1</b>	<b>1,966.8</b>
Less: Internal	(297.5)	(182.8)	(179.3)	(175.1)	(173.2)	(171.0)	(171.9)

borrowing								
<b>External borrowing</b>	<b>1,040.4</b>	<b>1,328.9</b>	<b>1,557.0</b>	<b>1,611.4</b>	<b>1,683.1</b>	<b>1,684.1</b>	<b>1,794.9</b>	
<b>Breakdown of external borrowing:</b>								
Existing Borrowing Profile	930.1	906.3	883.5	859.8	836.4	813.3	678.4	
New Borrowing to be raised	<b>110.3</b>	<b>422.6</b>	<b>673.5</b>	<b>751.6</b>	<b>846.7</b>	<b>870.9</b>	<b>1,116.5</b>	

3.4. The Council currently holds £938.5 million of loans, an increase of £8.5 million on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 above shows that the Council expects to borrow up to £423 in 2022/23. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £1,655 million.

3.5. The Council has an increasing CFR due to the requirements of the Council's capital programme and will therefore be required to borrow up to £1,299m over the 10-Year forecast period (2022/23 to 2031/32). As detailed in Table 2 below, The Council's 10 year programme is £2,659m of which £1,299m is funded through borrowing and over the next 5 years is £1,770m of which £850.5m is funded through borrowing.

**Table 2: Capital Expenditure & Financing**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 to 2031/32	Total 10 Yr. Capital Programme
	£m	£m	£m	£m	£m	£m	£m	£m
Meridian Water	45.6	147.7	203.0	114.1	105.8	45.7	235.8	852.1
Companies	35.5	57.9	59.4	37.0	0.0	0.0	0.0	154.3
Joyce & Snells (GF)	0.0	0.0	0.0	0.0	0.0	0.0	41.3	41.3
Other General Fund	55.0	117.9	77.9	52.1	47.3	30.7	164.2	490.2
HRA	84.9	132.9	217.5	96.0	129.2	97.8	447.4	1,120.9
<b>Total</b>	<b>221.0</b>	<b>456.4</b>	<b>557.9</b>	<b>299.1</b>	<b>282.4</b>	<b>174.2</b>	<b>888.8</b>	<b>2,658.8</b>
<b>Financed by:</b>								
External Grants & Contributions	(55.5)	(163.7)	(159.8)	(111.4)	(102.1)	(58.7)	(165.6)	(761.3)



S106 & CIL	(0.4)	(1.1)	(2.2)	(1.7)	(0.2)	(0.2)	(28.5)	(33.9)
Revenue Contributions	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.8)
Capital Receipts	(13.4)	(24.8)	(60.2)	(60.7)	(39.6)	(17.4)	(128.8)	(331.5)
Earmarked Reserves	(21.7)	(21.4)	(6.9)	0.0	0.0	(19.5)	(48.6)	(96.4)
Major Repairs Allowance (MRA)	(11.2)	(11.7)	(12.1)	(14.1)	(14.5)	(15.0)	(68.2)	(135.6)
<b>Prudential Borrowing</b>	<b>118.3</b>	<b>233.6</b>	<b>316.6</b>	<b>111.1</b>	<b>125.8</b>	<b>63.3</b>	<b>448.7</b>	<b>1,299.2</b>

3.6. Table 2 includes projects that have not yet been approved or recommended in the 10-Year Capital Programme, such as the General Fund element of the Joyce & Snells regeneration project. This project has been included due to the size of borrowing required to finance the project, and the need to illustrate the impact the borrowing will have on Council finances and debt limits. The HRA element is included within the HRA business plan for 3,500 new affordable homes.

3.7. **Table 3 below** illustrates the impact of borrowing on the Council's Capital Financing Requirement (CFR)

**Table 3: Change in Capital Financing Requirement**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<i>Meridian Water</i>	63.0	6.2	4.1	4.9	4.2	(1.3)	(16.6)	(3.3)	9.6	38.2	0.8
<i>Companies</i>	15.8	56.6	57.3	33.3	(3.9)	(4.0)	(4.4)	(4.7)	(4.8)	(4.9)	(5.1)
<i>Joyce &amp; Snells (GF)</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Other General Fund</i>	21.8	53.7	34.6	16.5	11.3	(3.7)	(2.7)	9.9	1.0	2.6	(2.0)
<b>Total General Fund</b>	<b>100.6</b>	<b>116.5</b>	<b>96.0</b>	<b>54.7</b>	<b>11.6</b>	<b>(9.0)</b>	<b>(23.8)</b>	<b>1.9</b>	<b>5.9</b>	<b>35.8</b>	<b>(6.4)</b>
HRA	33.4	61.2	132.8	0.0	62.0	11.0	30.0	(17.4)	55.0	0.0	0.0
<b>Total</b>	<b>134.0</b>	<b>177.7</b>	<b>228.8</b>	<b>54.7</b>	<b>73.6</b>	<b>2.0</b>	<b>6.2</b>	<b>(15.5)</b>	<b>60.9</b>	<b>35.8</b>	<b>(6.4)</b>

\* *Other General Fund (which excludes Meridian Water; Joyce & Snells; and Companies) capital expenditure over the ten years that is being funded through borrowing includes, but is not limited to, £31m on ICT; £93m Highways & Street Scene; £24m on Vehicle Replacement; £33m on Build the Change; £47m on Corporate Property programme and £51m on Montagu Industrial Estate*

3.8. CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years – Table 4 sets out the position over the forecasted period. It is

worth noting that each year the Council sets aside a certain proportion of monies for borrowing via its Minimum Revenue Provision charge.

**Table 4: Relation between Total Borrowing & Capital Financing Requirement (CFR)**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Meridian Water	399.9	406.1	410.2	415.1	419.4	418.0	401.4	398.1	407.8	446.0	446.7
Companies	155.4	212.0	269.3	302.6	298.7	294.6	290.2	285.5	280.7	275.8	270.7
Joyce & Snells (GF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.7	33.3	41.3
Other General Fund	478.7	532.5	567.0	583.5	594.8	591.1	588.4	598.2	599.3	601.8	599.8
Total General Fund	1,034.1	1,150.5	1,246.5	1,301.3	1,312.8	1,303.8	1,280.0	1,281.9	1,298.5	1,356.9	1,358.6
HRA	273.6	334.8	467.6	467.6	529.6	540.6	570.6	553.2	608.2	608.2	608.2
<b>Total CFR</b>	<b>1,307.7</b>	<b>1,485.3</b>	<b>1,714.1</b>	<b>1,768.8</b>	<b>1,842.4</b>	<b>1,844.4</b>	<b>1,850.6</b>	<b>1,835.1</b>	<b>1,906.7</b>	<b>1,965.1</b>	<b>1,966.8</b>
<b>Net Borrowing</b>	<b>1,040.4</b>	<b>1,328.9</b>	<b>1,557.0</b>	<b>1,611.4</b>	<b>1,683.1</b>	<b>1,684.1</b>	<b>1,688.1</b>	<b>1,669.5</b>	<b>1,739.5</b>	<b>1,795.5</b>	<b>1,794.9</b>

*\*Other General Fund (which excludes Meridian Water; Joyce & Snells; and Companies) capital expenditure over the ten years that is being funded through borrowing includes, but is not limited to, £31m on ICT; £93m Highways & Street Scene; £24m on Vehicle Replacement; £33m on Build the Change; £47m on Corporate Property programme and £51m on Montagu Industrial Estate*

3.9. Table 5 below shows how the interest is funded, broken down by fund. It is important to note that it is based on an interest rate of 2.5% for 2022/23 and 3.5% for years 2023/24 onwards as the Council is being deliberately overly prudent. The Council is currently able to borrow in the short term at approximately sub1% and current PWLB rates for 20 to 25 years is circa 2%. Borrowing at 1% equates to £1m of interest for every £100m borrowed. Therefore, as the Council borrows long-term for the Capital Programme and re-financing existing debt the Council will update the Treasury Management Strategy with revised (and reduced figures).

3.10. The impact on the General Fund in 2022/23 of £26.609m (made up of £19.578m MRP charge and £7.031m of interest payments) is therefore net off:

- a) Housing Revenue Account recharge of £12.072m, which is funded by rents
- b) Income generated by companies, which have separate sound business cases
- c) £9.218m Capitalised interest on Meridian Water (inclusive of loan arrangement fees), which will be repaid by capital receipts and which is anticipated to be completely repaid by 2043/44 and the difference of which will then be used to finance other aspects of the Capital Programme.

**Table 5: Breakdown of Indicative Interest rates (more detail in Appendix C)**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
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	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Gross Interest</b>	27,235	32,388	40,347	45,721	48,420	50,114	50,849	51,052	52,425	55,067	56,439
Debt Fees	90	101	121	59	66	41	46	41	64	58	39
<b>Total Debt Cost</b>	<b>27,325</b>	<b>32,489</b>	<b>40,468</b>	<b>45,780</b>	<b>48,486</b>	<b>50,155</b>	<b>50,895</b>	<b>51,093</b>	<b>52,488</b>	<b>55,125</b>	<b>56,478</b>
<b>Recharges:</b>											
Meridian Water	(9,876)	(9,218)	(10,578)	(10,015)	(10,857)	(10,681)	(10,681)	(10,350)	(11,147)	(11,868)	(12,263)
Companies	(3,729)	(4,125)	(5,530)	(8,063)	(8,723)	(8,607)	(8,319)	(8,133)	(7,997)	(7,858)	(7,714)
Joyce & Snells	0	0	0	0	0	0	0	0	(373)	(1,165)	(1,445)
HRA	(10,019)	(12,072)	(14,622)	(16,054)	(17,164)	(17,990)	(18,660)	(18,776)	(19,773)	(20,578)	(20,474)
Debt Fees	(67)	(43)	(68)	(13)	(23)	(4)	(11)	0	(26)	(21)	(3)
<b>Interest Charged to Gen. Fund</b>	<b>3,635</b>	<b>7,031</b>	<b>9,669</b>	<b>11,634</b>	<b>11,718</b>	<b>12,873</b>	<b>13,224</b>	<b>13,834</b>	<b>13,171</b>	<b>13,636</b>	<b>14,579</b>
MRP	17,198	19,578	22,680	19,346	21,492	20,973	20,306	17,562	17,051	16,093	18,632
<b>Total Financing Cost Charged to Gen. Fund</b>	<b>20,832</b>	<b>26,609</b>	<b>32,349</b>	<b>30,980</b>	<b>33,210</b>	<b>33,846</b>	<b>33,530</b>	<b>31,396</b>	<b>30,222</b>	<b>29,729</b>	<b>33,211</b>

3.11. The Council ensures that its borrowing is affordable by ensuring that appropriate budgets exist. Consequently, the Council is increasing capital financing budgets from £26.495m in 2022/23 to £33.238m in 2024/25. This increase of over £7m is recognised in its Medium Term Financial Plan (MTFP) this is to ensure the Council can afford its aspirations.

3.12. As outlined in the table below, the Council is able to draw down on the Capital Financing Reserves that it prudently put aside to mitigate any impact on revenue. If the Capital Programme was delayed or the Council was able to borrow at rates below 3.5% for an extended period of time, it would have the ability to release these reserves for other purposes. This is particularly important with the continual demographic pressures that Councils face.

3.13. **Table 6 below** shows the Capital Financing charges to the General Fund budget. Under the current capital programme projections, the earmarked reserve would continue to support existing capital financing budgets over the remainder of the ten-year capital programme comfortably and not become strained or overspent.

**Table 6: Capital Financing Impact on General Fund Revenue Budget (net of recharges to companies, HRA and Meridian Water, i.e. General Fund impact)**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Interest Charged to General Fund	3,635	7,031	9,669	11,634	11,718	12,873	13,224	13,834	13,171	13,636	14,579

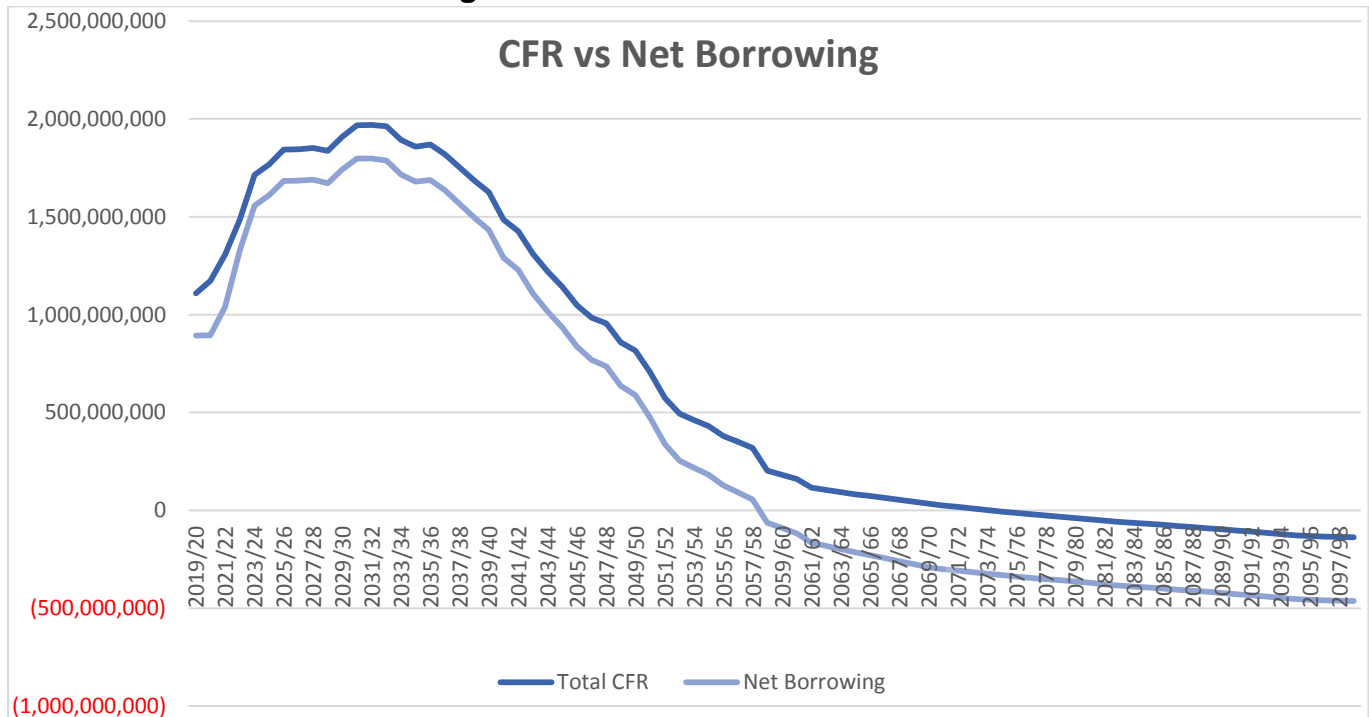
MRP	17,198	19,578	22,680	19,346	21,492	20,973	20,306	17,562	17,051	16,093	18,632
<b>Total Financing Cost Charged to General Fund</b>	<b>20,832</b>	<b>26,609</b>	<b>32,349</b>	<b>30,980</b>	<b>33,210</b>	<b>33,846</b>	<b>33,530</b>	<b>31,396</b>	<b>30,222</b>	<b>29,729</b>	<b>33,211</b>
<b>Budget</b>	<b>22,565</b>	<b>26,495</b>	<b>29,288</b>	<b>33,238</b>	<b>35,036</b>	<b>36,036</b>	<b>37,036</b>	<b>38,036</b>	<b>39,036</b>	<b>40,036</b>	<b>41,036</b>
<b>Variance</b>	<b>(1,733)</b>	<b>114</b>	<b>3,061</b>	<b>(2,258)</b>	<b>(1,826)</b>	<b>(2,190)</b>	<b>(3,506)</b>	<b>(6,640)</b>	<b>(8,814)</b>	<b>(10,307)</b>	<b>(7,825)</b>
<b>Reserves</b>	<b>25,150</b>	<b>25,037</b>	<b>21,976</b>	<b>24,234</b>	<b>26,061</b>	<b>28,250</b>	<b>31,756</b>	<b>38,396</b>	<b>47,210</b>	<b>57,517</b>	<b>65,342</b>

3.14. To ensure the financing position is sustainable, the Council also chooses to have both a 5-Year MTFP and a 10-Year Capital Programme and to project capital financing costs in the TMSS over a 10-year period. The Council carefully analyses how its debt is repaid.

3.15. Chart 1 below shows the Council’s net loan debt over a 77-year horizon and compares it to the capital financing requirement, which peaks at £1,967m. The debt peak is slightly below the Council’s self-imposed debt cap of £2bn.

3.16. The decrease in the curve reflects debt being repaid over time. The below graph also reflects the current plans of the Council and assumes that the Council does not choose to speed up its debt repayments by increasing asset sales or leasing finished assets. The debt projections include the debt financing of the Joyce & Snells (General Fund) project.

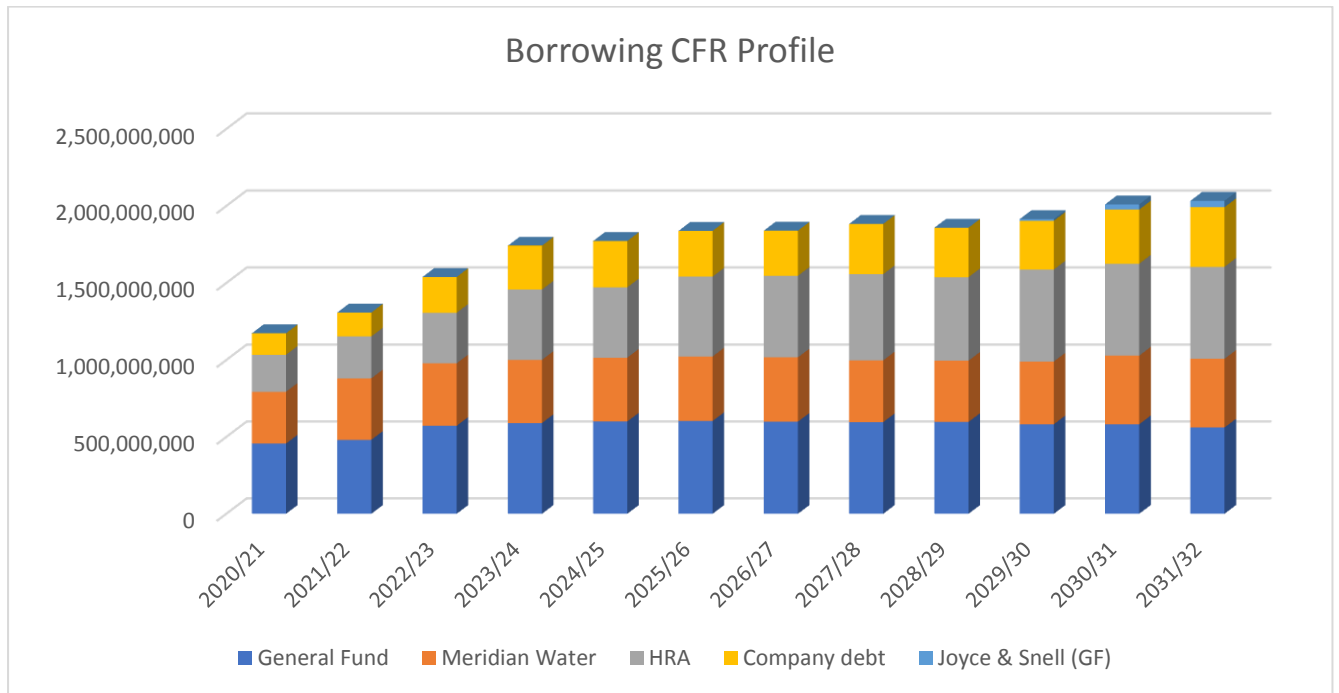
**Chart 1: CFR vs Net Borrowing Trend**



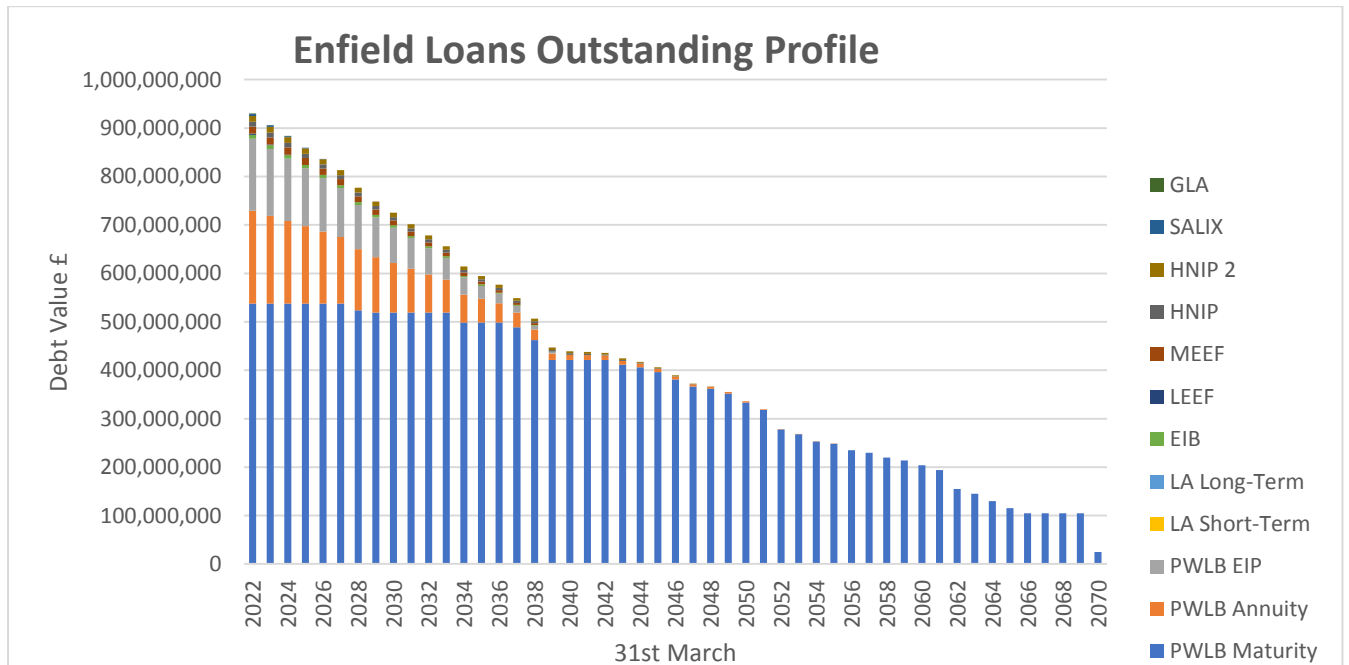
3.17. Every year, the Council refreshes its 10-Year Capital Strategy, ensuring that it focusses on the Corporate Priorities and that the programme is affordable, which

can mean non progression of a capital scheme; reprofiling capital schemes; and adding new schemes to the programme.

**Chart 2: Borrowing CFR Profile**



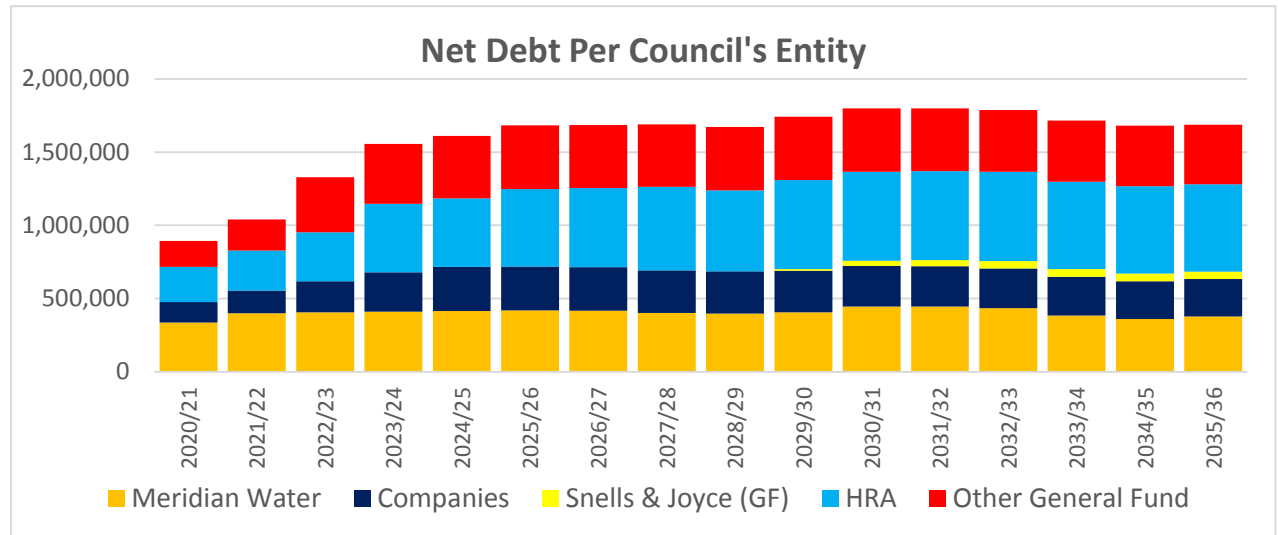
**Chart 3: Loans Outstanding Profile**



3.18. The 2022/23 Treasury Strategy now includes debt financing and associated borrowing costs for Joyce & Snells General Fund project following the report to Cabinet on 15 September 2021. The project is now approved by Council and the 2022/23 Strategy demonstrates the impact of the project on the CFR profile as well as the revenue budget

3.19. The Council's debt portfolio is split between **FIVE** main categories (as shown in the chart above): Meridian Water; Companies; Joyce & Snells (General Fund); HRA; and Other General Fund (GF). This enables more efficient management of debt and capital financing costs. It is worth noting that increasingly the Housing Revenue Account and non-Meridian Water General Fund capital expenditure will drive the Group Borrowing over the next 10 years.

**Chart 5: Net Debt Per Council Entity**



3.20. Meridian Water has a business plan in place which repays all debt by 2043/44. The Council lends to the Companies at rates higher than it borrows and therefore, the company borrowing does not have an adverse impact on the revenue budget. The HRA borrowing is supported through the 30-year HRA business plan and in part, some of the General Fund borrowing increases income and reduces expenditure.

3.21. The Treasury Management Prudential Indicators, as shown in **Appendix D**, set out the limits on Council borrowing and supports the decision-making process around the affordability of the capital programme over the budgeted period.

3.22. **Appendix E** sets out how the Council accounts for the repayment of debt. This is termed the Minimum Revenue Provision (MRP). This ensures the Council repays loan debt over a period of in line with the economic life of the assets.

3.23. **Objectives:** The Council's primary objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

3.24. **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the long-term stability of the debt portfolio. With short term interest rates currently lower than long term rates, it is likely to be more cost effective in the short term to either use internal resources, or

to borrow short term loans instead. However, this approach will need to be managed pro-actively to prevent exposure to re-financing risk, the risk of interest rates moving in the future that will result in refinancing short-term loans or internal borrowing more expensive than the present time.

3.25. The above strategy will allow the Council reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal/short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long term fixed rates in 2022/23 with a view to keeping future interest costs low, even if this causes additional cost in the short term.

3.26. **Sources of borrowing:** The approved sources of long term and short-term borrowing are:

- i. Public Works Loan Board (PWLB) and any successor body
- ii. any institution approved for investments (see below)
- iii. any other bank or building society authorised to operate in the UK
- iv. any other UK public sector body
- v. UK public and private sector pension funds (except the London Borough of Enfield Pension Fund)
- vi. capital market bond investors
- vii. UK Municipal Bonds Agency plc and other special purpose companies created to enable local Council bond issues
- viii. Mayor of London Energy Efficiency Fund (MEEF)
- ix. London Energy Efficiency Fund (LEEF)
- x. European Investment Bank (EIB)
- xi. Insurance Funds

3.27. **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- i. Leasing and hire purchase
- ii. Private Finance Initiative
- iii. sale and leaseback

3.28. **The PWLB** - The Council has previously raised the majority of its long-term borrowing from the PWLB. In late November 2020 HM Treasury published its outcome of the July 2020 consultation process and resulted in the PWLB issuing revised lending terms. Local authorities can now only access the PWLB as a means to refinance existing borrowings or internal borrowing; and financing expenditure relating to service delivery; housing; regeneration; and preventative action. Loans from the PWLB cannot be used to finance expenditure relating to commercial investments for yield generation. Failure to comply with the revised terms would result in suspension of access to the PWLB; repayment of loans (with

penalties) and a wider Government review of local authorities borrowing framework.

3.29. The Council will only borrow from the PWLB to finance expenditure relating to:

- i) Service delivery
- ii) Housing
- iii) Regeneration of the Borough
- iv) Preventative action
- v) Refinance existing loans (maturing or non-maturing)
- vi) Refinance internal borrowing

3.30. The Council will continue to seek other funding opportunities such as borrowing from the marketplace.

3.31. To borrow efficiently, the Council may need to have a credit rating in order to raise finance in the bond markets. Arlingclose believe that there will likely be a 'stratification of funding costs between "strong" and "weak" authorities. Due to the ambition of the Council, it is unlikely to attract the lowest rates. This may affect the investment models for projects, if they involve greater levels of debt, regardless of the investment return. This will form part of the next steps.

3.32. **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

3.33. **Short term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

3.34. **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity. This results in the Council either paying a premium (additional cost) to prematurely repay the loan or receiving a discount (refund of cost by PWLB). Premiums and discounts are calculated according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. Currently, due to historically low interest rates and the high cost of premature redemption by PWLB, this is not viewed as a likely option for the near future. However, the Council will keep debt rescheduling opportunities under review and update Members as part of the treasury management reporting cycle throughout the financial year.



**3.35. Other Options:** As the Table below indicates, there are several options available to the Council, which the Council has not previously used, such as leasing assets in an income strip arrangement for a shorter period than the asset life (30 years) in order to retain the asset for the Council, while reducing the debt. The reason that the Council needs to consider the wider range of options increasingly is that with its ambitious capital programme, costs may go up with greater borrowing if it is forced to borrow from the private sector.

**Table 7: Borrowing Options**

	PWLB	Short Term LA	Commer-cial Paper	LA Bills	Long Term LA	Bank Loans	Private Place-ment	MBA	Public Bonds	Income Strip
Size	Any	<£10m	£100m	<£10m	<£10m	>£5m	>25m	?	>£200m	>20m
Interest	V, F	V	V	V	V, F	V, F, I	V, F, I	F?	F, I	F, V, I
Maturity	<50yr	<1yr	<1yr	<1yr	?	<10yr	10 to 50yr	?	10yr +	10yr +
Repayment	M, A	M	M	M	M, A	M, A	M, A	M?	M, A	M, A
Tradeable	No	No	Yes	Maybe	Maybe	Maybe	Maybe	Yes	Yes	No
Credit Assessment	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Legal Documents	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Process	Easy	Easy	Inten-sive	Mod-erate	Mod-erate	Mod-erate	Mo-derate	Inten-sive	Inten-sive	Intens-ive
Margin	Highest	Low	Low	Low	Medium	Medium	Medium	Medium	Medium	Higher

**3.36.** The Council will continue in 2022/23 to refinance the internal borrowing with longer term loans, locking in the very low rates that are on offer. However, as cash investments reduce to near zero, the Council may be forced to rely on short term loans to finance the Councils cashflow activity while it takes time to determine as to how it will finance the capital programme given the large slippage position in 2021/22 financial year.

#### **4. Investment Approach**

4.1. The Council invests primarily via its capital programme. This is because during this era of low interest rates, treasury returns on cash balances tend to be lower and its cost effective to develop the Council's estate with such low revenue charges for interest. However, this does not mean that there is no limit to borrowing. As the Council is primarily a borrower for social purposes and less for commercial investment, the returns are lower and the Council's Treasury Advisors, Arlingclose, have advised us that it would become increasingly difficult to borrow and/or expensive as it approaches £2 billion in today's monetary terms.

4.2. Ultimately, the Council prudently budgets at a 3.5% interest rate except for 2022/23, following Arlingclose advice. This is because the former rate is close to its historical rate of borrowing and is also the current Treasury (HMT) Discount Rate and the latter reflects that interest rates in the immediate future are unlikely

to rise quickly. All rate are continually under review, as the Bank of England Bank Rate increased from 0.25% to 0.50% due to inflationary concerns suggests more rate rises in the future but rates would need to rise dramatically for even budgeted levels of 2.5% to need to change. Any spare monies would be transferred to reserves and the Council is reviewing whether to create a voluntary MRP budget to reduce debt quicker.

- 4.3. As such, the Council will limit itself to a hard cap of £2 billion plus inflation from 2022/23 onwards. In practice, it would also like to maintain a £0.2 billion gap below that in case any urgent needs are determined. For instance, previously the Council needed to find resources for fire prevention works and inevitably new unanticipated priorities will be uncovered.
- 4.4. There is the related challenge of officer capacity and capability to manage the capital programmes that needs to be recognised. Currently, the organisation is heavily reliant on a few key officers and agency staff in critical roles. In particular, Finance, Legal, Property and Regeneration are gradually developing new skillsets that will take time to embed. The Capital Programme must be understood against the backdrop of the development of existing staff and the practical capacity limits on the Council to support the range of schemes against the service demands, especially in social care.
- 4.5. Overall, the Council's investment approach is aligned with its corporate priorities and as such regenerating the Borough and delivering affordable homes form the largest part of its capital programme and its borrowing requirements. That is not to say that investment in new schools, highways and transport improvements and internal investment to support productivity improvements are not included. It is just that the latter, with the exception of those necessary for operations (ICT, centralisation of office buildings), tend to be heavily grant funded or are less resource intensive.
- 4.6. The Council's investment in social and affordable housing in the Borough can be demonstrated in Meridian Water and other planned schemes such as Joyce & Snells. However, as social housing struggles to cover the capital financing costs (interest and principal repayments), even with grants, the Council has to be innovative in ensuring it can achieve on its aspirations.
- 4.7. Over the next nine months, the Council will be reviewing the financing arrangements and delivery models of the Capital Programme as it seeks to maximise the leveraging of its balance sheet, while minimising the risk it undertakes. There is a clear intent for this review to be reported to Council with the mid year Treasury Management report and to be undertaken under the context of retaining and developing existing assets, whenever it is in the best interests of the Borough.
- 4.8. The next year will also see the development of a fully fledged property strategy that examines all existing assets for their investment potential as compared with their realisable market value will be progressed. Currently, the Council has limited data as to the most efficient 'sweating' of assets. The Asset Management

Software that is being commissioned by Property should support the considered decision making necessary to maximise the assets of the Council's estates.

## 5. Treasury Investment Strategy

- 5.1. The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. All cash balances the Council holds during the year are invested with approved financial institutions as set out in **Appendix F**. The Council plans to have a zero daily current bank closing balance every day ensuring all surplus cash is always appropriately invested.
- 5.2. The level of cash deposit will fluctuate during the course of the year. During 2021/22, the Council on average held £40m in investments. However, this position is unlikely to continue in the forthcoming year, as the Council runs down its investments rather than undertake borrowing. Appendix C sets the position as at 31st December 2021. The ideal year-end actual invested cash balance is anticipated to be £35m, however, this may be higher as the Council may receive late grant awards from Central Government and Agencies.
- 5.3. **Objectives:** The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
- 5.4. **Strategy:** Given the low interest rate environment and that the Council continues not to hold any non-core cash (i.e. deposits that will not be used in year). The Council continues to diversify cash deposits between short term unsecured bank deposits and money market funds.
- 5.5. **Business models:** Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 5.6. **Approved counterparties:** The Council may invest its surplus funds with any of the counterparty types set out in **Appendix F**, subject to the cash limits (per counterparty).
- 5.7. **Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions

are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

- 5.8. **Banks unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 5.9. **Banks secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
- 5.10. **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- 5.11. **Lending to Wholly Owned Council Companies:** The Council can loan to its wholly owned companies, but a business case must be undertaken and a review process that demonstrates that they are a sound option (non-loss making) and support the Council's Medium Term Financial Plan Objectives. This plan must have been approved at the relevant requisite Committee.
- 5.12. **Lending to Joint ventures (JVs), Associates and Similar entities:** The Council can invest in such organisations when they meet the same conditions as above. Moreover, there are instances when the Council is de facto required to invest or to deliver an alternative scheme (such as the North London West Authority).
- 5.13. **Lending to Companies or Charities, that are not wholly owned:** The Council may lend to local Charities, that deliver services supporting the Medium-Term Financial Plan, but it must regularly confirm that the principal on the loans are protected. Similarly, the Council can loan to companies, but the standard is that the loans must be on a commercial basis and that the Council has confidence in the nature that principal will be protected. The Council may make small loans to organisations that are at a higher risk to support the local economy, possibly in relation to a complex regeneration scheme, but such loans, regardless of the amount, will require a delegated approval report, signed off by the Leader or the Cabinet Member responsible for Finance.
- 5.14. **Working Capital Facilities:** These are explicitly not capital expenditure because they exist to manage cashflows, nor intended to be of a long-term nature. The Council can loan on a commercial basis to other organisations and the approval

process is via the Section 151 Officer, **who depending on the size of the loan may choose to request additional approval from the relevant Cabinet member.** However, regular reviews of cashflow are a requirement, taking place no less than on a quarterly basis. It is anticipated that majority of such facilities would take in relation to wholly owned companies or JVs, and that they would be on a commercial basis. However, where they do not, additional approval from the relevant Cabinet member, depending on the size of the loan, should be sought. One key aspect that must be considered in relation to working capital is that the cashflow review is not just for the demonstration of the healthiness of the borrower and ability to repay (plus interest), but to ensure that the loan is not being used for capital purposes and is solely due to the timing of cashflows. The latter requires a different governance process as noted within the financial regulations.

- 5.15. **Pooled funds:** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 5.16. Bond, equity and property funds offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 5.17. **Operational bank accounts:** The Council may incur operational exposures, for example though current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail in, and balances will therefore be kept below £15 million per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed in than made insolvent, increasing the chance of the Council maintaining operational continuity.
- 5.18. **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury management advisers, Arlingclose, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made;
  - any existing investments that can be recalled or sold at no cost will be; and
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

- 5.19. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 5.20. **Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council’s treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.
- 5.21. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested
- 5.22. **Investment limits:** The Council will limit the risk of loss from a default from lending to any one organisation (other than the UK Government) will be £25 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries. A group of entities under the same ownership will be treated as a single organisation for limit purposes.
- 5.23. **Liquidity management:** The Council uses its own in-house cash flow forecasting software model (Predictor) to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long term investments are set by reference to the Council’s medium term financial plan and cash flow forecast.

## 6. Treasury Management Indicators

6.1. The Council measures and manages its exposures to treasury management risks using the following indicators.

6.2. **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit score	6

6.3. **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£25m

6.4. **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one year revenue impact of a 1% <u>rise</u> in interest rates	+£4.0m
Upper limit on one year revenue impact of a 1% <u>fall</u> in interest rates	-£4.0m

6.5. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates. The effect of an increase in interest rates will be mitigated through the Council's risk budget.

6.6. **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	30%	0%
12 months and within 24 months	35%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	45%	0%
10 years and above	100%	0%

6.7. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

- 6.8. **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2022/23	2023/24	2024/25
Limit on principal invested beyond year end	£15m	£15m	£15m

## 7. **Related Matters**

- 7.1. The CIPFA Code requires the Council to include the following in its treasury management strategy.
- 7.2. **Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
- 7.3. The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 7.4. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
- 7.5. **Financial Derivatives:** In the absence of any explicit legal power to do so, the Council will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.
- 7.6. **Housing Revenue Account:** On 1st April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet



resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Council's average interest rate on investments, adjusted for credit risk. This is currently under review, as going forward keeping the historical HRA debt separate seems appropriate but it would be simpler and cheaper for both funds for the remaining debt to be split on a financing requirement basis, as it would prevent unnecessary borrowing.

- 7.7. **Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Director of Finance believes this to be the most appropriate status.
- 7.8. **Local Council Companies:** The Council will only lend to wholly own companies by the Council or where the Council has a controlling majority interest in the company.
- 7.9. All borrowing to companies owned by the London Borough of Enfield will require a formal on-lending agreement.
- 7.10. Prior to that they will have to achieve to meet the following requirements:
- An independently reviewed business case and cashflow forecast.
  - To be able to demonstrate the ability to repay both interest and principal over the agreed repayment scheduled.
  - Where possible the Council will secure the loan on the Council
- 7.11. **Lending to Schools with the HSBC Banking Scheme:** Where LA schools with a HSBC bank account are in a structural overdraft position then the Council will provide a credit facility to ensure the school(s) remain in a credit position. Interest will be charged at ½% above the prevailing bank rate.

## 8. Other Options Considered

- 8.1. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below:

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be

		greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

## **Economic Context**

1. At its meeting of 2nd February 2022, the MPC voted by a majority of 5-4 to increase Bank Rate by 0.25 percentage points, to 0.5%. The MPC voted unanimously for the Bank of England to begin to reduce the stock of UK government bond purchases by ceasing to reinvest maturing assets. The Committee also voted unanimously for the Bank of England to begin to reduce the stock of sterling non-financial investment-grade corporate bond purchases by ceasing to reinvest maturing assets and by a programme of corporate bond sales to be completed no earlier than the end of 2023.

### **The Global Economy & Financial Conditions**

2. At the time of the last MPC meeting, the economic uncertainty surrounding the Omicron variant of coronavirus was much more prevalent and the forecast for growth was depressed as a result. Since then the uncertainty surrounding this variant has declined and the negative effects that it might have had on the global economy have been shown to be less damaging and more short lived than previously expected. On the other hand, exceptionally strong demand for goods combined with supply chain disruptions and rising energy prices have weighed on activity throughout the early parts of Q1 2022.

### **UK Demand & Output**

3. Although remaining concerns over the Omicron variant somewhat slowed growth in the UK throughout December and January, the MPC expects a recovery in activity throughout February and March leading to output returning to pre-pandemic levels by the start of Q2 2022. This is supported by strong labour force numbers which saw the unemployment rate fall to 4.1% in the three months to November; the expectation is for this trend to continue into 2022 and the rate fall further to 3.8% by the end of Q1 2022. Looking to the medium-term, growth is expected to be hampered by the squeeze on income and spending which is largely driven by the increasing costs of global energy and tradable goods. The rising cost of goods has led to a more negative forecast for the labour market which sees the unemployment rate reach 5% and excess labour supply building to around 1% at the end of the forecast period.

### **Inflation**

4. 12-month CPI inflation for December was 5.4% which is one percentage point above the expectations set out in the November Monetary Policy Report. Rising energy prices and core goods prices are the leading drivers of this inflation but services price inflation, and the prices of second-hand cars and hospitality have also risen sharply. Surveys of input and output price PMIs were at historically high levels in January as raw material prices and wage growth lead to surging output prices faced by consumers.

5. The MPC projects CPI inflation will continue its upward trajectory in the coming months to around 6% in February and March before peaking at 7.25% in April. This is two percentage points higher than the November report. Costs from the Supplier of Last Resort Mechanism - a policy put in place to cover losses for energy companies that took on customers from other failed energy companies – are likely to be passed on to consumers through increasing prices in household energy bills. Businesses may also see prices increase in the near-term as increasing wage pressures put upward pressure on prices, which will be exacerbated by businesses with contracts linked to CPI inflation increasing prices as well. shifts lower later. The risk for longterm yields is weighted to the upside.

### **The MPC's Policy Decision**

6. Since the last MPC meeting the level of CPI inflation has continued to rise globally, driven by the rising cost pressures outlined above. The Committee expect these pressures to ease over the forecast period as demand moves away from goods and into services and global bottlenecks become less prevalent. Nonetheless the level of prices for tradable goods are expected to remain well above prepandemic levels. At the last meeting the Committee outlined that some monetary tightening may be necessary to keep inflation in line with their projections, the most preferable tool being an increase in the Bank Rate.
7. The MPC concluded that persistence of rising prices and tightness in the labour market were sufficient to warrant an increase in the Bank Rate. The Committee did note that these factors would also weigh on aggregate UK income and spending, but that monetary policy was unable to prevent this and should focus on its main task of controlling inflation.
8. As such, by a small majority of 5-4 the Committee agreed to a 0.25 percentage point increase in the Bank Rate. The minority in this case were in favour of a larger increase of 0.5 percentage points. Although inflation is forecast to continue upwards over the remainder of the year, the decision to raise rates was taken to reduce the risk of persistent inflation in pay growth and consumer prices becoming firmly embedded which would make it increasingly difficult to bring inflation back down to target over the remainder of the forecast period.
9. The MPC also decided to unwind the programme of corporate bond purchases by beginning to sell bonds with the aim to have unwound the programme no earlier than by towards the end of 2023. The decision to wind down the purchase of UK government bonds was also undertaken which means that the Bank will cease reinvestment in these assets but reaffirmed their intention to not undertake any sales of UK government bonds until Bank Rate reached at least 1%.
10. The Committee also reaffirmed its commitment to using changes in the Bank Rate as the main tool to combat inflation and that any changes in the asset purchase programmes would only be undertaken should the potential movements in Bank Rate be deemed insufficient to reach the inflation target. The MPC concluded that should the economy develop broadly in line with its forecasts set out as part of the

February report, some further tightening of monetary policy would likely still be appropriate in the coming months.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix B.

**Appendix B****Arlingclose Economic and Interest Rate Forecast February 2022****Underlying assumptions:**

- i) The post COVID global economy has entered a higher inflationary phase, driven by a combination of resurgent demand and supply bottlenecks in goods and energy markets. Geopolitics are also playing a role, driving energy prices upwards which are being passed onto consumers. Tighter labour markets due to reduced participation rates have prompted concerns about wage-driven inflation, leading central banks to tighten policy to ensure inflation expectations remain anchored.
- ii) Global inflation is riding high. While some indicators suggest supply bottlenecks in goods markets are easing, oil and gas prices have risen significantly and threaten a more sustained level of uncomfortably high inflation than previously expected. In the UK, Ofgem has confirmed a significant rise in retail energy prices, which will maintain relatively high CPI rates throughout 2022.
- iii) Supply constraints are also evident in the labour market. Underlying wage growth is running above pre-COVID levels despite employment being lower now than in early 2020. Evidence suggests that labour pools have diminished. Higher wage growth will be a contributory factor to sustained above-target inflation this year.
- iv) The lower severity of Omicron means that the economic impact should be limited. The UK economy had a weak Q4 2021 due to the virus, but growth is likely to bounce back in Q1 2022.
- v) However, higher inflation will dampen demand. In the UK, households face a difficult outlook. Fiscal and monetary headwinds alongside a sharp reduction in real income growth will weigh on disposable income, ultimately leading to slower growth.
- vi) The Bank of England will tighten policy further over the next few months to ensure that aggregate demand slows to reduce business pricing power and labour wage bargaining power. Markets have priced in a significant rise in Bank Rate, but we believe the MPC will be more cautious given the medium term outlook, assessing the impact of the first round of rises rather than following the market higher.
- vii) Bond yields have risen sharply to accommodate tighter monetary policy, including the runoff of central bank bond portfolios. The interplay between slowing growth and falling inflation, and tightening policy, will likely keep yields relatively flat.
- viii) UK aggregate income and spending will reduce due to higher goods and energy prices. Households cut back on spending as real incomes decline, due to high inflation and rises in taxes. Some of the decline in real income will be offset by

households using accumulated savings to support spending. Demand growth is expected to slow as support from fiscal and monetary policy ebbs compared to previous years.

- ix) As spending growth declines, unemployment is expected to rise, up by about 1% compared to the current 4.1% rate. Slowing growth and rising inflation leads to a margin of spare capacity opening up by the end of 2022 and growing to around 1%.
- x) CPI inflation is expected to rise further in the near term to a peak of 7.25% in April 2022. This mainly reflects the increase in global prices, with around three quarters of the rise in inflation between December and April due to higher contributions from energy and goods prices. Higher wage settlements place further upward pressure on CPI throughout 2022.
- xi) The contribution to inflation from higher energy prices is expected to decline to zero by the start of 2023. Goods price inflation is also expected to fall back as supply bottlenecks ease. Incorporating the market's expectation for the path of Bank Rate (peaking at 1.5% in med2023), CPI is expected to fall back to target by the end of 2023. The CPI rate is projected to drop below target in 2024 due to the margin of spare capacity created by slowing demand growth in relation to supply.

#### **Forecast:**

- i) The MPC will raise Bank rate further to dampen aggregate demand and reduce the risk of sustained higher inflation.
- ii) Arlingclose therefore expects Bank Rate to rise to 0.75% in March and 1.0% in May. Despite this expectation, risks to the forecast remain weighted to the upside for 2022, becoming more balanced over time. The Arlingclose central forecast remains below the market forward curve.
- iii) Gilt yields will remain broadly flat from current levels, which have risen sharply since mid-December 2021. Significant volatility is, however, likely which should offer tactical opportunities for borrowing and investment.
- iv) The risks around the gilt yield forecasts are broadly balanced. While gilt yields may face downward pressure as Bank Rate expectations ease from current levels, the run off of the Bank's corporate bond portfolio, and later the gilt portfolio, as it reverses QE, could impact some upward pressure on yields.





## Appendix C

### Detailed Breakdown of Interest and MRP Impact on Budgets

This table breaks down the interest charges as to how they are funded. It also shows the impact on the General Fund, and how the underspends and overspends are managed through an earmarked capital financing reserve. Commissioning costs are fees payable to the lender upon raising new debt finance.

**Table C1 - Detailed Breakdown of Interest and MRP Impact on Budgets**

Interest	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
PWLB-Maturity	17,661	17,847	17,847	17,847	17,847	17,847	17,847	17,514	17,396	17,396	17,396
PWLB- EIP	2,542	2,354	2,183	2,029	1,875	1,721	1,567	1,413	1,259	1,105	951
PWLB-Annuity	3,744	3,553	3,359	3,160	2,958	2,752	2,542	2,328	2,110	1,888	1,661
LA- Short-Term	0	0	0	0	0	0	0	0	0	0	0
LA Long-Term	0	0	0	0	0	0	0	0	0	0	0
EIB	189	181	173	165	156	148	139	130	120	111	101
LEEF	42	31	19	7	0	0	0	0	0	0	0
MEEF	149	180	180	181	172	161	150	139	99	118	108
HNIP	19	18	18	17	17	16	15	14	14	13	12
Salix	0	0	0	0	0	0	0	0	0	0	0
GLA	0	0	0	0	0	0	0	0	0	0	0
Future Borrowing	2,890	8,225	16,569	22,314	25,395	27,470	28,589	29,514	31,426	34,436	36,209
PWLB Commission	65	76	96	34	41	16	21	16	39	33	14
Temporary Loans Commission	25	25	25	25	25	25	25	25	25	25	25
<b>Total Gross Interest &amp; Fees</b>	<b>27,326</b>	<b>32,489</b>	<b>40,468</b>	<b>45,780</b>	<b>48,486</b>	<b>50,155</b>	<b>50,895</b>	<b>51,093</b>	<b>52,488</b>	<b>55,125</b>	<b>56,478</b>
<b>Recharges:</b>											
Meridian Water	(9,876)	(9,218)	(10,578)	(10,015)	(10,857)	(10,681)	(10,681)	(10,350)	(11,147)	(11,868)	(12,263)
Companies	(3,729)	(4,125)	(5,530)	(8,063)	(8,723)	(8,607)	(8,319)	(8,133)	(7,997)	(7,858)	(7,714)
Joyce & Snells (GF)	0	0	0	0	0	0	0	0	(373)	(1,165)	(1,445)
HRA	(10,019)	(12,072)	(14,622)	(16,054)	(17,164)	(17,990)	(18,660)	(18,776)	(19,773)	(20,578)	(20,474)
Meridian Water Commission	(43)	(2)	(1)	(2)	(1)	0	0	0	(3)	(13)	(0)
Companies Commission	(8)	(20)	(20)	(12)	0	0	0	0	0	0	0
Joyce & Snells (GF) Commission	0	0	0	0	0	0	0	0	(4)	(8)	(3)
HRA Commission	(17)	(21)	(46)	0	(22)	(4)	(11)	0	(19)	0	0
<b>Interest Charged to General Fund</b>	<b>3,635</b>	<b>7,031</b>	<b>9,669</b>	<b>11,634</b>	<b>11,718</b>	<b>12,873</b>	<b>13,224</b>	<b>13,834</b>	<b>13,171</b>	<b>13,636</b>	<b>14,579</b>

MRP	17,198	19,578	22,680	19,346	21,492	20,973	20,306	17,562	17,051	16,093	18,632
<b>Total Financing Cost Charged to GF</b>	<b>20,832</b>	<b>26,609</b>	<b>32,349</b>	<b>30,980</b>	<b>33,210</b>	<b>33,846</b>	<b>33,530</b>	<b>31,396</b>	<b>30,222</b>	<b>29,729</b>	<b>33,211</b>
<b>Budget</b>	<b>22,565</b>	<b>26,495</b>	<b>29,288</b>	<b>33,238</b>	<b>35,036</b>	<b>36,036</b>	<b>37,036</b>	<b>38,036</b>	<b>39,036</b>	<b>40,036</b>	<b>41,036</b>
<b>Variance</b>	<b>(1,733)</b>	<b>114</b>	<b>3,061</b>	<b>(2,258)</b>	<b>(1,826)</b>	<b>(2,190)</b>	<b>(3,506)</b>	<b>(6,640)</b>	<b>(8,814)</b>	<b>(10,307)</b>	<b>(7,825)</b>
<b>Reserves</b>	<b>25,150</b>	<b>25,037</b>	<b>21,976</b>	<b>24,234</b>	<b>26,061</b>	<b>28,250</b>	<b>31,756</b>	<b>38,396</b>	<b>47,210</b>	<b>57,517</b>	<b>65,342</b>

**Table C2 - Existing Investment & Debt Portfolio Position**

Type of Loan	1 <sup>st</sup> April 2021	Movement	31 <sup>st</sup> December 2021
	£m	£m	£m
PWLB	875.9	10.0	885.9
European Investment Bank	8.3	(0.4)	7.9
GLA	2.1	(0.5)	1.6
HNIP	21.6	0.0	21.6
LEEF	2.7	(0.5)	2.2
MEEF	15.0	0.0	15.0
SALIX	4.5	0.0	4.5
<b>Total</b>	<b>930.1</b>	<b>8.5</b>	<b>938.6</b>

**Table C3 - Investments**

Type of Loan	1 <sup>st</sup> April 2021	31 <sup>st</sup> Dec 2021
	£m	£m
<b>Money Market Funds (MMFs)</b>	21.5	25.0
<b>On-call accounts</b>	14.0	7.5
	<b>35.5</b>	<b>32.5</b>

## Appendix D

**Prudential Indicators**

This report covers the requirements of the 2017 CIPFA Prudential Code to set prudential indicators. This item should be approved by the full Council before the start of the new financial year which is a legislative requirement. The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow.

The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

**Prudential Indicator: Capital Expenditure**

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans. In considering the affordability of its capital plans, the Council is required to consider all of the resources currently available to it/estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the following two years.

**Table D1 - Capital Expenditure**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28- 2031/32	Total 10 Yr Capital Program me
	£m	£m	£m	£m	£m	£m	£m	£m
Meridian Water	45.6	147.7	203.0	114.1	105.8	45.7	235.8	852.1
Companies	35.5	57.9	59.4	37.0	0.0	0.0	0.0	154.3
Joyce & Snells (GF)	0.0	0.0	0.0	0.0	0.0	0.0	41.3	41.3
Other General Fund	55.0	117.9	77.9	52.1	47.3	30.7	164.2	490.2
HRA	84.9	132.9	217.5	96.0	129.2	97.8	447.4	1,120.9
<b>Total</b>	<b>221.0</b>	<b>456.4</b>	<b>557.9</b>	<b>299.1</b>	<b>282.4</b>	<b>174.2</b>	<b>888.8</b>	<b>2,658.8</b>
<b>Financed by:</b>								
External Grants & Contributions	(55.5)	(163.7)	(159.8)	(111.4)	(102.1)	(58.7)	(165.6)	(761.3)
S106 & CIL	(0.4)	(1.1)	(2.2)	(1.7)	(0.2)	(0.2)	(28.5)	(33.9)
Revenue Contributions	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.8)
Capital Receipts	(13.4)	(24.8)	(60.2)	(60.7)	(39.6)	(17.4)	(128.8)	(331.5)
Earmarked Reserves	(21.7)	(21.4)	(6.9)	0.0	0.0	(19.5)	(48.6)	(96.4)
Major Repairs Allowance (MRA)	(11.2)	(11.7)	(12.1)	(14.1)	(14.5)	(15.0)	(68.2)	(135.6)
<b>Borrowing</b>	<b>118.3</b>	<b>233.6</b>	<b>316.6</b>	<b>111.1</b>	<b>125.8</b>	<b>63.3</b>	<b>448.7</b>	<b>1,299.2</b>

Need per year											
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### Prudential Indicator: Capital Financing Requirement (CFR)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historical outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR. CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next four years. The tables and graph below show that the Council expects to comply with this recommendation during 2022/23.

### Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium-term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

**Table D2 - Gross Debt and the Capital Financing Requirement**

Estimated Debt	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Borrowing Capital Financing Requirement	1,308	1,485	1,714	1,769	1,842	1,844	1,851	1,835	1,907	1,965	1,967
PFI and Finance Leases	30	26	22	18	14	11	7	4	1	(0)	(0)
<b>Total Capital Financing Requirement</b>	<b>1,338</b>	<b>1,512</b>	<b>1,736</b>	<b>1,787</b>	<b>1,856</b>	<b>1,855</b>	<b>1,858</b>	<b>1,839</b>	<b>1,908</b>	<b>1,965</b>	<b>1,967</b>
External Borrowing	1,040	1,329	1,557	1,611	1,683	1,684	1,688	1,669	1,739	1,795	1,795
Other Long-Term Liabilities	30	26	22	18	14	11	7	4	1	(0)	(0)
<b>Gross Debt</b>	<b>1,071</b>	<b>1,355</b>	<b>1,579</b>	<b>1,629</b>	<b>1,697</b>	<b>1,695</b>	<b>1,696</b>	<b>1,674</b>	<b>1,741</b>	<b>1,795</b>	<b>1,795</b>

### Prudential Indicator: Operational Boundary

The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst-case scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance leases, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

**Table D3 - Operational Boundary**

Operating Boundary	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	2	3	4	5	6	7	8	9	0	1	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Borrowing	1,040	1,329	1,557	1,611	1,683	1,684	1,688	1,669	1,739	1,795	1,795

Other Long Term Liabilities	30	26	22	18	14	11	7	4	1	(0)	(0)
<b>Total Operational Limit</b>	<b>1,070</b>	<b>1,355</b>	<b>1,579</b>	<b>1,629</b>	<b>1,697</b>	<b>1,695</b>	<b>1,696</b>	<b>1,674</b>	<b>1,741</b>	<b>1,795</b>	<b>1,795</b>

### Prudential Indicator: Affordable Borrowing / Authorised Limit

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

### Table D4 - Affordable Borrowing / Authorised Limit

Authorised Limit	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Operational Limit	1,070	1,355	1,579	1,629	1,697	1,695	1,696	1,674	1,741	1,795	1,795
Headroom	300	300	300	300	300	300	300	300	300	300	300
<b>Total Authorised Limit</b>	<b>1,370</b>	<b>1,655</b>	<b>1,879</b>	<b>1,929</b>	<b>1,997</b>	<b>1,995</b>	<b>1,996</b>	<b>1,974</b>	<b>2,041</b>	<b>2,095</b>	<b>2,095</b>

### Prudential Indicator – Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream and the gross revenue budget for the General Fund and the Housing Revenue Account, respectively. It also exemplifies the element of housing rental that relates to financing costs, this calculation is notional and assumes all other things are equal.

### Table D5 - Ratio of Financing Costs to Net Revenue Stream

Estimated Ratio of Financing Costs to:	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
General Fund Net Revenue Stream	8.00%	10.22%	12.42%	11.32%	11.59%	11.27%	11.03%	10.20%	9.70%	9.43%	10.41%
Housing Revenue Account Gross Revenue Budget	16.75%	19.12%	22.10%	23.47%	24.06%	23.86%	22.75%	22.37%	22.82%	23.43%	22.99%

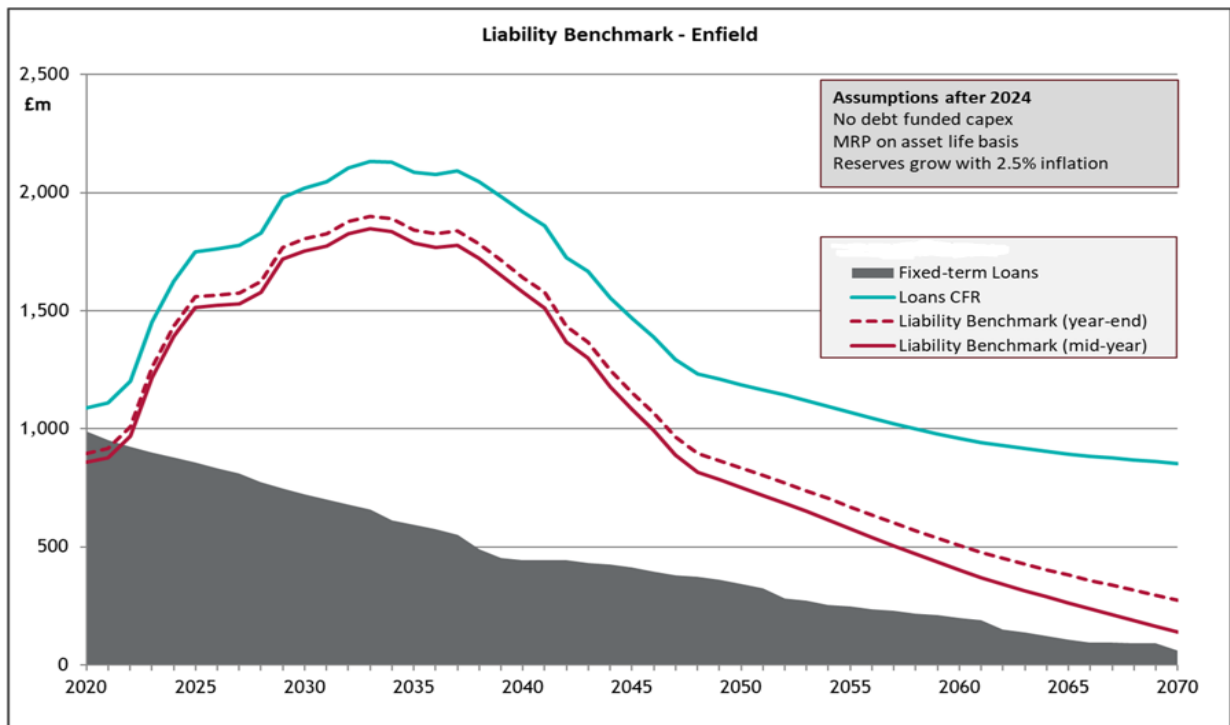
**Treasury Indicator - Liability benchmark** – CIPFA recommends that the liability benchmark is produced for at least 10 years and should ideally cover the debt profile of a local authority, it is a new indicator to measure borrowing levels and the profile of its debt overtime.

The Chart below illustrates the Council’s treasury position as per the approved 2021/22 Treasury Management Strategy Statement. It can be seen that the Enfield Council’s debt does not exceed the liability benchmarks.

This indicator is based on the Council’s future cash flows and its minimum revenue payment (MRP) forecast for repayment of debt in the future.

If debt exceeds the liability benchmark the authority has a cash surplus and is holding on deposit. It is a measure of the Council’s existing (and committed) loans portfolio compared with its forecast loan needs. This benchmark should enable the authority to understand and manage its exposure to treasury risks.

**Chart 1: Liability Benchmark**



**Appendix E****Annual Minimum Revenue Provision Statement (With effect from 1 April 2022)**

- 1) When the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Ministry for Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance).
- 2) The broad aim of the MHCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 3) The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods. Council is asked to approve the continuation of the existing policy for the calculation of MRP, which is consistent with the guidance issued under the regulations and the introduction of the following:
  - a) the principle that the determination of a prudent amount of MRP for any given year will take account of payments made in previous years, and an assessment of whether those payments exceed what the current policy would require in terms of prudence;
  - b) For capital expenditure incurred before 1 April 2008, and for capital expenditure incurred from 1 April 2008 to 31 March 2011, and which is Supported Capital Expenditure (SCE), MRP will be calculated at 2% on a straight-line basis.
- 4) The approaches are therefore as follows, with effect from 1 April 2022.
  - a) For capital expenditure incurred before 1 April 2008, and for capital expenditure incurred from 1 April 2008 to 31 March 2011, and which is Supported Capital Expenditure (SCE), MRP will be calculated at 2% on a straight-line basis;
  - b) For unsupported borrowing incurred from 1 April 2008 onwards, MRP is calculated based on amortising the amount borrowed over the estimated lives of the assets acquired (or the enhancement made) as a result of the related expenditure using the annuity repayment method in accordance with MHCLG Statutory guidance. A discount rate of 3.50% is used in the annuity calculation.
  - c) For borrowing by LBE companies for housing assets for onward rental, loan duration of up to 75 years will be considered by the Council to match the respective asset life.
  - d) While no MRP is required to be charged in respect of assets held within the Housing Revenue Account, the Council may provide for a voluntary MRP charge so that all schemes undertaken are viable (i.e. repay all their debt over an appropriate period) and so that the HRA maintains borrowing capacity for future years.

- e) No MRP is charged on Meridian Water as the project is under construction. MRP will only be charged on completed phases that have become operational. Capital receipts from the sale of identified land will also be used to repay the debt incurred to finance the associated capital expenditure. A voluntary MRP charge may be applied where opportunities persist in order to accelerate debt extinguishment.
- f) Capital expenditure financed from borrowing incurred during one financial year will not be subject to an MRP charge until the asset moves into operation, except where the Section 151 officer deems it appropriate to charge it an earlier date.
- g) Assets acquired with the intention of onward sale, which will not be used in the delivery of services, will not attract MRP. Capital receipts generated by sale of the asset will be set aside to repay debt that was used to initially acquire the asset.
- h) Loans made to third parties to enable them to incur capital expenditure are repaid by the borrower and so MRP provision does not need to be made by the Council from Council Tax. In the case of loans for investment assets, a prudent amount will be set aside for MRP in accordance with Government Guidance based on asset life.
- i) From 1 April 2022 onwards, asset lives for MRP charges will be charged on the following basis, except for schemes in which the asset is already in operation:
  - i) ICT equipment – 5 years
  - ii) Vehicles – 10 years
  - iii) Highways & Transport Assets – 25 years
  - iv) Parks & Landscape – 25 years
  - v) Investment Assets – 40 years unless a business can be made that there is a residual value that means a longer asset life is possible
  - vi) School buildings and community assets – 40 years unless a business case for a specific asset justifies a different lifespan
  - vii) Housing Assets – 50 years
  - viii) Leased Assets on the basis of the lease asset unless the above categories have a smaller asset life
  - ix) All capital expenditure schemes less than £50k will be charged immediately to revenue
- j) MRP in respect of PFI liabilities will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability
- k) Where former operating leases have been brought onto the balance sheet on 1st April 2022 due to the adoption of the IFRS 16 Leases accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or discounts, then the annual MRP charges will be adjusted so that the total charge to revenue remains unaffected by the new standard.



- l) Unless a specific justification for another MRP rate is given, the Council's hurdle rate for investment of 3.5% shall be used.
- 5) Table E1 summarises the Council's approach to applying the Statutory requirements of MRP:

**Table E1: Application of MRP Policy**

Capital Expenditure Activity	MRP Application
General Fund (Excluding Companies; Meridian Water; Joyce & Snells)	<p>MRP is charged annually to the Comprehensive Income and Expenditure Account.</p> <p>MRP for the General Fund is calculated in the following ways:</p> <ul style="list-style-type: none"> <li>• Historic supported borrowings – MRP is calculated on a 2% straight-line basis. The value of historical unfinanced capital expenditure as at 01 April 2022 is £138.82m.</li> <li>• Unsupported borrowings- MRP is calculated on annuity basis using 3.50% as the discount rate over the life of the asset.</li> </ul>
Meridian Water	<p>No MRP is charged as the project is still under construction.</p> <p>It is anticipated that capital receipts generated from the sale of land will be used to repay associated debt.</p> <p>For completed phases that have become operational, MRP is charged on an annuity basis at 3.50% over the life of the asset.</p> <p>The Section 151 Officer may apply Voluntary MRP where opportunities persist.</p>
LBE Companies	<p>No MRP is charged. However, loan repayments for loans used for capital purposes will be treated as the equivalent MRP charge.</p>
Joyce & Snells (General Fund element)	<p>MRP will be charged when the asset becomes operational. MRP will be calculated on an annuity basis using 3.50% as the discount rate over 50 years.</p>

	Construction works will commence in 2029/30 and forecasted to complete in 2032/33. The first MRP charge will be in 2033/34.
PFI	MRP is charged equivalent to the annual capital repayments of the PFI liability.
HRA	No MRP is charged presently

### Minimum Revenue Provision (MRP) – Estimation for 2022/23

- 6) This policy will take effect from 2022/23. Government Guidance requires that an annual statement on the Council's policy for its MRP should be submitted to Council for approval before the start of the financial year to which the provision will relate but that changes during the year are permitted if approved by full Council. Based on the Council's latest estimate of its Capital Financing Requirement on 31st March 2022, the MRP for 2022/23 is estimated as follows:

**Table E2 – MRP for 2022/23**

	<b>Est. CFR</b>	<b>Est. MRP</b>
	<b>31 Mar 22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>
<b>General Fund</b>		
Capital expenditure before 1 April 2008 and Supported capital expenditure from 1 April 2008 to 31 Mar 2011	138.82	2.8
Voluntary MRP	0.00	0.8
Unsupported capital expenditure after 31 Mar 2008	339.92	14.7
Unsupported capital expenditure after 31 Mar 2008- Meridian Water	399.93	1.2
Unsupported capital expenditure after 31 Mar 2008- Joyce & Snells (GF)	0.00	0.00
<b>Total General Fund</b>	<b>878.67</b>	<b>19.6</b>
Loans to Council owned companies (met by repayments from the companies)	155.38	1.0
<b>Total General Fund (including company loan repayments)</b>	<b>1,034.06</b>	<b>20.6</b>
<b>HRA</b>	273.59	0.00
Overprovision set aside in MRP Reserve	0.00	0.00
<b>Total CFR Excluding PFI, including company loan repayments</b>	<b>1,307.65</b>	<b>20.6</b>
<b>PFI Liability Repayments</b>	30.31	4.0
<b>Total / Charge PFI to General Fund</b>	<b>1,337.96</b>	<b>24.6</b>

Table E3 – MRP for 2022/23 and Beyond

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	Future Years	Total MRP & Similar Charges
	Estimated	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
	£m	£m	£m	£m	£m	£m	£m	£m	
Historical Supported Borrowing	2.8	2.8	2.8	2.8	2.8	2.8	14.2	110.5	<b>138.8</b>
Historical Supported Borrowing (TFR to earmarked Reserve)	0.8	0.8	0.8	0.8	0.8	0.8	4.0	22.4	<b>30.4</b>
<b>Total Historical Supported Borrowing</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>	<b>18.2</b>	<b>132.9</b>	<b>169.2</b>
Unsupported Borrowing	12.4	14.7	17.8	14.4	16.5	15.9	63.7	545.9	<b>689.0</b>
<b>General Fund MRP (Ex PFI)</b>	<b>16.0</b>	<b>18.4</b>	<b>21.4</b>	<b>18.0</b>	<b>20.1</b>	<b>19.6</b>	<b>81.9</b>	<b>678.8</b>	<b>858.2</b>
HRA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Meridian Water	1.2	1.2	1.3	1.3	1.3	1.4	7.7	1,320.8	<b>1,335.0</b>
Joyce & Snell (GF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.4	<b>52.4</b>
<b>Total MRP Excluding PFI and Company Loans</b>	<b>17.2</b>	<b>19.6</b>	<b>22.7</b>	<b>19.3</b>	<b>21.5</b>	<b>21.0</b>	<b>89.6</b>	<b>2,051.9</b>	<b>2,245.6</b>
PFI Repayment	3.6	4.0	4.2	4.4	3.8	3.1	10.7	0.0	<b>30.3</b>
Company Loan Repayments	0.8	1.0	2.1	3.6	3.9	4.0	23.6	266.7	<b>304.8</b>
<b>Total MRP Including PFI &amp; Company Loan Repayments</b>	<b>21.6</b>	<b>24.6</b>	<b>29.0</b>	<b>27.4</b>	<b>29.2</b>	<b>28.1</b>	<b>124.0</b>	<b>2,318.6</b>	<b>2,580.8</b>

## Counterparties

## Appendix F

Table F1 - Approved Investment Counterparties and Limits

General Counterparty List	Credit Rating	Cash Limit	Max Time Limit
Banks Unsecured	AAA	£25m	5 years
	AA+		5 years
	AA		4 years
	AA-		3 years
	A+		2 years
	A	£15m	12 months
	A-		6 months
Banks Secured	AAA	£25m	20 years
	AA+	£25m	10 years
	AA		5 years
	AA-		4 years
	A+		3 years
	A		2 years
	A-		13 months
UK Government	AA+	Unlimited	50 years
Corporates	AA+	£5m	10 years
	AA		5 years
	AA-		4 years
Registered Providers	AA+	£5m	10 years
	AA		10 years
	AA-		10 years
Money Market Funds*	AAA	£25m	Next Day

\* As from 21 July 2018, there are three structural options for existing MMFs, these are as follows:

1. Public Debt Constant Net Asset Value ("CNAV") MMFs (mainly government assets)
2. Low Volatility NAV ("LVNAV") MMFs (market fund doesn't deviate by more than 20bps)
3. Variable NAV ("VNAV") MMFs (more fluctuating assets)

A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below

**The following table provides additional information on the counterparties mentioned above**

**Table F2**

Councils' Main Bank Account - HSBC	The Council banks with HSBC and will continue to bank with HSBC with a revised contract. At the current time, it does meet the minimum credit criteria of A- (or equivalent) long term. If the credit rating falls below the Council's minimum criteria A-, it will continue to be used for short term liquidity requirements (overnight and weekend investments) and business continuity arrangements. If funds come into the bank account during the day (after daily dealing has been undertaken) and cannot be placed out with any other approved financial institutions, they can be placed into the HSBC Call Account to attract interest even if it breaches the counterparty limit (the matter will be reported to the Director of Finance, Resources & Customer Services). The temporary breach will be addressed on the next banking business day.
Banks Unsecured	Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
Banks Secured	Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
Government	Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
Corporates	Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.
Registered Providers	Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed
Money Market	Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the

Funds	advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
Bond, Equity and Property Funds	These offer the potential for enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

## Appendix G

Annuity	A method of repaying a loan where the cash payment remains constant over the life of the loan, but the proportion of interest reduces, and the proportion of principal repayment increases over time. Repayment mortgages and personal loans tend to be repaid by the annuity method.
Asset backed security (ABS)	A bond that pays to investors the return received on its collateral.
Authorised limit	The maximum amount of debt that a local Council may legally hold, set annually in advance by the Council itself. One of the Prudential Indicators.
BACS	Bankers' automated payment system. UK bulk payments system allowing transfers between bank accounts with two days' notice, for a small charge.
Bail-in	A bail-in is rescuing a financial institution on the brink of failure by making its creditors and depositors take a loss on their holdings rather than the government or taxpayers.
Bail-out	A bailout is a colloquial term for the provision of financial help to a corporation or country which otherwise would be on the brink of failure or bankruptcy.
Bank	Regulated firm that provides financial services to customers. But see also Bank of England.
Bank of England	The central bank of the UK, based in London, sometimes just called "the Bank". See also Monetary Policy Committee and PRA.
Bank Rate	The official interest rate set by the Monetary Policy Committee, and the rate of interest paid by the Bank of England on commercial bank deposits. Colloquially termed the "base rate".
BCA	Baseline credit assessment - a credit rating agency's risk assessment of a bank's intrinsic credit risk, before considering the impact of junior debt and external support.
Bid	A bid to buy a security at a certain price (the bid price), or a bid to borrow money at a certain interest rate (the bid rate). See also offer.
Bill	A certificate of short-term debt issued by a company, government, or other institution, which is tradable on financial markets
Bond	A certificate of long-term debt issued by a company, government, or other institution, which is tradable on financial markets.
Bond fund	A collective investment scheme that invests mainly in bonds.
Bookrunner	Investment bank that maintains the book of orders from potential investors for a new bond or share issue.
Borrowing	Usually refers to the stock of outstanding loans owed and bonds issued.
Borrowing Portfolio	A list of loans held by the Council.
Borrowing Requirements	The principal amount the Council requires to borrow to finance capital expenditure and loan redemptions.
Broker	Regulated firm that matches either borrowers and lenders (a money broker) or buyers and sellers of securities (a stockbroker) with each other in order to facilitate transactions.
Brokerage	Fee charged by a broker, normally paid by the borrower.
Call account	A deposit account that can be called back, normally on

	instant access.
Cap	Derivative option that requires payment when a variable, such as an interest rate, rises above a certain level. Can be embedded in a floating rate loan or deposit to prevent the variable rate rising above a certain limit. See also collar and floor.
Capital	(1) Long-term, as in capital expenditure and capital receipt. (2) Principal, as in capital gain and capital value. (3) Investments in financial institutions that will absorb losses before senior unsecured creditors.
Capital expenditure	Expenditure on the acquisition, creation or enhancement of fixed assets that are expected to provide value for longer than one year, such as property and equipment, plus expenditure defined as capital in legislation such as the purchase of certain investments.
Capital finance	Arranging and managing the cash required to finance capital expenditure, and the associated accounting.
Capital finance regulations	Legislation covering local authorities' activities in capital finance, treasury management and accounting. Separate regulations are published for the four nations of the UK.
Capitalisation direction or regulations	Approval from central government to fund certain specified types of revenue expenditure from capital resources.
Capital Financing Requirement (CFR)	Capital Financing Requirement- a measure of the Council's underlying need to borrow to fund capital expenditure.
Capital gain or loss	An increase or decrease in the capital value of an investment, for example through movements in its market price.
Capital markets	The markets for long-term finance, including bonds and shares. See also money markets.
Capital receipt	Cash obtained from the sale of an item whose purchase would be capital expenditure. The law only allows local authorities to spend capital receipts on certain items, such as new capital expenditure. They are therefore held in a capital receipts reserve until spent.
Capital strategy	An annual report required by the Prudential Code that sets out a local authorities' high-level plans for capital expenditure, debt and investments and its Prudential Indicators for the forthcoming financial year.
Cash plus fund	A collective investment scheme similar to a money market fund but with a WAM up to around six months.
Central bank	A government agency responsible for setting interest rates, regulating banks and maintaining financial stability.
CET1	Core equity tier 1 - the purest form of capital for a financial institution, which is available to absorb losses while it remains a going concern, usually expressed as a ratio to risk weighted assets.
Certainty rate	Discount on PWLB rates for new loans borrowed, available to all local authorities that provide a forecast for their borrowing requirements.
Certificates of Deposits	A certificate of deposit (CD) is a time deposit, a financial product. CDs are similar to savings accounts in that they are insured and thus virtually risk free; they are "money in the bank." They are different from savings accounts in that the CD has a specific, fixed term (often monthly, three months, six months, or one to five years) and, usually, a fixed interest



	rate. It is intended that the CD be held until maturity, at which time the money may be withdrawn together with the accrued interest.
CHAPS	Clearing House Automated Payment System. UK payments system for same-day transfer between bank accounts, commonly used for treasury management payments.
CIPFA The Chartered Institute of Public Finance and Accountancy	The professional body for accountants working in the public sector. CIPFA also sets various standards for local government – see Treasury Management Code and Prudential Code.
Constant net asset value (CNAV)	A money market fund where the net asset value is held at a constant £1 per share providing the value of the underlying investments is between 99.5p and 100.5p per share. Since 2019, this style of fund is restricted to those that only invest in government securities.
Collar	A combination of a cap and floor, so that the variable moves within a certain range only. Where the premium payable on the cap is equal to the premium receivable on the floor, it is known as a zero-cost collar.
Collateral	Assets that provide security for a loan or bond, for example the house upon which a mortgage is secured.
Collective investment scheme	Scheme in which multiple investors collectively hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
Commercial investment	An investment whose main purpose is generating income, such as investment property.
Commercial property	Land and buildings used by businesses, as opposed to households.
Commercial paper	Commercial paper is a money-market security issued (sold) by large corporations to obtain funds to meet short-term debt obligations (for example, payroll), and is backed only by an issuing bank or corporation's promise to pay the face amount on the maturity date specified on the note. Since it is not backed by collateral, only firms with excellent credit ratings from a recognized credit rating agency will be able to sell their commercial paper at a reasonable price. Commercial paper is usually sold at a discount from face value, and carries higher interest repayment rates than bonds
Cost of carry	When a loan is borrowed in advance of need, the difference between the interest payable on the loan and the income earned from investing the cash in the interim.
Counterparties	Organisations or Institutions the Council lends money to e.g. Banks; Local Authorities and MMF.
Counterparty limit	The maximum amount an investor is willing to lend to a counterparty, in order to manage credit risk.
Corporate bonds	A corporate bond is a bond issued by a corporation. It is a bond that a corporation issues to raise money effectively in order to expand its business. The term is usually applied to longer-term debt instruments, generally with a maturity date falling at least a year after their issue date.
Country limit	The maximum amount an investor is willing to lend to all counterparties based in a foreign country, in order to manage credit risk.

Coupon	The contractual interest rate payable on a bond, as a percentage of the nominal amount. This normally reflects market conditions when the bond was originally issued.
Covenant	A clause in a loan contract where the borrower makes certain commitments, for example to maintain a particular financial ratio or to publish regular financial statements. Breach of a covenant is usually classed as a default.
Covered bonds	Bond issued by a financial institution that is secured on that institution's assets, usually residential mortgages, and is therefore lower risk than unsecured bonds. Covered bonds are exempt from bail-in.
Consumer Prices Index & Retail Prices Index (CPI & RPI)	The main inflation rate used in the UK is the CPI. The Chancellor of the Exchequer bases the UK inflation target on the CPI. The CPI inflation target is set at 2%. The CPI differs from the RPI in that CPI excludes housing costs. Also used is RPIX, which is a variation of RPI, one that removes mortgage interest payments.
Credit Default Swap (CDS)	A kind of protection that can be purchased by MMF companies from insurance companies (for their investment) in exchange for a payoff if the organisation they have invested in does not repay the loan i.e. they default.
Credit watch	Variety of special programmes offered by credit rating agencies and financial institutions to monitor organisation/individual's (e.g. bank) credit report for any credit related changes. A credit watch allows the organisation/individuals to act on any red flags before they can have a detrimental effect on credit score/history.
Credit Arrangements	Methods of Financing such as finance leasing
Credit Ratings	A scoring system issued by credit rating agencies such as Fitch, Moody's and Standard & Poors that indicate the financial strength and other factors of a bank or similar Institution.
Creditworthiness	How highly rated an institution is according to its credit rating.
Custodian	Regulated firm that provides custody.
Custody	The safekeeping of securities that are dematerialised, i.e. no longer held in paper form, including the vast majority of bonds and shares traded on financial markets.
Debt	(1) A contract where one party owes money to another party, such as a loan, deposit or bond. Contrast with equity. (2) In the Prudential Code, the total outstanding borrowing plus other long-term liabilities.
Debt Management Office (DMO)	The DMO is an agency of the HM Treasury which is responsible for carrying out the Government's Debt Management Policy.
Debt Rescheduling	The refinancing of loans at different terms and rates to the original loan.
Depreciation Method	The spread of the cost of an asset over its useful life.
Default	Failure to meet an obligation under a debt contract, including the repayment of cash or compliance with a covenant, usually as a result of being in financial difficulty (rather than an administrative oversight).
Deflation	Negative inflation, which central banks are keen to avoid since households tend to delay spending waiting for prices to fall further, leading to further deflation.

Deposit	A regulated placing of cash with a financial institution. Deposits are not tradable on financial markets.
Depository	Regulated firm that performs safeguarding, record keeping and ownership verification of a collective investment scheme's assets, including those which are not held in custody.
Derivative	Financial instrument whose value is derived from an underlying instrument or index, such as a swap, option or future. Derivatives can be used to gain exposure to, or to help protect against, changes in the value of the underlying. See also embedded derivative and hedge.
Discount	(1) The amount that the early repayment cost of a loan is below its principal, or the price of a bond is below its nominal value. See also premium. (2) To calculate the present value of an investment taking account of the time value of money.
Discount rate	The interest rate used in a present value calculation. Diversification The spreading of risk across a variety of exposures in order to reduce the risk. For example, investing in a range of counterparties to limit credit risk or borrowing to a range of maturity dates to limit refinancing risk.
Diversified income fund	A collective investment scheme that invests in a range of bonds, equity and property in order to minimise price risk, and also focuses on investments that pay income
Dividend	Income paid to investors in shares and collective investment schemes. Dividends are not contractual, and the amount is therefore not known in advance.
DMADF	Debt Management Account Deposit Facility – a facility offered by the DMO enabling local authorities to deposit cash at very low credit risk. Not available in Northern Ireland.
DMO	Debt Management Office – an executive agency of HM Treasury that deals with central government's debt and investments.
Dove	Monetary policy maker with a preference for lower interest rates. See also hawk.
Duration	In relation to a bond or bond fund, the weighted average time of the future cash flows from today, usually expressed in years. The longer the duration, the more the price moves for a given change in interest rates.
ECB	European Central Bank – the central bank of the Eurozone, based in Frankfurt, Germany.
EIB	European Investment Bank – a supranational bank owned by the member states of the European Union that mainly lends within the Union.
EIP	Equal instalments of principal. A method of repaying a loan where the principal is repaid over the life of the loan, in equal instalments. Interest payments reduce over time as the principal is repaid.
EIR	Effective interest rate - IFRS term for the average interest rate on a financial instrument, including the effect of premiums, discounts and fees. For a simple deposit or loan, the EIR is usually equal to the contractual interest rate; for a bond the EIR is usually equal to the yield.

Embedded derivative	A derivative that is combined into another financial instrument, such as the options embedded in a LOBO.
ESG	Environmental, social and governance considerations.
Equity	(1) The residual value of an entity's assets after deducting its liabilities. (2) An investment in the residual value of an entity, for example ordinary shares.
Equity fund	A collective investment scheme that mainly invests in company shares.
Ex-dividend date	The first date that a share or unit is traded without the right to receive the next dividend. The price therefore falls by the amount of the dividend.
FATCA	Foreign Account Tax Compliance Act – a US regime applicable worldwide to limit tax evasion by US citizens. Local authorities are classed as exempt beneficial owners under FATCA.
Fair value	IFRS term for the price that would be obtained by selling an investment, or paid to transfer debt, in a market transaction.
FCA	Financial Conduct Council – UK agency responsible for regulating financial markets and the conduct of financial institutions, brokers, custodians, fund managers and treasury management advisors.
Federal Reserve	The central bank of the USA often just called “the Fed”.
Fiscal policy	Measures taken by government to boost or slow the economy via taxation and spending decisions. Fiscal loosening or easing refers to cuts in taxes or increases in spending, while fiscal tightening refers to the opposite. See also monetary policy.
Financial institution	A bank, building society or credit union. Sometimes the term also includes insurance companies. Financial instrument IFRS term for investments, borrowing and other cash payable and receivable.
Financing costs	In the Prudential Code, interest payable on debt less investment income plus premiums less discounts plus MRP.
Floating rate note (FRN)	A bond where the interest rate changes at set intervals linked to a market variable, most commonly 3-month LIBOR.
Floor	Derivative option that requires payment when a variable, such as an interest rate, falls below a certain level. Can be embedded in a floating rate loan or deposit to prevent the variable rate falling below a certain limit. See also cap and collar.
Foreign exchange (FX) risk	The risk that unexpected changes in foreign exchange rates cause a loss. Rarely an issue for local authorities since they are unable to borrow and tend not to invest in foreign currency.
Forward deal	An arrangement where a loan or deposit is arranged in advance of the cash being transferred, with the advance period being longer than the standard period (if any) for such a transaction.
Financial Services Compensation Scheme	UK deposit guarantee scheme that will compensate most depositors up to £85,000 in the event of a bank failure. However, most public sector organisations, financial institutions and collective investment schemes are excluded from receiving compensation.

FSMA	Financial Services and Markets Act 2000, the main piece of UK legislation regulating financial services.
FTSE	Financial Times stock exchange – a series of indices on the London Stock Exchange. The FTSE 100 is the index of the largest 100 companies on the exchange, the FTSE 250 is the next largest 250 and the FTSE 350 combines the two.
Future	A derivative whose payments depend on the future value of a variable.
Fund manager	Regulated firm that manages collective investment schemes. Gate Restriction on the subscription or redemption of shares or units in a collective investment scheme.
GDP	Gross domestic product – the value of the national aggregate production of goods and services in the economy. Increasing GDP is known as economic growth.
General Fund	A local Council reserve that holds the accumulated surplus or deficit on revenue income and expenditure, except on council housing. See also Housing Revenue Account.
Gilt	Gilt-edged securities are bonds issued by certain national governments. The term is of British origin, and originally referred to the debt securities issued by the Bank of England, which had a gilt (or gilded) edge. Hence, they are known as gilt-edged securities, or gilts for short. Today the term is used in the United Kingdom as well as some Commonwealth nations, such as South Africa and India. However, when reference is made to "gilts", what is generally meant is "UK gilts," unless otherwise specified.
Gilt yield	Yield on gilts. Commonly used as a measure of risk-free long-term interest rates in the UK
Guarantee	An arrangement where a third party agrees to pay the contractual payments on a loan to the lender if the borrower defaults. Haircut A reduction in the value of a bond or deposit as the result of a bail-in or other restructuring of the counterparty.
Hawk	Monetary policy maker with a preference for higher interest rates. See also dove.
Hedge	An arrangement where one instrument (typically a derivative) is used to offset the variability in another instrument. For example, an interest rate swap where interest is receivable at a variable rate can be an effective hedge for a variable rate loan.
Hedge accounting	Optional IFRS accounting arrangements to ensure that the accounting impact of a hedge matches the economic impact.
IFRS	International Financial Reporting Standards, the set of accounting rules in use by UK local authorities since 2010.
Impairment	A reduction in the value of an investment caused by the counterparty being in financial difficulty.
Income return	Return on investment from dividends, interest and rent but excluding capital gains and losses. See also total return.
Income strip	Long-term lease arrangement where the tenant pays indexed rent and has an option to buy back the property at the end of a lease for a nominal payment. Effectively a form of loan finance.
Inflation risk	The risk that unexpected changes in inflation rates cause an

	unplanned loss, for example by costs rising faster than income.
Interest	Compensation for the use of cash paid by borrowers to lenders on debt instruments.
Interest Rate exposures	A measure of the proportion of money invested and what impact movements in the financial markets would have on them.
Interest rate risk	The risk that unexpected changes in interest rates cause an unplanned loss, for example by increased payments on borrowing or lower income on investments.
Interest rate swap	A derivative where the parties swap a fixed and a variable interest rate on an agreed nominal sum for an agreed period of time. Widely used to manage interest rate risk.
Internal borrowing	A local government term for when actual "external" debt is below the capital financing requirement, indicating that difference has been borrowed from internal resources instead; in reality this is not a form of borrowing.
Inverted yield curve	Yield curve where yields decrease over time, suggesting that short-term interest rates will fall in future. A possible indicator of a recession. See also normal yield curve.
Investment bank	A bank that provides services including issuing new securities in the primary market and arranging company mergers and acquisitions. Investment banks may also undertake proprietary trading, i.e. investing the bank's own money with a view to making a profit.
Investment grade	Entities and securities with a credit rating of BBB- and above, and therefore relatively unlikely to default.
Investment guidance	Statutory guidance issued by MHCLG and the devolved governments on local government investments. Local authorities are required by law to have regard to the relevant investment guidance.
Investment property	Land and buildings that are held purely for rental income and/or capital growth. Investment properties are not owner-occupied and provide no direct service benefit.
Investment strategy	A document required by investment guidance that sets out a local Council's investment plans and parameters for the coming year. Sometimes forms part of the Council's treasury management strategy.
The International Monetary Fund (IMF)	is an intergovernmental organisation which states its aims as to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
Impaired investment	An investment that has had a reduction in value to reflect changes that could impact significantly on the benefits expected from it.
Junior creditor	Creditor that ranks below senior unsecured creditors but above equity investors in the event of a bank insolvency or bail-in, for example, subordinated bonds.
Lease	A contract where one party permits another to make use of an asset in return for a series of payments. It is economically similar to buying the asset and borrowing a loan, and therefore leases are often counted as a type of debt.
Lessee	Party to a lease contract that uses an asset owned by the

	lessor.
Lessor	Party to a lease contract that own an asset but permits another (the lessee) to use it.
Leverage ratio	A measure of financial strength of a financial institution, calculated as tier 1 capital divided by total assets plus lending commitments.
Liability benchmark	Term in CIPFA's Risk Management Toolkit which refers to the minimum amount of borrowing required to keep investments at a minimum liquidity level. Used to compare against the actual and forecast level of borrowing.
LIBID	The London Interbank Bid Rate – it is the interest rate at which major banks in London are willing to borrow (bid for) funds from each other, traditionally 0.125% lower than LIBOR.
LIBOR	London interbank offer rate - the benchmark interest rate at which banks offer to lend cash to other banks. Published every London working day at 11am for various currencies and terms. Due to be phased out by 2022.
Liquidity risk	The risk that cash will not be available to meet financial obligations, for example when investments cannot be recalled and new loans cannot be borrowed.
Loan	Contract where the lender provides a sum of money (the principal) to a borrower, who agrees to repay it in the future together with interest. Loans are not normally tradable on financial markets. There are specific definitions in government investment guidance.
Loan commitment	An arrangement where a lender is committed to lend a loan if the borrower requests it.
Loans CFR	The capital financing requirement less the amount met by other long-term liabilities; i.e. the amount to be met by borrowing.
LOBO	Lender's option borrower's option – a long-term loan where the lender has the option to propose an increase in the interest rate on pre-determined dates. The borrower then has the option to either accept the new rate or repay the loan without penalty. LOBOs increase the borrower's interest rate risk and the loan should therefore attract a lower rate of interest initially.
Local indicators	Prudential indicators or treasury management indicators that are not required by the relevant code of practice but have been designed locally to meet similar purposes.
Local infrastructure rate	Discount on PWLB rates for new loans borrowed, available to local authorities that have been successful in a bidding round.
Long-term	Usually means longer than one year. Long-term rating A credit rating, assessing of the risk of default over the long-term. Where an agency publishes a range of long-term ratings, Arlingclose reports the rating most relevant to wholesale depositors. See also short-term rating.
LVNAV	Low volatility net asset value – the most common type of money market fund introduced in 2019 that can be bought and sold for £1 per share providing that the true net asset value is between 99.8p to 100.2p.
Mark to market	A process by which investments are revalued to market prices, usually with the entity accounting for the capital gain

	or loss as income or expenditure.
Market risk	The risk that movements in market variables will have an unexpected impact. Usually split into interest rate risk, price risk and foreign exchange risk.
Market Loans	Loans from banks available from the London Money Market including LOBOS (Lender Option, Borrowing Option) which enable the Council to take advantage of low fixed interest for a number of years before an agreed variable rate comes into force.
Maturity	(1) The date when an investment or borrowing is scheduled to be repaid. (2) A type of loan where the principal is only repaid on the maturity date.
Maturity profile	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. MHCLG
Minimum Revenue Provision (MRP)	This is the amount which must be set aside from the revenue budget each year to cover future repayment of loans.
MiFID	The second Markets in Financial Instruments Directive - a legislative framework instituted by the European Union to regulate financial markets in the bloc and improve protections for investors.
Money Market Fund (MMF)	A 'pool' of different types of investments managed by a fund manager that invests in lightly liquid short term financial instruments with high credit rating.
Monetary Policy	Measures taken by central banks to boost or slow the economy, usually via changes in interest rates. Monetary easing refers to cuts in interest rates, making it cheaper for households and businesses to borrow and hence spend more, boosting the economy, while monetary tightening refers to the opposite. See also fiscal policy and quantitative easing.
Monetary Policy Committee (MPC)	Committee designated by the Bank of England; whose main role is to regulate interest rates. Responsible for implementing monetary policy in the UK by changing Bank Rate and quantitative easing with the aim of keeping CPI inflation at around 2%.
Money markets	The markets for short-term finance, including deposits and T-bills.
Money Markets Code	Code of practice issued by the Bank of England for the operation of the London money market, which is mostly unregulated by MiFID II.
Municipal bond	Bond issued or guaranteed by local authorities.
Municipal bonds agency (MBA)	Company that issues bonds in the capital market and lends the proceeds back to local authorities. The bonds are guaranteed by the local authorities.
NDA	Non-disclosure agreement. Contract where two organisations agree not to disclose each other's confidential information. Often required at the start of commercial loan negotiations.
Negative Pledge	Covenant where a borrower agrees to not to pledge certain assets as collateral for other loans.
Net asset value (NAV)	The current value of a fund's assets, net of its liabilities, usually expressed as an amount per share or unit.
Net borrowing	Borrowing minus treasury investments.
Net revenue stream	In the Prudential Code, income from general government



	grants, Council Tax and rates.
Normal yield curve	A yield curve where yields increase over time, which is the more common shape. See also inverted yield curve.
Nominal	The face value of a bond or share, often quite different from the market value.
Note	Another term for a bond.
Notice account	A deposit account where the cash can be called back after a given notice period.
Non Specified Investments	Government term for investments not meeting the definition of a specified investment or a loan upon which limits must be set. Since 2018, the term does not apply to treasury investments in England.
Non treasury investment management practices (NTIMPs)	Document required by the Treasury Management Code setting out a local Council's detailed processes and procedures for commercial investments and service investments.
OCF	Ongoing charges figure – amounts charged to collective investment scheme that reduce the return for investors. Includes the AMC plus direct charges such as brokerage.
OEIC	Open-ended investment company, a type of collective investment scheme that is structured as a company, where investors buy shares in the company.
Offer	An offer to sell a security at a certain price (the offer price or ask price), or an offer to lend money at a certain interest rate (the offer rate).
Other long term liabilities	Prudential Code term for credit arrangements.
Operational boundary	A prudential indicator showing the most likely, prudent, estimated level of external debt, but not the worst-case scenario. Regular breaches of the operational boundary should prompt management action.
Operational risk	The risk that fraud, error or system failure leads to an unexpected loss.
Option	A derivative where the holder pays a premium to have the right, but not the obligation, to buy or sell a security or enter into a defined transaction.
PRA	Prudential Regulation Council – the part of the Bank of England that regulates UK banks.
Present value	The value today of a series of future cash flows, calculated using a discount rate.
Premium	(1) The amount that the early repayment cost of a loan is above the principal (for example cost of early repayment of loan to PWLB to compensate for any losses that they may incur), or the price of a bond is above its nominal value. (2) The initial payment made under a derivative.
Price risk	The risk that unexpected changes in market prices lead to an unplanned loss. Managed by diversifying across a range of investments.
Primary market	A financial market where securities are initially issued, and investors buy from issuers or their agents. See also secondary market.
Principal	The amount of money originally lent on a debt instrument.
Private finance initiative	A government scheme where a private company designs, builds, finances and operates assets on behalf of the public sector, in exchange for a series of payments, typically over 30

	years. Counts as a credit arrangement and debt.
Private placement	A loan or bond that is not traded on a financial market.
Professional client	MiFID II term for a client of a regulated firm that has a higher level of experience in financial markets than a retail client, and therefore needs a lower level of protection. Local authorities may “opt up” to be treated as professional clients if they meet certain requirements.
Property fund	A collective investment scheme that mainly invests in property. Due to the costs of buying and selling property, including stamp duty land tax, there is usually a significant fee charged on initial investment, or a significant difference between the bid and offer price.
Prudential borrowing	Another term for unsupported borrowing. Prudential Code Developed by CIPFA and introduced in April 2004 as a professional code of practice to support local Council capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice. Local authorities are required by law to have regard to the Prudential Code.
Prudential indicators	Indicators required by the Prudential Code and determined by the local Council to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable.
PWLB	Public Works Loans Board - a statutory body operating within the DMO that lends money from the National Loans Fund to local authorities and other prescribed bodies and collects the repayments.
Quantitative easing (QE)	Process by which central banks directly increase the quantity of money in the economy in order to promote GDP growth and prevent deflation. Normally achieved by the central bank buying government bonds in exchange for newly created money. Reversing QE by selling back bonds, or allowing them to mature without replacement, is sometimes called quantitative tightening.
Rating watch	A term used by credit rating agencies to indicate that a credit rating is under review, and that a change is likely within three months. The direction of potential change is usually indicated.
Realised gain or loss	Gain or loss that will not be reversed later, e.g. because the instrument has been sold. See also unrealised gain or loss.
Revolving credit facility (RCF)	It is a type of credit that does not have a fixed number of payments but comes with an established maximum amount, for a business and the business can access the funds at any time when needed. Typically used to provide liquidity for a company's day-to-day operations.
Recession	A period of economic slowdown. The technical definition is two consecutive quarters of negative GDP growth.
Specified Investments	Investments that meet the Council's high credit quality criteria and repayable within 12 months.
Security	(1) A financial instrument that can be traded on a secondary market. (2) The concept of low credit risk. (3) Collateral.
Secured investment	An investment that is backed by collateral and is therefore

	normally lower credit risk and lower yielding than an equivalent unsecured investment.
Senior unsecured	Creditors that are not secured, but rank above junior creditors and equity in the event of insolvency or bail-in.
Service investments	Investments made to promote a local Council's public service objectives, for example a loan to a local charity or shares in a local company.
Share	An equity investment, which usually also confers ownership and voting rights.
Share class	A class of shares in a collective investment scheme with a set AMC and minimum investment size.
Short bond fund	A bond fund with a duration of less than one year. Short-term Usually means less than one year.
Short-term rating	A credit rating, reflecting the risk of default within the next 13 months, usually linked directly to the long-term rating.
Soft loan	A loan made at below market interest rates. See also state aid.
SONIA	Sterling overnight interest average – a benchmark interest rate for overnight deposits.
SORP	Statement of Recommended Practice – an old term for the Code of Practice on Local Council Accounting in the United Kingdom.
Specified investments	Term used in government investment guidance for investments that are denominated in sterling, mature in less than a year, are not defined as capital expenditure, and are made with the UK government, another UK local Council or a high credit quality body, as defined by the local Council. Since 2018, the term does not apply to treasury investments in England.
Speculative grade	Investments with a credit rating of BB+ or below, and therefore more vulnerable to default than investment grade securities.
Stamp duty land tax (SDLT)	Tax levied on property transactions at between 0 and 15% of the purchase price. The rate on commercial property valued above £250,000 is 5%.
State aid	Financial assistance provided by the public sector to the private sector, such as grants and soft loans, which has the potential to distort competition and is therefore often, but not always, illegal.
Strategic bond fund	Bond fund with a duration of longer than one year.
Strategic funds	Collective investment schemes that are designed to be held for the long-term, comprising strategic bond funds, diversified income funds, equity funds and property funds.
Subordinated bonds	Bonds that rank below other bonds in the event of an insolvency or bail-in. They are therefore higher risk, but also higher yielding.
Subscription	The process of placing cash in a collective investment scheme and creating units or shares.
Support rating	A credit rating agency's view on the likelihood and ability of parent companies or governments to provide external support to prevent a bank failure leading to losses for investors.
Supported borrowing	Borrowing for which the repayment costs are supported by government grant.
Supranational bonds	Supranational bonds are issued by institutions that represent

	a number of countries, not just one. Thus, organisations that issue such bonds tend to be the World Bank or the European Investment Bank. The issuance of these bonds are for the purpose of promoting economic development
Swap	A derivative where the counterparties exchange cash flows, for example fixed rate interest and variable rate interest. See also interest rate swap.
Swap rate	The fixed rate on an interest rate swap. Commonly used as a measure of risk-free long-term interest rates.
Tap	Process by which additional amounts of an existing bond are issued.
Temporary borrowing	Borrowing with a term of less than one year. Term deposit A deposit that is repayable after a fixed period of time.
TMS	(1) Treasury management strategy. (2) Treasury management system.
Total return	The overall return on an investment, including interest, dividends, rent, fees and capital gains and losses. See also income return.
Transferred debt	Debt contractually held by one local Council but whose costs are borne by another Council, usually following local government reorganisation.
Treasury bills (or T-bills)	Treasury bills (or T-bills) mature in one year or less. Like zero-coupon bonds, they do not pay interest prior to maturity; instead they are sold at a discount of the par value to create a positive yield to maturity. Many regard Treasury bills as the least risky investment available.
Treasury investments	Investments made for treasury management purposes, as opposed to commercial investments and service investments.
Treasury management	The management of an organisation's cash flows, investment and borrowing, with a particular focus on the identification, control and management of risk. Specifically excludes the management of pension fund investments
Treasury management advisor	Regulated firm providing advice on treasury management, capital finance and related issues.
Treasury Management Code (TM Code)	CIPFA's Code of Practice for Treasury Management in the Public Services and Cross-Sectoral Guidance Notes, to which local authorities are required by law to have regard.
Treasury management indicators	Indicators required by the Treasury Management Code to assist in the management of credit risk, interest rate risk, refinancing risk and price risk. Treasury management policy statement Document required by the Treasury Management Code setting out a local Council's definition of and objectives for treasury management.
Treasury management practices (TMPs)	Document required by the Treasury Management Code setting out a local Council's detailed processes and procedures for treasury management.
Treasury Management Strategy Statement	Annual report required by the Treasury Management Code covering the local Council's treasury management plans for the forthcoming year.
Treasury management system	Computer programme for recording investments, borrowing, cash flow forecasts and market data to assist with treasury management operations.

Unrated institution	An institution that does not possess a credit rating from one of the main credit rating agencies.
Unrealised gain or loss	Gain or loss that may be reversed later, e.g. from marking to market. Also called a paper gain or loss. See also realised gain or loss.
Unsupported Borrowing	Borrowing where costs are wholly financed by the Council. Sometimes called prudential borrowing since it was not permitted until the introduction of the Prudential Code in 2004. See also supported borrowing.
Usable reserves	Resources available to finance future revenue and/or capital expenditure. Some usable reserves are ringfenced by law for certain expenditure such as on schools or council housing.
Vanilla	A simple instrument without any additional features such as embedded derivatives.
Volatility	A measure of the variability of a price or index, usually expressed as the annualised standard deviation.
WAL	Weighted average life – the average time to maturity of an investment portfolio, weighted by the size of the investment and normally expressed in days.
WAM	Weighted average maturity – the average time to the next interest rate reset on an investment portfolio, weighted by the size of the investment and normally expressed in days. A portfolio of fixed rate investments will have a WAM identical to its WAL.
Working capital	The cash surplus or deficit arising from the timing differences between income/expenditure in accounting terms and receipts/payments in cash terms.
Yield	A measure of the return on an investment, especially a bond. The yield on a fixed rate bond moves inversely with its price.
Yield curve	A chart of yields or interest rates for similar instruments over a range of maturity dates. See also inverted yield curve and normal yield curve.

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**London Borough of Enfield****Council****24 February 2022**

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**Subject: Retender of External Audit Arrangements - Opting into the National Procurement Arrangements****Cabinet Member: Cllr Mary Maguire****Executive Director: Fay Hammond****Key Decision: Yes**

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**Purpose of Report**

1. This report sets out proposals for appointing the external auditor to the Council for the auditing of the Statement of Accounts and Pension Fund Accounts for the five-year period from 2023/24.

**Proposal**

2. It is proposed that the Council accepts Public Sector Audit Appointments' invitation to opt into the sector-led option for the appointment of external auditors to principal local government for five financial years from 1 April 2023.

**Reason for Proposal(s)**

3. The purpose of this report is to recommend to Council the preferred option for the external audit arrangements. The General Purposes Committee considered the options and recommendation set out in this report regarding the external audit arrangements on 13 January 2022 at the informally held meeting.

**Relevance to the Council's Corporate Plan**

4. Sound finances contribute to all of the objectives in the Corporate Plan; external audit provides assurance regarding the financial arrangement of the Council.

**Background**

5. The current auditor appointment arrangements cover the period up to and including the audit of the 2022/23 accounts. Enfield, along with the majority of the public bodies (498 public bodies, 11 with their own arrangements) opted into the national arrangements for the procurement of external auditors via the PSAA

(Private Sector Audit Appointments) for the period covering the accounts for 2018/19 to 2022/23. Enfield were assigned BDO as auditors for five years from 2018/19 to audit the Statement of Accounts and Pension Accounts.

6. PSAA is now undertaking a procurement for the next appointing period, covering audits for 2023/24 to 2027/28. All local government bodies need to make important decisions about their external audit arrangements from 2023/24.
7. As set out in regulations, all relevant authorities listed in schedule 2 of the Local Audit and Accountability Act 2014 (the Act), are required to comply with Part 3 of the Act in relation to the appointment of local auditors. Section 7 of the Act requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding financial year. For the 2023/24 accounts, a local auditor must be appointed by 31 December 2022. The council has three options.
  - To appoint its own auditor, which requires it to follow the procedure set out in the Act.
  - To act jointly with other authorities to procure an auditor following the procedures in the Act.
  - To opt in to the national auditor appointment scheme administered by a body designated by the Secretary of State as the 'appointing person'. The body currently designated for this role is Public Sector Audit Appointments Limited (PSAA).
8. If the Council wishes to take advantage of the national auditor appointment arrangements, it is required under the local audit regulations to make the decision at Council. The opt-in period closes on 11 March 2022.

#### **The Role of the Appointed Auditor**

9. The auditor appointed at the end of the procurement process will undertake the statutory audit of accounts and Best Value assessment of the council in each financial year, in accordance with all relevant codes of practice and guidance. The appointed auditor is also responsible for investigating questions raised by electors and has powers and responsibilities in relation to Public Interest Reports and statutory recommendations.
10. The auditor must act independently of the council and the main purpose of the procurement legislation is to ensure that the appointed auditor is sufficiently qualified and independent.
11. The auditor must be registered to undertake local audits by the Financial Reporting Council (FRC) employ authorised Key Audit Partners to oversee the work. As the report below sets out there is a currently a shortage of registered firms and Key Audit Partners.



12. Auditors are regulated by the FRC, which will be replaced by a new body with wider powers, the Audit, Reporting and Governance Authority (ARGA) during the course of the next audit contract.
13. Councils therefore have very limited influence over the nature of the audit services they are procuring, the nature and quality of which are determined or overseen by third parties.

**Pressures in the current local audit market and delays in issuing opinions**

14. Much has changed in the local audit market since audit contracts were last awarded in 2017. At that time the audit market was relatively stable, there had been few changes in audit requirements, and local audit fees had been reducing over a long period. 98% of those bodies eligible opted into the national scheme and attracted very competitive bids from audit firms. The resulting audit contracts took effect from 1 April 2018.
15. During 2018 a series of financial crises and failures in the private sector year led to questioning about the role of auditors and the focus and value of their work. Four independent reviews were commissioned by Government: Sir John Kingman's review of the Financial Reporting Council (FRC), the audit regulator; the Competition and Markets Authority review of the audit market; Sir Donald Brydon's review of the quality and effectiveness of audit; and Sir Tony Redmond's review of local authority financial reporting and external audit. The recommendations are now under consideration by Government, with the clear implication that significant reforms will follow. A new audit regulator (ARGA) is to be established, and arrangements for system leadership in local audit are to be introduced.
16. The Kingman review has led to an urgent drive for the FRC to deliver rapid, measurable improvements in audit quality. This has created a major pressure for audit firms to ensure full compliance with regulatory requirements and expectations in every audit they undertake. By the time firms were conducting 2018/19 local audits during 2019, the measures they were putting in place to respond to a more focused regulator were clearly visible. To deliver the necessary improvements in audit quality, firms were requiring their audit teams to undertake additional work to gain deeper levels of assurance. However, additional work requires more time, posing a threat to the firms' ability to complete all their audits by the target date for publication of audited accounts. Delayed opinions are not the only consequence of the FRC's drive to improve audit quality. Additional audit work must also be paid for. As a result, many more fee variation claims have been needed than in prior years.
17. This situation has been accentuated by growing auditor recruitment and retention challenges, the complexity of local government financial statements and increasing levels of technical challenges as bodies explore innovative ways of developing new or enhanced income streams to help fund services for local people. These challenges have increased in subsequent audit years,

with Covid-19 creating further significant pressure for finance and audit teams.

### **Main Considerations for the Council**

18. The external audit timeliness and challenges has been in the spotlight nationally with 14 Councils awaiting 2018-19 sign off of accounts, 62 Councils awaiting 2019-20. Only 8% of 2020/21 accounts signed off on time, albeit over 70% of council (including Enfield) published their accounts on time. The challenges of external audit capacity and skills is well documented in the public sector. The ability of the PSAA to influence or impact on this issue appears to be limited in the audit sector beyond reporting and monitoring the challenge. However, should the Council decide to independently appoint an external auditor the process is onerous. This paper briefs members on the options and concludes with a recommendation for Council to join the national arrangements for external audit procurement from 1 April 2023.
19. As background reading, the PSAA has issued a formal invitation for the Council to join the national scheme including their view on the benefits of joining the national framework. The LGA has written to all Local Authorities in support of the PSAA arrangements (Appendix A) which includes a set of Frequently Asked Questions. An overview of the implications of opting in /out is set out below.
20. The Society of London Treasurers is represented on a PSAA working group. The frustration of late audits and the unsatisfactory contract management of these arrangements are shared widely. However, this is weighed against the benefit of the national procurement arrangements and the view is that the majority of councils will continue to join the PSAA contracting arrangements. Anecdotally there are indications that the audit firms are unlikely to bid outside the PSAA arrangements.
21. Broadly the LGA paper recognises the current challenges in the audit arrangements but continues to believe that the PSAA represents the most expedient route. In addition, the LGA's view is that the perceived benefits of following an independent procurement, such as increased control and timeliness of the external audit, are not realisable.
22. A specific consideration for Enfield is the capacity of the Finance Team to support the additional requirements of the independent procurement process. This would divert focus from the Statement of Accounts production and audit cycle which is a key priority.

### **The national auditor appointment scheme**

23. The PSAA is a not-for-profit organisation whose costs are around 4% of the scheme with any surplus distributed back to scheme members. In summary the national opt-in scheme provides the following:

- the appointment of a suitably qualified audit firm to conduct audits for each of the five financial years commencing 1 April 2023.
- appointing the same auditor to other opted-in bodies that are involved in formal collaboration or joint working initiatives to the extent this is possible with other constraints.
- managing the procurement process to ensure both quality and price criteria are satisfied. PSAA has sought views from the sector to help inform its detailed procurement strategy.
- ensuring suitable independence of the auditors from the bodies they audit and managing any potential conflicts as they arise during the appointment period.
- minimising the scheme management costs and returning any surpluses to scheme members.
- consulting with authorities on auditor appointments, giving the Council/Authority the opportunity to influence which auditor is appointed.
- consulting with authorities on the scale of audit fees and ensuring these reflect scale, complexity, and audit risk; and
- ongoing contract and performance management of the contracts once these have been let.

#### **Opting into the PSAA Arrangements**

24. All bodies who wish to join the scheme must return a Notice of Acceptance Form no later than 11 March 2022.
25. Eligible bodies that have chosen to opt in to the appointing person scheme will have their auditor appointed by PSAA by 31 December 2022, following a consultation about the proposed appointment.
26. The PSAA's procurement process will start in February 2022 on the basis of 80% quality (of which 4% is social value) and 20% price. The intention is to create 7 to 10 contract lots to encourage a wider market engagement (currently the market is dominated by EY and Grant Thornton market share). Quality measures include resourcing, capacity and capability, communication, transition arrangements.
27. If the procurement fails to attract sufficient capacity, there is an option to extend the current contract for a further two years, until 2024/25.

#### **Opting out of the PSAA Arrangements**

28. Should the Council decide not to the PSAA framework, there are two options for appointing an external auditor:
  - undertake an individual auditor procurement and appointment exercise; or
  - undertake a joint audit procurement and appointing exercise with other bodies.

29. An independent audit panel must be set up that is responsible for the appointment of the external auditors. This panel (minimum of three) must consist of a majority of independent members (or wholly of independent members) and must be chaired by an independent member. A guide to auditor panels for local government authorities was issued by CIPFA in 2017. This helpfully specifies a framework including protocols for the recruitment of the independent panel members, defining “independent person” (a primary consideration), the function of the Independent Audit Panel and appointment process. <https://www.cipfa.org/policy-and-guidance/publications/g/guide-to-auditor-panels-pdf>
30. Within the period of 28 days beginning with the day on which the auditor appointment is made, section 8 of the Act requires a body that has not opted in to the national appointing person arrangements to publish a notice that:
  - a. states that it has made the appointment.
  - b. identifies the local auditor that has been appointed.
  - c. specifies the period for which the local auditor has been appointed.
  - d. sets out the advice, or a summary of the advice, of its auditor panel about the selection and appointment of a local auditor; and
  - e. if it has not followed that advice, sets out the reasons why it has not done so.

### **Proposal**

31. Following consideration of the options for the external audit contracting arrangements, it is recommended that the Council accept the invitation to join the national procurement arrangements. The sector-wide procurement conducted by PSAA is expected to produce better outcomes and will be less burdensome for the Council/Authority than a procurement undertaken locally because:
  - collective procurement reduces costs for the sector and for individual authorities compared to a multiplicity of smaller local procurements.
  - if the national appointment arrangements are not accessed, the Council/Authority will need to establish its own auditor panel with an independent chair and independent members to oversee a local auditor procurement and ongoing management of an audit contract.
  - it is the best opportunity to secure the appointment of a qualified, registered auditor - there are only nine accredited local audit firms, and a local procurement would be drawing from the same limited supply of auditor resources as PSAA’s national procurement; and
  - supporting the sector-led body offers the best way of to ensuring there is a continuing and sustainable public audit market into the medium and long term.

### **Safeguarding Implications**

32. None arising directly from this report.

### **Public Health Implications**

33. None arising directly from this report.

### **Equalities Impact of the Proposal**

34. None arising directly from this report.

### **Environmental and Climate Change Considerations**

35. None arising directly from this report.

### **Risks that may arise if the proposed decision and related work is not taken**

36. The principal risks are that the Council/Authority are that the council fails to appoint an auditor in accordance with the requirements and timing specified in local audit legislation.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

37. The principal risks are that the Council/Authority are that the proposed arrangements: do not achieve value for money in the appointment process; or the arrangements fail to drive improvements in the timeliness and capacity in the audit arrangements.
38. The national procurement arrangements competitive tender process measuring price and quality aims to mitigate for these risks.

### **Financial Implications**

39. The external audit fees will need to be funded through the medium-term financial plan. As set out in this report, the audit fees are expected to increase nationally. This additional cost has been recognised by the government with the introduction of a national grant.
40. The PSAA surplus is distributed to Council, this is £3,720 for the Pension Fund and £26,020 for the main audit from the national pot of £5.6m.

### **Legal Implications**

*Prepared by CP based on version of Report circulated on 19<sup>th</sup> December 2021.*

The Local Audit and Accountability Act 2014 ('the Act') established arrangements for the audit and accountability of relevant authorities as listed in Schedule 2 of the Act, including local authorities, clinical commissioning groups and police and crime commissioners in England. PSAA is specified as an appointing person under the Act and regulation 3 of the Local Audit (Appointing Person) Regulations 2015. The statutory regime underpinning the appointment of external auditors by local authorities is detailed within this Report.

The Council should satisfy itself that the auditor appointment process carried out by PSAA is compliant with applicable procurement law, and all relevant contract

documentation should be in a form approved by Legal Services on behalf of the Director of Law and Governance.

### **Workforce Implications**

41. None arising directly from this report.

### **Property Implications**

42. None arising directly from the report.

### **Other Implications**

43. None

### **Options Considered**

44. As set out in the report, there are two options for the procurement of external auditors.

### **Conclusions**

45. The options for external audit is to utilise the national contract through the PSAA or for the council to procure directly. The pros and cons of the various options are considered in this report for comments. The timetable for decision is 13 January 2022 GPC and February 2022 Council, in advance of the 11 March 2022 deadline.

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Report Author: Fay Hammond  
Executive Director, Resources  
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14 February 2022

### **Appendices**

Appendix A – LGA letter to Councils regarding the PSAA

### **Background Papers**

Appendix A

From the Chairman of the Association  
Cllr James Jamieson



**To: Mayors/Leaders/Chief Executives/Chief Finance Officers of English Principal Councils**

23 September 2021

Dear Ian Davis,

**Retender of External Audit Contracts**

I am writing because your council must shortly make a decision whether to opt into the national arrangement for the procurement of external audit or procure external audit for itself, and to set out the LGA's view on that decision.

In most councils this matter will be considered first in detail by the Audit Committee. You will therefore no doubt wish to pass on a copy of this letter and the more detailed attachment to the colleague who chairs the relevant committee.

Legislation requires a resolution of Full Council if a local authority wishes to opt into the national arrangement. The practical deadline for this decision is 11<sup>th</sup> March 2022. As this is a decision for the Full Council, I wanted to ensure that you had sight of the letter that has been sent to audit and finance colleagues and that you are aware of the crucial issues to be considered.

The way external audit has operated over the last couple of years has been extremely disappointing. This has led to many audits being delayed and dozens of audits remain uncompleted from 2019/20. Dealing with these issues is not a quick or easy fix.

Nevertheless, the LGA's view is that the national framework remains the best option for councils. There are many reasons for favouring the national arrangements and we think those reasons have become more compelling since 2016/17 when councils were last asked to make this choice.

We believe that in a suppliers' market it is imperative that councils act together to have the best chance of influencing the market and for nationally coordinated efforts to improve the supply side of the market to be effective.

The information attached goes into more detail about the background to this decision. My officers will be happy to answer any questions you may have. Please contact Alan Finch ([alan.finch@local.gov.uk](mailto:alan.finch@local.gov.uk)) if you have any issues you would like to raise.

Yours sincerely



Cllr James Jamieson  
Chairman

cc: Chief Executive  
Chief Finance Officer

### **RETENDER OF EXTERNAL AUDIT CONTRACTS**

#### **Information from the LGA for those charged with governance**

The process for retendering for external audit in local authorities in England, for contracts due to start from 2023/24, is now underway and shortly the council will need to decide whether to procure its own external auditor or opt into the national procurement framework.

Legislation requires a resolution of Full Council if a local authority wishes to opt into the national arrangement. The deadline for this decision is the 11<sup>th</sup> March 2022. If the council doesn't make such a decision, the legislation assumes that the council will procure its own external audit, with all the extra work and administration that comes with it.

The national framework remains the best option councils can choose. There are many reasons for favouring the national arrangements and we think those reasons have become more compelling since 2016/17 when councils were last asked to make this choice.

The way external audit has operated over the last couple of years has been extremely disappointing. A lack of capacity in the audit market has been exacerbated by increased requirements placed on external auditors by the audit regulator. There is also a limited number of firms in the market and too few qualified auditors employed by those firms. This has led to a situation where many audits have been delayed and dozens of audit opinions remain outstanding from 2019/20 and 2020/21. Auditors have also been asking for additional fees to pay for extra work.

As the client in the contract, a council has little influence over what it is procuring. The nature and scope of the audit is determined by codes of practice and guidance and the regulation of the audit market is undertaken by a third party, currently the Financial Reporting Council. Essentially, councils find themselves operating in what amounts to a suppliers' market and the client's interest is at risk of being ignored unless we act together.



Everyone, even existing suppliers, agrees that the supply side of the market needs to be expanded, which includes encouraging bids from challenger firms. Public Sector Audit Appointments Ltd (PSAA), the body nominated by the Government to run the national arrangements, has suggested various ways this could be done, but these initiatives are much more likely to be successful if a large number of councils sign up to the national scheme.

It is therefore vital that councils coordinate their efforts to ensure that the client voice is heard loud and clear. The best way of doing this across the country is to sign up to the national arrangement.

To summarise, the same arguments apply as at the time of the last procurement:

- A council procuring its own auditor or procuring through a joint arrangement means setting up an Audit Panel with an independent chair to oversee the procurement and running of the contract.
- The procurement process is an administrative burden on council staff already struggling for capacity. Contract management is an ongoing burden.
- Procuring through the appointing person (PSAA) makes it easier for councils to demonstrate independence of process.
- Procuring for yourself provides no obvious benefits:
  - The service being procured is defined by statute and by accounting and auditing codes
  - Possible suppliers are limited to the small pool of registered firms with accredited Key Audit Partners (KAP).
  - Since the last procurement it is now more obvious than ever that we are in a 'suppliers' market' in which the audit firms hold most of the levers.
- PSAA has now built up considerable expertise and has been working hard to address the issue that have arisen with the contracts over the last couple of years:
  - PSAA has the experience of the first national contract. The Government's selection of PSAA as the appointing person for a second cycle reflects MHCLG's confidence in them as an organisation.
  - PSAA has commissioned high quality research to understand the nature of the audit market.
  - It has worked very closely with MHCLG to enable the government to consult on changes to the fees setting arrangements to deal better with variations at national and local level, hopefully resulting in more flexible and appropriate Regulations later this year.

Councils need to consider their options. We have therefore attached a list of Frequently Asked Questions relating to this issue which we hope will be useful to you in reaching this important decision.

When the LGA set up PSAA in 2015, we did so with the interests of the local government sector in mind. We continue to believe that the national arrangement is the best way for councils to influence a particularly difficult market.

If you have any questions on these issues please contact Alan Finch, Principal Adviser (Finance) ([alan.finch@local.gov.uk](mailto:alan.finch@local.gov.uk)).

## **PROCUREMENT OF EXTERNAL AUDIT from financial year 2023/24**

### **FREQUENTLY ASKED QUESTIONS**

“Were prices set too low in the current contract?”

It is clear that firms did submit bids that reflected what seemed at the time to be very stable market conditions. Unfortunately, a series of financial collapses in the private sector have since created a very different climate and resulted in a whole series of new regulatory pressures. It is very likely that firms thought they could make savings as a result of the new timetable, essentially finishing the accounts audits by the end of July each year. Of course, that is not what has happened.

The Government opened up the market principally on the argument that costs would reduce, and views were mixed in the sector when the first contract was being let. Some councils wanted more savings and some were worried about reduced standards.

“Has the current contract helped cause these issues?”

Since the current contract is based around the Code of Audit Practice and the local government accounting code, this is unlikely. The first year of the new contract coincided with the introduction of new standards and with the emergence of some difficult audit issues such as the [McCloud judgement](#) (a legal case which affected the valuation of pension liabilities). The second year was affected by COVID-19. This laid bare the lack of capacity in the supplier side of the market and led to considerable delays. It is hard to see how the contract could have pre-empted this, but now we are clearer about the level of uncertainty in the system, the next contract can adjust for it.

“If we let our own contract, could we have more influence over auditors?”

No. The auditors are required to be independent and are bound by the Codes and need to deliver to them in line with the regulator’s expectations or face action under the regulatory framework.

As far as delays in audits is concerned, auditors are required to allocate resources according to risk and councils that procure for themselves will find themselves in the same queue as those within the national arrangement.

“If we let our own contract, can we get the auditors to prioritise our audit over others?”

Very unlikely. Auditors are running at full capacity and have to deploy resources according to their assessment of audit risks in accordance with professional standards. It is very unlikely that auditors could give preference to some clients rather than others even if they wanted to.

“Didn’t we used to get more from our auditors?”

Yes we did. For example, auditors were often prepared to provide training to audit committees on a pro-bono basis. The fact that they used to be with us for most of the year meant officers could develop professional working relationships with auditors and they understood us better, within the boundaries required of their independent status. Auditors no longer have the capacity to do extra work and the light shone on audit independence in other sectors of the economy has reinforced the rules on the way auditors and councils work together.

“Under the national framework we have had to negotiate our own fee variations. Will that continue to be the case?”

Unfortunately, virtually all councils have had to engage in discussions with auditors about fee variations linked to new regulatory requirements and, of course, the challenges of COVID-19. SAA has worked hard with MHCLG to enable the recent consultation on changes to the fee setting regime, and the resulting regulatory change will bring scope for more issues to be settled at a national level in future.

“Can we band together in joint procurements to get most of the benefits of not going it alone?”

We understand that this is lawful. However, joint procurement partners would not be part of PSAA’s efforts on behalf of the sector to increase the number of firms competing in the market, which will therefore be less likely to succeed.

At best, joint procurement spreads the pain of procuring over a larger number of councils and at worst it introduces a new layer of bureaucracy, because someone is going to have to take the lead and bring all the members of the consortium along. It’s not altogether clear to us why a joint procurement would be better than the national contract, especially as the consortium would then have to manage the contract throughout its life (for example, the implications of changes of audit scope).

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**London Borough of Enfield****Council****24 February 2022**

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**Subject: Designation of Monitoring Officer Role****Cabinet Member: None****Executive Director: Chief Executive****Key Decision: Non-Key**

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**Purpose of Report**

1. The Monitoring Officer is the Council's Director of Law & Governance. The post holder leaves the Council's employment on 28<sup>th</sup> February 2022.
2. The recruitment of a permanent replacement is likely to commence in April 2022. In the intervening period the intention is for an interim Monitoring Officer to be appointed.

**Proposal(s)**

3. To designate Terry Osborne as the Monitoring Officer with effect from 1<sup>st</sup> March 2022 until such time as a permanent appointment is made to the post of Director of Law & Governance and a further report is brought to Council.

**Reason for Proposal(s)**

4. The Monitoring Officer is the Council's Director of Law & Governance. The post holder leaves the Council's employment on 28<sup>th</sup> February 2022.
5. The recruitment of a permanent replacement is likely to commence in April 2022. In the intervening period the intention is to appoint an interim Monitoring Officer.
6. The recommended designation is intended to only cover the period from the departure of the current Monitoring Officer until the recruitment of a permanent successor.

**Main Considerations for the Council**

7. The designation of the function of Monitoring Officer is a decision reserved for Council.

**Safeguarding Implications**

8. None.

**Public Health Implications**

9. None.

**Equalities Impact of the Proposal**

10. None.

**Environmental and Climate Change Considerations**

11. None.

**Risks that may arise if the proposed decision and related work is not taken**

12. The Council would have no designated Monitoring Officer.

**Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

13. None.

**Financial Implications**

14. None.

**Legal Implications**

15. The designation of the function of Monitoring Officer is a decision reserved for Council.

**Workforce Implications**

16. None.

**Property Implications**

17. None.

**Other Implications**

18. None.

**Options Considered**

19. It is a statutory requirement for the Council to appoint a Monitoring Officer.

**Conclusions**

20. The Council appoints Terry Osborne as the Monitoring Officer with effect from 1<sup>st</sup> March 2022 until such time as a permanent appointment is made to the post of Director of Law & Governance and a further report is brought to Council

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**Report Author:**

Jeremy Chambers  
Director of Law & Governance

**Date of report:**

11 February 2022

**Appendices**

None

**Background Papers**

**The following documents have been relied on in the preparation of this report:**

None

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